

# **PUBLIC DISCLOSURE**

October 7, 2024

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Belt Valley Bank  
RSSD #223751

111 Castner Street  
Belt, MT 59412

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

**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

Belt Valley 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 area (AA) credit needs.
- A substantial majority of the bank's loans are originated inside the AA.
- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects a reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor this Reserve Bank received any 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. Examiners reviewed the following data:

- The bank's 18-quarter average NLTD ratio.
- A statistical sample of consumer loans originated between January 1, 2023, and December 31, 2023, and small business loans originated between March 4, 2020, and December 31, 2023, as well as the universe of 2019 and 2023 loan originations reported under the Home Mortgage Disclosure Act (HMDA).<sup>1</sup> Consumer, small business, and HMDA loans represent a significant portion of originations, by dollar amount and volume of loans.

Of the five core criteria, examiners placed the greatest and equal weight on the bank's lending to borrowers of different income levels and businesses of different sizes, and the geographic distribution of loans. The NLTD ratio and lending inside the AA received lower weight; these criteria were weighted equally. By loan type, examiners weighted small business, HMDA, and consumer loans equally. Neither the bank nor the Reserve Bank has received any CRA-related complaints since the previous evaluation.

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<sup>1</sup> In 2020 and 2021, the bank participated in Paycheck Protection Program (PPP) lending through the Small Business Administration. These loans were designed to help businesses keep their workforces employed during the COVID-19 pandemic. Examiners considered the bank's PPP loans in their evaluation of the bank's small business loans. In addition, since the previous evaluation, the bank was only required to report HMDA loans in 2019 and 2023; therefore, examiners only reviewed HMDA loans for those two years.

**DESCRIPTION OF INSTITUTION**

Belt Valley Bank is a community bank headquartered in Belt, Montana. The bank’s characteristics include the following:

- The bank has total assets of \$82.7 million as of June 30, 2024.
- The bank has no affiliates or subsidiaries.
- The bank operates its only office in Belt, Montana. The bank offers drive-up services and does not operate any ATMs.
- As shown in the table below, the bank’s primary business focus is commercial and residential real estate loans. The bank also provides consumer and agricultural loans throughout its AA. The overall composition of the bank’s loan portfolio did not change significantly since the previous evaluation. However, commercial and residential real estate loans increased by 53.1% and 26.1%, respectively.

<b>Table 1</b>		
<b>Composition of Loan Portfolio as of June 30, 2024</b>		
<b>Loan Type</b>	<b>\$(000)</b>	<b>%</b>
Agricultural	16,238	23.1
Commercial	26,329	37.5
Residential Real Estate	25,118	35.8
Consumer	2,395	3.4
Other	68	0.1
Gross Loans	70,148	100.0

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

The bank was rated Satisfactory under the CRA at its March 3, 2020, performance evaluation. There are no known legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in its communities.

**DESCRIPTION OF ASSESSMENT AREA**

The bank’s AA consists of Cascade County, which comprises the Great Falls, Montana, metropolitan statistical area (MSA), as well as Judith Basin County, and a portion of Chouteau County (see Appendix A for AA maps and Appendix B for additional demographic data).

- The bank has not changed its AA since the previous evaluation. However, the number and income classification of census tracts changed, based on the 2020 census.
- The AA consists of 27 census tracts: eight moderate-, 16 middle-, and three upper-income. Previously, the AA included six moderate-, 14 middle-, and four upper-income tracts. The middle-income tract that comprises Judith Basin County was classified as distressed and underserved for the evaluation period.
- Malmstrom Air Force Base (AFB) is located slightly east of the city of Great Falls.

- The AA includes a small portion of the Rocky Boy’s Reservation, home to members of the Chippewa Cree Tribe. The AA also includes some off-reservation trust land for the Turtle Mountain Band of Chippewa Indians.
- According to the June 30, 2024, Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank ranks seventh out of 12 FDIC-insured financial institutions with offices in Cascade, Chouteau, and Judith Basin counties, with 2.8% of total deposits.
- Examiners spoke with community contacts familiar with the business, housing, and demographic characteristics of the AA.

Table 2 AA Population Change			
Area	2015 Population	2020 Population	Percent Change
All Counties in AA	89,942	92,332	2.7%
Cascade County, MT	82,090	84,414	2.8%
Chouteau County, MT	5,855	5,895	0.7%
Judith Basin County, MT	1,997	2,023	1.3%
Montana	1,014,699	1,084,225	6.9%

Source: 2011–2015 U.S. Census Bureau: American Community Survey  
 2020 U.S. Census Bureau: Decennial Census

- As shown in the table above, the population of the counties in the AA increased slightly from 2015 to 2020, with the greatest increase in Cascade County. However, according to 2023 FFIEC adjusted census data, the current population of the AA is 90,222.
- Bank management indicated that Great Falls is expected to grow by approximately 7,500 people in the near future, though this growth is not as high as is anticipated for other areas of the state.

