

PUBLIC DISCLOSURE

May 13, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The North Side Bank and Trust Company
RSSD #615217

4125 Hamilton Avenue
Cincinnati, OH 45223

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 Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors and criteria contributing to this rating include:

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs;
- A majority of loans and other lending-related activities in the assessment area;
- The geographic distribution of loans reflects an excellent dispersion throughout the assessment areas;
- The distribution of loans to borrowers reflects a reasonable penetration among individuals of different income levels (including low- and moderate-income) and business of different sizes;
- There were no CRA-related complaints filed against the bank since the previous CRA examination.
- An adequate level of responsiveness to the community development needs of its assessment area through community development loans, investments, and community development services, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

The bank was rated "Satisfactory" at the previous Community Reinvestment Act (CRA) evaluation dated February 28, 2011.

SCOPE OF EXAMINATION

North Side Bank and Trust Company's (North Side) Community Reinvestment Act (CRA) performance was evaluated using the interagency intermediate small bank examination procedures under Regulation BB and was evaluated based on lending data from January 1, 2011 through December 31, 2011. The loan products evaluated included loans reported under the Home Mortgage Disclosure Act (HMDA), small business loans, home equity lines of credit (HELOCs), and consumer loans. Small business loans are comprised of loans secured and not secured by real estate. Mortgage loans are comprised of home purchase, refinance, home improvement, and multi-family dwelling loans. These loans were combined for this review due to a lack of volume of each individual loan type. Consumer loans are comprised of motor vehicle, other-secured, and unsecured loans that were also combined due to a lack of volume.

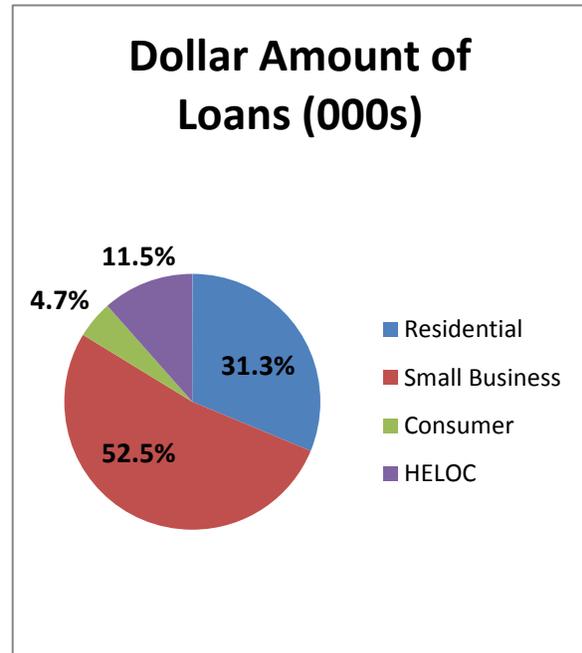
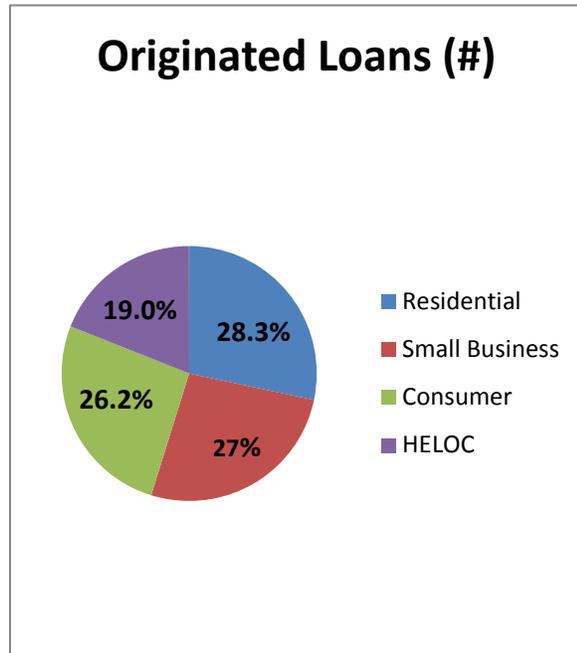
In addition, the bank's lending performance was compared to the 2011 aggregate performance of all lenders required to report HMDA and CRA data within the respective assessment areas.

Community development activities for the period between February 28, 2011 and April 1, 2013 were included in this evaluation. Specifically reviewed were community development loans, investments, and services that occurred since the previous examination.

Two interviews were conducted with community representatives to provide some context on the credit needs of North Side's assessment area. Information from the interviews was supplemented with demographic and economic data pertinent to the area.

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)
HMDA	106	12,879
Small Business	99	21,617
Consumer	98	1953
HELOC	71	4745
Total Loans	374	41,194



As the distribution indicates, small business loans accounted for a significant percentage of originated loans by both number and dollar amount. Therefore, small business loans were given the most weight. HMDA loans were given second greatest weight. Although there were a greater number of consumer loans than HELOC loans, the dollar amount of consumer loans is significantly less than that of HELOC loans. As a result, consumer loans were given the least weight.

For the purposes of this evaluation, geographic distribution was weighted more heavily than the bank's borrower distribution, primarily because North Side's assessment area is an urban market with a significant number of low and moderate-income tracts.

