# PUBLIC DISCLOSURE

July 8, 2024

# COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First National Bank of Elmer
Charter Number: 6707

10 South Main Street
Elmer, NJ 08318

Office of the Comptroller of the Currency

1150 Northbrook Dr., Suite 303
Trevose, PA 19053

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, and should not 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 **Satisfactory.**

**The lending test is rated: Satisfactory.**

The major factors that support this rating include:

- The lending test rating is based on the State of New Jersey.
- The First National Bank of Elmer (FNBE) quarterly average net loan-to-deposit (LTD) is reasonable.
- The bank originated a majority of its home mortgage loans in the assessment area (AA).
- No CRA-related complaints were received since the previous evaluation.

## Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD is reasonable. FNBE's quarterly average net LTD ratio over the 12-quarter evaluation period was 79.5 percent. During this period, the LTD ratio ranged from a quarterly low of 71.2 percent to a quarterly high of 88.2 percent. FNBE's quarterly average net LTD ratio compares favorably to a custom peer group comprised of other New Jersey financial institutions of similar size. The quarterly average net LTD ratio for the custom peer group was 61.7 percent over the same 12 quarters. The custom peer group quarterly LTD ratios ranged from a low of 53.6 percent to a high of 70.8 percent during that period.

## Lending in Assessment Area

A majority of the bank's loans are inside its AA.

The bank originated and purchased 65.7 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

The below table illustrates the number and dollar volume of home mortgage loans the bank originated inside and outside the AA.

| Lending Inside and Outside of the AA | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Loan Category | Number of Loans | | | | Total | Dollar Amount of Loans | | | | Total |
| | Inside | | Outside | | | Inside | | Outside | | |
| | # | % | # | % | # | $ | % | $ | % | $ |
| Home Mortgage | | | | | | | | | | |
| 2021 | 54 | 72.0 | 21 | 28.0 | 75 | 9,178,999 | 46.9 | 10,380,452 | 53.1 | 19,559,450 |
| 2022 | 48 | 62.3 | 29 | 37.7 | 77 | 8,819,725 | 37.4 | 14,740,700 | 62.6 | 23,560,425 |
| 2023 | 44 | 69.8 | 19 | 30.2 | 63 | 66,906,786 | 84.6 | 12,217,925 | 15.4 | 79,124,711 |
| **Total** | **146** | **67.9** | **69** | **32.1** | **215** | **84,905,510** | **69.5** | **37,339,007** | **30.5** | **122,244,586** |

*Source: Bank Data*
*Due to rounding, totals may not equal 100.0%*

## Description of Institution

FNBE is a locally owned community bank established in 1903. The main office is in the Borough of Elmer, Salem County, New Jersey. FNBE is a wholly owned subsidiary of Elmer Bancorp, Inc. a single bank holding company established in 2001. FNBE maintains one subsidiary, the First Elmer Investment Corporation, a Delaware corporation established to manage the bank's investment portfolio. The subsidiary does not affect the bank's capacity for community reinvestment and is not considered in this evaluation.

As of December 31, 2023, FNBE had one rating area, and operated within one AA in the state of New Jersey, which consists of the entirety of Vineland, NJ Metropolitan Statistical Area (MSA) and portions of the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA, where the bank has physical locations. FNBE operates six full-service branches located throughout Salem, Cumberland, and Gloucester counties. FNBE also has one executive office and two operations offices in Salem County, New Jersey. The six branches offer 24-hour ATM, drive-in banking, and night depository services to their customers. The bank has extended lobby hours on Fridays as well as Saturday hours for all branch offices. The bank did not open or close any branches during the evaluation period. The bank had no mergers or acquisitions during the evaluation period. FNBE is a full service, community bank offering a standard range of retail and commercial products. The scope of retail products includes checking and savings accounts, money market accounts, certificate of deposits, home mortgages, home equity loans, and home equity lines of credit. Commercial products include checking and money market accounts, commercial real estate loans, lines of credit, and construction loans, focusing on small and medium sized businesses.