Table 3 AA Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
All Counties in AA	\$62,569	\$66,230	5.9%
Cascade County, MT	\$63,481	\$67,789	6.8%
Chouteau County, MT	\$53,081	\$58,750	10.7%
Judith Basin County, MT	\$60,775	\$70,000	15.2%
Montana	\$66,943	\$72,773	8.7%

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.

- As shown in the table above, the median family income in the counties in the AA has increased since 2015, with the increases in Chouteau and Judith Basin counties outpacing

the overall statewide change. According to 2023 FFIEC adjusted census data, the median family income in the AA is \$65,912.

- A community contact estimated that the average annual salary for most workers in the Great Falls area is around \$53,000.
- According to 2023 FFIEC adjusted census data, LMI households comprise 41.2% of all households in the AA.

Table 4 AA Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
All Counties in AA	74.6%	19.5%	39.5%	50.7%	26.2%	16.7%
Cascade County, MT	77.6%	20.8%	41.2%	51.4%	27.1%	16.8%
Chouteau County, MT	37.5%	2.0%	17.8%	41.4%	14.3%	13.0%
Judith Basin County, MT	53.3%	8.9%	24.9%	52.5%	31.6%	23.5%
Montana	70.7%	27.7%	38.3%	54.9%	30.4%	20.2%

*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*

- The table above shows the housing cost burden faced by renters and homeowners in the AA, as well as in the state of Montana. The U.S. Department of Housing and Urban Development defines cost-burdened families as those who pay more than 30.0% of their income for housing and may have difficulty affording necessities such as food, clothing, transportation, and medical care. The overall burden for renters in the AA is slightly higher than it is for renters in statewide Montana. Low-income renters have significant housing cost burden and although low-income homeowners fared better, the burden is also significant.
- Bank management and a community contact indicated housing is expensive. Most existing homes sell for over \$300,000, and lower-end homes often need substantial repair. The cost for new construction homes is \$650,000 and higher.
- Rents are also high. Multi-family housing development is active in Great Falls but primarily focuses on market-rate housing.

Table 5 AA Unemployment Rates					
Area	2019	2020	2021	2022	2023
Cascade County, MT	3.4%	5.8%	3.3%	2.6%	2.9%
Chouteau County, MT	2.7%	3.8%	2.8%	2.3%	3.2%
Judith Basin County, MT	3.1%	4.8%	2.7%	2.4%	2.8%
Montana	3.5%	5.8%	3.4%	2.6%	2.9%

*Source: Bureau of Labor Statistics, Local Area Unemployment Statistics*

- As shown in the table above, the unemployment rates in the counties in the AA have generally declined from 2019 to 2023, apart from 2020, when unemployment increased due to the COVID-19 pandemic.
- Major employers in the AA include the AFB, the hospital, the refinery, city and county government, schools, and construction.
- Bank management indicated there have been no significant layoffs in the area, though the pandemic affected unemployment. Management and a community contact stated that there are jobs available and people who want to work, especially in skilled vocations. Another contact indicated that the refinery is expanding and bringing over 300 workers into the area for each phase of construction/expansion.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA**

**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 AA, and in comparison to similarly situated FDIC-insured institutions. The similarly situated institution was selected based on asset size, number of offices, product offerings, market share, and locations (within the AA).

The bank’s NLTD ratio is reasonable. As shown in the table below, the bank’s average NLTD ratio for the past 18 quarters was 88.5%, which is above the ratio of the similarly situated bank operating in the AA. At the previous evaluation, the bank’s 17-quarter average NLTD ratio was 97.1%. The bank’s NLTD ratio ranged from 72.1% to 110.8% during the current period. It decreased during the pandemic as loan demand decreased and deposits increased. Bank management indicated loan demand has since been steady, and the NLTD ratio has been on an increasing trend since 2022.

As of June 30, 2024, the bank’s NLTD ratio was 110.8%, which was above the peer group ratio of 66.9%. The bank’s national peer group includes all insured commercial banks having assets between \$50 million and \$100 million, with two or fewer full-service banking offices and located in an MSA.

<b>Table 6 Comparative NLTD Ratios as of June 30, 2024</b>			
<b>Institution</b>	<b>Location</b>	<b>Asset Size (in Millions)</b>	<b>NLTD Ratio (%)</b>
			<b>18 Quarter Average</b>
Belt Valley Bank	Belt, Montana	\$82.7	88.5%
<b>Similarly Situated Institution</b>			
Stockmens Bank	Cascade, Montana	\$42.0	32.0%

**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 the bank’s loans, by number and dollar, inside the AA, as shown in the table below. The bank originated very few loans outside the AA; several were in adjacent counties, and most were due to relationships with borrowers.

