

PUBLIC DISCLOSURE

August 19, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

AllCom Credit Union
Certificate Number: 67599

36 Park Avenue
Worcester, MA 01609

Division of Banks
1000 Washington Street, 10th Floor
Boston, Massachusetts 02118

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 Division of Banks concerning the safety and soundness of this financial institution.

INSTITUTION RATING

This document is an evaluation of the CRA performance of **AllCom Credit Union (credit union)** prepared by the Massachusetts Division of Banks (Division), the institution's supervisory agency as of **August 19, 2024**. The Division rates the CRA performance of an institution consistent with the provisions set forth in Massachusetts Regulation 209 CMR 46.00.

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 borrowers, in a manner consistent with its resources and capabilities. AllCom Credit Union's performance under this test is summarized below:

The Lending Test is rated Satisfactory.

- The credit union's average net loan-to-share ratio is reasonable given the institution's size and financial condition, and the credit needs of its assessment area.
- The credit union made a majority of its home mortgage loans inside its assessment area.
- The geographic distribution of loans reflects adequate dispersion within the assessment area.
- The distribution of borrowers reflects reasonable penetration among individuals of different income levels (including low- and moderate-income).
- The credit union has not received any CRA-related complaints since the last CRA evaluation; the credit union has a reasonable record relative to its fair lending policies and procedures.

DESCRIPTION OF INSTITUTION

Background

Founded and state-chartered in 1922, AllCom Credit Union was originally known as Central Massachusetts Telephone Workers' Credit Union before changing its name to AllCom Credit Union to better reflect its growing membership in 2000. As of July 2006, membership is available to all employees and retirees of any company primarily engaged in communications, gas, electrical, or utility industries, and their families, as well as individuals who live, work, or attend school in Worcester County or any of the following communities of Middlesex County: Acton, Ashby, Ashland, Ayer, Boxborough, Concord, Framingham, Groton, Holliston, Hopkinton, Hudson, Littleton, Marlborough, Maynard, Natick, Pepperell, Sherborn, Shirley, Stow, Sudbury, Townsend, Wayland, or Westford. As of June 30, 2024, the credit union has 4,009 members.

AllCom Credit Union received a "Satisfactory" rating at its previous Division of Banks CRA Performance Evaluation dated August 10, 2020, based on the Interagency Small Institution CRA Examination Procedures and the Division's CRA Regulation 209 CMR 46.00.

Operations

The credit union operates two branch locations, both located in Worcester, Massachusetts. The main office, located at 36 Park Avenue, maintains hours from 8:30 AM to 4:30 PM, Monday to Friday. The

credit union offers extended hours on Thursdays, from 8:30 AM to 6:00 PM, and maintains limited hours on Saturdays from 9:00 AM to 12:00 PM. The credit union operates one additional branch at 4 East Central Street. This branch is located within the Post Office, operating from 10:00 AM to 4:00 PM on Tuesdays and Fridays, and is accessible only to Post Office employees.

AllCom Credit Union members have access to a variety of products. Members can open checking, money market, and savings accounts, as well as certificates of deposit and Individual Retirement Accounts (IRAs). Additionally, members may apply for home mortgage loans and home equity lines of credit; new and used auto, and recreational vehicle loans; as well as credit cards, personal loans, share secured loans, and credit builder loans.

The credit union offers a variety of alternative banking services. Members can access their accounts through online and mobile services to view balances, manage bill pay activity, transfer funds, and deposit checks. Finally, the credit union is a part of the SUM ATM network, CO-OP Network, and NYCE Shared Deposit program. This combination of networks allows members access to thousands of surcharge-free ATMs across the United States.

Ability and Capacity

As of the June 30, 2024 quarterly call report, the credit union’s assets totaled approximately \$79.1 million, held shares and deposits of approximately \$66.6 million, and maintains a loan portfolio of approximately \$45.1 million. Over the last eight calendar quarters, the credit union’s total asset size has decreased 3.0 percent, while the credit union’s total loan portfolio has decreased 4.8 percent.

