PUBLIC DISCLOSURE

January 14, 2019

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

First Bank Blue Earth
306 South Main Street
Blue Earth, Minnesota 56013
RSSD 147857

Federal Reserve Bank of Minneapolis
90 Hennepin Avenue, P.O. Box 291
Minneapolis, MN 55480-0291

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 the 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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Definitions for many of the terms used in this performance evaluation can be found in section 228.12 of Regulation BB. For additional convenience, see Appendix A at the end of this Performance Evaluation.

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

Examiners evaluated the Community Reinvestment Act (CRA) performance of First Bank Blue Earth, Blue Earth, Minnesota, using the Small Bank CRA Examination Procedures. Given the bank's asset size and financial condition, the bank effectively meets the credit needs of small farms, small businesses, and residents in its assessment area.

Several factors support the bank's satisfactory rating:

- The bank's lending to farms and businesses of different sizes and to borrowers of different income levels is reasonable.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The bank's net loan-to-deposit ratio indicates a reasonable level of lending.
- The bank originated a majority of its loans within its assessment area.

The bank received a satisfactory rating at the previous CRA evaluation, conducted January 12, 2015.

SCOPE OF EVALUATION

Examiners based the evaluation on a sample of 135 small farm loans (originated from September 1, 2017, to August 31, 2018), as well as samples of 99 small business loans and 100 consumer loans (originated from March 1, 2018, to August 31, 2018). The product lines evaluated are representative of the bank's loan activity during the evaluation period, as shown in Table 1. Examiners conducted a full-scope review of the bank's assessment area.

TABLE 1[1]
Loan Originations From January 1, 2017, Through December 31, 2017

Loan Type	*Number of Loans*	*Percentage of Total Number*	*Total Loan Dollars*	*Percentage of Total Dollars*
Construction/Land Development	3	0.6	$ 1,210,000	3.1
Consumer	165	34.5	1,940,998	4.9
Home Equity Lines of Credit	6	1.3	159,953	0.4
Residential Real Estate	25	5.2	2,699,368	6.9
Small Business (≤ $1 million)	121	25.3	11,618,802	29.6
Commercial (> $1 million)	1	0.2	2,352,631	6.0
Small Farm (≤ $500,000)	155	32.4	16,985,840	43.3
Agricultural (> $500,000)	3	0.6	2,298,524	5.9
Total	**479**	**100.0**	**$39,266,115**	**100.0**

Examiners analyzed the following performance criteria to determine the bank's CRA rating:

- Lending to farms and businesses of different sizes and to borrowers of different income levels
- Net loan-to-deposit ratio
- Lending inside the assessment area

[1]Note: Because the percentages presented in the tables are rounded to the nearest tenth, some columns or rows may not total 100.0%.

- Geographic distribution of loans
- Record of responding to complaints about the bank's CRA performance

For the evaluation criteria, examiners placed the greatest weight on the bank's lending to farms and businesses of different sizes and to borrowers of different income levels. Examiners weighted the remaining criteria equally. Examiners placed the most weight on small farm loans based on loan origination volume by dollar amount and number, as well as loan portfolio composition. Examiners weighted small business and consumer loans equally.

The evaluation is based in part on discussions with bank management and interviews with members of the community. Examiners interviewed individuals familiar with the economic and demographic characteristics of the bank's assessment area. Examiners used information from these sources to help evaluate the bank's CRA performance.

DESCRIPTION OF INSTITUTION

Structure. First Bank Blue Earth is a full-service institution owned by FNB Bancshares Inc., a one-bank holding company in Blue Earth, Minnesota.

Offices and Delivery Systems. The bank has one office, located in Blue Earth. The bank office has a drive-up facility and two cash-dispensing ATMs. There are three additional ATMs at retail locations in Blue Earth. The bank has not opened or closed any offices since the previous evaluation. The bank's office hours appear appropriate for the community the bank serves. The bank also offers online banking, mobile banking, and remote deposit capture.

