



PUBLIC DISCLOSURE

October 27, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Stock Exchange Bank
RSSD# 671053

103 South Main Street
Caldwell, Kansas 67022

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

Stock Exchange Bank (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria:

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment areas (AAs) credit needs.
- A substantial majority of the bank's loans are originated inside the AAs.
- An excellent distribution of loans occurs throughout the bank's AAs.
- Lending reflects a reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and farms 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.

SCOPE OF EXAMINATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for 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) of CRA data and most recent three years (2022, 2023, and 2024) of home mortgage data was referenced for additional perspective to gauge credit demand within the bank's AAs. Lending performance was assessed within the bank's two AAs. Both the Wichita Metropolitan AA and South Central Kansas AA were assessed using a full-scope review. Examiners reviewed the following data:

- The bank's 18-quarter average NLTD ratio,
- The universe of 103 home mortgage loans originated between January 1, 2024, and December 31, 2024, and
- A statistical sample of 47 small farm loans from a universe of 62 outstanding loans originated between January 1, 2024, and December 31, 2024.

In determining the institution's overall CRA rating, more weight was placed on the bank's performance within its Wichita Metropolitan AA due to the bank's higher loan and deposit volume in this AA. Additionally, home mortgage lending was weighted more heavily in the Wichita Metropolitan AA, due to the more densely populated, urban areas in the AA. In the South Central Kansas AA, small farm lending was given greater weight due to the higher concentration of agricultural land and farming operations in the AA.

DESCRIPTION OF INSTITUTION

Stock Exchange Bank is a community bank headquartered in Caldwell, Kansas. The bank's characteristics include:

- The bank is a majority owned, 92.4 percent, subsidiary of Stock Exchange Financial Corporation.
- The bank has total assets of \$85.2 million as of June 30, 2025.
- In addition to its main office in Caldwell, the bank has one additional branch office located in Arkansas City, Kansas.
- The bank maintains two cash dispensing-only automated teller machines (ATMs) with one ATM located at each branch location.
- As shown in Table 1, the bank's primary business focus is residential real estate (including residential real estate held for business purposes) and agricultural lending.

Table 1

Composition of Loan Portfolio as of June 30, 2025		
Loan Type	(000)	%
Construction and Land Development	1,646	2.3
Farmland	6,660	9.4
1-4 Family Residential Real Estate	44,184	62.2
Multifamily Residential Real Estate	542	0.8
Non-Farm Non-Residential Real Estate	3,713	5.2
Agricultural	7,221	10.2
Commercial and Industrial	4,400	6.2
Consumer	2,560	3.6
Other	146	0.2
Gross Loans	71,072	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 April 26, 2021 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.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA¹

This performance evaluation first discusses the bank's overall performance, followed by an in-depth evaluation of performance in the Wichita Metropolitan AA and the South Central Kansas AA. 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 in light of performance context, such as the bank's capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AAs, and in comparison to similarly situated Federal Deposit Insurance Corporation-insured (FDIC) institutions. The similarly situated institutions were selected based on asset size, market share, location and product offerings.

The bank's NLTD ratio is reasonable and the bank's ratio is within the range of the four similarly situated institutions.

Table 2

Comparative NLTD Ratios March 31, 2021 – June 30, 2025			
Institution	Location	Asset Size \$(000)	NLTD Ratio (%)
			18-Quarter Average
Stock Exchange Bank	Caldwell, Kansas	85,187	87.9
Similarly Situated Institutions			
Oklahoma State Bank	Buffalo, Oklahoma	65,874	70.5
State Exchange Bank	Lamont, Oklahoma	95,286	96.4
Citizens State Bank of Cheney Kansas	Cheney, Kansas	91,442	61.4
Community Bank	Wichita, Kansas	116,558	86.8

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside the AAs. The bank originated a substantial majority of loans, by number, inside the AAs. This is reflected in both individual loan products and in overall total loans by number.

¹ The net loan-to-deposit ratio and percentage of loans and other lending-related activity in the assessment area only apply to the institution overall. No discussion of these performance criteria applies to sections of the performance evaluation related to states, multistate metropolitan areas, and assessment areas.

Table 3

Lending Inside and Outside the Assessment Areas								
Loan Type	Inside				Outside			
	#	#%	\$ (000)	\$%	#	#%	\$(000)	\$%
CV - Home Purchase - Conventional	44	89.8	6,611	78.5	5	10.2	1,808	21.5
MF - Multi-Family Housing	2	66.7	741	64.9	1	33.3	400	35.1
RF - Refinancing	47	92.2	4,911	79.1	4	7.8	1,300	20.9
Total HMDA related	93	90.3	12,263	77.8	10	9.7	3,508	22.2
Small Farm	45	95.7	5,491	93.7	2	4.3	369	6.3
TOTAL LOANS	138	92.0	17,754	82.1	12	8.0	3,877	17.9

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 AAs by income level of census tracts with consideration given to the dispersion of loans throughout the AAs. The bank's overall geographic distribution of loans reflects excellent distribution among the different census tracts and dispersion throughout the AAs. The geographic distributions of loans are considered excellent within both the Wichita Metropolitan AA and the South Central Kansas AA. While the dispersion analysis identified some lending gaps in both AAs, the gaps can be explained by performance context as detailed in each individual AA conclusion and did not impact the overall conclusion.

