



Office of the
Comptroller of the Currency
Washington, DC 20219

LIMITED PURPOSE BANK

PUBLIC DISCLOSURE

January 31, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Credit One Bank, National Association
Charter Number: 20291

6801 South Cimarron Road
Las Vegas, NV 89113

Office of the Comptroller of the Currency

Midsized Bank Supervision
400 7th St. SW, Suite 3E-218
Mail Stop 10E-8E-11
Washington, D.C. 20219

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

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Overall CRA Rating

Institution's CRA Rating: This institution is rated *Outstanding*.

The major factors that support this rating include:

- The institution demonstrates a high level of community development (CD) services and qualified investment activity.
- The institution demonstrates occasional use of innovative or complex qualified investments, or CD services.
- The institution exhibits excellent responsiveness to CD needs in its assessment area (AA).

Description of Institution

Credit One Bank, N.A. (Credit One or bank) is a technology and data-driven financial services company offering a full range of consumer credit card products. Credit One, formerly First National Bank of Marin (FNBM), is headquartered in Las Vegas, Nevada. The bank has no branches. The bank began operations as FNBM in San Rafael, California in July 1984 as a full-service bank. FNBM maintained a wide range of products until 1995 when it began focusing primarily on one type of product, a partially secured credit card. FNBM received a Limited Purpose Designation, Competitive Equality Banking Act (CEBA) credit card bank, from the OCC in June 1996. CEBA banks are restricted to credit card operations, maintain only one office, and do not accept demand deposits or savings or time deposits of less than \$100,000 (other than to secure extensions of credit). The bank moved from San Rafael, California to Las Vegas, Nevada in November 1998. Effective February 1, 2006, FNBM changed its name to Credit One.

Credit One is a wholly-owned subsidiary of Credit One Financial (COF). COF is an S-Corporation affiliated with Sherman Financial Group, LLC (SFG) through common beneficial ownership. SFG, a diversified consumer finance company, is privately held and located in Charleston, SC.

Credit One's current portfolio consists of unsecured credit cards that were issued to sub-prime and prime borrowers. The emphasis of the current marketing strategy remains in keeping with its long-embraced goal of providing a viable credit vehicle to troubled borrowers to establish and repair their credit. Customer contacts for these products occur over the telephone, through the mail, and through the Internet. More than 95 percent of the bank's receivables are sold daily without recourse.

Table 1: Financial Information (000s)

	Year-end 2018	Year-end 2019	Year-end 2020	YTD 9/30/2021	Average for Evaluation Period
Tier 1 Capital	192,331	264,253	321,934	341,300	279,955
Total Income	690,898	844,244	827,198	752,514	778,714
Net Operating Income	176,905	219,923	247,369	249,496	223,423
Total Assets	385,194	639,161	803,193	878,394	676,486
Pass Through Receivables /Managed Assets	6,835,372	7,783,060	6,811,592	7,307,190	7,184,304

Source: Consolidated Report of Condition and Income and bank reported data. Annualized data reported.

Scope of the Examination

Evaluation Period/Products Evaluated

In evaluating the bank's performance under the CRA, we reviewed CD activities from January 1, 2018 through December 31, 2021. We reviewed the level and nature of qualified investments and CD services. At the prior examination dated November 26, 2018, we rated the bank Outstanding.

The bank has adequately addressed the needs of its AA, and therefore, outside of AA qualified investments and/or services were considered in evaluating its performance.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Nevada

CRA Rating for Nevada: ***Outstanding***

The major factors that support this rating include:

- The bank demonstrates a high level of CD services and qualified investment activities in the state of Nevada.
- The bank demonstrates occasional use of innovative or complex qualified investments, or CD services in the state of Nevada.
- The bank exhibits excellent responsiveness to credit and CD needs in the state of Nevada.

Description of Assessment Area(s)

Credit One’s AA, based on 2015 ACS US Census data, consists of Las Vegas-Henderson-Paradise, NV Metropolitan Statistical Area (MSA) #29820. The bank’s AA consists of all 487 census tracts of this MSA. The bank’s AA conforms to regulatory requirements and does not arbitrarily exclude low- and moderate-income geographies.