DESCRIPTION OF INSTITUTION

North Side is a small privately-owned bank with total assets of \$495 million as of March 31, 2013, which is approximately a \$5.0 million (1.0%) increase in total assets in the last year. However, since the previous CRA evaluation (which used December 31, 2010 financial data), the bank experienced an approximately 1.2% decrease in total assets.

The main office is located in a business district of the Northside neighborhood in Cincinnati, Ohio. North Side has seven offices with full-service automated teller machines (ATM) and an additional full-service walk-up ATM located at the main office. The branch offices are located in the neighborhoods of Finneytown, Colerain, Blue Ash, Delhi, West Chester, and Springdale. In addition, most offices are located within Hamilton County, with the exception of the West Chester office located in Butler County, which is adjacent to Hamilton County. North Side has not opened or closed any branch offices since the previous examination.

North Side is a full-service retail bank offering business and consumer deposit accounts and commercial, residential mortgage and consumer loans. As of December 31, 2012, North Side had \$345 million in net loans and leases, which represented approximately 69.0% of total assets. The following table and chart demonstrates the bank's loan portfolio composition as of December 31, 2012.

COMPOSITION OF LOAN PORTFOLIO						
Loan Type	12/31/2012		12/31/2011		12/31/2010	
	\$ (000s)	Percent	\$ (000s)	Percent	\$ (000s)	Percent
Construction and Development	7,095 ¹	2.1%	8,159	2.5%	9,501	2.7%
Secured by One- to Four- Family Dwellings	69,850 ¹	20.3%	70,638	21.2%	67,579 ¹	19.2%
Other Real Estate: Farmland	0 ¹	0.0%	0	0.0%	0 ¹	0.0%
Multifamily	2,438 ¹	0.7%	3,149	0.9%	3,580	1.0%
Nonfarm nonresidential	135,641 ¹	39.3%	130,620	39.2%	109,294	31.1%
Commercial and Industrial	121,154 ¹	35.1%	111,061	33.4%	150,524	42.9%
Loans to Individuals	8,682 ¹	2.5%	9,215	2.8%	10,583	3.0%
Agricultural Loans	0 ¹	0.0%	0	0.0%	0	0.0%
Total	\$344,860¹	100.00%	\$332,842	100.00%	\$351,061	100.00%

* This table does not include the entire loan portfolio. Specifically, it excludes loans to depository institutions, bankers acceptances, lease financing receivables, obligations of state and political subdivisions, and other loans that do not meet any other category. Contra assets are also not included in this table.

North Side's investment portfolio as of December 31, 2012 was approximately \$131 million, which represents 26.2% of total assets. Investments in U.S. Treasuries and Agencies account for 70.2% of investments and all other securities and interest-bearing bank balances account for 22.1% of total investments. Municipal securities comprise the remaining 7.6% of the bank's total investments.

The bank's asset size and financial condition indicate that it has the ability to continue to effectively meet the credit needs of its assessment area. There are no legal or other impediments that would hamper the bank's ability to meet community credit needs.

DESCRIPTION OF ASSESSMENT AREA IN CINCINNATI-MIDDLETOWN, OH-KY IN MSA 17140

North Side has delineated one assessment area for CRA purposes located in the Cincinnati-Middletown MSA. The Cincinnati-Middletown MSA is comprised of the following 15 counties: Brown, Butler, Clermont, Hamilton, and Warren Counties in Ohio; Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton Counties in Kentucky; and Dearborn, Franklin, and Ohio Counties in Indiana. The bank's assessment area is comprised of the entirety of Hamilton County (222 census tracts) and contiguous portions of Butler (46 census tracts) County. All of these counties are located in Ohio.

The assessment area consists of 268 census tracts, of which 42 are low-income (15.7%), 59 are moderate-income (22.0%), 104 are middle-income (38.8%), 60 are upper-income (22.4%), and three are unknown-income (1.1%) tracts. Since the previous examination, the bank removed four census tracts in Warren County; therefore, the bank has no census tracts remaining in Warren County.

According to the U.S. Census Bureau's annual estimates of population change for metropolitan statistical areas and rankings, the Cincinnati-Middletown MSA is the largest metropolitan area in Ohio, in front of Greater Cleveland and Greater Columbus. The Cincinnati-Middletown MSA experienced some growth from April 1, 2010 to July, 1 2012 at 0.66%.¹ The Cincinnati-Middletown MSA is the nation's 28th largest MSA and is also part of the Cincinnati-Middletown-Wilmington Combined Statistical Area (CSA), as defined by the Census Bureau. In addition to the MSA, the CSA includes the Wilmington, Ohio Micropolitan Statistical Area for an estimated total population of 2.2 million residents.

According to 2012 estimates, the MSA's population totals 2.1 million residents, of which 802,374 (38.2%) reside in Hamilton County, making it the largest county in the Cincinnati-Middletown MSA. The city of Cincinnati, located in Hamilton County, is the third largest city in Ohio. According to the Census Bureau's 2010 data, Cincinnati has approximately 296,943 residents, which represents about 37.0% of the county's total population and is currently ranked as the nation's 64th largest city.²

There is significant banking competition within North Side's assessment area. As of June 30, 2012, the Federal Deposit Insurance Corporation (FDIC) reported 42 insured financial institutions operating 426 branches within Hamilton and Butler Counties. The FDIC's market share report indicates that North Side ranked eleventh, holding 0.7% of the market share of deposits.³ The following table illustrates the deposit market share for the top 15 financial institutions in the Hamilton and Butler Counties.

