



## **PUBLIC DISCLOSURE**

**April 7, 2025**

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Pioneer Bank**

**Stanley, Virginia**

**Federal Reserve Bank of Richmond  
Richmond, Virginia**

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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41629

252 E. Main Street

Stanley, VA 22851

**Federal Reserve Bank of Richmond  
P. O. Box 27622  
Richmond, Virginia 23261**

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**TABLE OF CONTENTS**

	Page
Institution Rating	
Institution's CRA Rating .....	1
Summary of Major Factors Supporting Rating.....	1
Institution	
Scope of Examination .....	1
Description of Institution .....	2
Conclusions With Respect to Performance Tests .....	3
Nonmetropolitan Statewide Area (reviewed using full-scope review)	
Description of Institution's Operations in Page County, VA NonMSA Assessment Area .....	5
Conclusions with Respect to Performance Criteria .....	7
Metropolitan Area (reviewed using full-scope review)	
Description of Institution's Operations in Charlottesville, VA Assessment Area.....	14
Conclusions with Respect to Performance Criteria .....	16
Metropolitan Areas (reviewed without using full-scope review)	
Description of Institution's Operations in Harrisonburg, VA MSA Assessment Area .....	24
Conclusions with Respect to Performance Criteria .....	24
Appendices	
CRA Appendix A: Limited Review Tables .....	25
CRA Appendix B: Loan, Branch, and Deposit Volume by Assessment Area .....	31
CRA Appendix C: Glossary.....	32

## **INSTITUTION RATING**

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

The major factors supporting this rating include:

- The bank's loan-to-deposit ratio is considered reasonable in relation to bank capacity and demand for credit within local assessment areas.
- A majority of the institution's residential mortgage and small business loans considered in the evaluation originated within the bank's assessment area.
- Borrower distribution performance (lending to low and moderate-income borrowers) is considered reasonable overall.
- Geographic distribution performance (lending in census tracts having different income levels) is considered excellent overall.
- The institution has not received any complaints regarding its Community Reinvestment Act (CRA) performance since the previous CRA evaluation.

## **SCOPE OF EXAMINATION**

Pioneer Bank (PB) was evaluated using the interagency examination procedures for small banks developed by the Federal Financial Institutions Examination Council (FFIEC). Based on its branch locations and recent origination volume, PB is required to report data regarding its residential mortgage lending activity to comply with the Home Mortgage Disclosure Act (HMDA). Because residential mortgage lending is a primary bank product, PB's HMDA data from 2022 and 2023 was included in this evaluation. Additionally, small business lending was identified as a primary product and was also considered in the evaluation. The analysis includes the entire universe of 115 small business loans originated by the bank during 2023.

Because the bank only recently reported its 2024 HMDA data, the bank's residential mortgage lending from 2024 was not included in this evaluation. Because of changing economic conditions, small business loan data from 2023, rather than 2024, were also reviewed so that all of the loan data considered occurred during the same timeframe and under the same economic conditions.

Based on the FFIEC's evaluation procedures, an overall rating for the Lending Test is assigned to the institution based on its performance within assessment areas evaluated using full-scope procedures. Based upon branch locations, relative market size as determined by loan activity, proportion of bank deposits, and market population, full-scope procedures were applied to the following assessment areas.

- Page County, VA Nonmetropolitan Statistical Area (NonMSA) assessment area
- Charlottesville, VA assessment area

Given its limited loan and deposit activity, the following assessment area was evaluated using the FFIEC's limited review procedures.

- Harrisonburg, VA Metropolitan Statistical Area (MSA) assessment area

Based on these procedures, a determination was made as to whether performance was consistent with the institution's overall rating. Appendix A includes information about the bank's performance in the limited review assessment area.

When assigning the institution's overall rating, performance is weighted primarily according to bank activity as measured by relative lending volume, amount of deposits, and the number of branches. In all cases, conclusions also take into consideration relevant performance context factors. The bank's performance in the Page County, VA NonMSA assessment area is given the most weight, as a majority of the bank's loans and deposits are located within this assessment area. Appendix B includes information about the bank's lending, branches, and deposit volume by assessment area.

## **DESCRIPTION OF INSTITUTION**

PB is headquartered in Stanley, Virginia, and is a wholly owned subsidiary of Pioneer Bankshares. The bank received a Satisfactory rating at its prior CRA evaluation dated August 19<sup>th</sup>, 2019. No known legal impediments exist that would prevent the bank from meeting the credit needs of its assessment areas.

The bank operates six branches and five automated teller machines (ATMs) within the counties of Page, Greene, Rockingham, and Albemarle, and the cities of Harrisonburg and Charlottesville, which are detailed in the following table. The bank serves three assessment areas, two of which are located in MSAs, while the third is located in a nonmetropolitan area.

<b>Assessment Area Name</b>	<b>City/County</b>	<b>State</b>	<b>Census Tracts Included</b>
Page County, VA NonMSA	Page County	VA	All
Charlottesville, VA	City of Charlottesville	VA	All
	Albemarle County, VA	VA	All
	Greene County, VA	VA	All
Harrisonburg, VA MSA	Rockingham County, VA	VA	All
	City of Harrisonburg	VA	All

Since the previous evaluation, the bank closed a branch located in a moderate-income census tract in April 2022 in the Charlottesville, VA assessment area and opened a loan production office (LPO) in a middle-income tract in August 2022 in the Harrisonburg, VA MSA assessment area. However, none of this activity resulted in changes to any of the bank's assessment areas.

As of December 31, 2024, the bank held assets totaling \$344.5 million, of which 75.5% were net loans. As of the same date, deposits totaled \$273.9 million. The institution offers a variety of credit and deposit products, including loans for residential mortgage, business, and consumer purposes. The composition of the loan portfolio as of December 31, 2024, is represented in the table below.

**Composition of Loan Portfolio**

Loan Type	12/31/2024	
	\$(000s)	%
Secured by 1-4 Family dwellings	87,586	33.3
Multifamily	6,015	2.3
Construction and Development	13,611	5.2
Commercial & Industrial/ NonFarm NonResidential	110,491	42.1
Consumer Loans and Credit Cards	30,652	11.7
Agricultural Loans/ Farmland	5,185	2.0
All Other	9,099	3.5
<b>Total</b>	<b>262,639</b>	<b>100.0</b>

As reflected in the preceding table, the bank's existing loan portfolio is primarily concentrated in residential real estate and commercial loans. Because commercial and industrial loans comprise a significant portion of the loan portfolio by dollar volume (small business loans are a subset of commercial and industrial loans), those loans were considered in the evaluation along with the bank's reported residential mortgage loans.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:**

When evaluating the bank's residential mortgage lending, relevant area demographic data from the American Community Survey (ACS) is used to estimate potential demand and lending opportunities. While ACS data is collected and published by the U.S. Census Bureau on an annual basis, the demographic data relied upon in this performance evaluation is based on ACS data that is updated once every five years. As such, when evaluating the bank's performance, relevant area demographic data from the 2020 ACS was used. Additionally, Dun and Bradstreet (D&B) business demographic data from 2023 was also used when evaluating PB's small business lending.