Table 7 Lending Inside and Outside the AA								
Loan Type	Inside				Outside			
	#	#%	\$(000)	%	#	#%	\$(000)	%
Consumer	62	93.9	1,177	97.4	4	6.1	31	2.6
HMDA	80	92.0	11,610	87.4	7	8.0	1,681	12.6
Small Business	59	93.7	6,480	80.3	4	6.3	1,591	19.7
<b>Total Loans</b>	201	93.1	19,267	85.4	15	6.9	3,303	14.6

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

**Geographic Distribution of Loans**

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

For 2019 through 2021, the AA consisted of six moderate-, 14 middle-, and four upper-income census tracts. For 2022 and 2023, the AA consisted of eight moderate-, 16 middle-, and three upper-income tracts.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. The tables below show the bank’s 2019 and 2023 HMDA lending by census tract income level. The tables also include aggregate lending data for each year and demographics.<sup>2</sup>

Table 8 Distribution of 2019 Home Mortgage Lending by Income Level of Geography							
Geographic Income Level	Bank and Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
<b>Low</b>	0	0.0	0.0	0	0.0	0.0	0.0
<b>Moderate</b>	4	10.5	14.1	349	6.6	10.1	14.7
<b>Middle</b>	29	76.3	52.6	3,714	70.5	49.6	55.9

<sup>2</sup> Aggregate lenders are all lenders required to report HMDA loans in the AA.



Table 8 Distribution of 2019 Home Mortgage Lending by Income Level of Geography							
<b>Upper</b>	5	13.2	33.2	1,204	22.9	40.2	29.5
<b>Total</b>	38	100.0	100.0	5,267	100.0	100.0	100.0
<i>Source: 2019 FFIEC Census Data                  2011–2015 U.S. Census Bureau: American Community Survey</i>							
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>							

In 2019, the bank’s lending in the moderate-income tracts was below aggregate lending and demographics, which indicate that 14.7% of the AA’s owner-occupied units are in the moderate-income tracts. The bank did not extend HMDA loans in three of the moderate-income tracts. These tracts are in or near Great Falls’ main downtown business district, where several financial institutions operate branches.<sup>3</sup> In addition, the owner-occupancy rates in these three tracts are generally low (at 25.9%, 27.2%, and 43.4%), which could limit opportunities to originate HMDA loans.

Table 9 Distribution of 2023 Home Mortgage Lending by Income Level of Geography							
Geographic Income Level	Bank and Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
<b>Low</b>	0	0.0	0.0	0	0.0	0.0	0.0
<b>Moderate</b>	4	9.5	19.9	543	8.6	17.7	16.9
<b>Middle</b>	32	76.2	58.8	4,588	72.3	57.0	63.3
<b>Upper</b>	6	14.3	21.3	1,212	19.1	25.4	19.8
<b>Total</b>	42	100.0	100.0	6,343	100.0	100.0	100.0
<i>Source: 2023 FFIEC Census Data                  2016–2020 U.S. Census Bureau: American Community Survey</i>							
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>							

In 2023, again, the bank’s lending in the moderate-income tracts was below aggregate lending and demographics, which indicate that 16.9% of the AA’s owner-occupied units are in the moderate-income tracts. The bank did not extend HMDA loans in five of the moderate-income tracts. One of these tracts contains the AFB, where banks are unable to originate HMDA loans. The other four tracts are in or near the downtown area of Great Falls. As stated above, several financial institutions operate here.<sup>4</sup> Like in 2019, the owner-occupancy rates in these four tracts are generally low (ranging from 28.2% to 47.1%), which could limit opportunities to originate HMDA loans.

<sup>3</sup> For 2019, the bank ranked nineteenth among 129 financial institutions reporting HMDA loans in the AA, capturing only 1.1% of all loans reported.

<sup>4</sup> For 2023, the bank ranked thirteenth among 134 financial institutions reporting HMDA loans in the AA, capturing only 2.2% of all loans reported.

In both years, the bank did not make HMDA loans in every middle- or upper-income tract. Most of these tracts are in or near Great Falls. It is likely more convenient for borrowers in these tracts to use banks in Great Falls. Overall, the distribution and dispersion of HMDA loans is reasonable, given the performance context.

Small Business Lending

The geographic distribution of small business lending is reasonable. The tables below show the bank’s small business lending by census tract income level.

<b>Table 10</b>					
<b>Distribution of 2020 and 2021 Small Business Lending by Income Level of Geography</b>					
<b>Geographic Income Level</b>	<b>#</b>	<b>#%</b>	<b>\$(000)</b>	<b>%</b>	<b>Total Businesses %</b>
<b>Low</b>	0	0.0	0	0.0	0.0
<b>Moderate</b>	1	8.3	25	1.5	28.8
<b>Middle</b>	10	83.3	1,297	78.7	50.3
<b>Upper</b>	1	8.3	325	19.7	20.9
<b>Total</b>	12	99.9	1,647	99.9	100.0

*Source: 2021 FFIEC Census Data  
 2021 Dun & Bradstreet (D&B) Data  
 2011–2015 U.S. Census Bureau: American Community Survey*

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

For 2020 and 2021, the bank’s small business lending in the moderate-income census tracts (at 8.3%) is below demographics, which indicate that 28.8% of AA businesses are located in the moderate-income tracts. The bank originated a small business loan in only one of six moderate-income tracts. Four of the tracts with no small business loans are in/near downtown Great Falls, where competition is significant. The fifth is in Chouteau County, where three larger regional banks have offices.

