

PUBLIC DISCLOSURE

August 7, 2017

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

United Bank

365325

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Fairfax, Virginia 22030

**Federal Reserve Bank of Richmond
P. O. Box 27622
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NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: United Bank is rated "**OUTSTANDING.**"

The following table indicates the performance level of United Bank with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	<u>UNITED BANK</u>		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

*The lending test is weighted more heavily than the investment and service tests in determining the overall rating.

Major factors supporting the institution's rating include:

- Lending activity reflects an excellent responsiveness to local credit needs consistent with the bank's capacity and economic conditions.
- A substantial majority of the institution's Home Mortgage Disclosure Act (HMDA) and small business loans were originated within the bank's assessment areas.
- While geographic and borrower distribution performance varies within the full scope assessment areas reviewed, performance is considered excellent overall.
- The bank is a leader in providing community development loans during the evaluation period, especially in the multistate assessment area.
- The bank has an excellent level of qualified investments that demonstrate an excellent responsiveness to local credit needs, but only occasionally makes use of innovative or complex initiatives.
- Delivery systems and branch locations are assessable to geographies and individuals of different income levels within the bank's assessment areas. Branch closings have not adversely affected low- and moderate-income neighborhoods.
- The bank is a leader in providing community development services within its primary market.

INSTITUTION

SCOPE OF EXAMINATION

The institution was evaluated using the interagency examination procedures developed by the Federal Financial Institutions Examination Council (FFIEC). United Bank (UB) is required to report certain information regarding its home mortgage lending in accordance with the Home Mortgage Disclosure Act (HMDA). Accordingly, the bank's 2015 and 2016 HMDA loan originations were considered in the evaluation. UB is also required to collect loan data for small business and small farm loans in accordance with the Community Reinvestment Act (CRA). Therefore, the evaluation includes an analysis of all small business and small farm loans reported by the bank during 2015 and 2016.

The evaluation also considers any qualified community development loans, investments, and services originated, purchased, or provided since the previous evaluation dated October 19, 2015. In addition, all qualified investments outstanding as of the evaluation date were considered, regardless of when made. This evaluation reflects the performance of UB, and also considers the activities of its affiliates and subsidiaries that impact UB's assessment areas.

To help determine the availability of community development opportunities in specific assessment areas, the CRA public evaluations of other financial institutions operating in these areas were reviewed. Also, in some markets members of the community were contacted to discern information about local economic conditions, local credit needs, performance of banks in the assessment area, as well as potential community development opportunities.

An overall rating and ratings for the lending, investment, and service tests are assigned to the institution, to the multistate assessment area (as the institution has branches in the Maryland, Virginia, and Washington, D.C. portions of the CSA), and to the Commonwealth of Virginia. The state rating is based only on performance in the assessment areas subject to full scope review, but excludes activity in the multistate assessment area, as it is rated separately. For assessment areas that are reviewed utilizing the limited scope examination procedures, a determination is made as to whether performance is consistent with the overall state rating.

The following assessment areas were evaluated using the FFIEC's full scope examination procedures because of their location and relative size (considering volume of loan activity, proportion of bank deposits, and market population):

- Washington-Baltimore-Arlington, DC-VA-MD assessment area
- Harrisonburg-Staunton-Waynesboro, VA CSA assessment area

The remaining two assessment areas, the Charlottesville, Virginia assessment area and the Shenandoah County, Virginia NonMSA assessment area, were subject to limited scope reviews as provided for by the FFIEC examination procedures. Appendix D includes data about the distribution of lending, branches, and deposits by assessment area.

The institution's overall rating and ratings for each test are based on the ratings assigned to the multistate assessment area and the Commonwealth of Virginia. When assigning the institution's overall ratings for each test, performance within the multistate assessment area receives greater weight than the Commonwealth of Virginia based on the level of activity, as measured by relative lending volume, amount of deposits, and number of branches. Appendix D includes data about the distribution of lending, branches, and deposits by assessment area. According to the FFIEC procedures, the lending test performance accounts for half of the institution's overall rating, while the investment and service tests are equally weighted at 25% of the overall rating.

DESCRIPTION OF INSTITUTION

UB, headquartered in Fairfax, Virginia, is a subsidiary of United Bankshares, Inc., a multi-bank holding company headquartered in Charleston, West Virginia. UB and its holding company have several affiliates and subsidiaries, including United Bank, Inc. (UBI), headquartered in Parkersburg, West Virginia.

UB currently operates 87 full-service branch offices in northern and northwestern Virginia; Washington, D.C.; and central Maryland. Since the previous CRA evaluation, UB has acquired Bank of Georgetown (June 2016) and Cardinal Bank (April 2017), increasing its branch network in the Washington-Baltimore-Arlington, DC-VA-MD assessment area. As a result of the Cardinal Bank acquisition, UB now operates George Mason Mortgage, a mortgage subsidiary headquartered in Fairfax, Virginia.

The bank serves three assessment areas throughout the Commonwealth of Virginia and a multistate assessment area which consists of a portion of the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA CSA. No changes were made to the bank's existing assessment areas as a result of the two acquisitions. Appendix E outlines the composition of each of the bank's assessment areas.

As of June 30, 2017, UB had assets of \$13.3 billion, of which 65.8% were net loans and 9.1% were securities. Deposits totaled \$9.2 billion as of the same time period. Various deposit and loan products are available through the institution, including loans for residential mortgage, consumer, and business purposes. The composition of the loan portfolio (using gross loans) as of June 30, 2017, is represented in the following table.

Composition of Loan Portfolio

Loan Type	6/30/2017	
	\$(000s)	%
Secured by 1-4 Family dwellings	2,213,973	25.2
Multifamily	499,906	5.7
Construction and Development	1,193,129	13.6
Commercial & Industrial/ NonFarm NonResidential	4,387,467	50.0
Consumer Loans and Credit Cards	92,164	1.1
Agricultural Loans/ Farmland	9,869	0.1
All Other	378,211	4.3
Total	8,774,719	100.0

As indicated in the preceding table, the bank is an active commercial/small business and residential mortgage lender. The bank also continues to offer other loans, such as consumer and farm loans; however, the volume of such lending is relatively small in comparison to commercial/small business and residential mortgage lending. All loan types, except for agricultural lending, have experienced large dollar volume growth since the previous evaluation; however, the overall composition of the loan portfolio remains substantially similar.

Based on its financial capacity, there are no significant limitations on the bank's ability to meet credit needs within the communities it serves. The bank was rated Outstanding during its previous CRA evaluation on October 19, 2015.

Since the previous evaluation, UB has opened or acquired 29 new branch offices and closed, consolidated, or relocated ten existing branch offices as outlined in Appendix F. Additionally, the bank closed five Bank of Georgetown and seven Cardinal Bank branch offices at the time of acquisition instead of converting to UB locations. These offices were in close proximity to existing UB branches, and none were located in low- or moderate-income census tracts. As previously noted, the mergers and associated branching activity did not have an impact on the composition of the bank's assessment areas.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank's overall lending test performance is rated Outstanding. This rating considers the bank's lending activity, assessment area concentration, geographic and borrower distribution performance, and community development lending. In addition, the bank's level of responsiveness and innovation in serving the credit needs of its assessment areas are also considered. These components are discussed in the following sections.

When evaluating the bank's performance, relevant area demographic data from the 2010 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. Aggregate HMDA and small business loan data from 2015 is also considered when evaluating the bank's performance. Aggregate HMDA and CRA lending data from 2016 cannot be considered in this evaluation because the data is not currently available. Dun & Bradstreet (D&B) business demographic data from 2015 and 2016 are also considered when evaluating the bank's performance.

While HMDA and small business data from calendar years 2015 and 2016 were fully analyzed and considered in the evaluation, only bank and aggregate data from 2015 are presented in the assessment area analysis tables. In instances where HMDA or small business distribution performance in 2016 varies significantly from the performance noted during 2015, such variance and the corresponding impact on the overall performance are discussed.

During 2015 and 2016, the bank reported \$872.6 million in HMDA, \$230.6 million in small business, and \$2.1 million in small farm loans within its assessment areas. While small farm loans were included in the comparison of credit extended inside and outside of the bank's assessment areas, these loans were excluded from the geographic and borrower distribution performance analyses given the limited volume.

It is also noted that throughout the majority of the bank's assessment areas, a high level of small business lending activity is noted for specialized lenders, who tend to 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. The presence of these lenders is reflected in a smaller market share for traditional lenders, such as UB. Not only do such loans tend to be smaller, but when included in the aggregate, these reporters tend to depress the proportion of reported loans to businesses with revenues of \$1 million or less because a large proportion of such loans reported do not include revenue information. These factors were considered as an aspect of performance context when evaluating the level and distribution of the bank's small business lending.

Lending Activity:

A bank's loan-to-deposit ratio is one measure of its lending relative to its capacity. The bank's quarterly loan-to-deposit ratio for the eight-quarter period ending June 30, 2017, averaged 93% and ranged from 87% to 99%. During the same time period, the average of quarterly loan-to-deposit ratios of the national peer group was 85.2%, and ranged from 83.6% to 86.6%. The national peer group is defined as all insured commercial banks having assets over \$3 billion. UB's loan-to-deposit ratio, as of June 30, 2017, equaled 95.5%. No barriers to the bank's ability to lend were noted.

Since June 30, 2015, bank assets, net loans, and deposits have increased by 80%, 85.8%, and 83.1%, respectively. This growth primarily reflects the acquisition of two financial institutions during the review period. In an effort to meet the needs of its local communities, the bank offers various loan products including commercial, small business, farm, residential mortgage, home equity, and consumer loans. As previously noted, the bank's primary emphasis is commercial and residential mortgage lending.

UB makes use of flexible loan programs across its assessment areas to meet the credit needs of low- and moderate-income individuals. The Affordable Housing Option (AHO) is a loan program available to borrowers within UB's assessment areas who are low- and moderate-income, or reside in low- and moderate-income areas. This program uses flexible underwriting criteria and provides up to 97% financing for purchase transactions with no mortgage insurance. During 2015 and 2016, the bank originated 134 such loans totaling approximately \$31.6 million. Additionally, UB offers the FHA Title 1 Home Improvement Program for qualified home improvement loans. These loans carry a 90% guarantee against loss from the FHA and offer flexible nontraditional underwriting criteria. Since the prior evaluation, UB has originated five such loans totaling approximately \$69,000 within its assessment areas.

When considering performance at the assessment area level, along with the bank's loan-to-deposit ratio and flexible loan programs, overall lending activity is excellent relative to the bank's capacity to lend and the economic conditions within the bank's assessment areas. Lending activity is discussed in more detail in the multistate assessment area, state, and full-scope assessment area sections later in this report.

Assessment Area Concentration:

Loan data in the following table reflects all originations and purchases for the specified loan types from January 1, 2015, through December 31, 2016. The data does not include large commercial loans (loan amounts in excess of \$1 million), other loan types not denoted, or the lending activity of affiliates or subsidiaries.

