



PUBLIC DISCLOSURE

April 28, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Security Bank
RSSD# 516855

10727 E 51st Street
Tulsa, Oklahoma 74146

Federal Reserve Bank of Kansas City
1 Memorial Drive
Kansas City, Missouri 64198

NOTE: This document is an evaluation of this bank'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 bank. 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 bank.

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

This institution is rated: ***Satisfactory.***
The Lending Test is rated: ***Satisfactory.***
The Community Development Test is rated: ***Outstanding.***

Security Bank (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria under the Lending and Community Development Tests:

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated inside the AA.
- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects a reasonable distribution among businesses of different sizes.
- Neither the bank nor the Federal Reserve Bank of Kansas City (Reserve Bank) received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation.
- Community development (CD) activity reflects excellent responsiveness to CD needs of its the AA.

SCOPE OF EXAMINATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Intermediate Small Institutions* 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. In addition, available aggregate data for the most recent three years (2021, 2022, and 2023) was referenced for additional perspective to gauge credit demand within the bank's AA. Performance was assessed within the bank's single AA. Examiners reviewed the following data:

- The bank's 14-quarter average NLTD ratio;
- A statistical sample of 149 small business loans from a universe of 555 loans originated between January 1, 2024, and December 31, 2024; and,
- CD loans, qualified investments, and CD services from July 1, 2021, through December 31, 2024.

For this evaluation, emphasis was placed on the bank's performance in comparison to available aggregate lending data rather than comparisons to relative demographic figures, as aggregate lending data is considered representative of credit demand within a defined geographic area. Greater consideration was also given to the volume of loan originations rather than the dollar amount, as the volume is more representative of the number of entities served.

DESCRIPTION OF INSTITUTION

Security Bank is a community bank headquartered in Tulsa, Oklahoma. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Pawnee Holding Company, Inc.
- The bank has total assets of \$874.6 million as of December 31, 2024.
- The bank operates exclusively from one full-service location in Tulsa that offers an onsite cash-only automated teller machine.
- As shown in the table below, the bank's primary business focus is commercial lending.

Table 1

Composition of Loan Portfolio as of December 31, 2024		
Loan Type	\$(000)	%
Construction and Land Development	73,577	9.8
Farmland	18,581	2.5
1- to 4-Family Residential Real Estate	81,774	10.9
Multifamily Residential Real Estate	9,369	1.2
Nonfarm Nonresidential Real Estate	373,245	49.8
Agricultural	1,480	0.2
Commercial and Industrial	185,414	24.7
Consumer	5,259	0.7
Other	1,447	0.2
Gross Loans	750,146	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

The bank was rated Satisfactory under the CRA at its January 24, 2022, performance evaluation. There are no known 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 Tulsa Metropolitan AA consists of the entirety of Rogers, Tulsa, and Wagoner Counties, three of the seven counties that comprise the Tulsa, Oklahoma Metropolitan Statistical Area (MSA). Refer to Appendix A for an AA map and Appendix B for additional demographic data.

- The AA delineation is comprised of 261 census tracts, including 13 low-, 75 moderate-, 79 middle-, 93 upper-, and 1 unknown-income census tract(s) based on the most recent 2016-2020 American Community Survey (ACS) data.
- There have been no changes to the delineated AA since the prior CRA evaluation, although there were changes to the number of census tracts and their income designations based on 2011-2015 ACS data when the AA consisted of 17 low-, 61 moderate-, 80 middle-, and 67 upper-income census tracts.
- According to the June 30, 2024, Federal Deposit Insurance Corporation (FDIC) Summary of Deposits Market Share Report, the bank ranked 13th of 54 FDIC-insured depository institutions operating from 227 offices in the AA, with a total deposit market share of 2.3 percent.
- To further augment the CRA performance evaluation, an interview with a member of the community from a recently conducted CRA evaluation of another financial institution with offices in the bank's AA was referenced to ascertain the credit needs of the community, the responsiveness of area banks in meeting those credit needs, and perspectives on local economic and demographic characteristics. The community member represents a local economic development organization.

Table 2

Population Change Assessment Area: Tulsa Metropolitan			
Area	2015 Population	2020 Population	Percent Change
Tulsa Metropolitan	787,916	845,500	7.3
Rogers County, OK	89,190	95,240	6.8
Tulsa County, OK	623,335	669,279	7.4
Wagoner County, OK	75,391	80,981	7.4
Tulsa, OK MSA	962,676	1,015,331	5.5
Oklahoma	3,849,733	3,959,353	2.8
Source: 2020 U.S. Census Bureau: Decennial Census 2011-2015 U.S. Census Bureau: American Community Survey			

- Population growth in the Tulsa Metropolitan AA outpaced the statewide average by 4.5 percent.
- The AA's 2020 population of 845,500 accounts for 83.3 percent of the total population in the Tulsa MSA and 21.4 percent of the total state population.