Lending to Borrowers of Different Income Levels and Farms of Different Sizes

This performance criterion evaluates the bank's lending to borrowers of different income levels and farms of different revenue sizes. The bank's lending has an overall reasonable distribution among individuals of different income levels and farms of different revenue sizes. The borrower distribution of loans is considered reasonable in both the Wichita Metropolitan AA and the South Central Kansas AA.

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.

**WICHITA METROPOLITAN ASSESSMENT AREA
(Full-Scope Review)**

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE WICHITA METROPOLITAN AA

The bank's Wichita Metropolitan AA consists of Sedgwick and Sumner Counties in their entirety, which is a portion of the Wichita Metropolitan Statistical Area (MSA). (See Appendix A for an AA map and Appendix B for additional demographic data.)

- The AA includes 8 low-, 42 moderate-, 54 middle-, 35 upper-, and 2 unknown-income census tracts.
- There have been no changes to the AA delineation since the prior exam. Although, the tract composition has changed since the last evaluation due to updated American Community Survey (ACS) data. The AA previously consisted of 15 low-, 36 moderate-, 40 middle-, and 39 upper-income census tracts.
- The bank has one location in a middle-income census tract in the Wichita Metropolitan AA, which is in Caldwell, Kansas. Caldwell, Kansas is located in the southern portion of Sumner County, Kansas, near the Oklahoma border. Additionally, the bank operates one cash-dispensing ATM located at the branch.
- According to the June 30, 2024 FDIC Deposit Market Share Report, the bank had a 0.3 percent market share among all FDIC-insured institutions operating in the AA, which ranked 34th out of 43 institutions.
- One previously conducted interview with a community member in this AA was referenced from a CRA evaluation completed for another financial institution. The information from this interview aided in understanding the credit needs of the community, the responsiveness of area banks in meeting those credit needs, and the local economic conditions. The community member represented an economic development organization.

Table 4

Population Change Assessment Area: Wichita Metropolitan			
Area	2015 Population	2020 Population	Percent Change
Wichita Metropolitan	530,167	546,206	3.0
Sedgwick County, Kansas	506,529	523,824	3.4
Sumner County, Kansas	23,638	22,382	(5.3)
Wichita, Kansas MSA	631,094	647,610	2.6
Kansas	2,892,987	2,937,880	1.6
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

- The AA has seen a population increase of 3.0 percent, which is slightly above the statewide population increase of 1.6 percent. However, Sumner County has consistently seen decreasing population change. The prior evaluation noted a 2.1 percent decrease, and the current evaluation shows a 5.3 percent decrease.
- A community member stated that Sumner County has an aging population with migration away from the area in recent years. This is also confirmed by the 19.3 percent of individuals aged 65 or older living in Sumner County, which is above the statewide population of 15.7 percent.

Table 5

Median Family Income Change Assessment Area: Wichita Metropolitan			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Wichita Metropolitan	69,408	72,946	5.1
Sedgwick County, Kansas	69,683	73,508	5.5
Sumner County, Kansas	70,945	70,220	(1.0)
Wichita, Kansas MSA	70,287	74,120	5.5
Kansas	72,535	77,620	7.0
<i>Source: 2011 - 2015 U.S. Census Bureau American Community Survey 2016 - 2020 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2020 dollars.</i>			

- According to the 2020 American Community Survey (ACS) data, the AA is comprised of 20.4 percent low- and 18.5 percent moderate-income families, which is slightly higher than the statewide percentages of 18.3 and 17.6, respectively.
- In 2020, 9.2 percent of families in the AA were below the poverty level, which is also slightly higher than the statewide percentage of 7.6.

Table 6

Housing Cost Burden Assessment Area: Wichita Metropolitan						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Wichita Metropolitan	77.6	27.7	39.0	56.8	28.7	15.4
Sedgwick County, Kansas	78.5	27.8	39.3	57.4	28.8	15.4
Sumner County, Kansas	51.0	21.9	30.2	47.5	27.4	16.0
Wichita, Kansas MSA	77.5	27.4	38.9	56.0	28.2	15.2
Kansas	75.7	29.8	38.2	58.1	26.8	15.3
<i>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</i>						

- The 2020 median housing value in the AA was \$144,456, which is 39.6 percent more than the median household income in the AA of \$57,194. This is consistent with the statewide ratio of 38.8 percent, indicating that housing in the AA is generally as affordable as housing in the state of Kansas more broadly.
- The median age of housing stock in the AA is 52 years, which is slightly higher than both the statewide and Wichita MSA age of 46 years.
- A community member stated there is a critical need for housing. An economic development organization is working to upgrade aging infrastructure in several municipalities that would support new subdivisions dedicated to housing construction.

Table 7

Unemployment Rates					
Assessment Area: Wichita Metropolitan					
Region	2020	2021	2022	2023	2024
Wichita Metropolitan	8.5	4.6	3.1	3.1	3.9
Sedgwick County, KS	8.5	4.6	3.1	3.1	3.9
Sumner County, KS	8.4	4.4	3.1	3.0	3.9
Wichita, KS MSA	8.1	4.4	3.1	3.1	3.9
Kansas	5.8	3.4	2.7	2.9	3.6

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

- As it was common across the United States, unemployment rose in 2020 due to the COVID-19 pandemic. Since that time, unemployment has consistently dropped in the AA and in 2024 unemployment was 3.9 percent, which is comparable to the statewide percentage of 3.6.
- According to a community member, major employers in Sumner County include the Kansas Star Casino, GKN Aerospace, USD 30 School District, and Sumner County.
- Major employers in Sedgwick County include Spirit AeroSystems, Inc, Textron Aviation, McConnell Air Force Base, USD 259, Ascensions Via Christi Health, Inc., Koch Industries Inc, and local and state governments.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN THE WICHITA METROPOLITAN AA

The bank's overall lending test performance in the Wichita Metropolitan AA is reasonable. The bank has greater loan and deposit volumes in this AA, 75.0 percent and 81.0 percent respectively, and therefore greater weight was placed on the lending test in the Wichita Metropolitan AA. By individual products, greater weight was given to home mortgage lending due to the more densely populated, urban demographics of the AA.