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

Loan Type	Inside				Outside			
	#	%	\$(000)	%	#	%	\$(000)	%
Home Purchase	605	82.3	317,375	84.2	130	17.7	59,663	15.8
Home Improvement	52	91.2	25,214	96.2	5	8.8	991	3.8
Refinancing	523	88.0	189,352	88.7	71	12.0	24,219	11.3
Multi-Family Housing	55	83.3	340,616	94.9	11	16.7	18,316	5.1
Total HMDA related	1,235	85.1	872,557	89.4	217	14.9	103,189	10.6
Small Business	1,373	92.8	230,614	88.9	106	7.2	28,815	11.1
Small Farm	18	94.7	2,052	97.6	1	5.3	50	2.4
TOTAL LOANS	2,626	89.0	1,105,223	89.3	324	11.0	132,054	10.7

As indicated above, a substantial majority of the total number (89%) and dollar amounts (89.3%) of loans have been provided to residents, businesses, and farms within the bank's assessment areas.

Geographic and Borrower Distribution:

When evaluating the geographic and borrower distribution for a specific loan category (HMDA and small business) within an assessment area, primary emphasis is placed on the number (and corresponding percentage) of loans originated or purchased. When considering all loan products to arrive at an overall conclusion within an assessment area, the level of performance of each category is typically weighted by the dollar volume of each category. Similarly, when the performance of multiple assessment areas is considered to reach a state and/or institutional rating, the levels of performance of the assessment areas subject to full scope reviews are weighted primarily according to their dollar volume during the review period. In all cases, conclusions also take into consideration relevant performance context factors, such as the previously noted lending activity of specialized credit card lenders, which is relevant when evaluating the bank's small business lending distribution by revenue of business using aggregate data as a proxy for demand.

While the geographic and the borrower distribution of loans in the markets reviewed using full scope examination procedures is varied, on a combined basis when assigning appropriate weight to the assessment areas, the performance is considered excellent.

Community Development Lending:

UB is a leader in extending loans for a variety of community development purposes totaling approximately \$182.6 million during the review period. These loans were made to borrowers that develop affordable housing, offer community services, promote economic development, or revitalize and stabilize low- and moderate income areas within the bank's markets. The dollar volume of community development lending has more than doubled since the prior evaluation (\$84.8 million), and it exceeds the bank's growth in total assets and net loans since June 30, 2015 (80% and 85.8%, respectively).

During the review period, UB created a nonprofit and community development line of business to serve its primary market, the multistate assessment area. The lenders are knowledgeable of and able to assist borrowers with complex financing that incorporates revenue bonds, low-income housing tax credits, and tax increment financing. This specialized group enables the bank to develop innovative financing that meets the needs of small businesses and low- and moderate-income individuals and areas, and examples of such transactions were noted within the multistate assessment area.

Community development loans that benefit the larger regional area, including one or more of the bank's assessment areas, include one loan totaling \$730,000 to an organization that supports education services for low- and moderate-income students in Washington, DC and across the nation. Community development loans that benefit the multistate, statewide and/or assessment area levels are discussed within the corresponding sections of this evaluation.

INVESTMENT TEST

UB's overall performance under the investment test is rated Outstanding. This rating considers the bank's investment and grant activity, innovation or complexity in community development initiatives, and the responsiveness in meeting local credit and community development needs.

UB routinely makes qualified investments that benefit its local markets and/or larger regional areas. As of June 30, 2017, the bank has approximately \$1.2 billion in securities, representing 9.1% of its total assets. The bank currently holds a total of \$68.7 million in qualified community development investments, representing 5.7% of total securities and .5% of total assets. Of this total, approximately \$18.8 million benefits regional or statewide areas that include one or more of the bank's assessment areas, as follows:

- \$14.5 million of the bank's \$19 million in 12 qualified housing bonds issued by the Virginia Housing Development Authority (VHDA) benefits the statewide area, including the bank's assessment areas, while \$4.5 million directly benefits specific assessment areas and is reflected in the performance discussion for those areas. The VHDA promotes affordable housing by financing single and multi-family mortgages for low- and moderate-income individuals throughout the Commonwealth of Virginia.
- \$3.7 million of the bank's \$4 million in ten equity investments in Virginia Community Development Corporation's (VCDC) Housing Equity Funds XV, XVI, XVII, XVIII, XIX, and XXI benefits the statewide area, including the bank's assessment areas, while \$336,773 directly benefits specific assessment areas and is reflected in the performance discussion for those areas. Additionally, the bank has committed an additional \$3 million in Fund XXI that has not been funded. The VCDC is the parent of the Virginia Community Development Fund, a chartered Community Development Financial Institution (CDFI). The Funds facilitate the development and financing of affordable housing throughout the Commonwealth of Virginia and utilize the federal low-income housing tax credit program.

- \$617,418 in two bonds issued by the Maryland Department of Housing and Community Development, an agency of the State of Maryland, where the proceeds are used to facilitate affordable housing through the acquisition and development of existing, newly constructed, or rehabilitated single-family residences throughout the state, including the bank's multistate CSA assessment area.

The institution also actively supports numerous community development organizations through charitable contributions. Since the previous evaluation, donations totaling \$320,968 were made to organizations whose operations facilitate affordable housing, economic development, or services for low- and moderate-income individuals or areas. Of this total, \$18,875 benefits the larger regional area, including one or more of the bank's assessment areas.

Overall, UB has an excellent level of investments that demonstrate an excellent responsiveness to local credit needs, particularly affordable housing initiatives in the multistate assessment area. However, the bank only makes occasional use of innovative or complex investments for community development purposes. Investments that benefit the multistate, statewide, and/or assessment area levels are discussed within the corresponding sections of this evaluation.

SERVICE TEST

UB's overall performance under the service test is rated Outstanding. This rating considers the accessibility of delivery systems, changes in branch locations, reasonableness of hours and services, and the level of community development services.

Delivery systems and branch locations are considered accessible to all portions of the assessment areas. Of the institution's 87 total branch offices, two (2.3%) are located in low-income areas and 15 (17.2%) are located in moderate-income areas. Alternative delivery systems provide access to banking services through online and mobile banking, 24-hour ATM access, bank-by-mail and bank-by-phone services, and cash management programs for small businesses. Branch openings and closings since the previous evaluation have not adversely affected low- and moderate-income areas. Additionally, business hours and services are considered convenient across geographies of different income levels within the assessment areas.

The bank is a leader in providing community development services, particularly within the multistate assessment area, by assisting local organizations that support affordable housing, community services, and economic development initiatives. The following services are provided institution-wide and impact all assessment areas:

- America Saves Week – Branch managers and business-line leaders discuss the value of savings and distribute relevant educational materials to customers during an annual two-week campaign. This event is part of a national campaign coordinated by America Saves and the American Savings Education Council, which serves as an annual opportunity for organizations to promote good savings behavior and encourage low- and moderate-income households to save money, reduce debt, and build wealth.
- Bank at Work Program – Bank employees visit local employers to discuss the value of banking and open checking accounts onsite, making financial services more accessible to low- and moderate-income individuals. Examples of participating employers include fast food restaurants, local small businesses and nonprofits, and other companies providing low- and moderate-income jobs. During the first two quarters of 2017, UB visited 195 employers and opened 103 new accounts.

- Federal Home Loan Bank (FHLB) - The bank partners with the Federal Home Loan Banks of Pittsburgh (FHLBP) and Atlanta (FHLBA) to offer the Affordable Housing Program (AHP), which provides grants and loans for affordable housing projects, including new and rehabilitated single- and multi-family housing projects. Since 2015, the bank has assisted with AHP grant funding for eight projects within its assessment areas totaling \$3.3 million. In addition, the FHLBA set-aside program offers down payment assistance grants up to \$5,000 for first time homebuyers and \$7,500 for community partners, such as law enforcement, firefighters, education, and healthcare employees. Since the previous evaluation, the bank assisted 32 borrowers within its assessment areas obtain a total of \$172,500 in assistance.
- Premier Partners – UB formally partners with local organizations across its market areas that support low- and-moderate income individuals and small businesses. The bank works closely with these partners to identify community needs, perform outreach, and develop high-impact, responsive community development service opportunities for bank employees. Examples of partnerships include a housing authority whose mission is to provide decent, safe, and affordable housing; a nonprofit organization that provides services and employment opportunities to low- and moderate-income veterans; a nonprofit that provides free medical care to low-income, uninsured adults; and a nonprofit that provides housing and adoption services to children in need.
- Teach Children to Save Program – The bank launched a financial literacy campaign during 2016, where employees visit local schools having a majority of students from low- and moderate-income families to teach financial management and the importance to saving. Teach Children to Save (TCTS) is a free national program sponsored by the American Bankers Association (ABA) Foundation that uses volunteers and established curriculum to help young people develop a savings habit early in life.

Activities at the multistate, statewide, and/or assessment area levels are discussed within the corresponding sections of this evaluation.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

A review of the bank's assessment areas during the evaluation found that its delineations complied with the requirements of Regulation BB. To the extent that the bank delineated less than a whole MSA or other political subdivision within an assessment area, the delineated area contained whole geographies, did not reflect illegal discrimination (e.g. through the exclusion of majority-minority census tracts), and did not arbitrarily exclude low- or moderate-income census tracts.

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.

MULTISTATE METROPOLITAN AREA

CRA RATING FOR Washington-Baltimore-Arlington, DC-VA-MD Assessment Area¹: Outstanding

The lending test is rated: Outstanding

The investment test is rated: Outstanding

The service test is rated: Outstanding

Major factors supporting the rating include:

- Lending activity is consistent with the bank's capacity and helps meet identified community credit needs within a highly competitive market.
- Geographic and borrower distribution performance are both considered excellent.
- UB is a leader in providing community development loans that demonstrate an excellent responsiveness to local credit needs. The bank also makes use of complex, innovative financing to serve small businesses and low- and moderate-income individuals and areas.
- The bank has an excellent level of qualified investments benefiting the statewide and regional area, including this assessment area. Investments are responsive to local credit needs, but are only occasionally innovative or complex.
- Delivery systems and branch locations are accessible to all segments of the assessment area. Branch closings have not adversely affected low- and moderate-income neighborhoods.
- Employees provide an outstanding level of community development services within the assessment area.

SCOPE OF EXAMINATION

The lending test considered reported HMDA and small business loans from calendar years 2015 and 2016, as well as community development loans made since the previous evaluation. Small farm loans were excluded from further analysis given the limited volume. The investment test considered all qualified investments purchased during the review period or outstanding as of the examination date, regardless of when made, and the service test considered retail locations, accessibility, and qualified community development services provided since the previous evaluation.

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

This assessment area includes a portion of the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA CSA. Specifically, the assessment area includes the District of Columbia; Montgomery County, Maryland; and 16 cities and counties in northern Virginia. The composition of UB's assessment areas is fully detailed in Appendix E.

The bank operates 73 full service branches within this assessment area. As of June 2017, UB ranked 8th out of 75 financial institutions in deposit market share with 3.9% of the assessment area's available Federal Deposit Insurance Corporation (FDIC) insured deposits (credit unions are not included).

According to ACS data from 2010, the assessment area contains 1,007 census tracts, of which 93 are low-income, 210 are moderate-income, 319 are middle-income, 374 are upper-income, and 11 have an unknown income designation. The assessment area has a population of 4,235,884 and a median housing value of \$454,097. The owner-occupancy rate for the assessment area is 59.9%, which exceeds the

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.

owner-occupancy rate for the District of Columbia (38.1 %), but lags the rate for Maryland (62.2%) and Virginia (61.8%). The area's family poverty rate (5.1 %) is lower than the rate for the District of Columbia (14.5%), Maryland (5.7%), and Virginia (7.2%). Median family incomes for the MSA/MDs that comprise the assessment area are detailed in the table below.

