PUBLIC DISCLOSURE

April 13, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Iuka State Bank
RSSD #233442

205 West Main Street
Salem, Illinois 62881

Federal Reserve Bank of St. Louis

P.O. Box 442
St. Louis, Missouri 63166-0442

NOTE: **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 bank. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this bank 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'S COMMUNITY REINVESTMENT ACT RATING

The Iuka State Bank is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria:

- The loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans and other lending-related activities are originated inside the AA.
- The borrower's profile analysis reveals reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- The geographic distribution of loans reflects a poor dispersion throughout the AA.
- Neither the bank nor this Reserve Bank received any CRA-related complaints since the previous evaluation.

SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council's (FFIEC's) Interagency Examination Procedures for Small Institutions were utilized to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy, and market competition, as well as AA demographic and economic characteristics and credit needs. Lending performance was assessed within the bank's AA.

Lending performance was evaluated using small business and consumer motor vehicle loans, as these loan categories are considered core business lines based on lending volume and the bank's stated business strategy. When analyzing data, small business loans received greater weight than consumer motor vehicle loans due to their greater volume during the evaluation period. The following table includes the corresponding time period for each performance category.

Performance Criterion	Time Period
LTD Ratio	June 30, 2021 – December 31, 2025
AA Concentration	January 1, 2024 – December 31, 2024
Loan Distribution by Borrower's Profile	
Geographic Distribution of Loans	
Response to Written CRA Complaints	June 14, 2021 – April 12, 2026

Lending Test analyses often entail comparisons of bank performance to AA demographics and the performance of other lenders, based on Home Mortgage Disclosure Act (HMDA) and CRA aggregate lending data. Unless otherwise noted, AA demographics are based on 2020 American

Community Survey data, and certain business demographics are based on 2024 Dun & Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an AA. Aggregate lending datasets are updated annually and are, therefore, expected to predict more relevant comparisons. In addition, the lending levels were evaluated in relation to those of comparable financial institutions operating in the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from $121.0 million to $655.6 million as of December 31, 2025.

To augment this evaluation, one community contact interview was conducted with a member of the local community to ascertain specific credit needs, opportunities, and local market conditions within the bank's AA. Information from this interview also assisted in evaluating the bank's responsiveness to identified community credit needs and community development opportunities. Key details from this community contact interview are included in the *Description of Assessment Area* section.

DESCRIPTION OF INSTITUTION

The Iuka State Bank is an intrastate community bank headquartered in Salem, Illinois. Bank characteristics include:

- The bank is a wholly owned subsidiary of Iuka Bancshares Inc. of Salem, Illinois.

- Total assets as of December 31, 2025, are $143.5 million. That represents an increase of 20.2 percent since the last evaluation.

- In addition to its main office and a second location in Salem, the bank has an office in Iuka and an office in Farina.

- The bank operates two ATMs; a full-service ATM at the Salem branch and a cash-dispensing-only ATM at the Farina branch.

The primary business focus is commercial lending and loans to individuals. While the following table indicates that farm lending by dollar volume and percentage of total loans is higher than that of loans to individuals, loans to individuals (such as consumer motor vehicle loans) represent a significant product offering for the bank. Consumer loans not related to residential real estate are typically made in smaller dollar amounts relative to other credit products.

Composition of Loan Portfolio as of December 31, 2025		
Loan Type	**Amount $ (000s)**	**Percentage of Total Loans (%)**
Commercial and Industrial	47,338	40.1
Commercial Real Estate	20,424	17.3
Loans to Individuals	13,660	11.6
Farmland	12,071	10.2
Farm Loans	12,011	10.2
1–4 Family Residential	10,786	9.1
Construction and Development	1,769	1.5
Total Other Loans	15	0.0
TOTAL	**118,074**	**100.0**
Note: Percentages may not total 100.0 percent due to rounding.		

The bank was rated Satisfactory under the CRA at its June 14, 2021 performance evaluation. There are no significant legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

DESCRIPTION OF ASSESSMENT AREA

The bank's South Central Illinois AA consists of the entirety of Fayette and Marion counties, located in a nonMSA portion of the state (see Appendix A for an AA map).

- The delineated AA has not changed since its 2021 examination.
- According to the June 30, 2025 Federal Deposit Market Share report, the bank has a market share of 6.2 percent, which ranks fifth out of 17 FDIC-insured depository institutions operating in the AA.
- According to the U.S. Department of Labor, Bureau of Labor Statistics, the three largest nongovernmental industries in the AA, determined by number of employees, are manufacturing (21.2 percent), health care and social assistance (19.2 percent), and retail trade (13.9 percent).
- One community contact interview was conducted with an individual from a local educational institution's nonprofit organization that specializes in community development and educational programs.

