

PUBLIC DISCLOSURE

June 14, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Alpine Capital Bank
Certificate Number: 35377

680 Fifth Avenue, 7th Floor
New York, New York 10019

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
New York Regional Office

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New York, New York 10118

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.

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- The majority of loans and other lending related activities are inside the institution's assessment area.
- The geographic distribution of loans reflects a reasonable dispersion throughout the assessment area.
- Examiners did not review the distribution of loans based on borrower profile, as income and revenue data was unavailable; therefore, this factor did not affect the Lending Test rating.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

DESCRIPTION OF INSTITUTION

Background

Alpine Capital Bank (Alpine) is a full-service commercial bank headquartered in New York, New York. The bank received a rating of “Satisfactory” at its previous FDIC Performance Evaluation dated July 9, 2018, based on Interagency Small Institution CRA Examination Procedures.

Operations

Alpine operates one full-service branch in an upper-income census tract in New York, New York. There were no branch openings or closures during the evaluation period, and the bank did not engage in any merger or acquisition activity. Alpine does not operate any automated teller machines; however, the bank offers online banking and a mobile banking application.

Alpine offers construction loans, commercial loans, and consumer loans. The bank also offers a variety of consumer and business deposit products, including checking accounts, money market savings accounts, and time deposit accounts.

Ability and Capacity

Alpine’s assets totaled \$251.4 million as of March 31, 2021, which includes total loans of \$116.5 million and total securities of \$75.1 million. Alpine reported total deposits of \$196.1 million. Since the prior evaluation, total assets decreased 9.0 percent, total loans increased 6.8 percent, and total deposits decreased 13.7 percent.

The following table illustrates the loan portfolio as of March 31, 2021:

Loan Portfolio Distribution as of March 31, 2021		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	56,300	48.3
Secured by Farmland	0	0.0
Secured by 1-4 Family Residential Properties	2,258	1.9
Secured by Multifamily (5 or more) Residential Properties	3,459	3.0
Secured by Nonfarm Nonresidential Properties	19,790	17.0
Total Real Estate Loans	81,807	70.2
Commercial and Industrial Loans	22,482	19.3
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer Loans	4,196	3.6
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	8,041	6.9
Total Loans	116,526	100.0
<i>Source: Reports of Condition and Income (Call Report)</i>		

Alpine's loan portfolio composition was generally consistent compared to the prior evaluation period. Construction, Land Development, and Other Land Loans continue to represent the majority of the loan portfolio, comprising 48.3 percent of total loans. The bank also originated 113 loans under the U.S. Small Business Administration's (SBA) Paycheck Protection Program (PPP) in 2020 for \$19.7 million. Because of the PPP loans, the bank's Commercial and Industrial Loans increased significantly since the prior evaluation. At the previous evaluation, Commercial and Industrial Loans comprised 3.1 percent of the bank's total loans, and now comprise 19.3 percent of total loans.

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet assessment area credit needs.

DESCRIPTION OF ASSESSMENT AREA

The Community Reinvestment Act (CRA) requires each financial institution to define one or more assessment areas within which its supervisory agency will evaluate its CRA performance. Alpine designated one assessment area that consists of Bronx, Kings, and New York Counties in the New York-Jersey City-White Plains Metropolitan Division (MD) #35614. There were no changes to the bank's assessment area since the previous evaluation.

Economic and Demographic Data

The assessment area includes 1,388 census tracts, which reflect the following income designations according to the 2015 American Community Survey (ACS) data:

- 269 low-income tracts,
- 416 moderate-income tracts,
- 311 middle-income tracts,
- 356 upper-income tracts, and
- 36 tracts with no income designation.

The following table illustrates the 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)	1,388	19.4	30.0	22.4	25.6	2.6
Population by Geography	5,653,123	23.3	31.4	18.6	26.2	0.5
Housing Units by Geography	2,399,900	19.7	28.2	18.0	33.8	0.3
Owner-Occupied Units by Geography	536,789	5.8	20.2	26.7	47.0	0.3
Occupied Rental Units by Geography	1,630,318	25.2	31.4	15.5	27.6	0.3
Vacant Units by Geography	232,793	13.2	23.8	15.6	46.8	0.6
Businesses by Geography	609,861	10.8	19.6	14.0	52.1	3.5
Farms by Geography	2,250	7.9	15.7	14.5	59.7	2.2
Family Distribution by Income Level	1,215,325	36.4	15.8	14.3	33.4	0.1
Household Distribution by Income Level	2,167,107	34.6	14.4	14.4	36.6	0.0
Median Family Income - New York-Jersey City- White Plains, NY-NJ, MD #35614		\$67,560	Median Housing Value			\$576,104
			Median Gross Rent			\$1,341
			Families Below Poverty Level			20.5%
<i>Source: 2015 ACS and 2020 Dun & Bradstreet (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.</i>						