As of December 31, 2023, FNBE reported total assets of $364.6 million and tier one capital of $34.5 million. FNBE also reported net loans and leases of $285.7 million or 78.4 percent of total assets. Total deposits were $330.1 million or 90.6 percent of total assets. There are no financial or legal impediments to hinder FNBE's ability to help meet the credit needs of its communities. FNBE's previous CRA Performance Evaluation (PE), dated June 8, 2021, was rated "Satisfactory".

# Scope of the Evaluation

## Evaluation Period/Products Evaluated

The Office of the Comptroller of the Currency (OCC) evaluated FNBE using the Small Bank CRA examination procedures, which only includes a lending test. The lending test considers the bank's performance pursuant to the following criteria: loan-to-deposit ratio analysis, geographic distribution, borrower distribution, and response to CRA complaints. The evaluation period is January 1, 2021, through December 31, 2023. The consideration and evaluation of community development activities is optional under the Small Bank examination procedures and were not completed for this review.

Based on a review of the number and dollar amount of loans originated and purchased, the OCC determined FNBE's primary loan products were commercial real estate and home mortgage loans based on the balance sheet composition as of December 31, 2023. Commercial real estate loans totaled 50.9 percent of gross loans and leases and 1-4 family residential real estate loans totaled 38.1 percent of gross loans and leases.

Due to changes to demographic data and census tract income-level designations that resulted from the 2020 U.S. Census data that became effective January 1, 2022, the OCC conducted a separate analysis of FNBE's lending performance during the January 1, 2021 through December 31, 2021 period (2021 period) from the January 1, 2022 through December 31, 2023 period (2022-2023 combined period). Examiners analyzed FNBE's home mortgage lending performance for the 2021 period using the 2015 American Community Survey (ACS) demographic data. For the 2022-2023 combined period, examiners used the 2020 U.S. Census demographic data to analyze FNBE's lending performance. Examiners provided more consideration to FNBE's lending performance during the 2022-2023 combined period as this represented a longer period of performance. Appendix D includes separate lending data for each of the evaluation periods.

During the 2021 and 2022 calendar years, the Home Mortgage Disclosure Act (HMDA) reporting threshold for closed-end mortgages increased from 25 closed-end mortgage loans in the two preceding years to 100 closed-end mortgage loans in the two preceding years. As a result of this increase, FNBE did not meet the HMDA loan volume threshold in 2021 or 2022, therefore, the OCC utilized internal records of home mortgage loan originations to evaluate CRA performance. For the 2023 calendar year, the loan volume threshold decreased to 25 closed-end mortgage loans. Although FNBE was not a HMDA reporter during 2021-2022, FNBE collected the data in the same format and the OCC leveraged the data for the review. For 2023, FNBE reported lending data on the HMDA LAR.

The HMDA data was tested and found to be reliable. FNBE does not report small business lending in the CRA loan register.

## Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details

regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

**Ratings**

FNBE's overall rating is based solely on its performance in the State of New Jersey. The State of New Jersey rating is derived from the bank's performance under the CRA Small Bank Lending Test based on the bank's performance in relation to its home mortgage lending.

# Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 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 AA 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 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 New Jersey

**CRA rating for the State of New Jersey:** Satisfactory.
**The lending test is rated:** Satisfactory.

The major factors that support this rating include:

- FNBE originated a majority of its home mortgage loans in the AA.
- FNBE's LTD ratio is reasonable and compares favorably to the custom peer group.
- FNBE's geographic distribution of home mortgage loans are reasonable given the AA's demographics.
- FNBE's distribution of loans to individuals of different income levels is reasonable.

## Description of Institution's Operations in New Jersey

The bank operates only in the state of New Jersey and provides its products through its home office and two other branches located in middle-income census tracts and three other branches in upper-income census tracts based on FFIEC 2023 Census Demographic Data. The bank's primary business is home mortgage lending and commercial lending. The Elmer AA consists of three FFIEC MSA/MDs: Camden, NJ MD, Vineland-Bridgeton, NJ MSA, and Wilmington, DE-MD-NJ MD. Within these MSA/MDs, the bank operates in Gloucester County, Cumberland County, and Salem County, NJ, respectfully.

