

# **PUBLIC DISCLOSURE**

July 16, 2012

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Buckeye Community Bank  
RSSD# 2836306

105 Sheffield Center  
Lorain, OH 44055

Federal Reserve Bank of Cleveland

P.O. Box 6387  
Cleveland, OH 44101-1387

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

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

The major factors and criteria contributing to this rating include:

- The loan-to-deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs;
- A majority of loans and other lending-related activities are in the assessment area;
- The geographic distribution of loans reflects a reasonable dispersion throughout the assessment area;
- Given the demographics of the assessment area(s), the distribution of borrowers reflects a poor penetration among individuals of different income levels (including low- and moderate-income) and businesses of different revenue sizes; and
- There were no CRA-related complaints filed against the bank since the previous Community Reinvestment Act (CRA) examination.

The previous CRA evaluation conducted June 23, 2008 resulted in a "Satisfactory" performance rating.

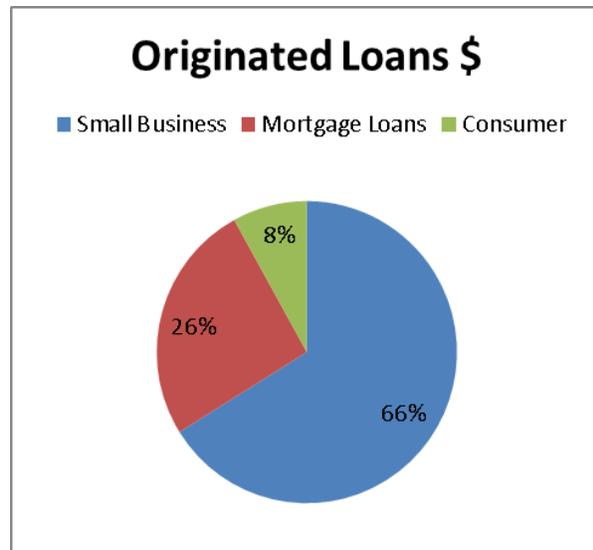
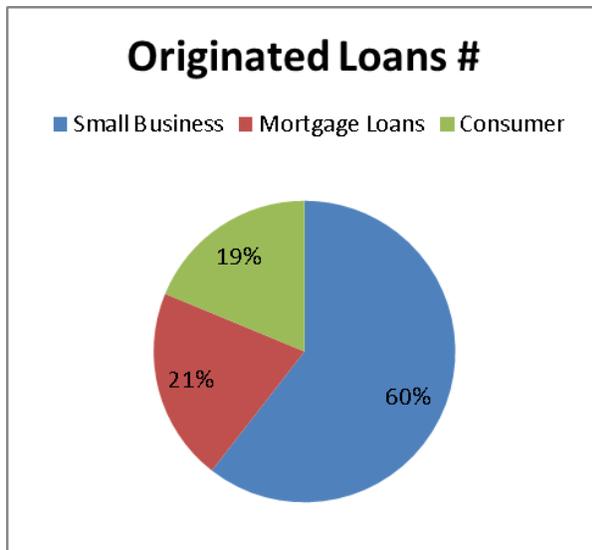
### SCOPE OF EXAMINATION

Buckeye Community Bank (Buckeye) was evaluated using the Interagency Procedures and Guidelines for Small Banks. Buckeye’s CRA performance was evaluated based on lending activity from January 1, 2010 to December 31, 2011.

The loan products evaluated included small business loans, mortgage loans reported under the Home Mortgage Disclosure Act (HMDA), and consumer loans. HMDA loans are comprised of home purchase, refinance, home improvement, and multi-family dwelling loans. Due to low lending volume, all HMDA loans will be combined and referred to as mortgage loans in this evaluation. Consumer loans are comprised of home equity loans, motor vehicle, and other secured and unsecured loans. Due to the low lending volume, all consumer loans will be combined and referred to as consumer loans in this evaluation.

The following table and charts illustrate the volume and distribution of loans originated during the evaluation period:

Loan Type	Number of Loans	Dollar Amount of Loans (000s)
Small Business	184	\$28,360
Mortgage Loans	63	\$11,074
Consumer	57	\$3,447
<b>Total</b>	<b>304</b>	<b>\$42,881</b>



Given the above distribution, small business lending received the greatest weight in this analysis based on the total dollar volume and number of loans originated during this evaluation period. Based primarily on dollar volume, mortgage lending received the next greatest weight, followed by consumer lending, which received the least weight.

The bank's performance was also compared to the aggregate performance of all lenders required to report HMDA data within the assessment area for the year 2010 (the most recent data available at the time of this report). Demographic data was evaluated using data from the 2000 U.S. Census Bureau report. If more recent data was available, it was referenced accordingly.

Geographic and borrower distribution received equal weight because slightly over 30.0% of the assessment area is comprised of low- and middle-income geographies.

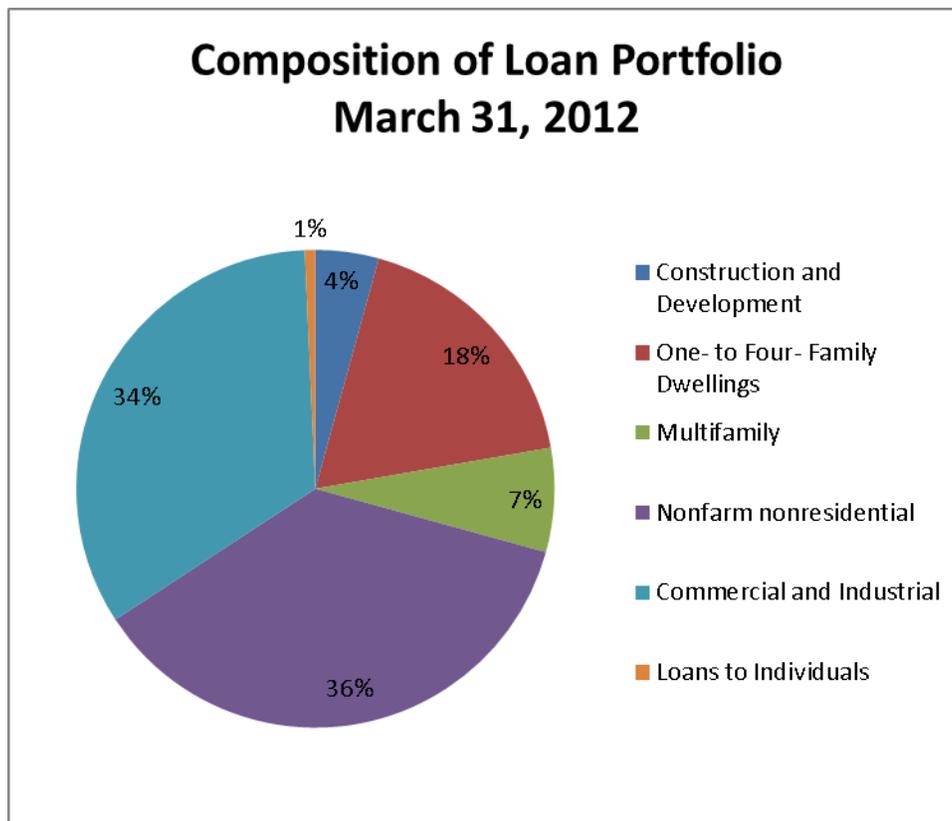
The size and financial condition of the institution, lending opportunities within the assessment area, and competition with other institutions were also considered in the bank's performance context. There are no legal or other impediments preventing the bank from meeting the credit needs of its assessment area.

### DESCRIPTION OF INSTITUTION

Buckeye Community Bank (Buckeye) is a state member bank and the sole banking subsidiary of Buckeye Bancshares, Inc., a financial holding company headquartered in Lorain, Ohio.

Buckeye is a full-service retail bank serving all of Lorain County. Buckeye has one banking office located in Lorain, Ohio. In September 2008, the bank closed a loan production office located in North Olmsted, Ohio in Cuyahoga County. Although Buckeye offers a variety of retail and commercial banking products and services, it is primarily a commercial lender. As of March 31, 2012 Buckeye had total assets of \$154 million, a \$6.0 million decrease since the previous CRA evaluation in June 2008. Of the bank's total assets, \$112 million (70.5%) represents total loans.