Geographic Distribution of Loans

The bank's geographic distribution of loans reflects excellent distribution among the different census tracts and dispersion throughout the AA. When reviewing both home mortgage and small farm lending, lending gaps in both the low- and moderate-income tracts were identified; however, these can be explained by performance context and did not impact the overall conclusion.

Home Mortgage Lending

The geographic distribution of home mortgage lending is excellent. The bank's home mortgage lending performance in both low- and moderate-income census tracts were individually above aggregate lending data and the percentage of owner-occupied units (the demographic figure). An evaluation of the dispersion of home mortgage lending revealed some lending gaps in the AA. However, the gaps were not considered impactful to the overall conclusion given the bank's distance from the low- and moderate-income tracts in the AA and the majority of the tracts being located closer to the city of Wichita, Kansas. Additionally, the bank only has one branch office in the AA.

Home Purchase Lending

The geographic distribution of home purchase lending is excellent. The bank's home purchase lending originated three home purchase loans, or 7.9 percent, in low-income census tracts which was above the aggregate data of 1.6 percent and the demographic figure of 2.0 percent. The bank originated 20 home purchase loans, or 52.6 percent, in moderate-income census tracts which was significantly above both the aggregate data of 23.4 percent and the demographic figure of 20.5 percent. Additionally, the 23 home purchase loans in low- and moderate-income census tracts accounted for 27.4 percent of the bank's total home mortgage lending.

Home Refinance Lending

The geographic distribution of home refinance lending is excellent. The bank originated five home refinance loans, or 11.4 percent, in low-income census tracts which was above the aggregate data of 1.9 percent and the demographic figure of 2.0 percent. The bank originated 20 home refinance loans, or 45.5 percent, in moderate-income census tracts which was significantly above both the aggregate data of 19.9 percent and the demographic figure of 20.5 percent. Additionally, the 25 home refinance loans in low- and moderate-income census tracts accounted for 29.8 percent of the bank's total home mortgage lending.

Table 8

Distribution of 2024 Home Mortgage Lending By Income Level of Geography Assessment Area: Wichita Metropolitan							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans							
Low	3	7.9	1.6	327	6.0	0.8	2.0
Moderate	20	52.6	23.4	2,595	47.8	13.6	20.5
Middle	10	26.3	39.3	1,328	24.4	35.6	42.2
Upper	4	10.5	35.3	1,077	19.8	49.7	35.2
Unknown	1	2.6	0.3	106	2.0	0.2	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	38	100.0	100.0	5,433	100.0	100.0	100.0
Refinance Loans							
Low	5	11.4	1.9	592	12.8	1.0	2.0
Moderate	20	45.5	19.9	2,283	49.4	13.9	20.5
Middle	18	40.9	43.1	1,657	35.9	39.9	42.2
Upper	0	0.0	35.0	0	0.0	45.1	35.2
Unknown	1	2.3	0.2	89	1.9	0.2	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	44	100.0	100.0	4,621	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	1	50.0	4.4	52	7.0	1.6	4.1
Moderate	0	0.0	29.6	0	0.0	31.8	35.2
Middle	1	50.0	30.0	689	93.0	27.0	34.2
Upper	0	0.0	35.0	0	0.0	39.3	21.5
Unknown	0	0.0	1.0	0	0.0	0.3	4.9
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	2	100.0	100.0	741	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	9	10.7	1.7	971	9.0	1.0	2.0
Moderate	40	47.6	21.3	4,878	45.2	16.0	20.5
Middle	29	34.5	40.1	3,674	34.0	35.0	42.2
Upper	4	4.8	36.6	1,077	10.0	47.9	35.2
Unknown	2	2.4	0.3	195	1.8	0.2	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	84	100.0	100.0	10,795	100.0	100.0	100.0
Source: 2024 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

Small Farm Lending

The geographic distribution of small farm lending is reasonable. The bank did not originate any small farm loans in either low- or moderate-income census tracts within the AA. However, the lack of originations can be explained by the low- and moderate-income census tracts in the AA all falling in densely populated urban areas that would not support farming or agricultural operations. This is further supported by the total percentage of farms (the demographic figure) in low-income tracts at 0.5 percent and 4.4 percent in moderate-income tracts, indicating very limited lending opportunities.

Due to no lending in LMI census tracts, loan dispersion gaps were identified; however, based on the performance context above, these gaps did not impact the overall conclusion.