There are approximately 2.4 million housing units in the assessment area. Of these units, 22.4 percent are owner occupied, 67.9 percent are rental units, and 9.7 percent are vacant. A majority of the occupied rental units (56.6 percent) are located in the area’s low- and moderate-income census tracts. Furthermore, there are 609,861 businesses in the assessment area, 30.4 percent of which are located in low- and moderate-income tracts. This data reflects the opportunities lenders have to originate loans within low- and moderate-income geographies.

The median family income for MD #35614 was \$81,800 in 2020. The following table illustrates the median family income ranges for the low-, moderate-, middle-, and upper-income categories for 2019 and 2020:

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
New York-Jersey City-White Plains, NY-NJ (MD #35614) - Median Family Income				
2019 (\$79,300)	<\$39,650	\$39,650 to <\$63,440	\$63,440 to <\$95,160	≥\$95,160
2020 (\$81,800)	<\$40,900	\$40,900 to <\$65,440	\$65,440 to <\$98,160	≥\$98,160
<i>Source: FFIEC</i>				

Service industries represent the largest portion of all area businesses at 35.8 percent, followed by non-classifiable establishments at 29.4 percent, retail trade at 11.8 percent, and finance, insurance, and real estate at 10.6 percent. This information reflects the potential demand for, and the opportunity to originate, small business loans in the assessment area.

According to Moody’s Analytics, the major employers within the New York-Jersey City-White Plains MD are Montefiore Health System, Mount Sinai Health System, JPMorgan Chase & Co., Bank of America, and New York-Presbyterian Healthcare System.

The following table details unemployment data from the Bureau of Labor Statistics for the assessment area and related areas. Due to the COVID-19 pandemic, 2020 unemployment rates rose substantially.

Unemployment Rates		
Area	2019	2020
	%	%
Bronx County	5.3	16.0
Kings County	4.0	12.5
New York County	3.4	9.5
State (NY)	3.8	10.0
National Average	3.7	8.1
<i>Source: Bureau of Labor Statistics</i>		

Competition

There is significant competition within the assessment area for financial services. Competition for deposits includes local, regional, and national financial institutions that operate branches in the assessment area. According to the June 30, 2020 FDIC Deposit Market Share data, 100 institutions operated 1,130 full-service branches within the bank’s assessment area. Alpine ranked 66th among these institutions with a 0.01 percent market share.

There is also a significant level of competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. While Alpine does not originate home mortgage loans, this data provides a good indication of the level of competition in the assessment area. In 2019, 371 lenders reported 46,794 residential mortgage loans. The top three mortgage lenders by number of loan originations and purchases were Wells Fargo Bank, N.A. (12.5 percent); JPMorgan Chase Bank, N.A. (11.8 percent); and Citibank, N.A. (8.3 percent).

Alpine is not required to collect or report its small business data, and it has not elected to do so. Therefore, examiners did not compare the bank’s small business lending to aggregate small business loan data. However, the aggregate data is referenced here, as it reflects the demand for small business loans. Aggregate data for 2019 shows that 225 institutions originated 206,580 small business loans in the assessment area, indicating a strong degree of competition for this product. The top three small business lenders by number of loan originations and purchases were American Express National Bank (35.6 percent); JPMorgan Chase Bank, N.A. (29.0 percent); and Bank of America, N.A. (6.1 percent).

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to identify credit and community development needs. This information helps determine whether local financial institutions are responsive to those needs, and what credit opportunities are available. It also demonstrates the availability of community development opportunities.

Examiners reviewed a community contact of an organization that offers microloans and training programs to individuals, families, and entrepreneurs across New York City. The contact stated that the organization's overall experience with financial institutions has been positive. The contact noted that fewer institutions are partnering with its organization to provide microloans because of the SBA's PPP loan program; however, financial institutions are making an abundant amount of PPP loans, which ultimately helps the community.