According to the 2015 ACS US Census data, total population for this AA is 2,035,572. The distribution of the population by income level was 5.01 percent in low-income tracts, 25.28 percent in moderate-income tracts, 39.20 percent in middle-income tracts, 30.29 percent in upper-income tracts, and 0.21 percent as NA.

Total housing units in the AA was 857,131. Total owner-occupied units for the AA was 380,425, the distribution of owner-occupied units by income level was 1.90 percent of units in low-income census tracts, 16.89 percent of units in moderate-income census tracts, 41.70 percent of units in middle-income census tracts, and 39.49 percent of units in upper-income census tracts.

Total rental-occupied housing units in the AA were 344,021. The rental-occupied housing units in the AA represent 8.73 percent of units in low-income census tracts, 33.00 percent of units in moderate-income census tracts, 36.90 percent of units in middle-income tracts, and 21.15 percent of units in upper-income tracts.

Total vacant units in the AA were 132,685. The vacant units represent 8.73 percent of units in low-income census tracts, 33.00 percent of units in moderate-income census tracts, 36.90 percent of units in middle-income census tracts, and 21.15 percent of units in upper-income census tracts.

According to the 2015 ACS data, the AA median housing age was 39, 36, 23, and 16 for the housing stock in the low, moderate, middle, and upper-income tracts, respectively. According to the U.S. ACS Census 2015, Dun & Bradstreet Data, the largest businesses in the AA are services at 40.50 percent, retail trade at 13.78 percent, and finance insurance and real estate at 9.36 percent.

According to Moody Analytics, Las Vegas-Henderson-Paradise’s largest employers in the AA are Nellis Air Force Base, Mandalay Bay Resort, Las Vegas Sands, Caesars Entertainment Corporation, MGM Resorts International, Flamingo Las Vegas Hotel and Casino, Orleans Hotel and Casino, Planet Hollywood, and Aquarius Casino Resort.

Table 2: Assessment Area Description

	Number	Low	Moderate	Middle	Upper	NA
Tracts	487	6%	26%	37%	31%	NA
Families	465,442	4%*	23%*	40%*	33%*	NA
Businesses	129,471	4%**	21%**	38%**	36%**	1%**

Source: Demographic Data - 2015 American Community Survey, Dun & Bradstreet Data.

* Represents families by income level.

** Represents businesses by income level of census tract.

Based upon the FDIC market share data as of June 30, 2021, Credit One achieved a 0.30 percent market share of deposits, ranking 19th among 42 financial institutions in the AA.

Banking competition is strong in the Las Vegas-Henderson-Paradise, NV MSA #29820, which has a large number of commercial banks, including large national banks such as Bank of America, National Association with a market share of 18.64 percent; Wells Fargo Bank, National Association with a market share of 18.11 percent; Wells Fargo National Bank West with a market share of 16.63; Charles Schwab Trust Bank with a market of 10.30 percent; and JP Morgan Chase Bank, National Association with a market of 6.76 percent. Several large multi-state regional institutions have extensive branch networks, which give them the ability to combine CD activities with their retail banking offices and products. These financial institutions compete for a limited supply of qualified CD opportunities in the Las Vegas-Henderson-Paradise, NV MSA to support CRA performance. The opportunity for Credit One to obtain any sizable portion of qualified investments benefiting its AA is very challenging.

Housing affordability in this area remains a challenge for low-income and moderate-income families. According to Realtor.com, the median home sales price in Las Vegas-Henderson-Paradise MSA increased from \$341,450 during 2018 to \$447,500 at the end of 2021 resulting in a 31.06 percent increase. This increase in home prices has strained the affordable housing market of the bank's AA.

The 2018 median family income was \$72,400. Low-income and moderate-income ranges were less than \$36,200 and \$36,201 and \$57,920 respectively. Families below the poverty level are 13.88 percent.