Table 9

Distribution of 2024 Small Farm Lending By Income Level of Geography					
Assessment Area: Wichita Metropolitan					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.5
Moderate	0	0.0	0	0.0	4.4
Middle	33	100.0	4,113	100.0	56.2
Upper	0	0.0	0	0.0	38.2
Unknown	0	0.0	0	0.0	0.7
Tract-Unk	0	0.0	0	0.0	
Total	33	100.0	4,113	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 Borrowers of Different Income Levels and to Farms of Different Sizes

The bank's lending has a reasonable distribution among individuals of different income levels and farms of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. Due to the high volume of lending to borrowers of unknown income levels, the analysis by individual loan product categories was not conducted as it would not be meaningful. Therefore, the product categories were combined and analyzed at the total home mortgage level.

As noted in Table 10, the bank originated two home mortgage loans, or 2.4 percent, to low-income borrowers which is below both the aggregate data of 8.1 percent and the percentage of families (the demographic figure) of 20.4 percent. The bank originated four loans, or 4.9 percent, to moderate-income borrowers which is below both the aggregate data of 18.9 percent and the demographic figure of 20.4 percent. However, a majority of the bank's home mortgage loans were originated for business purposes, namely rentals and investment properties. The income for these investor loans is not reported on the bank's Home Mortgage Disclosure Act Loan/Application Register, thereby, resulting in a high number of reported loans with unknown borrower income. However, if considering only loans originated to borrowers with known low- or moderate-incomes, the bank's lending to low-income borrowers increases to 11.8 percent and 23.5 percent for moderate-income borrowers. These percentages are both above the aggregate data and comparable to the demographic figure for low-income, while the moderate-income is above the demographic figure. Understanding this key performance context supports a reasonable conclusion.

Table 10

Distribution of 2024 Home Mortgage Lending By Borrower Income Level Assessment Area: Wichita Metropolitan							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Home Purchase Loans							
Low	1	2.6	8.1	136	2.5	4.2	20.4
Moderate	0	0.0	19.9	0	0.0	14.7	18.5
Middle	0	0.0	19.9	0	0.0	19.5	21.2
Upper	6	15.8	25.8	716	13.2	37.9	39.9
Unknown	31	81.6	26.3	4,581	84.3	23.8	0.0
Total	38	100.0	100.0	5,433	100.0	100.0	100.0
Refinance Loans							
Low	1	2.3	7.8	15	0.3	3.6	20.4
Moderate	4	9.1	17.3	143	3.1	11.8	18.5
Middle	0	0.0	20.0	0	0.0	16.0	21.2
Upper	5	11.4	24.9	356	7.7	29.3	39.9
Unknown	34	77.3	30.0	4,107	88.9	39.3	0.0
Total	44	100.0	100.0	4,621	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	2	2.4	8.1	151	1.5	4.1	20.4
Moderate	4	4.9	18.9	143	1.4	13.9	18.5
Middle	0	0.0	20.6	0	0.0	18.8	21.2
Upper	11	13.4	27.9	1,072	10.7	37.1	39.9
Unknown	65	79.3	24.6	8,688	86.4	26.1	0.0
Total	82	100.0	100.0	10,054	100.0	100.0	100.0
Source: 2024 FFIEC Census Data							
2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

Small Farm Lending

The borrower distribution of small farm lending is excellent. As noted in Table 11, the percentage of total farms with revenues of \$1 million (MM) or less in the AA (the demographic figure) is 99.5 percent. The bank's lending to small farms was 93.9 percent, which is comparable to the demographic figure and shows that a majority of the bank's small farm lending was to farms with revenues of \$1MM or less. By loan size, 81.8 percent of the loans originated were for \$250,000 or less, further indicating the bank's willingness to meet the credit needs of small agricultural operations. Typically, smaller farms do not have the need or capacity to borrow large amounts, and the smaller loan amounts are used as a proxy to estimate the bank's support of smaller farms. Additionally, three-year aggregate data was considered, and lending to small farms with revenues of \$1MM or less was 49.0 percent.

Table 11

Distribution of 2024 Small Farm Lending By Revenue Size of Farms					
Assessment Area: Wichita Metropolitan					
	Bank Loans				Total Farms %
	#	%	\$(000)	%	
By Revenue					
\$1 Million or Less	31	93.9	3,412	83.0	99.5
Over \$1 Million	2	6.1	700	17.0	0.5
Revenue Unknown	0	0.0	0	0.0	0.0
Total	33	100.0	4,113	100.0	100.0
By Loan Size					
\$100,000 or Less	17	51.5	438	10.6	
\$100,001 - \$250,000	10	30.3	1,774	43.1	
\$250,001 - \$500,000	6	18.2	1,900	46.2	
Total	33	100.0	4,113	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	17	54.8	438	12.8	
\$100,001 - \$250,000	10	32.3	1,774	52.0	
\$250,001 - \$500,000	4	12.9	1,200	35.2	
Total	31	100.0	3,412	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.					

**SOUTH CENTRAL KANSAS ASSESSMENT AREA
NONMETROPOLITAN AREA
(Full-Scope Review)**

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE SOUTH CENTRAL KANSAS AA

The bank's South Central Kansas AA consists of Harper and Cowley Counties in Kansas, and Grant and Kay Counties in Oklahoma, in their entireties. While the South Central Kansas AA includes counties from both Kansas and Oklahoma, this performance evaluation is still considered an intrastate review. Both bank locations are located in Kansas, however they are within close proximity to the Kansas/Oklahoma border and therefore the market/trade area of the bank reaches into two counties in Oklahoma. (See Appendix A for an AA map and Appendix B for additional demographic data).