Loans and lines of credit secured by a first lien on 1-4 family residential properties represent 72.9 percent of the credit union’s portfolio, followed by loans and lines of credit secured by a junior lien on residential properties, which account for 11.6 percent of the credit union’s loan portfolio. Residential mortgage lending represents 84.5 percent of the credit union’s loan portfolio. Please refer to the following table for an overview of the credit union’s loan portfolio distribution.

Loan Portfolio Distribution as of 06/30/2024		
Loan Category	\$	%
Unsecured Credit Card Loans	1,103,214	2.5
All Other Unsecured Loans/Lines of Credit	877,975	2.0
New Vehicle Loans	724,293	1.6
Used Vehicle Loans	4,059,704	9.0
All Other Secured Non-Real Estate Loans/Lines of Credit	194,125	0.4
Loans/Lines of Credit Secured by a First Lien on a single 1-4 Family Residential	32,888,031	72.9
Loans/Lines of Credit Secured by a Junior Lien on a single 1-4 Family Residential	5,241,337	11.6
Total Loans	45,088,679	100.0
<i>Source: Reports of Income and Condition</i>		

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which examiners will evaluate its CRA performance. Alcom Credit Union has designated its single assessment

area to include the following cities and towns of Worcester County: Auburn, Boylston, Grafton, Holden, Leicester, Millbury, Paxton, Shrewsbury, and West Boylston.

Economic and Demographic Data

The credit union’s assessment area consists of 74 census tracts that reflect the following income designations according to the 2020 American Community Survey (ACS) data:

- 14 low-income tracts,
- 14 moderate-income tracts,
- 24 middle-income tracts,
- 19 upper-income tracts,
- 3 tracts without income designation.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	74	18.9	18.9	32.4	25.7	4.1
Population by Geography	333,951	19.2	19.1	30.4	29.0	2.2
Housing Units by Geography	126,761	18.9	19.1	32.6	28.2	1.3
Owner-Occupied Units by Geography	67,031	4.4	13.1	41.2	41.1	0.2
Occupied Rental Units by Geography	51,565	36.0	26.0	22.2	13.2	2.6
Vacant Units by Geography	8,165	30.0	25.0	27.1	16.3	1.6
Businesses by Geography	29,230	19.9	18.5	30.2	29.4	2.0
Farms by Geography	526	6.5	12.0	36.1	44.5	1.0
Family Distribution by Income Level	71,020	26.4	15.7	19.3	38.6	0.0
Household Distribution by Income Level	118,596	30.3	15.1	15.7	39.0	0.0
Median Family Income MSA - 49340 Worcester, MA-CT MSA		\$96,860	Median Housing Value			\$274,696
			Median Gross Rent			\$1,140
			Families Below Poverty Level			9.2%
<i>Source: 2020 ACS, 2023 D&B Data, and FFIEC Estimated Median Family Income;</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The Federal Financial Institutions Examination Council (FFIEC) updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion.

The low-, moderate-, middle-, and upper-income categories are presented in the following table for each year during the review period.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Worcester, MA-CT MSA Median Family Income (49340)				
2022 (\$107,900)	<\$53,950	\$53,950 to <\$86,320	\$86,320 to <\$129,480	≥\$129,480
2023 (\$115,600)	<\$57,800	\$57,800 to <\$92,480	\$92,480 to <\$138,720	≥\$138,720
<i>Source: FFIEC</i>				

Competition

The credit union’s assessment area is a highly competitive market for home mortgage loans. According to market share data, in 2023, a total of 363 lenders made at least one loan in the credit union’s assessment area. Of these lenders, the credit union held less than one percent of the available market and ranked below several financial institutions, including large national banks, non-depository lenders, and several state-chartered banks and credit unions of varying sizes.

