

PUBLIC DISCLOSURE

November 25, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Tremont Credit Union
Certificate Number: 68349

2 Granite Ave, Suite 101
Milton, MA 02186

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.

TABLE OF CONTENTS

INSTITUTION RATING	1
SCOPE OF EVALUATION	1
DESCRIPTION OF INSTITUTION	2
DESCRIPTION OF ASSESSMENT AREA	3
CONCLUSIONS ON PERFORMANCE CRITERIA.....	6
SMALL INSTITUTION PERFORMANCE CRITERIA	11
PERFORMANCE EVALUATION DISCLOSURE GUIDE	12
GLOSSARY	13

INSTITUTION RATING

This document is an evaluation of the CRA performance of **Tremont Credit Union (credit union)** prepared by the Division, the institution's supervisory agency as of **November 25, 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 neighborhoods, in a manner consistent with its resources and capabilities. The credit union's performance under this test is summarized below:

Lending Test:

- 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 distribution of borrowers reflects reasonable penetration of loans among individuals of different income levels.
- The geographic distribution of loans reflects excellent dispersion throughout the assessment area.
- 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.

SCOPE OF EVALUATION

General Information

This evaluation considered activity from January 1, 2022 to the current evaluation dated November 25, 2024. Examiners used the Interagency Small Institution CRA Examination Procedures to evaluate CRA performance. These procedures include 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

Activities Reviewed

Examiners analyzed home mortgage loan originations from January 1, 2022 through December 31, 2023, collected through the institution's 2022 and 2023 Home Mortgage Loan Application Registers (LARs). Examiners presented these years of performance in the assessment area concentration, geographic distribution, and borrower profile tables. Tremont Credit Union originated 42 loans for \$12.2 million in 2022 and 65 loans totaling \$27.3 million in 2023. Examiners compared the institution's home mortgage lending performance to 2020 American Community Survey (ACS) demographic data as appropriate. Examiners used HMDA reportable data from all institutions in the assessment area to create

the aggregate field. Examiners reviewed the number and dollar volume of home mortgage loans. While number and dollar volume of loans are presented, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of individuals served.

Financial data about the credit union was obtained from the September 30, 2024 Call Report submitted to the NCUA.

DESCRIPTION OF INSTITUTION

Background

Tremont Credit Union is a state-chartered not-for-profit cooperative financial institution that began as the Boston Teacher's Federal Credit Union in 1952. The credit union counts as its field of membership employees of over 250 Select Employer Groups, including Boston Public Schools, Blue Cross Blue Shield of Massachusetts, Boston Children's Hospital, and Dana Farber Cancer Institute; in addition to those living in Middlesex, Suffolk, and Norfolk counties. As of November 24, 2024, the credit union is comprised of 13,662 members.

Tremont Credit Union was last examined by the Division of Banks on December 7, 2020 and was rated Satisfactory.

Operations

The credit union operates three full-service branches in Milton, Roslindale, and Dorchester. In 2021, the credit union moved its main office to the branch in Milton and closed the former main office and branch located in Boston. Each branch is open from 9 AM to 5 PM Monday – Friday, except for the Dorchester branch, which is closed on Wednesdays. In addition, the Roslindale branch is open from 9 AM until Noon on Saturdays. The credit union is a member of the Shared Branch network, which allows members to conduct business such as deposits, withdrawals, and payments at locations nationwide. This also allows access to ATMs across the country. The credit union is part of the surcharge-free SUM network, where members can access those ATMs without paying surcharges.

Tremont Credit Union is a full-service institution, offering a variety of checking accounts, including Kasasa high interest checking, cash back, e-green, and student accounts; savings accounts including CDs and IRAs; and business accounts. The credit union also offers personal and business credit cards. The credit union provides home mortgage loans, home equity loans and lines of credit, auto loans, personal term loans, and Mass Save loans. The credit union offers 24-hour access to accounts via online, mobile, and telephone banking. Other benefits include access to TruStage Insurance products and a Financial Learning Center for members.

Ability and Capacity

As of September 30, 2024, the credit union had total assets of \$259 million and total shares of \$209.8 million. Total loans were \$183 million and represent 70.7 percent of total assets. Since the last CRA

evaluation, the credit union's assets have increased 11.8 percent, shares have increased 3.1 percent and loans have increased 21.1 percent.

The credit union is primarily a residential lender. As noted in the table below, total residential real estate accounts for 74.3 percent of the loan portfolio. Consumer loans account for the second largest portion of the portfolio at 24.4 percent. Please see the table below for further information.

