

# Security State Bank of Warroad

only has one branch located at

502 LAKE STREET NE  
P.O. BOX 70  
WARROAD, MINNESOTA 56763  
PHONE 218-386-1818

<b>HOURS:</b>	<b><u>Drive-Up</u></b>	<b><u>Lobby</u></b>
Monday	8:30 – 4:30	9:00 – 3:00
Tuesday	8:30 – 4:30	9:00 – 3:00
Wednesday	8:30 – 4:30	9:00 – 3:00
Thursday	8:30 – 5:00	9:00 – 5:00
Friday	8:30 – 5:00	9:00 – 5:00

Because our customers have different needs,  
**SECURITY STATE BANK OF WARROAD**  
offers a variety of Checking and Savings Accounts.

For your investment, we offer Certificates  
of Deposit with competitive interest rates, while  
you choose the maturity that meets your  
financial need.

We also offer both Traditional & Roth IRA  
Accounts, & Coverdell Education Accounts, and HSAs.

**SECURITY STATE BANK OF WARROAD**  
offers a wide array of loans to meet your  
personal and business needs including Installment, Real Estate, Commercial & Agriculture.

Other services we provide are: Wire Transfers,  
Money Orders, Gift Cards, Cashier's  
Checks & Safe Deposit Boxes.

For your convenience, we offer 24-Hour Night  
Depository, 24-Hour Telebank, Online Banking with Mobile Deposits.

Please stop in and visit with our bank  
staff who would be happy to answer any  
questions you may have.

**“HOMETOWN BANKING WITH  
YOUR NEIGHBORS & FRIENDS”**

Member FDIC      Equal Housing Lender

SERVING OUR COMMUNITY SINCE 1912

All Rates for interest bearing account are determined at the bank's discretion and are subject to change weekly. (Except Passbook Savings & IRA variable CD) Please reference our rate sheet for our current rates.

## Checking Accounts

### Regular Checking

- No minimum balance
- No monthly service charge
- No per check charge
- Unlimited check writing
- 20 free checks
- ATM and Debit Cards available

### Interest Checking

#### Now account

- Unlimited check writing
- Interest paid monthly
- Maintain \$1,000 minimum average balance or pay a \$3.00 maintenance fee plus .20 per check
- ATM and Debit Cards available
- Rate is subject to change weekly

#### Super Now Account

- Unlimited check writing
- Interest paid monthly
- Maintain \$2500 minimum average balance or pay a \$5.00 maintenance fee
- If average balance falls below \$1000/statement cycle, no interest will be paid for that statement cycle.
- ATM and Debit Cards available
- Rate is subject to change weekly

## Savings Accounts

### Statement Savings

- Interest accrued daily and paid quarterly
- If quarterly average balance falls below \$40, a \$2.00 maintenance fee will be charged
- ATM Card available
- Rate is subject to change quarterly

### **Certificates of Deposit**

- 3 month to 30 month terms available
- Variable minimum balance required, starting at \$500.

### **Retirement Accounts**

#### IRA Accounts

- All IRA's are invested in our bank CD's
  - IRA variable rate CD is subject to change monthly
- No bank fees
- We offer: Traditional IRA, Roth IRA and Cloverdale Education Savings

### **Health Savings Account (HSA)**

A type of Savings account in which you can deposit up to a certain amount of pre-tax funds to pay for qualified medical expenses

## **Our Services**

- Direct Deposit
- Wire transfers
- Cashier's checks
- Money orders
- Canadian currency exchange
- Savings Bond Redemption
- Safe deposit boxes
- Bank-by mail
- Telephone transfers
- Automatic transfers
- ATM cards
- Debit Cards
- Online banking
- Mobile banking
- Mobile deposit
- Online bill pay
- Text banking
- Gift Cards
- Prepaid Cards
- Night depository – available 24 hours
- ATM
- Notary Service
- Telebanc 1-866-626-6793
- FDIC Insurance-each depositor insured to \$250,000 for each account ownership category
- Daily Cut-Off Time 3:00 PM