- The AA consists of 6 moderate-, 16 middle-, and 5 upper-income census tracts.
- There have been no changes to the AA delineation since the prior exam. Although, the tract composition has changed since the last evaluation due to updated American Community Survey (ACS) data. The AA previously consisted of 5 moderate-, 19 middle-, and 3 upper-income census tracts.
- The bank's only branch within the South Central Kansas AA is in Arkansas City, Kansas, which is located in the southern portion of Cowley County, Kansas, near the Oklahoma border. The Arkansas City branch is located within a middle-income census tract and has one cash-dispensing ATM located at the branch.
- According to the June 30, 2024 FDIC Deposit Market Share Report, the bank had a 0.6 percent market share among all FDIC-insured institutions operating in the AA, which ranked 19th out of 21 institutions.
- One interview was conducted with a community member within the bank's AA to ascertain the credit needs of the community, the responsiveness of area banks in meeting those credit needs, and the local economic conditions. The community member is a representative of a local economic development organization.

Table 12

Population Change			
Assessment Area: South Central Kansas			
Area	2015 Population	2020 Population	Percent Change
South Central Kansas	92,044	87,903	(4.5)
Cowley County, Kansas	36,079	34,549	(4.2)
Harper County, Kansas	5,861	5,485	(6.4)
Grant County, Oklahoma	4,517	4,169	(7.7)
Kay County, Oklahoma	45,587	43,700	(4.1)
NonMSA Oklahoma	1,333,350	1,289,548	(3.3)
Kansas	2,892,987	2,937,880	1.6
Oklahoma	3,849,733	3,959,353	2.8
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

- The AA, and each individual county of the AA, has seen a population decrease. This is in contrast to both the statewide Kansas and statewide Oklahoma population changes, which both reflect increases.
- The AA has an older population, with 19.4 percent of individuals aged 65 and older, compared to the statewide Kansas percentage of 15.7 and statewide Oklahoma percentage of 15.6.
- A community member stated that the population has decreased year over year. In Cowley County specifically, some large businesses relocated outside the AA, potentially adding to the population decline.

Table 13

Median Family Income Change			
Assessment Area: South Central Kansas			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
South Central Kansas	58,644	59,912	2.2
Cowley County, Kansas	59,547	60,888	2.3
Harper County, Kansas	61,937	57,381	(7.4)
Grant County, Oklahoma	66,300	71,313	7.6
Kay County, Oklahoma	56,106	58,856	4.9
NonMSA Oklahoma	56,258	58,565	4.1
Kansas	72,535	77,620	7.0
Oklahoma	63,401	67,511	6.5
<i>Source: 2011 - 2015 U.S. Census Bureau American Community Survey 2016 - 2020 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2020 dollars.</i>			

- According to the 2020 American Community Survey (ACS) data, the AA is comprised of 19.5 percent low- and 20.3 percent moderate-income families which is slightly higher than the statewide Kansas figures (18.3 percent and 17.6 percent) and is below the statewide Oklahoma percentage for low-income at 21.4 percent and slightly higher for moderate-income at 17.7 percent.
- In 2020, 11.3 percent of families in the AA were below the poverty level which exceeded the statewide Kansas figure of 7.6 percent but was comparable to the statewide Oklahoma percent of 11.3 percent.

Table 14

Housing Cost Burden Assessment Area: South Central Kansas						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
South Central Kansas	71.2	27.4	32.5	51.4	19.5	14.1
Cowley County, KS	70.2	18.2	33.8	50.8	18.6	14.6
Harper County, KS	56.0	10.0	24.2	60.7	11.9	14.2
Grant County, OK	67.5	5.7	16.6	30.8	2.0	8.2
Kay County, OK	74.2	36.5	33.6	53.4	23.4	14.2
NonMSA Oklahoma	66.5	30.6	35.0	48.2	22.2	14.9
Kansas	75.7	29.8	38.2	58.1	26.8	15.3
Oklahoma	72.5	35.3	37.9	52.2	26.2	15.4
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i> <i>Source: U.S. Department of Housing and Urban Development (HUD), 2017-2021 Comprehensive Housing Affordability Strategy</i>						

- The 2020 median housing value in the AA was \$89,776, which is significantly less than the statewide Kansas value of \$157,600 and statewide Oklahoma value of \$142,400.
- The median age of housing stock in the AA is 61 years, which is notably older than the statewide Kansas age of 46 and statewide Oklahoma age of 41.
- A community member stated that the greatest need in the community is housing and reiterated that much of the current housing stock is older and in need of maintenance. Additionally, the community member noted that the area has a large number of renters.

Table 15

Unemployment Rates					
Assessment Area: South Central Kansas					
Region	2020	2021	2022	2023	2024
South Central Kansas	6.3	4.0	3.1	3.3	3.8
Cowley County, Kansas	6.8	3.8	3.1	3.4	4.3
Harper County, Kansas	4.8	3.1	2.4	2.9	3.7
Grant County, Oklahoma	4.2	3.3	2.4	2.6	2.6
Kay County, Oklahoma	6.4	4.3	3.3	3.3	3.5
NonMSA Oklahoma	6.2	4.1	3.3	3.4	3.5
Kansas	5.8	3.4	2.7	2.9	3.6
Oklahoma	6.3	4.0	3.0	3.2	3.3