1 http://www.census.gov/popest/data/historical/2010s/vintage_2011/metro.html

2 <http://quickfacts.census.gov/qfd/states/39/3915000.html>

3 <http://www2.fdic.gov/sod/sodMarketBank.asp>

Ranking	Institution Name	Deposits	Market Share
1	Fifth Third Bank	20,768,788	38.52%
2	U.S. Bank National Association	19,494,531	36.16%
3	PNC Bank, National Association	4,787,412	8.88%
4	First Financial Bank, National Association	1,596,253	2.96%
5	The Huntington National Bank	1,511,649	2.80%
6	JPMorgan Chase Bank, National Association	977,972	1.81%
7	Union Savings Bank	955,078	1.77%
8	KeyBank National Association	661,996	1.23%
9	Cheviot Savings Bank	512,504	0.95%
10	Guardian Savings Bank, A Federal Savings Bank	449,612	0.83%
11	The North Side Bank and Trust Company	374,728	0.70%
12	Wesbanco Bank, Inc.	207,931	0.39%
13	The Harrison Building and Loan Association	193,874	0.36%
14	LCNB National Bank	134,112	0.25%
15	Foundation Bank	113,641	0.21%

Population Characteristics

According to the 2000 U.S. Census, the population within North Side’s assessment area was approximately 1.0 million. Approximately, 28.5% of the assessment area’s population resides in low and moderate-income tracts. In addition, 73.8% of the population is 18 years of age or older, which is the legal age to enter into a contract.

The largest county in the assessment area by population is Hamilton County, which includes Cincinnati. The table below shows the 2000 and the 2010 population, as well as the projected 2020 population in the two counties that comprise North Side’s assessment area.⁴

County	Actual 2000	Actual 2010	Projected 2020
Hamilton	845,303	802,374	771,540
Butler	332,807	368,130	403,860

Income Characteristics

According to the 2000 U.S. Census data, the median family income in the bank’s assessment area was \$55,031, which is slightly higher than the MSA’s and Ohio’s median family income at \$54,771 and \$50,037, respectively. The HUD-estimated median family incomes for the Cincinnati-Middletown MSA for 2010 and 2011 are listed in the table below, categorized by the dollar amounts recognized as low-, moderate-, and upper-income

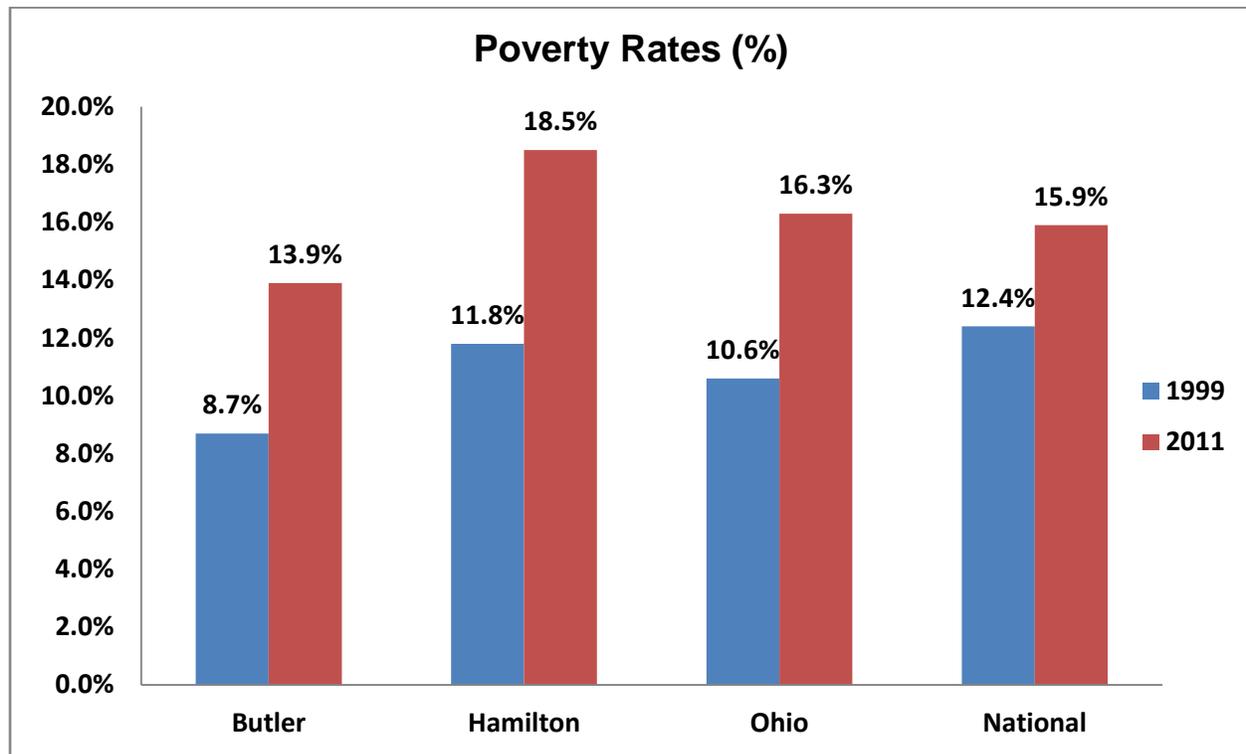
⁴ <http://www.development.ohio.gov/files/research/C1032.pdf> and <http://www.development.ohio.gov/files/research/C1010.pdf>