Median Family Income by MSA/MD	2015	2016
Washington-Arlington-Alexandria, DC-VA-MD-WV MD	\$109,400	\$105,700
Silver Spring-Frederick-Rockville, MD MD	\$115,000	\$113,000
Winchester, VA-WV MSA	\$75,900	\$73,800

The following table provides family and household demographic information for the assessment area, as well as the tract and owner-occupied housing unit distribution by tract income level. The table also provides D&B business data.

Assessment Area Demographics

Washington-Baltimore-Arlington, DC-VA-MD (Based on 2010 ACS Data and 2015 D&B Information)								
Income Categories*	Tract Distribution		Families by Tract		Families < Poverty as a % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	93	9.2	70,541	7.2	16,066	22.8	198,147	20.1
Moderate	210	20.9	194,157	19.7	15,002	7.7	158,398	16.1
Middle	319	31.7	328,531	33.3	11,924	3.6	197,705	20.0
Upper	374	37.1	393,026	39.8	7,223	1.8	432,070	43.8
NA	11	1.1	65	0.0	65	100.0		
Total	1,007	100.0	986,320	100.0	50,280	5.1	986,320	100.0
	Owner Occupied Units by Tract		Households					
			HHs by Tract		HHs < Poverty by Tract		HHs by HH Income	
	#	%	#	%	#	%	#	%
Low	37,462	3.7	127,600	8.3	28,553	22.4	329,578	21.3
Moderate	172,511	17.2	334,660	21.6	32,590	9.7	249,042	16.1
Middle	350,001	34.9	509,280	32.9	25,454	5.0	285,583	18.5
Upper	444,258	44.2	574,436	37.2	22,663	3.9	681,938	44.1
NA	32	0.0	165	0.0	116	70.3		
Total	1,004,264	100.0	1,546,141	100.0	109,376	7.1	1,546,141	100.0
	Total Businesses by Tract		Businesses by Tract and Revenue Size					
			Less than or = \$1 Million		Over \$1 Million		Revenue not Reported	
	#	%	#	%	#	%	#	%
Low	10,657	4.1	9,821	4.2	734	3.3	102	6.8
Moderate	45,944	17.9	41,407	17.7	4,247	19.3	290	19.5
Middle	78,757	30.7	71,613	30.7	6,732	30.5	412	27.6
Upper	120,612	46.9	109,877	47.1	10,179	46.1	556	37.3
NA	942	0.4	642	0.3	169	0.8	131	8.8
Total	256,912	100.0	233,360	100.0	22,061	100.0	1,491	100.0
Percentage of Total Businesses:				90.8		8.6		0.6

*NA-Tracts without household or family income as applicable

The local economy continues to thrive due to its diverse labor market, decreasing unemployment rates, and strong housing prices. The largest employers in the area are the federal and local governments. Additional employers include Inova Health System, United and American Airlines, Deloitte Consulting, Lockheed Martin, several universities, and various defense-related and government contractors. Annual unemployment rates over the most recent three years are as follows:

Unemployment Rate Trend			
Geographic Area	June 2015	June 2016	June 2017
Arlington County	2.9%	2.6%	2.6%
Alexandria City	3.3%	2.8%	2.9%
Clarke County	4.1%	3.5%	3.6%
Fairfax City	3.7%	3.2%	3%
Fairfax County	3.8%	3.3%	3.2%
Falls Church City	3.3%	2.9%	2.9%
Frederick County	4.1%	3.6%	3.3%
Fredericksburg City	5.8%	5%	4.5%
Loudoun County	3.8%	3.4%	3.2%
Manassas City	4.2%	3.6%	3.4%
Manassas Park City	4.4%	3.7%	3.4%
Prince William County	4.3%	3.7%	3.5%
Spotsylvania County	4.8%	4.2%	3.8%
Stafford County	4.8%	4.2%	3.8%
Warren County	4.9%	4%	3.7%
Winchester City	4.6%	4.1%	3.8%
District of Columbia	7.1%	6.3%	6.4%
Montgomery County, MD	4.3%	3.6%	3.4%
Maryland	5.4%	4.5%	4.2%
Virginia	4.7%	4.2%	3.9%
Washington-Baltimore-Arlington, DC-MD-VA-WV-PA CSA	5%	4.2%	4%

Three community contacts were made within the multistate assessment area to discuss local economic conditions and community credit needs. One contact familiar with economic development and revitalization noted that while the economy is flourishing, there is a need for financial institutions to provide additional funding sources for the redevelopment of core business corridors in the metropolitan area. Additionally, the contact stated that the area's office space is declining, creating the need for investment and redevelopment in older buildings along the business corridors. The contact opined that local financial institutions are generally meeting local credit needs, but indicated they could provide more resources and support to startup small businesses.

An affordable housing official stated that the need for affordable housing exceeds the level of products and assistance available. The contact opined that although the District of Columbia has an inclusionary zoning program that requires developers to set aside a certain percentage of affordable units, the percentage is too low to meet the area's need. Based on the contact's experience, homeownership classes are full of qualified applicants, but there is not enough affordable housing available. While there are numerous opportunities for financing that assists first time home buyers, the greater need is properties that are more affordable.

Another affordable housing official in the metropolitan area stated that it would be beneficial to create partnerships with local financial institutions in an effort to create more affordable housing. The organization partners with developers to attract capital and develop larger scale mixed use, mixed income communities. Overall, local opportunities are considerable for community development loans, investments, and services within the market area. Despite a highly competitive market, UB faces no significant constraints in taking advantage of all available community development opportunities.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WASHINGTON-BALTIMORE-ARLINGTON, DC-VA-MD ASSESSMENT AREA

During 2015 and 2016, UB originated \$814.1 million in HMDA and \$174.7 million in small business loans within this assessment area. Accordingly, residential mortgage lending performance is given more weight than small business lending performance when evaluating overall lending performance.

LENDING TEST

The institution's lending performance in the multistate assessment area is rated Outstanding. This conclusion is based on the evaluation of UB's lending activity, geographic and borrower distribution performance, and level of community development lending, taking into account the bank's market strategy, area demographic data, and aggregate HMDA and small business loan data.

Lending Activity:

The bank's HMDA and small business lending within the assessment area, as measured by both number (81.3%) and dollar volume (89.6%), is similar to the percentage of branch offices (83.9%), but is below the percentage of deposits (95.1%) in the assessment area. Since the previous evaluation, the percentage of branches and deposits in this assessment area has increased due to recent merger activity. Appendix D includes data about the distribution of lending, branches, and deposits by assessment area.

According to 2016 aggregate data, the institution ranked 79th of 778 reporters of mortgage lending with a .2% market share and ranked 43rd of 210 reporters of small business loans with a .08% market share. All market share rankings consider originated and purchased loans. The bank's HMDA market share within the assessment area has remained relatively stable, while its CRA market share has decreased since the previous evaluation.

Geographic Distribution:

UB's geographic distribution performance for both HMDA and small business loans is considered excellent.

Distribution of HMDA Loans by Income Level of Census Tract

Washington-Baltimore-Arlington, DC-VA-MD (2015)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
	(263)				Home Purchase (94,095)			
Low	8	3.0	2,993	2.0	3,978	4.2	1,292,957	3.4
Moderate	43	16.3	12,659	8.6	16,879	17.9	5,172,085	13.7
Middle	72	27.4	24,514	16.7	31,624	33.6	10,767,918	28.4
Upper	140	53.3	106,550	72.7	41,614	44.3	20,617,203	54.5
	(216)				Refinance (95,990)			
Low	11	5.1	3,515	4.2	3,459	3.6	992,129	2.8
Moderate	42	19.4	8,594	10.4	14,858	15.5	4,158,129	11.6
Middle	58	26.9	15,889	19.2	32,189	33.5	10,076,317	28.0
Upper	105	48.6	54,952	66.2	45,484	47.4	20,730,184	57.6
	(22)				Home Improvement (7,901)			
Low	2	9.1	415	4.0	435	5.5	45,826	3.6
Moderate	4	18.2	171	1.7	1,465	18.5	163,215	12.9
Middle	3	13.6	363	3.5	2,797	35.4	331,430	26.2
Upper	13	59.1	9,352	90.8	3,204	40.6	724,905	57.3
	(21)				Multi-Family (382)			
Low	4	19.0	3,559	8.6	103	27.0	596,933	11.7
Moderate	7	33.4	5,895	14.3	110	28.8	1,438,604	28.1
Middle	5	23.8	23,966	58.1	85	22.2	1,976,475	38.7
Upper	5	23.8	7,823	19.0	84	22.0	1,100,988	21.5
	HMDA Totals							
Low	25	4.8	10,482	3.7	7,975	4.0	2,927,845	3.7
Moderate	96	18.4	27,319	9.7	33,312	16.8	10,932,033	13.6
Middle	138	26.4	64,732	23.0	66,695	33.6	23,152,140	28.9
Upper	263	50.4	178,677	63.6	90,386	45.6	43,173,280	53.8
NA *	0	0.0	0	0.0	20	0.0	8,295	0.0
Total	522	100.0	281,210	100.0	198,388	100.0	80,193,593	100.0

NA *-Tracts without household or family income as applicable

Given the limited volume of home improvement and multi-family HMDA reportable transactions within the assessment area, these loan type categories were given less weight when considering the bank's overall performance. By product type, the bank's home purchase performance is considered good, while its refinance performance is considered excellent.

As reflected in the preceding table, the bank's percentage of 2015 HMDA lending in low-income census tracts (4.8%) exceeds both the aggregate lending level (4%) and the percentage of owner-occupied housing units in those tracts (3.7%). UB's lending in moderate-income tracts (18.4%) is also greater than the aggregate lending level (16.8%) and the percentage of owner-occupied housing units in those tracts (17.2%). On a combined basis, this level of lending is considered good.

During 2016, the bank reported 505 HMDA loans totaling \$532.9 million within the assessment area. Of this total, 38 loans (7.5%) totaling \$144.4 million (27.1%) were located in low-income census, and 102 loans (20.2%) totaling \$102 million (19.1%) were located in moderate-income census tracts. By number of loans, UB's level of lending in low- and moderate-income tracts is significantly higher than its 2015 performance and the proportion of owner-occupied housing units in such tracts (3.7% and 17.2%, respectively). The bank's performance during 2016 is considered excellent.

Overall, the bank's HMDA lending performance is considered excellent based upon the relative performance for each year and the greater dollar volume of lending during 2016.

Distribution of Small Business Loans by Income Level of Census Tract

Washington-Baltimore-Arlington, DC-VA-MD (2015)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
Low	35	5.2	3,104	3.5	4,389	4.0	114,158	3.1
Moderate	152	22.8	17,915	20.4	19,595	18.1	622,491	17.1
Middle	211	31.6	30,741	34.9	34,384	31.7	1,206,374	33.1
Upper	269	40.3	36,155	41.1	50,028	46.1	1,693,793	46.6
NA *	1	0.1	80	0.1	91	0.1	5,407	0.1
Total	668	100.0	87,995	100.0	108,487	100.0	3,642,223	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 percentage of 2015 small business lending in low-income census tracts exceeds aggregate reporters' lending levels (4%) and the percentage of businesses located in such tracts (4.1%). Similarly, UB's level of lending in moderate-income census tracts exceeds aggregate lending (18.1%) and the percentage of businesses in such tracts (17.9%). Overall, the bank's small business lending performance during 2015 is considered excellent, and its performance during 2016 is substantially similar.