There is a high level of competition for financial services in the AA. According to the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share data as of June 30, 2023, 23 financial institutions operate 115 full-service offices in the AA. Of those institutions, FNBE ranked 12$^{th}$ with 2.2 percent of the market share. The top four depository institutions, TD Bank, NA (23.0 percent), Truist Bank (14.0 percent), Fulton Bank, NA (11.0 percent), and OceanFirst, NA (8.4 percent) represented 56.4 percent of the deposit market share in the AA.

The bank faces strong competition from a high number of other financial institutions and non-financial institutions that originate mortgage loans within the AA. According to peer mortgage data for 2023, FNBE had a market share of 0.4 percent and ranked 63$^{rd}$ among 384 lenders based on the number of home mortgage loans originated or purchased in this AA. The top lenders in this AA based on market share were PennyMac Loan Services LLC, Nation One Mortgage Corporation, Rocket Mortgage, Amerihome Mortgage Company LLC, and Police and Fire Federal Credit.

Data obtained from the U.S. Bureau of Labor Statistics indicates that as of December 31, 2023, the average unemployment rate for Salem, Gloucester, and Cumberland counties were 5.4 percent, compared to 4.4 percent for the state of New Jersey and 3.6 percent nationally.

There were no changes to the bank's AA since the previous evaluation. The AA consists of Salem, Gloucester, and Cumberland counties. The AA is contiguous, meets the requirements of the CRA regulation, and does not arbitrarily exclude low and moderate-income (LMI) census tracts.

## Elmer AA

| Table 1 – Demographic Information of the AA<br>AA: Elmer AA 2021 | | | | | | |
|---|---|---|---|---|---|---|
| **Demographic Characteristics** | **#** | **Low % of #** | **Moderate % of #** | **Middle % of #** | **Upper % of #** | **NA* % of #** |
| Geographies (Census Tracts) | 123 | 3.3 | 14.6 | 56.9 | 21.1 | 4.1 |
| Population by Geography | 512,453 | 3.4 | 12.7 | 55.3 | 27.2 | 1.5 |
| Housing Units by Geography | 195,280 | 2.6 | 13.9 | 57.7 | 25.8 | 0.0 |
| Owner-Occupied Units by Geography | 134,008 | 0.8 | 9.6 | 60.6 | 28.9 | 0.0 |
| Occupied Rental Units by Geography | 44,975 | 7.2 | 23.9 | 50.3 | 18.6 | 0.0 |
| Vacant Units by Geography | 16,297 | 5.3 | 20.9 | 53.8 | 20.1 | 0.0 |
| Businesses by Geography | 39,858 | 2.6 | 12.7 | 55.1 | 29.6 | 0.0 |
| Farms by Geography | 1,587 | 1.1 | 5.9 | 60.2 | 32.8 | 0.0 |
| Family Distribution by Income Level | 127,076 | 19.7 | 17.2 | 21.3 | 41.8 | 0.0 |
| Household Distribution by Income Level | 178,983 | 23.5 | 15.3 | 18.0 | 43.3 | 0.0 |
| Median Family Income MSA - 15804 Camden, NJ | | $87,133 | Median Housing Value | | | $194,361 |
| Median Family Income MSA - 47220 Vineland-Bridgeton, NJ MSA | | $57,550 | Median Gross Rent | | | $1,019 |
| Median Family Income MSA - 48864 Wilmington, DE-MD-NJ | | $80,707 | Families Below Poverty Level | | | 8.4% |

*Source: 2015 ACS and 2021 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.*

According to the table above, the AA consists of census tracts 123, consisting of four low-income geographies, 18 moderate-income, 70 middle-income, 26 upper-income, and five geographies with no income classification.

