

PUBLIC DISCLOSURE

June 18, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Drake Bank
Certificate Number: 57336

60 Plato Blvd E
Saint Paul, Minnesota 55107

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Kansas City Regional Office

1100 Walnut St, Suite 2100
Kansas City, Missouri 64106

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: This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Drake Bank's Community Reinvestment Act (CRA) performance under the applicable performance criteria supports the overall rating. The following points summarize the bank's performance.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and the assessment area's credit needs.
- The bank originated a majority of its small business and home mortgage loans within the assessment area.
- The geographic distribution of small business and home mortgage loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects reasonable penetration among businesses of different sizes and individuals of different income levels.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

Drake Bank is headquartered in Saint Paul, Minnesota, and wholly owned by Plato Holdings, Inc., a one-bank holding company, also in Saint Paul. The bank operates from its sole location in Saint Paul, Minnesota. There are no other lending subsidiaries or affiliates. The bank received a Satisfactory rating at the previous FDIC Performance Evaluation dated July 22, 2019, based on Interagency Small Institution Examination Procedures.

Drake Bank’s primary business focus is commercial lending, although loan product offerings accommodate a range of commercial, home mortgage, and consumer purposes. Additionally, the bank continues to originate mortgage loans that are subsequently sold through its secondary-market relationships. From January 1, 2020, to December 31, 2024, Drake Bank originated 266 secondary-market loans totaling approximately \$93.8 million. Additionally, the bank participates in small business lending programs through the Small Business Administration (SBA). Specifically, the bank originated 329 SBA loans since the previous CRA performance evaluation.

The bank provides a variety of deposit account products, including checking, savings, money market, and certificates of deposit. Drake Bank offers electronic banking services such as Internet and mobile banking, bill pay, electronic statements, and ATMs.

The March 31, 2025, Consolidated Reports of Condition and Income (Reports of Condition) reflected total assets of \$275.0 million, total loans of \$218.2 million, and total deposits of \$236.1 million. The bank’s loan portfolio distribution is illustrated in the following table.

Loan Portfolio Distribution as of March 31, 2025		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	12,067	5.5
Secured by Farmland	128	0.1
Secured by 1-4 Family Residential Properties	50,256	23.0
Secured by Multifamily (5 or more) Residential Properties	11,391	5.2
Secured by Nonfarm Nonresidential Properties	58,435	26.8
Total Real Estate Loans	132,277	60.6
Commercial and Industrial Loans	85,170	39.0
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer Loans	756	0.4
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	218,203	100.0
<i>Source: Reports of Condition</i>		
<i>Due to rounding totals may not equal 100%</i>		

Examiners did not identify any financial, legal or other impediments that affect Drake Bank’s ability to meet its assessment area credit needs.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Drake Bank designated one assessment area consisting of Anoka, Carver, Chisago, Dakota, Hennepin, Ramsey, Scott, and Washington counties in Minnesota, and Pierce and St. Croix counties in Wisconsin. The assessment area is part of the Minneapolis-St. Paul-Bloomington, MN-WI Metropolitan Statistical Area (MSA).

There have been changes to the assessment area since the last CRA performance evaluation. At the previous CRA performance evaluation, the assessment area was comprised of Dakota, Hennepin, Ramsey and Washington counties in the Minneapolis-St. Paul-Bloomington, MN-WI MSA. The assessment area was expanded to match the market area by adding Anoka, Carver, Chisago, Scott, Pierce and St. Croix counties.

Economic and Demographic Data

According to 2020 U.S. Census data, the assessment area includes 49 low-, 178 moderate-, 354 middle-, and 231 upper-income census tracts. Additionally, there are 11 census tracts with no income designation. The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	823	6.0	21.6	43.0	28.1	1.3
Population by Geography	3,355,473	5.4	20.3	44.2	29.2	0.8
Housing Units by Geography	1,327,745	5.1	20.6	44.9	28.7	0.6
Owner-Occupied Units by Geography	881,724	2.4	16.7	47.9	32.9	0.1
Occupied Rental Units by Geography	389,941	10.9	29.4	38.8	19.1	1.9
Vacant Units by Geography	56,080	7.7	21.8	41.5	28.0	1.0
Businesses by Geography	459,646	4.3	18.3	41.6	34.9	0.9
Farms by Geography	10,190	2.0	15.8	49.3	32.7	0.2
Family Distribution by Income Level	804,569	19.6	17.9	22.6	39.9	0.0
Household Distribution by Income Level	1,271,665	23.1	16.8	19.0	41.2	0.0
Median Family Income MSA - 33460 Minneapolis-St. Paul-Bloomington, MN-WI MSA		\$103,977	Median Housing Value			\$289,209
			Median Gross Rent			\$1,161
			Families Below Poverty Level			5.2%