**IMPORTANT ACCOUNT INFORMATION FOR OUR CUSTOMERS**

from

**SECURITY STATE BANK OF WARROAD  
502 LAKE ST NE  
WARROAD, MN 56763  
(218)386-1818**

**COMMON FEATURES**

**Limits and fees** - The following fees may be assessed against your account and the following transaction limitations, if any, apply to your account:

ATM CARD /CASH & CHECK CARD	\$1.00 PER MONTH PER CARD
REPLACE ATM CARD /CASH & CHECK CARD	\$7.50
CHECK PRINTING	FEE DEPENDS ON STYLE OF CHECK ORDERED
TEMPORARY CHECK	\$0.50 PER CHECK
CASHIER'S CHECK	
\$0 TO \$1000.00	\$2.00
\$1001.00 TO \$2000.00	\$4.00
\$2001.00 TO \$3000.00	\$6.00
\$3000.01 AND UP	\$10.00
MONEY ORDER	
\$0 TO \$500.00	\$2.00
\$500.01 TO \$1000.00	\$2.50
VISA GIFT CARDS	\$4.95 PER CARD
PREPAID/RELOADABLE VISA CARD	\$4.95 PER CARD
\$4.95 PER RELOAD	
OVERDRAFT (EACH OVERDRAFT ITEM PAID)	\$27.50
The fee applies to overdrafts "created by check, in person withdrawal, ACH/EFT transactions, or other electronic means," as applicable. Applies to checking and savings accounts.	
OVERDRAFT (MAXIMUM CHARGE PER DAY)	\$137.50
NONSUFFICIENT FUNDS ITEM RETURNED (EACH TIME AN ITEM IS PRESENTED)	\$27.50
An NSF fee may be charged each time a payment is presented, regardless of the number of times the payment is presented.	
NONSUFFICIENT FUNDS ITEM RETURNED (DAILY MAXIMUM)	\$137.50
ACCOUNT RESEARCH (MINIMUM \$25.00)	\$25.00 PER HOUR
ACCOUNT BALANCING ASSISTANCE EACH STATEMENT	\$10.00
COPY OF STATEMENT	\$5.00 PER STATEMENT
STOP PAYMENT-PER ITEM	\$25.00
STOP PAYMENT-LOST OR STOLEN CHECKBOOK	\$35.00

WIRE TRANSFER (OUTGOING)	\$20.00
WIRE TRANSFER (INCOMING-NON CUSTOMER)	\$20.00
WIRE TRANSFER (FOREIGN-OUTGOING)	\$45.00
DORMANT ACCOUNT	\$5.00 PER MONTH

A checking account is dormant if for three years:

There have been no deposits or withdrawals to the account.

There has been no communication about the account.

Account statement returned for an incorrect address.

Dormant account fee imposed on checking accounts that are dormant and have a balance less than \$100.00.