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

- As was common across the United States, unemployment rose in 2020 due to the COVID-19 pandemic. Since that time, unemployment has consistently dropped in the AA; however, in 2024, unemployment rose slightly to 3.8 percent, which is comparable to the statewide Kansas percentage of 3.6 and statewide Oklahoma percentage of 3.3.
- The primary industries in the AA are manufacturing, health care and social services, educational, retail trade, and agriculture.
- A community member stated that the largest employers in the area are GE Aviation, Newell Rubbermaid, Creekstone Farms Premium Beef, Kan-Pak, as well as the local hospitals, local colleges and local government.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN THE SOUTH CENTRAL KANSAS AA

The bank's overall lending test performance in the South Central Kansas AA is reasonable. The bank has smaller loan and deposit volumes in this AA, 25.0 percent and 19.0 percent respectively, and therefore less weight was placed on the South Central Kansas AA. In terms of products, greater weight was placed on small farm lending in this AA due to rural nature of the area.

Geographic Distribution of Loans

The bank's geographic distribution of loans reflects excellent distribution among the different census tracts and dispersion throughout the AA. The AA does not consist of any low-income census tracts. When reviewing home mortgage lending, lending gaps in moderate-income tracts were identified; however, these can be explained by performance context and did not impact the overall conclusion.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. The bank's home mortgage lending origination volume within the AA was too low to conduct a meaningful analysis of the individual loan product categories; thus, the product categories were combined and analyzed at the total home mortgage level.

As noted in Table 16, the bank originated one home mortgage loan, or 11.1 percent, in a moderate-income census tract. This is comparable to the aggregate data of 15.6 percent and percent of owner-occupied units (the demographic figure) of 17.0. An evaluation of the dispersion of home mortgage lending revealed some lending gaps in the AA. However, the gaps were not considered impactful to the overall conclusion given the landscape of the AA, which consists of large, sparsely populated agricultural land. Additionally, the bank's one branch office in the AA is not near many of the moderate-income census tracts, meaning the ability to penetrate those geographical areas is more difficult. As noted above, the AA does not contain any low-income census tracts.

Table 16

Distribution of 2024 Home Mortgage Lending By Income Level of Geography Assessment Area: South Central Kansas							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	11.1	15.6	74	5.0	13.0	17.0
Middle	5	55.6	61.4	375	25.5	58.1	59.5
Upper	3	33.3	23.0	1,019	69.4	28.9	23.5
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	9	100.0	100.0	1,468	100.0	100.0	100.0
Source: 2024 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

Small Farm Lending

The geographic distribution of small farm lending is excellent. The bank originated three loans, or 25.0 percent, of small farm loans in moderate-income census tracts. This is above both the three-year average aggregate figure of 9.1 percent, and the demographic figure of 13.7 percent. Additionally, an evaluation of dispersion was conducted and no gaps in lending were identified.

Table 17

Distribution of 2024 Small Farm Lending By Income Level of Geography					
Assessment Area: South Central Kansas					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	3	25.0	375	27.2	13.7
Middle	4	33.3	854	62.0	63.3
Upper	5	41.7	150	10.9	23.0
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	12	100.0	1,378	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 Borrowers of Different Income Levels and to Farms of Different Sizes

The bank's lending has a reasonable distribution among individuals of different income levels and farms of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is poor. The bank did not originate any home mortgage loans to borrowers of low- or moderate-income levels. However, less weight was placed on home mortgage lending in this AA due to the rural nature of the area, and one-third of the bank's lending was to borrowers of unknown incomes.

Table 18

Distribution of 2024 Home Mortgage Lending By Borrower Income Level							
Assessment Area: South Central Kansas							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	
Low	0	0.0	7.9	0	0.0	4.1	19.5
Moderate	0	0.0	18.3	0	0.0	13.8	20.3
Middle	3	33.3	18.8	281	19.1	17.3	20.9
Upper	3	33.3	30.5	603	41.1	39.5	39.2
Unknown	3	33.3	24.5	584	39.8	25.3	0.0
Total	9	100.0	100.0	1,468	100.0	100.0	100.0
Source: 2024 FFIEC Census Data							
2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

