PUBLIC DISCLOSURE

August 3, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Virginia Community Bank

3614976

11325 Random Hills Road

Fairfax, Virginia 22030

Federal Reserve Bank of Richmond
P. O. Box 27622
Richmond, Virginia 23261

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.

TABLE OF CONTENTS

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

INSTITUTION'S CRA RATING: This institution is rated: SATISFACTORY.
The Lending Test is rated: Satisfactory.
The Community Development Test is rated: Satisfactory.

The major factors supporting this rating include:

- The bank's loan-to-deposit ratio is considered more than reasonable given the bank's size, financial condition, and credit needs of the bank's assessment areas.

- A majority of the institution's Home Mortgage Disclosure Act (HMDA) and small business loans were originated within the bank's assessment areas.

- Lending to borrowers of different income levels is considered poor in the Washington-Arlington-Alexandria, DC-MD-VA multistate assessment area and very poor in the State of Maryland. Overall, the borrower distribution is poor.

- The bank's geographic distribution performance is considered excellent in both the Washington-Arlington-Alexandria, DC-MD-VA multistate assessment area and State of Maryland. Overall, the geographic distribution performance is excellent.

- The bank's level of community development loans, investments, and services is excellent in the Washington-Arlington-Alexandria, DC-MD-VA multistate assessment area and poor in State of Maryland when considering its capacity and available community development opportunities. Overall, the bank's community development performance is satisfactory.

- The institution has not received any complaints regarding its CRA performance since the previous evaluation.

SCOPE OF EXAMINATION

First Virginia Community Bank (FVCB) was evaluated using the interagency examination procedures for intermediate small institutions developed by the Federal Financial Institutions Examination Council (FFIEC). FVCB is required to report certain information regarding its home mortgage lending in accordance with the HMDA. Accordingly, FVCB's 2017 and 2018 HMDA loans were considered in the evaluation. In addition, small business lending was identified as a primary product line and was also considered in the evaluation. The analysis includes all small business loans originated during 2018.

Qualified community development loans and services are considered for activities since the previous evaluation (January 30, 2017). All qualified investments made during this same period and those outstanding as of the date of this evaluation, regardless of when made, were also considered. Discussions with members of the community were also held to discern information about local economic conditions, credit needs, performance of banks, and potential community development opportunities.

Based on the FFIEC's evaluation procedures, an overall rating and ratings for the Lending and Community Development Tests are assigned to the institution based on its performance within the assessment area evaluated using full scope procedures. Full-scope evaluation procedures were applied to both the multistate metropolitan area (Washington-Arlington-Alexandria, DC-MD-VA) as well as metropolitan area in the State of Maryland (Baltimore-Columbia-Towson, MD). Appendix C includes information detailing the lending volume, branch locations, and deposit volume by assessment area.

DESCRIPTION OF INSTITUTION

FVCB is headquartered in Fairfax, Virginia, and operates 11 full-service branch offices within the multistate metropolitan area (DC-MD-VA) and State of Maryland. The bank is a wholly-owned subsidiary of FVCBankcorp, Inc., a single-bank holding company, also headquartered in Fairfax, Virginia. The bank's previous CRA rating, dated January 30 2017, was Satisfactory. Since the previous evaluation, FVCB acquired Colombo Bank and its five branch locations in the District of Columbia and Maryland. The October 2018 acquisition of Colombo Bank resulted in changes to the delineation of the bank's multistate metropolitan assessment area and added a second assessment area in the State of Maryland. No known legal impediments exist which would prevent the bank from meeting the credit needs of its assessment areas.

As of June 30, 2020, the bank held assets totaling $1.8 billion, of which 82.4% are net loans and 6.8% are securities. During this same period, deposits totaled $1.5 billion. Various deposit and loan products are available through the institution including loans for residential mortgage, businesses, and consumer purposes. Additionally, in April 2020, the Small Business Administration (SBA) created the Paycheck Protection Program (PPP). This program was designed to provide direct incentive for small businesses, allow workforces to remain employed, and promoted economic stability during the Coronavirus (COVID-19) crisis. From April through the beginning of August, FVCB originated 756 loans totaling approximately $174 million. The composition of the loan portfolio (reflecting gross loans) is represented in the following table.

Composition of Loan Portfolio

Loan Type	6/30/2020	
	$(000s)	%
Secured by 1-4 Family dwellings	179,479	12.1
Multifamily	72,288	4.9
Construction and Development	226,824	15.3
Commercial & Industrial/ NonFarm NonResidential	974,415	65.9
Consumer Loans and Credit Cards	18,454	1.2
Agricultural Loans/ Farmland	2,867	0.2
All Other	3,793	0.3
Total	***1,478,120***	***100.0***

As indicated in the preceding table, FVCB is an active commercial and residential mortgage lender. Small business lending is a subset of commercial loans and a significant business line for the bank. FVCB continues to offer other loans, such as consumer and small farm loans; however, the volume of such lending is relatively small in comparison to the commercial and residential mortgage lending.

FVCB delineated two assessment areas in northern Virginia, the District of Columbia, and portions of Maryland. The following table reflects the current composition of the bank's two assessment areas.

Assessment Area Name	City/County	State	Census Tracts Included
Washington-Arlington-Alexandria, DC-MD-VA	District of Columbia	DC	All
	Frederick	MD	All
	Montgomery	MD	All
	Arlington	VA	All
	Fairfax	VA	All
	Loudoun	VA	All
	Prince William	VA	All
	Alexandria City	VA	All
	Fairfax City	VA	All
	Falls Church City	VA	All
	Manassas City	VA	All
	Manassas Park City	VA	All
Baltimore-Columbia-Towson, MD	Baltimore City	MD	All
	Baltimore	MD	All

As mentioned previously, FVCB acquired five Colombo Bank branch offices located in the District of Columbia and State of Maryland. The acquisition of Colombo Bank required adjustment of the bank's multistate metropolitan assessment area and added a second assessment area in the State of Maryland. Appendix C reflects the bank's branching activity since the previous evaluation.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS:

When evaluating the bank's HMDA performance, relevant area demographic data from the American Community Survey (ACS) is used as a proxy for demand. While ACS data is collected and published by the U.S. Census Bureau on an annual basis, the demographic data relied upon in this performance evaluation is based on ACS data that is updated once every five years. The most recent update occurred in 2015. As such, the ACS data from 2015 is used when evaluating the bank's performance. Dun & Bradstreet (D&B) business demographic data from 2018 is also considered when evaluating the bank's small business performance.