- The AA contains 318,708 households, of which 206,201 are considered families.
- Based on 2024 Census Bureau estimates, the Tulsa MSA population has increased to 1,059,803.

Table 3

Median Family Income Change Assessment Area: Tulsa Metropolitan			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Tulsa Metropolitan	68,443	75,051	9.7
Rogers County, OK	74,047	79,527	7.4
Tulsa County, OK	67,531	73,515	8.9
Wagoner County, OK	70,042	79,407	13.4
Tulsa, OK MSA	66,846	72,203	8.0
Oklahoma	63,401	67,511	6.5
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.			

- Growth in the AA's median family income exceeded both the broader MSA and statewide rates.
- The AA is comprised of 20.3 percent low-, 17.3 percent moderate, 19.5 percent middle-, and 43.0 percent upper-income families.
- According to 2020 ACS data, 10.0 percent of families in the AA are living below the poverty level, which is slightly lower than the statewide figure at 11.3 percent.

Table 4

Housing Cost Burden Assessment Area: Tulsa Metropolitan						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Tulsa Metropolitan	75.0	38.2	38.7	56.8	31.3	16.3
Rogers County, OK	67.6	36.5	34.1	54.6	31.1	15.1
Tulsa County, OK	75.5	38.8	39.1	58.4	31.5	16.9
Wagoner County, OK	75.7	29.2	37.2	48.2	30.4	13.6
Tulsa, OK MSA	73.0	36.9	38.0	54.2	28.5	16.0
Oklahoma	72.5	35.3	37.9	52.2	26.2	15.4
Cost Burden is housing cost that equals 30 percent or more of household income. Source: U.S. Department of Housing and Urban Development (HUD), 2017-2021 Comprehensive Housing Affordability Strategy						

- The AA's median housing value of \$162,111 was above the Tulsa MSA figure of \$155,020 and the Oklahoma figure of \$142,400.

- The percentage of AA residents burdened by housing costs was higher than both the broader Tulsa MSA and the state of Oklahoma for low- and moderate-income (LMI) renters and owners.
- According to a community member, multifamily buildings are being constructed in the Tulsa area at a steady rate and home purchases have decreased.

Table 5

Unemployment Rates Assessment Area: Tulsa Metropolitan					
Area	2019	2020	2021	2022	2023
Tulsa Metropolitan	3.0	6.6	4.1	3.0	3.2
Rogers County, OK	2.9	6.0	3.7	2.9	2.9
Tulsa County, OK	3.0	6.7	4.2	3.1	3.2
Wagoner County, OK	3.0	5.9	3.7	3.0	3.2
Tulsa, OK MSA	3.1	6.6	4.2	3.1	3.2
Oklahoma	3.1	6.3	4.0	3.1	3.2

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Unemployment rates experienced an increase in 2020 throughout the AA counties, the broader MSA, and state of Oklahoma due to the Coronavirus Disease 2019 pandemic before decreasing in 2021 and returning to pre-pandemic levels in 2022.
- The largest employment sectors in the AA are healthcare and social assistance, manufacturing, retail trade, and accommodation and food services.
- Major employers in the AA include Saint Francis Health System, QuikTrip, American Airlines, and Hillcrest HealthCare System.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank's overall lending test performance is Satisfactory.

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank's average NLTD ratio to determine the reasonableness of lending considering 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 asset size, product offerings, market share, and the area where they are located.

The bank's NLTD ratio is reasonable and fell within the range of four similarly situated institutions with ratios ranging from 78.2 percent to 95.1 percent.

Table 6

Comparative NLTD Ratios September 30, 2021 – December 31, 2024			
Institution	Location	Asset Size \$(000)	NLTD Ratio (%)
			14 Quarter Average
Security Bank	Tulsa, OK	874,599	89.9
Similarly Situated Institutions			
Grand Bank	Tulsa, OK	625,070	90.4
SpiritBank	Tulsa, OK	759,984	95.1
Vast Bank NA	Tulsa, OK	577,138	78.2
First Bank of Owasso	Owasso, OK	559,812	81.0

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. The bank originated a majority of loans by number and dollar volume inside the AA.

Table 7

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%
Small Business	131	87.9	28,642	91.2	18	12.1	2,748	8.8
TOTAL LOANS	131	87.9	28,642	91.2	18	12.1	2,748	8.8
Note: Percentages may not total 100.0 percent due to rounding.								

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of lending within its AA by income level of census tracts with consideration given to the dispersion of loans throughout the AA. The bank's geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion throughout the AA.