Aggregate loan data is used as a proxy for demand when evaluating the bank's HMDA lending and includes all activity reported by lenders subject to reporting HMDA data within the bank's assessment areas. Similarly, the aggregate small business lending data includes all lenders subject to reporting small business data. Because PB is not required to report small business loan data, its small business loans are not included in the aggregate data.

The geographic and borrower distribution performance of HMDA loans focused on performance for Home Purchase, Home Improvement, Refinancing, and Multi-family loan categories. Performance for the Not Applicable, Other Closed, and Other Line of Credit loan categories was not evaluated because not all HMDA reporters are required to report each loan category, or the category contains relatively few loans overall.

To evaluate the geographic and borrower distribution for a specific loan category within an assessment area, primary emphasis is placed on the number (and corresponding percentage) of loans originated. To arrive at an overall conclusion regarding the distribution of lending, performance in each loan category is then generally weighted by the dollar volume of such loans made in the assessment area.

**Loan-To-Deposit Ratio**

As of December 31, 2024, the institution's loan-to-deposit ratio equaled 95% and averaged 84% for the 22-quarter period ending December 31, 2024. The quarterly average loan-to-deposit ratios for two banks of similar sizes operating in PB's assessment area ranged from 73.9% to 82.5% for the same 22-quarter period ending December 31, 2024. Since September 30<sup>th</sup>, 2019, the bank's assets, loans, and deposits have increased by 56.6%, 43.3%, and 45.6% respectively. PB's loan-to-deposit ratio is considered reasonable given the bank's size, financial condition, market conditions and local credit needs.

## Lending in Assessment Areas

### Comparison of Credit Extended Inside and Outside of Assessment Area(s)

Loan Type	Inside				Outside			
	#	%	\$0	%	#	%	\$0	%
Home Purchase	59	77.6	12,388	71.6	17	22.4	4,911	28.4
Home Improvement	26	92.9	1,844	92.4	2	7.1	151	7.6
Refinancing	41	83.7	7,541	83.6	8	16.3	1,482	16.4
Multi-Family Housing	10	71.4	4,177	55.9	4	28.6	3,295	44.1
Loan Purpose Not Applicable	0	0	0	0	0	0	0	0
Other Purpose Closed/Exempt	3	50	435	39.6	3	50	663	60.4
Other Purpose LOC	0	0	0	0	0	0	0	0
<b>Total HMDA related</b>	<b>139</b>	<b>80.3</b>	<b>26,385</b>	<b>71.5</b>	<b>34</b>	<b>19.7</b>	<b>10,502</b>	<b>28.5</b>
Small Business	90	78.3	14,943	84.8	25	21.7	2,679	15.2
<b>TOTAL LOANS</b>	<b>229</b>	<b>79.5</b>	<b>41,328</b>	<b>75.8</b>	<b>59</b>	<b>20.5</b>	<b>13,181</b>	<b>24.2</b>

*\*The number and dollar amount of loans reflects a sample of collected loans originated during the evaluation period and does not reflect loan data collected or reported by the institution.*

As previously noted, the evaluation includes two years of reported HMDA data and one year of small business loans. After accounting for this difference, a majority of the number and dollar volume of loans considered in the evaluation were extended to residents within the bank's assessment areas. Overall, the institution's level of lending in its assessment areas is considered responsive to community credit needs.

## Lending to Borrowers of Different Incomes and To Businesses of Different Sizes

The bank's borrower distribution performance is considered reasonable overall in each of its full-scope assessment areas. While the bank's borrower distribution performance is reasonable overall, there is some variation in performance by loan type and assessment area. In the Charlottesville, VA assessment area, the bank focuses on commercial and small business lending, and its HMDA borrower distribution performance is not as strong as its small business performance.

## Geographic Distribution of Loans

The bank's geographic distribution performance is considered excellent overall and reflects the bank's performance in the Charlottesville, VA assessment area. PB's geographic distribution performance was not evaluated in the Page County, VA NonMSA assessment area because the entire assessment area is made up of middle-income census tracts.

While overall performance is excellent, geographic distribution performance carries less weight than borrower distribution performance in determining the bank's overall rating given that the geographic distribution performance for the Page County, VA NonMSA cannot be evaluated.

No significant unexplained gaps in lending were noted within the bank's assessment areas.

## FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified. Adequate policies, procedures, and training programs have been developed to support nondiscrimination in lending activities.

**NONMETROPOLITAN AREA**  
*(Reviewed using full-scope review)*

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN PAGE COUNTY, VA NONMSA AA**

The Page County, VA NonMSA assessment area is located in Virginia's northern Shenandoah Valley and includes all census tracts in Page County. The bank operates three full-service branches within the county (one with an ATM).

As of June 30, 2024, PB ranked 2<sup>nd</sup> out of three financial institutions in local deposit market share and held 29.1% of the assessment area's deposits (excluding credit union deposits) according to data compiled by the Federal Deposit Insurance Corporation (FDIC).

**Community Contact**

A community development official from a nonprofit was contacted during the evaluation to discuss the local economic conditions and credit needs of the community. The contact indicated that the area lacks sustainable employment, and demand for affordable housing exceeds the supply for low- and moderate-income people. The individual indicated that local financial institutions are adequately meeting the overall credit needs of the community.

**Demographic Data**

According to 2020 ACS data, the market has a population of 23,709 and a median housing value of \$167,946. The owner-occupancy rate for the market equals 57.4%, which is slightly higher than the rate in nonmetropolitan areas of Virginia at 56.7%, but lower than the rate in the Commonwealth of Virginia and 60%. In the assessment area, 8.1 % of families are considered below the poverty level, which is lower than the percentage for nonmetropolitan areas of Virginia (11.5%), but higher than the poverty rate within the Commonwealth of Virginia (6.8%). The HUD estimated median family incomes for 2022 and 2023 for the nonmetropolitan areas in Virginia equaled \$67,800 and \$73,800, respectively. The following table provides pertinent demographic data for the assessment area based on 2023 ACS data.

2023 Page County, VA NonMSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	908	14.2
Moderate	0	0.0	0	0.0	0	0.0	1,359	21.3
Middle	6	100.0	6,379	100.0	522	8.2	1,555	24.4
Upper	0	0.0	0	0.0	0	0.0	2,557	40.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6	100.0	6,379	100.0	522	8.2	6,379	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	11,783	6,760	100.0	57.4	2,653	22.5	2,370	20.1
Upper	0	0	0.0	0.0	0	0.0	0	0.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	11,783	6,760	100.0	57.4	2,653	22.5	2,370	20.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	1,002	100.0	947	100.0	42	100.0	13	100.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,002	100.0	947	100.0	42	100.0	13	100.0
Percentage of Total Businesses:				94.5		4.2		1.3
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	88	100.0	88	100.0	0	0.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	88	100.0	88	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Employment opportunities in the assessment area are driven by government, retail services, manufacturing, healthcare, and accommodation and food services. Major employers within the assessment area include Page County School Board, Wal-Mart, and Valley Health System. Many area residents also commute to nearby Rockingham County and the City of Harrisonburg for employment opportunities. Annual average unemployment rates dating back to 2019 are presented in the following table.