Source: 2020 U.S. Census and 2024 D&B Data

Due to rounding, totals may not equal 100.0%

() The NA category consists of geographies that have not been assigned an income classification.*

D&B data for 2024 indicates that service industries represent the largest portion of businesses in the assessment area at 35.1 percent; followed by non-classifiable establishments (26.8 percent); and finance, insurance, and real estate (11.2 percent). In addition, 60.7 percent of area businesses have 4 or fewer employees, and 93.8 percent operate from a single location.

The Federal Financial Institutions Examination Council (FFIEC) provides updated median family income levels used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories for the assessment area in 2023 and 2024 are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Minneapolis-St. Paul-Bloomington, MN-WI MSA Median Family Income (33460)				
2023 (\$124,300)	<\$62,150	\$62,150 to <\$99,440	\$99,440 to <\$149,160	≥\$149,160
2024 (\$103,977)	<\$51,989	\$51,989 to <\$83,182	\$83,182 to <\$124,772	≥\$124,772
<i>Source: FFIEC</i>				

Competition

The assessment area is highly competitive for credit products and financial services. According to Reports of Condition data filed by financial institutions, there were 165 financial institutions operating 675 offices within the assessment area. These institutions range from small community banks to larger national institutions. Drake Bank is ranked 65th with approximately 0.1 percent of the deposit market share.

Drake Bank is not required to collect or report small business CRA loan data and has elected not to do so. However, the aggregate CRA data provides an indication of the level of demand for small business loans and the level of competition within the assessment area. According to 2023 aggregate CRA data (most recent available), 176 CRA reporters collectively reported 67,159 small business loan originations within the assessment area. These figures do not include a high number of loans originated by smaller or mid-sized institutions, such as Drake Bank, that are not required to report small business lending data but operate within the assessment area. The overall volume of small business lending activity within the assessment area demonstrates a highly competitive market.

Drake Bank faces significant competition for home mortgage loans from a variety of financial institutions and mortgage companies operating within the assessment area. According to the 2023 Home Mortgage Disclosure Act (HMDA) aggregate data (most recent available), 650 HMDA-reporting institutions originated or purchased 75,213 mortgage loans within the assessment area. Drake Bank ranked 193rd with less than 0.1 percent of the mortgage market share by number. The top lenders consist of large national banks and credit unions or national mortgage companies. The overall volume of home mortgage lending reflects significant competition.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying credit needs. This information helps determine whether local financial

institutions are responsive to these needs. It also shows what credit opportunities are available. For this evaluation, examiners conducted a community contact with a representative of an organization familiar with the assessment area.

The contact stated that overall, there has been a steady increase in demand for financing by businesses, and that the area includes both start-up businesses and existing businesses that are expanding. The contact also noted that lending standards, regulatory limits, and credit education are challenges both businesses and consumers face in the community.

The contact identified the primary credit need of the community as small business loans and confirmed that banks have opportunities to get involved with small business lending. Additionally, the contact stated that local lenders are meeting the credit needs of the area.

Credit Needs

Examiners considered information received from the community contact, bank management, and demographic and economic data, to determine that small business and home mortgage loans represent the primary credit needs of the assessment area.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated July 22, 2019, to the current evaluation dated June 18, 2025. Examiners used Interagency Small Institution Examination Procedures to evaluate Drake Bank's CRA performance. The procedures focus on the bank's performance under the Lending Test as outlined in the Small Bank Performance Criteria Appendix.

Activities Reviewed

Examiners determined that the bank's major product lines are small business and home mortgage loans. This conclusion considered discussions with management regarding the bank's business strategy, review of bank records of the number and dollar volume of loans originated during the evaluation period, and a review of the Reports of Condition data. Small business lending received more weight than home mortgage lending when deriving overall conclusions which is consistent with the lending focus of the bank and the loan portfolio composition. Examiners did not evaluate small farm lending activities as agricultural lending represents a minimal portion of the loan portfolio and provides no material support for conclusions.