Small Business Lending

The geographic distribution of small business lending is reasonable. While lending to businesses located in low-income census tracts is below the demographic figure, which represents the percentage of businesses located in each census tract income level, lending to businesses located in moderate-income census tracts is comparable to the demographic figure. In addition, a review of three-year aggregate lending data for small businesses noted a distribution of 3.2 percent of lending to low-income census tracts, which is consistent with bank lending, and 20.6 percent of lending to moderate-income census tracts, which is below bank lending. While not a direct comparator, as the bank

is not a CRA reporter, aggregate CRA figures are relevant as a proxy to ascertain demand for credit.

Loan dispersion analysis revealed conspicuous lending gaps that included LMI census tracts. The gaps were due to the relatively low number of small business loans dispersed among the AA's 261 census tracts, of which 88 census tracts are considered LMI.

Table 8

Distribution of 2024 Small Business Lending By Income Level of Geography					
Assessment Area: Tulsa Metropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	3	2.3	383	1.3	4.2
Moderate	37	28.2	10,162	35.5	25.9
Middle	33	25.2	6,394	22.3	32.3
Upper	58	44.3	11,704	40.9	37.3
Unknown	0	0.0	0	0.0	0.1
Tract-Unk	0	0.0	0	0.0	
Total	131	100.0	28,642	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.					

Lending to Businesses of Different Sizes

This performance criterion evaluates the bank's lending to businesses of different revenue sizes. The bank's lending has a reasonable distribution among businesses of different sizes.

Small Business Lending

The borrower distribution of small business lending is reasonable. The distribution of loans originated in 2024 to businesses with annual revenues of \$1MM or less (small businesses) reflected penetration levels below the demographic figure. However, a review of three-year aggregate lending data for small business lending noted a distribution of 50.0 percent of business loans in the AA by number were originated to small businesses, which was well below the demographic figure. The aggregate data reflects limited credit demand for small business loans and supports the bank's reasonable rating.

Table 9

Distribution of 2024 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Tulsa Metropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
By Revenue					
\$1 Million or Less	54	41.2	10,985	38.4	90.9
Over \$1 Million	66	50.4	16,783	58.6	8.3
Revenue Unknown	11	8.4	874	3.1	0.8
Total	131	100.0	28,642	100.0	100.0
By Loan Size					
\$100,000 or Less	63	48.1	2,819	9.8	
\$100,001 - \$250,000	28	21.4	5,013	17.5	
\$250,001 - \$1 Million	40	30.5	20,810	72.7	
Total	131	100.0	28,642	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	26	48.1	1,149	10.5	
\$100,001 - \$250,000	11	20.4	1,706	15.5	
\$250,001 - \$1 Million	17	31.5	8,130	74.0	
Total	54	100.0	10,985	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.					

COMMUNITY DEVELOPMENT TEST

The CD test evaluates the bank's responsiveness to CD needs of its AA through CD loans, qualified investments, and CD services, considering the bank's capacity and the need and availability of such opportunities in the bank's AA.

The bank's overall CD test performance is outstanding and demonstrates excellent responsiveness. A majority of the bank's CD activity consisted of CD loans which were primarily focused on economic development and revitalization and stabilization of area LMI census tracts.