Loan Portfolio Distribution as of 9/30/2024		
Loan Category	\$	%
Unsecured Credit Card Loans	0	0.0
Non-Federally Guaranteed Student Loans	0	0.0
All Other Unsecured Loans/Lines of Credit	19,195,180	10.5
New Vehicle Loans	7,167,061	3.9
Used Vehicle Loans	14,019,801	7.7
All Other Secured Non-Real Estate Loans/Lines of Credit	4,289,520	2.3
Total Consumer Loans	44,671,562	24.4
Loans/Lines of Credit Secured by 1 st Lien 1-4 Family Residential Properties	94,256,818	51.5
Loans/Lines of Credit Secured by Junior Lien 1-4 Family Residential Properties	41,722,201	22.8
All Other Real Estate Loans/Lines of Credit	0	0.0
Total Residential Loans	135,979,019	74.3
Commercial Loans/Lines of Credit Real Estate Secured	2,368,989	1.3
Commercial Loans/Lines of Credit Not Real Estate Secured	0	0.0
Total Commercial Loans	2,368,989	1.3
TOTAL LOANS	183,019,570	100.0
<i>Source: NCUA 5300 Report, Statement of Financial Condition as of September 30, 2024</i>		

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas in which examiners will evaluate the institution's CRA performance. Tremont Credit Union has defined its assessment area as encompassing all of Middlesex, Suffolk, and Norfolk counties and contains 746 census tracts. The assessment area is unchanged since the previous examination. The following sections discuss demographic and economic information for the assessment area.

Economic and Demographic Data

The credit union's assessment area consists of 746 census tracts that reflect the following income designations according to the 2020 ACS data:

- 70 low-income census tracts
- 126 moderate-income census tracts
- 235 middle-income census tracts
- 276 upper-income census tracts
- 39 income unknown census tracts

The following table illustrates select demographics of the assessment area:

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	746	9.4	16.9	31.5	37.0	5.2
Population by Geography	3,155,919	8.6	17.5	33.9	38.4	1.6
Housing Units by Geography	1,262,689	8.3	17.7	34.3	38.1	1.5
Owner-Occupied Units by Geography	678,251	3.2	12.7	36.7	46.7	0.8
Occupied Rental Units by Geography	514,544	14.8	24.1	32.0	26.7	2.3
Vacant Units by Geography	69,894	11.2	19.4	28.5	38.7	2.2
Family Distribution by Income Level	724,779	22.0	15.5	19.4	43.2	0.0
Median Family Income MSA - 14454 Boston, MA		\$112,607	Median Housing Value			\$575,491
Median Family Income MSA - 15764 Cambridge-Newton- Framingham, MA		\$121,481	Median Gross Rent			\$1,698
			Families Below Poverty Level			6.1%
Source: 2020 ACS, 2023 D&B Data, and FFIEC Estimated Median Family Income; (*) The NA category consists of geographies that have not been assigned an income classification.						

There are 1,262,689 housing units in the assessment area. Owner-occupied housing units account for 53.7 percent of the housing stock, rental units account for 40.8 percent of the housing stock, and the remaining 5.5 percent of units are vacant. Within the 196 low- and moderate -income tracts, owner-occupied housing units account for 15.9 percent of total units, compared to 83.4 percent in the middle- and upper-income census tracts. The median housing value in 2020 based on ACS data was \$575,491. HMDA public information reflected the average loan originated for 1-4 family purchase loans across 2022 and 2023 was \$661,234.

Examiners used the 2022 and 2023 FFIEC-updated median family income levels to analyze home mortgage loans under the Borrower Profile criterion.

The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Boston, MA Median Family Income (14454)				
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
Cambridge-Newton-Framingham, MA Median Family Income (15764)				
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 credit union operates in a highly competitive market for financial services. According to Deposit Market Share data for 2023, 155 financial institutions operated 1,103 branches in the credit union's assessment area. Of these institutions, Tremont Credit Union ranked 71st with a deposit market share of less than 0.1 percent. The top five financial institutions, State Street Bank and Trust Company, Bank of America N.A., Citizens Bank N.A., Santander Bank N.A., and Eastern Bank held 75.1 percent of the deposit market share.

There is also a high level of competition for home mortgage loans among large national banks, community banks, credit unions, and mortgage companies in the assessment area. In 2023, aggregate home mortgage lending data shows that 531 lenders originated or purchased 57,673 home mortgage loans in the assessment area. The top five lenders within the area are all large national banks and mortgage lenders and collectively account for approximately 34.5 percent of the market.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying credit and community development needs. This information assists examiners in determining whether local financial institutions are responsive to the needs of the assessment area. Examiners contacted a representative from a community organization that serves the City of Boston, which makes up a significant portion of the credit union's assessment area.

The contact discussed the need for more affordable housing, credit counseling, financial literacy, and alternative mortgage loan products targeted to low- and moderate-income families within the city. As part of the discussion on affordable housing, the contact identified that a large portion of homes that are on the market are typically in need of significant rehabilitation, which often prices out low- and moderate-income families, who often can't afford the cost of repairs. The contact stated that there is an opportunity for financial institutions to provide financial educational opportunities in the form of first-time homebuyer seminars, for institutions to become involved in state and local first-time homebuyer programs, and products and programs to assist with home rehabilitation.