Aggregate loan data used as a proxy for demand when evaluating the bank's HMDA lending includes all activity reported by lenders subject to reporting HMDA data that originated such loans within the bank's assessment areas. Similarly, the aggregate small business lending data includes all lenders subject to reporting small business data.

While HMDA loan data from calendar years 2017 and 2018 were fully analyzed and considered in the evaluation, only bank and aggregate data from 2018 is represented in the assessment area tables. In instances where the bank's 2017 HMDA performance varies significantly from its performance in 2018, such variance and the corresponding impact on the overall performance is discussed.

When evaluating the geographic and borrower distribution for a specific loan category within an assessment area, primary emphasis is placed on the number (and corresponding percentage) of loans originated or purchased. To arrive at an overall assessment area level conclusion regarding the distribution of lending, performance in each loan category is then generally weighted by dollar volume of such loans made in the assessment area. An analysis of lending during the review period is discussed in greater detail in subsequent sections of this evaluation.

Within the bank's assessment areas, a high level of small business lending activity has been reported by specialized lenders, who often originate small business loans in the form of credit cards. These loans, however, tend to be much smaller in size than traditional small business bank loans, and revenue data is often not reported for a majority of these loans. The presence of these lenders is reflected in a smaller market share for traditional lenders and tends to understate the percentage of loans to businesses with annual revenues of $1 million or less. Consequently, the presence of these lenders was considered as an aspect of performance context when evaluating the level and distribution of bank lending. Therefore, to better gauge performance, FVCB's lending is also compared to a group of traditional small business lenders that excludes the credit card/specialty lenders.

Overall, the bank's lending test performance is rated Satisfactory. This rating considers the bank's loan-to-deposit ratio, level of lending in its assessment areas, borrower lending distribution performance, and geographic lending distribution performance.

The bank's Community Development Test performance is also rated Satisfactory. The review of the bank's community development activities is based on the number and amount of community development loans and qualified investments, the extent to which the bank provides community development services, and the bank's responsiveness to identified community development lending, investment, and service needs.

The components of each test are discussed in the following sections. All conclusions also take into consideration relevant performance context factors.

Loan-To-Deposit Ratio

The bank's loan-to-deposit ratio as of June 30, 2020, equaled 96.5% and averaged 95.5% for the 14-quarter period ending June 30, 2020. In comparison, the quarterly average loan-to-deposit ratio for banks of similar asset size operating in FVCB's assessment areas ranged from 78% to 104.4% during a 13-quarter period ending March 31, 2020. Since March 30, 2017, assets, loans, and deposits have increased by 93.1%, 91.8%, and 86.4%, respectively. The bank's loan-to-deposit ratio is considered more than reasonable given the institution's size, financial condition, market conditions, and local credit needs.

Lending In Assessment Areas

To determine the institution's volume of lending within its assessment areas, the geographic location of the bank's HMDA loans originated during calendar years 2017 and 2018, and small business loans originated during 2018, were considered. The lending distribution inside and outside of the bank's assessment areas is represented in the following table.

Comparison of Credit Extended Inside and Outside of Assessment Area(s)

Loan Type	Inside				Outside			
	#	%	$(000)	%	#	%	$(000)	%
Home Improvement	2	100.0	631	100.0	0	0.0	0	0.0
Refinancing	5	83.3	3,520	41.3	1	16.7	5,000	5,000.0
Multi-Family Housing	10	100.0	9,987	100.0	0	0.0	0	0.0
Loan Purpose Not Applicable	0	0.0	0	0.0	0	0.0	0	0.0
Other Purpose Closed/Exempt	0	0.0	0	0.0	0	0.0	0	0.0
Other Purpose LOC	0	0.0	0	0.0	0	0.0	0	0.0
Total 2018 HMDA related	**49**	**92.5**	**31,652**	**85.6**	**4**	**7.5**	**5,345**	**14.4**
Home Purchase	15	53.6	5,442	71.3	13	46.4	2,188	28.7
Home Improvement	3	100.0	256	100.0	0	0.0	0	0.0
Refinancing	11	64.7	6,594	80.3	6	35.3	1,614	19.7
Multi-Family Housing	9	64.3	7,223	38.3	5	35.7	11,629	61.7
Total 2017 HMDA related	**38**	**61.3**	**19,515**	**55.8**	**24**	**38.7**	**15,431**	**44.2**
Small Business	72	78.3	22,254	75.8	20	21.7	7,102	24.2
TOTAL LOANS	**159**	**76.8**	**73,421**	**72.5**	**48**	**23.2**	**27,878**	**27.5**

As indicated in the preceding table, a majority of the number of residential mortgage and small business loans were extended to residents of the bank's assessment areas. Overall, the institution's level of lending within its assessment areas is considered responsive to community credit needs.

Lending To Borrowers of Different Incomes and To Businesses of Different Sizes

The bank's borrower distribution performance is considered poor in the multistate metropolitan area and very poor in the State of Maryland. The bank's overall performance is considered poor due to the larger dollar volume of lending in the Washington-Arlington-Alexandria, DC-MD-VA multistate assessment area.

