

# **PUBLIC DISCLOSURE**

September 16, 2024

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Energy Credit Union  
Certificate Number: 66369

156 Spring Street  
West Roxbury, MA 02132

Division of Banks  
1000 Washington Street, 10<sup>th</sup> 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.

## TABLE OF CONTENTS

INSTITUTION RATING .....	1
DESCRIPTION OF INSTITUTION .....	1
DESCRIPTION OF ASSESSMENT AREA .....	3
SCOPE OF EVALUATION .....	5
CONCLUSIONS ON PERFORMANCE CRITERIA.....	6
PERFORMANCE EVALUATION DISCLOSURE GUIDE.....	10
GLOSSARY .....	11

## INSTITUTION RATING

**INSTITUTION’S CRA RATING:** This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Energy Credit Union’s “Satisfactory” Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the credit union’s performance under Small Institution Standards.

**The Lending Test is rated Satisfactory.**

- The loan-to-share ratio (LTS) is reasonable given the institution’s size, financial condition, and assessment area credit needs.
- The credit union made a majority of its home mortgage loans in the assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects reasonable penetration of loans among individuals of different income levels.
- The credit union did not receive any CRA-related complaints since the previous evaluation; the credit union has a reasonable record relative to its fair lending policies and procedures.

## DESCRIPTION OF INSTITUTION

### **Background**

Energy Credit Union, formerly known as Boston Gas Employees Credit Union, was incorporated in 1931 as a state-chartered industrial credit union. The credit union’s charter is a community credit union and is wholly cooperative, being organized solely for the promotion of thrift among its membership by the accumulation of their savings and the loaning of such accumulations to its members only for provident purposes. In September 2022, the credit union merged with Peabody Municipal Federal Credit Union, maintaining the charter, by-laws, and name of Energy Credit Union. The existing office of Energy Credit Union remains the main office of the continuing institution, while the sole Peabody Municipal Federal Credit Union office serves as a branch office.

The credit union is a designated low-income credit union by the Commissioner of Banks and in accordance with National Credit Union Association (NCUA) standards. Eligibility is based in part on the fact that most of the credit union’s membership is low-income.

Energy Credit Union is open to employees and retirees of National Grid New England and individuals who live or work in Norfolk, Suffolk, Middlesex, and Essex counties. Family members of individual members are also able to join. As of June 30, 2024, the credit union reports 5,935 members.

Energy Credit Union received a “Satisfactory” rating at its previous Division of Banks CRA Performance Evaluation dated October 13, 2020, based on the interagency Small Institution CRA Examination Procedures and the Division’s CRA Regulation at 209 CMR 46.

**Operations**

The credit union’s main office is located at 156 Spring Street in West Roxbury, Massachusetts, in an upper-income census tract. In addition to its main office, the credit union operates one full-service branch located in a low-income census tract in Peabody.

Business hours at the West Roxbury branch are Mondays-Fridays 7 AM until 4 PM and Saturdays 9 AM until noon. The Peabody branch is open Mondays-Wednesdays 9 AM until 4 PM, Thursdays 9 AM until 6 PM, and Fridays 9 AM until 1 PM. Both branches have ATMs, and the credit union maintains standalone ATMs in the National Grid facilities in Waltham and Braintree. The credit union is part of the ATM SUM Network, a nationwide network that allows members to use ATMs without paying usage surcharges.

**Ability and Capacity**

As of June 30, 2024, the credit union had total assets of \$128.8 million and total shares of \$108.8 million. Total loans were \$86.4 million and represent 67.1 percent of total assets. The credit union’s net loan-to-share ratio as of the same date was 79.4 percent. Since the last CRA evaluation, the credit union’s assets have increased 27.5 percent, shares have increased 28.5 percent, and net loans have increased 35.0 percent.

The credit union is primarily a residential lender. As noted in the table below, total residential real estate credit accounts for 74.8 percent of the portfolio. Unsecured loans and lines of credit, along with used vehicle loans, account for the second largest portion of the loan portfolio at 8.5 percent each.