**Borrower Income Levels
Cincinnati-Middletown, OH-KY-IN MSA**

HUD Estimated Median Family Income		Low 0 - 49.99%	Moderate 50% - 79.99%	Middle 80% - 119.99%	Upper 120% - & above
2010	\$69,500	0 - \$34,749	\$34,750 - \$55,599	\$55,600 - \$83,399	\$83,400 - & above
2011	\$70,400	0 - \$35,199	\$35,200 - \$56,319	\$56,320 - \$84,479	\$84,480 - & above

The assessment area contains 423,828 households, of which 270,642 (63.9%) are designated as families. Of the total families in the assessment area, 20.2% were low-income, 17.7% were moderate-income, 21.8% were middle-income, and 40.3% were upper-income. In the assessment area, 8.0% of the families were below the poverty level, which is slightly higher than Ohio at 7.8% and greater than the 6.9% of families below poverty in the Cincinnati-Middletown MSA.

The following chart shows the increase in poverty rates for each county in the assessment area from 1999 to 2011, as well as, The State of Ohio and National level.⁵



⁵ <http://www.ers.usda.gov/data-products/county-level-data-sets/poverty.aspx>

Labor, Employment, and Economic Characteristics

The following table illustrates land use for each county in the assessment area:⁶

	Urban	Cropland	Pasture	Forest
Hamilton County	41.01%	10.25%	1.15%	45.70%
Butler County	12.77%	51.45%	11.30%	23.24%

As the table above indicates, Hamilton County is largely urban, whereas Butler County is primarily cropland and forest.

The following table displays the major employers for each of the counties in the assessment area.

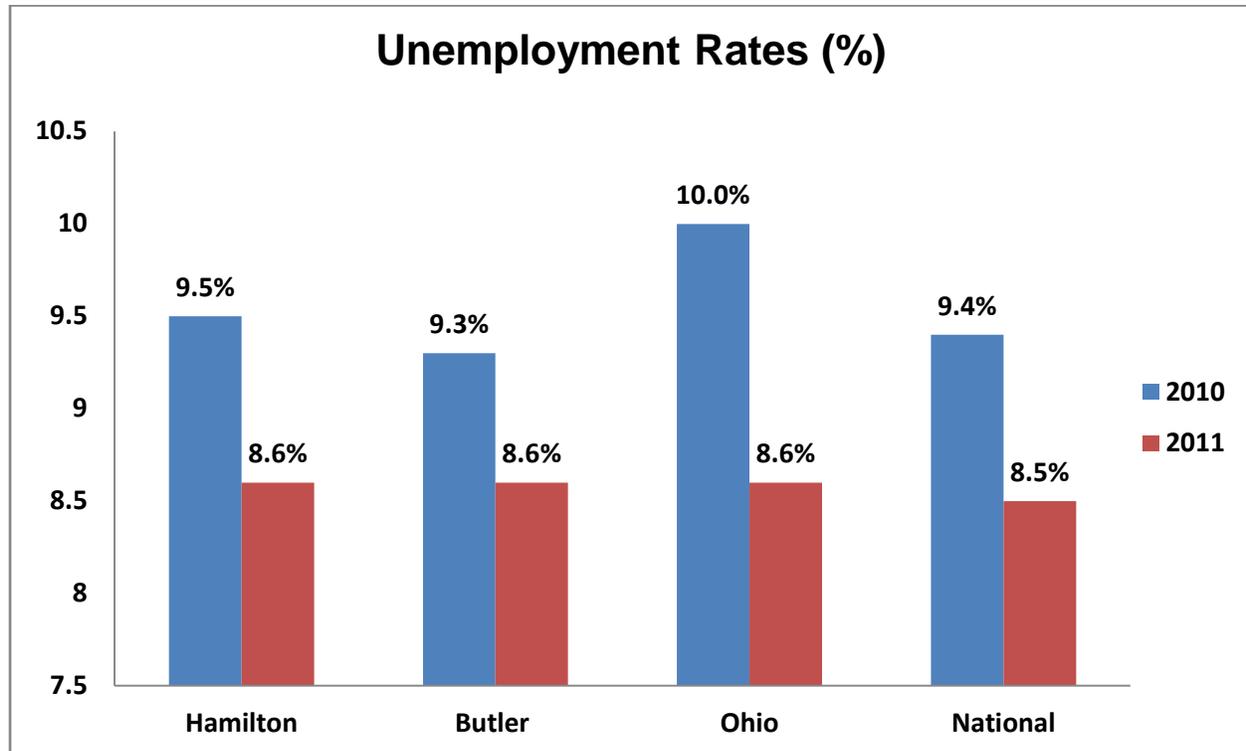
Hamilton County	American Financial Group, Cincinnati Children's Hospital, Fifth Third Bank, Ford Motor Company, General Electric Co., Johnson & Johnson/Ethicon, Kroger, Macy's, Mercy Health Partners, Proctor and Gamble, Tri Health Inc., and University of Cincinnati
Butler County	AK Steel, BEA Systems, Butler County Government, Cincinnati Financial Corp., Cornerstone Brands, Fairfield City Schools, Ft. Hamilton Memorial Hospital, GE Aviation, Hamilton City Schools, Lakota Local Schools, Liberty Mutual/Ohio Casualty Corp., Mercy Regional Hospital, Miami University, Middletown Regional Health System and Miller Coors

According to Dun and Bradstreet data, there are 61,609 total businesses in the assessment area. The majority of businesses (88.8%) have revenues less than one million dollars.