Distribution by Borrower Income and Revenue Size of the Business:

UB's borrower distribution performance is considered excellent for both HMDA and small business lending.

Distribution of HMDA Loans by Income Level of Borrower

Washington-Baltimore-Arlington, DC-VA-MD (2015)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
HMDA Totals								
Low	57	13.9	9,082	4.9	12,918	8.5	2,335,878	4.1
Moderate	104	25.3	25,213	13.5	28,962	19.2	7,463,665	13.1
Middle	58	14.1	18,321	9.8	40,287	26.7	13,504,491	23.6
Upper	192	46.7	134,050	71.8	68,931	45.6	33,806,013	59.2
Total	411	100.0	186,666	100.0	151,098	100.0	57,110,047	100.0
Unknown	111		94,544		47,290		23,083,546	

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

During 2015, the bank's HMDA lending to low-income borrowers (13.9%) significantly exceeds the percentage of aggregate lending (8.5%) to such borrowers, although it lags the percentage of low-income families residing in the assessment area (20.1%). The bank's level of lending to moderate-income borrowers (25.3%) exceeds both the aggregate lending (19.2%) to such borrowers and the percentage of moderate-income families in the assessment area (16.1 %). Overall, the bank's HMDA lending performance during 2015 is considered excellent, and its performance during 2016 is similar.

Distribution of Lending by Loan Amount and Size of Business

Washington-Baltimore-Arlington, DC-VA-MD (2015)								
by Revenue	Bank				Aggregate*			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
\$1 Million or Less	456	68.3	33,167	37.7	62,832	57.5	1,298,229	35.5
Over \$1 Million	196	29.3	50,019	56.8	NA	NA	NA	NA
Unknown	16	2.4	4,809	5.5	NA	NA	NA	NA
by Loan Size								
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
\$100,000 or less	465	69.6	9,314	10.6	103,479	94.7	1,432,502	39.1
\$100,001-\$250,000	81	12.1	14,544	16.5	2,571	2.4	458,198	12.5
\$250,001-\$1 Million	122	18.3	64,137	72.9	3,255	2.9	1,768,334	48.4
Total	668	100.0	87,995	100.0	109,305	100.0	3,659,034	100.0

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

D&B data from 2015 indicates that 90.8% of all local businesses have revenues of \$1 million or less per year, and aggregate lending data from 2015 indicates that 57.5% of reported small business loans were made to businesses having annual revenues of \$1 million or less. The remaining portion of loans were made to businesses that either had revenues greater than \$1 million or had unknown revenues. As part of performance context, aggregate lending data was also considered after excluding certain specialty lenders. Of the remaining small business loans originated by traditional bank lenders, 56.3% were made to businesses having annual revenues of \$1 million or less. With 68.3% of its small business loans made to businesses with annual revenues of \$1 million or less, the bank's level of lending in 2015 is considered excellent.

In 2016, the bank extended 264 loans (61%) totaling \$38.6 million (44.5%) to businesses with annual revenues of \$1 million or less. Based on available D&B demographic data and aggregate data, and after excluding specialty lenders, the bank's performance is considered good.

Overall, the bank's small business lending performance is considered excellent based upon the relative performance and dollar volume of lending for each year.

Community Development Loans:

UB is a leader in providing loans that have a qualified community development purpose. During the evaluation period, within this assessment area the bank funded 55 loans totaling \$181.6 million. Of the total qualified loans, 24 helped to facilitate affordable housing, 22 funded organizations whose activities provide services to low- and moderate-income residents, eight promoted economic development, and one helped to revitalize and stabilize low- and moderate-income areas. The bank's lending is responsive to affordable housing initiatives, which is an identified credit need within the assessment area.

As previously noted, the bank formed a nonprofit and community development line of business to assist borrowers in financing options that incorporate revenue bonds, new market and low-income housing tax credits. Examples of complex, innovative financing within this assessment area include transactions that facilitate affordable housing projects by Manna, Inc. and Habitat for Humanity of DC.

INVESTMENT TEST

UB's investment test performance in the multistate assessment area is rated Outstanding. In addition to the previously described investments that benefit regional or statewide areas, including the multistate assessment area, the bank has \$45 million in qualified investments that directly benefit this assessment area, including:

- \$3.6 million of the bank's \$19 million in VHDA bonds supports funding for mortgage loans originated in this assessment area.
- \$1,500 of the bank's \$4 million in VCDC equity investments supports affordable housing projects in this assessment area.

- \$880,000 of the bank's total equity investment in a qualified CRA Investment Fund is specifically allocated to affordable housing projects in communities throughout this assessment area. The CRA Fund invests in community development projects throughout the country that provide for the development of low- and moderate-income areas or improve the quality of life for low- and moderate-income individuals.
- \$3.5 million of two loan pools issued by Federal Home Loan Mortgage Corporation (FHLMC) is backed by mortgages to low- and moderate-income borrowers or low- and moderate-income areas within this assessment area.
- \$19.9 million of eight loan pools issued by Federal National Mortgage Association (FNMA) is backed by mortgages made to multifamily affordable housing properties or to low- and moderate income borrowers or areas within this assessment area.
- \$12.4 million of five loan pools issued by Ginnie Mae is backed by mortgages made to low- and moderate-income borrowers or areas within this assessment area.
- \$2.5 million in a bond issued by the District of Columbia Housing Finance Agency (DCHFA) that promotes affordable housing by financing several multi-family properties in the District available to low- and moderate-income individuals.
- \$1.1 million in a bond issued by the Washington D.C. Convention and Sports Authority for the construction of a hotel in a moderate-income tract of the bank's assessment area. The proceeds of this investment contribute to area revitalization and job creation for low- and moderate-income individuals, as a portion of funds are set aside to establish the DC Citizen's Job Program.
- \$537,097 in a Build America bond issued by the District of Columbia to fund capital improvement projects throughout the District benefiting public schools, information technology infrastructure, municipal buildings, and mass transit. The Build America program is part of a federal stimulus package designed to reduce costs for state and local governments, and the types of projects provide revitalization and stabilization of the District, including low- and moderate-income areas.
- \$533,875 in a bond issued by Montgomery County, Maryland that finances the Montgomery Housing Initiative, a program established to help meet the county's affordable housing needs.

The bank provided \$275,143 in charitable contributions to organizations that facilitate affordable housing, community development services, small business development, job creation, or the revitalization of low- or moderate-income areas within the assessment area.

SERVICE TEST

UB's service test performance in the multistate assessment area is rated Outstanding. Systems for delivering retail banking services are accessible to all portions of the assessment area, including low- and moderate-income areas. Additionally, bank employees have participated in an outstanding level of community development services, given the size, location, and financial capacity of the institution.

Retail Services:

Delivery systems and branch locations are accessible to individuals and geographies of different income levels within the assessment area. As previously noted, alternative delivery systems are available through 24-hour ATM access, online and mobile banking, bank-by-mail, and bank-by-phone services that are offered by the institution.

The institution operates 73 branch offices within this assessment area. Of this total, two branches (2.7%) are located in low-income census tracts and 14 (19.2%) are located in moderate-income tracts.

In low-income tracts, the branch distribution is below the percentage of such tracts (9.2%) and the percentage of households located in such tracts (8.3%). In moderate-income tracts, the distribution is similar to the percentage of such tracts (20.9%) and the percentage of households located in such tracts (21.6%). Overall, branch distribution in low- and moderate-income tracts (21.9%) is below the percentage of low- and moderate-income families residing in the assessment area (36.2%).

All of UB's branching activity since the previous evaluation has occurred within this assessment area. As previously noted, the bank opened or acquired 29 new branch offices and closed, consolidated, or relocated ten of its existing branch offices, primarily as a result of its mergers with Bank of Georgetown and Cardinal Bank. The branch acquisitions occurred in one low-income tract, three moderate-income tracts, 11 middle-income tracts, and 14 upper-income tracts. The closures occurred in one moderate-income tract, one middle-income tract, and eight upper-income census tracts.

Additionally, the bank closed five Bank of Georgetown and seven Cardinal Bank branch offices at the time of acquisition instead of converting to UB locations. These offices were in close proximity to existing UB branches, and none were located in low- or moderate-income census tracts. Overall, changes in branch locations did not adversely affect low- and moderate-income areas.

Branch offices are generally open from 9 a.m. until 4:00 p.m. Monday through Thursday, until 6:00 p.m. on Friday, and from 9 a.m. until noon on Saturday. Products and services do not vary significantly among branch locations or markets. Overall, business hours and services are considered convenient across geographies of different income levels within the assessment area.

Community Development Services:

UB employees participate in an outstanding level of community development service activities in this assessment area. In addition to the previously described services that benefit all of UB's assessment areas, several bank officers and employees served on the board of directors, assisted with fundraising, or otherwise provided financial expertise to local organizations that promote affordable housing, provide community services to low- and moderate-income individuals or areas, or facilitate economic development within the assessment area. Organizations benefiting from qualified service activities during the review period include but are not limited to the following:

Affordable Housing/Homeownership:

- AHC, Inc.
- Arlington Partnership for Affordable Housing
- Culpepper Garden Senior Community
- First Home Alliance
- Greater Fredericksburg Habitat for Humanity
- HomeAid Northern Virginia
- Jubilee Housing
- Manna, Inc.
- Northern Shenandoah Valley Regional Commission, Housing and Community Services Board
- Project Mend a House
- Rebuilding Together

Community Services to Low- and Moderate-Individuals or Areas:

- Access Independence
- Alternative House
- Arlington Community Foundation
- Arlington Free Clinic
- Back on My Feet
- Big Brothers Big Sisters of Northwest Virginia
- Community Foundation of Northern Shenandoah Valley
- DC Students Construction Trades Foundation

- Don Bosco Cristo Rey's Corporate Work Study Program
- Federal City Council
- Froggy's Closet
- Grafton Integrated Health Network
- John Handley Board of Trustees
- KOVAR, Knights of Columbus
- Leary Education Foundation, Timber Ridge School for Boys
- Lord Fairfax House
- Manassas City Public Schools Education Foundation
- Mosaic Virginia
- Northern Shenandoah Valley Civitan Club
- Northern Virginia Family Services
- Poor Robert's Mission
- Providence Health Foundation
- Salvation Army
- SERVE Manassas Homeless Shelter
- Shenandoah Valley Westminster Canterbury Foundation
- United Way of Northern Shenandoah Valley
- Valley Health System Foundation
- Volunteer Prince William
- Youth Leadership Foundation

Economic Development:

- Alexandria Chamber of Commerce Business Summit
- Coalition for Nonprofit Housing & Economic Development, Small Business Working Group
- Community Business Partnership
- DC PACE Green Energy Program
- Fort Myers Construction Business Roundtable
- Front Royal Main Street Cooperative
- Historic Manassas
- Mentor Capital Network
- Northern Virginia Workforce Development Board
- Top of Virginia
- Washington DC Economic Partnership

UB's service activities during the review period also focused on financial literacy and education for low- and moderate-income students in the assessment area. Through the Teach Children to Save (TCTS) program, numerous bank employees taught financial literacy at 25 local schools and childcare facilities, where a majority of students are low- and moderate-income. One employee also served on the board of the DC Financial Literacy Council and taught financial management at various conferences attended by students in the District of Columbia. Another employee served in various roles for three organizations that promote DC public charter schools, where a majority of students are low- and moderate- income.