Additionally, according to branch and deposit market share data, there is a total of 114 depository branch locations operating within the credit union’s assessment area. Out of 34 institutions, 20 of them operated three or more branch locations. Of these institutions, the credit union operates just two branches within the assessment area and held 0.6 percent of available deposits.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying the area’s credit and community development needs. This information helps determine whether local financial institutions are responsive to the needs of the communities it serves and what additional credit and community development opportunities are available.

Examiners contacted a representative from a community organization that serves low- and moderate-income individuals within the assessment area. The contact identified several needs within the assessment area but stressed affordable housing as the greatest concern. Due to significant economic growth within the credit union’s assessment area, the area has become increasingly gentrified, driving the price of the limited available housing stock to amounts that would be difficult for low- and moderate-income borrowers to afford under conventional underwriting standards. Furthermore, the contact noted that the rental market is equally oppressive and expressed that as many as a thousand potential units are unfit to be rented in their current state. Monthly rents have become increasingly unaffordable to low- and moderate-income individuals and families due to high demand, insufficient housing stock, and a growing market for temporary and seasonal rental opportunities. The contact further expressed that these difficulties in affordability are barriers for an individual or family’s ability to save and accumulate wealth.

Credit and Community Development Needs and Opportunities

Examiners considered information gathered from the community contact, as well as available economic and demographic data, to determine the assessment area's primary credit needs. Examiners determined that the community would benefit from increased access to affordable housing opportunities and a secondary need for community services. Due to the assessment area's high cost of housing, examiners identified a need for downpayment assistance and flexible mortgage products. Low- and moderate-income individuals and families would also benefit from banking products that assist in repairing and building credit, such as small dollar loans and loans with flexible underwriting standards, so that individuals may obtain loans they might not normally qualify for. Additionally, the community contact identified a need for financial literacy education focused on building and accumulating savings and retirement funds, especially when offered in partnership with local community development organizations.

SCOPE OF EVALUATION

General Information

The Community Reinvestment Act (CRA) requires the Massachusetts Division of Banks to use its authority when examining financial institutions subject to its supervision to assess the institution's record of meeting the needs of its assessment area, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its membership.

This evaluation covers the period from August 10, 2020 to the current evaluation dated August 19, 2024. Small Institution CRA procedures were used for the evaluation. The following criteria were considered: Loan-to-Share Ratio, Assessment Area Concentration, Geographic Distribution, Borrower Profile, Response to CRA Complaints, and Fair Lending policies and procedures.

The evaluation references demographic and economic information from the 2020 American Community Survey (ACS). Credit Union financial data reflects the June 30, 2024, NCUA 5300 Quarterly Call Report.

Loan Products Reviewed

Examiners determined AllCom Credit Union's major product line is home mortgage loans, considering the number and dollar volume of loans the credit union originated during the evaluation period.

Examiners analyzed home mortgage loan originations from January 1, 2022 through December 31, 2023. In 2022, AllCom Credit Union originated 28 home mortgage loans totaling approximately \$4.2 million. In 2023, the credit union originated 26 home mortgage loans totaling approximately \$2.1 million. In 2022, the credit union did not meet the minimum number of home mortgage applications required to report its HMDA Loan Application Register (LAR). Therefore, examiners did not compare the credit union's performance to 2022 aggregate data. In 2023, the credit union was required to collect and report home mortgage data as it exceeded the minimum threshold for HMDA data collection requirements. The credit

union’s 2023 HMDA data was compared to aggregate data in order to assess the reasonableness of the credit union’s performance.

Examiners reviewed the number and dollar volume of home mortgage loans. While both the number and dollar volumes are presented, examiners emphasize the number of loans rather than the dollar volume when assessing the credit union’s performance, as the number of loans better indicates the number of individuals served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Loan-to-Share Ratio

This performance criterion determines what percentage of the credit union’s share base is reinvested in the form of loans and evaluates its appropriateness. The average net loan-to-share (LTS) ratio for the last eight quarters is reasonable given the institution’s size, financial condition, and membership needs.