The following chart shows the 2010 and 2011 unemployment rates (not seasonally adjusted) for the two counties in the assessment area compared to the Ohio and national averages.⁷

⁶ http://www.development.ohio.gov/reports/reports_countytrends_map.htm

⁷ <http://www.ers.usda.gov/data-products/county-level-data-sets/unemployment.aspx>



The chart shows that unemployment rates for the counties in the assessment area have been consistent with Ohio and National unemployment rates.

Housing Characteristics

There were 454,306 housing units in the assessment area, with the majority of units (373,393 or 82.2%) located in Hamilton County, based on the 2000 U.S. Census. Within the assessment area, 58.2% of the units were owner-occupied, 35.0% were rental, and 6.7% were vacant. Hamilton County had the lower owner-occupancy rate at 55.6%. Butler County had an owner-occupancy rate at 67.9%. For comparison, the owner-occupancy rate in the Cincinnati-Middletown MSA was 62.9% and 64.2% in Ohio.

From an income perspective, only 31.6% of all housing units and 18.4% of all owner-occupied dwellings were located in either low- or moderate-income census tracts. These figures suggest mortgage credit demand in low- and moderate-income areas may be lower.

The median age of housing stock was 40 years as of the 2000 U.S. Census, with 33.1% of housing built prior to 1950. The median age of housing stock in Hamilton County was 42 years, compared to 28 years in Butler County. A higher percentage of older homes are typically indicative of needs relating to repairs and rehabilitation, which is particularly evident in Hamilton County, as demonstrated by the median age of the housing stock.

According to the 2000 U.S. Census data, the median housing value in the assessment area was \$112,609, with an affordability ratio of 38.2%; the higher the affordability ratio, the more affordable a home is considered. The affordability ratio in Hamilton County was 37.6% and 40.2% in Butler County. Further, based on the 2000 median family income, about 42.4% of the homes valued up to \$101,000 in the assessment area would be considered affordable for low-income individuals and approximately 73.3% of the homes valued up to \$150,000 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 4.0% interest rate.

According to Sperling's Best Places, the 2012 median home cost in the following cities throughout the assessment area is provided in the table below and demonstrate that housing values have appreciated throughout the assessment area.⁸

Major City in Each County	June 2012 Home Cost	% Average Change in Last Year
Cincinnati (Hamilton)	86,100	0.80%
Hamilton (Butler)	111,100	0.68%

According to RealtyTrac,⁹ approximately 12,000 foreclosure filings were reported on Ohio properties in April 2013. One in every 239 Ohio households received a foreclosure notice in April 2013. Butler County ranks in the top five counties in Ohio for foreclosures; one in every 249 households received a foreclosure notice. Comparatively, in Hamilton County one in every 439 households received a foreclosure notice.

The median gross rent in the assessment area was \$501, with 19.8% of the rental units having rents of less than \$350 a month, according to the 2000 U.S. Census. Another 28.7% of rental units had rents of \$350-\$500 per month. The majority of rents in the assessment area were \$500-\$699 or greater than \$700 at 27.3% and 21.2%, respectively. Additionally, 34.7% of renters have rent costs greater than 30.0% of their income. Hamilton County had higher rent costs, where 35.3% of renters have rent costs greater than 30.0% of their income.

A significant portion of housing units for rent in the bank's assessment area are comprised of multi-family dwellings (22.8%) of which 46.6% are located in either low- or moderate-income tracts. Further, 88.4% of all multi-family dwellings in the assessment area are located in Hamilton County; Hamilton County also had a higher rate of rental units at 37.3%. With almost 35.0% of the total housing units in the assessment area being rental units, this suggests demand for mortgage credit within the bank's assessment area, particularly in low- and moderate-income areas, might be lower.

⁸ <http://www.bestplaces.net/>

⁹ <http://www.realtytrac.com/statsandtrends/foreclosurestrends/oh>

Community Contacts

Two community contact interviews were conducted in conjunction with this examination. One community contact was with an affordable housing organization in Hamilton County and one community contact was with a community development organization in Hamilton County.

One contact stated that he believes that banks desire to make loans to small businesses, but small business owners are financially unprepared. Potential clients may have good ideas, but typically do not have business plans or possess an understanding of basic accounting principles. The contact stated that he must counsel clients on how to repay the loan out of operations cash flow. The contact believes many people lack the appropriate credit skills and good credit character and his organization refers clients to the local small business development center to obtain necessary training.

One contact stated that several of their programs have led to revitalization of downtrodden neighborhoods. Further, the contact indicated that the population in Hamilton County is being segregated by cultural values, as opposed to class and race. The contact indicated that the recession has caused neglected neighborhoods to become even more neglected. In addition, the contact stated that in order for their programs to prosper, the project requires a motivated developer and local leaders who support the project.