The following chart demonstrates the bank's loan portfolio composition as of March 31, 2012:



## DESCRIPTION OF ASSESSMENT AREA

For purposes of CRA, Buckeye has designated the entirety of Lorain County, Ohio, located in the Cleveland-Elyria-Mentor Metropolitan Statistical Area (“MSA”) 17460, as its delineated assessment area. The bank’s assessment area contains three low-income, 19 moderate-income, 39 middle-income, and 12 upper-income tracts for a total of 73 census tracts.

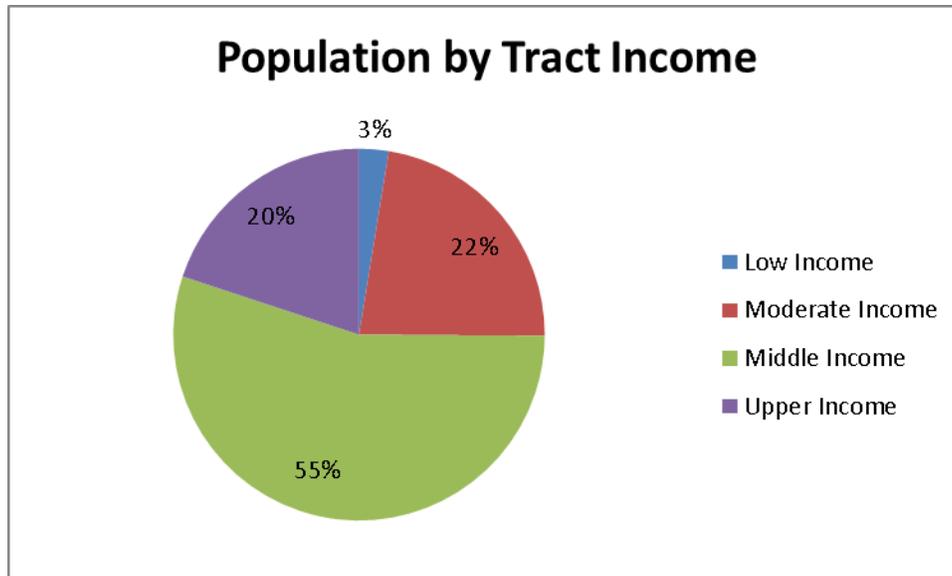
Since the previous CRA examination, there has been a change to the bank's assessment area. In conjunction with the closing of the loan production office in Cuyahoga County, Buckeye eliminated 33 tracts in the northwest portion of Cuyahoga County from its CRA footprint. Since the loan production office was a non-deposit taking facility, it was not considered a branch; therefore, no branch offices have opened or closed since the previous exam.

Lorain County is located in north central Ohio along Lake Erie and is comprised of nine cities, seven villages, and 18 townships within approximately 493 square miles. Lorain is the largest city by population, while Elyria is the county seat and second largest city.

There is a significant amount of competition throughout Lorain County from both large- and peer-sized banks. First Merit Bank, N.A. currently operates 18 offices within the market area and is ranked first with 23.4% of the market share of deposits. The Lorain National Bank holds 22.1% of the market share and operates 16 offices in the market area. Fifth Third Bank operates ten offices in the area and is ranked third with 9.7% of the market share of deposits. First Federal Savings and Loan of Lorain and First Place Bank both hold a significant portion of the market share at 7.3% and 7.0%, respectively. Buckeye Community Bank ranks ninth with 3.4% of the market share. Buckeye also competes with several peer banks, including Farmers Savings Bank, which has one banking office and holds 1.7% of market share within this market.

### **Population Characteristics**

The 2000 United States Census report indicated that the total population of Buckeye’s assessment area was 284,664. The majority of the population (55.0%) lives in middle-income census tracts. The following chart depicts the percentage of population by tract income for the assessment area.



According to the Ohio Department of Development's Office of Policy, Research and Strategic Planning,<sup>1</sup> the population in Lorain County was 301,356 as of 2010 and moderate growth at a rate of almost 4.0% is expected over the next 20 years.

Individuals ages 25 to 64 represented 53.0% of the population. Individuals age 17 and younger comprised 26.0% of the population. Individuals age 65 and over and 18 to 24 accounted for 12.0% and 9.0%, respectively, of the population. Almost three quarters of the population is eighteen years of age or older, which is the legal age to enter into a contract.

Buckeye's banking office is located in Lorain, the largest city in the county. According to U.S. Census data, the city's population was 68,652 in 2000 and decreased to 64,097 in 2010. The second largest city is Elyria and the population was 55,953 in 2000 and decreased to 54,533 in 2010.

### **Income Characteristics**

According to the 2000 U.S. Census, there were 105,875 households within the assessment area, of which 76,589 (72.0%) were designated as families. Of these families, 18.0% were low-income, 19.9% were moderate-income, 24.0% were middle-income, and 39.9% were upper-income. In the assessment area, 6.7% of the families were living below the poverty level, which is slightly lower than Ohio at 7.8% and the entire MSA at 8.2%. Half of all families living below poverty level reside in moderate-income tracts and nearly 35.0% live in middle-income tracts, while 11.5% live in low-income tracts. Additionally, 8.8% of households were living below the poverty level and 3.0% of total households in the assessment area receive public assistance according to the 2000 Census.

<sup>1</sup> [www.development.ohio.gov/research/CountyTrends.htm](http://www.development.ohio.gov/research/CountyTrends.htm)

As noted in the table below, the household poverty rate in Lorain County rose to 14.4% in 2010, an increase of 63.6% over the last ten years.

<b>Household Poverty Rates</b> (Economic Research Service from the United States Department of Agriculture )		
<b>County</b>	<b>2000</b>	<b>2010</b>
Lorain	8.8%	14.4%
<b>Ohio</b>	<b>10.7%</b>	<b>15.8%</b>
<b>National</b>	<b>11.3%</b>	<b>15.3%</b>

The 2000 median family income for the assessment area was \$52,816, as compared to the entire MSA’s \$52,660. As shown in the table below, the median family income for the entire MSA was \$62,800 in 2010, a 3.2% decrease from 2009 to 2010.

**Borrower Income Levels**  
**Cleveland-Elyria-Mentor, OH MSA**

HUD Estimated Median Family Income		Low	Moderate	Middle	Upper
		0 - 49.99%	50% - 79.99%	80% - 119.99%	120% - & above
<b>2009</b>	<b>\$64,800</b>	0 - \$32,399	\$32,400 - \$51,839	\$51,840 - \$77,759	\$77,760 - & above
<b>2010</b>	<b>\$62,800</b>	0 - \$31,399	\$31,400 - \$50,239	\$50,240 - \$75,359	\$75,360 - & above

**Housing Characteristics**

According to 2000 U.S. Census data, there were 111,368 housing units in the assessment area. The majority (70.5%) of these units were owner-occupied, while 24.6% were rental units. Vacant units accounted for 5.0% of all housing units. One-to-four family housing units accounted for 85.8% of all housing units, while multi-family unit properties account for 11.0% of all housing units. Mobile homes represent 3.1% of all housing units in the assessment area.

The owner-occupancy rate for the assessment area (Lorain County) was 70.5%, which was greater than Ohio’s at 64.2%. In addition, owner-occupancy rates were much higher in upper-income (85.2%) and middle-income (75.4%) tracts compared to owner-occupancy rates in moderate-income (52.7%) and low-income (28.8%) census tracts.

The median age of the housing stock was 37 years, as of the 2000 U.S. Census, with 26.5% of housing built prior to 1950. The oldest housing stock was in low- to moderate-income tracts (46 years), while the median age of the housing stock in middle- and upper-income tracts was slightly lower at 35 and 30 years, respectively. Older homes such as these are typically more likely to require repairs and rehabilitation.

The median housing value in the assessment area was \$113,755, with an affordability ratio of 40.0%. The higher the affordability ratio, the more affordable a home is considered. The housing affordability ratio is calculated by dividing median family income by median housing value. The housing stock in the assessment area was consistent with Ohio (41.0%) and slightly more affordable than the MSA (36.0%).