| Table 2 – Demographic Information of the AA<br>AA: Elmer AA 2022-2023 Combined | | | | | | |
|---|---|---|---|---|---|---|
| **Demographic Characteristics** | **#** | **Low % of #** | **Moderate % of #** | **Middle % of #** | **Upper % of #** | **NA* % of #** |
| Geographies (Census Tracts) | 136 | 5.9 | 15.4 | 48.5 | 25.7 | 4.4 |
| Population by Geography | 521,283 | 4.7 | 14.8 | 52.2 | 26.5 | 1.8 |
| Housing Units by Geography | 197,963 | 4.3 | 15.2 | 54.2 | 25.9 | 0.4 |
| Owner-Occupied Units by Geography | 136,218 | 1.4 | 11.2 | 56.8 | 30.4 | 0.2 |
| Occupied Rental Units by Geography | 45,519 | 11.8 | 25.6 | 47.0 | 14.6 | 1.0 |
| Vacant Units by Geography | 16,226 | 7.8 | 20.3 | 52.2 | 18.9 | 0.9 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Businesses by Geography | 53,009 | 5.1 | 12.6 | 52.0 | 29.9 | 0.3 |
| Farms by Geography | 2,077 | 2.4 | 8.9 | 50.2 | 38.5 | 0.1 |
| Family Distribution by Income Level | 125,383 | 20.3 | 16.9 | 21.4 | 41.4 | 0.0 |
| Household Distribution by Income Level | 181,737 | 23.8 | 15.3 | 17.4 | 43.5 | 0.0 |
| Median Family Income MSA - 15804 Camden, NJ | | $100,987 | Median Housing Value | | | $200,393 |
| Median Family Income MSA - 47220 Vineland-Bridgeton, NJ MSA | | $67,467 | Median Gross Rent | | | $1,128 |
| Median Family Income MSA - 48864 Wilmington, DE-MD-NJ | | $93,347 | Families Below Poverty Level | | | 6.7% |

*Source: 2020 U.S. Census and 2023 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.*

According to the table above, the AA consists of 136 census tracts, consisting of eight low-income geographies, 21 moderate-income, 66 middle-income, 35 upper-income, and six geographies with no income classification.

**Housing**

The OCC considered housing affordability for low- and moderate-income borrowers as additional performance context when concluding on the bank's lending performance in its AAs. In determining housing affordability for low- and moderate-income borrowers, examiners used the median housing value in the AA to calculate an estimated monthly mortgage payment assuming a 30-year mortgage with a 6.5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses. Examiners calculated an estimated monthly income for low-income and moderate-income borrowers based on the median family income in Table 2 and compared the estimated monthly mortgage payment to the estimated monthly income for low-income and moderate-income borrowers. OCC examiners used a 6.5 percent fixed-interest rate based on the rise in interest rates during the 2022-2023 period.

Based on the median housing value, the calculated maximum affordable monthly mortgage payment was $1,267. Based on the median family income, the maximum affordable monthly mortgage payment ranged from $843 to $1,262 for low-income families and $1,349 to $2,020 for moderate-income families, depending on the MSA/MD.

Based on these calculations, low-income borrowers would be challenged to qualify for and affordable home mortgage financing in this AA.

**Community Contact**

Representatives from two community organizations were contacted during the evaluation period, which included an organization that provides affordable housing to low- and moderate-income families in Gloucester County, and an organization whose primary purpose is economic development in Cumberland County. Community contacts identified a need for affordable housing financing, financial literacy education, and information sharing.

## Scope of Evaluation in New Jersey

The bank operates only in the state of New Jersey. The OCC performed a full-scope evaluation of the bank's AA. The bank's AA is composed of three MSA/MDs, which were combined for the purpose of this evaluation. There are no limited-scope review areas.

# LENDING TEST

The bank's performance under the lending test in New Jersey is rated Satisfactory.

Demographic and performance context challenges, such as the limited availability of owner- occupied housing in low-income and moderate-income census tracts in the AA were considered. In evaluating the bank's geographic distribution of lending, the OCC provided more weight to the bank's performance in moderate-income geographies due to the limited number of low-income geographies. In evaluating the bank's distribution of loans to borrowers of different income levels, the OCC weighted the bank's lending to low- and moderate-income borrowers equally. The majority of owner-occupied housing units are in the middle-and upper- income census tracts and the majority of the bank's home mortgage lending was also in those respective tracts.