Combined Demographics Report

Assessment Area(s): North Side Bank AA 2011

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	42	15.7	22,400	8.3	8,506	38.0	54,678	20.2
Moderate-income	59	22.0	46,056	17.0	6,141	13.3	47,905	17.7
Middle-income	104	38.8	115,969	42.8	5,442	4.7	58,884	21.8
Upper-income	60	22.4	86,217	31.9	1,577	1.8	109,175	40.3
Unknown-income	3	1.1	0	0.0	0	0.0	0	0.0
Total Assessment Area	268	100.0	270,642	100.0	21,666	8.0	270,642	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	51,723	9,715	3.7	18.8	33,740	65.2	8,268	16.0
Moderate-income	91,853	38,814	14.7	42.3	44,589	48.5	8,450	9.2
Middle-income	189,822	121,875	46.1	64.2	58,786	31.0	9,161	4.8
Upper-income	120,708	94,147	35.6	78.0	21,919	18.2	4,642	3.8
Unknown-income	200	18	0.0	9.0	120	60.0	62	31.0
Total Assessment Area	454,306	264,569	100.0	58.2	159,154	35.0	30,583	6.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	4,318	7.0	3,629	6.6	507	10.6	182	8.6
Moderate-income	10,011	16.2	8,628	15.8	971	20.4	412	19.4
Middle-income	25,453	41.3	22,522	41.2	2,020	42.4	911	42.9
Upper-income	21,033	34.1	19,284	35.2	1,157	24.3	592	27.9
Unknown-income	794	1.3	659	1.2	109	2.3	26	1.2
Total Assessment Area	61,609	100.0	54,722	100.0	4,764	100.0	2,123	100.0
Percentage of Total Businesses:				88.8		7.7		3.4
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	7	1.9	6	1.6	1	16.7	0	0.0
Moderate-income	28	7.4	28	7.6	0	0.0	0	0.0
Middle-income	174	46.2	170	46.1	3	50.0	1	50.0
Upper-income	167	44.3	164	44.4	2	33.3	1	50.0
Unknown-income	1	0.3	1	0.3	0	0.0	0	0.0
Total Assessment Area	377	100.0	369	100.0	6	100.0	2	100.0
Percentage of Total Farms:				97.9		1.6		.5

Based on 2011 D&B information according to 2000 Census Boundaries.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Lending Test

The bank is rated Satisfactory under the lending test.

Loan-to-Deposit Ratio

The following table illustrates North Side's quarterly Loan-to-Deposit (LTD) ratio for eight quarters since the previous evaluation, along with the average LTD ratio for the same period. In addition to the bank's ratios, the table below includes the national peer bank ratios.

Loan-to-Deposit Ratios					
NORTH SIDE B&TC			CHEVIOT SVG BK	GUARDIAN SVG BK FSB	HARRISON B&LA
As of Date	Bank Ratio	Aggregate Ratio	Peer 1 Ratio	Peer 2 Ratio	Peer 3 Ratio
December 31, 2012	87.41	73.95	66.80	95.12	51.05
September 30, 2012	90.25	74.47	67.00	86.16	53.02
June 30, 2012	92.44	74.28	70.33	76.01	53.45
March 31, 2012	87.08	73.28	71.97	73.52	53.70
December 31, 2011	85.95	75.09	0.00	93.24	0.00
September 30, 2011	88.03	75.89	0.00	0.00	0.00
June 30, 2011	88.55	76.63	0.00	0.00	0.00
March 31, 2011	87.91	76.48	0.00	0.00	0.00
Quarterly Loan-to- Deposit Ratio Average Since the Previous Evaluation	88.72	75.01	69.03	84.81	52.81

North Side's LTD ratio reached its peak in June 2012 and has declined slightly since then. The bank has averaged an 88.5% LTD ratio over the past eight quarters, which is higher than the average LTD ratio for its national peer group and three of its local peers. North Side's LTD ratio is considered reasonable.

Lending in the Assessment Area

The table below shows North Side's volume of loans extended inside and outside the bank's assessment area during the evaluation period.

Lending Inside and Outside the Assessment Area												
Loan Type	Inside				Outside				Total			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Equity	65	91.5	4,371	92.1	6	8.5	374	7.9	71	100	4,745	100
Consumer Loans	89	90.8	1,728	88.5	9	9.2	225	11.5	98	100	1,953	100
Total Consumer	154	91.1	6,099	91.1	15	8.9	599	8.9	169	100	6,698	100
Home Purchase - Conventional	35	85.4	3,456	71.6	6	14.6	1,372	28.4	41	100	4,828	100
Home Improvement	22	95.7	348	98.3	1	4.3	6	1.7	23	100	354	100
Multi-Family Housing	1	100	295	100	0	0	0	0	1	100	295	100
Refinancing	32	78	5,036	68	9	22	2,366	32	41	100	7,402	100
Total HMDA	90	84.9	9,135	70.9	16	15.1	3,744	29.1	106	100	12,879	100
Small Business	86	86.9	17,331	80.2	13	13.1	4,286	19.8	99	100	21,617	100
Total Small Bus.	86	86.9	17,331	80.2	13	13.1	4,286	19.8	99	100	21,617	100
TOTAL LOANS	330	88.2	32,565	79.1	44	11.8	8,629	20.9	374	100	41,194	100