<b>Loan Portfolio Distribution as of 06/30/2024</b>		
<b>Loan Category</b>	<b>\$</b>	<b>%</b>
Unsecured Credit Card Loans	0	0.0
Non-Federally Guaranteed Student Loans	1,445,628	1.7
All Other Unsecured Loans/Lines of Credit	7,325,700	8.5
New Vehicle Loans	5,607,697	6.5
Used Vehicle Loans	7,305,097	8.5
All Other Secured Non-Real Estate Loans/Lines of Credit	129,440	0.1
Loans/Lines of Credit Secured by 1 <sup>st</sup> Lien 1-4 Family Residential Properties	53,249,404	61.7
Loans/Lines of Credit Secured by Junior Lien 1-4 Family Residential Properties	11,306,214	13.1
All Other Real Estate Loans/Lines of Credit	0	0.0
Commercial Loans/Lines of Credit Real Estate Secured	0	0.0
Commercial Loans/Lines of Credit Not Real Estate Secured	0	0.0
<b>Total Loans</b>	<b>86,369,180</b>	<b>100.0</b>
<i>Source: NCUA 5300 Report, Statement of Financial Condition as of June 30, 2024</i>		
<i>Due to rounding, totals may not equal 100.0%</i>		

## **DESCRIPTION OF ASSESSMENT AREA**

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Energy Credit Union has designated its assessment area to include all of Suffolk and Norfolk counties; as well as certain towns in both Essex and Middlesex counties. The towns included in Essex County are Beverly, Danvers, Hamilton, Lynn, Lynnfield, Marblehead, Middleton, Peabody, Salem, Saugus, Swampscott, Topsfield, and Wenham. The towns included in Middlesex County are Arlington, Bedford, Belmont, Burlington, Cambridge, Everett, Lexington, Malden, Medford, Melrose, Newton, North Reading, Reading, Somerville, Stoneham, Wakefield, Waltham, Watertown, Weston, Winchester, and Woburn.

The assessment area has changed since the last examination due to the merger with Peabody Municipal Federal Credit Union. Since the last exam, the assessment area has added the following towns in Essex and Middlesex Counties which include Arlington, Cambridge, Everett, Malden, Medford, Melrose, North Reading, Reading, Somerville, Stoneham, Wakefield, Wilmington, and Winchester. The towns of Billerica and Lincoln were removed from the assessment area.

The assessment area is part of the Boston-Worcester-Providence Combined Statistical Area (CSA). The following sections discuss demographic and economic information for the assessment area.

### **Economic and Demographic Data**

The credit union's assessment area consists of 683 census tracts that reflect the following income designations, according to the 2020 ACS Census data:

- 69 low-income tracts,
- 134 moderate-income tracts,
- 209 middle-income tracts,
- 234 upper-income tracts, and
- 37 tracts without an income designation

The following table provides additional demographic and economic information pertaining to the credit union’s assessment area.

<b>Demographic Information of the Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	683	10.1	19.6	30.6	34.3	5.4
Population by Geography	2,833,948	9.6	20.4	32.5	35.7	1.8
Housing Units by Geography	1,141,455	9.4	20.5	33.0	35.5	1.7
Owner-Occupied Units by Geography	584,880	3.9	15.7	35.7	43.8	0.9
Occupied Rental Units by Geography	490,876	15.6	26.1	30.4	25.5	2.5
Vacant Units by Geography	65,699	11.6	21.0	27.9	37.0	2.5
Businesses by Geography	367,926	6.0	16.2	30.2	45.4	2.2
Farms by Geography	4,780	4.5	18.1	34.6	41.6	1.2
Family Distribution by Income Level	636,013	23.4	15.8	19.1	41.7	0.0
Household Distribution by Income Level	1,075,756	27.1	13.9	16.5	42.5	0.0
Median Family Income MSA - 14454 Boston, MA		\$112,607	Median Housing Value			\$587,920
Median Family Income MSA - 15764 Cambridge-Newton-Framingham, MA		\$121,481	Median Gross Rent			\$1,704
			Families Below Poverty Level			6.7%
<i>Source: 2020 ACS, 2023 D&amp;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 2022 and 2023 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.

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Boston, MA Median Family Income (14454)</b>				
2022 (\$129,500)	<\$64,750	\$64,750 to <\$103,600	\$103,600 to <\$155,400	≥\$155,400
2023 (\$136,900)	<\$68,450	\$68,450 to <\$109,520	\$109,520 to <\$164,280	≥\$164,280
<b>Cambridge-Newton-Framingham, MA Median Family Income (15764)</b>				
2022 (\$138,700)	<\$69,350	\$69,350 to <\$110,960	\$110,960 to <\$166,440	≥\$166,440
2023 (\$146,200)	<\$73,100	\$73,100 to <\$116,960	\$116,960 to <\$175,440	≥\$175,440
<i>Source: FFIEC</i>				

## **Competition**

The assessment area is in a highly competitive market for home mortgage loans. Entities with the highest market share in the area are regional and national banks and mortgage lenders. The assessment area includes 509 institutions that originated or purchased 51,144 loans in 2023.