Geographic Distribution of Loans

FVCB's geographic distribution performance is considered excellent in both the Washington-Arlington-Alexandria, DC-MD-VA multistate assessment area and the State of Maryland. The bank's overall performance is considered excellent for geographic distribution of loans.

Community Development Loans, Investments, and Services

FVCB supports community development initiatives and organizations that benefit its local assessment areas, state-wide areas, and larger regional (multistate) areas by making qualified loans and investments and providing financial expertise and other support to local organizations providing community development services. There are no meaningful constraints preventing the bank from originating community development loans, investing in qualified securities, and providing community development services.

Qualified community development activities benefiting multiple assessment areas or the broader statewide/regional area include two Virginia Housing Development Authority (VHDA) Mortgage Bonds totaling $1.9 million. The VHDA promotes affordable housing by financing single- and multi-family mortgages for low- and moderate-income individuals throughout the Commonwealth of Virginia.

Details of additional community development activities are discussed in the state or assessment area where the activities took place.

The bank's community development performance within the Washington-Arlington-Alexandria, DC-MD-VA multistate assessment area is rated Outstanding, while its performance within the State of Maryland is rated Needs to Improve. Overall, the bank's community development performance is rated Satisfactory. Given the majority of the bank's operations are located in the multistate metropolitan area, the bank's performance within the multistate metropolitan area is given greater weight when determining overall community development performance.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified. Adequate policies, procedures, and training programs have been developed to support nondiscrimination in lending activities.

WASHINGTON-ARLINGTON-ALEXANDRIA MULTISTATE METROPOLITAN AREA

CRA RATING FOR Washington-Arlington-Alexandria, DC-MD-VA[1]: SATISFACTORY.
The Lending Test is rated: Satisfactory.
The Community Development Test is rated: Outstanding.

Major factors supporting the rating include:

- The bank's borrower distribution performance (lending to low- and moderate-income borrowers and businesses of different sizes) is considered very poor for HMDA and poor for small business lending. Overall, the bank's borrower distribution is considered poor.

- The bank's geographic distribution (lending in low- and moderate-income census tracts) is considered excellent for HMDA and reasonable for small business lending. Overall, the bank's geographic distribution performance is considered excellent.

- The bank's lending, investment, and service activities demonstrate an excellent level of responsiveness to the community development needs of its assessment area in the multistate metropolitan area.

SCOPE OF EXAMINATION

The bank operates branches in the District of Columbia, the Virginia, and the Maryland portions of the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA. HMDA loan data from calendar years 2017 and 2018 and small business data from 2018 were evaluated to reach conclusions about the bank's borrower and geographic distribution of lending. Qualified community development loans and services are also considered for activities since the previous evaluation (January 30, 2017). All qualified investments made during this same period and those outstanding as of the date of this evaluation, regardless of when made, were also considered.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA ASSESSMENT AREA

FVCB's Washington-Arlington-Alexandria, DC-VA-MD MSA assessment area consists of two Metropolitan Divisions (MDs); all of the Silver Spring-Frederick-Rockville MD and a portion of the Washington-Arlington-Alexandria MD. Within this assessment area the bank operates ten full-service branch offices, of which three (30%) are located in low- or moderate-income census tracts. No census tracts in the assessment area were classified as underserved or distressed during the review period.

As of June 30, 2020, FVCB ranked 20th out of 64 institutions in local deposit market share according to data compiled by the Federal Deposit Insurance Corporation and held .5% of the assessment area's deposits (credit union deposits are not included). According to 2018 HMDA aggregate data, the institution ranked 181st out of 757 in reported HMDA volume with a less than .03% market share.

According to ACS data from 2015, the assessment area has a population of 4,290,176 and a median housing value of $444,394. The owner-occupancy rate for the assessment area equals 57.8%, which is greater than the owner-occupancy rate for the District of Columbia (37.2%), but is less than the rates of owner-occupancy in the Commonwealth of Virginia (59.2%) and State of Maryland (60.1%). Within the assessment area, 5.6% of families are considered below the poverty level, which is less than the poverty rates in the District of Columbia (14.3%), Commonwealth of Virginia (8.2%), and State of Maryland (7%). The HUD estimated median family income for the Washington-Arlington-Alexandria, DC-VA-MD-WV metropolitan division during 2018 equaled $114,900. The following table includes pertinent demographic data for the assessment area.

[1] This rating reflects performance within the multistate metropolitan area. The statewide evaluations are adjusted and do not reflect performance in the parts of those states contained in the multistate metropolitan area.

Assessment Area Demographics

Washington-Arlington-Alexandria DC-MD-VA (Based on ACS Data and 2018 D&B Information)								
Income Categories*	Tract Distribution		Families by Tract		Families < Poverty as a % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	95	9.7	82,207	8.1	18,479	22.5	209,328	20.7
Moderate	164	16.8	163,057	16.2	13,877	8.5	154,257	15.3
Middle	307	31.5	322,313	31.9	14,586	4.5	195,478	19.4
Upper	394	40.4	438,851	43.5	8,570	2.0	450,324	44.6
NA	15	1.6	2,959	0.3	496	16.8		
Total	*975*	*100.0*	*1,009,387*	*100.0*	*56,008*	*5.5*	*1,009,387*	*100.0*
	Owner Occupied Units by Tract		Households					
			HHs by Tract		HHs < Poverty by Tract		HHs by HH Income	
	#	%	#	%	#	%	#	%
Low	36,159	3.8	140,284	9.0	74,848	53.4	344,699	22.0
Moderate	129,549	13.5	262,575	16.8	83,562	31.8	242,184	15.5
Middle	319,334	33.2	511,866	32.7	105,446	20.6	283,711	18.1
Upper	476,128	49.3	642,380	40.9	76,670	11.9	695,215	44.4
NA	1,856	0.2	8,704	0.6	4,173	47.9		
Total	*963,026*	*100.0*	1,565,809	*100.0*	344,699	*22.0*	*1,565,809*	*100.0*
	Total Businesses by Tract		Businesses by Tract and Revenue Size					
			Less than or = $1 Million		Over $1 Million		Revenue not Reported	
	#	%	#	%	#	%	#	%
Low	11,235	4.4	10,321	4.5	765	3.4	149	4.8
Moderate	39,600	15.4	35,253	15.2	3,941	17.5	406	13.0
Middle	79,718	31.0	71,475	30.8	7,468	33.2	775	24.8
Upper	125,045	48.4	113,351	48.9	10,140	45.0	1,554	49.8
NA	1,954	0.8	1,503	0.6	212	0.9	239	7.6
Total	*257,552*	*100.0*	*231,903*	*100.0*	*22,526*	*100.0*	*3,123*	*100.0*
Percentage of Total Businesses:				90.0		8.7		1.3