Further, based on 2010 median family income (\$62,800), about 54.5% of the homes valued up to \$122,371 in the assessment area would be considered affordable for low-income individuals and approximately 84.9% of the homes valued up to \$195,794 would be considered affordable for moderate-income individuals. These percentages were calculated assuming an average mortgage payment equal to 28.0% of gross income for a fixed-rate, 30-year loan using a 3.5% interest rate.

According to RealtyTrac<sup>2</sup>, an online real estate marketplace and data company tracking foreclosure statistics among other data, foreclosure filings were reported for 10,093 Ohio properties in June 2012. Ohio had the nation's fifth highest overall foreclosure rate,<sup>3</sup> with one in every 508 Ohio housing units receiving a foreclosure notice in June 2012. Lorain County ranked seventh in Ohio,<sup>4</sup> with one in every 319 housing unit receiving a foreclosure notice in June.

From a rental perspective, the median gross rent was \$518, with nearly 42.6% of rents being less than \$500 per month. Half of rents in the assessment area had rents in excess of \$499 and approximately 17.9% of rental units had rents greater than \$700 per month. Additionally, 34.3% of renters had rental costs greater than 30.0% of their income. This figure indicates that rents are slightly less affordable for low- and moderate-income borrowers in the assessment area than compared to Ohio, where 33.8% of renters had rental costs greater than 30.0% of their income.

### **Labor, Employment and Economic Characteristics**

According to 2010 Dun & Bradstreet data, there are 9,657 small businesses and small farms within the assessment area. The major business activities include administration, support, waste and removal services (15.9%), other service (excluding public administration) (12.7%), construction (11.6%), professional, scientific and technical services (10.2%), retail trade (9.9%), and healthcare (7.7%). The majority of businesses (89.2%) had revenues of less than \$1 million annually. Most businesses (56.3%) had been in business for more than 10 years and 26.4% of all businesses had been in business for more than 25 years.

The leading industry in Lorain County is grouped to include trade, transportation and utilities. Other top industries in Lorain County are displayed in the following table.

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<sup>2</sup> www.realtytrac.com

<sup>3</sup> The foreclosure rate is calculated by dividing the total housing units in the county by the total number of properties that received foreclosure filings during the month and that number is expressed as a ratio (i.e., 1 in 100). The lower the second number in the ratio, the higher the foreclosure rate

<sup>4</sup> There are 88 counties in the State of Ohio

<b>Top Industries in Lorain County <sup>5</sup></b>	
<b>By Number of Establishments</b>	<b>By Number of Average Employees</b>
Trade, Transportation & Utilities	Trade, Transportation & Utilities
Professional & Business Services	Manufacturing
Construction	Education and Health Services
Education and Health Services	Local Government
Financial Services	Leisure & Hospitality

Overall, the private sector employed approximately 75,950 workers, while another 13,218 individuals were employed by local government positions. An additional 2,400 individuals were employed by state and federal agencies. Nearly 74.0% of the private sector jobs were service related and had an average weekly salary of \$579. The remaining 26.0% of private sector jobs were considered goods-producing and had a significantly higher average weekly salary of \$1,007. The county profile published by the Ohio Department of Development listed the top employers for the county as shown in the following chart:

<b>Top Employers in Lorain County</b>
Community Health Partners
Elyria City Schools
Electric/Ridge Tool
EMH Regional Healthcare System
Ford Motor Co
Invacare Corp
Lorain City Schools
Lorain County Government
Oberlin College
PolyOne Corp

According to the Ohio Department of Development, 38.2% of Lorain County is classified as croplands, while 26.7% is classified for urban use and 22.6% is forestry. This shows that Buckeye has less opportunity to make business- and residential-type loans within Lorain County, since just greater than a quarter of its land is classified for urban use.

The United States Bureau of Labor Statistics unemployment rates are shown in the following table.

<sup>5</sup> <http://www.development.ohio.gov/research/files/s0/Lorain.pdf>

**Unemployment Rates**  
Assessment Area: OH, Cleveland-Elyria-Mentor

Area	Years - Annualized	
	2010	2011
Lorain Co.	9.2 (E)	8.0 (E)
Cleveland-Elyria-Mentor, OH MSA	8.7 (D)	7.7 (D)
Ohio	10.0 (D)	8.6 (D)

Not Seasonally Adjusted

D: Reflects revised population controls and model reestimation.

E: Reflects revised inputs, reestimation, and controlling to new statewide totals.

**Community Contacts**

Two community contacts were conducted to provide additional information regarding the credit needs of the local community and context to the demographic and economic characteristics discussed above. The first community contact was with an economic development agency committed to attracting and expanding business-related activities in Lorain County. The contact mentioned that Lorain and surrounding counties were affected by the recession and noted unprecedented layoffs in 2008. During this time, local businesses encountered difficulties in securing financing and many seasoned companies no longer had adequate access to credit despite long-time relationships with lenders. The contact stated that financial institutions appear to be lending again, as the number of SBA loans has increased compared to a year ago; however, the contact also mentioned that start-up and small businesses are still experiencing difficulty in securing financing.

Another indication the economic climate in Lorain County is improving is that companies are starting to expand. Over the past five years, this agency participated in attracting approximately 2,380 new jobs to Lorain County and assisted in the retention of another 2,000 jobs in the area. This job creation led to an additional \$79 million in new payroll and \$250 million in new capital investment to Lorain County.

Overall, the contact indicated that financial institutions are generally supportive of local businesses; however, there is still plenty of opportunity for banks to make smaller dollar loans and to continue to be responsive to the needs of the business community.

A second community contact with a neighborhood housing services organization was completed to provide additional economic insight. The contact is a HUD-designated counselor that provides new homeownership classes and counseling, home maintenance seminars, foreclosure assistance and counseling, reverse mortgage counseling, and second mortgage lending in Cuyahoga, Lorain, and Erie counties. The agency assists approximately 4,000 individuals each year, of which 75 percent are low- or moderate-income individuals.

The contact stated that Cleveland and surrounding counties have some of the highest foreclosure rates in the country. In addition, unemployment in the Greater Cleveland area is about 9.0%. The contact believes this figure could be doubled if those who are no longer eligible to receive unemployment and those who have stopped looking for employment were included in this figure.

The contact stated there are many opportunities for banks to help in these communities. In particular, the contact noted the continued need for mortgage loans with less than 20.0% down in order to allow more low-income borrowers access to home ownership. The contact also believes banks should rely more on credit history than credit score.

Combined Demographics Report

Assessment Area(s): Buckeye AA 2011

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	3	4.1	1,783	2.3	588	33.0	13,973	18.2	
Moderate-income	19	26.0	16,423	21.4	2,606	15.9	14,428	18.8	
Middle-income	39	53.4	43,182	56.4	1,769	4.1	18,348	24.0	
Upper-income	12	16.4	15,201	19.8	164	1.1	29,840	39.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>73</b>	<b>100.0</b>	<b>76,589</b>	<b>100.0</b>	<b>5,127</b>	<b>6.7</b>	<b>76,589</b>	<b>100.0</b>	
	<b>Housing Units by Tract</b>	<b>Housing Types by Tract</b>							
		<b>Owner-Occupied</b>			<b>Rental</b>		<b>Vacant</b>		
		#	%	%	#	%	#	%	
Low-income	2,959	851	1.1	28.8	1,693	57.2	415	14.0	
Moderate-income	26,723	14,080	17.9	52.7	10,691	40.0	1,952	7.3	
Middle-income	61,896	46,682	59.5	75.4	12,726	20.6	2,488	4.0	
Upper-income	19,790	16,859	21.5	85.2	2,254	11.4	677	3.4	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>111,368</b>	<b>78,472</b>	<b>100.0</b>	<b>70.5</b>	<b>27,364</b>	<b>24.6</b>	<b>5,532</b>	<b>5.0</b>	
	<b>Total Businesses by Tract</b>	<b>Businesses by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>			<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>		
		#	%	#	%	#	%	#	%
Low-income	435	4.1	376	4.0	26	4.0	33	6.4	
Moderate-income	1,542	14.6	1,337	14.2	109	16.7	96	18.7	
Middle-income	5,736	54.3	5,141	54.7	328	50.2	267	52.0	
Upper-income	2,849	27.0	2,542	27.1	190	29.1	117	22.8	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>10,562</b>	<b>100.0</b>	<b>9,396</b>	<b>100.0</b>	<b>653</b>	<b>100.0</b>	<b>513</b>	<b>100.0</b>	
<b>Percentage of Total Businesses:</b>				<b>89.0</b>		<b>6.2</b>		<b>4.9</b>	
	<b>Total Farms by Tract</b>	<b>Farms by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>			<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>		
		#	%	#	%	#	%	#	%
Low-income	2	0.8	2	0.8	0	0.0	0	0.0	
Moderate-income	7	2.6	7	2.7	0	0.0	0	0.0	
Middle-income	197	74.3	194	74.3	2	66.7	1	100.0	
Upper-income	59	22.3	58	22.2	1	33.3	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>265</b>	<b>100.0</b>	<b>261</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	
<b>Percentage of Total Farms:</b>				<b>98.5</b>		<b>1.1</b>		<b>.4</b>	