<b>Page County, VA NonMSA AA – Unemployment Rates</b>					
<b>Area</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Page County	3.8%	7.6%	4.6%	3.3%	3.5%
NonMSA Virginia	3.5%	7%	4.4%	3.3%	3.4%
Virginia	2.8%	6.4%	3.9%	2.8%	2.9%
<i>Source: Bureau of Labor Statistics(BLS), Local Area Unemployment Statistics</i>					

Unemployment rates within the assessment area have significantly declined since the end of the COVID-19 pandemic in 2021. Generally, unemployment rates in the area are comparable to the nonmetropolitan Virginia areas, while slightly higher than the Commonwealth of Virginia.

#### **CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:**

Within the assessment area, the bank originated HMDA loans totaling \$4 million and small business loans totaling \$3.3 million in 2023. Accordingly, the bank's HMDA lending performance is given slightly more weight when evaluating the bank's lending performance.

#### **Lending to Borrowers of Different Incomes and to Businesses of Different Sizes**

PB's borrower distribution performance is reasonable overall. The distribution performance for HMDA lending is reasonable and the distribution performance of small business lending is also reasonable.

#### **HMDA Lending**

The borrower distribution performance of HMDA lending is considered reasonable overall. From a product category perspective, performance for home purchase, refinance, and home improvement were each reasonable.

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Page County, VA NonMSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##%	##%	\$(000)	\$%	\$%	#	##%	##%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	3.4	0	0.0	1.6	0	0.0	2.1	0	0.0	1.1	14.2
Moderate	3	15.0	13.8	162	4.4	10.3	1	12.5	13.3	170	12.1	9.8	21.3
Middle	3	15.0	19.4	145	4.0	17.7	2	25.0	21.5	317	22.5	18.4	24.4
Upper	8	40.0	43.1	1,630	44.7	49.8	4	50.0	38.5	511	36.3	46.7	40.1
Unknown	6	30.0	20.3	1,707	46.8	20.6	1	12.5	24.7	410	29.1	24.1	0.0
Total	20	100.0	100.0	3,644	100.0	100.0	8	100.0	100.0	1,408	100.0	100.0	100.0
Refinance Loans													
Low	2	13.3	8.7	160	6.7	5.3	1	9.1	5.1	40	2.3	2.1	14.2
Moderate	1	6.7	18.8	130	5.4	16.3	2	18.2	20.4	181	10.3	16.5	21.3
Middle	2	13.3	22.7	90	3.8	19.9	0	0.0	27.6	0	0.0	25.3	24.4
Upper	7	46.7	37.6	1,550	64.6	43.9	6	54.5	35.7	1,273	72.3	42.8	40.1
Unknown	3	20.0	12.2	470	19.6	14.6	2	18.2	11.2	266	15.1	13.3	0.0
Total	15	100.0	100.0	2,400	100.0	100.0	11	100.0	100.0	1,760	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	2.2	0	0.0	1.4	2	15.4	2.6	57	8.9	2.0	14.2
Moderate	2	22.2	28.3	235	29.7	16.6	0	0.0	25.6	0	0.0	18.1	21.3
Middle	2	22.2	19.6	255	32.3	21.6	6	46.2	15.4	258	40.2	11.2	24.4
Upper	4	44.4	47.8	235	29.7	59.6	5	38.5	51.3	326	50.9	65.2	40.1
Unknown	1	11.1	2.2	65	8.2	0.8	0	0.0	5.1	0	0.0	3.5	0.0
Total	9	100.0	100.0	790	100.0	100.0	13	100.0	100.0	641	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	2	4.5	4.9	160	2.3	2.7	3	9.1	3.1	97	2.5	1.4	14.2
Moderate	6	13.6	16.2	527	7.7	12.1	3	9.1	15.9	351	8.9	11.2	21.3
Middle	7	15.9	20.4	490	7.2	18.5	9	27.3	22.2	715	18.1	19.2	24.4
Upper	19	43.2	42.2	3,415	50.0	48.5	15	45.5	38.5	2,110	53.4	46.4	40.1
Unknown	10	22.7	16.2	2,242	32.8	18.2	3	9.1	20.3	676	17.1	21.7	0.0
Total	44	100.0	100.0	6,834	100.0	100.0	33	100.0	100.0	3,949	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

### Home Purchase Lending

The bank made no (0%) home purchase loans to low-income borrowers; however, the demographic and aggregate data indicate that there is opportunity to make such loans with 14.2% of area low-income families in the area and 3.4% of the aggregate level of lending for 2022. However, the aggregate level of lending suggests that opportunities to make home purchase loans to low-income borrowers are somewhat limited. The bank's home purchase lending to moderate-income borrowers (15%) lagged the percentage of area moderate-income families (21.3%), it exceeded the level of aggregate lending (13.8%) for 2022. During 2022, PB's performance is reasonable largely because of its performance when lending to moderate-income borrowers. PB's performance in 2023 is similar to its performance in 2022.

### *Refinance Lending*

During 2022, PB's lending to low-income borrowers (13.3%) approximated the percentage of low-income families (14.2%) and exceeded the aggregate level of lending (8.7%) in the assessment area. Bank lending to moderate-income borrowers (6.7%) lagged the percentage of moderate-income families in the assessment area (21.3%) as well as the aggregate level of lending (18.8%). The bank's performance during 2022 is considered reasonable in large part because of its lending to low-income borrowers.

During 2023, PB's lending to low-income borrowers (9.1%) lagged the percentage of area low-income families (14.2%) but exceeded the aggregate level of lending (5.1%). Bank lending to moderate-income borrowers (18.2%) approximated both the percentage of area moderate-income families (21.3%) and the aggregate level of lending (20.4%). The bank's performance during 2023 is reasonable.

While the bank's performance when lending to low- and moderate-income borrowers varied somewhat between 2022 and 2023, the bank's refinance lending borrower distribution performance is reasonable overall.

### *Home Improvement Lending*

During 2022, PB made no (0%) home improvement loans to low-income borrowers; however, the demographic and aggregate data indicate that there is opportunity to make such loans with 14.2% of area low-income families in the area and 2.2% of the aggregate level of lending for 2022. However, the aggregate level of lending suggests that opportunities to make such loans to low-income borrowers are somewhat limited. Bank lending to moderate-income borrowers (22.2%) approximated the percentage of area moderate-income families (21.3%) and lagged the aggregate level of lending (28.3%). During 2022, PB's home improvement performance is reasonable.

During 2023, the bank's lending to low-income borrowers (15.4%) approximated the percentage of low-income families (14.2%) and exceeded the aggregate level of lending (2.6%). However, PB made no home improvement loans (0%) to moderate-income borrowers, and the percentage of moderate-income families (21.3%) and the aggregate lending (25.6%) indicate that substantial opportunities to make such loans to moderate-income borrowers. The bank's performance during 2023 is poor largely because of its lack of lending to moderate-income borrowers.

The bank's home improvement loan performance is considered reasonable overall. During 2022, its performance is considered reasonable, and its performance during 2023 is poor. In arriving at the overall performance conclusion, more weight was placed on the bank's performance during 2022 because of the larger dollar volume of home improvement lending during the year.

### Small Business Lending

The bank's small business lending borrower distribution performance is reasonable.