Assessment Area Demographics by Geography Income Level						
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**Unknown-**	**TOTAL**
Census Tracts	0	7	12	0	0	**19**
	0.0%	36.8%	63.2%	0.0%	0.0%	**100%**
Family Population	0	4,527	10,625	0	0	**15,152**
	0.0%	29.9%	70.1%	0.0%	0.0%	**100%**

- The AA is comprised of moderate- and middle-income geographies only. There are no low-income geographies in the AA. As of the bank's previous CRA evaluation, the AA was comprised of 8 moderate-income census tracts and 11 middle-income census tracts; since that time, the income designation of one of the moderate-income census tracts changed to middle-income.

Population Change			
Area	**2015 Population**	**2020 Population**	**Percent Change (%)**
Assessment Area	60,801	59,217	-2.6
NonMSA Illinois	1,713,509	1,635,249	-4.6
Source: 2020 U.S. Census Bureau: Decennial Census *2011–2015 U.S. Census Bureau: American Community Survey*			

- While both the AA and the broader nonMSA Illinois area experienced population declines from 2015 to 2020, the AA population experienced a lower rate of decline than nonMSA Illinois.

Median Family Income Change			
Area	**2015 Median Family Income ($)**	**2020 Median Family Income ($)**	**Percent Change (%)**
Assessment Area	57,359	62,461	8.9
NonMSA Illinois	64,256	67,835	5.6
Source: 2011–2015 U.S. Census Bureau: American Community Survey *2016–2020 U.S. Census Bureau: American Community Survey* *Note: Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.*			

- Between 2015 and 2020, the median family income in the AA increased at a higher rate than nonMSA Illinois. Despite this higher rate of growth, median family income in the AA trails the median family income in the broader nonMSA Illinois area.

Unemployment Rates (%)					
Area	**2021**	**2022**	**2023**	**2024**	**2025 YTD (Jan.–July)**
Assessment Area	5.8	4.8	5.0	5.0	4.4
NonMSA Illinois	5.3	4.4	4.7	4.7	4.1
Source: Bureau of Labor Statistics: Local Area Unemployment Statistics					

- While unemployment rates in the AA and nonMSA Illinois have experienced similar trends during much of the review period, the AA unemployment level has remained slightly higher than that of nonMSA Illinois.

- More recently, unemployment rates decreased slightly in both the AA and nonMSA portions of Illinois in the first half of 2025.

Housing Cost Burden (%)						
Area	**Cost Burden – Renters**			**Cost Burden – Owners**		
	Low-Income	**Moderate-Income**	**All Renters**	**Low-Income**	**Moderate-Income**	**All Owners**
Assessment Area	61.1	14.0	33.5	51.0	15.2	14.9
NonMSA Illinois	66.1	20.5	36.3	53.1	18.6	14.4

Cost burden is housing cost that equals 30 percent or more of household income.
Source: 2018-2022 U.S. Department of Housing and Urban Development (HUD): Comprehensive Housing Affordability Strategy

- A smaller percentage of LMI renters and owners in the AA are cost burdened than in nonMSA Illinois.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank's overall performance under the Lending Test is Satisfactory.

Loan-to-Deposit (LTD) Ratio

This performance criterion evaluates the bank's average LTD ratio to determine the reasonableness of lending in light of performance context, such as the bank's capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AA, and in comparison to similarly situated FDIC-insured institutions. The similarly situated institutions were selected based on location, asset size, and product offerings.

Comparative LTD Ratios (June 30, 2021 – December 31, 2025)			
Institution	Location	Asset Size $ (000s)	LTD Ratio (%) 19-Quarter Average
The Iuka State Bank	Salem, Illinois	143,542	102.4
Similarly Situated Institutions			
Regional Banks	Greenville, Illinois	655,588	49.6
	Salem, Illinois	288,935	59.1
	Sandoval, Illinois	121,037	88.0

As shown in the preceding table, the bank's LTD ratio exceeded that of the regional peers. The bank's quarterly LTD ratio over the review period slightly exceeded the bank's target and displayed a generally increasing trend, with a low of 74.8 percent in the first quarter of 2022 and a high of 116.8 percent in the third quarter of 2025. In comparison, the regional peers displayed generally stable LTD ratios. Therefore, considering this information, as well as the bank's size, financial condition, and AA credit needs, the LTD ratio is reasonable.

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA.

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	# %	$ (000s)	$ %	#	# %	$ (000s)	$ %
Small Business	39	62.9	3,663	48.9	23	37.1	3,833	51.1
Consumer Motor Vehicle	79	66.4	1,711	68.0	40	33.6	807	32.0
TOTAL LOANS	**118**	**65.2**	**5,373**	**53.7**	**63**	**34.8**	**4,640**	**46.3**
Note: Percentages may not total 100.0 percent due to rounding.								