<b>Table 11</b>					
<b>Distribution of 2022 and 2023 Small Business Lending by Income Level of Geography</b>					
<b>Geographic Income Level</b>	<b>#</b>	<b>#%</b>	<b>\$(000)</b>	<b>%</b>	<b>Total Businesses %</b>
<b>Low</b>	0	0.0	0	0.0	0.0
<b>Moderate</b>	13	27.7	405	8.4	32.1
<b>Middle</b>	28	59.6	3,085	63.8	56.5
<b>Upper</b>	6	12.8	1,344	27.8	11.4
<b>Total</b>	47	100.1	4,834	100.0	100.0

*Source: 2023 FFIEC Census Data  
 2023 D&B Data  
 2016–2020 U.S. Census Bureau: American Community Survey*

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

For 2022 and 2023, the bank’s small business lending in the moderate-income census tracts (at 27.7%) is slightly below demographics, which indicate that 32.1% of AA businesses are located in the moderate-income tracts. The bank originated a small business loan in three of eight moderate-income tracts. Like 2020 and 2021, the tracts with no small business loans are in/near downtown Great Falls, and one contains the AFB, where small business loans are unlikely.

In all four years, the bank did not make small business loans in every middle- or upper-income tract. As mentioned, many of these tracts are in or near Great Falls, where competition is significant. Overall, the distribution and dispersion of small business loans is reasonable, given the performance context.

Consumer Lending

The geographic distribution of consumer lending is reasonable. The table below shows the bank’s consumer lending by census tract income level. The bank’s lending in the moderate-income tracts (at 6.5%) is below demographics, which indicate that 24.8% of AA households are in the moderate-income tracts. The bank did not extend consumer loans in six of eight moderate-income tracts. These tracts are in/near Great Falls, and one consists of the AFB. Many financial institutions, including credit unions, operate offices in or close to these tracts. Competition for consumer loans in these areas is vigorous, according to bank management. The bank originated consumer loans in most of the middle- and all of the upper-income tracts. Overall, the geographic distribution and dispersion of consumer loans is reasonable, given the performance context.

Table 12 Distribution of 2023 Consumer Lending by Income Level of Geography					
Geographic Income Level	Bank Loans				Households %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	4	6.5	331	28.1	24.8
Middle	53	85.5	729	61.9	60.7
Upper	5	8.1	118	10.0	14.5
<b>Total</b>	<b>62</b>	<b>100.0</b>	<b>1,177</b>	<b>100.0</b>	<b>100.0</b>
Source: 2023 FFIEC Census Data 2016–2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.					

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

This performance criterion evaluates the bank’s lending to borrowers of different income levels and businesses of different revenue sizes. Overall, the bank’s lending has a reasonable distribution among individuals of different income levels and businesses of different sizes.

Home Mortgage Lending

The overall borrower distribution of home mortgage lending is reasonable. The tables below show the bank’s HMDA lending by borrower income level. The tables also include aggregate lending data for each year and demographics.

Table 13 Distribution of 2019 Home Mortgage Lending by Borrower Income Level							
Borrower Income Level	Bank and Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Low	4	10.5	5.6	240	4.6	2.8	20.6
Moderate	8	21.1	16.6	602	11.4	12.2	18.6
Middle	10	26.3	22.4	1,051	20.0	20.0	21.8
Upper	14	36.8	33.8	3,009	57.1	40.6	39.0
Unknown	2	5.3	21.6	365	6.9	24.2	0.0
<b>Total</b>	<b>38</b>	<b>100.0</b>	<b>100.0</b>	<b>5,267</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: 2019 FFIEC Census Data  
 2011–2015 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.

In 2019, the bank’s HMDA lending to low-income borrowers was above aggregate lending, but below demographics, which indicate that 20.6% of AA families are low income. The bank’s lending to moderate-income borrowers was above aggregate lending and comparable to demographics, which indicate that 18.6% of AA families are moderate income.

Table 14 Distribution of 2023 Home Mortgage Lending by Borrower Income Level							
Borrower Income Level	Bank and Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Low	9	21.4	5.5	842	13.3	2.6	21.5
Moderate	8	19.0	19.9	776	12.2	14.4	18.5
Middle	6	14.3	26.1	688	10.8	24.0	20.5
Upper	18	42.9	30.7	3,752	59.2	37.2	39.5
Unknown	1	2.4	17.7	285	4.5	21.8	0.0
<b>Total</b>	<b>42</b>	<b>100.0</b>	<b>100.0</b>	<b>6,343</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: 2023 FFIEC Census Data  
 2016–2020 U.S. Census Bureau: American Community Survey  
 Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.

In 2023, the bank’s HMDA lending to low-income borrowers was significantly above aggregate lending and comparable to demographics, which indicate that 21.5% of AA families are low income. The bank’s lending to moderate-income borrowers was comparable to both aggregate lending and demographics, which indicate that 18.5% of AA families are moderate income.