Also of note, the bank now manages a charitable fund that was previously operated by Cardinal Bank. The proceeds of an annual golf tournament are distributed between Inova Keller Center and The United Community Fund, which in turn grants money to organizations that benefit low- and moderate-income individuals and small businesses.

COMMONWEALTH OF VIRGINIA

CRA RATING FOR Virginia²: Satisfactory

The lending test is rated: High Satisfactory
The investment test is rated: High Satisfactory
The service test is rated: High Satisfactory

Major factors supporting the rating include:

- Lending activity within the statewide market reflects a good responsiveness to assessment area credit needs consistent with the bank's capacity to lend. The bank offers a broad range of loan products to meet the needs of the statewide area.
- While performance varies by product, market area, and year, the geographic and borrower distribution performance is considered good overall.
- UB provides an adequate level of community development loans given its capacity to lend and available opportunities in the assessment areas.
- The bank maintains a significant level of qualified investments that benefit community development initiatives statewide, including the assessment areas located in Virginia.
- Delivery systems and branch locations are reasonably accessible to all segments of the assessment areas.
- Employees provide a relatively high level of community development services within the assessment areas.

SCOPE OF EXAMINATION

UB's reported HMDA and small business loans from calendar years 2015 and 2016 were used to evaluate lending performance. As previously noted, farm loans were not evaluated given the limited volume. The bank's efforts to serve its assessment areas through qualified community development loans, investments, and services were also reviewed.

When excluding activity in the Washington-Baltimore-Arlington, DC-VA-MD assessment area, the Virginia assessment areas account for 10.4%, 16.1%, and 4.9% of the institution's overall dollar volume of lending, branches, and deposit volume, respectively. The performance in the state was evaluated by applying the full scope interagency examination procedures to the Harrisonburg-Staunton-Waynesboro, VA CSA. For the remaining assessment areas subject to limited scope review procedures, a determination was made as to whether performance was consistent with the assigned state rating.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN VIRGINIA

The institution operates 14 branch offices located throughout the Commonwealth of Virginia (excluding branches in the multistate assessment area). These 14 branch offices account for approximately \$451.3 million of the bank's \$9.2 billion total deposit base. According to ACS data from 2010, the bank's combined assessment areas within the Commonwealth of Virginia have a population of 446,571, including 108,434 families. The majority of families are middle- and upper-income, while 18.6% are low-income and 17.2% are moderate-income. The percentage of families living below poverty level

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.

within the market is highest in Harrisonburg City (11%) and Waynesboro City (16.3%), but the market's overall rate (7.4%) is similar to the average rate for the entire commonwealth (7.2%). The owner-occupancy rate within the market (58.7%) is slightly lower than the rate for the entire Commonwealth of Virginia (61.8%). Area median family incomes during 2015 and 2016 are detailed in the following table.

Median Family Income by MSA/MD	2015	2016
Harrisonburg, VA MSA	\$61,700	\$58,400
Staunton-Waynesboro, VA MSA	\$63,400	\$62,300
Charlottesville, VA MSA	\$80,800	\$77,000
VA Nonmetropolitan Areas	\$52,700	\$52,300

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN VIRGINIA

LENDING TEST

Overall, the statewide lending test is rated High Satisfactory. Lending activity is considered good relative to the distribution of branches and deposits, while geographic and borrower lending distribution performance is considered good overall for both product lines. Also, UB makes an adequate level of community development loans within the assessment areas.

Lending Activity:

UB's lending activity is considered good relative to the bank's capacity to lend and economic conditions within the assessment areas. This evaluation considers the bank's combined dollar lending volume (10.4%) and the proportion of branches (16.1%) and deposits (4.9%) within Virginia, excluding the multistate assessment area. Appendix D includes data about the distribution of lending, branches, and deposits by assessment area.

As previously noted, the bank offers flexible loan products that help meet the credit needs of its assessment areas, including the Affordable Housing Option (AHO) and FHA Title 1 Home Improvement programs.

Geographic and Borrower Distribution:

While varying by product, the geographic distribution performance is considered good overall. Borrower distribution performance for both years and product types is also considered good overall. When reaching overall conclusions, the level of performance for each product is typically weighted by the dollar volume of each product.

Community Development Loans:

Based on a community contact discussion and the review of public evaluations for other financial institutions having a presence in the Harrisonburg-Staunton-Waynesboro, VA CSA, community development opportunities are more limited within the bank's Virginia assessment areas compared to the multistate assessment area. Additionally, the bank has a relatively small presence as measured by loan and deposit volume within its Virginia assessment areas. Notwithstanding these limitations, the bank faces no constraints relative to its size and business strategy in making community development loans and its performance is considered adequate based on performance context factors.

INVESTMENT TEST

The institution's statewide rating under the investment test is High Satisfactory. As previously noted, the bank holds investments in VHDA bonds and VCDC funds that benefit regional or statewide areas, including the bank's Virginia assessment areas. In addition, the bank has \$4.8 million in qualified investments that directly benefit its three Virginia assessment areas. The amount specifically allocated to each assessment area is reflected in the performance discussion for those areas.

Additionally, the bank made \$26,950 in charitable contributions during the review period to organizations that facilitate affordable housing, community development services, economic development, or revitalization of low-and moderate-income areas within its Virginia assessment areas.

SERVICE TEST

The institution's statewide rating under the service test is High Satisfactory. Delivery systems are reasonably accessible to all portions of the bank's assessment areas, and products and services offered within the Virginia markets are substantially similar to those offered in the multistate assessment area. No branch changes have occurred since the previous evaluation. Employees provide a relatively high level of community development services, primarily to organizations that provide community services and facilitate economic development within its assessment areas. The small percentage of the bank's total staff located in the Virginia assessment areas is also considered as an aspect of performance context.

METROPOLITAN AREAS

*(For metropolitan areas with some or all assessment areas
reviewed using full-scope review)*

DESCRIPTION OF INSTITUTION'S OPERATIONS IN HARRISONBURG-STAUNTON- WAYNESBORO, VIRGINIA CSA

This assessment area consists of the Harrisonburg-Staunton-Waynesboro, VA CSA in its entirety. Specifically, the assessment area is comprised of the Harrisonburg, VA and Staunton-Waynesboro, VA MSAs, which include two counties and three cities in northwestern Virginia. The composition of UB's assessment areas is fully detailed in Appendix E.

The bank operates nine full service branches within this assessment area. As of June 2017, UB ranked 7th out of 19 financial institutions in deposit market share with 6.1% of the assessment area's available FDIC insured deposits (credit unions are not included).

According to ACS data from 2010, the assessment area contains 54 census tracts, of which one is low-income, seven are moderate-income, 36 are middle-income, and ten are upper-income. The assessment area has a population of 243,730 and a median housing value of \$187,252. The assessment area's owner-occupancy rate (61.2%) is similar to the rate for the Commonwealth of Virginia (61.8%), while the area's family poverty rate (8.5%) is higher than the rate for Virginia (7.2%). The higher poverty rate is driven by the cities of Harrisonburg (11%), Staunton (9.3%), and Waynesboro (16.3%), which are all higher than the statewide average. The 2016 median family income is \$58,400 for the Harrisonburg, VA MSA and \$62,300 for the Staunton-Waynesboro, VA MSA.

The following table provides family and household demographic information for the assessment area, as well as the tract and owner-occupied housing unit distribution by tract income level. The table also provides D&B business data.

Assessment Area Demographics

Harrisonburg-Staunton-Waynesboro, VA (Based on 2010 ACS Data and 2015 D&B Information)								
Income Categories*	Tract Distribution		Families by Tract		Families < Poverty as a % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	1.9	201	0.3	41	20.4	11,480	18.9
Moderate	7	13.0	6,191	10.2	1,114	18.0	11,491	18.9
Middle	36	66.7	42,180	69.5	3,424	8.1	13,810	22.8
Upper	10	18.4	12,124	20.0	600	4.9	23,915	39.4
NA	0	0.0	0	0.0	0	0.0		
Total	54	100.0	60,696	100.0	5,179	8.5	60,696	100.0
	Owner Occupied Units by Tract		Households					
			HHs by Tract		HHs < Poverty by Tract		HHs by HH Income	
	#	%	#	%	#	%	#	%
Low	137	0.2	534	0.6	155	29.0	21,922	24.0
Moderate	5,087	8.2	11,325	12.4	3,373	29.8	14,700	16.1
Middle	43,730	70.6	62,947	68.8	7,566	12.0	17,517	19.1
Upper	13,009	21.0	16,723	18.2	1,450	8.7	37,390	40.8
NA	0	0.0	0	0.0	0	0.0		
Total	61,963	100.0	91,529	100.0	12,544	13.7	91,529	100.0
	Total Businesses by Tract		Businesses by Tract and Revenue Size					
			Less than or = \$1 Million		Over \$1 Million		Revenue not Reported	
	#	%	#	%	#	%	#	%
Low	233	2.4	215	2.4	16	2.3	2	3.1
Moderate	972	10.0	871	9.7	93	13.2	8	12.3
Middle	6,459	66.5	5,975	66.9	435	61.7	49	75.4
Upper	2,043	21.1	1,876	21.0	161	22.8	6	9.2
NA	0	0.0	0	0.0	0	0.0	0	0.0
Total	9,707	100.0	8,937	100.0	705	100.0	65	100.0
Percentage of Total Businesses:				92.1		7.2		0.7

*NA-Tracts without household or family income as applicable

The Harrisonburg-Staunton-Waynesboro, VA CSA is located in the northwestern portion of the Commonwealth of Virginia in the Shenandoah Valley. The local economy benefits from access to major transportation thoroughfares in the region, including Interstates 81, 64, and 66. Major employers in the area include James Madison University, Sentara Healthcare, Wal-Mart, Augusta Medical Center, Cargill Meat Solutions, and local school boards. As evidenced in the following table, local unemployment rates show a declining trend since June 2015. With the exception of Harrisonburg City, unemployment rates for counties and cities in the assessment area are similar to the statewide average.

Unemployment Rate Trend			
Geographic Area	June 2015	June 2016	June 2017
Augusta County	4.3%	3.6%	3.6%
Harrisonburg City	6.5%	5.8%	5.2%
Rockingham County	4.5%	3.8%	3.6%
Staunton City	4.6%	3.9%	3.8%
Waynesboro City	4.9%	4.2%	4.2%
Harrisonburg, VA MSA	5.2%	4.6%	4.2%
Staunton-Waynesboro, VA MSA	4.4%	3.8%	3.7%
Harrisonburg-Staunton-Waynesboro, VA CSA	4.9%	4.2%	4%
Commonwealth of Virginia	4.7%	4.2%	3.9%

An economic development official was contacted during the evaluation to discuss local economic conditions and community credit needs. The contact stated there is a credit need amongst first time small business owners who have insufficient credit history to qualify for traditional bank financing. The contact described loan programs available from local governments that are designed to assist small businesses with limited credit history and encourage economic development in the area. While the loan programs serve as an alternative to traditional bank financing, the contact expressed a desire to partner with local financial institutions in promoting economic development. The contact opined that local financial institutions actively participate in local economic development efforts and are reasonably meeting the credit needs of the community.