Based on 2010 D&B information according to 2000 Census Boundaries.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

### Loan to Deposit Ratio

A financial institution's loan-to-deposit (LTD) ratio compares the institution's aggregate loan balances outstanding to its total deposits outstanding. The ratio is a measure of the institution's lending volume relative to its capacity to lend and is derived by adding the quarterly LTD ratios and dividing the total by the number of quarters. The following table illustrates Buckeye's quarterly LTD ratios over the last 16 quarters, along with the average LTD ratio for the same period. Buckeye's LTD ratio is also compared to both the bank's aggregate peer group, which consists of insured commercial banks having assets between \$100 and 300 million and to a local peer bank selected from the Deposit Market Share Report.

Loan-to-Deposit Ratios					
Buckeye Community Bank					Farmers Savings Bank
As of Date	Net Loans \$(000s)	Total Deposits \$(000s)	Bank Ratio	Aggregate Ratio	Peer 1 Ratio
March 31, 2012	108,610	136,624	79.50	73.53	38.76
December 31, 2011	105,523	126,961	83.11	75.06	40.70
September 30, 2011	107,623	129,643	83.01	74.97	41.41
June 30, 2011	108,507	126,100	86.05	75.86	43.20
March 31, 2011	108,612	127,289	85.33	76.05	44.42
December 31, 2010	112,286	134,032	83.78	76.95	46.12
September 30, 2010	111,605	134,446	83.01	77.57	48.42
June 30, 2010	114,112	133,645	85.38	78.69	50.71
March 31, 2010	113,448	130,160	87.16	80.08	52.37
December 31, 2009	116,415	129,132	90.15	80.58	53.71
September 30, 2009	118,187	131,255	90.04	82.81	55.75
June 30, 2009	124,057	128,884	96.25	83.76	56.69
March 31, 2009	127,660	133,908	95.33	85.09	58.00
December 31, 2008	126,271	130,552	96.72	86.34	59.23
September 30, 2008	125,108	129,126	96.89	87.33	59.12
June 30, 2008	129,606	131,246	98.75	87.11	60.37
Quarterly Loan-to-Deposit Ratio Average Since the Previous Evaluation			<b>88.78</b>	<b>80.11</b>	<b>50.56</b>

Buckeye has averaged an 88.8% LTD ratio over the past 16 quarters, which is greater than both the aggregate peer average and the peer bank. The bank's LTD ratio has steadily declined since 2008. This downward trend is similar to the trends experienced by the banks in the peer group, as the industry has generally experienced a weakening in loan demand as a result of the economic recession and a tightening in lending standards. However, Buckeye's average LTD ratio has consistently been higher than the aggregate peer group, which indicates the bank's willingness to lend.

Buckeye's loan-to-deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs.

### Lending in the Assessment Area

Buckeye's small business, HMDA (mortgage-related), and consumer lending were analyzed to determine the volume of lending inside and outside the bank's assessment area. The following table shows the volume of loans extended inside and outside of the bank's assessment area during the evaluation period.

Lending Inside and Outside the Assessment Area

Exam: Buckeye Community Bank

Loan Type - Description	Inside				Outside				Total			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
HE - Home Equity	32	82.1	2,695	84.6	7	17.9	491	15.4	39	100.0	3,186	100.0
XX - Consumer	25	78.1	752	88.6	7	21.9	96	11.4	32	100.0	848	100.0
<b>Total Consumer-related</b>	<b>57</b>	<b>80.3</b>	<b>3,447</b>	<b>85.4</b>	<b>14</b>	<b>19.7</b>	<b>588</b>	<b>14.6</b>	<b>71</b>	<b>100.0</b>	<b>4,034</b>	<b>100.0</b>
CV - Home Purchase - Conventional	15	68.2	2,411	71.0	7	31.8	985	29.0	22	100.0	3,396	100.0
HI - Home Improvement	5	83.3	340	80.6	1	16.7	82	19.4	6	100.0	422	100.0
MF - Multi-Family Housing	1	100.0	385	100.0	0	0.0	0	0.0	1	100.0	385	100.0
RF - Refinancing	42	62.7	7,938	63.4	25	37.3	4,583	36.6	67	100.0	12,521	100.0
<b>Total HMDA related</b>	<b>63</b>	<b>65.6</b>	<b>11,074</b>	<b>66.2</b>	<b>33</b>	<b>34.4</b>	<b>5,650</b>	<b>33.8</b>	<b>96</b>	<b>100.0</b>	<b>16,724</b>	<b>100.0</b>
SB - Small Business	184	80.7	28,360	65.8	44	19.3	14,715	34.2	228	100.0	43,074	100.0
<b>Total Small Bus. related</b>	<b>184</b>	<b>80.7</b>	<b>28,360</b>	<b>65.8</b>	<b>44</b>	<b>19.3</b>	<b>14,715</b>	<b>34.2</b>	<b>228</b>	<b>100.0</b>	<b>43,074</b>	<b>100.0</b>
<b>TOTAL LOANS</b>	<b>304</b>	<b>77.0</b>	<b>42,888</b>	<b>67.2</b>	<b>91</b>	<b>23.0</b>	<b>20,952</b>	<b>32.8</b>	<b>395</b>	<b>100.0</b>	<b>63,833</b>	<b>100.0</b>

The loan data contains 1 walkaway error records and are included in the report.

The table illustrates that a majority of the bank's loans, both by number and dollar amount, were made inside of its assessment area at 77.0% and 67.2%, respectively.

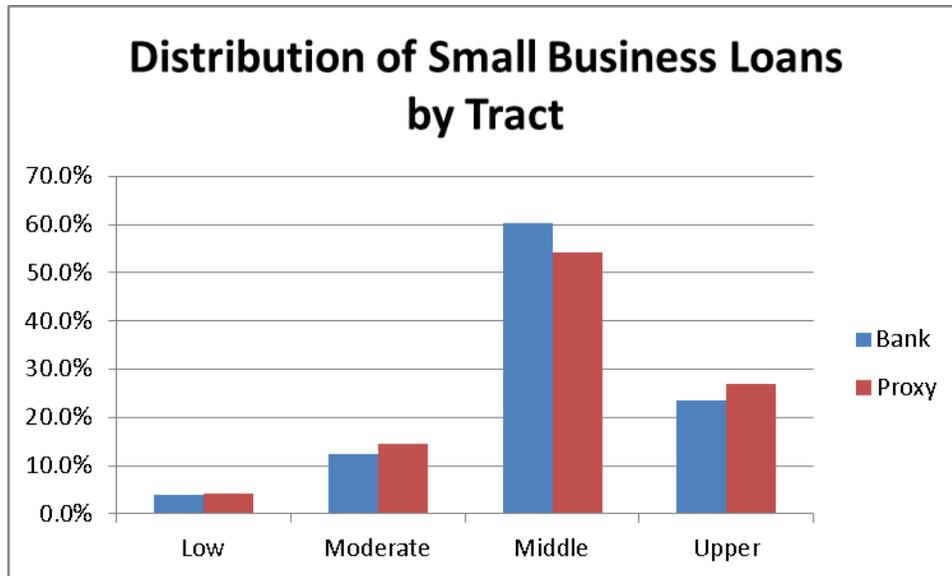
### Geographic Distribution of Lending

The geographic distribution of loans reflects a reasonable dispersion throughout the bank's assessment area. This conclusion is primarily based on the volume of small business loans made in various income tracts. While the distribution of mortgage and consumer loans is poor, the dispersion of small business loans within the assessment area is good.