Small Farm Lending

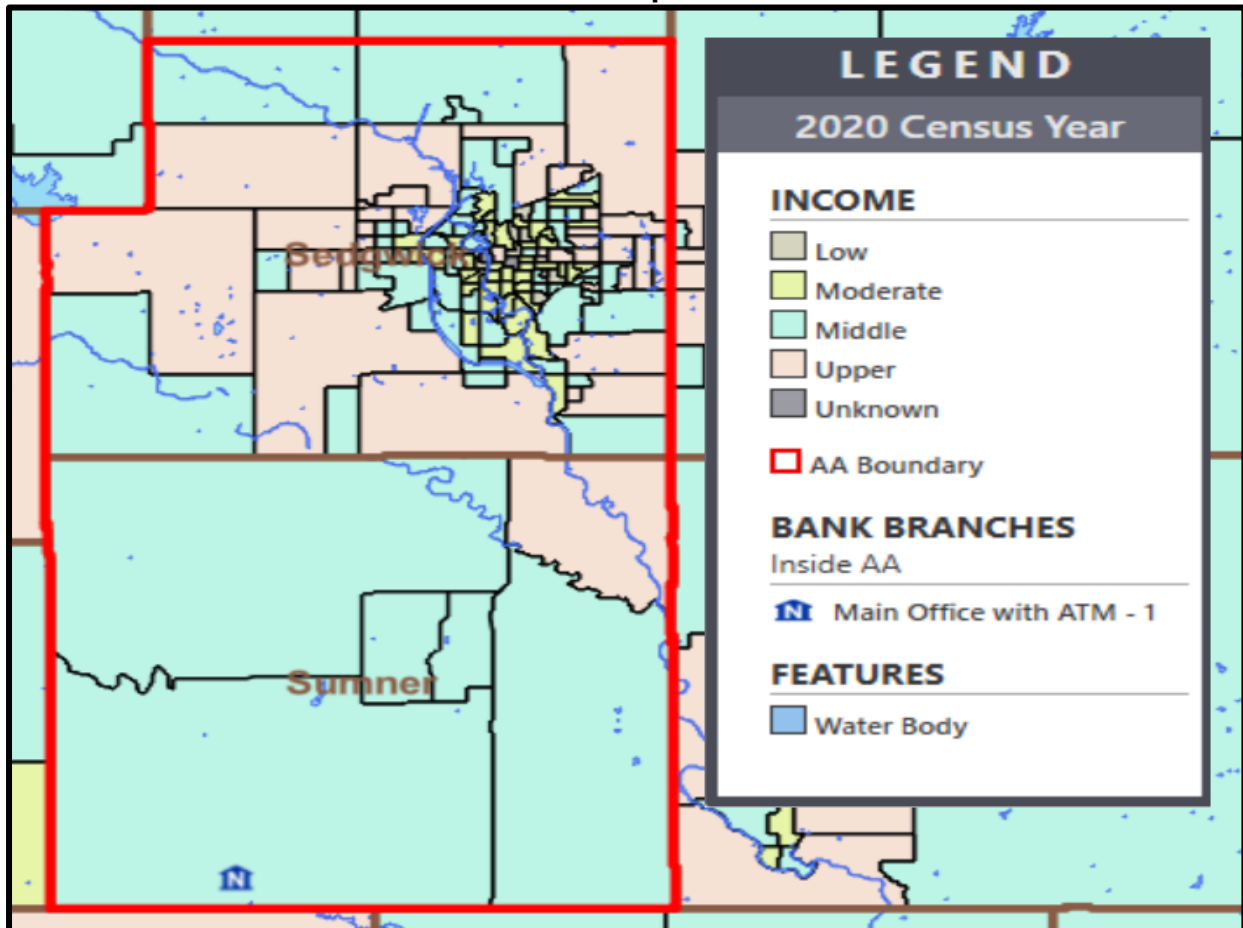
The borrower distribution of small farm lending is reasonable. As noted in Table 19, the bank originated eight loans, or 66.7 percent, to farms with revenues of \$1 million (MM) or less. While this is below the percentage of total farms (the demographic figure) of 99.7 percent, lending is still considered reasonable based on additional performance context. Three-year aggregate data showed 71.8 percent of small farm lending was to farms with revenues of \$1MM or less, which is comparable to the bank's lending performance. In terms of loan size, 91.7 percent of the bank's small farm loans were for amounts of \$250,000 or less, further indicating the bank's willingness to meet the credit needs of smaller agricultural operations. Typically, smaller farms do not have the need or capacity to borrow large amounts, and smaller loan amounts are used as a proxy to estimate the bank's support of smaller farms. Additionally, bank management stated that farm operations in the AA are becoming larger and are exceeding the bank's legal lending limit, thus creating less opportunities for the bank.

Table 19

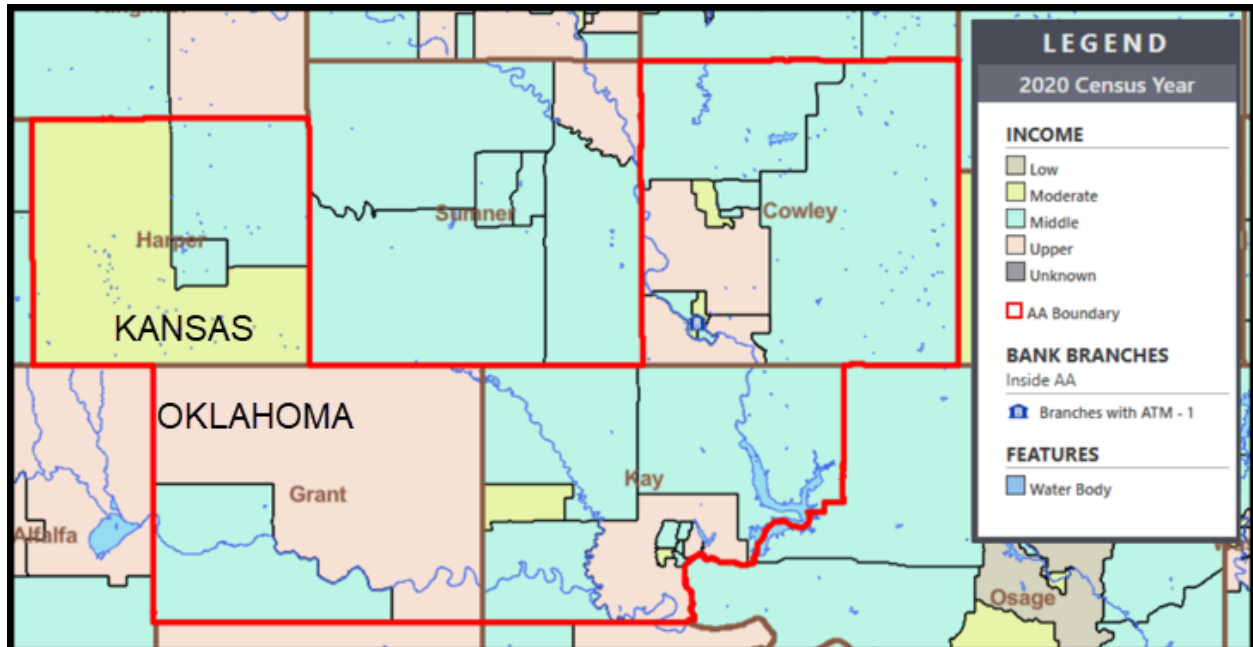
Distribution of 2024 Small Farm Lending By Revenue Size of Farms					
Assessment Area: South Central Kansas					
	Bank Loans				Total Farms %
	#	#%	\$(000)	\$%	
By Revenue					
\$1 Million or Less	8	66.7	723	52.5	99.7
Over \$1 Million	3	25.0	654	47.5	0.3
Revenue Unknown	1	8.3	2	0.1	0.0
Total	12	100.0	1,378	100.0	100.0
By Loan Size					
\$100,000 or Less	8	66.7	375	27.2	
\$100,001 - \$250,000	3	25.0	660	47.9	
\$250,001 - \$500,000	1	8.3	344	25.0	
Total	12	100.0	1,378	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	6	75.0	273	37.8	
\$100,001 - \$250,000	2	25.0	450	62.2	
\$250,001 - \$500,000	0	0.0	0	0.0	
Total	8	100.0	723	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.					