CONCLUSIONS WITH RESPECT TO PERFORMANCE IN HARRISONBURG-STAUNTON-WAYESBORO, VIRGINIA CSA

During 2015 and 2016, UB originated \$22.1 million in HMDA and \$34.6 million in small business loans within this assessment area. Accordingly, small business lending performance is given more weight than HMDA lending performance when evaluating overall lending performance. The relative strength of performance for each product type is also considered.

LENDING TEST

The institution's lending performance in this assessment area is rated High Satisfactory based on the evaluation of lending activity, geographic and borrower distribution performance, and the level of community development lending, while taking into account the bank's market strategy, area demographic data, and aggregate HMDA and small business loan data.

Lending Activity:

UB's lending activity is considered good relative to its capacity to lend and economic conditions within the bank's assessment area. Lending activity in this assessment area, as measured by number (10.5%) and dollar volume (5.2%), is higher than the percentage of bank deposits (2.5%). While lending by dollar volume is lower than the percentage of branch offices (10.3%), the nine offices in this assessment area account for a relatively small portion of the bank's total deposits. Overall, the percentage of loans, branches, and deposits within this assessment area has decreased since the previous evaluation due to growth and expansion in the multistate assessment area.

The bank's market share of HMDA and CRA lending in this assessment area has also decreased since the previous evaluation. According to 2016 aggregate data, the institution ranked 32nd of 287 reporters of mortgage lending with a .7% market share and ranked 14th of 69 reporters of small business loans with a 1.9% market share. All market share rankings consider originated and purchased loans.

Geographic Distribution:

UB's geographic distribution performance is considered excellent for HMDA and adequate for small business lending. Based upon the relative strength of performance and dollar volume of lending for each product during 2015 and 2016, overall performance is considered good.

Distribution of HMDA Loans by Income Level of Census Tract

Harrisonburg-Staunton-Waynesboro, VA (2015)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
	(19) Home Purchase				(3,328)			
Low	0	0.0	0	0.0	9	0.3	1,001	0.2
Moderate	0	0.0	0	0.0	306	9.2	39,617	6.8
Middle	13	68.4	1,936	69.0	2,202	66.2	379,996	65.0
Upper	6	31.6	871	31.0	811	24.3	163,896	28.0
	(17) Refinance				(2,518)			
Low	0	0.0	0	0.0	6	0.2	726	0.2
Moderate	3	17.6	350	10.2	191	7.6	26,827	6.3
Middle	13	76.5	3,016	88.2	1,691	67.2	280,042	66.2
Upper	1	5.9	53	1.6	630	25.0	115,427	27.3
	(2) Home Improvement				(285)			
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	23	8.1	1,705	8.9
Middle	1	50.0	3	2.5	200	70.2	13,170	68.5
Upper	1	50.0	118	97.5	62	21.7	4,358	22.6
	(1) Multi-Family				(27)			
Low	0	0.0	0	0.0	1	3.7	118	0.1
Moderate	0	0.0	0	0.0	5	18.5	68,321	60.2
Middle	1	100.0	1,850	100.0	18	66.7	41,241	36.3
Upper	0	0.0	0	0.0	3	11.1	3,852	3.4
	HMDA Totals							
Low	0	0.0	0	0.0	16	0.3	1,845	0.2
Moderate	3	7.7	350	4.3	525	8.5	136,470	12.0
Middle	28	71.8	6,805	83.0	4,111	66.8	714,449	62.7
Upper	8	20.5	1,042	12.7	1,506	24.4	287,533	25.1
NA*	NA	NA	NA	NA	NA	NA	NA	NA
Total	39	100.0	8,197	100.0	6,158	100.0	1,140,297	100.0

NA*-Tracts without household or family income as applicable

Given the limited volume of home improvement and multi-family lending in this assessment area, these loan type categories receive less weight in determining the bank's overall performance. While UB's home purchase performance in 2015 is considered poor, its refinance performance is considered excellent driven by the level of lending in moderate-income tracts.

As reflected in the preceding table, the bank's absence of 2015 HMDA lending in low-income census tracts is considered poor, but is consistent with the low level of effective demand evidenced by the aggregate lending level (.3%) and the percentage of owner-occupied housing units located in such tracts (.2%). The bank's lending in moderate-income tracts (7.7 %) is slightly below aggregate lending (8.5%) and the percentage of owner-occupied housing units in those tracts (8.2%). On a combined basis, this level of lending is considered adequate, given the bank's performance in moderate-income tracts and the absence of significant demand in low-income tracts.

During 2016, the bank reported 52 HMDA loans totaling \$13.9 million within the assessment area. Of this total, none were located in low-income census tracts and eight (15.4%), totaling \$1.9 million (13.9%), were located in moderate-income census tracts. UB's lending in moderate-income tracts significantly exceeds its 2015 performance and the proportion of owner-occupied housing units in such tracts (8.2 %). Based on the low level of demand in low-income tracts, and the bank's lending in moderate-income tracts, performance during 2016 is considered excellent.

Overall, the bank's HMDA lending performance is considered excellent based upon the relative performance for each year and the greater dollar volume of lending during 2016.

Distribution of Small Business Loans by Income Level of Census Tract

Harrisonburg-Staunton-Waynesboro, VA (2015)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
Low	1	1.2	305	2.1	44	1.3	2,568	1.6
Moderate	7	8.4	1,100	7.6	336	9.9	17,993	11.4
Middle	55	66.3	8,055	55.4	2,298	67.4	101,631	64.2
Upper	20	24.1	5,084	34.9	731	21.4	36,135	22.8
NA*	NA	NA	NA	NA	NA	NA	NA	NA
Total	83	100.0	14,544	100.0	3,409	100.0	158,327	100.0

*NA-Tracts without household or family income as applicable

Loans where the geographic location is unknown are excluded from this table.

UB's level of 2015 small business lending in low-income census tracts (1.2%) is similar to aggregate reporters' lending levels (1.3%), but is below the percentage of businesses located in such tracts (2.4%). The bank's lending level in moderate-income census tracts (8.4%) lags aggregate lending (9.9%) and the percentage of businesses in such tracts (10%). This level of performance is considered adequate.

In 2016, the bank reported 94 small business loans totaling \$20 million within the assessment area. Of this total, none were located in low-income census tracts and seven (7.4%), totaling \$1.6 million (8.2%), were located in moderate-income census tracts. The absence of lending in low-income tracts is considered poor, while the level of lending in moderate-income tracts remains adequate.

Overall, the bank's small business lending performance is considered adequate based upon the relative performance and dollar volume of lending each year.

Distribution by Borrower Income and Revenue Size of the Business:

UB's borrower distribution performance for both HMDA and small business lending within this assessment area is considered good.

Distribution of HMDA Loans by Income Level of Borrower

Harrisonburg-Staunton-Waynesboro, VA (2015)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
HMDA Totals								
Low	2	8.0	226	5.2	493	10.0	46,360	5.7
Moderate	6	24.0	879	20.1	1,249	25.4	160,584	19.8
Middle	6	24.0	788	18.0	1,351	27.5	211,722	26.1
Upper	11	44.0	2,488	56.7	1,827	37.1	393,417	48.4
Total	25	100.0	4,381	100.0	4,920	100.0	812,083	100.0
Unknown	14		3,816		1,240		328,585	

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

The bank's 2015 HMDA lending to low-income borrowers (8%) lags the percentage of aggregate lending (10%) and the percentage of low-income families residing in the assessment area (18.9%). The bank's level of lending to moderate-income borrowers (24%) is similar to the aggregate lending level (25.4%) and exceeds the percentage of moderate-income families in the assessment area (18.9%). Based primarily on lending in moderate-income tracts, this level of performance is considered good. Overall, the bank's HMDA lending performance during 2015 is considered good, and its performance during 2016 is similar.

Distribution of Lending by Loan Amount and Size of Business

Harrisonburg-Staunton-Waynesboro, VA (2015)								
by Revenue	Bank				Aggregate*			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
\$1 Million or Less	51	61.4	4,756	32.7	1,804	51.8	60,813	38.1
Over \$1 Million	29	34.9	8,669	59.6	NA	NA	NA	NA
Unknown	3	3.7	1,119	7.7	NA	NA	NA	NA
by Loan Size								
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
\$100,000 or less	51	61.4	1,469	10.1	3,190	91.6	46,738	29.3
\$100,001-\$250,000	15	18.1	2,875	19.8	140	4.0	26,125	16.4
\$250,001-\$1 Million	17	20.5	10,200	70.1	154	4.4	86,913	54.3
Total	83	100.0	14,544	100.0	3,484	100.0	159,776	100.0

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

D&B data from 2015 indicates that 92.1% of all local businesses have revenues of \$1 million or less per year, and aggregate lending data from 2015 indicates that 51.8% of reported small business loans were made to businesses having annual revenues of \$1 million or less. The remaining portion of loans were made to businesses that either had revenues greater than \$1 million or had unknown revenues. As part of performance context, aggregate lending data was also considered after excluding certain specialty lenders. Of the remaining small business loans originated by traditional bank lenders, 57.2% were made to businesses having annual revenues of \$1 million or less. With 61.4% of its small business loans made to businesses with annual revenues of \$1 million or less, the bank's level of lending in 2015 is considered good, and its performance in 2016 is similar.

Community Development Lending:

During the evaluation period, UB funded one community development loan totaling \$100,000 within the assessment area to an organization that provides crisis and prevention services primarily to low- and moderate-income individuals. As previously noted, only 2.5% of the bank's total deposits are located within this assessment area, and opportunities for community development lending are more limited compared to the multistate CSA. Based on these factors, the bank's performance is considered adequate.

INVESTMENT TEST

The institution's level of qualified investments benefiting this assessment area is rated High Satisfactory. In addition to the previously described investments benefiting regional or statewide areas that include its assessment areas, the bank has allocated \$2.1 million in qualified investments that directly benefit the Harrisonburg-Staunton-Waynesboro, VA CSA, including:

- \$659,593 of the bank's total VHDA bonds supports funding for mortgage loans originated in this assessment area.
- \$159,758 of the bank's total VCDC equity investments supports affordable housing projects in this assessment area.
- \$480,000 of the bank's equity investment in the CRA Investment Fund is specifically allocated to affordable housing projects in this assessment area.
- \$448,867 of two FNMA loan pools is backed by mortgages made to low- and moderate income borrowers or areas within the assessment area.
- \$355,293 of a Ginnie Mae loan pool is backed by mortgages made to low- and moderate-income borrowers or areas within the assessment area.

Furthermore, the bank made \$13,975 in charitable contributions during the review period to organizations that provide community development services benefiting this assessment area.

SERVICE TEST

UB's performance under the service test in this assessment area is rated High Satisfactory. Systems for delivering retail banking services are reasonably accessible to all portions of the assessment area, including low and moderate-income areas. No branch changes have occurred since the previous evaluation, and bank employees provide a relatively high level of community development services.

Retail Services:

Delivery systems and branch locations are reasonably accessible to geographies and individuals of different income levels within the assessment area. As previously noted, alternative delivery systems are available through 24-hour ATM access, online and mobile banking, bank-by-mail, and bank-by-phone services that are offered by the institution.