A majority of the bank's total loans, by number and dollar, are originated inside the AA. As shown in the above table, 65.2 percent of the total loans were made inside the AA, accounting for 53.7 percent of the dollar volume of total loans.

Loan Distribution by Borrower's Profile

This performance criterion evaluates lending to borrowers of different income levels and businesses of different revenue sizes. Bank lending has a reasonable distribution among individuals of different income levels and businesses of different sizes.

<u>Small Business Lending</u>

The borrower distribution of small business lending is reasonable. As displayed in the following table, lending to small businesses (59.0 percent) exceeds the aggregate lending levels (49.7 percent) but trails the demographic comparator (87.4 percent).

Distribution of 2024 Small Business Lending by Revenue Size of Businesses
Assessment Area: South Central Illinois

Business Revenue and Loan Size		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	$ (000s)	$ %	$ %	%
Business Revenue	$1 Million or Less	23	59.0	49.7	2,385	65.1	39.8	87.4
	Over $1 Million/ Unknown	16	41.0	50.3	1,278	34.9	60.2	12.6
	TOTAL	**39**	**100.0**	**100.0**	**3,663**	**100.0**	**100.0**	**100.0**
Loan Size	$100,000 or Less	29	74.4	87.6	1,350	36.9	26.8	
	$100,001–$250,000	6	15.4	6.3	922	25.2	17.6	
	$250,001–$1 Million	4	10.3	6.1	1,391	38.0	55.5	
	Over $1 Million	0	0.0	0.0	0	0.0	0.0	
	TOTAL	**39**	**100.0**	**100.0**	**3,663**	**100.0**	**100.0**	
Loan Size — Revenue $1 Million or Less	$100,000 or Less	17	73.9		830	34.8		
	$100,001–$250,000	3	13.0		444	18.6		
	$250,001–$1 Million	3	13.0		1,111	46.6		
	Over $1 Million	0	0.0		0	0.0		
	TOTAL	**23**	**100.0**		**2,385**	**100.0**		

Source: 2024 FFIEC Census Data
2024 Dun & Bradstreet Data
2016–2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

<u>Consumer Motor Vehicle</u>

The borrower distribution of consumer motor vehicle lending is reasonable. Bank lending to low-income borrowers (27.8 percent) is comparable to the percentage of low-income households in the AA (26.8 percent), while lending to moderate-income borrowers (24.1 percent) exceeds the percentage of moderate-income households (17.2 percent).

Distribution of 2024 Consumer Motor Vehicle Lending by Borrower Income Level Assessment Area: South Central Illinois					
Borrower Income Level	**Bank Loans**				**Households by Household Income %**
	#	**# %**	**$ (000s)**	**$ %**	
Low	22	27.8	289	16.9	26.8
Moderate	19	24.1	453	26.5	17.2
Middle	21	26.6	454	26.5	17.2
Upper	17	21.5	514	30.1	38.8
Unknown	0	0.0	0	0.0	0.0
TOTAL	**79**	**100.0**	**1,710**	**100.0**	**100.0**

Source: 2024 FFIEC Census Data
2016–2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Geographic Distribution of Loans

This performance criterion evaluates the distribution of lending within the AA by income level of census tracts, with consideration given to the dispersion of loans throughout the AA. As previously noted, the AA includes no low-income census tracts and seven moderate-income census tracts, constituting 36.8 percent of the AA's census tracts. Given the greater emphasis placed on small business lending, the bank's overall geographic distribution of small business and consumer motor vehicle loans in this AA reflects poor dispersion in the moderate-income census tracts.

Small Business Lending

The geographic distribution of small business lending is poor. The bank's distribution of small business lending in moderate-income census tracts (20.5 percent) trails both the aggregate (36.3 percent) and the demographic figure (49.7 percent).

Distribution of 2024 Small Business Lending by Income Level of Geography Assessment Area: South Central Illinois							
Tract Income Levels	**Count**			**Dollar**			**Total Businesses**
	Bank		**Aggregate**	**Bank**		**Aggregate**	
	#	**%**	**%**	**$ (000s)**	**$ %**	**$ %**	**%**
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	8	20.5	36.3	881	24.1	49.2	49.7
Middle	31	79.5	63.0	2,781	75.9	50.8	50.3
Upper	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.7	0	0.0	0.1	0.0
TOTAL	**39**	**100.0**	**100.0**	**3,662**	**100.0**	**100.0**	**100.0**

Source: 2024 FFIEC Census Data
2024 Dun & Bradstreet Data
2016–2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

<u>Consumer Motor Vehicle</u>

The geographic distribution of consumer motor vehicle lending is reasonable. The bank's distribution of consumer motor vehicle loans in moderate-income census tracts in the AA (26.6 percent) is in line with the demographic figure (32.9 percent).