Loan Portfolio. According to the September 30, 2018, Report of Condition, the bank has total assets of $229.2 million and total loans of $154.0 million. These figures reflect a 22.0% increase in assets and a 21.5% increase in loans since the previous examination. The loan portfolio consists of 60.9% agricultural, 29.4% commercial, 6.4% residential real estate, 2.8% consumer, and 0.8% other loans. As a percentage of the loan portfolio, agricultural loans increased slightly and commercial loans decreased slightly since the previous evaluation. The remaining loan types, as a percentage of the loan portfolio, remained consistent with the composition at the previous evaluation.

Credit Products. The bank offers a variety of traditional loan products, including agricultural, commercial, residential, and consumer loans to help meet the credit needs of consumers in the assessment area. Agricultural lending is the bank's main focus, and much of its business stems from its agricultural customers. The bank also participates in government-sponsored loan programs, including programs through the U.S. Small Business Administration.

DESCRIPTION OF ASSESSMENT AREA

Assessment Area. The bank has one designated assessment area for CRA purposes: the Faribault County assessment area. The bank has not changed its assessment area since the previous evaluation. The income classifications of the census tracts also have not changed. The Faribault County assessment area consists of six middle-income census tracts, all of which were considered distressed during the evaluation period. Refer to the glossary in Appendix A for additional information on distressed middle-income census tracts.

Table 2 shows the demographic characteristics of the assessment area based on the 2018 Federal Financial Institutions Examination Council (FFIEC) adjusted census data[2] and 2018 Dun & Bradstreet data.

TABLE 2
Assessment Area Demographics

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low Income	0	0.0	0	0.0	0	0.0	896	21.5
Moderate Income	0	0.0	0	0.0	0	0.0	844	20.3
Middle Income	6	100.0	4,164	100.0	393	9.4	962	23.1
Upper Income	0	0.0	0	0.0	0	0.0	1,462	35.1
Total Assessment Area	**6**	**100.0**	**4,164**	**0.0**	**393**	**9.4**	**4,164**	**100.0**

Income Categories	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low Income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate Income	0	0	0.0	0.0	0	0.0	0	0.0
Middle Income	7,055	4,897	100.0	69.4	1,477	20.9	681	9.7
Upper Income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	**7,055**	**4,897**	**100.0**	**69.4**	**1,477**	**20.9**	**681**	**9.7**

Income Categories	Total Businesses by Tract		Businesses by Tract and Revenue Size					
			≤ $1 Million		> $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate Income	0	0.0	0	0.0	0	0.0	0	0.0
Middle Income	882	100.0	815	100.0	44	100.0	23	100
Upper Income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**882**	**100.0**	**815**	**100.0**	**44**	**100.0**	**23**	**100.0**
Percentage of Total Businesses:				**92.4**		**5.0**		**2.6**

Income Categories	Total Farms by Tract		Farms by Tract and Revenue Size					
			≤ $1 Million		> $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate Income	0	0.0	0	0.0	0	0.0	0	0.0
Middle Income	265	100.0	263	100.0	2	100.0	0	0.0
Upper Income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**265**	**100.0**	**263**	**100.0**	**2**	**100.0**	**0**	0.0
Percentage of Total Farms:				**99.2**		**0.8**		**0.0**

[2] The FFIEC adjusted census data is based on decennial U.S. Census data and American Community Survey five-year estimate data, and it also reflects the Office of Management and Budget's metropolitan statistical area revisions.

Income. This evaluation uses the 2018 FFIEC estimated median family income to classify borrowers by income level. For borrowers in the nonmetropolitan areas of Minnesota, the figure is $69,500. For purposes of classifying census tracts by income level, this evaluation relies on the FFIEC adjusted census data median family income for the nonmetropolitan areas of Minnesota, which is $63,182 for 2017 and 2018.

Population. According to the 2018 FFIEC adjusted census data, the population in the assessment area is 14,230. Since the previous evaluation, the population decreased by 2.2%. The data also indicates that 25.3% of the households in the assessment area are low income and 17.6% are moderate income. These percentages are modestly higher than for statewide Minnesota, at 23.7% and 16.1%, respectively. Finally, the percentage of households in the assessment area that are below the poverty level is 13.2%, which is higher than for statewide Minnesota at 10.8%.