Loan to Deposit Ratio

2025

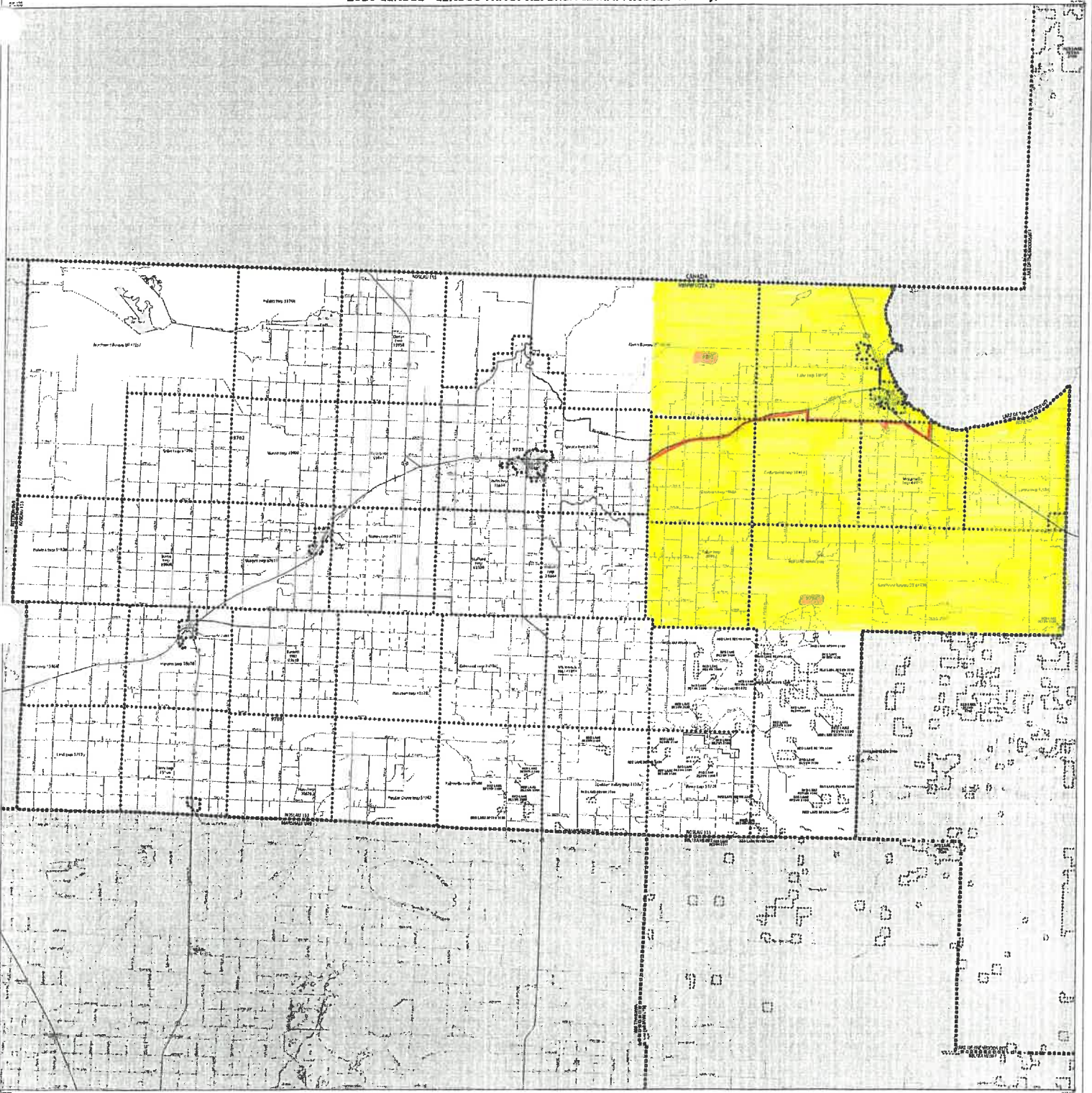
Quarter End	Loan to Deposit Ratio
March	50.47%
June	53.82%
September	53.73%
December	53.96%

# Assessment Areas

Security State Bank of Warroad credit area consists of parts of Roseau and Lake of the Woods Counties. Our assessment area is designated by the fully shaded yellow area on the attached maps.



2020 CENSUS - CENSUS TRACT REFERENCE MAP: Roseau County, MN



**LEGEND**

<b>ROADS</b>	<b>WATER</b>	<b>BOUNDARIES</b>	<b>LEGEND</b>	<b>LEGEND</b>
<ul style="list-style-type: none"> <li>Interstate</li> <li>State</li> <li>County</li> <li>Local</li> <li>Unimproved</li> <li>Right-of-Way</li> <li>Utility</li> <li>Other</li> </ul>	<ul style="list-style-type: none"> <li>Canada</li> <li>Large Reservoir</li> <li>Small Reservoir</li> <li>Stream</li> <li>Other</li> </ul>	<ul style="list-style-type: none"> <li>County</li> <li>City</li> <li>Ward</li> <li>Other</li> </ul>	<ul style="list-style-type: none"> <li>County</li> <li>City</li> <li>Ward</li> <li>Other</li> </ul>	<ul style="list-style-type: none"> <li>County</li> <li>City</li> <li>Ward</li> <li>Other</li> </ul>

When international, state, county, or other boundaries are shown, they are not shown to scale. The map is not to be used for legal purposes. The map is not to be used for legal purposes. The map is not to be used for legal purposes.