The institution operates nine branch offices within the assessment area. Of this total, seven (77.8%) are located in middle-income census tracts and two (22.2%) are located in upper-income census tracts. The absence of branches in low- and moderate-income tracts is below the distribution of such tracts (1.9% and 13%, respectively) and the percentage of households located in such tracts (.6% and 12.4%, respectively) within the assessment area. The branch distribution is also below the percentage of low- and moderate-income families residing in the assessment area (37.8%). There were no branch changes during the review period.

Bank services and hours do not vary in a way that inconveniences low- and moderate-income individuals or areas within the assessment area. Branch offices are generally open from 9 a.m. until 4:00 p.m. Monday through Thursday, until 6:00 p.m. on Friday, and from 9 a.m. until noon on Saturday. Products and services do not vary significantly among branch locations or markets.

Community Development Services:

Bank employees provides a relatively high level of community development services considering performance context factors, such as the relatively small proportion of employees located in this assessment area. In addition to the previously described service activities that benefit all of UB's assessment areas, the bank also supported the following organizations within the Harrisonburg-Staunton-Waynesboro, VA CSA assessment area during the review period.

- Community Foundation of Harrisonburg and Rockingham County – A bank officer served on the board of directors of this organization that manages charitable funds and provides grants to local nonprofit organizations, including those that serve low- and moderate-income individuals.
- Elkton Area United Services – One employee assisted with collections and fundraising for a school supply drive through this agency that provides community services targeted to local residents and families in need.
- Elkton Downtown Revitalization Corporation – One employee served on the board of directors of this organization that promotes economic development and revitalization in a moderate-income area by repurposing vacant property, attracting new businesses, and organizing local events.
- On the Road Collaborative – A bank officer and two employees designed a financial literacy course in partnership with this organization that provides academic and career enrichment to low-income middle school students in the City of Harrisonburg. The ten-week course will teach students the basics of financial management and highlight career opportunities in the banking industry.
- Teach Children to Save (TCTS) – Several employees taught financial literacy courses at eight elementary schools having a majority of students from low- and moderate-income families.
- United Way of Harrisonburg and Rockingham County – One employee served on the financial committee and assisted with the allocation of funds to United Way organizations, the majority of which serve low- and moderate-income individuals.
- Valley Association for Independent Living – One employee provided financial expertise on the board of this organization that supports independent living for individuals with disabilities.

METROPOLITAN AREAS

(For each metropolitan area where no assessment areas were reviewed using full-scope review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN METROPOLITAN AREAS OF VIRGINIA

The Charlottesville, VA MSA assessment area was reviewed using limited scope review examination procedures. The composition of the assessment area is detailed in APPENDIX E, and information pertaining to loan volume, branches, and deposit volume is included in APPENDIX D.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN METROPOLITAN AREAS OF VIRGINIA

Facts and data reviewed for the Charlottesville, VA assessment area, including performance and demographic information, can be found in APPENDIX C of this evaluation. Conclusions regarding performance, which did not impact the institution's overall rating, are included in the following table. For each test, the conclusion conveys whether performance in an assessment area was generally below, consistent with, or exceeded the institution's statewide ratings. In the case where the performance was considered below, the performance was at least adequate for the assessment area.

Assessment Area	Lending Test	Investment Test	Service Test
Charlottesville, VA	Exceeds	Consistent	Consistent

NON-METROPOLITAN STATEWIDE AREA

(If none of the assessment areas within the non-metropolitan statewide area were reviewed using full-scope review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NONMETROPOLITAN AREAS OF VIRGINIA

The Shenandoah County, VA NonMSA assessment area was reviewed using limited scope review examination procedures. The composition of the assessment area is detailed in APPENDIX E, and information pertaining to loan volume, branches, and deposit volume is included in APPENDIX D.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NONMETROPOLITAN AREAS OF VIRGINIA

Facts and data reviewed for the Shenandoah County, VA NonMSA assessment area, including performance and demographic information, can be found in APPENDIX C of this evaluation. Conclusions regarding performance, which did not impact the institution's overall rating, are included in the following table. For each test, the conclusion conveys whether performance in an assessment area was generally below, consistent with, or exceeded the institution's statewide ratings. In the case where the performance was considered below, the performance was at least adequate for the assessment area.

Assessment Area	Lending Test	Investment Test	Service Test
Shenandoah County	Consistent	Consistent	Consistent

CRA APPENDIX A
SCOPE OF EXAMINATION

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION		
Assessment Area	Type of Examination	Branches Visited³
Washington-Baltimore-Arlington, DC-VA-MD	Full Scope	4900 Massachusetts Avenue, NW Washington, DC 20016 5410 Wisconsin Avenue Chevy Chase, MD 20815 17054 Jefferson Davis Highway Dumfries, VA 22026
Harrisonburg-Staunton-Waynesboro, VA CSA	Full Scope	54 Franklin Street, Suite 102 Weyers Cave, VA 24486
Charlottesville, VA	Limited Scope	None
Shenandoah County, VA NonMSA	Limited Scope	None

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	Investment Test Rating	Service Test Rating	Overall Rating
Washington-Baltimore-Arlington, DC-VA-MD	Outstanding	Outstanding	Outstanding	Outstanding
Commonwealth of Virginia	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory

CRA APPENDIX C

LIMITED REVIEW TABLES

Charlottesville, VA Assessment Area

This assessment area includes Albemarle and Greene Counties and the City of Charlottesville, Virginia, in their entirety, which are a portion of the larger Charlottesville, VA MSA. The bank has a relatively small presence in this area, operating three branches that account for 1.9% of its total deposit volume.

Performance Test Data for Charlottesville, VA Assessment Area

LENDING TEST

Limited Review Lending Table

Charlottesville, VA (2015)								
Income Categories	Bank		Aggregate	Demographic	Bank		Aggregate	Demographic
	#	%	%	%	#	%	%	%
	Home Purchase				Home Improvement			
Geographic	(26)				(4)			
Low	1	3.8	1.0	0.8	0	0.0	1.7	0.8
Moderate	6	23.1	9.5	11.2	0	0.0	13.5	11.2
Middle	13	50.0	54.2	50.9	1	25.0	58.3	50.9
Upper	6	23.1	35.3	37.1	3	75.0	26.5	37.1
	Refinance				Multi-Family			
Geographic	(19)				(4)			
Low	0	0.0	0.9	0.8	0	0.0	31.6	0.8
Moderate	3	15.8	10.4	11.2	0	0.0	5.3	11.2
Middle	7	36.8	51.5	50.9	4	100.0	57.8	50.9
Upper	9	47.4	37.2	37.1	0	0.0	5.3	37.1
	HMDA Totals				Consumer			
Geographic	(53)				(NA)			
Low	1	1.9	1.1	0.8	NA	NA	NA	NA
Moderate	9	17.0	10.1	11.2	NA	NA	NA	NA
Middle	25	47.2	53.5	50.9	NA	NA	NA	NA
Upper	18	33.9	35.3	37.1	NA	NA	NA	NA
Borrower	(42)				(NA)			
Low	5	11.9	8.3	19.7	NA	NA	NA	NA
Moderate	6	14.3	19.0	15.8	NA	NA	NA	NA
Middle	5	11.9	23.0	20.0	NA	NA	NA	NA
Upper	26	61.9	49.7	44.5	NA	NA	NA	NA
	Small Business				Small Farm			
Geographic	(38)				(0)			
Low	1	2.6	2.6	2.2	0	0.0	0.0	0.0
Moderate	3	8.0	6.9	8.0	0	0.0	8.7	16.2
Middle	17	44.7	48.3	47.3	0	0.0	54.3	38.4
Upper	17	44.7	42.2	42.2	0	0.0	37.0	45.4
Revenue								
Busn/ Farms with revenues <=\$1 M	28	73.7	49.1	92.8	0	0.0	60.9	100.0

Geographic () represents the total number of bank loans for the specific Loan Purpose where geography is known

Borrower () represents the total number of bank loans for the specific Loan Purpose where income is known

NA represents no activity in the income category

The bank's lending performance in this assessment area is considered excellent overall. The small business borrower distribution performance is excellent during both years, while the HMDA borrower distribution is excellent during 2016 and good during 2015. HMDA geographic distribution performance is excellent during both years, while small business performance is good during 2015 and excellent during 2016.

During the review period, the bank made one community development loan totaling \$100,000 to support the revitalization and stabilization of a moderate-income area within the assessment area. Overall, lending performance exceeds the statewide rating.

INVESTMENT TEST

As detailed earlier in the evaluation, the bank has investments benefiting the statewide area that includes the bank's assessment areas. In addition, UB has approximately \$2.4 million in qualified investments that specifically benefit the Charlottesville, VA assessment area, including:

- \$202,808 of the bank's total VHDA bonds supports funding for mortgage loans originated in this assessment area.
- \$150,174 of the bank's total VCDC equity investments supports affordable housing projects in this assessment area.
- \$480,000 of the bank's equity investment in the CRA Investment Fund is specifically allocated to affordable housing projects in this assessment area.
- \$1.6 million of five FHLMC, FNMA, and Ginnie Mae loan pools is backed by mortgages made to low- and moderate income borrowers or areas within the assessment area.

UB also made \$9,525 in qualified donations within this assessment area. Overall, this level of investments is consistent with the statewide rating.

SERVICE TEST

UB operates three branch offices in this assessment area, one located in a moderate-income census tract, one in a middle-income census tract, and one in an upper-income census tract. No branch changes have occurred since the previous evaluation, and the products and services offered in this assessment area are substantially similar to those available in other markets where the bank operates. Specific to this assessment area, seven employees participated in community development service activities benefiting nine local organizations that facilitate affordable housing, community services, economic development, or the revitalization of low- and moderate-income areas. Additionally, four employees taught financial literacy at three local schools having primarily low- and moderate-income students. Overall, service performance is consistent with the statewide rating.

Shenandoah County, VA NonMSA

This assessment area includes Shenandoah County in its entirety, which is located in a nonmetropolitan area of northwestern Virginia. The bank operates only two branches in this area that account for .5% of its total deposit volume. There are no low- or moderate-income census tracts in the assessment area.