During the evaluation period, Buckeye originated loans in 58 of the 73 (79.5%) census tracts within its assessment area. The bank originated loans in 63.6% of its low- and moderate-income census tracts. The bank made loans in all three of its low-income tracts and in 11 of 19 (57.9%) moderate-income tracts. The bank originated loans in 86.3% of its middle- and upper-income census tracts. The bank made loans in 32 of 39 (82.1%) middle-income tracts and in all 12 upper-income tracts. A substantial amount of lending was in the tracts immediately surrounding the bank's office. In general, low-income and moderate-income census tracts have sufficient population and housing units to maintain lending; however, rental and vacancy rates are much higher in low- and moderate-income tracts, which may have impacted the ability to originate home purchase, refinance, and home improvement loans in those tracts.

### *Small Business Loans*

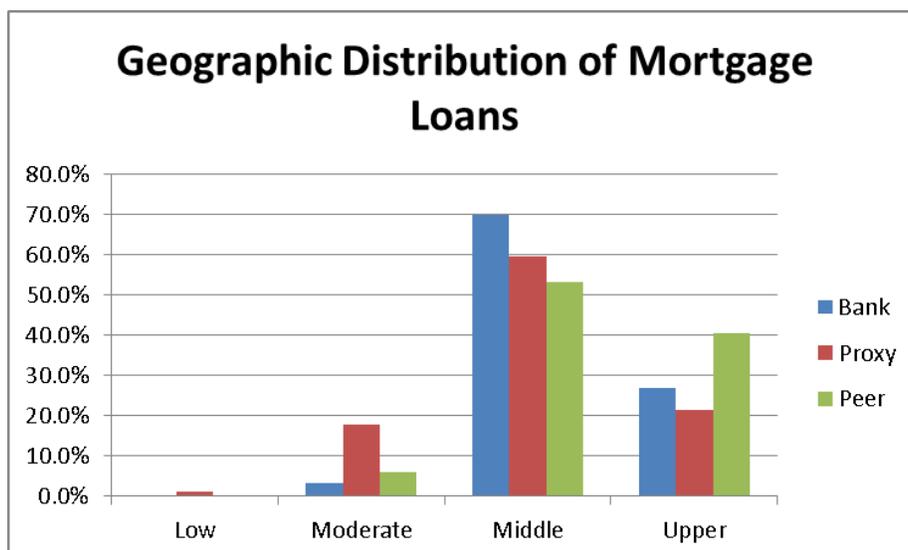
The geographic distribution of small business loans reflects a good dispersion of loans compared to the actual number of small businesses (proxy). As shown in the chart below, the bank's performance is comparable to the proxy in low-income tracts and only slightly below the proxy's performance in moderate-income tracts. Buckeye exceeded the proxy's performance in middle-income tracts and was slightly below the proxy in upper-income tracts.



In addition, even though the bank is not a CRA reporter, Buckeye’s small business lending was also compared to the aggregate of all lenders to better assess the bank’s performance in this market. While the aggregate is primarily comprised of banks with over \$1 billion in assets, Buckeye was able to originate 16.3% of its small business loans in low- and moderate-income geographies, compared to the aggregate at 12.2% in these same geographies.

***Mortgage Loans***

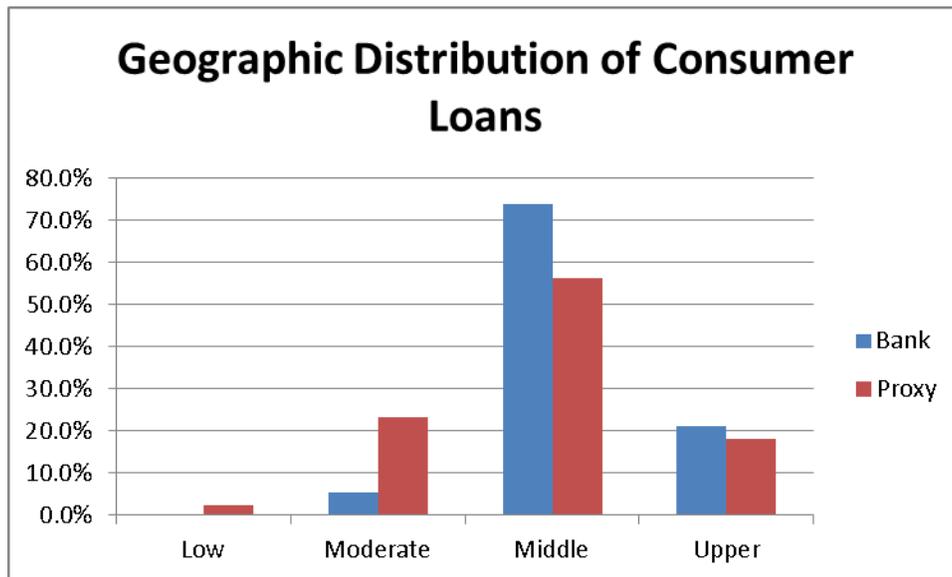
The bank’s geographic distribution of mortgage-related loans reflects a poor dispersion of loans within the assessment area. For analysis purposes, Buckeye’s performance was compared to the number of owner-occupied housing units within the assessment area (proxy), as well as the aggregate of all HMDA lenders (peer) in this market. As illustrated by the chart below, Buckeye’s performance in both low- and moderate-income geographies was below both the proxy’s and the peer’s performance.



Buckeye made no mortgage loans in low-income tracts, compared to the proxy at 1.1% and the peer at 0.2%. The bank made 3.2% of its mortgage loans in moderate-income tracts, which is significantly below the proxy at 17.9% and below the peer at 6.0%. As shown in the chart above, the bank exceeded the performance of the proxy and the peer in middle-income tracts and exceeded the proxy, but fell below the peer in upper-income tracts.

### *Consumer Loans*

The geographic distribution of consumer loans originated by Buckeye reflects a poor dispersion of loans within the assessment area. As shown in the chart below, Buckeye's performance was below the number of households (proxy) in both low- and moderate-income geographies.



Buckeye made no consumer loans in low-income tracts, compared to the proxy at 2.4%. The bank made 5.3% of its consumer loans in moderate-income tracts, which was significantly below the proxy at 23.4%. As shown in the chart above, the bank exceeded the proxy in middle- and upper-income geographies.

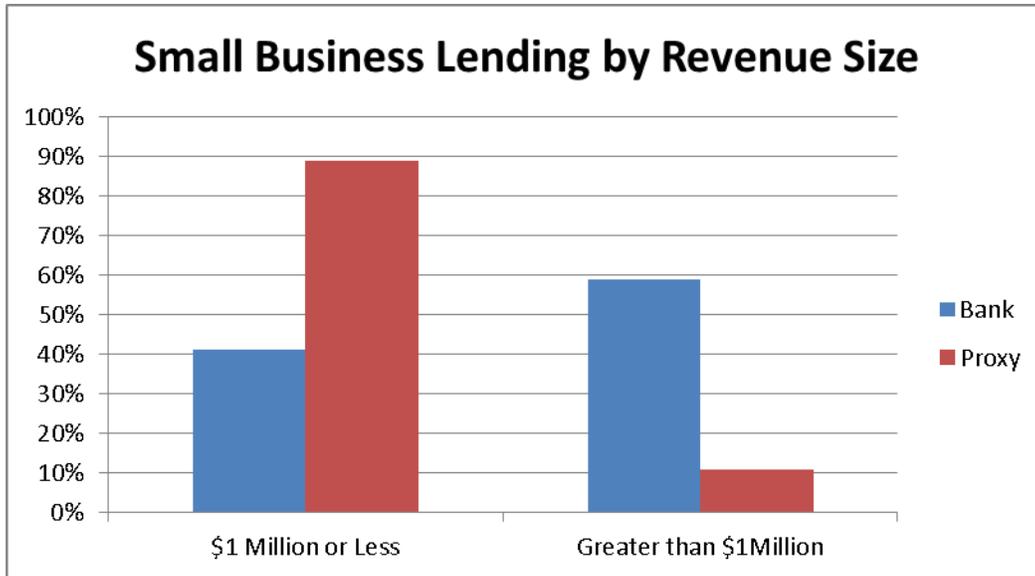
### **Borrower Distribution of Lending**

The distribution of borrowers reflects a poor penetration among individuals and businesses of different income levels and revenue sizes.