According to Bureau of Labor Statistics, unemployment for the evaluation period was 4.3 percent; 3.6 percent; 8.2 percent; and 6.4 percent (estimated) for 2018 thru 2021. The unemployment rate for the state of Nevada was higher than the national rate of 3.9 percent; 3.6 percent; 6.7 percent; and 3.9 percent for the same time periods.

The OCC's Community Affairs Officers completed four community contact interviews regarding community needs in the AA during the evaluation period. The identified needs within the AA are based on community contact or CD listening sessions, which include the following:

- Affordable Housing financing options, down payment assistance, and closing costs assistance for LMI families in this AA.
- Small dollar business loans of \$25,000 or less for start-up businesses.
- Affordable rental units are needed in the AA. Current rental investments are not targeting LMI individuals or areas of the communities.
- Community Development Financial Institution investments and more local bank participation is needed within this AA.
- Investments in preventative education, workforce development programs for youth, and childcare.
- Banks and nonprofits partnering with various government agencies to help get the word out on available programs such as SBA, and workforce development opportunities.

Conclusions About Performance

Summary

- Credit One's level of qualified investments and CD services is outstanding given the available opportunities, competition from full-service banks, its financial condition, and the unique nature of banking operations.
- Credit One did use innovative or complex qualified investments or CD services to meet the needs of its AA. For this review period, the bank invested \$8.1 million into a CRA Investment Fund, which funded some of the LMI housing needs of its AA as noted in Table 5. In addition, bank management also invested in two new LIHTCs (CRA Fund) that targeted two LMI apartment buildings within the bank's AA. (See page 9 of this evaluation)
- The bank exhibits outstanding responsiveness to CD needs within the AA. Credit One's qualified investments provided affordable housing and social programs targeted to low- and moderate-income individuals within the bank's AA.

Qualified Investments

Credit One's qualified investments that benefited the bank's AA totaled \$14.5 million. Since the bank adequately addressed its AA needs, qualified investments totaling \$2 million that benefited areas outside the bank's AA had a positive impact on the overall CRA rating. The level of investments benefitting the AA represented 5.18 percent of tier one capital, while outside AA investments represented 0.71 percent of tier 1 capital.

Management monitors earnings and capital levels to contributions made inside and outside the bank's AA. For inside the AA, the bank maintains a target of 1 percent or more of earnings to contributions. For this review period, the bank's average earnings to contributions were 1.01 percent. For capital to contributions, the bank maintains a target of 3 percent or more. For this review period, the bank's average capital to contributions was 3.04 percent.

Credit One management and some employees have provided qualifying services to various community organizations inside its AA. This level of qualified investment is outstanding given the nature of bank operations, its financial condition, competition, and available opportunities. Qualified investments were responsive to community needs as they were responsive to the identified community needs within its AA that target LMI residents.

Table 3: Qualified Investment Activity (000s)

	Benefits AA	Outside AA**	Totals
Originated Investments	\$8,058	\$0	\$8,058
Originated Grants	\$6,450	\$2,000	\$8,450
Prior-Period Investments that Remain Outstanding	\$0	\$0	\$0
Total Qualified Investments	\$14,508	\$2,000	\$16,508
Unfunded Commitments*	\$0	\$0	\$0

* “Unfunded Commitments” - legally binding investment commitments tracked and recorded by the bank’s financial reporting system.

** Investments included in the Benefits AA column are in the AA or in the broader statewide or regional area that includes the AA.

Table 4: Qualified Investment Percentages

	Benefits AA*	Outside AA**
Total Investments/Average Tier 1 Capital	5.18%	0.71%
Total Investments/Average Total Income	1.86%	0.26%
Total Investments/Average Pass-Through Receivables	0.20%	0.03%

* Investments included in the Benefits AA column are in the AA or in the broader statewide or regional area that includes the AA.