As discussed previously, the housing cost burden for LMI residents in the AA is significant. Based on 2023 FFIEC estimated median family incomes, the moderate-income threshold is \$69,199 for the MSA portion of the AA and \$68,079 for the non-MSA portion of the AA. Using the assumption that a borrower can afford a home for approximately three times his or her annual income, these borrowers (at the top of the moderate-income bracket) in the MSA and non-MSA could afford homes for \$207,597 and \$204,237, respectively. Given that bank management and a community contact estimated that existing homes sell for over \$300,000 and new home construction costs starts at \$650,000, homes in the AA would likely not be affordable for many LMI borrowers.

The bank operates in a competitive market for HMDA loans. For 2019 and 2023 combined, the bank originated 80 loans, representing only 1.5% of all HMDA loans reported in the AA. Given competition and affordability concerns, the bank’s HMDA lending to LMI borrowers is notable but represents a small volume of overall HMDA lending in the AA.

Small Business Lending

The borrower distribution of small business lending is excellent. The table below shows the bank’s distribution of small business loans by revenue of borrowers.

<b>Table 15</b>					
<b>Distribution of 2020–2023 Small Business Lending by Revenue Size of Businesses</b>					
	<b>#</b>	<b>#%</b>	<b>\$(000)</b>	<b>%</b>	<b>Total Businesses %<sup>5</sup></b>
<b>By Revenue</b>					
<b>Total \$1 Million or Less</b>	57	96.6	5,850	90.3	90.8
<b>Over \$1 Million</b>	2	3.4	630	9.7	8.0
<b>Not Known</b>	0	0.0	0	0.0	1.2
<b>Total</b>	59	100.0	6,480	100.0	100.0
<b>By Loan Size</b>					
<b>\$100,000 or Less</b>	42	71.2	1,381	21.3	
<b>\$100,001–\$250,000</b>	7	11.9	1,488	23.0	
<b>\$250,001–\$1 Million</b>	10	16.9	3,611	55.7	
<b>Over \$1 Million</b>	0	0.0	0	0.0	
<b>Total</b>	59	100	6,480	100	

<sup>5</sup> The demographics (revenue size of businesses in the AA) changed minimally from 2020 through 2023. Therefore, examiners compared the bank’s lending to 2023 demographics.

Table 15 Distribution of 2020–2023 Small Business Lending by Revenue Size of Businesses					
By Loan Size and Revenue \$1 Million or Less					
<b>\$100,000 or Less</b>	42	73.7	1,381	23.6	
<b>\$100,001–\$250,000</b>	6	10.5	1,268	21.7	
<b>\$250,001–\$1 Million</b>	9	15.8	3,201	54.7	
<b>Over \$1 Million</b>	0	0.0	0	0.0	
<b>Total</b>	57	100	5,850	100	
<i>Source: 2023 FFIEC Census Data                      2023 D&amp;B Data                      2016–2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

The bank’s lending to businesses with gross annual revenue of \$1 million or less (small businesses) exceeds demographics, which indicate that 90.8% of AA businesses are small businesses. Competition for loans from financial institutions in Great Falls is significant. Bank management indicated the bank maintains long-term lending relationships with many small business borrowers in the AA. The bank originated 63.2% of its loans to small businesses in amounts of \$50,000 or less, indicating a willingness to serve the needs of small businesses in the AA.

In addition, the bank actively extended PPP loans in the AA. From 2020 to 2021, the bank originated 75 PPP loans in Cascade, Chouteau, and Judith Basin counties, totaling \$1.8 million. Of these loans, 72.0% were for less than \$25,000. This level of responsiveness to credit needs enhances the bank’s small business lending.

Consumer Lending

The borrower distribution of consumer lending is reasonable. The table below shows the bank’s consumer lending by borrower income level. The bank’s consumer lending to low-income borrowers is above demographics, which indicate that 24.0% of AA households are low income. The bank’s lending to moderate-income borrowers is comparable to demographics, which indicate that 17.2% of AA households are moderate income. The bank is willing to make small-dollar loans; of the consumer loans sampled, 27.4% were for \$2,500 or less. Loans to borrower with unknown income are typically made to extend small-dollar lines of credit or larger-term loans to borrowers with whom the bank has existing relationships; many of these loans were for \$2,000 or less.

