

PUBLIC DISCLOSURE

February 18, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

United Texas Bank
RSSD # 726953
13101 Preston Road, Suite 200
Dallas, TX 75240

Federal Reserve Bank of Dallas
2200 North Pearl Street
Dallas, Texas 75201

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

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

This institution is rated: **Satisfactory**.

The lending test is rated: **Satisfactory**.

The community development (CD) test is rated: **Satisfactory**.

United Texas Bank (UTB or bank) is rated **Satisfactory**. This rating is based on the following conclusions with respect to the performance criteria under the lending and CD tests:

- UTB's 12-quarter average net loan-to-deposit ratio (NLTD) is reasonable.
- A substantial majority of the bank's loans are originated inside the assessment area (AA).
- A reasonable distribution of loans occurs throughout UTB's AA.
- Lending reflects a poor distribution among businesses of different revenue sizes.
- Appropriate response to a CRA-related complaint received by the bank since the previous evaluation.
- CD activity reflects adequate responsiveness to the needs of the delineated AA.

SCOPE OF THE EVALUATION

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 UTB's asset size, financial condition, business strategy, and market competition, as well as AA demographic and economic characteristics, and credit needs. Performance was assessed within UTB's sole AA, Dallas Metropolitan. Examiners reviewed the following data:

- UTB's 12-quarter average NLTD ratio, ending September 30, 2024;
- A statistically derived sample of the bank's commercial loans, which consists of 65 small business loans from a universe of 95 loans originated between January 1, 2024, and December 31, 2024;
- Qualified CD activities (loans, investments, donations, and services) from November 4, 2021, to February 18, 2025;
- Information provided by a representative of a small business development center serving the bank's AA to ascertain the credit and CD needs of the communities, the responsiveness of area banks in meeting those needs, and the local economic conditions; and
- UTB's response to CRA-related complaints.

DESCRIPTION OF THE INSTITUTION

UTB is an intrastate community bank headquartered in Dallas, Texas. The bank has the following characteristics.

- The bank is a wholly owned subsidiary by UTB Financial Holding Company.
- As of September 30, 2024, UTB had total assets of \$1.1 billion.
- The bank operates three full-service branches in Dallas, Texas, with two automated teller machines (ATMs) available at the Royal Branch.
 - One branch opened in January 2024.

- As shown in Table 1, UTB is primarily a commercial lender, as commercial loans represent 95.1 percent of the loan portfolio. The bank targets loans to large and highly profitable businesses, with the vast majority of its lending focused on commercial real estate.
- Since the previous evaluation, UTB expanded its business focus to include global banking¹ and virtual currencies. While these are not credit products, they comprise a significant portion of the bank's activities.

Table 1

Composition of Loan Portfolio as of September 30, 2024		
Loan Type	\$(000)	%
Residential Real Estate	9,759	1.9
Commercial	502,167	95.1
Consumer	711	0.1
Other	15,420	2.9
Gross Loans	528,057	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

The Federal Reserve Bank of Dallas rated UTB's CRA performance as **Satisfactory** at the previous performance evaluation dated November 3, 2021. There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

¹ Global banking refers to the facilitation of funds transfers, specifically for international transactions.

DALLAS METROPOLITAN ASSESSMENT AREA
(Full-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE DALLAS METROPOLITAN ASSESSMENT AREA