APPENDIX A – MAPS OF THE ASSESSMENT AREAS

Map A-1
Wichita Metropolitan AA



Map A-2
South Central Kansas AA



APPENDIX B – DEMOGRAPHIC INFORMATION

Table B-1

2024 Wichita Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	8	5.7	4,447	3.4	1,641	36.9	27,042	20.4
Moderate	42	29.8	32,267	24.4	5,618	17.4	24,483	18.5
Middle	54	38.3	52,141	39.4	3,486	6.7	28,032	21.2
Upper	35	24.8	43,112	32.6	1,220	2.8	52,891	39.9
Unknown	2	1.4	481	0.4	185	38.5	0	0.0
Total AA	141	100.0	132,448	100.0	12,150	9.2	132,448	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	10,363	2,579	2.0	24.9	5,645	54.5	2,139	20.6
Moderate	68,090	26,791	20.5	39.3	31,830	46.7	9,469	13.9
Middle	88,266	55,194	42.2	62.5	26,221	29.7	6,851	7.8
Upper	62,433	46,121	35.2	73.9	12,415	19.9	3,897	6.2
Unknown	2,500	258	0.2	10.3	1,728	69.1	514	20.6
Total AA	231,652	130,943	100.0	56.5	77,839	33.6	22,870	9.9
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	506	2.9	445	2.9	61	3.4	0	0.0
Moderate	4,334	25.0	3,802	24.7	512	28.1	20	14.7
Middle	6,250	36.0	5,543	36.0	645	35.5	62	45.6
Upper	5,745	33.1	5,178	33.6	513	28.2	54	39.7
Unknown	510	2.9	422	2.7	88	4.8	0	0.0
Total AA	17,345	100.0	15,390	100.0	1,819	100.0	136	100.0
Percentage of Total Businesses:				88.7		10.5		0.8
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2	0.5	2	0.5	0	0.0	0	0.0
Moderate	19	4.4	19	4.5	0	0.0	0	0.0
Middle	240	56.2	239	56.2	1	50.0	0	0.0
Upper	163	38.2	162	38.1	1	50.0	0	0.0
Unknown	3	0.7	3	0.7	0	0.0	0	0.0
Total AA	427	100.0	425	100.0	2	100.0	0	0.0
Percentage of Total Farms:				99.5		0.5		0.0
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.								

Table B-2

2024 South Central Kansas 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	4,334	19.5
Moderate	6	22.2	4,016	18.1	741	18.5	4,515	20.3
Middle	16	59.3	13,292	59.9	1,442	10.8	4,648	20.9
Upper	5	18.5	4,900	22.1	328	6.7	8,711	39.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	27	100.0	22,208	100.0	2,511	11.3	22,208	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	8,652	4,084	17.0	47.2	2,792	32.3	1,776	20.5
Middle	26,512	14,273	59.5	53.8	7,240	27.3	4,999	18.9
Upper	8,151	5,629	23.5	69.1	1,302	16.0	1,220	15.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	43,315	23,986	100.0	55.4	11,334	26.2	7,995	18.5
	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	640	20.4	572	20.5	60	22.2	8	11.3
Middle	1,900	60.7	1,697	60.8	159	58.9	44	62.0
Upper	592	18.9	522	18.7	51	18.9	19	26.8
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3,132	100.0	2,791	100.0	270	100.0	71	100.0
Percentage of Total Businesses:				89.1		8.6		2.3
	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	47	13.7	47	13.7	0	0.0	0	0.0
Middle	217	63.3	217	63.5	0	0.0	0	0.0
Upper	79	23.0	78	22.8	1	100.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	343	100.0	342	100.0	1	100.0	0	0.0
Percentage of Total Farms:				99.7		0.3		0.0
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.								

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.