## **Community Contact**

As part of the evaluation process, examiners contact third parties active in the assessment area to help assess credit and community development needs. The information obtained helps to determine whether local financial institutions are responsive to these needs and shows what credit and community development opportunities, if any, are available. Examiners contacted a representative from a community development organization in Boston. The contact stated that a primary need in the area was for affordable housing. Housing costs have been rising within the area, and there is a lack of affordable housing stock. The contact also emphasized a need for financial literacy training, with a particular focus on the process of buying a home.

## **Credit Needs**

Examiners considered information gathered from the community contact and the credit union, as well as available economic and demographic data, to determine the assessment area's primary credit needs. Based on the assessment area's increasing housing costs, the community would greatly benefit from access to more affordable housing and an increase in financial literacy programs.

# **SCOPE OF EVALUATION**

## **General Evaluation**

The Community Reinvestment Act (CRA) requires the Massachusetts Division of Banks (“Division”) to use its authority when examining financial institutions subject to its supervision to assess the institution's record of meeting the needs of its entire assessment area, including low- and moderate-income neighborhoods, consistent with 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 considered activity from January 1, 2022, through December 31, 2023. Examiners used the Interagency Small Institution CRA Examination Procedures to evaluate CRA performance. These procedures included five criteria within the Lending Test:

- Loan to Share ratio (LTS)
- Assessment Area Concentration
- Geographic Distribution
- Borrower Profile
- Response to CRA-related complaints and Fair Lending

Examiners compared the institution’s home mortgage lending performance to 2020 United States Census demographic data as appropriate. Financial data about the credit union was obtained from the June 30, 2024 Call Report issued to the NCUA.

## **Loan Products Reviewed**

Examiners determined that the credit union’s major product line is home mortgage loans. This conclusion considered the credit union’s business strategy, and the number and dollar volume of loans originated during the examination period. Examiners analyzed home mortgage loan originations from January 1, 2022, through December 31, 2023. Examiners presented these years of performance in assessment area concentration, geographic distribution, and borrower profile tables.

Energy Credit Union originated 18 loans totaling \$7.6 million in 2022, and 49 loans totaling \$5.5 million in 2023. Examiners reviewed the number and dollar volume of home mortgage loans.

## **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 ratio for the last eight quarters is reasonable given the institution’s size, financial condition, and assessment area credit needs.

The credit union’s net LTS ratio, as calculated from the NCUA 5300 Quarterly Call Report data, averaged 78.0 percent over the past eight calendar quarters from September 30, 2022, through June 30, 2024. The ratio ranged from a low of 72.0 percent as of December 31, 2022, to a high of 91.3 percent as of September 30, 2022. Since that time, the LTS ratio has been steady throughout the remainder of the evaluation period.

To further evaluate the credit union’s performance under this criterion, examiners selected comparable institutions based on their asset size, geographic location, and lending focus. Please refer to the following table.

<b>Loan-to-Share Ratio Comparison</b>		
<b>Institution</b>	<b>Total Assets as of 6/30/24 (\$)</b>	<b>Average LTS Ratio (%)</b>
<b>Energy Credit Union</b>	<b>128,808,680</b>	<b>78.0</b>
First Priority Credit Union	129,957,910	78.6
RiverWorks Credit Union	143,920,807	92.1
Naveo Credit Union	177,629,581	62.0

*Source: NCUA Form 5300 Call Report Data*



**Assessment Area Concentration**

The credit union made a majority of home mortgage loans by number and dollar volume within its assessment area in both 2022 and 2023. See the following table for details.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
2022	13	72.2	5	27.8	18	6,070,200	79.7	1,545,000	20.3	7,615,200
2023	31	63.3	18	36.7	49	2,939,450	53.0	2,609,975	47.0	5,549,425
<b>Total</b>	<b>44</b>	<b>65.7</b>	<b>23</b>	<b>34.3</b>	<b>67</b>	<b>9,009,650</b>	<b>68.4</b>	<b>4,154,975</b>	<b>31.6</b>	<b>13,164,625</b>
<i>Source: Credit Union Data; Due to rounding, totals may not equal 100.0</i>										

**Geographic Distribution**

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. The credit union’s dispersion of home mortgage loans supports this conclusion. Examiners focused on the number of loans in low- and moderate-income census tracts.