Performance Test Data for Shenandoah County, VA NonMSA

LENDING TEST

Limited Review Lending Table

Shenandoah, VA Non-MSA (2015)								
Income Categories	Bank		Aggregate	Demographic	Bank		Aggregate	Demographic
	#	%	%	%	#	%	%	%
Home Purchase					Home Improvement			
Geographic	(2)				(1)			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	NA	NA	NA	NA	NA	NA	NA	NA
Middle	0	0.0	53.0	45.1	1	100.0	46.9	45.1
Upper	2	100.0	47.0	54.9	0	0.0	53.1	54.9
Refinance					Multi-Family			
Geographic	(4)				(0)			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	NA	NA	NA	NA	NA	NA	NA	NA
Middle	1	25.0	50.0	45.1	0	0.0	100.0	45.1
Upper	3	75.0	50.0	54.9	0	0.0	0.0	54.9
HMDA Totals					Consumer			
Geographic	(7)				(NA)			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	NA	NA	NA	NA	NA	NA	NA	NA
Middle	2	28.6	51.4	45.1	NA	NA	NA	NA
Upper	5	71.4	48.6	54.9	NA	NA	NA	NA
Borrower	(6)				(NA)			
Low	2	33.3	4.4	13.5	NA	NA	NA	NA
Moderate	1	16.7	17.6	13.0	NA	NA	NA	NA
Middle	1	16.7	24.2	20.2	NA	NA	NA	NA
Upper	2	33.3	53.8	53.3	NA	NA	NA	NA
Small Business					Small Farm			
Geographic	(13)				(1)			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	NA	NA	NA	NA	NA	NA	NA	NA
Middle	3	23.1	47.8	42.6	0	0.0	32.9	42.7
Upper	10	76.9	52.2	57.4	1	100.0	67.1	57.3
Revenue								
Busn/ Farms with revenues <=\$1 M	11	84.6	56.5	93.9	1	100.0	78.6	99.5

Geographic () represents the total number of bank loans for the specific Loan Purpose where geography is known

Borrower () represents the total number of bank loans for the specific Loan Purpose where income is known

NA represents no activity in the income category

HMDA and small business borrower distribution performance is considered excellent during 2015 and 2016. No community development loans were originated within this assessment area during the review period. Overall, lending performance is consistent with the statewide rating.

INVESTMENT TEST

As detailed earlier in the evaluation, the bank has investments benefiting the statewide area that includes the bank's assessment areas. In addition, UB has \$354,746 in qualified investments that specifically benefit the Shenandoah, VA NonMSA assessment area, including:

- \$23,983 of the bank's total VHDA bonds supports funding for mortgage loans originated in this assessment area.
- \$25,341 of the bank's total VCDC equity investments supports affordable housing projects in this assessment area.
- \$160,000 of the bank's equity investment in the CRA Investment Fund is specifically allocated to affordable housing projects in this assessment area.
- \$145,422 of one FNMA loan pool is backed by mortgages made to low- and moderate income borrowers or areas within the assessment area.

UB made \$3,450 in charitable contributions to organizations providing community development in this assessment area. The bank's level of qualified investments is consistent with the statewide rating.

SERVICE TEST

UB operates two offices in this assessment area, of which one is located in a middle-income census tract and one is located in an upper-income census tract. No branch changes have occurred since the previous evaluation. Products and services offered in this assessment area are substantially similar to those available in other markets where the bank operates. Specific to this assessment area, three employees participated in community development service activities benefiting local organizations that facilitate community services and economic development. Additionally, five employees taught financial literacy at three local schools having primarily low- and moderate-income students. Overall, service performance is consistent with the statewide rating.

CRA APPENDIX D

BRANCH, LOAN, AND DEPOSIT VOLUME BY ASSESSMENT AREA

The following table includes the distribution of branch offices, along with loan and deposit volume, in each assessment area. Branch information is current as of the evaluation date, and loan volume includes all reported HMDA, small business, and small farm loans considered in the evaluation. Deposit volume includes all bank deposits and is current as of June 30, 2017.

Assessment Area	HMDA/CRA Loan Volume				Branches		Deposit Volume	
	#	%	\$000s	%	#	%	\$000s	%
Washington-Baltimore-Arlington, DC-VA-MD	2,136	81.3%	\$989,802	89.6%	73	83.9%	\$8,716,833	95.1%
Harrisonburg-Staunton-Waynesboro, VA CSA	277	10.5%	\$57,699	5.2%	9	10.3%	\$228,659	2.5%
Charlottesville, VA	165	6.3%	\$51,587	4.7%	3	3.5%	\$172,439	1.9%
Shenandoah County, VA NonMSA	48	1.8%	\$6,135	.5%	2	2.3%	\$50,153	.5%
Total	2,626	100%	\$1,105,223	100%	87	100%	\$9,168,084	100%

CRA APPENDIX E

ASSESSMENT AREA COMPOSITION

The following table presents the composition of the bank's assessment areas.

Multistate Metropolitan Assessment Area			
Assessment Area Name	State	County/City	Tracts
Washington-Baltimore-Arlington, DC-VA-MD (partial CSA)	DC	District of Columbia	All
	MD	Montgomery	All
	VA	Alexandria City	All
	VA	Arlington	All
	VA	Clarke	All
	VA	Fairfax	All
	VA	Fairfax City	All
	VA	Falls Church City	All
	VA	Frederick	All
	VA	Fredericksburg City	All
	VA	Loudoun	All
	VA	Manassas City	All
	VA	Manassas Park City	All
	VA	Prince William	All
	VA	Spotsylvania	All
	VA	Stafford	All
	VA	Warren	All
	VA	Winchester	All
Virginia Metropolitan Assessment Areas			
Assessment Area Name	State	County/City	Tracts
Harrisonburg-Staunton- Waynesboro, VA CSA	VA	Augusta	All
	VA	Harrisonburg City	All
	VA	Rockingham	All
	VA	Staunton City	All
	VA	Waynesboro City	All
Charlottesville, VA (partial MSA)	VA	Albemarle	All
	VA	Charlottesville City	All
	VA	Greene	All
Virginia Nonmetropolitan Assessment Area			
Shenandoah County NonMSA	VA	Shenandoah	All

CRA APPENDIX F

BRANCH OPENINGS AND CLOSINGS

New Branch Offices								
Assessment Area	Date	Branch Name	Address	City	State	Zip	Type	2016 Income Level
Washington-Baltimore-Arlington, DC-VA-MD	6/7/2016	Georgetown	1001 Wisconsin Ave., NW	Washington	DC	20007	ACQ-BOG	Upper
Washington-Baltimore-Arlington, DC-VA-MD	6/7/2016	Friendship Heights	5410 Wisconsin Ave.	Chevy Chase	MD	20815	ACQ-BOG	Middle
Washington-Baltimore-Arlington, DC-VA-MD	6/7/2016	Franklin Square	1350 I St., NW	Washington	DC	20005	ACQ-BOG	Moderate
Washington-Baltimore-Arlington, DC-VA-MD	6/7/2016	U Street	1301 U St., NW	Washington	DC	20009	ACQ-BOG	Upper
Washington-Baltimore-Arlington, DC-VA-MD	6/7/2016	Winsor Canal Square	1115 30 th St., NW	Washington	DC	20007	ACQ-BOG	Upper
Washington-Baltimore-Arlington, DC-VA-MD	6/7/2016	Towers Crescent Plaza	1850 Towers Crescent Plaza	Vienna	VA	22182	ACQ-BOG	Upper
Washington-Baltimore-Arlington, DC-VA-MD	1/6/2017	South Arlington	2409 Columbia Pike	Arlington	VA	22204	Opened – Relocation	Middle
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Alexandria	1737 King St.	Alexandria	VA	22314	ACQ-CB*	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	18 th & K	1776 K St., NW	Washington	DC	20006	ACQ-CB*	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Catocin Circle	20 Catocin Cir, SE	Leesburg	VA	20175	ACQ-CB	Moderate
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Dolley Madison	1451 Dolley Madison Blvd.	McLean	VA	22101	ACQ-CB	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Fairfax Corner	4100 Monument Corner Dr.	Fairfax	VA	22030	ACQ-CB	Middle
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Fairfax East	10641 Fairfax Blvd.	Fairfax	VA	22030	ACQ-CB	Middle
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Fredericksburg	501C Jefferson Davis Hwy.	Fredericksburg	VA	22401	ACQ-CB	Low
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Gainesville	7905 Heritage Village Plaza	Gainesville	VA	20155	ACQ-CB	Middle

Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Glover Park	1825 Wisconsin Ave., NW	Washington	DC	20007	ACQ-CB	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Greensboro	8270 Greensboro Dr.	McLean	VA	22102	ACQ-CB*	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Little Falls Road	6402 Williamsburg Blvd.	Arlington	VA	22207	ACQ-CB	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Manassas	9626 Center St.	Manassas	VA	20110	ACQ-CB	Middle
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Montgomery Ave	7315 Wisconsin Ave.	Bethesda	MD	20814	ACQ-CB	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Purcellville	440 East Main St.	Purcellville	VA	20132	ACQ-CB	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Rollins Ave	1807 Rockville Pike	Rockville	MD	20852	ACQ-CB	Moderate
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Smoketown	13870 Smoketown Rd.	Woodbridge	VA	22192	ACQ-CB	Middle
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Stafford	289 Garrisonville Rd.	Stafford	VA	22554	ACQ-CB	Middle
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Sterling	46005 Regal Plaza	Sterling	VA	20165	ACQ-CB*	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Sullyfield	14000 Sullyfield Cir.	Chantilly	VA	20151	ACQ-CB*	Middle
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Union Mill	5766 Union Mill Rd.	Clifton	VA	20124	ACQ-CB	Middle
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	University Mall	10695-B Braddock Rd.	Fairfax	VA	22032	ACQ-CB	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Wiehle Metro	1900 Centennial Park Dr.	Reston	VA	20191	ACQ-CB	Middle

ACQ-BOG – Acquired through merger with Bank of Georgetown

ACQ-CB – Acquired through merger with Cardinal Bank

*Acquired branches in close proximity to UB branches that were consolidated

Branch Closings								
Assessment Area	Date	Branch Name	Address	City	State	Zip	Type	2016 Income Level
Washington-Baltimore-Arlington, DC-VA-MD	3/4/2016	Chesterbrook Residences	2030 Westmoreland St.	Falls Church	VA	22043	Closed	Upper
Washington-Baltimore-Arlington, DC-VA-MD	6/1/2016	Community Office	7250 Wisconsin Ave.	Bethesda	MD	20814	Closed	Upper
Washington-Baltimore-Arlington, DC-VA-MD	11/9/2016	Towers Crescent Plaza	1850 Towers Crescent Plaza	Vienna	VA	22182	Closed*	Upper
Washington-Baltimore-Arlington, DC-VA-MD	1/6/2017	South Arlington	2300 9 th Street South	Arlington	VA	22204	Closed - Relocation	Middle
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Greensboro Drive	8251 Greensboro Dr.	McLean	VA	22102	Consolidated	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	International Square	1875 Eye St. NW	Washington	DC	20006	Consolidated	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Loudoun	21036 Tripleseven Rd.	Sterling	VA	20165	Consolidated	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Prince Street	1414 Prince St.	Alexandria	VA	22314	Consolidated	Upper
Washington-Baltimore-Arlington, DC-VA-MD	4/21/2017	Sully Plaza	13881 G Metrotech Dr.	Chantilly	VA	20151	Consolidated	Upper
Washington-Baltimore-Arlington, DC-VA-MD	5/4/2017	Franklin Square	1350 I St., NW	Washington	DC	20005	Closed*	Moderate

* Branches acquired through merger with Bank of Georgetown and subsequently closed during the review period.

CRA APPENDIX G

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.

Loans, investments, and services that-

- (i) Support, enable or facilitate projects or activities that meet the "eligible uses" criteria described in Section 2301(c) of the Housing and Economic Recovery Act of 2008 (HERA), Public Law 110-289, 122 Stat. 2654, as amended, and are conducted in designated target areas identified in plans approved by the United States Department of Housing and Urban Development in accordance with the Neighborhood Stabilization Program (NSP);
- (ii) Are provided no later than two years after the last date funds appropriated for the NSP are required to be spent by grantees; and
- (iii) Benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or areas outside the bank's assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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, Investment, and Service 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, Investment, and Service 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.