**NA-Tracts without household or family income as applicable*

The area benefits from a diversified economy with a mix of federal and state government, manufacturing, defense contracting, scientific, engineering, and tourism-related employment opportunities. Major employers include the U.S. Departments of Defense and Homeland Defense, Inova Health Systems, Lockheed Martin Corp, and Marriott. The following table reflects unemployment rates since the previous evaluation (January 30, 2017).

Geographic Area	June 2017	June 2018	June 2019	June 2020
Arlington County, VA	2.5%	2.2%	2%	5.9%
Fairfax County, VA	3.2%	2.7%	2.4%	8.1%
Loudoun County, VA	3.2%	2.7%	2.4%	7.7%
Prince William County, VA	3.5%	3%	2.6%	9.2%
Alexandria City, VA	2.9%	2.4%	2.2%	8.3%
Fairfax City, VA	2.9%	2.5%	2.2%	8.1%
Falls Church City, VA	2.8%	2.4%	2.2%	4.9%
Manassas City, VA	3.3%	2.8%	2.6%	8.8%
Manassas Park City, VA	3.4%	2.9%	2.6%	9.9%
Commonwealth of Virginia	**3.8%**	**3.3%**	**2.9%**	**8.2%**
Frederick County, MD	4%	3.9%	3.5%	7.6%
Montgomery, MD	3.7%	3.6%	3.3%	8.1%
State of Maryland	**4.4%**	**4.3%**	**3.9%**	**8.5%**
District of Columbia	6.6%	6.1%	5.8%	9.1%
Washington-Arlington-Alexandria MD	**4%**	**3.7%**	**3.3%**	**8.5%**
Silver Spring-Frederick-Rockville MD	**3.7%**	**3.7%**	**3.3%**	**8%**

With the exception of the District of Columbia, counties and cities delineated within the bank's assessment area have lower unemployment rates when compared to respective state-wide unemployment rates. Low unemployment rates compared to statewide rates suggests generally favorable labor conditions within the bank's delineated assessment area. In the three years prior to 2020, unemployment rates remained stable with a slightly downward trend. Sharp increases in unemployment starting in 2020 can be attributed to nationwide quarantine restrictions implemented as part of the COVID-19 global pandemic response.

An official from an economic development organization was contacted during the evaluation to discuss local economic conditions and community credit needs. The contact stated that quarantine restrictions imposed in response to the COVID-19 pandemic during the second quarter of 2020 have caused economic hardship throughout the region. While certain technology sectors have recently regained lost economic activity, hospitality and service industries continue to suffer. He cited participation in the Paycheck Protection Program as an essential opportunity for participation by local financial institutions in meeting the credit needs of the community. The contact stated performance of local financial institutions in meeting the credit needs of the community have been reasonable.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS:

During 2018, FVCB reported originating $29 million in HMDA loans and $21 million in small business loans inside this assessment area. As such, the bank's HMDA lending was generally given greater weight when determining overall lending distribution performance.

Lending to Borrowers of Different Incomes and to Business of Different Sizes

The bank's borrower distribution is considered very poor for HMDA lending, while small business lending performance was considered poor. Overall, the bank's borrower distribution performance is considered poor for this assessment area and takes into account relevant performance context data.

Distribution of HMDA Loans by Income Level of Borrower

Washington-Arlington-Alexandria DC-MD-VA (2018)								
Income Categories	Bank				Aggregate			
	#	%	$(000s)	% $	#	%	$(000s)	% $
	HMDA Totals							
Low	0	0.0	0	0.0	10,207	8.5	2,079,562	4.5
Moderate	0	0.0	0	0.0	24,276	20.3	6,744,742	14.5
Middle	0	0.0	0	0.0	30,981	25.9	10,763,703	23.1
Upper	2	100.0	1,406	100.0	54,359	45.3	26,974,159	57.9
Total	***2***	***100.0***	***1,406***	***100.0***	***119,823***	***100.0***	***46,562,166***	***100.0***
Unknown	*37*		*27,562*		*20,170*		*13,330,202*	

Percentages (%) are calculated on all loans where incomes are known

During 2018, the bank did not make any loans to low- and moderate-income borrowers. Accordingly, the bank's performance lagged both the aggregate level of lending to such borrowers and the percentage of low- and moderate-income borrowers in the assessment area. The bank's HMDA borrower distribution in 2018 is considered very poor, and its performance in 2017 is substantially similar.