Credit Needs

Considering information from the community contact, and demographic and economic data, examiners determined that affordable housing represents the primary community development need of the assessment area. The need exists due to a lack of affordable housing units for those looking to rent or purchase within the assessment area and high home prices compared to the area's median family income.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Tremont Credit Union demonstrated Satisfactory performance under the Lending Test. The following sections summarize the credit union's performance under each criterion.

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 8 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 88.3 percent over the past eight calendar quarters from December 31, 2022 through September 30, 2024. The ratio ranged from 85.6 percent as of March 31, 2023, to 91.7 percent as of December 31, 2023. This quarter showed an increase of \$7 million in total loans. It was this increase that accounted for the high LTS ratio. This loan growth occurred due to the credit union purchasing loan participations during the second half of 2023.

The following table demonstrates Tremont Credit Union's LTS ratio in comparison to similar institutions. These were chosen based on institution size, location, and lending activities. The credit union's ratio of 88.3% places it in the middle of the comparative institutions.

Loan-to-Share Ratio Comparison		
Institution	Total Assets as of 9/30/24 (\$)	Average LTS Ratio (%)
Naveo Credit Union	178,674,576	64.0
Tremont Credit Union	259,004,776	88.3
Mass Bay Credit Union	358,085,663	113.1
<i>Source: NCUA Form 5300 Call Report Data</i>		

Assessment Area Concentration

The credit union made a majority of home mortgage loans by number and dollar volume inside of 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		
	#	%	#	%		\$	%	\$ (000s)	%	
Home Mortgage										
2022	29	69.0	13	31.0	42	8,455	69.3	3,745	30.7	12,200
2023	44	67.7	21	32.3	65	18,175	66.6	9,128	33.4	27,303
Total	73	68.2	34	31.8	107	26,630	67.4	12,873	32.6	39,503
Source: Credit Union Data										

Borrower Profile

The credit union showed reasonable distribution of lending to borrowers of different income levels during the evaluation period. The conclusion is supported by excellent lending patterns in 2022 and tempered by a decrease in lending to low- and moderate-income families in 2023. Examiners focused on the number of loans to low- and moderate-income individuals.

The credit union exceeded the aggregate performance in its lending percentage to low-income borrowers in 2022. Lending to moderate-income borrowers in the same year was similarly strong as it was nearly double the aggregate lender percentage for the same income group. The credit union's lending performance was below the demographic of low-income families in the assessment area but exceeded the demographic of moderate-income families.

The credit union originated no loans to low-income borrowers in 2023. The credit union's 2023 lending to moderate-income borrowers fell compared to 2022, but remained comparable to 2023 aggregate lender performance. The credit union's performance to low- and moderate-income families was below the demographic of families at these income levels in 2023.

Performance context helps explain the credit union's lending patterns over the evaluation period. The average loan extended for the purchase of a single-family home in the assessment area was approximately \$661,234 over 2022 and 2023. A low-income family in the same area did not exceed an income of \$73,000 over the same period. The higher home value, combined with recent rate increases would present significant challenges for a low-income family to obtain a home mortgage loan. The falling trend of lending to low- and moderate-income families from 2022 to 2023 is also reflected by the aggregate lender performance.

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

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2022	22.0	6.0	4	13.8	540	6.4
2023	22.0	4.5	0	0.0	0	0.0
Moderate						
2022	15.5	16.4	9	31.0	2,035	24.1
2023	15.5	12.1	5	11.4	1,498	8.2
Middle						
2022	19.4	21.2	7	24.1	1,665	19.7
2023	19.4	18.8	16	36.4	5,246	28.9
Upper						
2022	43.2	43.4	9	31.0	4,215	49.9
2023	43.2	37.9	23	52.3	11,431	62.9
Not Available						
2022	0.0	13.0	0	0.0	0	0.0
2023	0.0	26.7	0	0.0	0	0.0
Total						
2022	100.0	100.0	29	100.0	8,455	100.0
2023	100.0	100.0	44	100.0	18,175	100.0
<i>Source: 2020 ACS Data, 2022 & 2023 HMDA Aggregate Data.</i>						

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the assessment area. Examiners focused on the number of loans in low- and moderate-income census tracts.

The credit union's 2022 performance by percentage exceeds that of the aggregate lenders and the demographic of housing units in low-income census tracts. This level of performance continued in 2023, as the credit union increased its performance by both number and percentage of lending in low-income census tracts.

The credit union's performance in moderate-income census tracts in both 2022 and 2023 exhibited similar strength to that of low-income tracts. The credit union consistently exceeded both the demographic comparator and the aggregate lender performance.