Distribution of 2023 Small Business Lending By Revenue Size of Businesses							
Assessment Area: Page County, VA NonMSA 23							
	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	
By Revenue							
\$1 Million or Less	10	26.3	59.5	1,681	51.6	41.9	94.5
Over \$1 Million	5	13.2		745	22.9		4.2
Revenue Unknown	23	60.5		831	25.5		1.3
Total	38	100.0		3,257	100.0		100.0
By Loan Size							
\$100,000 or Less	30	78.9	94.0	907	27.8	39.2	
\$100,001 - \$250,000	4	10.5	4.0	700	21.5	22.8	
\$250,001 - \$1 Million	4	10.5	2.0	1,650	50.7	38.0	
Total	38	100.0	100.0	3,257	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less							
\$100,000 or Less	5	50.0		141	8.4		
\$100,001 - \$250,000	3	30.0		540	32.1		
\$250,001 - \$1 Million	2	20.0		1,000	59.5		
Total	10	100.0		1,681	100.0		
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

PB's lending to businesses with annual revenues of \$1 million or less (26.3%) lagged the percentage of area businesses having revenues of \$1 million or less (94.5%) as well as the aggregate lenders' percentage of such lending (59.5%). The remaining percentage of small businesses reported by the aggregate lenders either had revenue exceeding \$1 million per year or revenues were unknown. The percentage of the bank's small business loans extended to businesses with revenues of \$1 million or less was impacted by a large volume of loans for which borrower revenue was unknown (i.e. 60.5% of all loans).

Because smaller dollar loans can demonstrate a willingness to provide credit to small businesses, the distribution of loans for which revenue was not known was also considered by loan size.

Distribution of 2023 Small Business Loans with No Revenue By Loan Size				
Assessment Area: Page County, VA NonMSA				
	Bank			
	#	#%	\$(000)	\$%
By Loan Size				
\$100,000 or Less	22	95.7%	671	80.7%
\$100,001 - \$250,000	1	4.3%	160	19.3%
\$250,001 - \$1 Million	0	0.0%	0	0.0%
<b>Total</b>	<b>23</b>	<b>100.0%</b>	<b>831</b>	<b>100.0%</b>
Note: Percentages may not total 100.0 percent due to rounding.				

Within the assessment area, a substantial majority (95.7%) of small business loans for which borrower revenue was not known had loan amounts of \$100,000 or less, indicating that the bank is helping to serve the needs of small businesses within the area.

When considering the distribution of loans to businesses with revenues of \$1 million or less along with the distribution by loan size for loans for which revenue was not known, the bank's small business loan borrower distribution performance is considered reasonable.

### **Geographic Distribution of Loans**

The bank's assessment area consists entirely of middle-income geographies. Therefore, an analysis of lending distribution by geography was not performed, as such an analysis would not be meaningful.

No significant unexplained gaps in lending were noted within the bank's assessment area.

HMDA Lending

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Page County, VA NonMSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##%	##%	\$(000)	\$%	\$%	#	##%	##%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	20	100.0	100.0	3,644	100.0	100.0	8	100.0	100.0	1,408	100.0	100.0	100.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	20	100.0	100.0	3,644	100.0	100.0	8	100.0	100.0	1,408	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	15	100.0	100.0	2,400	100.0	100.0	11	100.0	100.0	1,760	100.0	100.0	100.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	15	100.0	100.0	2,400	100.0	100.0	11	100.0	100.0	1,760	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	9	100.0	100.0	790	100.0	100.0	13	100.0	100.0	641	100.0	100.0	100.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	9	100.0	100.0	790	100.0	100.0	13	100.0	100.0	641	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	7	100.0	100.0	2,195	100.0	100.0	2	100.0	0.0	70	100.0	0.0	100.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	7	100.0	100.0	2,195	100.0	100.0	2	100.0	0.0	70	100.0	0.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	51	100.0	100.0	9,029	100.0	100.0	35	100.0	100.0	4,019	100.0	100.0	100.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	51	100.0	100.0	9,029	100.0	100.0	35	100.0	100.0	4,019	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

Small Business Lending

Distribution of 2023 Small Business Lending By Income Level of Geography							
Assessment Area: Page County, VA NonMSA 23							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0.0
Middle	38	100.0	100.0	3,257	100.0	100.0	100.0
Upper	0	0.0	0.0	0	0.0	0.0	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	38	100.0	100.0	3,257	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

**METROPOLITAN AREAS**  
*(Reviewed using full-scope review)*

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN CHARLOTTESVILLE, VA  
ASSESSMENT AREA**

The Charlottesville, VA assessment area is located in central Virginia and includes the City of Charlottesville and Albemarle and Greene counties, which are part of the larger Charlottesville, VA MSA. The bank operates two full-service branches within the assessment area (one with an ATM), both of which are located in moderate-income census tracts. As mentioned previously, PB closed a branch located in a moderate-income census tract in April 2022 in this assessment area, which did not affect the delineation of the assessment area.

As of June 30<sup>th</sup>, 2024, PB ranked 13<sup>th</sup> out of 16 financial institutions in local deposit market share and held 0.8% of the assessment areas deposits (excluding credit union deposits) according to data compiled by the FDIC.

**Community Contact**

An economic development official was contacted during the evaluation to discuss local economic conditions and credit needs. The contact stated that there are numerous economic development opportunities within the local area. One program mentioned was the City of Charlottesville's Downtown Job Center's BankOn program that promotes banking services and financial education among the underbanked and unbanked. The contact also mentioned that area Community Development Financial Institutions often provide financing to area start-up and small businesses that banks are unable or unwilling to provide. The individual, nonetheless, indicated that local financial institutions are adequately meeting the overall credit needs of the community.

**Demographic Data**

According to 2020 ACS data, the area has a population of 179,500 and a median housing value of \$339,659. The owner-occupancy rate for the market equals 54.7%, which is lower than the rates in the entire Charlottesville, VA MSA and in the Commonwealth of Virginia at 56.2% and 60%, respectively. In the assessment area, 5.4% of families are considered below poverty level, equaling the percentage for the entire MSA (5.4%) but less than the Commonwealth (6.8%). The HUD estimated median incomes for the Charlottesville MSA for 2022 and 2023 equaled \$111,200 and \$123,300, respectively. The table provides pertinent demographic data for the assessment area based in 2023.