Distribution of Lending by Loan Amount and Size of Business

Washington-Arlington-Alexandria DC-MD-VA (2018)								
	Bank				Aggregate*			
by Revenue	#	%	$(000s)	% $	#	%	$(000s)	% $
$1 Million or Less	21	30.4	6,920	33.0	57,837	48.4	1,206,830	31.7
Over $1 Million	48	69.6	14,069	67.0	NA	NA	NA	NA
Unknown	*0*	*0.0*	*0*	*0.0*	*NA*	*NA*	*NA*	*NA*
by Loan Size								
$100,000 or less	26	37.7	1,702	8.1	113,566	95.0	1,600,965	42.1
$100,001-$250,000	13	18.8	2,418	11.5	2,812	2.4	483,579	12.7
$250,001-$1 Million	30	43.5	16,869	80.4	3,109	2.6	1,721,407	45.2
Total	***69***	***100.0***	***20,989***	***100.0***	***119,487***	***100.0***	***3,805,951***	***100.0***

** No data is available for Aggregate loans with Revenues over $1 million and those with Unknown revenues*

D&B data from 2018 indicates 90% of all local businesses have revenues that do not exceed $1 million per year. Aggregate data from 2018 indicates that 48.4% of reported small business loans were to businesses with revenues of $1 million or less. The remaining portion of loans were to businesses with either revenues exceeding $1 million or revenues were unknown. As part of performance context, the aggregate data was also considered after excluding certain specialty lenders. Of the remaining small business loans originated by traditional bank lenders, 51.8% were made to businesses with annual revenues of $1 million or less. Given these demographic and contextual factors, FVCB's small business borrower distribution is considered poor.

Geographic Distribution of Loans

The bank's geographic distribution (lending in low- and moderate-income census tracts) is considered excellent for HMDA and reasonable small business lending. Overall, the bank's geographic distribution performance is considered excellent and reflects the greater weight placed on HMDA lending due to the larger dollar volume of lending.

Distribution of HMDA Loans by Income Level of Census Tract

Washington-Arlington-Alexandria DC-MD-VA (2018)								
Income Categories	Bank				Aggregate			
	#	%	$(000s)	% $	#	%	$(000s)	% $
	(24)			Home Purchase		(92,073)		
Low	5	20.8	1,972	12.0	4,357	4.7	1,478,230	3.6
Moderate	3	12.5	1,174	7.1	12,681	13.8	4,099,316	10.1
Middle	7	29.2	5,611	34.1	31,347	34.1	11,892,063	29.3
Upper	9	37.5	7,675	46.8	43,440	47.4	23,160,663	57.0
	(5)			Refinance		(37,783)		
Low	1	20.0	1,163	33.0	1,968	5.2	538,326	4.1
Moderate	0	0.0	0	0.0	5,283	14.0	1,329,806	10.2
Middle	2	40.0	694	19.7	12,017	31.8	3,499,022	27.0
Upper	2	40.0	1,663	47.3	18,515	49.0	7,614,703	58.7
	(2)			Home Improvement		(9,694)		
Low	1	50.0	600	95.1	345	3.6	43,189	3.4
Moderate	0	0.0	0	0.0	1,017	10.5	105,168	8.3
Middle	1	50.0	31	4.9	2,865	29.6	304,019	24.1
Upper	0	0.0	0	0.0	5,467	56.4	810,741	64.2
	(8)			Multi-Family		(334)		
Low	3	37.5	3,600	42.9	87	26.0	622,155	12.9
Moderate	1	12.5	1,800	21.5	69	20.7	1,063,697	22.0
Middle	1	12.5	400	4.8	100	29.9	1,502,439	31.1
Upper	3	37.5	2,585	30.8	78	23.4	1,639,169	34.0
				HMDA Totals				
Low	10	25.6	7,335	25.3	6,757	4.8	2,681,900	4.5
Moderate	4	10.3	2,974	10.3	19,050	13.6	6,597,987	11.0
Middle	11	28.2	6,736	23.3	46,329	33.1	17,197,543	28.7
Upper	14	35.9	11,923	41.1	67,500	48.2	33,225,276	55.5
*NA**	0	0.0	0	0.0	357	0.3	189,662	0.3
Total	***39***	***100.0***	***28,968***	***100.0***	***139,993***	***100.0***	***59,892,368***	***100.0***

NA-Tracts without household or family income as applicable*

During 2018, both the bank and aggregate lenders originated a larger volume of home purchase loans than any other HMDA loan product. When considering the bank's performance by loan product type, its home purchase and home improvement lending are considered excellent. FVC Bank's refinance and home improvement lending are both considered reasonable.

FVCB's HMDA lending in low-income census tracts (25.6%) substantially exceeded both the percentage of owner-occupied housing units located in low-income tracts (3.8%) and the aggregate level of lending in such tracts (4.8%). The bank's level of lending in moderate-income census tracts (10.3%) slightly lagged both the percentage of owner-occupied housing units located in moderate-income census tracts (13.5%) and the aggregate level of lending in such tracts (13.6%). Overall, FVCB's HMDA geographic distribution performance in 2018 is considered excellent, and is driven by its performance in low-income tracts. The bank's performance in 2017 is substantially similar.

Distribution of Small Business Loans by Income Level of Census Tract

Washington-Arlington-Alexandria DC-MD-VA (2018)								
Income Categories	Bank				Aggregate			
	#	%	$(000s)	% $	#	%	$(000s)	% $
Low	3	4.3	375	1.8	4,425	3.7	127,935	3.4
Moderate	7	10.1	3,227	15.4	18,541	15.6	577,104	15.2
Middle	29	42.0	9,757	46.5	37,482	31.5	1,254,989	33.1
Upper	30	43.6	7,630	36.3	57,919	48.8	1,809,389	47.7
*NA**	0	0.0	0	0.0	495	0.4	22,710	0.6
Total	***69***	***100.0***	***20,989***	***100.0***	***118,862***	***100.0***	***3,792,127***	***100.0***

**NA-Tracts without household or family income as applicable*
Loans where the geographic location is unknown are excluded from this table.

The bank's level of small business lending in low-income census tracts (4.3%) slightly exceeded the aggregate level of lending (3.7%) and was similar to the percentage of businesses located in such tracts (4.4%). FVCB's small business lending level in moderate-income census tracts (10.1%) lagged both the aggregate level of small business lending (15.6%) and the percentage of businesses located in such tracts (15.4%). On a combined basis, the bank's geographic distribution performance for small business lending is considered reasonable.