Community Services for Low- and Moderate-Income Individuals: \$6.5 million

The bank provided a total of \$1.2 million, \$1.5 million, \$1.8 million, and \$2 million in community services for low- and moderate-income individuals for the periods of 2018 through 2021, respectively. Examples of the donations or grants are as follows:

- Credit One donated \$285,000 to The Shade Tree, whose mission is to provide a safe shelter to homeless and abused woman, children, and their pets in crisis and to offer life changing services promoting stability, dignity, and self-reliance. The Shade Tree is a designated SAFE place for all community youth. Many of the Shade Tree clients are LMI individuals and families in the bank’s AA.
- Credit One donated \$450,000 to US VETS, Inc., of Las Vegas to support homeless veterans by placing them into transitional and permanent housing and by providing homeless prevention services. Funds also support clients by leasing apartments for homeless veterans, providing temporary financial assistance for rent or security deposits, and paying for miscellaneous expenses to assist veterans such as storage costs during housing transition.
- Credit One donated \$445,000 to Neighborhood Housing Services of Southern Nevada (NHSSN). The donation will fund the affordable housing, homeownership, and neighborhood revitalization programs targeted at areas throughout southern Nevada to help LMI individuals and families. For this review period, 531 LMI households received down payment assistance, 1,065 individuals received homebuyer education, and 743 individuals received pre- and post-purchase housing counseling. Of the people helped by NHSSN, 74 percent are LMI residents within the bank’s AA.

- Credit One donated \$185,000 to fund the operations of Candlelighters Childhood Cancer foundation of Nevada (CCC). CCC provides support, education, and advocacy through programs and services for children and adolescents with cancer, families, and the professionals that care for them. CCC provides funding for travel, treatment, counseling, and funeral arrangements for those in need. During this review period, 61 percent of the families that received assistance from CCC fell below the 80 percent of the median family income level for Nevada. CCC helps over 300 families annually.
- Credit One donated \$2 million to fund the operations of the Meeting Street Academy (Meeting Street) located in Charleston, South Carolina. The mission of Meeting Street is to establish and maintain a rich and dynamic learning environment for children from families who care about a quality education but cannot afford a traditional private school cost. The goal of Meeting Street is to provide a college preparatory education program for approximately 200 children from LMI families. This qualified investment activity benefits an area outside the broader statewide or regional area.

Affordable Housing: \$8.1 million

- Credit One donated \$30,000 to fund the operations of Habitat for Humanity Las Vegas (HHLV). HHLV builds decent affordable homes for LMI families in need. HHLV program provides home ownership orientation classes, material, and volunteer labor to assist homebuyers with building their homes with a 0 percent interest mortgage for the life of the loan. HHLV has served 20 homes within the bank’s AA.
- Credit One donated \$115,000 to Rebuilding Together Southern Nevada (RTS). RTS is a national nonprofit organization with a network of over 225 affiliates across the US. Their goal is to preserve affordable housing by bringing volunteers and communities together to rehabilitate 361 homes per year for low-income homeowners.
- Credit One invested \$8.1 million in a CRA Qualified Investment Fund, which is an open-end mutual fund. The fund targets LMI properties within the bank’s AA with borrower’s income less than 80 percent of AMI. For this evaluation period, the fund financed 49 properties within the AA with some reflected in Table 5 below.

Table 5: Housing Related Investments in the Bond Fund

Loan#	City	Loan Amount	Borrower Income	% of MFI
3413694016	North Las Vegas	\$99,888	\$33,679	51.97
3420239704	Las Vegas	\$100,000	\$30,098	46.44
3489871220	Las Vegas	\$104,100	\$28,256	39.02
3419205163	Laughlin	\$96,903	\$49,352	76.16
3397586124	Las Vegas	\$105,400	\$31,200	50.40
3427917466	Henderson	\$121,250	\$37,440	57.77

Since the last CRA evaluation, bank management committed funds for two new Fannie Mae Pools that finance LIHTC within its AA. This investment is part of the bank’s CRA Qualified Investment Fund and shows management’s continued commitment to meeting the housing needs within its AA.