The credit union’s net loan-to-share ratio, as calculated from the NCUA 5300 Quarterly Call Report data, averaged 66.1 percent over eight calendar quarters, from September 30, 2022 to June 30, 2024. AllCom Credit Union’s loan-to-share ratio stayed relatively consistent over the course of this review period, ranging from a low of 64.7 percent as of March 31, 2023, to a high of 67.7 percent as of the most recent quarterly call report. When comparing the credit union to two similarly situated institutions, examiners found that AllCom Credit Union’s loan-to-share ratio was above that of one institution selected, but below the other.

Loan-to-Share Ratio Comparison		
Institution	Total Assets as of 6/30/2024 (\$)	Average LTS Ratio (%)
Worcester Credit Union	96,862,539	64.1
AllCom Credit Union	79,117,461	66.1
Athol Credit Union	91,942,992	103.5
<i>Source: Reports of Income and Condition 9/30/2022 through 6/30/2024</i>		

Assessment Area Concentration

The credit union made a majority of home mortgage loans, by both number and dollar volume, within its assessment area. The following table illustrates the credit union’s lending inside and outside its assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	\$	%	\$	%	
Home Mortgage										
2022	16	57.1	12	42.9	28	2,238	52.7	2,006	47.3	4,244
2023	12	46.2	14	53.8	26	940	44.8	1,160	55.2	2,100
Total	28	51.9	26	48.1	54	3,178	50.1	3,166	49.9	6,344

Source: Credit Union Data

Geographic Distribution

The geographic distribution of home mortgage loans reflects adequate dispersion throughout the assessment area. Examiners focused on activity within low- and moderate-income census tracts.

In 2022, the credit union did not originate any loans in low-income census tracts. In 2023, the credit union originated one, or 8.3 percent, of home mortgage loans in low-income census tracts, performing 1.2 percentage points above aggregate data and 4.1 percentage points above the percentage of owner-occupied housing units.

In 2022, the credit union originated three home mortgage loans, or 18.7 percent, to moderate-income census tracts, performing 5.6 percentage points above demographic data. In 2023, the credit union made one loan in a moderate-income census tract, performing below the aggregate.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2022	4.4	-	0	0.0	0	0.0
2023	4.4	7.1	1	8.3	55	4.5
Moderate						
2022	13.1	-	3	18.7	117	5.2
2023	13.1	16.5	1	8.3	45	3.7
Middle						
2022	41.2	-	4	25.0	371	16.6
2023	41.2	37.6	6	50.0	820	67.2
Upper						
2022	41.1	-	9	56.3	1,749	78.2
2023	41.1	38.0	4	33.4	300	24.6
Not Available						
2022	0.2	-	0	0.0	0	0.0
2023	0.2	0.8	0	0.0	0	0.0
Total						
2022	100.0	-	16	100.0	2,237	100.0
2023	100.0	100.0	12	100.0	1,220	100.0

Source: 2020 ACS; Credit Union Data, 2023 HMDA Aggregate Data, "--" data not available.

Borrower Profile

The distribution of borrowers reflects reasonable performance among individuals of different income levels. Examiners focused on the credit union’s lending activity to low- and moderate-income borrowers.

In 2022, the credit union originated one loan, or 6.3 percent of loans made, to low-income borrowers. In 2023, the credit union again originated just one loan to low-income borrowers but performed 3.3 percentage points above aggregate data. The disparity between aggregate performance and the percentage of families indicates how difficult it is for low-income borrowers, earning incomes of \$57,800 or less, to qualify for home mortgage loans under conventional underwriting standards.

In 2022, the credit union originated three loans, or 18.7 percent, to moderate-income borrowers, performing 3.0 percentage points above the percentage of families. In 2023, the credit union increased its lending to moderate-income borrowers, originating four loans, or 33.3 percent of loans made, outperforming the aggregate.

The following table demonstrates the distribution of consumer loans by borrower income.