- The Dallas Metropolitan AA consists of Dallas, Denton, and Collin counties in their entirety. These counties are part of the Dallas-Plano-Irving-Metro Division (MD), one of the MDs comprising the greater Dallas-Fort Worth-Arlington Metropolitan Statistical Area (MSA). Refer to Appendix A for an AA map.
- The bank opened a branch since the prior evaluation; however, the AA delineation remained unchanged.
- UTB operates three branches within the AA: one branch is located in a low-income census tract, one in a middle-income census tract, and one in an upper-income census tract.
- According to the American Community Survey (ACS), the AA consists of 1,058 census tracts: 114 low-income census tracts (10.8 percent), 270 moderate-income census tracts (25.5 percent), 286 middle-income census tracts (27.0 percent), 369 upper-income census tract (34.9 percent), and 19 census tracts with unknown-income (1.8 percent).
- According to the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report as of June 30, 2024, UTB held 0.1 percent of the deposit market share, ranking 39th out of 142 federally insured depository institutions operating in the AA. Charles Schwab Bank, SSB. led the market with 39.0 percent of the market share. Other market leaders include Bank of America, N.A. and JPMorgan Chase Bank, N.A., with 20.4 percent and 12.1 percent, respectively.
 - UTB is a relatively small institution operating in a very competitive market against the largest banks in the nation, as well as numerous other financial institutions. Based on its asset size and limited branch network, UTB's resources are significantly less than those of larger competitors.
- The representative of a small business development center highlighted lending for start-up businesses and financial education for business owners as the needs for the AA.

Table 2
Population Change
Assessment Area: Dallas Metropolitan

Area	2015 Population	2020 Population	Percent Change
Dallas Metropolitan	4,079,069	4,584,426	12.4
Collin County, TX	862,215	1,064,465	23.5
Dallas County, TX	2,485,003	2,613,539	5.2
Denton County, TX	731,851	906,422	23.9
Dallas-Plano-Irving, TX MD	4,519,004	5,129,966	13.5
Texas	26,538,614	29,145,505	9.8
Source: 2020 U.S. Census Bureau Decennial Census 2011-2015 U.S. Census Bureau: American Community Survey			

- As shown in Table 2, the population grew significantly between 2015 to 2020, adding 505,357 residents to the AA. Dallas County experienced a lower growth rate than that of the state of Texas, indicating that the outskirts of Dallas (suburban areas) are growing significantly faster than the core of the MD.

- A community contact noted that population growth is attributed to many companies bringing high-paying jobs to the area.

Table 3

Median Family Income Change Assessment Area: Dallas Metropolitan			
Area	2015 Median Family Income (\$)	2020 Median Family Income (\$)	Percent Change
Dallas Metropolitan	77,264	87,198	12.9
Collin County, TX	110,174	118,341	7.4
Dallas County, TX	61,072	69,689	14.1
Denton County, TX	99,628	111,436	11.9
Dallas-Plano-Irving, TX MD	77,736	88,315	13.6
Texas	68,523	76,073	11.0
<i>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.</i>			

- As depicted in Table 3, the median family income (MFI) in the AA exceeds the state's MFI by 14.6 percent. However, there is a significant income disparity in the AA. Dallas County's MFI, which includes the AA's inner city, is only 58.9 percent of Collin County's MFI and 62.5 percent of Denton County's MFI. Despite these disparities, the MFI in the AA grew at a faster rate than the rest of the state between 2015 and 2020.
- The AA has approximately 1.1 million families; of those 22.8 percent are classified as low-income, 17.2 percent as moderate-income, 18.5 percent as middle-income, and 41.6 percent as upper-income.
- According to the 2023 FFIEC data, 8.3 percent of the AA families live below the poverty level, which is lower than the state figure at 10.9 percent. Collin and Denton counties have the lowest percentage of families living below the poverty level in the AA, at 4.5 percent. Conversely, 11.4 percent of families in Dallas County live below the poverty level, again highlighting the income disparity in the AA.

Table 4

Housing Cost Burden Assessment Area: Dallas Metropolitan						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Dallas Metropolitan	83.0	52.1	42.9	65.9	38.9	21.3
Collin County, TX	85.2	68.1	40.2	71.2	50.5	19.8
Dallas County, TX	81.6	46.6	43.7	63.7	32.8	23.2
Denton County, TX	88.4	58.5	42.7	70.7	50.0	19.0
Dallas-Plano-Irving, TX MD	82.7	51.6	43.0	65.1	38.0	21.1
Texas	79.4	49.8	43.5	59.0	32.7	19.4
<i>Note: Cost burden is housing cost that equals 30 percent or more of household income. Source: U.S. Department of Housing and Urban Development (HUD), 2016-2020 Comprehensive Housing Affordability Strategy</i>						

- As illustrated in Table 4, low- and moderate-income (LMI) renters face a greater housing cost burden than LMI homeowners in the AA, indicating that it is more economical for LMI families to purchase a home rather than rent. However, barriers to homeownership, such

as down payment requirements, high property taxes, and underwriting requirements, may prevent LMI families from owning a home.