### *Small Business Loans*

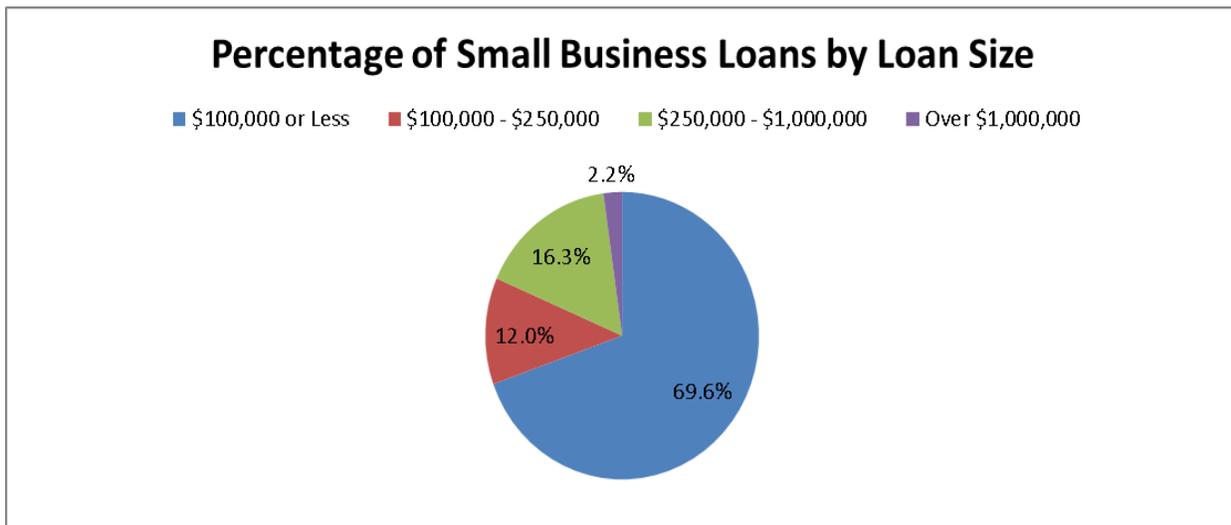
Buckeye originated 184 business loans totaling \$28.4 million during this evaluation period; however, revenue was only available for 80 of these loans. Therefore, this analysis will be based on the 80 loans with revenue available.

The bank originated 41.2% of its small business loans to businesses with \$1 million or less in revenue, compared to 89.0% of these businesses within the assessment area (proxy) as illustrated below. As a result, the bank's lending to businesses with revenues of \$1 million or less is considered poor.



In addition, even though the bank is not a CRA reporter, Buckeye's lending to small businesses was also compared to the aggregate of all lenders to better assess the bank's performance in this market. The aggregate originated 33.0% of its small business loans to businesses with revenues of \$1 million or less. While Buckeye's performance was better than the aggregate's, lending was significantly less than the percentage of small businesses, resulting in a poor distribution of loans.

The following chart illustrates the composition of small business loans by loan size:



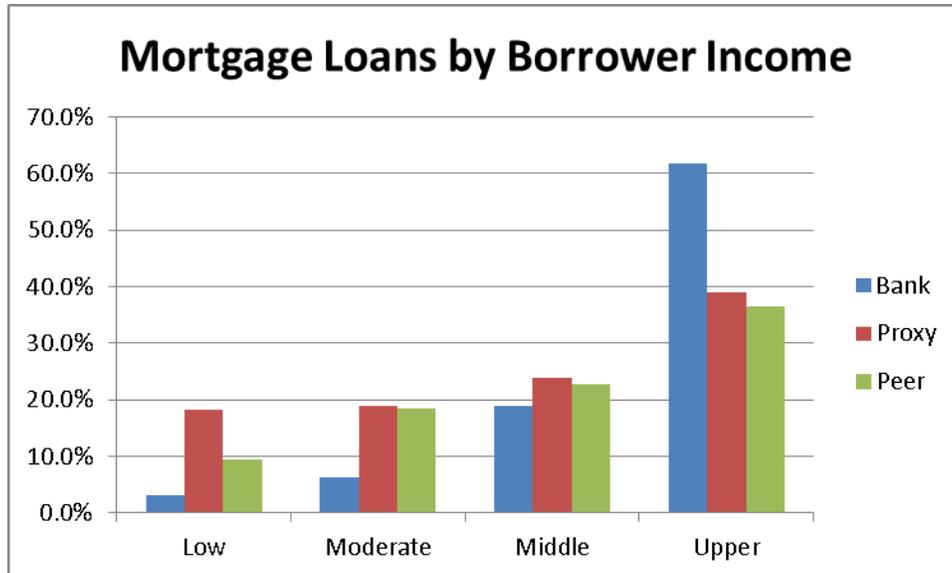
As smaller dollar loans are generally commensurate with the borrowing needs of smaller businesses, Buckeye's level of making loans to businesses in amounts of \$100,000 or less was evaluated. Of the bank's 184 small business loans, 69.6% were extended in amounts of \$100,000 or less.

Buckeye's volume of small dollar loans was also compared to the aggregate of all lenders to better assess the bank's performance in this market. It is noted that the aggregate was able to originate 90.0% of business loans in amounts of \$100,000 or less. In addition, a community contact stated that there is a need for smaller business loans that is not being met. Based on this analysis, it appears that Buckeye's lending activity of smaller dollar loans could be improved toward meeting the credit needs of such businesses.

A community contact mentioned an increase in the number of Small Business Administration (SBA) loans originated this year. It is noted that Buckeye made two SBA 504 loans aggregating \$4.0 million during this review period.

### *Mortgage Loans*

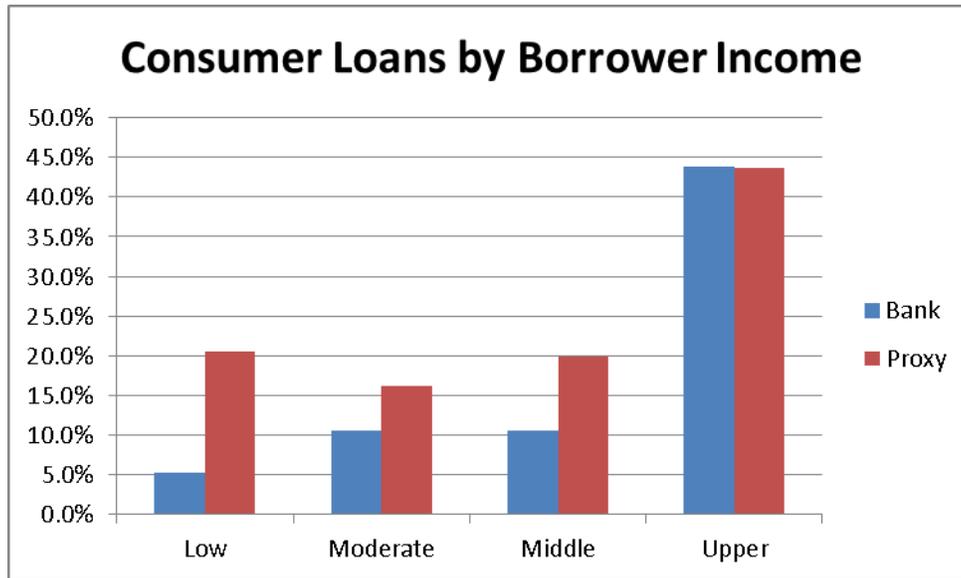
Buckeye's mortgage lending performance was compared to the income levels of families in the assessment area (proxy), as well as the aggregate of all HMDA lenders (peer) in this market. As illustrated in the chart below, Buckeye's lending to low- and moderate-income families was less than both that of the proxy and the peer.



Buckeye originated 3.2% of its mortgage loans to low-income borrowers, which was significantly below the proxy at 18.2% and below the peer at 9.5%. Similarly, Buckeye made 6.3% of its mortgage loans to moderate-income borrowers, which was significantly below the proxy at 18.8% and the peer at 18.4%. Also, six (9.5%) of the bank's mortgage loans were originated to borrowers with unknown income levels. The bank's lending to middle-income borrowers fell below both the proxy and peer. The bank's lending to upper-income borrowers exceeded both the proxy and peer. Therefore, the distribution of mortgage loans is considered poor.