Scale: 1 inch = 1 mile

North Arrow

Sheet 1 of 1 PART 01 sheets  
Total Sheets: 1 (Index 0; Parent 1; Sheet 0)

NAME: Roseau County (183)  
STATE: MN  
COUNTY: Roseau County

2020 CENSUS





## Written Public Comments

As of December 31, 2025 Security State Bank of Warroad has not had any written comments from the public.

# **PUBLIC DISCLOSURE**

April 13, 2026

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Security State Bank of Warroad  
Certificate Number: 9773

502 Lake Street Northeast  
Warroad, Minnesota 56763

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.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and the credit needs of the assessment area.
- The bank made a majority of its small business and small farm loans within its assessment area.
- The assessment area does not include any low- or moderate-income geographies. Therefore, examiners did not evaluate the geographic distribution of loans.
- The distribution of borrowers reflects excellent penetration among businesses and farms of different sizes.
- The institution has not received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

## DESCRIPTION OF INSTITUTION

Security State Bank of Warroad is owned by Warroad Bancshares, Inc., a one-bank holding company located in Warroad, Minnesota. The bank operates from its main office in Warroad as well as a limited service facility that houses the affiliated insurance agency and bank ATM. The institution received a Satisfactory rating at its previous FDIC Performance Evaluation, dated August 3, 2020, based on Interagency Small Bank Examination Procedures. The institution has not opened or closed any branches, and has not had any merger or acquisition activities since the previous evaluation.

First State Bank of Warroad offers commercial, agricultural, and consumer loans. Government-sponsored loans through the Farm Service Agency are also offered to assist in serving the credit needs of the area. The institution offers a variety of traditional deposit products, including checking, savings, and certificates of deposit. Alternative banking services include telephone, online, mobile banking, electronic periodic statements, bill payment, and mobile check deposit.

Per the Consolidated Reports of Condition and Income dated December 31, 2025, the bank reported total assets of \$141.7 million; total deposits of \$124.1 million; and total loans of \$67.0 million. The following table illustrates the bank's loan portfolio as of December 31, 2025.

<b>Loan Portfolio Distribution as of 12/31/2025</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction, Land Development, and Other Land Loans	0	0.0
Secured by Farmland	9,172	13.7
Secured by 1-4 Family Residential Properties	980	1.5
Secured by Multifamily (5 or more) Residential Properties	0	0.0
Secured by Nonfarm Nonresidential Properties	15,884	23.7
<b>Total Real Estate Loans</b>	<b>26,036</b>	<b>38.9</b>
Commercial and Industrial Loans	20,039	29.9
Agricultural Production and Other Loans to Farmers	5,774	8.6
Consumer Loans	14,920	22.3
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	208	0.3
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
<b>Total Loans</b>	<b>66,977</b>	<b>100.0</b>
<i>Source: Reports of Condition and Income; Due to rounding, totals may not equal 100.0%.</i>		

Aside from statutory lending limits, 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 CRA requires each financial institution to define one or more assessment areas within which its performance will be evaluated. Security State Bank of Warroad designated a single assessment area in northern Minnesota. The assessment area previously contained one census tract (4604) in the western part of Lake of the Woods County and two census tracts (9701 and 9704) in the eastern half of Roseau County. While the boundaries are unchanged from the prior evaluation, the census tract (4604) in Lake of the Woods County was split into two census tracts (4604.01 and 4604.02) in conjunction with the 2020 Census. No changes were made to the census tracts in Roseau County. The main office and limited-service facility both operate in Census Tract 9701 in Roseau County.