Community Development Loans, Investments, and Services

Discussions with an individual knowledgeable of the local market area and reviews of performance evaluations of other financial institutions having a local presence indicate community development opportunities are reasonably available within this assessment area. Additionally, the bank faces no constraints which would inhibit it from providing community development loans, investments, or services consistent with its capacity and available opportunities.

The bank supported community development initiatives by originating community development loans, and specific to this assessment area, originated the following loans during the evaluation period.

- Eight loans totaling approximately $7.4 million promoting economic development through either creation of permanent jobs located in low- and moderate-income census tracts or jobs for low- and moderate-income residents of the assessment area.

- Seven loans totaling approximately $12.5 million promoting affordable housing through use of District of Columbia's Housing Authority's (DCHA) Housing Choice Voucher Program (HCVP). This program is federally funded by the U.S. Department of Housing and Urban Development (HUD) and is administered throughout DC. The HCVP fills a critical void to help families compete in DC's expensive housing market.

- Three loans totaling approximately $5.6 million promoting community services targeted to low- and moderate-income residents. Services targeted to low- and moderate-income residents include job training (Goodwill), food bank services, and a homeless shelter.

- One loan totaling approximately $1.8 million promoting affordable housing through the Vacant to Vibrant DC Initiative facilitated by the DC government. Sold by the DC government, 70 units of workforce housing were sold to the borrower subject to affordability covenants and deeded as affordable housing prior to transfer of ownership.

- One loan totaling approximately $1 million promoting affordable housing through the Family Re-Housing & Stabilization Program (FRSP) facilitated by the DC government. The FRSP is overseen by the DC Department of Human Services and supports families who experience homelessness or are at imminent risk of homelessness.

- One loan totaling approximately $1 million promoting affordable housing through multiple housing assistance programs. All units of the subject property are leased to tenants receiving a form of housing assistance to include either HUD Section 8 Housing Vouchers or DC Rapid Re-Housing Programs.

FVCB also made qualified charitable donations totaling approximately $30,000 to organizations promoting community development within the assessment area during the review period.

Since the previous evaluation, FVCB employees volunteered time and provided financial expertise to qualified organizations promoting community development throughout the assessment area. Bank employees and members of the FVCB board of directors served in leadership positions and provided financial expertise to the following organizations: Chesapeake Business Finance Corporation, Fairfax County Consolidated Funding Pool, N Street Village, Loudoun County Economic Development Authority, and the Rotary Club of McLean Foundation.

FVCB's community development performance demonstrates excellent responsiveness to community development needs of its assessment area through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

STATE OF MARYLAND

CRA RATING FOR MARYLAND[2]: Needs to Improve.
The Lending Test is rated: Satisfactory.
The Community Development Test is rated: Needs to Improve.

Major factors supporting the rating include:

- The bank's lending to borrowers of different income levels is very poor.
- The bank's geographic distribution performance is considered excellent.
- The bank's participation in qualified community development activities reflects a poor level of responsiveness to community development needs within the statewide assessment area.
- Rating guidelines for Regulation BB, which implements the CRA, state that a composite rating of at least satisfactory is applicable when both the Lending and Community Development Tests are rated at least satisfactory. Because the bank's Community Development Test performance is less than satisfactory, the overall rating specific to Maryland is Needs to Improve.

SCOPE OF EXAMINATION

The bank has delineated one assessment area in the State of Maryland, the Baltimore-Columbia-Towson, MD assessment area, which was evaluated using the FFIEC's full-scope review procedures. Ratings for the State of Maryland are based solely on the bank's performance in this assessment area.

This assessment area was added after the acquisition of Colombo Bank in 2018. HMDA loan data from calendar year 2018 was evaluated to reach conclusions about the bank's borrower and geographic distribution performance. FVCB did not originate any small business loans in this assessment area during the review period, and conclusions for borrower and geographic distribution performance are based solely on the bank's HMDA lending data from 2018. Qualified community development loans and services were also considered for activities since the previous evaluation (January 30, 2017). All qualified investments made during this same period and those outstanding as of the date of this evaluation, regardless of when made, were also considered.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MARYLAND

FVCB's Baltimore-Columbia-Towson, MD MSA assessment area consists of Baltimore City and Baltimore County in the eastern portion of Maryland. Within this assessment area, the bank operates one full-service branch office, one loan production office, and neither are located in low- or moderate-income census tracts. Additionally, no census tracts in the assessment area were classified as underserved or distressed during the review period.

As of June 30, 2020, FVC ranked 27th out of 33 institutions in local deposit market share according to data compiled by the Federal Deposit Insurance Corporation and held <.1% of the assessment area's deposits (credit union deposits are not included). According to 2018 HMDA aggregate data, the institution ranks 132nd out of 511 institutions in reported HMDA volume with a less than .03% market share.

---

[2] For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation is adjusted and does not reflect performance in the parts of those states contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

According to ACS data from 2015, the assessment area has a population of 1,445,413 and a median housing value of $214,594. The owner occupancy rate for the assessment area equals 50.8%, which is less than the owner-occupancy rate for the State of Maryland (60.1%) and the rate for the Baltimore-Columbia-Towson, MD MSA (60%). Within the assessment area, 11.1% of families are considered below the poverty level, which is greater than the percentage of families below poverty in the State of Maryland (7%) and the Baltimore-Columbia-Towson, MD MSA (7.6%). The HUD estimated median family income for the Baltimore-Columbia-Towson, MD MSA during 2018 equaled $94,900. The following table includes pertinent demographic data for the assessment area.