2023 Charlottesville, VA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	4.4	816	2.0	239	29.3	8,002	19.6
Moderate	10	22.2	7,409	18.1	813	11.0	6,837	16.7
Middle	18	40.0	17,178	42.1	823	4.8	8,465	20.7
Upper	15	33.3	15,441	37.8	348	2.3	17,540	42.9
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
T total AA	45	100.0	40,844	100.0	2,223	5.4	40,844	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	3,288	286	0.7	8.7	2,533	77.0	469	14.3
Moderate	15,286	6,672	16.2	43.6	7,033	46.0	1,581	10.3
Middle	30,342	17,364	42.1	57.2	10,347	34.1	2,631	8.7
Upper	26,439	16,914	41.0	64.0	7,537	28.5	1,988	7.5
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
T total AA	75,355	41,236	100.0	54.7	27,450	36.4	6,669	8.9
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	246	2.5	220	2.4	24	3.5	2	2.4
Moderate	1,578	15.9	1,436	15.7	130	18.7	12	14.5
Middle	3,984	40.0	3,672	40.0	277	39.9	35	42.2
Upper	4,143	41.6	3,845	41.9	264	38.0	34	41.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
T total AA	9,951	100.0	9,173	100.0	695	100.0	83	100.0
Percentage of Total Businesses:				92.2		7.0		0.8
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2	0.8	2	0.8	0	0.0	0	0.0
Moderate	32	12.8	32	13.0	0	0.0	0	0.0
Middle	94	37.6	92	37.2	1	50.0	1	100.0
Upper	122	48.8	121	49.0	1	50.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
T total AA	250	100.0	247	100.0	2	100.0	1	100.0
Percentage of Total Farms:				98.8		0.8		0.4
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey								
Note: Percentages may not total 100.0 percent due to rounding.								

Employment opportunities in the assessment area are afforded primarily by the University of Virginia, medical institutions, and government. Major employers for Albemarle County include University of Virginia/Blue Ridge Hospital, County of Albemarle, Sentara Healthcare, and the United States department of Defense. Greene County major employers include Greene County School Board Wal-Mart and the County of Greene. Major employers in the City of Charlottesville include the University of Virginia Medical Center, the City of Charlottesville, and UVA Health Services.

<b>Charlottesville VA Assessment Area – Unemployment Rates</b>					
<b>Area</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Charlottesville, VA Assessment Area	2.4%	5.8%	3.3%	2.5%	2.6%
Albemarle County, VA	2.4%	5.5%	3.2%	2.6%	2.6%
Greene County, VA	2.3%	5.4%	3%	2.3%	2.5%
Charlottesville City, VA	2.3%	6.7%	3.6%	2.5%	2.4%
Charlottesville, VA MSA	2.4%	5.8%	3.3%	2.5%	2.6%
Virginia	2.8%	6.4%	3.9%	2.8%	2.9%
<i>Source: Bureau of Labor Statistics(BLS), Local Area Unemployment Statistics</i>					

Unemployment rates within the assessment area have significantly declined since the end of the COVID-19 pandemic. Generally, area unemployment rates are comparable to the Charlottesville, VA MSA and slightly lower than the Commonwealth of Virginia.

#### **CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:**

Within the assessment area, PB originated HMDA loans totaling \$3.4 million and small business loans totaling \$9.8 million during 2023. Accordingly, the bank’s small business lending performance is given the most weight when evaluating the bank’s overall lending performance, which is considered reasonable overall.

#### **Lending to Borrowers of Different Incomes and to Businesses of Different Sizes**

PB’s borrower distribution performance is reasonable overall. The distribution performance for HMDA lending is poor, while the distribution performance of small business lending is reasonable. In reaching the overall conclusion more weight was placed on the small business loan performance given the larger dollar volume evaluated during the review period.

#### **HMDA lending**

The borrower distribution performance of HMDA lending is considered poor overall. From a loan category perspective, the performance of the bank’s home purchase and home improvement lending are very poor, while refinance lending is excellent.

Within this assessment area, 13 of the 29 residential mortgage loans reported by the bank during 2022 and 2023 cannot be evaluated for borrower distribution performance because the borrowers’ incomes are “not known” because the loans were for business purposes.

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Charlottesville, VA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##	##	\$(000)	\$%	\$%	#	##	##	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	6.5	0	0.0	2.5	0	0.0	5.3	0	0.0	2.4	19.6
Moderate	1	11.1	15.9	280	14.5	8.7	0	0.0	13.9	0	0.0	8.8	16.7
Middle	2	22.2	19.3	502	26.0	13.4	1	16.7	21.5	350	17.7	17.6	20.7
Upper	3	33.3	40.5	618	32.0	43.5	1	16.7	37.2	200	10.1	46.3	42.9
Unknown	3	33.3	17.8	531	27.5	31.9	4	66.7	22.1	1,423	72.1	24.9	0.0
Total	9	100.0	100.0	1,931	100.0	100.0	6	100.0	100.0	1,973	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	13.7	0	0.0	7.2	5	71.4	15.9	837	58.6	8.0	19.6
Moderate	0	0.0	18.6	0	0.0	13.3	0	0.0	19.5	0	0.0	12.2	16.7
Middle	0	0.0	20.4	0	0.0	17.2	0	0.0	20.8	0	0.0	16.4	20.7
Upper	1	33.3	33.4	97	14.1	44.7	0	0.0	29.2	0	0.0	37.2	42.9
Unknown	2	66.7	14.0	590	85.9	17.6	2	28.6	14.6	592	41.4	26.2	0.0
Total	3	100.0	100.0	687	100.0	100.0	7	100.0	100.0	1,429	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	6.0	0	0.0	3.3	0	0.0	8.7	0	0.0	6.0	19.6
Moderate	0	0.0	16.5	0	0.0	11.4	1	100.0	17.5	15	100.0	10.4	16.7
Middle	0	0.0	24.1	0	0.0	19.0	0	0.0	29.4	0	0.0	22.6	20.7
Upper	1	50.0	50.0	250	68.9	59.6	0	0.0	42.1	0	0.0	58.2	42.9
Unknown	1	50.0	3.3	113	31.1	6.7	0	0.0	2.4	0	0.0	2.7	0.0
Total	2	100.0	100.0	363	100.0	100.0	1	100.0	100.0	15	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	0	0.0	8.4	0	0.0	3.5	5	35.7	7.7	837	24.5	3.2	19.6
Moderate	1	6.7	16.5	280	8.7	9.7	1	7.1	15.2	15	0.4	9.2	16.7
Middle	2	13.3	20.1	502	15.6	14.3	1	7.1	22.3	350	10.2	17.4	20.7
Upper	5	33.3	39.7	965	29.9	44.9	1	7.1	37.1	200	5.9	46.5	42.9
Unknown	7	46.7	15.2	1,479	45.8	27.7	6	42.9	17.8	2,015	59.0	23.8	0.0
Total	15	100.0	100.0	3,226	100.0	100.0	14	100.0	100.0	3,417	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

### Home Purchase Lending

During 2022, PB did not extend any home purchase loans to low-income borrowers (0%); however, opportunities for such lending exists with 19.6% of area families being low-income and 6.5% of the aggregate lending being to low-income borrowers. PB's home purchase loans to moderate-income borrowers (11.1%) lagged both the percentage of area moderate-income families (16.7%) and the aggregate level of lending (15.9%). During 2022, PB's borrower distribution performance is poor overall and largely reflects the bank's lack of lending to low-income borrowers.

During 2023, the bank did not originate any loans to low- or moderate-income borrowers. With 19.6% and 16.7% of area families having low- and moderate-incomes, respectively, and 5.3% and 13.9% of the aggregate lending being to low- and moderate-income borrowers, there is demand and opportunity for lending to such borrowers in the assessment area. PB's borrower distribution performance is very poor, as the bank did not extend any home purchase loans to low- or moderate-income borrowers during 2023.