Economy. According to community contacts, the economy in Faribault County is relatively stable and primarily supported by the agricultural sector. The agricultural sector primarily consists of crop farming. There are also some livestock operations in the area. This industry has experienced some ups and downs over the past couple of years. Specifically, there have been low commodity prices, alternating increases and decreases in crop yields, increased value of farmland, and import and export tariffs by the federal government. According to a community contact, high harvest yields helped make up for lower corn and soybean prices in 2017; 2018 had much lower yields. Crop farmers' costs, such as land rent, fertilizer, and seed costs, have not decreased. At the time of the evaluation, the federal government was experiencing a furlough, so the U.S. Department of Agriculture and the Farm Service Agency could not disburse funds for gap funding or other programs.

A community contact noted that local farmers were turning to growing different crops, such as wheat, to diversify yields in the event crop prices remain very low. The contact also described a continued trend toward the consolidation of farming operations, which may be attributed to the aging farming community and challenges facing new farmers, such as start-up and equipment costs and access to capital.

Major employers in the area include a telecommunication company, manufacturers, health-care facilities, food processing companies, and school districts. Community contacts mentioned there are some new small businesses in Blue Earth. Community contacts indicated that the biggest barrier for new small businesses is start-up funds.

According to the Bureau of Labor Statistics, Faribault County's December 2018 nonseasonally adjusted unemployment rate was 4.1%, which is above the statewide rate for Minnesota of 3.2% for the same period. The county rate is also slightly above the national rate of 3.7% for the same period. Faribault County's December 2018 nonseasonally adjusted unemployment rate is relatively similar to the rate at the time of the previous evaluation. Community contacts indicated a shift in demographics, with more individuals retiring and young people leaving Blue Earth and Faribault County to pursue education and employment opportunities.

The financial services market in the assessment area is competitive. Numerous financial institutions operate in the assessment area, including a large national bank.

Housing. In the bank's assessment area, according to 2018 FFIEC data, 69.4% of the housing units are owner occupied, and the median housing value is $85,623. A community contact noted a housing shortage in the area. Many homes require repairs or need to be rebuilt. A community contact indicated there are initiatives underway to help address housing rehabilitation concerns.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank's performance in meeting the credit needs of its assessment area is rated Satisfactory. Overall, the bank's lending to farms and businesses of different sizes and to borrowers of different income levels is reasonable. The bank originated a majority of its loans within the assessment area. In addition, the net loan-to-deposit ratio and geographic distribution of loans are reasonable.

LENDING TO FARMS AND BUSINESSES OF DIFFERENT SIZES AND TO BORROWERS OF DIFFERENT INCOME LEVELS

Overall, the bank's lending to small farms, small businesses, and low- to moderate-income borrowers is reasonable. The bank has a reasonable distribution of loans to farms and businesses of different sizes and an excellent distribution of loans to low- and moderate-income borrowers.

Small Farm Lending. The bank's lending to small farms is reasonable. Table 3 displays the distribution of small farm lending in the assessment area.

Table 3
Small Farm Lending

Small Farm Loans	***≤ $100,000***	***> $100,000 to ≤ $250,000***	***> $250,000 to < $500,000***	***Total Originations***
Percentage of All Small Farm Loans	54.9%	25.5%	19.6%	100.0%
Percentage of Loans to Farms with Revenues of $1 Million or Less	53.6%	26.2%	20.2%	82.4%

According to 2018 Dun & Bradstreet data, 99.2% of farms in the assessment area have gross annual revenues of $1 million or less. The bank originated 82.4% of small farm loans to entities with gross annual revenues of $1 million or less. Although the bank's lending to small farms is lower than demographic characteristics of the assessment area, the bank's performance is reasonable. As noted previously, the bank operates in a competitive banking environment. In addition, bank management indicated that the bank has strong relationships with existing agricultural customers, including large farms. The small farm loan sample reflects that one of the bank's large farm customers took out nine, or 50.0%, of the loans originated to farms with gross annual revenues over $1 million. The demand for multiple loans by one large customer has the effect of increasing the percentage of loans to large farms. The bank originated the majority, 53.6%, of its small farm loans in amounts of $100,000 or less, which reflects a willingness to serve the needs of small farms. Finally, community contacts did not identify any unmet small farm credit needs. Overall, the bank's lending to small farms is reasonable.