Distribution of Home Mortgage Loans by Borrower Income Level							
Borrower Level	Income	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low							
2022		26.4	-	1	6.3	20	0.9
2023		26.4	5.0	1	8.4	225	18.4
Moderate							
2022		15.7	-	3	18.7	292	13.0
2023		15.7	19.6	4	33.3	290	23.8
Middle							
2022		19.3	-	7	43.7	925	41.3
2023		19.3	26.0	4	33.3	540	44.3
Upper							
2022		38.6	-	5	31.3	1,001	44.8
2023		38.6	36.8	3	25.0	165	13.5
Not Available							
2022		0.0	-	0	0.0	0	0.0
2023		0.0	12.7	0	0.0	0	0.0
Total							
2022		100.0	-	16	100.0	2,238	100.0
2023		100.0	100.0	12	100.0	1,220	100.0
<i>Source: 2020 ACS; Credit Union Data, 2023 HMDA Aggregate Data, "--" data not available.</i>							

Response to Complaints

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

Fair Lending Policies and Procedures

The Division of Banks provides comments regarding the institution’s fair lending policies and practices pursuant to Regulatory Bulletin 1.3-106. Examiners find the credit union’s record relative to fair lending policies and practices to be adequate.

Minority Application Flow

AllCom Credit Union’s HMDA LARs for 2023 were reviewed to determine if the credit union’s application flow from different racial and ethnic groups reflected the assessment area’s demographics. According to 2020 ACS U.S. Census data, the credit union’s assessment area contained a total population of 343,949 individuals, of which 39.4 percent are minorities. Population demographics within the credit

union’s assessment area reflect a minority and ethnic population consisting of 16.7 percent Hispanic, 11.0 percent Black or African American, 9.9 percent Asian, 0.2 percent American Indian or Alaskan Native, and 6.2 percent other race.

In 2023, AllCom Credit Union received 14 home mortgage loan applications from within its assessment area. Of these applications, one, or 8.3 percent was received by the credit union from a racial minority applicant. The aggregate lenders received 21.0 percent of applications from minority borrowers and originated 52.5 percent of those applications. For the same year, the credit union received one application, or 7.1 percent, from ethnic minority applicants. Aggregate lenders in the credit union’s assessment area received 12.3 percent of applications from ethnic minority groups and originated 50.6 percent of those applications.

The Minority Application Flow assists in deriving reasonable expectations for the rate of applications the credit union received from minority home mortgage loan applicants. Refer to the table below for information on the credit union’s minority application flow, as well as the aggregate lenders in the credit union’s assessment area.

MINORITY APPLICATION FLOW			
RACE	2023 Credit Union		2023 Aggregate Data
	#	%	%
American Indian/ Alaska Native	0	0	0.5
Asian	0	0	9.5
Black/ African American	1	7.1	9.2
Hawaiian/Pacific Islander	0	0	0.2
2 or more Minority	0	0	0.2
Joint Race (White/Minority)	0	0	1.4
Total Racial Minority	1	7.1	21.0
White	9	64.3	54.4
Race Not Available	4	28.6	24.6
Total	14	100.0	100.0
ETHNICITY			
Hispanic or Latino	1	7.1	10.8
Joint (Hisp/Lat /Not Hisp/Lat)	0	0	1.5
Total Ethnic Minority	1	7.1	12.3
Not Hispanic or Latino	7	50	64.9
Ethnicity Not Available	6	42.9	22.8
Total	14	100.0	100.0
<i>Source: U.S. Census 2020, HMDA Aggregate Data 2023, HMDA LAR Data 2023</i>			
<i>Due to rounding, totals may not equal 100.0%</i>			

Considering the assessment area’s demographic composition, competition level, and comparisons to aggregate data, the credit union’s minority application flow is considered adequate.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, require all financial institution to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (36 Park Avenue, Worcester, Massachusetts 01609)."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agencies, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.

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 credit union 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.