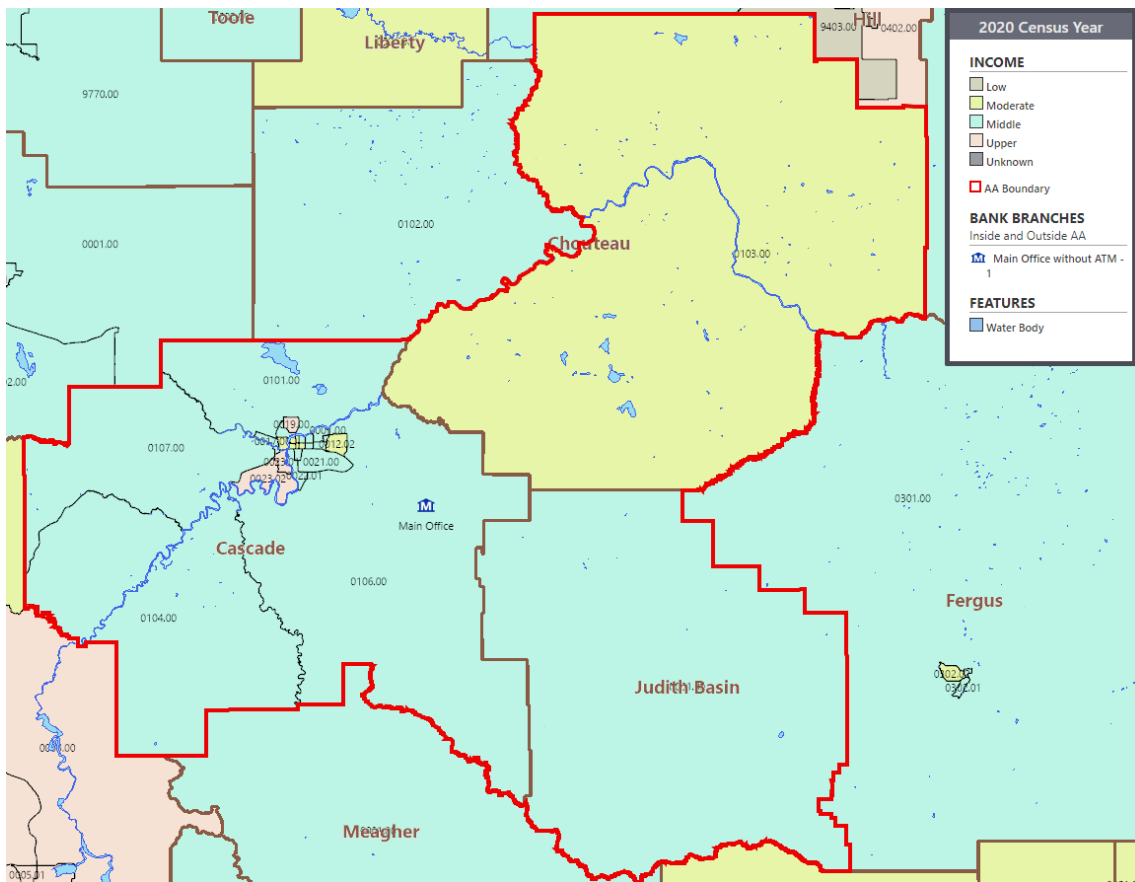
<b>Table 16</b>					
<b>Distribution of 2023 Consumer Lending by Borrower Income Level</b>					
<b>Borrower Income Level</b>	<b>Bank Loans</b>				<b>Households by Household Income %</b>
	<b>#</b>	<b>#%</b>	<b>\$(000)</b>	<b>%</b>	
<b>Low</b>	22	35.5	283	24.0	24.0
<b>Moderate</b>	11	17.7	80	6.8	17.2
<b>Middle</b>	8	12.9	157	13.3	18.1
<b>Upper</b>	5	8.1	234	19.9	40.8
<b>Unknown</b>	16	25.8	424	36.0	0.0
<b>Total</b>	62	100.0	1,177	100.0	100.0
<i>Source: 2023 FFIEC Census Data                  2016–2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

**FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

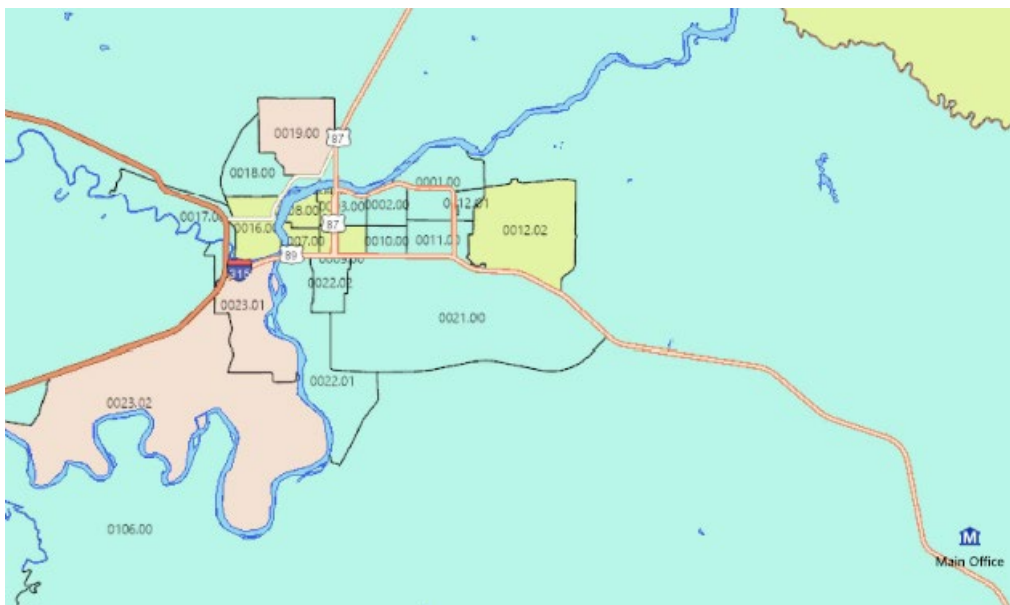
The examination did not reveal any evidence of violations of antidiscrimination laws or regulations (including Regulation B – Equal Credit Opportunity Act and the Fair Housing Act) or other illegal credit practices inconsistent with the bank helping to meet community credit needs.