## Conclusions for Area Receiving a Full-Scope Review.

Based on a full-scope review, the bank's performance in the Elmer AA is adequate.

### Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the State.

***Home Mortgage Loans***

Refer to Table O in the state of New Jersey section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Based on tables in appendix D and the performance context factors discussed under the lending test section, the overall geographic distribution of the bank's home mortgage loans was reasonable.

**2021**

FNBE did not originate or purchase any home mortgage loans in low-income geographies during 2021. The percentage of home mortgage loans in moderate-income geographies was near to both the percentage of owner-occupied housing units in those geographies and the aggregate percentage of all reporting lenders.

**2022-2023**

The percentage of home mortgage loans in low-income geographies was near to both the percentage of owner-occupied housing units in those geographies and the aggregate percentage of all reporting lenders. The percentage of home mortgage loans in moderate-income geographies was near to both the percentage of owner-occupied housing units in those geographies and the aggregate percentage of all reporting lenders.

## Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to individuals of different income levels, given the product lines offered by the bank.

### *Home Mortgage Loans*

Refer to Table P in the state of New Jersey section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Based on tables in appendix D and the performance context factors discussed under the Lending Test section, the overall borrower distribution of the bank's home mortgage loans was reasonable.

### 2021

The percentage of home mortgage loans to low-income borrowers was significantly below the percentage of low-income families but was near to the aggregate percentage of all reporting lenders. The percentage of home mortgage loans to moderate-income borrowers approximated the percentage of moderate-income families and was near to the aggregate percentage of all reporting lenders.

### 2022-2023

The percentage of home mortgage loans to low-income borrowers was well below the percentage of low-income families but was near to the aggregate percentage of all reporting lenders. The percentage of home mortgage loans to moderate-income borrowers exceeded the percentage of moderate-income families and was near to the aggregate percentage of all reporting lenders.

### Responses to Complaints

FNBE did not receive consumer complaints regarding the bank's CRA performance of complaints indicating illegal or discriminatory lending practices during the evaluation period.

# Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term "full-scope," and those that received a less comprehensive review, designated by the term "limited-scope".

| **Time Period Reviewed:** | 01/01/2021 – 12/31/2023 | |
|---|---|---|
| **Bank Products Reviewed:** | Home Mortgage Loans | |
| **List of Assessment Areas and Type of Examination** | | |
| **Rating and Assessment Areas** | **Type of Exam** | **Other Information** |
| **New Jersey** | | |
| Elmer AA | Full Scope | Salem, Gloucester, and Cumberland counties |

# Appendix B: Summary of State Ratings

| RATINGS<br>FIRST NATIONAL BANK OF ELMER | |
|---|---|
| Overall Bank: | Lending Test Rating |
| First National Bank of Elmer | Satisfactory |
| State: | |
| New Jersey | Satisfactory |

# Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are 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 state/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 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

**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 state/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 community development.

**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.

# Appendix D: Tables of Performance Data

## Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the "bank" include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) "aggregate" is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

**Table O.** **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

**Table P.** **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/AA. The table also presents aggregate peer data for the years the data is available.

The total loan amount presented in the tables for each AA may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2021**

| AA: | Total Home Mortgage Loans | | | | Low-Income Tracts | | | Moderate-Income Tracts | | | Middle-Income Tracts | | | Upper-Income Tracts | | | Not Available-Income Tracts | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | # | $ | % of Total | Overall Market | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate |
| Elmer AA | 54 | 9,178,999 | 100.0 | 26,522 | 0.8 | 0.0 | 0.3 | 9.6 | 7.4 | 8.5 | 60.6 | 66.7 | 58.1 | 28.9 | 25.9 | 33.0 | 0.0 | 0.0 | 0.0 |
| **Total** | **54** | **9,178,999** | **100.0** | **26,522** | **0.8** | **0.0** | **0.3** | **9.6** | **7.4** | **8.5** | **60.6** | **66.7** | **58.1** | **28.9** | **25.9** | **33.0** | **0.0** | **0.0** | **0.0** |

*Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.*
*Due to rounding, totals may not equal 100.0%*

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2022-23**

| AA: | Total Home Mortgage Loans | | | | Low-Income Tracts | | | Moderate-Income Tracts | | | Middle-Income Tracts | | | Upper-Income Tracts | | | Not Available-Income Tracts | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | # | $ | % of Total | Overall Market | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate | % of Owner-Occupied Housing Units | % Bank Loans | Aggregate |
| Elmer AA | 92 | 75,726,511 | 100.0 | 16,479 | 1.4 | 1.1 | 1.5 | 11.2 | 9.8 | 11.3 | 56.8 | 53.3 | 57.5 | 30.4 | 35.9 | 29.5 | 0.2 | 0.0 | 0.2 |
| **Total** | **92** | **75,726,511** | **100.0** | **16,479** | **1.4** | **1.1** | **1.5** | **11.2** | **9.8** | **11.3** | **56.8** | **53.3** | **57.5** | **30.4** | **35.9** | **29.5** | **0.2** | **0.0** | **0.2** |

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.*
*Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each AA may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**Table P: AA Distribution of Home Mortgage Loans by Income Category of the Borrower** **2021**

| | Total Home Mortgage Loans | | | | Low-Income Borrowers | | | Moderate-Income Borrowers | | | Middle-Income Borrowers | | | Upper-Income Borrowers | | | Not Available-Income Borrowers | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **AA:** | **#** | **$** | **% of Total** | **Overall Market** | **% Families** | **% Bank Loans** | **Aggregate** | **% Families** | **% Bank Loans** | **Aggregate** | **% Families** | **% Bank Loans** | **Aggregate** | **% Families** | **% Bank Loans** | **Aggregate** | **% Families** | **% Bank Loans** | **Aggregate** |
| Elmer AA | 54 | 9,178,999 | 100.0 | 26,522 | 19.7 | 3.7 | 5.9 | 17.2 | 16.7 | 18.8 | 21.3 | 18.5 | 22.7 | 41.8 | 37.0 | 28.9 | 0.0 | 24.1 | 23.6 |
| **Total** | **54** | **9,178,999** | **100.0** | **26,522** | **19.7** | **3.7** | **5.9** | **17.2** | **16.7** | **18.8** | **21.3** | **18.5** | **22.7** | **41.8** | **37.0** | **28.9** | **0.0** | **24.1** | **23.6** |

*Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.*
*Due to rounding, totals may not equal 100.0%*

**Table P: AA Distribution of Home Mortgage Loans by Income Category of the Borrower** **2022-23**

| | Total Home Mortgage Loans | | | | Low-Income Borrowers | | | Moderate-Income Borrowers | | | Middle-Income Borrowers | | | Upper-Income Borrowers | | | Not Available-Income Borrowers | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **AA:** | **#** | **$** | **% of Total** | **Overall Market** | **% Families** | **% Bank Loans** | **Aggregate** | **% Families** | **% Bank Loans** | **Aggregate** | **% Families** | **% Bank Loans** | **Aggregate** | **% Families** | **% Bank Loans** | **Aggregate** | **% Families** | **% Bank Loans** | **Aggregate** |
| Elmer AA | 92 | 75,726,511 | 100.0 | 16,479 | 20.3 | 5.4 | 8.3 | 16.9 | 17.4 | 23.0 | 21.4 | 17.4 | 23.4 | 41.4 | 37.0 | 26.2 | 0.0 | 22.8 | 19.2 |
| **Total** | **92** | **75,726,511** | **100.0** | **16,479** | **20.3** | **5.4** | **8.3** | **16.9** | **17.4** | **23.0** | **21.4** | **17.4** | **23.4** | **41.4** | **37.0** | **26.2** | **0.0** | **22.8** | **19.2** |

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.*
*Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each AA may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.