The bank's home purchase loan performance is considered very poor overall. In reaching the overall conclusion, each year's performance was weighted similarly given comparable dollar volumes of lending. The overall conclusion reflects the low volume of lending (e.g. one loan) to low- and moderate-income borrowers over the two-year period.

#### *Refinance Lending*

PB's refinance performance during 2022 is very poor, as the bank did not extend any refinance loans to low- or moderate-income borrowers. As noted in the home purchase discussion, area demographic and aggregate data both indicate that opportunities to make refinance loans to area low- and moderate-income borrowers exist.

During 2023, The percentage of bank refinance loans to low-income borrowers (71.4%) substantially exceeded the percentage of area low-income families (19.6%) as well as the aggregate level of lending (15.9%). PB's lack of refinance loans to moderate-income borrowers (0.0%) lagged the percentage of area moderate-income families (16.7%) and the aggregate level of lending (19.5%) during 2023. PB's performance is excellent overall based on its performance when lending to low-income borrowers.

The bank's overall refinance borrower distribution performance is excellent since half (five) of all refinance loans (ten) were extended to low-income borrowers during the 2022 – 2023 time period.

#### *Home Improvement Lending*

PB's home improvement performance during 2022 is very poor, as the bank did not extend any refinance loans to low- or moderate-income borrowers. As noted in the home purchase discussion, area demographic and aggregate data both indicate that opportunities to make home improvement loans to area low- and moderate-income borrowers exist.

During 2023, the bank reported one home improvement loan, and it was to a moderate-income borrower. With 100% of its home improvement lending to a moderate-income borrower during 2023, the bank's performance is excellent.

The bank's home improvement loan performance is considered very poor overall. Performance during 2022, which is very poor, was given substantially greater weight than the performance during 2023, which is excellent, because of the significantly larger dollar volume of lending during 2022.

Small Business Lending

The bank's small business lending performance is reasonable.

Distribution of 2023 Small Business Lending By Revenue Size of Businesses							
Assessment Area: Charlottesville, VA							
	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
By Revenue							
\$1 Million or Less	23	52.3	57.9	4,003	40.8	35.3	92.2
Over \$1 Million	14	31.8		3,911	39.8		7.0
Revenue Unknown	7	15.9		1,901	19.4		0.8
Total	44	100.0		9,815	100.0		100.0
By Loan Size							
\$100,000 or Less	23	52.3	95.0	1,058	10.8	45.2	
\$100,001 - \$250,000	9	20.5	2.8	1,508	15.4	15.8	
\$250,001 - \$1 Million	12	27.3	2.2	7,249	73.9	39.0	
Total	44	100.0	100.0	9,815	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less							
\$100,000 or Less	15	65.2		666	16.6		
\$100,001 - \$250,000	3	13.0		427	10.7		
\$250,001 - \$1 Million	5	21.7		2,910	72.7		
Total	23	100.0		4,003	100.0		
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

PB's lending to businesses with annual revenues of \$1 million or less (52.3%) lagged the percentage of area businesses having revenues of \$1 million or less (92.2%) but was comparable to the aggregate lenders' percentage of such lending (57.9%). The remaining percentage of small businesses reported by the aggregate lenders either had revenue exceeding \$1 million per year or revenues were unknown. The percentage of the bank's small business loans extended to businesses with revenues of \$1 million or less was impacted by the volume of loans for which borrower revenue was unknown (i.e., 15.9% of all loans).

Because smaller dollar loans can demonstrate a willingness to provide credit to small businesses, the distribution of loans for which revenue was not known was also considered by loan size.

<b>Distribution of 2023 Small Business Loans with No Revenue By Loan Size</b>				
<b>Assessment Area: Charlottesville, VA NonMSA</b>				
	<b>Bank</b>			
	<b>#</b>	<b>#%</b>	<b>\$(000)</b>	<b>\$%</b>
<b>By Loan Size</b>				
<b>\$100,000 or Less</b>	4	57.1%	221	11.6%
<b>\$100,001 - \$250,000</b>	1	14.3%	180	9.5%
<b>\$250,001 - \$1 Million</b>	2	28.6%	1,500	78.9%
<b>Total</b>	7	100.0%	1,901	100.0%
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>				

Within the assessment area, a majority (57.1%) of small business loans for which borrower revenue was not known had loan amounts of \$100,000 or less, indicating that the bank is helping to serve the needs of small businesses within the area.

When considering the distribution of loans to businesses with revenues of \$1 million or less along with the distribution by loan size for loans for which revenue was not known, the bank's small business loan borrower distribution performance is considered reasonable.

### **Geographic Distribution of Loans**

The bank's geographic distribution performance is excellent for both HMDA and small business lending overall.

No significant unexplained gaps in lending were noted within the bank's assessment area.

### **HMDA Lending**

The performance distribution of HMDA lending is considered excellent overall. Home purchase and refinance lending are considered excellent, while the performance for home improvement lending is considered poor. In reaching the overall conclusion, more weight was placed on the home purchase and refinance performance than the home improvement performance given the larger dollar volume of home purchase and refinance lending within the assessment area during 2022 and 2023.

Given the relatively small number of multifamily housing loans originated and reported by the bank during 2022 and 2023, performance of the bank's multifamily housing loans was not evaluated or considered in this assessment area.

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Charlottesville, VA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	1.2	0	0.0	0.8	0	0.0	1.1	0	0.0	0.8	0.7
Moderate	3	33.3	14.1	782	40.5	8.4	2	33.3	14.0	550	27.9	9.4	16.2
Middle	4	44.4	39.3	685	35.5	47.0	2	33.3	40.8	663	33.6	41.7	42.1
Upper	2	22.2	45.3	464	24.0	43.8	2	33.3	44.1	760	38.5	48.1	41.0
Total	9	100.0	100.0	1,931	100.0	100.0	6	100.0	100.0	1,973	100.0	100.0	100.0
Refinance Loans													
Low	1	33.3	0.9	440	64.0	0.7	1	14.3	0.6	464	32.5	0.6	0.7
Moderate	1	33.3	16.5	97	14.1	11.4	2	28.6	18.2	198	13.9	13.4	16.2
Middle	1	33.3	40.5	150	21.8	33.4	1	14.3	41.2	118	8.3	31.3	42.1
Upper	0	0.0	42.1	0	0.0	54.4	3	42.9	39.9	649	45.4	54.7	41.0
Total	3	100.0	100.0	687	100.0	100.0	7	100.0	100.0	1,429	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.7	0	0.0	1.3	0	0.0	0.5	0	0.0	0.6	0.7
Moderate	0	0.0	12.3	0	0.0	10.0	1	100.0	12.7	15	100.0	6.5	16.2
Middle	2	100.0	40.4	363	100.0	40.5	0	0.0	42.3	0	0.0	37.5	42.1
Upper	0	0.0	46.7	0	0.0	48.2	0	0.0	44.4	0	0.0	55.4	41.0
Total	2	100.0	100.0	363	100.0	100.0	1	100.0	100.0	15	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	14.3	0	0.0	4.0	0	0.0	0.0	0	0.0	0.0	13.1
Moderate	1	100.0	28.6	1,912	100.0	54.9	0	0.0	22.2	0	0.0	19.5	31.7
Middle	0	0.0	38.1	0	0.0	29.1	0	0.0	44.4	0	0.0	59.5	32.1
Upper	0	0.0	19.0	0	0.0	12.0	0	0.0	33.3	0	0.0	21.0	23.1
Total	1	100.0	100.0	1,912	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	1	6.3	1.0	440	8.6	0.8	1	7.1	0.9	464	13.6	0.7	0.7
Moderate	6	37.5	14.7	3,036	59.1	10.9	5	35.7	14.3	763	22.3	10.0	16.2
Middle	7	43.8	39.7	1,198	23.3	43.2	3	21.4	40.9	781	22.9	40.8	42.1
Upper	2	12.5	44.5	464	9.0	45.0	5	35.7	43.9	1,409	41.2	48.4	41.0
Total	16	100.0	100.0	5,138	100.0	100.0	14	100.0	100.0	3,417	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