APPENDIX A – ASSESSMENT AREA MAPS

Belt Valley Bank AA



Great Falls Detail





APPENDIX B – DEMOGRAPHIC INFORMATION

Belt AA 2023 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	4,826	22.0
Moderate-income	8	29.6	4,915	21.9	943	19.2	4,161	19.0
Middle-income	16	59.3	13,448	59.8	1,038	7.7	4,610	21.0
Upper-income	3	11.1	4,122	18.3	100	2.4	8,888	40.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>27</b>	<b>100.0</b>	<b>22,485</b>	<b>100.0</b>	<b>2,081</b>	<b>9.3</b>	<b>22,485</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-Occupied		Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	10,791	4,135	16.9	38.3	4,974	46.1	1,682	16.0
Middle-income	25,849	15,509	63.3	60.0	6,820	26.4	3,520	14.0
Upper-income	5,587	4,842	19.8	86.7	491	8.8	254	4.5
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>42,227</b>	<b>24,486</b>	<b>100.0</b>	<b>58.0</b>	<b>12,285</b>	<b>29.1</b>	<b>5,456</b>	<b>12.9</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1,306	32.1	1,174	31.7	117	35.8	15	32.0
Middle-income	2,303	56.5	2,088	56.4	187	57.2	28	60.0
Upper-income	464	11.4	437	11.8	23	7.0	4	8.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>4,073</b>	<b>100.0</b>	<b>3,699</b>	<b>100.0</b>	<b>327</b>	<b>100.0</b>	<b>47</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.8</b>		<b>8.0</b>		<b>1.2</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	196	37.8	194	37.9	2	33.3	0	0.0
Middle-income	298	57.4	294	57.4	4	66.7	0	0.0
Upper-income	25	4.8	24	4.7	0	0.0	1	100.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>519</b>	<b>100.0</b>	<b>512</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.7</b>		<b>1.2</b>		<b>0.2</b>
<i>Source: 2023 FFIEC Census Data and 2023 D&amp;B Information</i>								

Belt AA 2022 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	4,826	21.5
Moderate-income	8	29.6	4,915	21.9	943	19.2	4,161	18.5
Middle-income	16	59.3	13,448	59.8	1,038	7.7	4,610	20.5
Upper-income	3	11.1	4,122	18.3	100	2.4	8,888	39.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>27</b>	<b>100.0</b>	<b>22,485</b>	<b>100.0</b>	<b>2,081</b>	<b>9.3</b>	<b>22,485</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-Occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	10,791	4,135	16.9	38.3	4,974	46.1	1,682	15.6
Middle-income	25,849	15,509	63.3	60.0	6,820	26.4	3,520	13.6
Upper-income	5,587	4,842	19.8	86.7	491	8.8	254	4.5
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>42,227</b>	<b>24,486</b>	<b>100.0</b>	<b>58.0</b>	<b>12,285</b>	<b>29.1</b>	<b>5,456</b>	<b>12.9</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1,317	31.7	1,186	31.4	116	35.7	15	31.3
Middle-income	2,356	56.7	2,144	56.7	183	56.3	29	60.4
Upper-income	481	11.6	451	11.9	26	8.0	4	8.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>4,154</b>	<b>100.0</b>	<b>3,781</b>	<b>100.0</b>	<b>325</b>	<b>100.0</b>	<b>48</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.0</b>		<b>7.8</b>		<b>1.2</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	194	37.9	192	38.0	2	33.3	0	0.0
Middle-income	294	57.4	290	57.4	4	66.7	0	0.0
Upper-income	24	4.7	23	4.6	0	0.0	1	100.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>512</b>	<b>100.0</b>	<b>505</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.6</b>		<b>1.2</b>		<b>0.2</b>