Credit Needs

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that small business loans represent the primary credit need for the assessment area. Due to the COVID-19 pandemic, many new and existing small businesses are still in need of loans. In addition, programs and community services that provide technical financial assistance, grants, and donations to small businesses represent the primary community development needs of the assessment area.

SCOPE OF EVALUATION

General Information

Examiners used the Interagency Small Institution CRA Examination Procedures to evaluate Alpine's performance since the previous evaluation dated July 9, 2018, to the current evaluation date of June 14, 2021. The procedures consist of the Lending Test (see Appendices).

Activities Reviewed

Examiners reviewed Alpine's construction and small business loans to assess its performance, as these loan types represent the bank's major product lines based on its business strategy, loan composition, and the number and dollar volume of loan originations during the evaluation period. This evaluation did not consider other loan types, such as home mortgage, small farm, or consumer loans, because they do not represent major product lines.

Examiners analyzed Alpine's construction loans for 2019 and 2020 using bank records. The bank originated five construction loans totaling \$11.7 million in 2019, and 13 construction loans totaling \$42.7 million in 2020. Examiners compared the bank's construction loan data to the 2015 ACS demographic data.

Examiners analyzed Alpine's small business loans for 2020 only, as the bank did not originate any small business loans in 2019. Based on bank records, Alpine originated 110 small business loans

totaling \$13 million in 2020. Of these loans, all but one were originated under the PPP loan program. Examiners reviewed D&B demographic data for comparison purposes.

This evaluation presents both the number and dollar volume of loans; however, examiners emphasized performance based on number of loans because the number of loans is a better indicator of the number of businesses served. The bank’s record of originating construction loans contributed more weight to overall conclusions based on the institution’s business strategy and its loan portfolio composition over several years.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Alpine demonstrated reasonable performance under the Lending Test. The bank’s reasonable performance in the Loan-to-Deposit Ratio and Geographic Distribution criteria support this conclusion.

Loan-to-Deposit Ratio

Alpine’s net LTD ratio is reasonable given the bank’s size, financial condition, and assessment area credit needs. The bank’s LTD ratio, calculated from Call Report data, averaged 44.2 percent over the past 11 calendar quarters from September 30, 2019 to March 31, 2021. The LTD ratio fluctuated during the evaluation period, ranging from a low of 32.7 percent as of December 31, 2019, to a high of 56.8 percent as of March 31, 2021.

Examiners compared Alpine’s average net LTD ratio to that of several comparable institutions selected based on asset size, geographic location, and primary lending focus. Alpine’s average net LTD ratio was lower than that of the comparable institutions, as displayed in the following table. However, examiners determined that the bank maintains a significant amount of unused loan commitments, which are off-balance sheet items that are not reflected in its average net LTD ratio. As of March 31, 2021, the bank had \$65.2 million in unused loan commitments.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 03/31/2021 (\$000s)	Average Net LTD Ratio (%)
<i>Alpine Capital Bank</i>	251,367	44.2
Similarly-Situated Institution #1	186,527	65.5
Similarly-Situated Institution #2	214,496	117.1
Similarly-Situated Institution #3	227,981	45.5
Similarly-Situated Institution #4	253,855	62.8
<i>Source: Call Report 09/30/2019 - 03/31/2021</i>		

Given the rising trend in Alpine’s LTD ratio, the current LTD ratio of 56.8 percent, and the amount of unused loan commitments, the bank’s LTD ratio is reasonable.