### Home Purchase Lending

Although the bank originated no (0%) home purchase loans in low-income census tracts during 2022, only .7% of area owner-occupied properties are located in the assessment area's two low-income tracts. Similarly, the aggregate data indicates that there is little loan demand for home purchase loans in the low-income census tracts with only 1.2% of all aggregate home purchase loans being in the low-income census tracts. However, bank lending in the moderate-income census tracts (33.3%) significantly exceeded the percentage of owner-occupied housing units (16.2%) and the aggregate lending level (14.1%). The bank's home purchase loan performance is considered excellent during 2022, and its performance in 2023 is similar.

*Refinance Lending*

The bank's level of refinance lending in low-income tracts (33.3%) substantially exceeded the percentage of owner-occupied housing units located in such moderate-income tracts (.7%) and the aggregate reporter's level of lending (.9%) in such tracts. Similarly, PB's level of refinance lending in moderate-income tracts (33.3%) substantially exceeded the percentage of owner-occupied housing units located in moderate-income tracts (16.2%) and the aggregate reporter's level of lending (16.5%) in such tracts. The bank's performance during 2022 is excellent, and its performance during 2023 is substantially similar.

*Home Improvement Lending*

During 2022, none of the bank's two home improvement loans were in low- or moderate-income census tracts; however, the demographic and aggregate data indicate that lending opportunities exist within the area low- and moderate-income census tracts. Given its lack of lending in low- and moderate-income census tracts, the bank's home improvement lending performance is very poor.

During 2023, the bank reported one home improvement loan, and it was in a moderate-income census tract. With 100% of its home improvement lending in a moderate-income census tract during 2023, the bank's performance is excellent.

The bank's home improvement loan performance is considered poor overall. Performance during 2022, which is very poor, was given more weight than the performance during 2023, which is excellent, because of the significantly larger dollar volume of lending during 2022.

Small Business Lending

The bank's small business lending performance is considered excellent.

Distribution of 2023 Small Business Lending By Income Level of Geography Assessment Area: Charlottesville, VA							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Low	0	0.0	2.0	0	0.0	1.3	2.5
Moderate	8	18.2	13.2	960	9.8	16.0	15.9
Middle	23	52.3	40.4	5,911	60.2	45.1	40.0
Upper	13	29.5	44.1	2,944	30.0	37.5	41.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.3	0	0.0	0.1	
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	<b>9,815</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

During 2023, demographic and aggregate data indicate that opportunities to lend in low-income census tracts are limited with only 2.5% of area businesses and 2% of aggregate reported loans being in the assessment area's two low-income census tracts. Consequently, the bank's lack of small business lending in low-income census tracts is not considered a critical deficiency. PB's small business lending in moderate-income tracts (18.2%) exceeded the percentage of area businesses located in moderate-income census tracts (15.9%) and significantly exceeded the percentage of small business loans reported by the aggregate lenders in moderate-income tracts (13.2%). PB's geographic distribution of small business lending is considered excellent.

**METROPOLITAN AREAS**  
*(Reviewed using limited-scope review)*

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN HARRISONBURG, VA MSA**

An assessment area noted in the table below was reviewed using the limited review examination procedures. Information about the area is included in Appendix A of this evaluation.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA**

Facts and data reviewed, including performance information, are included in Appendix A. A conclusion regarding performance, which did not impact the institution's overall rating, is included in the following table. The conclusion conveys whether performance in an assessment area was generally below, consistent with, or exceeded the institution's rating of Satisfactory.

Assessment Area	Lending Test
Harrisonburg, VA MSA	Below

**CRA APPENDIX A  
LIMITED REVIEW TABLES**

**Harrisonburg, VA MSA**

The bank takes the entirety of the Harrisonburg, VA MSA which includes the City of Harrisonburg and Rockingham County. The assessment area has a population of 135,571. PB operates one branch with an ATM located in a moderate-income census tract within the assessment area and a loan production office located in a middle-income tract within the assessment area. The following table provides demographic data for the assessment area.

2023 Harrisonburg, VA MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	5,798	18.6
Moderate	5	15.2	4,515	14.5	780	17.3	5,825	18.7
Middle	24	72.7	23,481	75.5	1,432	6.1	7,042	22.6
Upper	4	12.1	3,122	10.0	47	1.5	12,453	40.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	33	100.0	31,118	100.0	2,259	7.3	31,118	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	9,301	3,320	11.0	35.7	5,052	54.3	929	10.0
Middle	39,787	23,404	77.8	58.8	11,518	28.9	4,865	12.2
Upper	5,012	3,355	11.2	66.9	1,408	28.1	249	5.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	54,100	30,079	100.0	55.6	17,978	33.2	6,043	11.2
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	942	17.5	860	17.3	75	20.4	7	14.9
Middle	3,863	71.7	3,586	72.1	241	65.5	36	76.6
Upper	584	10.8	528	10.6	52	14.1	4	8.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	5,389	100.0	4,974	100.0	368	100.0	47	100.0
Percentage of Total Businesses:				92.3		6.8		0.9
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	15	3.0	14	2.8	1	20.0	0	0.0
Middle	448	88.7	444	88.8	4	80.0	0	0.0
Upper	42	8.3	42	8.4	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	505	100.0	500	100.0	5	100.0	0	0.0
Percentage of Total Farms:				99.0		1.0		0.0

Source: 2023 FFIEC Census Data

2023 Dun & Bradstreet Data

2016-2020 U.S. Census Bureau: American Community Survey

Note: Percentages may not total 100.0 percent due to rounding.