Assessment Area Demographics

Baltimore-Columbia-Towson, MD
(Based on ACS Data and 2018 D&B Information)

Income Categories*	Tract Distribution		Families by Tract		Families < Poverty as a % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	88	21.3	50,922	15.5	14,722	28.9	100,094	30.5
Moderate	128	30.9	111,347	33.9	13,853	12.4	64,428	19.6
Middle	119	28.7	102,853	31.3	6,184	6.0	63,085	19.2
Upper	69	16.7	62,564	19.0	1,402	2.2	100,950	30.7
NA	10	2.4	871	0.3	413	47.4		
Total	*414*	*100.0*	*328,557*	*100.0*	*36,574*	*11.1*	*328,557*	*100.0*
	Owner Occupied Units by Tract		**Households**					
			HHs by Tract		**HHs < Poverty by Tract**		**HHs by HH Income**	
	#	%	#	%	#	%	#	%
Low	33,441	10.4	90,861	16.4	52,390	57.7	181,807	32.7
Moderate	97,030	30.2	190,694	34.3	69,407	36.4	97,913	17.6
Middle	114,528	35.6	173,200	31.2	42,301	24.4	97,169	17.5
Upper	76,158	23.7	98,232	17.7	16,340	16.6	178,279	32.2
NA	377	0.1	2,181	0.4	1,369	62.8		
Total	*321,534*	*100.0*	555,168	*100.0*	181,807	*32.7*	*555,168*	*100.0*
	Total Businesses by Tract		**Businesses by Tract and Revenue Size**					
			Less than or = $1 Million		**Over $1 Million**		**Revenue not Reported**	
	#	%	#	%	#	%	#	%
Low	6,308	9.9	5,660	9.8	583	10.7	65	10.2
Moderate	16,943	26.5	15,489	26.8	1,319	24.1	135	21.2
Middle	23,560	36.8	21,200	36.6	2,108	38.5	252	39.6
Upper	16,262	25.4	14,759	25.5	1,327	24.2	176	27.6
NA	907	1.4	761	1.3	137	2.5	9	1.4
Total	*63,980*	*100.0*	*57,869*	*100.0*	*5,474*	*100.0*	*637*	*100.0*
	Percentage of Total Businesses:			90.4		8.6		1.0

**NA-Tracts without household or family income as applicable*

The assessment area includes Baltimore City, which is the largest population center in the State of Maryland and the surrounding Baltimore County. Johns Hopkins Hospital and Johns Hopkins University are top employers in the area. The region is also home to a number of major organizations and government agencies, including the National Federation of the Blind, the Centers for Medicare and Medicaid Services, and the Social Security Administration.

The following table reflects unemployment rates since the previous evaluation (January 30, 2017).

Geographic Area	June 2017	June 2018	June 2019	June 2020
Baltimore County, MD	4.6%	4.4%	4%	8.3%
Baltimore City, MD	6.5%	6.1%	5.5%	10%
Baltimore-Columbia-Towson, MD MSA	**4.6%**	**4.3%**	**3.9%**	**8%**
State of Maryland	**4.4%**	**4.3%**	**3.9%**	**8.5%**

While unemployment rates for Baltimore County are consistent with rates for the state and MSA, Baltimore City unemployment rates have exceeded state-wide and MSA unemployment rates which suggest less favorable labor conditions within the City compared to the county. In the three years prior to 2020, unemployment rates remained stable with a slightly downward trend. Sharp increases in unemployment starting in 2020 can be attributed to nationwide quarantine restrictions implemented as part of the COVID-19 global pandemic response.

An official from an economic development organization was contacted during the evaluation to discuss local economic conditions and community credit needs. The contact stated quarantine restrictions imposed in response to the COVID-19 pandemic during the second quarter of 2020 have caused tremendous economic hardship throughout the community. He stressed the importance of small businesses in the local economy and was pessimistic about a quick recovery. The contact cited participation in the Paycheck Protection Program and financial education as essential opportunities for participation by local financial institutions in addressing the credit needs of the community. He also acknowledged that the performance of local financial institutions in meeting the credit needs of the community has been reasonable.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS:

As mentioned earlier in the evaluation, FVCB did not originate any small business loans inside this assessment area during the review period. As such, the bank's lending distribution performance will be based solely on HMDA lending performance.

Lending To Borrowers of Different Incomes and To Businesses of Different Sizes

Distribution of HMDA Loans by Income Level of Borrower

Baltimore-Columbia-Towson, MD (2018)								
Income Categories	Bank				Aggregate			
	#	%	$(000s)	% $	#	%	$(000s)	% $
	HMDA Totals							
Low	0	0.0	0	0.0	4,331	15.8	573,093	9.4
Moderate	0	0.0	0	0.0	7,935	28.9	1,460,691	23.9
Middle	0	0.0	0	0.0	6,696	24.4	1,465,840	24.0
Upper	2	100.0	505	100.0	8,532	30.9	2,599,865	42.7
Total	***2***	***100.0***	***505***	***100.0***	***27,494***	***100.0***	***6,099,489***	***100.0***
Unknown	*8*		*2,179*		*6,692*		*2,437,123*	

Percentages (%) are calculated on all loans where incomes are known

During 2018, the bank did not make any loans to low- or moderate-income borrowers. Accordingly, the bank's performance lagged both the aggregate level of lending to such borrowers and the percentage of low- and moderate-income borrowers in the assessment area. The bank's HMDA borrower distribution is considered very poor.