- Fannie Mae Pool BL6240 finances the Paseo del Prado Apartments (LIHTC) property in Henderson, NV. The apartment has 119 residential units of which 11 or 9 percent of the units were for LMI residents. The 11 units are as follows: 2-units reserved for tenants whose income is less than 30 percent of AMI; 2-units reserved for tenants whose income is less than 40 and 50 percent of AMI; and 7-units reserved for tenants whose income is less than 60 percent of AMI.
- Fannie Mae Pool BL7910 finances the Annabelle Pines Senior Apartments (LIHTC) property in Henderson, NV. The apartment has 154 units for very low and low-income residents. The 154 units are as follows: 7-units reserved for residents whose income is less than 30 percent of AMI; 6-units reserved for residents whose income is less than 40 percent of AMI; 128-units reserved for residents whose income is less than 50 percent of AMI, and 13-units reserved for residents whose income is less than 60 percent of AMI.

CD Services

Table 6: CD Service Activities

CD Service	Benefits AA*	Outside AA**
CD Service Activities 2018	1,286	0
CD Service Activities 2019	957	0
CD Service Activities 2020	627	0
CD Service Activities 2021	1,631	0

* CD services included in the Benefits AA column are in the AA or in the broader statewide or regional area that includes the AA.

For the CRA review period of 2018 thru 2021, the Board of Directors, bank officers, and bank employees served a total of 4,501 hours to various community organizations within the bank’s AA that cater to helping LMI residents and families. Listed below are examples of the hours and organizations served:

- Credit One officer served 218 hours providing financial expertise in drafting, reviewing, and approving the agency’s budget and five-year strategic plan to the non-profit organization HELP of Southern Nevada (HSN) to help individuals throughout southern Nevada to overcome barriers and attain self-sufficiency through direct services, training, and referral to community services. HSN offers various programs for LMI families and individuals such as home weatherization for low-income seniors, displaced homemaker, community alternative sentencing, emergency resource services, family services, homeless services, and holiday assistance.
- Credit One officer served 72 hours providing technical assistance on financial matters and facilitating affordable housing construction for Home-Aid Southern Nevada (HAS). HAS

was created as the nonprofit arm of the Southern Nevada Home Builders Association, which is made up of homebuilders and sub-contractors. The homebuilders and their subs select projects and donate their time and material to either rehabilitate LMI housing or rental property to preserve beds for the homeless or build new facilities. The overall mission of this nonprofit is building new lives for southern Nevada's homeless through housing and community outreach.

- Four Credit One officers served a total of 139 hours providing various technical assistance on financial matters such as reviewing and approving the agency's budget and five-year strategic plans of the Boys and Girl Club of Las Vegas (GBLV). GBLV supports five core programs (after school programs for LMI families) and services and operational funding for five of the eight centers in the LMI sectors of the bank's AA. Many of the youth in these programs are from the ages of six to ten from LMI at-risk environments.
- Two Credit One Senior Officers served a total of 40 hours providing technical financial assistance to various committees of The Academy of Finance (AOF) that deals with budgeting and fundraising for its operations. The Academy of Finance at Clark High School focuses on a specialized finance and business coursework. The funds will fund the AOF business mentoring program, summer internship program, and advisory board of business executive from the community. The majority of AOF students (approximately 75 percent) are ethnic minorities from low-income working-class families.

Appendix A: Summary of MMSA and State Ratings

RATINGS: Credit One Bank, N.A.	
Overall Bank:	Overall Bank Rating:
Credit One Bank, N.A.	Outstanding
State:	State Rating:
Nevada	Outstanding

Appendix B: Definitions and Common Abbreviations

The following terms and abbreviations may be used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, 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 conduct 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, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

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 assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is

the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties 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 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose CD.

Rating Area: A rated area is a state or multi-state metropolitan statistical 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 multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

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

Small Loan(s) to Farm(s): A loan included in ‘loans to small farms’ as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders’ equity, perpetual preferred shareholders’ equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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