Distribution of 2024 Consumer Motor Vehicle Lending by Income Level of Geography Assessment Area: South Central Illinois					
Geographic Income Level	**Bank Loans**				**Households %**
	#	**# %**	**$ (000s)**	**$ %**	
Low	0	0.0	0	0.0	0.0
Moderate	21	26.6	481	28.1	32.9
Middle	58	73.4	1,229	71.9	67.1
Upper	0	0.0	0	0.0	0.0
Unknown	0	0.0	0	0.0	0.0
TOTAL	**79**	**100.0**	**1,710**	**100.0**	**100.0**

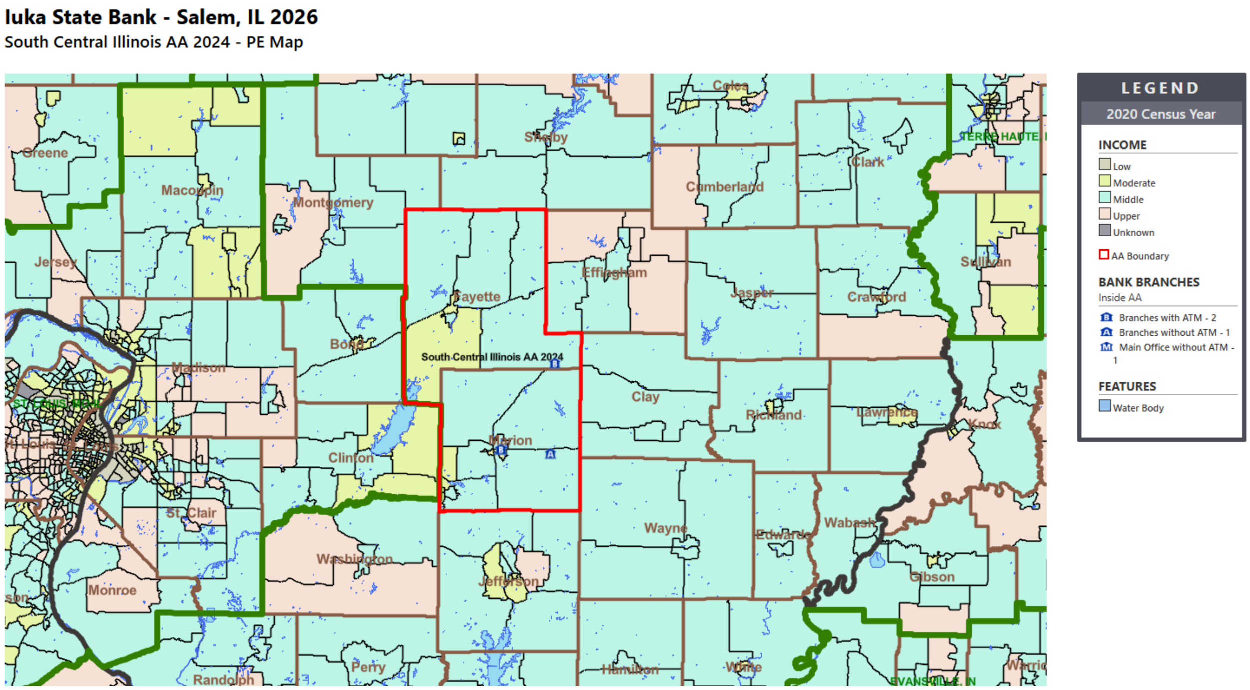
Source: 2024 FFIEC Census Data
2016–2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Based on findings from the Consumer Affairs examination, including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements, conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – MAP OF THE ASSESSMENT AREA

South Central Illinois



APPENDIX B – 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.

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

Census tract: A small subdivision of metropolitan and nonmetropolitan counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely, depending on population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: An activity associated with one of the following five descriptions: (1) affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; (4) activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and geographies.

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.

Demographics: The statistical characteristics of human populations (e.g., age, race, sex, and income) used especially to identify markets.

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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 nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which 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).

Full-scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, 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 who 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 income of applicants; the amount of loan requested; and the disposition of the application (e.g., approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, 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 family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an MSA that has a population of at least 2.5 million may be divided into MDs.

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 percent 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 percent and less than 80 percent in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Nonmetropolitan statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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.

Small businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were $1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of $1 million or less and typically are secured by either nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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.