## PERFORMANCE TEST DATA

### Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level Assessment Area: Harrisonburg, VA MSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	1	8.3	4.4	140	6.1	2.6	0	0.0	4.9	0	0.0	2.8	18.6
Moderate	3	25.0	19.8	583	25.3	15.4	0	0.0	19.0	0	0.0	14.3	18.7
Middle	2	16.7	20.6	356	15.4	19.1	3	75.0	24.5	720	64.0	23.8	22.6
Upper	2	16.7	35.4	463	20.1	43.3	0	0.0	26.2	0	0.0	33.9	40.0
Unknown	4	33.3	19.8	765	33.2	19.6	1	25.0	25.4	405	36.0	25.3	0.0
Total	12	100.0	100.0	2,307	100.0	100.0	4	100.0	100.0	1,125	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	9.1	0	0.0	5.2	0	0.0	14.6	0	0.0	7.2	18.6
Moderate	0	0.0	21.6	0	0.0	16.6	0	0.0	26.9	0	0.0	20.1	18.7
Middle	2	66.7	25.0	353	48.4	23.0	0	0.0	20.7	0	0.0	18.4	22.6
Upper	1	33.3	32.0	377	51.6	38.8	0	0.0	19.3	0	0.0	23.7	40.0
Unknown	0	0.0	12.3	0	0.0	16.5	2	100.0	18.5	535	100.0	30.6	0.0
Total	3	100.0	100.0	730	100.0	100.0	2	100.0	100.0	535	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	7.9	0	0.0	4.2	0	0.0	13.0	0	0.0	7.7	18.6
Moderate	0	0.0	17.1	0	0.0	11.1	0	0.0	24.7	0	0.0	18.1	18.7
Middle	0	0.0	28.2	0	0.0	29.9	0	0.0	27.9	0	0.0	26.7	22.6
Upper	0	0.0	45.4	0	0.0	53.7	1	100.0	31.2	35	100.0	40.9	40.0
Unknown	0	0.0	1.4	0	0.0	1.1	0	0.0	3.2	0	0.0	6.6	0.0
Total	0	0.0	100.0	0	0.0	100.0	1	100.0	100.0	35	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	1	6.3	6.0	140	4.5	3.3	0	0.0	7.5	0	0.0	3.7	18.6
Moderate	3	18.8	20.2	583	18.9	15.5	0	0.0	21.0	0	0.0	15.3	18.7
Middle	5	31.3	22.5	759	24.6	20.4	3	42.9	24.3	720	42.5	23.2	22.6
Upper	3	18.8	36.0	840	27.2	42.9	1	14.3	27.1	35	2.1	33.5	40.0
Unknown	4	25.0	15.3	765	24.8	17.9	3	42.9	20.1	940	55.5	24.4	0.0
Total	16	100.0	100.0	3,087	100.0	100.0	7	100.0	100.0	1,695	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2023 Small Business Lending By Revenue Size of Businesses							
Assessment Area: Harrisonburg, VA MSA							
	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	
By Revenue							
\$1 Million or Less	4	50.0	62.4	1,562	83.5	41.8	92.3
Over \$1 Million	1	12.5		238	12.7		6.8
Revenue Unknown	3	37.5		71	3.8		0.9
Total	8	100.0		1,871	100.0		100.0
By Loan Size							
\$100,000 or Less	3	37.5	95.8	71	3.8	45.8	
\$100,001 - \$250,000	1	12.5	2.3	238	12.7	15.4	
\$250,001 - \$1 Million	4	50.0	1.9	1,562	83.5	38.8	
Total	8	100.0	100.0	1,871	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less							
\$100,000 or Less	0	0.0		0	0.0		
\$100,001 - \$250,000	0	0.0		0	0.0		
\$250,001 - \$1 Million	4	100.0		1,562	100.0		
Total	4	100.0		1,562	100.0		
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet 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

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Harrisonburg, VA MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	8.3	11.8	144	6.2	10.6	0	0.0	12.0	0	0.0	11.1	11.0
Middle	9	75.0	73.6	1,721	74.6	72.3	4	100.0	73.7	1,125	100.0	72.2	77.8
Upper	2	16.7	14.6	442	19.2	17.2	0	0.0	14.3	0	0.0	16.7	11.2
Total	12	100.0	100.0	2,307	100.0	100.0	4	100.0	100.0	1,125	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	9.5	0	0.0	8.4	0	0.0	10.6	0	0.0	9.6	11.0
Middle	2	66.7	77.9	497	68.1	76.4	2	100.0	73.9	535	100.0	69.3	77.8
Upper	1	33.3	12.6	233	31.9	15.2	0	0.0	15.4	0	0.0	21.1	11.2
Total	3	100.0	100.0	730	100.0	100.0	2	100.0	100.0	535	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	6.9	0	0.0	6.3	0	0.0	9.7	0	0.0	7.6	11.0
Middle	0	0.0	81.5	0	0.0	77.9	1	100.0	77.3	35	100.0	74.4	77.8
Upper	0	0.0	11.6	0	0.0	15.8	0	0.0	13.0	0	0.0	18.0	11.2
Total	0	0.0	100.0	0	0.0	100.0	1	100.0	100.0	35	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	33.3	0	0.0	20.5	0	0.0	30.0	0	0.0	8.4	40.6
Middle	0	0.0	52.4	0	0.0	70.0	0	0.0	60.0	0	0.0	91.0	54.2
Upper	0	0.0	14.3	0	0.0	9.5	0	0.0	10.0	0	0.0	0.6	5.2
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	2	12.5	11.1	194	6.3	10.4	0	0.0	11.2	0	0.0	10.5	11.0
Middle	11	68.8	75.4	2,218	71.8	73.3	7	100.0	74.3	1,695	100.0	73.5	77.8
Upper	3	18.8	13.5	675	21.9	16.2	0	0.0	14.5	0	0.0	16.0	11.2
Total	16	100.0	100.0	3,087	100.0	100.0	7	100.0	100.0	1,695	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2023 Small Business Lending By Income Level of Geography							
Assessment Area: Harrisonburg, VA MSA							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	16.4	0	0.0	15.9	17.5
Middle	7	87.5	68.8	1,609	86.0	68.5	71.7
Upper	1	12.5	13.7	262	14.0	15.3	10.8
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	1.1	0	0.0	0.3	
Total	8	100.0	100.0	1,871	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

## CRA APPENDIX B

### Loan, Branch, and Deposit Volume by Assessment Area

The following table includes the distribution of the bank's loan, branch, and deposit volume by assessment area. Loan volume includes all residential mortgage and small business loans considered in the evaluation. Branch information is current as of the evaluation date, while deposit data includes all bank deposits and is current as of June 30, 2024.

Assessment Area	Loan Volume				Branches		Deposit Volume	
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
Page County, VA NonMSA	124	54.2%	\$16,305	39.5%	3	50%	\$210,957	77.8%
Charlottesville, VA AA	74	32.3%	\$18,370	44.4%	2	33.3%	\$47,645	17.6%
Harrisonburg, VA MSA AA	31	13.5%	\$6,653	16.1%	1	16.7%	\$12,664	4.6%
<b>Total</b>	229	100%	\$41,328	100%	6	100%	\$271,266	100%

## CRA APPENDIX C

### 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.

**Census tract:** A small subdivision of metropolitan and other densely populated 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 upon 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 development:** All Agencies have adopted the following language. Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; 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; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - (A) Rates of poverty, unemployment, and population loss; or
  - (B) Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**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.

**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, 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 Test (and if applicable, consideration of investments and services) is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, 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 applications, the amount of loan requested, and the disposition of the application (for example, 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 refinancings of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited-scope review:** Performance under the Lending Test (and if applicable, consideration of investments and services) is analyzed using only quantitative factors (for example, 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.

**Metropolitan area (MA):** A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A 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. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a 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.

**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.

**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 loan(s) to business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report 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 either secured by 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):** 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, or are classified as loans to finance agricultural production and other loans to farmers.

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