- Housing affordability within the AA among low-income renters is substantially greater than the burden of residents at any other level. LMI renters spend more than 30 percent of household income on housing, which limits resources for other needs.
- Housing in the AA is less affordable, for both renters and homeowners, than in other parts of the state.
- According to the 2023 FFIEC data, the AA's median gross rent is \$1,218, the median age of housing stock is 38 years, and the median housing value is \$261,273.

Table 5

Unemployment Rates					
Assessment Area: Dallas Metropolitan					
Area	2019	2020	2021	2022	2023
Dallas Metropolitan	3.3	7.1	5.0	3.5	3.7
Collin County, TX	3.1	6.3	4.4	3.2	3.5
Dallas County, TX	3.5	7.8	5.6	3.8	3.8
Denton County, TX	3.0	6.4	4.4	3.3	3.5
Dallas-Plano-Irving, TX MD	3.3	7.0	5.0	3.5	3.7
Texas	3.5	7.7	5.6	3.9	3.9

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- As shown in Table 5, the AA unemployment rate stabilized in 2022, after more than doubling in 2020 and 2021 due to the COVID-19 pandemic. Despite nearly reaching pre-pandemic levels, the AA unemployment rate increased slightly the following year.
- The AA unemployment rates tend to be slightly below the statewide rates.
- The AA has a diverse business community; the top three industries include health care and social assistance, professional and technical services, and retail trade. Top employers include Methodist Health Systems, AT&T, DFW International Airport, Samsung Electronics, JPMorgan, and Toyota Motor North America.

Table 6 on the following page details selected characteristics of the AA.

Table 6

2023 Combined Demographics Assessment Area: Dallas Metropolitan								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	114	10.8	105,036	9.7	26,219	25.0	246,222	22.8
Moderate-income	270	25.5	258,695	23.9	34,462	13.3	185,684	17.2
Middle-income	286	27.0	297,604	27.5	16,727	5.6	199,934	18.5
Upper-income	369	34.9	413,702	38.3	11,706	2.8	449,197	41.6
Unknown-income	19	1.8	6,000	0.6	1,115	18.6	0	0.0
Total Assessment Area	1,058	100.0	1,081,037	100.0	90,229	8.3	1,081,037	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	194,192	50,085	5.6	25.8	124,151	63.9	19,956	10.3
Moderate-income	427,205	179,976	20.0	42.1	214,067	50.1	33,162	7.8
Middle-income	481,879	259,402	28.8	53.8	190,499	39.5	31,978	6.6
Upper-income	599,479	408,729	45.3	68.2	156,297	26.1	34,453	5.7
Unknown-income	19,513	3,451	0.4	17.7	13,415	68.7	2,647	13.6
Total Assessment Area	1,722,268	901,643	100.0	52.4	698,429	40.6	122,196	7.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	14,301	6.0	13,137	6.0	1,075	6.9	89	3.1
Moderate-income	45,448	19.1	41,893	19.1	3,201	20.4	354	12.4
Middle-income	71,888	30.3	65,940	30.1	5,247	33.5	701	24.6
Upper-income	103,595	43.6	96,017	43.8	5,889	37.6	1,689	59.2
Unknown-income	2,291	1.0	2,010	0.9	260	1.7	21	0.7
Total Assessment Area	237,523	100.0	218,997	100.0	15,672	100.0	2,854	100.0
Percentage of Total Businesses:				92.2		6.6		1.2
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	54	2.9	54	3.0	0	0.0	0	0.0
Moderate-income	219	11.9	215	11.8	4	18.2	0	0.0
Middle-income	643	34.9	634	34.8	9	40.9	0	0.0
Upper-income	917	49.7	907	49.8	9	40.9	1	100.0
Unknown-income	11	0.6	11	0.6	0	0.0	0	0.0
Total Assessment Area	1,844	100.0	1,821	100.0	22	100.0	1	100.0
Percentage of Total Farms:				98.8		1.2		0.1
Source: 2023 FFIEC Census Data 2023 D&B Information 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