Bank records indicate that the lending focus and product mix remained generally consistent throughout the evaluation period. Therefore, examiners reviewed all small business loans originated or renewed in 2024, which is considered representative of the bank's performance during the evaluation period. D&B data for 2024 provided a standard of comparison for the bank's small business lending performance. Examiners also reviewed all home mortgage loans reported as originated or purchased on the bank's 2023 and 2024 HMDA Loan Application Registers. When analyzing the bank's 2023 and 2024 home mortgage lending performance, the 2020 U.S. Census and 2023 HMDA aggregate data (for 2023 loan data only) provided a standard of comparison.

For the Lending Test, examiners reviewed the entire universe of loans to evaluate the Assessment Area Concentration criterion. All small business and home mortgage loans inside the assessment area were further reviewed to evaluate the Geographic Distribution. To evaluate the Borrower Profile criterion, examiners reviewed a sample of small business loans, and all home mortgage loans originated inside the assessment area. The following table provides information on the number and dollar volume of loans reviewed.

Loan Products Reviewed						
Loan Category	Universe		Reviewed*		Sampled	
	#	\$(000s)	#	\$(000s)	#	\$(000s)
Small Business	177	35,830	154	31,670	115	24,901
Home Mortgage						
2023	34	8,445	29	7,020	--	--
2024	53	15,446	48	14,279	--	--
<i>Source: 2024 Bank Data; HMDA Reported Data</i>						
<i>(*) Universe of loans made inside the assessment area; (--) Not Sampled</i>						

While the number and dollar volume of loans are presented, examiners emphasized performance by number of loans because it is a better indicator of the number of businesses and individuals served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Drake Bank demonstrated reasonable performance under the Lending Test. The bank’s performance under the evaluated criteria supports this conclusion.

Loan-to-Deposit Ratio

Drake Bank’s average net loan-to-deposit ratio is reasonable given the institution’s size, financial condition, and the credit need in the assessment area. The bank’s net loan-to-deposit ratio, calculated from Reports of Condition data, averaged 94.9 percent over the past 25 calendar quarters from March 31, 2019, to March 31, 2025. The ratio ranged from a low of 77.9 percent as of December 31, 2021, to a high of 118.2 percent as of March 31, 2020. As illustrated in the following table, Drake Bank’s average net loan-to-deposit ratio is within the range of those of comparable institutions. Examiners selected comparable institutions based on their asset size, lending focus, and geographic location.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 3/31/25 (\$000s)	Average Net LTD Ratio (%)
Drake Bank Saint Paul, Minnesota	275,026	94.9
Citizens Independent Bank Saint Louis Park, Minnesota	328,767	69.5
Gateway Bank Mendota Heights, Minnesota	291,885	80.8
VisionBank Saint Louis Park, Minnesota	270,991	114.3
<i>Source: Reports of Condition and Income 03/31/2019 -3/31/2025</i>		

Assessment Area Concentration

Drake Bank originated a majority of its small business and home mortgage loans within the assessment area as illustrated in the following table.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	154	87.0	23	13.0	177	31,670	88.4	4,160	11.6	35,830
Home Mortgage										
2023	29	85.3	5	14.7	34	7,020	83.1	1,425	16.9	8,445
2024	48	90.6	5	9.4	53	14,279	92.4	1,167	7.6	15,446
Subtotal	77	88.5	10	11.5	87	21,299	89.2	2,592	10.8	23,891
<i>Source: Bank Data, HMDA Reported Data Due to rounding, totals may not equal 100.0%</i>										

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. The bank's reasonable small business and home mortgage lending performance supports the overall conclusion. Examiners focused on the percentage by number of the bank's small business and home mortgage lending in the low- and moderate-income census tracts.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. As illustrated in the following table, the bank's lending performance in low-income census tracts is slightly below, but generally comparable to demographic data. The bank's performance in moderate-income census tracts exceeds demographic data. Based on these factors, the bank's overall performance is considered reasonable.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	4.3	3	1.9	1,188	3.8
Moderate	18.3	34	22.1	5,605	17.7
Middle	41.6	72	46.8	12,362	39.0
Upper	34.9	45	29.2	12,515	39.5
Not Available	0.9	0	0.0	0	0.0
Totals	100.0	154	100.0	31,670	100.0
<i>Source: 2024 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Loans