Source: 2022 FFIEC Census Data and 2022 D&B Information

Belt AA 2021 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	4,693	20.6
Moderate-income	6	25.0	4,462	19.6	1,231	27.6	4,231	18.6
Middle-income	14	58.3	12,618	55.3	1,083	8.6	4,979	21.8
Upper-income	4	16.7	5,726	25.1	323	5.6	8,903	39.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>24</b>	<b>100.0</b>	<b>22,806</b>	<b>100.0</b>	<b>2,637</b>	<b>11.6</b>	<b>22,806</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-Occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	9,106	3,368	14.7	37.0	4,729	51.9	1,009	11.1
Middle-income	22,681	12,828	55.9	56.6	6,822	30.1	3,031	13.4
Upper-income	8,871	6,763	29.5	76.2	1,586	17.9	522	5.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>40,658</b>	<b>22,959</b>	<b>100.0</b>	<b>56.5</b>	<b>13,137</b>	<b>32.3</b>	<b>4,562</b>	<b>11.2</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1,227	28.8	1,106	28.5	107	32.4	14	26.4
Middle-income	2,144	50.3	1,951	50.3	160	48.5	33	62.3
Upper-income	892	20.9	823	21.2	63	19.1	6	11.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>4,263</b>	<b>100.0</b>	<b>3,880</b>	<b>100.0</b>	<b>330</b>	<b>100.0</b>	<b>53</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.0</b>		<b>7.7</b>		<b>1.2</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	198	37.6	197	37.8	1	20.0	0	0.0
Middle-income	297	56.4	293	56.2	4	80.0	0	0.0
Upper-income	32	6.1	31	6.0	0	0.0	1	100.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>527</b>	<b>100.0</b>	<b>521</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.9</b>		<b>0.9</b>		<b>0.2</b>

Source: 2021 FFIEC Census Data and 2021 D&B Information

Belt AA 2020 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	4,693	20.6
Moderate-income	6	25.0	4,462	19.6	1,231	27.6	4,231	18.6
Middle-income	14	58.3	12,618	55.3	1,083	8.6	4,979	21.8
Upper-income	4	16.7	5,726	25.1	323	5.6	8,903	39.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>24</b>	<b>100.0</b>	<b>22,806</b>	<b>100.0</b>	<b>2,637</b>	<b>11.6</b>	<b>22,806</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-Occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	9,106	3,368	14.7	37.0	4,729	51.9	1,009	11.1
Middle-income	22,681	12,828	55.9	56.6	6,822	30.1	3,031	13.4
Upper-income	8,871	6,763	29.5	76.2	1,586	17.9	522	5.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>40,658</b>	<b>22,959</b>	<b>100.0</b>	<b>56.5</b>	<b>13,137</b>	<b>32.3</b>	<b>4,562</b>	<b>11.2</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1,252	28.6	1,118	28.2	122	34.5	12	24.0
Middle-income	2,181	49.9	1,983	49.9	167	47.2	31	62.0
Upper-income	941	21.5	869	21.9	65	18.4	7	14.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>4,374</b>	<b>100.0</b>	<b>3,970</b>	<b>100.0</b>	<b>354</b>	<b>100.0</b>	<b>50</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.8</b>		<b>8.1</b>		<b>1.1</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	198	37.2	197	37.5	1	20.0	0	0.0
Middle-income	297	55.8	293	55.7	4	80.0	0	0.0
Upper-income	37	7.0	36	6.8	0	0.0	1	100.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>532</b>	<b>100.0</b>	<b>526</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.9</b>		<b>0.9</b>		<b>0.2</b>

Source: 2020 FFIEC Census Data and 2020 D&B Information

Belt AA 2019 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	4,693	20.6
Moderate-income	6	25.0	4,462	19.6	1,231	27.6	4,231	18.6
Middle-income	14	58.3	12,618	55.3	1,083	8.6	4,979	21.8
Upper-income	4	16.7	5,726	25.1	323	5.6	8,903	39.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>24</b>	<b>100.0</b>	<b>22,806</b>	<b>100.0</b>	<b>2,637</b>	<b>11.6</b>	<b>22,806</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-Occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	9,106	3,368	14.7	37.0	4,729	51.9	1,009	11.1
Middle-income	22,681	12,828	55.9	56.6	6,822	30.1	3,031	13.4
Upper-income	8,871	6,763	29.5	76.2	1,586	17.9	522	5.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>40,658</b>	<b>22,959</b>	<b>100.0</b>	<b>56.5</b>	<b>13,137</b>	<b>32.3</b>	<b>4,562</b>	<b>11.2</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1,255	28.6	1,121	28.1	122	33.9	12	26.7
Middle-income	2,159	49.2	1,958	49.2	174	48.3	27	60.0
Upper-income	974	22.2	904	22.7	64	17.8	6	13.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>4,388</b>	<b>100.0</b>	<b>3,983</b>	<b>100.0</b>	<b>360</b>	<b>100.0</b>	<b>45</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.8</b>		<b>8.2</b>		<b>1.0</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	203	37.9	202	38.3	1	20.0	0	0.0
Middle-income	294	55.0	290	54.9	4	80.0	0	0.0
Upper-income	38	7.1	36	6.8	0	0.0	2	100.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>535</b>	<b>100.0</b>	<b>528</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.7</b>		<b>0.9</b>		<b>0.4</b>
<i>Source: 2019 FFIEC Census Data and 2019 D&amp;B Information</i>								

## 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.

**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.