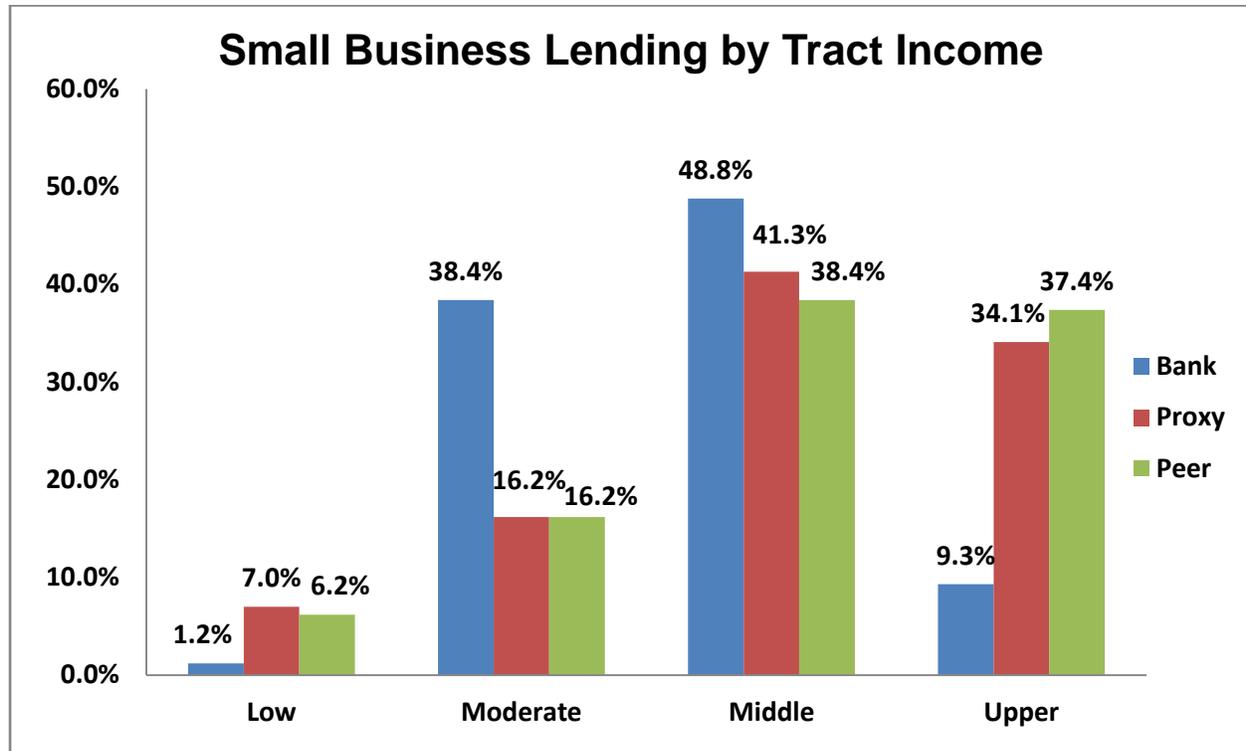
The table illustrates that a majority of the bank's loans by number and dollar amount were made inside of its assessment area.

Geographic Distribution of Lending

The geographic distribution of loans is considered excellent.

Small Business Loans

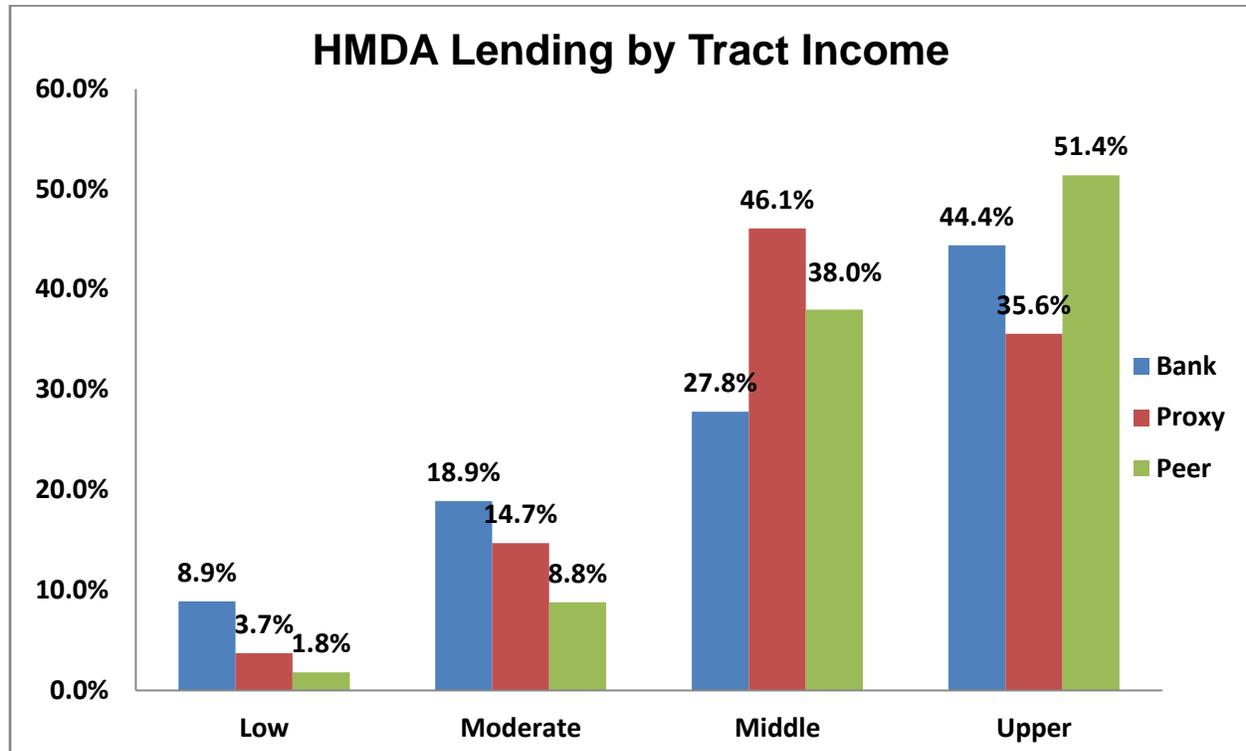
North Side originated 86 small business loans in the assessment area during the evaluation period. Of these loans, one was made in low-income tract, 33 were made in moderate-income tracts, 42 were made in middle-income tracts, and 8 were made in upper-income tracts. Two loans were originated in unknown-income tracts. The following table compares the percentage of loans originated by tract income level to the demographics of the assessment area.