Small Business Lending. The bank's lending to small businesses is reasonable. Table 4 displays the bank's small business lending in the assessment area.

Table 4
Small Business Lending

Small Business Loans	***≤ $100,000***	***> $100,000 to ≤ $250,000***	***> $250,000 to ≤ $1,000,000***	***Total Originations***
Percentage of All Small Business Loans	86.2%	9.2%	4.6%	100.0%
Percentage of Loans to Businesses with Revenues of $1 Million or Less	92.5%	5.7%	1.9%	81.5%

According to 2018 Dun & Bradstreet data, 92.4% of businesses in the assessment area are small business entities. The bank originated 81.5% of its small business loans to entities with gross annual revenues of $1 million or less. This percentage is lower than assessment area demographics; however, it is reasonable. As previously mentioned, the bank competes with numerous banks in the assessment area. Also, the bank originated 92.5% of its loans to businesses with revenues of $1 million or less in amounts of $100,000 or less. This indicates a willingness to serve the credit needs of small businesses.

Consumer Lending. The bank's consumer lending to low- and moderate-income borrowers is excellent. Table 5 shows the percentage of consumer loans originated to borrowers of different income levels.

TABLE 5
Distribution of Consumer Loans by Borrower Income Level*

	Low Income		***Moderate Income***		***Middle Income***		***Upper Income***		***Unknown Income***	
Loan Type Sample	***#***	***$***	***#***	***$***	***#***	***$***	***#***	***$***	***#***	***$***
Consumer Loans	48.1%	41.8%	27.3%	22.2%	13.0%	17.4%	7.8%	16.8%	3.9%	1.8%
Demographic Data										
Percentage of Households**	25.3%		17.6%		19.2%		37.9%		NA	

*Median family income for the nonmetropolitan areas of Minnesota was $69,500 for 2018.
**Based on 2018 FFIEC census data.

The bank extended 48.1% of its consumer loans to low-income borrowers, which exceeds the percentage of low-income households (25.3%) in the assessment area. The bank extended 27.3% of its loans to moderate-income borrowers, which exceeds the percentage of moderate-income households (17.6%) in the assessment area. Combined, the bank extended 75.4% of its consumer loans to low- and moderate-income borrowers, compared to the combined demographic figure of 42.9%. According to management, the bank does not require a minimum loan amount for consumer loans. This feature allows low- and moderate-income individuals to obtain smaller-dollar loans. Of the loans sampled, 30.0% were for amounts of $3,000 or less. Of these small-dollar loans, 83.3% were to low- and moderate-income borrowers.

Overall, the bank's lending to farms and businesses of different sizes and to borrowers of different income levels is reasonable.

GEOGRAPHIC DISTRIBUTION OF LOANS

The geographic distribution and dispersion of loans is reasonable and does not reveal any gaps in lending. The assessment area consists of six middle-income census tracts, which were all classified as distressed during the evaluation period.

The bank originated loans in every census tract in the assessment area. The bank made the majority of the small farm, small business, and consumer loans to borrowers in census tracts 4603.00 and 4604.00. The bank's office is located in census tract 4604.00, and tract 4603.00 surrounds tract 4604.00.

The bank did not originate any small business loans in census tract 4606.00, which is reasonable. Bank management indicated that tract 4606.00 includes Wells, Minnesota, where other financial institutions have offices and can meet the needs of nearby businesses. Overall, the geographic distribution and dispersion of loans is reasonable.