Table 10

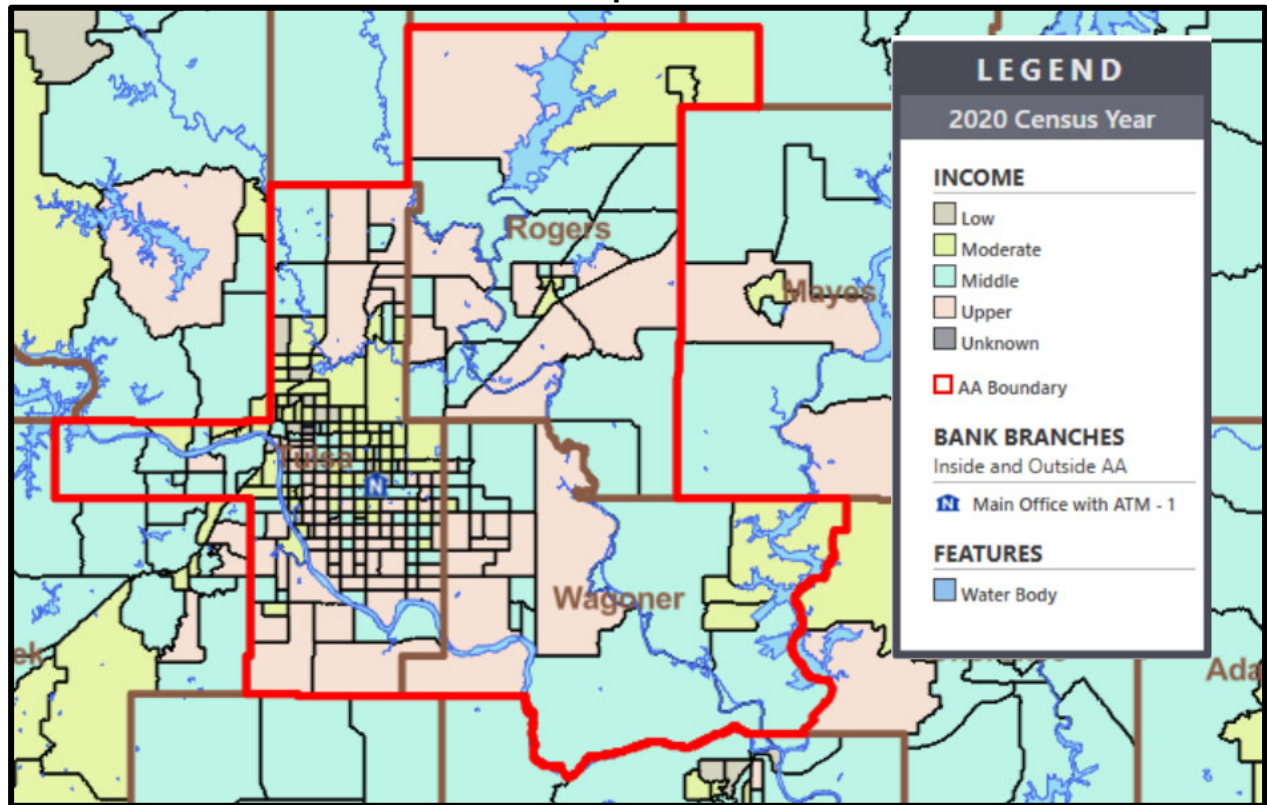
Community Development Activity Assessment Area: Tulsa Metropolitan									
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	#
Affordable Housing	2	1,653	1	500	0	0	1	500	0
Community Services	0	0	7	3,875	75	272	82	4,147	25
Economic Development	19	39,418	4	85	0	0	4	85	3
Revitalization and Stabilization	14	33,752	0	0	0	0	0	0	0
Outside Activities	3	4,384	0	0	2	5	2	5	0
Totals	38	79,207	12	4,460	77	277	89	4,737	28

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Compliance with the substantive provisions of antidiscrimination and other consumer protection laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act, was considered as part of this CRA evaluation. No evidence of a pattern or practice of discrimination on a prohibited basis or of other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – MAP OF THE ASSESSMENT AREA

Map A-1



APPENDIX B – DEMOGRAPHIC INFORMATION

Table B-1

2024 Tulsa Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	13	5.0	9,472	4.6	3,988	42.1	41,768	20.3
Moderate	75	28.7	52,099	25.3	9,295	17.8	35,639	17.3
Middle	79	30.3	63,423	30.8	4,605	7.3	40,234	19.5
Upper	93	35.6	81,072	39.3	2,757	3.4	88,560	42.9
Unknown	1	0.4	135	0.1	26	19.3	0	0.0
Total AA	261	100.0	206,201	100.0	20,671	10.0	206,201	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	19,591	5,458	2.7	27.9	11,311	57.7	2,822	14.4
Moderate	103,367	41,827	20.7	40.5	46,556	45.0	14,984	14.5
Middle	110,628	65,694	32.5	59.4	34,362	31.1	10,572	9.6
Upper	120,915	88,889	44.0	73.5	23,711	19.6	8,315	6.9
Unknown	1,185	104	0.1	8.8	796	67.2	285	24.1
Total AA	355,686	201,972	100.0	56.8	116,736	32.8	36,978	10.4
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1,552	4.2	1,338	4.0	207	6.8	7	2.3
Moderate	9,495	25.9	8,438	25.4	983	32.5	74	23.8
Middle	11,841	32.3	10,690	32.1	1,036	34.3	115	37.0
Upper	13,666	37.3	12,765	38.4	787	26.0	114	36.7
Unknown	53	0.1	43	0.1	9	0.3	1	0.3
Total AA	36,607	100.0	33,274	100.0	3,022	100.0	311	100.0
Percentage of Total Businesses:				90.9		8.3		0.8
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	7	1.7	7	1.7	0	0.0	0	0.0
Moderate	58	14.0	57	14.0	1	20.0	0	0.0
Middle	162	39.2	161	39.7	1	20.0	0	0.0
Upper	186	45.0	181	44.6	3	60.0	2	100.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	413	100.0	406	100.0	5	100.0	2	100.0
Percentage of Total Farms:				98.3		1.2		0.5
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.								

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: 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, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income 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, 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 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 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 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.

Nonmetropolitan area (NonMSA): Any area that is not located within an MSA.

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. For these institutions, no state ratings will be received unless the bank also maintains deposit facilities outside of the multistate metropolitan area. CRA activity is captured in either a state rating or a multistate metropolitan area rating, but not both.

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) 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 Consolidated Reports of Condition and Income (Call Report) instructions. 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.