### **Economic and Demographic Data**

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 #	N/A* % of #
Geographies (Census Tracts)	4	0.0	0.0	100.0	0.0	0.0
Population by Geography	9,752	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	6,614	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	2,976	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	616	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	3,022	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	930	0.0	0.0	100.0	0.0	0.0
Farms by Geography	102	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	2,497	19.8	19.4	25.3	35.5	0.0
Household Distribution by Income	3,592	19.6	16.3	22.7	41.4	0.0
Minnesota Nonmetropolitan Median Family Income		\$74,710	Median Housing Value			\$ 183,151
			Median Gross Rent			\$615
			Families Below Poverty Level			8.5%
<i>Source: 2020 Census And 2025 D&amp;B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.</i>						

D&B data for 2025 indicates that the largest portion of businesses in the assessment area are non-classifiable establishments at 13.7 percent followed by agriculture, forestry, fishing, and hunting at 9.9 percent. Bank management noted that the single largest impact to the local economy comes from a large window manufacturer in Warroad, followed by tourism.

### **Competition**

The assessment area is somewhat competitive for financial services. Based on June 30, 2025, FDIC Deposit Market Share data, 4 FDIC-insured financial institutions operate 8 offices within Lake of the Woods and Roseau counties. Of these, Security State Bank of Warroad ranked 3<sup>rd</sup> with 17.6 percent of the deposit market share.

### **Community Contacts**

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying credit needs. This information helps to determine what credit opportunities are available and whether local financial institutions are responsive to those needs.

For this evaluation, examiners reviewed a previously conducted interview with an individual familiar with economic development in the area. The contact noted that there are workforce shortages in northwest Minnesota, specifically mentioning that Warroad businesses have had to find workers from other parts of the United States to fill gaps in their workforces. The contact indicated there are financing needs for new start-up businesses, especially those that do not have strong collateral or equity positions. The individual mentioned that their entity has a good working relationship with several local banks.

### **Credit Needs**

Based on information from bank management, the community contact, and demographic and economic data, examiners concluded that commercial lending is the primary credit need in the assessment area, followed by agricultural and consumer lending.

## **SCOPE OF EVALUATION**

### **General Information**

This evaluation covers the period from the prior evaluation dated August 3, 2020, to the current evaluation dated April 13, 2026. Examiners used Interagency Small Bank Examination Procedures to evaluate the institution's CRA performance. These procedures evaluate the institution's performance according to the Lending Test criteria as detailed in the Appendices.

### **Activities Reviewed**

Bank records and management indicated that the lending focus and product mix remained relatively consistent throughout the evaluation period. Based on business strategy, loan volume, and Reports of Condition and Income data, examiners determined the bank's primary lending focus is commercial lending, followed by agricultural lending. Therefore, examiners analyzed all 181 small business loans totaling \$15.0 million and 67 small farm loans totaling \$5.4 million that were originated, extended, renewed, or purchased in 2025 for the Assessment Area Concentration criterion. Examiners did not consider loans that were originated and subsequently paid off during this timeframe as this information was not readily available. Home mortgage loans were not reviewed as they are no longer offered and represent only a small percentage of the bank's overall portfolio.

Examiners did not analyze the Geographic Distribution criteria since the assessment area does not contain any low- or moderate-income census tracts and a review would not result in meaningful conclusions. For the Borrower Profile criterion, examiners reviewed a sample of 47 small business loans totaling \$4.3 million and 36 small farm loans totaling \$2.3 million that were originated, extended, renewed, or purchased within the assessment area in 2025. D&B data for 2025 provided a standard of comparison for the small business and small farm loans. Small business lending received the most weight when assessing the bank's performance since commercial lending is the bank's primary lending focus. While both the number and dollar volume of loans are presented, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of businesses and farms served.