LOAN-TO-DEPOSIT RATIO ANALYSIS

The bank's net loan-to-deposit ratio is reasonable given the bank's asset size and financial condition, the assessment area's credit needs, and competition from financial institutions operating in the area. According to the September 30, 2018, Uniform Bank Performance Report, the bank's net loan-to-deposit ratio is 72.9%, which is comparable to the national peer group's average net loan-to-deposit ratio of 72.4%. The bank's national peer group includes all insured commercial banks having assets between $100 million and $300 million, with two or fewer full-service banking offices and not located in a metropolitan statistical area.

Since the previous evaluation, the bank's quarterly net loan-to-deposit ratio ranged from 72.9% to 80.6%, which reflects normal fluctuations in business. The bank's average net loan-to-deposit ratio for the past 16 quarters is 77.3%. As noted above, the bank operates in a competitive environment that includes a large national bank as well as other financial institutions. However, there are no similarly situated financial institutions operating in the bank's assessment area for comparison purposes. Community contacts did not identify unmet credit needs in the area. Overall, the bank's net loan-to-deposit ratio is reasonable and indicates the bank is an active lender in the assessment area.

COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE THE ASSESSMENT AREA

The bank originated a majority of its loans within its assessment area: 73.1% of loans by number and 67.4% by total dollar amount. Table 6 shows lending activity by loan type within the assessment area.

Table 6
Distribution of Loans Inside and Outside the Assessment Area

	Inside				*Outside*			
Loan Category	*#*	*%*	*$(000s)*	*%*	*#*	*%*	*$(000s)*	*%*
Small Business	65	65.7	4,191	47.0	34	34.3	4,732	53.0
Small Farm	102	75.6	14,099	76.8	33	24.4	4,249	23.2
Consumer	77	77.0	635	78.8	23	23.0	170	21.2
Total	**244**	**73.1**	**17,925**	**67.4**	**90**	**26.9**	**9,151**	**32.6**

The bank originated some loans outside the assessment area in counties adjacent to or near Faribault County. In addition, the bank originated loans to borrowers in other states. The bank maintains business and consumer relationships with customers who no longer operate or reside in its assessment area. Based on this context, the percentage of lending inside the assessment area is reasonable. The bank's lending shows its commitment to meeting credit needs within its assessment area, as well as its commitment to its customers.

RECORD OF RESPONSE TO CRA-RELATED COMPLAINTS

Neither the bank nor the Federal Reserve Bank of Minneapolis has received any CRA-related complaints concerning the bank since the previous evaluation.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The examination did not reveal any evidence of violations of antidiscrimination laws or regulations (including Regulation B – Equal Credit Opportunity Act and the Fair Housing Act) or other illegal credit practices inconsistent with the bank helping to meet community credit needs.

Appendix A

Glossary of Common CRA Terms

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 statistical area/assessment area.

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

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

Consumer loan: A loan to one or more individuals for household, family, or other personal expenditures. It does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Distressed nonmetropolitan middle-income census tract: A middle-income, nonmetropolitan census tract will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20.0% or more, or (3) a population loss of 10.0% or more between the previous and most recent decennial census or a net migration loss of 5.0% or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into "male householder" (a family with a male householder and no wife present) or "female householder" (a family with a female householder and no husband present).

Full-scope review: Performance is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., 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 data such as the race, gender, and income of applicants; the amount of loan requested; and the disposition of the application (i.e., approved, denied, or 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 (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments).

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 statistical area/assessment area.

Metropolitan statistical area (MSA): An area, defined by the Office of Management and Budget, based on the concept of a core area with at least one urbanized area that has a population of at least 50,000. The MSA comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

Middle income: Individual income that is at least 80 percent and less than 120 percent of the area median income or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate income: Individual income that is at least 50 percent and less than 80 percent of the area median income or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

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

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

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

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

Rated area: A rated area is a state or multistate MSA. 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 MSA, the institution will receive a rating for the multistate metropolitan area.

Small loan to business: A loan included in "loans to small businesses" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or classified as commercial and industrial loans.

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

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

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

(For additional information, please see the Definitions sections of Regulation BB at 12 C.F.R. 228.12.)