The analysis compared the credit union’s 2022 and 2023 performance to 2022 and 2023 demographic comparators. The credit union’s 2022 performance in lending to borrowers in low-income census tracts was above the demographic comparator. In 2023, the credit union did not originate any loans in the low-income census tracts.

In 2022, the credit union did not originate any home mortgage loans to borrowers in moderate-income census tracts. This increased to four loans in 2023.

The following table shows the credit union’s geographic distribution of home mortgage loans.

<b>Geographic Distribution of Home Mortgage Loans</b>					
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Low</b>					
2022	3.9	1	7.7	600,000	9.9
2023	3.9	0	0.0	0	0.0
<b>Moderate</b>					
2022	15.7	0	0.0	0	0.0
2023	15.7	4	12.9	360,000	12.2
<b>Middle</b>					
2022	35.7	7	53.8	3,146,000	51.8
2023	35.7	16	51.6	937,831	31.9
<b>Upper</b>					
2022	43.8	5	38.5	2,324,200	38.3
2023	43.8	11	35.5	1,641,619	55.8
<b>Not Available</b>					
2022	0.9	0	0.0	0	0.0
2023	0.9	0	0.0	0	0.0
<b>Total</b>					
<b>2022</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>6,070,200</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>31</b>	<b>100.0</b>	<b>2,939,450</b>	<b>100.0</b>
<i>Source: 2020 ACS; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

**Borrower Profile**

The distribution of borrowers reflects reasonable penetration among individuals of different income levels. In 2022, the credit union originated 15.4 percent of its home mortgage loans to low-income borrowers. In 2023, the credit union’s level of lending decreased to 6.5 percent.

The credit union was above the demographic comparator in both 2022 and 2023 in lending to moderate-income borrowers. In 2022, the credit union originated 23.1 percent of its home mortgage loans to moderate-income borrowers, 7.3 percent above the demographic comparator. In 2023, the credit union’s level of lending to moderate-income borrowers increased to 25.8 percent, 10.0 percent above the demographic comparator.

Examiners noted that a low-income borrower in the assessment area would likely not qualify for a home mortgage using traditional underwriting standards, considering the median housing value in the assessment area is \$587,920, while the average low-income is less than \$75,000 annually.

The following table details the distribution of home mortgage loans by borrower income level.

<b>Distribution of Home Mortgage Loans by Borrower Income Level</b>					
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Low</b>					
2022	23.4	2	15.4	283,200	4.7
2023	23.4	2	6.5	85,000	2.9
<b>Moderate</b>					
2022	15.8	3	23.1	1,590,500	26.2
2023	15.8	8	25.8	539,560	18.4
<b>Middle</b>					
2022	19.1	4	30.8	1,870,000	30.8
2023	19.1	9	29.0	885,096	30.1
<b>Upper</b>					
2022	41.7	4	30.8	2,326,500	38.3
2023	41.7	12	38.7	1,429,794	48.6
<b>Not Available</b>					
2022	0.0	0	0.0	0	0.0
2023	0.0	0	0.0	0	0.0
<b>Total</b>					
<b>2022</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>6,070,200</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>31</b>	<b>100.0</b>	<b>2,939,450</b>	<b>100.0</b>
<i>Source: 2020 ACS; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

**Response to Complaints**

The credit union did not receive any CRA-related complaints since the previous 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 procedures pursuant to Regulatory Bulletin 1.3-106. The fair lending review was conducted in accordance with the Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. Based on these procedures, the credit union has adequate fair lending policies and practices. Examiners did not identify any evidence of discriminatory or other illegal credit practices inconsistent with helping meet the community credit needs.

## 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 156 Spring Street, West Roxbury, MA 02132."

[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 the Massachusetts Division of Banks, 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 bank under the requirements of the Community Reinvestment Act.

**Census Tract:** A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

**Combined Statistical Area (CSA):** A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Core Based Statistical Area (CBSA):** The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

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

**FFIEC-Estimated Income Data:** The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

**Full-Scope Review:** A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

**Home Mortgage Loans:** Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

**Housing Unit:** Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

**Limited-Scope Review:** A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**Median Income:** The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

**Metropolitan Division (MD):** A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

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

**Multi-family:** Refers to a residential structure that contains five or more units.

**Nonmetropolitan Area (also known as non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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

**Rated Area:** A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

**Rural Area:** Territories, populations, and housing units that are not classified as urban.

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

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

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

**Urban Area:** All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.