The geographic distribution of home mortgage lending reflects reasonable dispersion throughout the assessment area. As shown in the following table, the bank’s 2023 lending performance in both low- and moderate-income tracts lags aggregate and demographic data. In 2024, the bank demonstrated an increase in lending performance to low- and moderate-income tracts, exceeding demographic data. The increase is attributed to the bank’s participation in the Individual Taxpayer Identification Number (ITIN) loan program, which provided home loans to individuals with ITINs. Overall, the bank’s performance is considered reasonable.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	2.4	3.1	0	0.0	0	0.0
2024	2.4	--	2	4.2	235	1.6
Moderate						
2023	16.7	17.4	2	6.9	478	6.8
2024	16.7	--	18	37.5	6,121	42.9
Middle						
2023	47.9	46.9	13	44.8	3,391	48.3
2024	47.9	--	20	41.7	5,131	35.9
Upper						
2023	32.9	32.5	14	48.3	3,151	44.9
2024	32.9	--	8	16.7	2,792	19.6
Not Available						
2023	0.1	0.2	0	0.0	0	0.0
2024	0.1	--	0	0.0	0	0.0
Totals						
2023	100.0	100.0	29	100.0	7,020	100.0
2024	100.0	--	48	100.0	14,279	100.0

*Source: 2020 U.S. Census; Bank Data, 2023 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Borrower Profile

The bank's lending performance demonstrates reasonable penetration among businesses of different revenue sizes and individuals of different income levels. Specifically, the bank's reasonable lending performance to businesses with gross annual revenues of \$1 million or less and to low- and moderate-income borrowers primarily supports this conclusion.

Small Business Loans

The distribution of small business loans reflects reasonable lending penetration to businesses with gross annual revenues of \$1 million or less. As shown in the following table, the bank's record of lending to businesses with gross annual revenues of \$1 million or less lags demographic data. However, examiners compared the bank's performance to two similarly situated institutions operating in the assessment area that were evaluated for CRA performance during the review period. Similarly situated institutions' small business lending performance to businesses with gross annual revenues of \$1 million or less was 46.9 and 55.5 percent by number, which was considered reasonable and is comparable to Drake Bank's performance. Further, although the bank is not required to collect or report its small business loan data and has not elected to do so, aggregate CRA data can be used to provide context about the size of businesses in which other banks are able to lend. Aggregate data for 2023 (most recent available) indicated 50.7 percent of small business loans were to businesses with gross annual revenues of \$1 million or less, which is comparable to

Drake Bank’s performance. Finally, as noted previously, Drake Bank is an SBA lender, which demonstrates the bank’s willingness to originate loans to businesses of all sizes, including smaller businesses. Further, the bank is enrolled in the Minnesota Loan Guarantee Program, a program specifically for small businesses loan origination. Considering these factors, the bank’s performance is reasonable.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	90.9	57	49.6	10,599	42.6
>\$1,000,000	3.2	58	50.4	14,302	57.4
Revenue Not Available	5.9	0	0.0	0	0.0
Total	100.0	115	100.0	24,901	100.0
<i>Source: 2024 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Loans

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is reasonable. As shown in the following table, in 2023, the bank’s lending to low-income borrowers lags aggregate and demographic data, while lending to moderate-income borrowers is generally comparable to aggregate data and lags demographic data. Further in 2024, lending to low-income borrowers decreased, while lending to moderate income borrowers increased, exceeding demographic data. Additionally, over half of the home mortgage loans originated in 2023, and several originated in 2024, were made to borrowers in which the income was not available. These loans were primarily to commercial entities for non-owner occupied housing in which the income was not reported, which impacts the data. Overall, the bank’s performance is considered reasonable.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	19.6	11.1	2	6.9	139	2.0
2024	19.6	--	1	2.1	167	1.2
Moderate						
2023	17.9	25.3	4	13.8	241	3.4
2024	17.9	--	12	25.0	2,930	20.5
Middle						
2023	22.6	22.9	1	3.4	463	6.6
2024	22.6	--	14	29.2	3,746	26.2
Upper						
2023	39.9	27.7	7	24.1	732	10.4
2024	39.9	--	10	20.8	2,149	15.1
Not Available						
2023	0.0	13.1	15	51.7	5,445	77.6
2024	0.0	--	11	22.9	5,287	37.0
Totals						
2023	100.0	100.0	29	100.0	7,020	100.0
2024	100.0	--	48	100.0	14,279	100.0
<i>Source: 2020 U.S. Census; Bank Data, 2023 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

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.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

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.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

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. Other family 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).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., 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 applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, 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.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA**): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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.

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.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.