UTB's overall performance under the lending test is Satisfactory. During the review period, the bank's NLTD was reasonable. A substantial majority of the bank's loans were extended within its delineated AA. While lending reflects poor distribution of loans among businesses of different revenue sizes, geographic penetration is reasonable. In addition, the bank took appropriate action in response to CRA-related complaints.

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 and the performance of similarly situated institutions. Examiners noted the bank's capacity to lend, the availability of lending opportunities, and the demographic and economic factors present in the AA as performance context as well as the bank's asset size, activity in the delineated AA, and loan portfolio composition when selecting similarly situated banks.

UTB's 12-quarter average NLTD is reasonable. As presented in Table 7, similarly situated institutions had average NLTDs ranging from 69.7 to 95.7 percent. UTB's NLTD, at 67.5 percent, is slightly below similarly situated institutions but still reflects a willingness to lend and is comparable to the NLTD ratios of the selected similarly situated institutions.

Table 7

Comparative Net Loan-to-Deposit Ratios October 1, 2021 – September 30, 2024			
Institution	Location	Asset Size \$(000)	12-Quarter Average NLTD Ratio (%)
United Texas Bank	Dallas, Texas	1,071,099	67.5
Similarly Situated Institutions			
Comparator Banks	Graham, Texas	941,691	77.6
	Dallas, Texas	838,815	95.7
	Dallas, Texas	1,438,125	69.7

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. The bank originated a substantial majority of loans, both by number and dollar amount, inside the AA, as shown in Table 8.

Table 8

Lending Inside and Outside of the Assessment Area								
Loan Type	Inside Assessment Areas				Outside Assessment Areas			
	#	%	\$(000)	%	#	%	\$(000)	%
Total Small Business	61	93.8	25,870	93.1	4	6.2	1,918	6.9

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

The remaining analysis is based on the loans made inside the bank's AA.

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of lending within UTB's AA by income level of census tracts considering the dispersion of loans throughout the AA. The bank's geographic distribution of loans reflects reasonable distribution among geographies of different income levels and dispersion throughout the AA.

The geographic distribution of small business lending is reasonable. As depicted on Table 9, UTB originated 61 small business loans in the AA during the review period. While the bank's performance is below the demographic figure (percentage of businesses operating in LMI census tracts), it is reasonable given the very competitive market in which it operates, challenging interest rate environment, and dedicated efforts to reach businesses located in LMI geographies. Although UTB is not a major competitor when compared to the nationwide lenders operating in the AA, it has made lending in LMI areas a priority. Since the previous evaluation, UTB implemented a small business loan program targeted at small businesses located in LMI census tracts within the AA. The program provides flexible financing options such as low interest rates or minimal down payment requirements to businesses operating in LMI census tracts.

Table 9

Distribution of 2024 Small Business Lending by Income Level of Geography Assessment Area: Dallas Metropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	2	3.3	410	1.6	6.0
Moderate	9	14.8	1,280	4.9	19.1
Middle	23	37.7	11,023	42.6	30.3
Upper	27	44.3	13,157	50.9	43.6
Unknown	0	0.0	0	0.0	1.0
Total	61	100.0	25,870	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 Revenue Sizes

This performance criterion evaluates the bank's lending to businesses of different revenue sizes. The bank's lending reflects poor distribution among businesses of different revenue sizes.