Geographic Distribution of Loans

Distribution of HMDA Loans by Income Level of Census Tract

Baltimore-Columbia-Towson, MD (2018)								
Income Categories	Bank				Aggregate			
	#	%	$(000s)	% $	#	%	$(000s)	% $
	(8)		Home Purchase		(22,993)			
Low	0	0.0	0	0.0	1,886	8.2	303,413	5.4
Moderate	5	62.5	475	43.9	6,920	30.2	1,263,301	22.7
Middle	1	12.5	102	9.4	8,987	39.2	2,190,813	39.3
Upper	2	25.0	505	46.7	5,141	22.4	1,814,436	32.6
	(0)		Refinance		(9,222)			
Low	0	0.0	0	0.0	641	7.0	90,338	5.0
Moderate	0	0.0	0	0.0	2,607	28.3	393,778	21.8
Middle	0	0.0	0	0.0	3,561	38.6	681,594	37.8
Upper	0	0.0	0	0.0	2,413	26.2	637,401	35.4
	(0)		Home Improvement		(1,809)			
Low	0	0.0	0	0.0	86	4.8	6,200	3.7
Moderate	0	0.0	0	0.0	363	20.1	26,770	16.0
Middle	0	0.0	0	0.0	671	37.1	57,161	34.2
Upper	0	0.0	0	0.0	689	38.1	77,168	46.1
	(2)		Multi-Family		(142)			
Low	1	50.0	1,133	70.7	33	23.2	82,257	8.4
Moderate	0	0.0	0	0.0	50	35.2	496,109	50.7
Middle	1	50.0	469	29.3	35	24.6	235,324	24.1
Upper	0	0.0	0	0.0	24	16.9	164,151	16.8
				HMDA Totals				
Low	1	10.0	1,133	42.2	2,646	7.7	482,208	5.6
Moderate	5	50.0	475	17.7	9,940	29.1	2,179,958	25.5
Middle	2	20.0	571	21.3	13,254	38.8	3,164,892	37.1
Upper	2	20.0	505	18.8	8,267	24.2	2,693,156	31.6
*NA**	0	0.0	0	0.0	79	0.2	16,398	0.2
Total	***10***	***100.0***	***2,684***	***100.0***	***34,186***	***100.0***	***8,536,612***	***100.0***

NA-Tracts without household or family income as applicable*

During 2018, both the bank and aggregate lenders originated a larger volume of home purchase loans than refinance loans. When considering the bank's performance by product type, its home purchase lending is considered excellent, while the bank's refinance and home improvement performance is considered very poor. Alternatively, the bank's multifamily lending is considered excellent.

FVCB's HMDA lending in low-income tracts (10%) approximated the percentage of owner-occupied housing units located in low-income tracts (10.4%) and exceeded the aggregate level of lending in such tracts (7.7%). The bank's level of lending in moderate-income census tracts (50%) substantially exceeded both the percentage of owner-occupied housing units located in moderate-income tracts (30.2%) and the aggregate level of lending in such tracts (29.1%). FVCB's HMDA geographic distribution performance is considered excellent.

Community Development Loans, Investments, and Services

Discussions with an individual knowledgeable of the local market area and reviews of performance evaluations of other financial institutions having a local presence indicate community development opportunities are reasonably available within this assessment area. Additionally, the bank faces no constraints which would inhibit it from providing community development loans, investments, or services consistent with its capacity and available opportunities.

During the review period, the bank originated one qualified community development loan totaling $233,600. The loan promoted economic development through the creation of permanent jobs in a low- and moderate-income area.

The bank's community development performance demonstrates poor responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

CRA APPENDIX A

SCOPE OF EXAMINATION

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED[3]	OTHER INFORMATION
Washington-Arlington-Alexandria, DC-MD-VA	Full Scope	N/A*	
Baltimore-Columbia-Towson, MD	Full Scope	N/A*	

*Exam was conducted remotely and there were no branches visited.

[3] There is a statutory requirement that the written evaluation of a multistate institution's performance must list the individual branches examined in each state.

CRA APPENDIX B

SUMMARY OF STATE AND MULTISTATE MSA RATINGS

State or Multistate Metropolitan Area Name	Lending Test Rating	Community Development Test Rating	Overall Rating
Washington-Arlington-Alexandria, DC-MD-VA	Satisfactory	Outstanding	Satisfactory
Baltimore-Columbia-Towson, MD	Satisfactory	Needs to Improve	Needs to Improve

CRA APPENDIX C

BRANCHING ACTIVITY

ASSESSMENT AREA	DATE	ADDRESS	CITY	STATE	ZIP	ACQUIRED/ CLOSED	TRACT INCOME LEVEL
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA	10/13/2018	1301 9TH STREET NW	WASHINGTON	DC	20001	ACQUIRED	UNKNOWN
BALTIMORE-COLUMBIA-TOWSON, MD	10/13/2018	224 ALBEMARLE ST	BALTIMORE	MD	21202	ACQUIRED	MIDDLE
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA	10/13/2018	6929 ARLINGTON RD	BETHESDA	MD	20814	ACQUIRED	MIDDLE
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA	10/13/2018	1600 EAST GUDE DRIVE	ROCKVILLE	MD	20850	ACQUIRED	MODERATE
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA	10/13/2018	7901 EASTERN AVENUE	SILVER SPRING	MD	20910	ACQUIRED	MODERATE

CRA APPENDIX D

LOAN, BRANCH, AND DEPOSIT VOLUME BY ASSESSMENT AREA

The following table reflects the distribution of branch offices and deposit and loan volume by assessment area. The deposit volume includes all bank deposits and is current as of June 30, 2020, while the loan volume includes all residential mortgage and small business loans considered in the evaluation.

Assessment Area	Loan Volume				Branches		Deposit Volume	
	#	%	$ (000s)	%	#	%	$ (000s)	%
Washington-Arlington-Alexandria, DC-MD-VA	146	91.8%	$69,471	94.6%	10	90.9%	$1,492,883	98.3%
Baltimore-Columbia-Towson, MD	13	8.2%	$3,950	5.4%	1	9.1%	$26,247	1.7%
TOTAL	159	100%	$73,421	100%	11	100%	$1,519,130	100%

CRA APPENDIX E

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: All Agencies have adopted the following language. 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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - (A) Rates of poverty, unemployment, and population loss; or
  - (B) Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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, home equity 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 non-relatives 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 under the Lending and Community Development Tests 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 under the Lending and Community Development Tests 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.

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) and the Thrift Financial Reporting (TFR) 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 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 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.