Assessment Area Concentration

A majority of Alpine’s lending by dollar volume is inside its assessment area. However, the majority its total lending by number of loans is outside the area. This is due mainly to the bank’s participation in the Paycheck Protection Program (PPP). Specifically, although the bank made a majority of its construction loans within its assessment area by both number and dollar volume, it originated the majority of its small business loans, which consisted almost exclusively of PPP loans, outside of the area. This distribution of PPP loans lowered the percentage of lending inside the area by number of loans, though it had minimal effect on the percentage by dollar volume given the smaller individual loan amounts. Given that the PPP is a temporary federal loan program designed to assist businesses experiencing hardship during the pandemic, the high number of PPP loans originated outside of the assessment area did not have any adverse effect on the bank’s performance. Excluding the PPP loans and focusing on construction lending and total dollar volume, Alpine’s lending is concentrated in the bank’s assessment area, which represents reasonable performance.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans					Dollar Amount of Loans \$(000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$(000s)
Construction										
2019	5	100.0	0	0.0	5	11,650	100.0	0	0.0	11,650
2020	11	84.6	2	15.4	13	35,784	83.8	6,900	16.2	42,684
Subtotal	16	88.9	2	11.1	18	47,434	87.3	6,900	12.7	54,334
Small Business										
2019	0	0.0	0	0.0	0	0	0.0	0	0.0	0
2020	37	33.6	73	66.4	110	3,600	27.7	9,377	72.3	12,977
Subtotal	37	33.6	73	66.4	110	3,600	27.7	9,377	72.3	12,977
Total	53	41.4	75	58.6	128	51,034	75.8	16,277	24.2	67,311
<i>Source: Bank 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 performance of construction and small business lending supports this conclusion. Examiners focused on the number of loans in the low- and moderate-income census tracts.

Construction Loans

The geographic distribution of construction loans reflects reasonable dispersion throughout the assessment area. Examiners focused on the comparison to demographic data, as reflected in the following table.

Geographic Distribution of Construction Loans					
Tract Income Level	% of Occupied Rental Housing	#	%	\$(000s)	%
Low					
2019	25.2	1	20.0	6,100	52.4
2020	25.2	6	54.5	21,384	59.8
Moderate					
2019	31.4	4	80.0	5,550	47.6
2020	31.4	1	9.1	8,100	22.6
Middle					
2019	15.5	0	0.0	0	0.0
2020	15.5	2	18.2	4,000	11.2
Upper					
2019	27.6	0	0.0	0	0.0
2020	27.6	2	18.2	2,300	6.4
Not Available					
2019	0.3	0	0.0	0	0.0
2020	0.3	0	0.0	0	0.0
Totals					
2019	100.0	5	100.0	11,650	100.0
2020	100.0	11	100.0	35,784	100.0
<i>Source: 2015 ACS; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

As shown in the table above, the bank’s construction lending in the low-income tracts was below demographics in 2019, but increased significantly in 2020 to a level well above demographics. The bank’s lending performance in the moderate-income tracts was over twice the demographic level in 2019, though the lending declined in 2020 by number of loans and as a percentage of total loans. Although Alpine’s performance in the low- and moderate-income tracts varied somewhat during 2019 and 2020, the bank consistently had over half of its construction loans in these tracts on a combined basis for each year. Specifically, the bank originated all of its loans in the low- and moderate-income tracts in 2019, and 63.6 percent of its loans in those tracts in 2020, which compares favorably to the demographics on a combined basis.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. Examiners focused on the comparison to demographic data, as reflected in the following table.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2020	10.8	5	13.5	153	4.3
Moderate					
2020	19.6	7	18.9	420	11.7
Middle					
2020	14.0	6	16.2	400	11.1
Upper					
2020	52.1	19	51.4	2,627	72.9
Not Available					
2020	3.5	0	0.0	0	0.0
Totals					
2020	100.0	37	100.0	3,600	100.0
<i>Source: 2020 D&B Data and 2020 Bank Data. Due to rounding, totals may not equal 100.0%</i>					

The bank’s performance of lending in the low- and moderate-income census tracts was similar to the demographic data in 2020, and reflects reasonable performance.

Borrower Profile

Examiners did not evaluate this criterion, as Alpine did not collect borrower income or business revenue data for its construction or small business loans.

Other Lending Activity

Alpine originated four community development loans totaling \$3.9 million that benefited the bank’s assessment area or the broader statewide area that included the assessment area. These loans included one loan for \$2.5 million that supported community services, two loans totaling \$394,000 that promoted economic development, and one loan for \$1 million that helped revitalize or stabilize low- and moderate-income areas. Below are notable examples of the bank’s community development loans:

- In 2020, the bank originated a \$1 million PPP loan to help fund the payroll of a charter school in a low-income area. This loan supports revitalization and stabilization initiatives in the assessment area.
- In 2020, the bank originated a \$2.5 million line of credit to a non-profit organization that operates as an educational institution. The proportion of students from low- to moderate-income families historically ranges between 60 to 80 percent. This loan supports community service initiatives in the broader statewide area.

Response to Complaints

Alpine did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners reviewed the bank's compliance with the laws relating to discrimination and other illegal credit practices, 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.