The borrower distribution of small business lending is poor. As shown in Table 10, 92.2 percent of businesses within the AA reported revenues of \$1 million or less. During the review period, the bank's lending to small businesses by both number volume and dollar amount is significantly below the demographic, at 18.0 percent and 8.1 percent, respectively. While the bank's business strategy centers around serving large and highly profitable businesses, UTB is still expected to reach small businesses in the AA. Another way to consider the bank's performance is by loan amount. Smaller businesses typically need smaller dollar loans. By this measurement, only 13.1 percent of the bank's small business loans were originated in amounts less than \$100,000, further demonstrating the bank's lack of lending to small businesses. Although UTB is not required to

report CRA small business loan data, the data reported by aggregate CRA lenders provides context on small business loan demand in the AA. In 2023, aggregate CRA lenders extended 52.8 percent of CRA reportable loans to small businesses in the AA, which demonstrates demand for small business lending that the bank could have reached. The bank's lending record reflects minimal efforts to reach and service the credit needs of small businesses and reflects poorly on the bank's overall CRA performance.

Table 10

Distribution of 2024 Small Business Lending by Revenue Size of Businesses					
Assessment Area: Dallas Metropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
By Revenue					
\$1 Million or Less	11	18.0	2,098	8.1	92.2
Over \$1 Million	49	80.3	23,472	90.7	6.6
Revenue Unknown	1	1.6	300	1.2	1.2
Total	61	100.0	25,870	100.0	100.0
By Loan Size					
\$100,000 or Less	8	13.1	545	2.1	
\$100,001 - \$250,000	7	11.5	1,235	4.8	
\$250,001 - \$1 Million	46	75.4	24,090	93.1	
Total	61	100.0	25,870	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	4	36.4	220	10.5	
\$100,001 - \$250,000	6	54.5	985	46.9	
\$250,001 - \$1 Million	1	9.1	893	42.6	
Total	11	100.0	2,098	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.					

Response to Complaints

UTB's record of taking action in response to comments about its performance in helping meet the credit needs in the AA is appropriate. A community member submitted a comment letter related to UTB's CRA performance within the AA. The Federal Reserve Bank of Dallas considered the comments as well as the bank's response to determine the scope of the evaluation to reach conclusions of UTB's overall performance in helping to meet the credit needs of the AA. UTB's response to the comment letter was timely and appropriate.

COMMUNITY DEVELOPMENT TEST

The CD test is rated Satisfactory. The CD test evaluates UTB's responsiveness to the CD needs of the AA through qualified loans, investments, and services, considering the bank's capacity and availability of such opportunities. The bank's CD performance demonstrates adequate responsiveness to the CD needs in the AA.

Since the previous evaluation, the bank's CD lending in the AA increased significantly. As noted in Table 11, UTB originated 23 CD loans totaling \$7.5 million, representing an increase of 219.8

percent since the previous evaluation. Most of the bank's qualified lending during this review period consisted of loans with an affordable housing purpose. A total of ten loans, equaling \$1.4 million, were extended through an initiative by the City of Dallas called Dallas Housing Policy 2033, which seeks to reduce disparities that disproportionately impact historically disadvantaged communities by providing quality affordable mixed income housing across the Historic Fair Park. Additionally, UTB fostered economic development by extending seven loans for approximately \$3 million to finance small businesses within low-income census tracts. UTB also extended six loans with a community service purpose that targets and benefits LMI individuals and geographies.

UTB's CD investments and donations increased significantly (14.5 times) when compared to the bank's performance at the prior evaluation. The investments were primarily to a small business investment company that promotes economic development by financing small businesses within the AA. The bank demonstrated its commitment to supporting the CD needs of the AA by investing in a minority-owned financial institution located in a low-income census tract and in an organization that focuses on affordable housing. Lastly, UTB made qualified donations to a variety of area non-profit organizations. Many of the donations specifically benefit LMI individuals by providing necessities ranging from food to shelter needs.