## CONCLUSIONS ON PERFORMANCE CRITERIA

### LENDING TEST

Security State Bank of Warroad demonstrated satisfactory performance under the Lending Test. Reasonable performance for Loan-to-Deposit Ratio and Assessment Area Concentration coupled with excellent performance for Borrower Profile supports this conclusion.

#### Loan-to-Deposit Ratio

The institution's loan-to-deposit ratio is reasonable given the institution's size, financial conditions, and assessment area credit needs. Examiners selected comparable institutions based on asset size, branching structure, geographic location, and lending focus. As reflected in the following table, the bank's loan-to-deposit ratio is slightly lower than comparable institutions. While all three banks saw decreases in their loan-to-deposit ratios during the same period, all experienced increases to net loans and total deposits. Security State Bank of Warroad's total loans increased nearly 26.0 percent since the prior evaluation while deposit growth was nearly 27.0 percent. The First National Bank of Bagley's net loans and total deposits increased by 35.0 percent and 32.5 percent, respectively. Similarly, Citizens State Bank of Roseau's net loans and total deposits increased by 23.8 percent and 14.6 percent, respectively.

<b>Loan-to-Deposit (LTD) Ratio Comparison</b>		
<b>Bank</b>	<b>Total Assets as of 12/31/2025 (\$000s)</b>	<b>Average Net LTD Ratio (%)</b>
The First National Bank of Bagley, Bagley, Minnesota	128,042	64.6
Citizens State Bank of Roseau, Roseau, Minnesota	286,519	57.1
<b>Security State Bank of Warroad, Warroad, Minnesota</b>	<b>141,722</b>	<b>50.4</b>
<i>Source: Reports of Condition and Income 6/30/2020 - 12/31/2025</i>		

#### Assessment Area Concentration

A majority of small business and small farm loans, by both number and dollar volume, were located inside the assessment area, reflecting reasonable performance. The following table provides details.

<b>Lending Inside and Outside of the Assessment Area</b>										
<b>Loan Category</b>	<b>Number of Loans</b>				<b>Total #</b>	<b>Dollar Amount of Loans \$(000)</b>				<b>Total \$(000)</b>
	<b>Inside</b>		<b>Outside</b>			<b>Inside</b>		<b>Outside</b>		
	#	%	#	%		\$	%	\$	%	
Small Business	124	68.5	57	31.5	181	9,921	66.2	5,076	33.8	14,997
Small Farm	56	83.6	11	16.4	67	3,903	72.9	1,453	27.1	5,356
<i>Source: Bank Data, as reported; Due to rounding, totals may not equal 100.0%.</i>										

#### Geographic Distribution

The assessment area does not include any low- or moderate-income geographies, and a review of the Geographic Distribution criterion would not result in meaningful conclusions. Therefore, this criterion was not evaluated and did not affect the rating.

**Borrower Profile**

The distribution of borrowers reflects excellent penetration among businesses and farms of different sizes. Examiners focused on the bank’s performance, by number of loans, to businesses and farms with gross annual revenues of \$1 million or less.

***Small Business Loans***

The distribution of borrowers reflects excellent penetration among businesses of different sizes. As illustrated in the following table, the bank’s performance exceeds comparable D&B data.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<= \$1,000,000	88.8	45	95.7	4,126	96.5
> \$1,000,000	1.7	2	4.3	150	3.5
Revenue Not Available	9.5	0	0.0	0	0.0
<b>Total</b>	<b>100.0</b>	<b>47</b>	<b>100.0</b>	<b>4,276</b>	<b>100.0</b>
<i>Source: 2025 D&amp;B Data; Bank Data; Due to rounding, totals may not equal 100.0%.</i>					

***Small Farm Loans***

The distribution of borrowers reflects excellent penetration among farms of different sizes. All of the 36 small farm loans reviewed were to operations with gross annual revenues of \$1 million or less. This performance exceeds comparable D&B data, which indicates that 96.1 percent of farms in the assessment area have revenues in this income category.

**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.