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

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2022	3.2	4.1	3	10.3	655	7.8
2023	3.2	4.8	5	11.4	1,127	6.2
Moderate						
2022	12.7	13.0	7	24.1	1,695	20.1
2023	12.7	12.5	8	18.2	3,836	21.1
Middle						
2022	36.7	35.5	14	48.3	4,210	49.8
2023	36.7	32.4	19	43.2	8,081	44.5
Upper						
2022	46.7	46.5	5	17.2	1,895	22.4
2023	46.7	49.0	12	27.3	5,131	28.2
Not Available						
2022	0.8	0.9	0	0.0	0	0.0
2023	0.8	1.3	0	0.0	0	0.0
Total						
2022	100.0	100.0	29	100.0	8,455	100.0
2023	100.0	100.0	44	100.0	18,175	100.0

Source: 2020 ACS; Data, 2022 & 2023 HMDA Aggregate Data.

Response to Complaints and Fair Lending Policies and Procedures

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

The Division of Banks provides comments regarding the institution's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. A review of the credit union's public comment file indicated the credit union received no complaints pertaining to the institution's CRA performance since the prior evaluation. Examiners conducted the fair lending review in accordance with the FFIEC Interagency Fair Lending Examination Procedures. The credit union has a reasonable record relative to its fair lending policies and procedures.

Minority Application Flow

Tremont Credit Union's HMDA LARs for 2022 and 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 U.S. Census Data, the credit union's assessment area contained a total population of 3,155,919 individuals. The assessment area's minority and ethnic population is 11.4 percent Hispanic or Latino, 9.5 percent Black/African American, 13.5 percent Asian, 0.1 percent American Indian or Alaska Native, 0.0 percent Native Hawaiian or other Pacific Islander, and 7.0 percent other.

The Credit Union's level of applications was compared with that of the 2022 and 2023 aggregate performance. The comparison of this data 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	2022 Credit Union		2022 Aggregate	2023 Credit Union		2023 Aggregate
	#	%	%	#	%	%
American Indian/ Alaska Native	0	0.0	0.3	0	0.0	0.3
Asian	1	1.6	12.3	5	6.9	11.6
Black/ African American	18	29.5	5.5	11	15.1	5.4
Hawaiian/Pacific Islander	0	0.0	0.1	0	0.0	0.1
2 or more Minority	0	0.0	0.2	0	0.0	0.2
Joint Race (White/Minority)	0	0.0	2.2	3	4.1	2.1
Total Racial Minority	19	31.1	20.6	19	26.0	19.7
White	12	19.7	54.4	25	34.3	47.7
Race Not Available	30	49.2	25.0	29	39.7	32.6
Total	61	100.0	100.0	73	100.0	100.0
ETHNICITY						
Hispanic or Latino	7	11.5	5.9	5	6.9	5.5
Joint (Hisp/Lat /Not Hisp/Lat)	0	0.0	1.5	0	0.0	1.6
Total Ethnic Minority	7	11.5	7.4	5	6.9	7.1
Not Hispanic or Latino	22	36.0	68.0	35	47.9	60.7
Ethnicity Not Available	32	52.5	24.6	33	45.2	32.2
Total	61	100.0	100.0	73	100.0	100.0
<i>Source: 2020 U.S. Census Data, HMDA Aggregate Data 2022 and 2023, HMDA LAR Data 2022 and 2023; Due to rounding, totals may not equal 100.0%</i>						

In 2022, the credit union received 61 home mortgage loan applications from within its assessment area. Of these applications, 19, or 31.1 percent were received from racial minority applicants, which exceeded the percentage of applications from racial minority applicants among aggregate lenders. For the same period, the credit union received 7 applications, or 11.5 percent from ethnic groups of Hispanic origin within its assessment area, exceeding the ethnic minority application rate among aggregate lenders.

In 2023, the credit union received 73 home mortgage loan applications from within its assessment area. Of these applications, 19, or 26.0 percent were received from racial minority applicants, above aggregate lender performance. For the same period, the credit union received 5 applications, or 6.9 percent from ethnic groups of Hispanic origin within its assessment area, comparable to the aggregate ethnic minority

Considering the demographic composition of the assessment area and comparisons to aggregate data, the credit union's minority application flow performance is considered more than reasonable.

SMALL INSTITUTION PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria as applicable:

1. the institution's loan-to-deposit ratio, adjusted for seasonal variation and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
2. the percentage of loans and, as appropriate, other lending-related activities located in the institution's assessment area(s);
3. the institution's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes;
4. the geographic distribution of the institution's loans, provided, however that a credit union shall be evaluated in the context of its relevant membership by-law provisions; and
5. the institution's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s) and its performance with regard to fair lending policies and practices.

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 2 Granite Ave., Suite 101 Milton, Massachusetts 02186.

[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 or field of membership** 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.

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.

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.

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.

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.

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.