Lastly, UTB's CD services in the AA increased by 702.1 percent from the previous evaluation. Bank employees devoted 674.5 hours across a variety of services during the review period, focusing primarily on organizations extending community services. Bank representatives served in leadership roles by providing financial expertise on the board of directors for organizations serving small businesses. Also, a large portion of the bank's services relate to providing financial education at local schools, nonprofit organizations, and workshops to students, entrepreneurs, and residents within the AA. Given that the community contact noted financial literacy as a need in the AA, UTB's efforts reflect adequate responsiveness.

Table 11

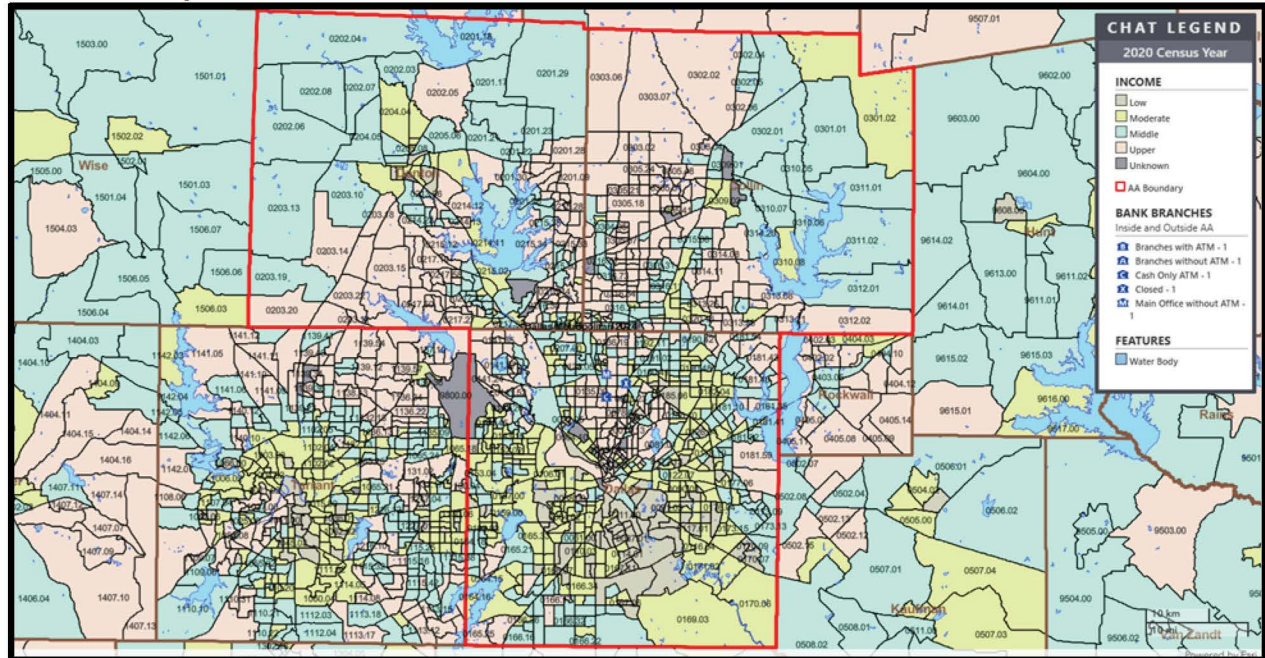
Community Development Activity Assessment Area: Dallas Metropolitan									
Community Development Purpose	CD Loans		Qualified Investments						CD Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	#
Affordable Housing	10	1,417	1	5,000	3	15	4	5,015	0
Community Services	6	3,050	0	0	26	122	26	122	323
Economic Development	7	3,068	11	3,880	3	13	14	3,893	0
Revitalization and Stabilization	0	0	1	5,000	7	35	8	5,035	0
Totals	23	7,535	13	13,880	39	185	52	14,065	323

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

Dallas-Metropolitan Assessment Area



APPENDIX B – GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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.