### **Consumer Loans**

Buckeye’s consumer lending performance is compared to the income levels of households in the assessment area (proxy). As illustrated in the chart below, Buckeye’s lending to low- and moderate-income borrowers was less than the proxy.



Only 5.3% of consumer loans were originated to low-income borrowers, compared to the proxy at 20.5% and only 10.5% of consumer loans were made to moderate-income borrowers, compared to the proxy at 16.1%. The bank’s lending fell below the proxy for middle-income borrowers and slightly exceeded the proxy for upper-income borrowers. Therefore, the distribution of consumer loans is considered poor.

### **Response to Consumer Complaints**

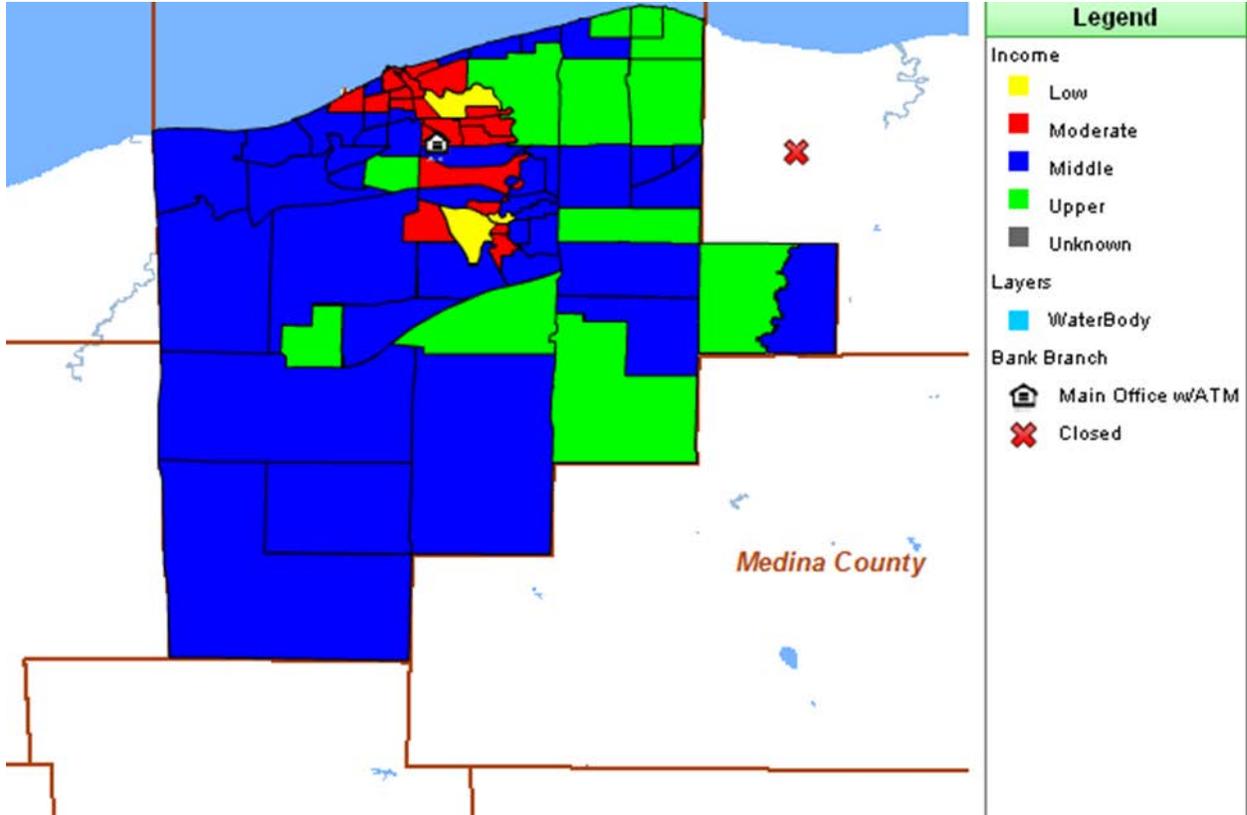
No CRA-related complaints were filed against Buckeye during this evaluation period.

### **Fair Lending or Other Illegal Credit Practices Review**

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified during this evaluation period.

### APPENDIX A

### Assessment Area Map



## APPENDIX B

### CRA Loan Distribution Table

Assessment Area/Group: All Assessment Areas

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	<b>By Tract Income</b>							
Low	7	3.8%	872	3.1%	0	0.0%	0	0.0%
Moderate	23	12.5%	1,684	5.9%	0	0.0%	0	0.0%
Low/Moderate Total	30	16.3%	2,556	9.0%	0	0.0%	0	0.0%
Middle	111	60.3%	19,740	69.6%	0	0.0%	0	0.0%
Upper	43	23.4%	6,064	21.4%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	184	100.0%	28,360	100.0%	0	0.0%	0	0.0%
	<b>By Revenue</b>							
Total \$1 Million or Less	33	17.9%	2,063	7.3%	0	0.0%	0	0.0%
Over \$1 Million	47	25.5%	10,983	38.7%	0	0.0%	0	0.0%
Not Known	104	56.5%	15,314	54.0%	0	0.0%	0	0.0%
Total	184	100.0%	28,360	100.0%	0	0.0%	0	0.0%
	<b>By Loan Size</b>							
\$100,000 or less	128	69.6%	5,545	19.6%	0	0.0%	0	0.0%
\$100,001 - \$250,000	22	12.0%	3,500	12.3%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	30	16.3%	12,865	45.4%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	4	2.2%	6,450	22.7%	0	0.0%	0	0.0%
Total	184	100.0%	28,360	100.0%	0	0.0%	0	0.0%
	<b>By Loan Size and Revenue \$1 Million or Less</b>							
\$100,000 or less	28	84.8%	975	47.2%	0	0.0%	0	0.0%
\$100,001 - \$250,000	3	9.1%	436	21.1%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	2	6.1%	653	31.6%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	33	100.0%	2,063	100.0%	0	0.0%	0	0.0%

HMDA Loan Distribution Table

Assessment Area/Group : All Assessment Areas

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
<b>Home Purchase</b>								
Low	0	0.0%	0	0.0%	1	6.7%	74	3.1%
Moderate	1	6.7%	100	4.1%	1	6.7%	51	2.1%
Low/Moderate Total	1	6.7%	100	4.1%	2	13.3%	125	5.2%
Middle	9	60.0%	1,208	50.1%	2	13.3%	230	9.5%
Upper	5	33.3%	1,103	45.7%	9	60.0%	1,808	75.0%
Unknown	0	0.0%	0	0.0%	2	13.3%	248	10.3%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	15	100.0%	2,411	100.0%	15	100.0%	2,411	100.0%
<b>Refinance</b>								
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	2	4.8%	268	3.4%
Low/Moderate Total	0	0.0%	0	0.0%	2	4.8%	268	3.4%
Middle	30	71.4%	5,122	64.5%	9	21.4%	1,260	15.9%
Upper	12	28.6%	2,816	35.5%	28	66.7%	6,175	77.8%
Unknown	0	0.0%	0	0.0%	3	7.1%	235	3.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	42	100.0%	7,938	100.0%	42	100.0%	7,938	100.0%
<b>Home Improvement</b>								
Low	0	0.0%	0	0.0%	1	20.0%	35	10.3%
Moderate	1	20.0%	35	10.3%	1	20.0%	20	5.9%
Low/Moderate Total	1	20.0%	35	10.3%	2	40.0%	55	16.2%
Middle	4	80.0%	305	89.7%	1	20.0%	105	30.9%
Upper	0	0.0%	0	0.0%	2	40.0%	180	52.9%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	5	100.0%	340	100.0%	5	100.0%	340	100.0%
<b>Multi-Family</b>								
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	1	100.0%	385	100.0%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	1	100.0%	385	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	1	100.0%	385	100.0%	1	100.0%	385	100.0%
<b>HMDA Totals</b>								
Low	0	0.0%	0	0.0%	2	3.2%	109	1.0%
Moderate	2	3.2%	135	1.2%	4	6.3%	339	3.1%
Low/Moderate Total	2	3.2%	135	1.2%	6	9.5%	448	4.0%
Middle	44	69.8%	7,020	63.4%	12	19.0%	1,395	14.4%
Upper	17	27.0%	3,919	35.4%	39	61.9%	8,163	73.7%
Unknown	0	0.0%	0	0.0%	6	9.5%	868	7.8%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	63	100.0%	11,074	100.0%	63	100.0%	11,074	100.0%

### Consumer Loan Distribution Table

Exam: Buckeye Community Bank

Assessment Area/Group :All Assessment Areas

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	<b>Consumer</b>							
Low	0	0.0%	0	0.0%	3	12.0%	17	2.3%
Moderate	2	8.0%	28	3.7%	4	16.0%	56	7.4%
Low/Moderate Total	2	8.0%	28	3.7%	7	28.0%	73	9.7%
Middle	22	88.0%	705	93.9%	3	12.0%	38	5.1%
Upper	1	4.0%	18	2.4%	7	28.0%	498	66.3%
Unknown	0	0.0%	0	0.0%	8	32.0%	142	18.9%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	25	100.0%	752	100.0%	25	100.0%	752	100.1%
	<b>Home Equity</b>							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	3.1%	51	1.9%	2	6.3%	35	1.3%
Low/Moderate Total	1	3.1%	51	1.9%	2	6.3%	35	1.3%
Middle	20	62.5%	1,061	39.4%	3	9.4%	130	4.8%
Upper	11	34.4%	1,584	58.8%	18	56.3%	1,595	59.2%
Unknown	0	0.0%	0	0.0%	9	28.1%	935	34.7%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	32	100.0%	2,695	100.0%	32	100.0%	2,695	100.0%
	<b>Consumer Loan Totals</b>							
Low	0	0.0%	0	0.0%	3	5.3%	17	0.5%
Moderate	3	5.3%	79	2.3%	6	10.5%	90	2.6%
Low/Moderate Total	3	5.3%	79	2.3%	9	15.8%	108	3.1%
Middle	42	73.7%	1,766	51.2%	6	10.5%	169	4.9%
Upper	12	21.1%	1,602	46.5%	25	43.9%	2,093	60.7%
Unknown	0	0.0%	0	0.0%	17	29.8%	1,077	31.3%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	57	100.0%	3,447	100.0%	57	100.0%	3,447	100.0%

Peer Group HMDA Loan Distribution Table

2010 Peer Buckeye

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	<b>Home Purchase</b>							
Low	11	0.3 %	684	0.1 %	556	14.8 %	43,011	8.0 %
Moderate	315	8.4 %	23,015	4.3 %	826	21.9 %	87,530	16.3 %
<i>Low/Moderate Total</i>	<i>326</i>	<i>8.7 %</i>	<i>23,699</i>	<i>4.4 %</i>	<i>1,382</i>	<i>36.7 %</i>	<i>130,541</i>	<i>24.3 %</i>
Middle	2,123	56.4 %	254,731	47.5 %	833	22.1 %	118,665	22.1 %
Upper	1,317	35.0 %	257,930	48.1 %	1,101	29.2 %	233,693	43.6 %
Unknown	0	0.0 %	0	0.0 %	450	11.9 %	53,461	10.0 %
Tract Unknown	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
<b>Total</b>	<b>3,766</b>	<b>100.0 %</b>	<b>536,360</b>	<b>100.0 %</b>	<b>3,766</b>	<b>100.0 %</b>	<b>536,360</b>	<b>100.0 %</b>
	<b>Refinance</b>							
Low	8	0.1 %	699	0.1 %	315	5.5 %	24,706	2.8 %
Moderate	222	3.9 %	17,241	2.0 %	890	15.6 %	92,181	10.5 %
<i>Low/Moderate Total</i>	<i>230</i>	<i>4.0 %</i>	<i>17,940</i>	<i>2.1 %</i>	<i>1,205</i>	<i>21.1 %</i>	<i>116,887</i>	<i>13.4 %</i>
Middle	2,898	50.7 %	378,573	43.3 %	1,326	23.2 %	175,024	20.0 %
Upper	2,591	45.3 %	477,908	54.7 %	2,407	42.1 %	456,173	52.2 %
Unknown	0	0.0 %	0	0.0 %	781	13.7 %	126,337	14.4 %
Tract Unknown	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
<b>Total</b>	<b>5,719</b>	<b>100.0 %</b>	<b>874,421</b>	<b>100.0 %</b>	<b>5,719</b>	<b>100.0 %</b>	<b>874,421</b>	<b>100.0 %</b>
	<b>Home Improvement</b>							
Low	4	1.3 %	189	1.6 %	61	20.5 %	1,223	10.1 %
Moderate	51	17.2 %	1,448	12.0 %	88	29.6 %	2,105	17.5 %
<i>Low/Moderate Total</i>	<i>55</i>	<i>18.5 %</i>	<i>1,637</i>	<i>13.6 %</i>	<i>149</i>	<i>50.2 %</i>	<i>3,328</i>	<i>27.6 %</i>
Middle	178	59.9 %	6,537	54.2 %	63	21.2 %	2,511	20.8 %
Upper	64	21.5 %	3,879	32.2 %	79	26.6 %	5,694	47.2 %
Unknown	0	0.0 %	0	0.0 %	6	2.0 %	520	4.3 %
Tract Unknown	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
<b>Total</b>	<b>297</b>	<b>100.0 %</b>	<b>12,033</b>	<b>100.0 %</b>	<b>297</b>	<b>100.0 %</b>	<b>12,033</b>	<b>100.0 %</b>
	<b>Multi-Family</b>							
Low	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Moderate	1	12.5 %	650	2.6 %	0	0.0 %	0	0.0 %
<i>Low/Moderate Total</i>	<i>1</i>	<i>12.5 %</i>	<i>650</i>	<i>2.6 %</i>	<i>0</i>	<i>0.0 %</i>	<i>0</i>	<i>0.0 %</i>
Middle	4	50.0 %	2,014	8.0 %	0	0.0 %	0	0.0 %
Upper	3	37.5 %	22,572	89.4 %	0	0.0 %	0	0.0 %
Unknown	0	0.0 %	0	0.0 %	8	100.0 %	25,236	100.0 %
Tract Unknown	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
<b>Total</b>	<b>8</b>	<b>100.0 %</b>	<b>25,236</b>	<b>100.0 %</b>	<b>8</b>	<b>100.0 %</b>	<b>25,236</b>	<b>100.0 %</b>
	<b>HMDA Totals</b>							
Low	23	0.2 %	1,572	0.1 %	932	9.5 %	68,940	4.8 %
Moderate	589	6.0 %	42,354	2.9 %	1,804	18.4 %	181,816	12.6 %
<i>Low/Moderate Total</i>	<i>612</i>	<i>6.3 %</i>	<i>43,926</i>	<i>3.0 %</i>	<i>2,736</i>	<i>27.9 %</i>	<i>250,756</i>	<i>17.3 %</i>
Middle	5,203	53.1 %	641,855	44.3 %	2,222	22.7 %	296,200	20.5 %
Upper	3,975	40.6 %	762,289	52.6 %	3,587	36.6 %	695,360	48.0 %
Unknown	0	0.0 %	0	0.0 %	1,245	12.7 %	205,554	14.2 %
Tract Unknown	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
<b>Total</b>	<b>9,790</b>	<b>100.0 %</b>	<b>1,448,070</b>	<b>100.0 %</b>	<b>9,790</b>	<b>100.0 %</b>	<b>1,448,070</b>	<b>100.0 %</b>

## APPENDIX C

### Glossary of Terms

**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.

**Census tract:** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community development:** All agencies have adopted the following language. Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or,
- (iii) Distressed or underserved non-metropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on:
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**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, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

**Full-scope review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, 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 applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

**Home mortgage loans:** Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

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

**Limited-scope review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, 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.

**Metropolitan area (MA):** A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

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

**Other products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

**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.

**Small loan(s) to business(es):** A loan included in loans to small businesses as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as small business loans if the loans are reported on the TFR as non-mortgage, commercial loans.

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

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