The chart indicates that the bank originated a lower percentage of small business loans in low-income tracts than the number of businesses in low-income tracts and lower than its peers. Conversely, the bank originated a higher percentage of small business loans in moderate- and middle- income tracts than the proxy and its peers. Given these factors, the geographic distribution of small business loans is reasonable.

HMDA Loans

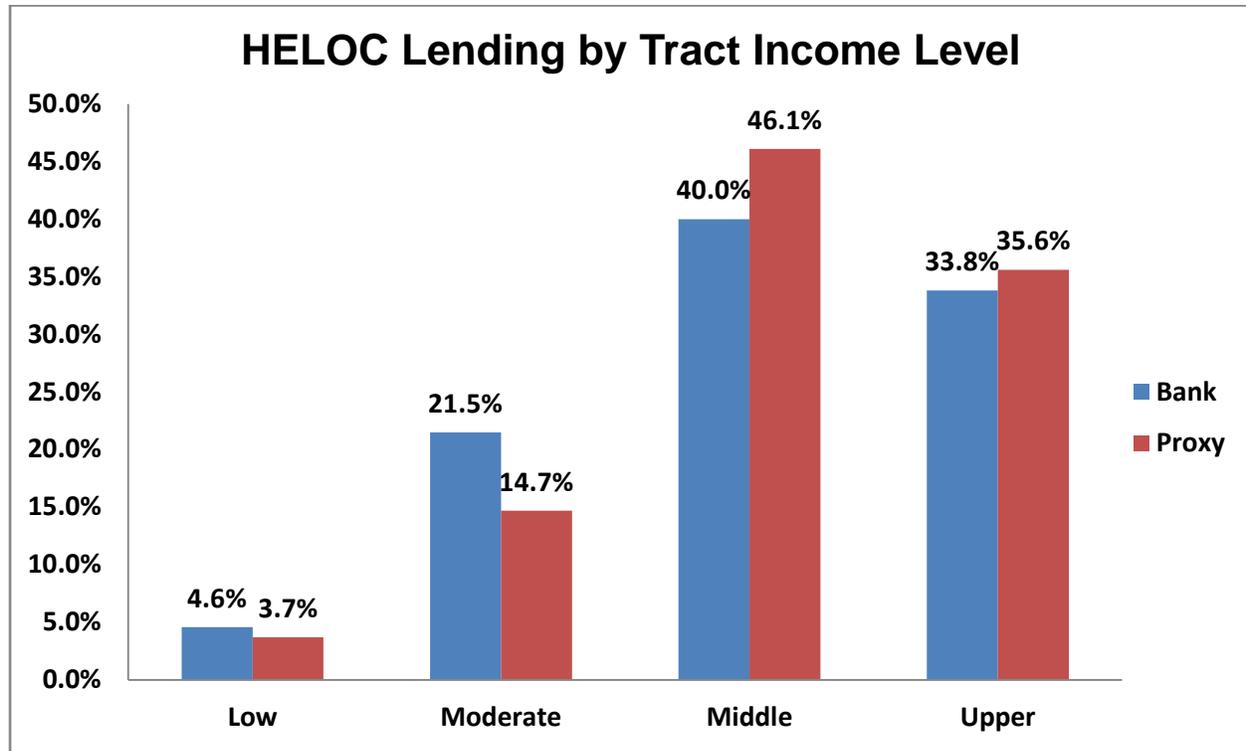
North Side originated a total of 90 HMDA loans in the assessment area during the evaluation period, a combination of 35 home purchase loans, 32 refinance loans, 22 home improvement loans, and one multi-family loan. Of the 90 loans, 8 were made in low-income tracts, 17 were made in moderate-income tracts, 25 were made in middle-income tracts, and 40 were made in upper-income tracts. The following chart compares the percentages of HMDA loans originated by tract income level to the demographics of the assessment area.



The chart indicates that overall North Side’s HMDA lending in low- and moderate-income tracts exceeded the percentage of owner-occupied units and its peers. HMDA lending in middle-income geographies was below the proxy and peers. Further, HMDA lending in upper-income geographies was above the proxy, but below peer lending. Due to a significant penetration of lending in low- and moderate-income tracts, the geographic distribution of HMDA loans is excellent.

HELOC Loans

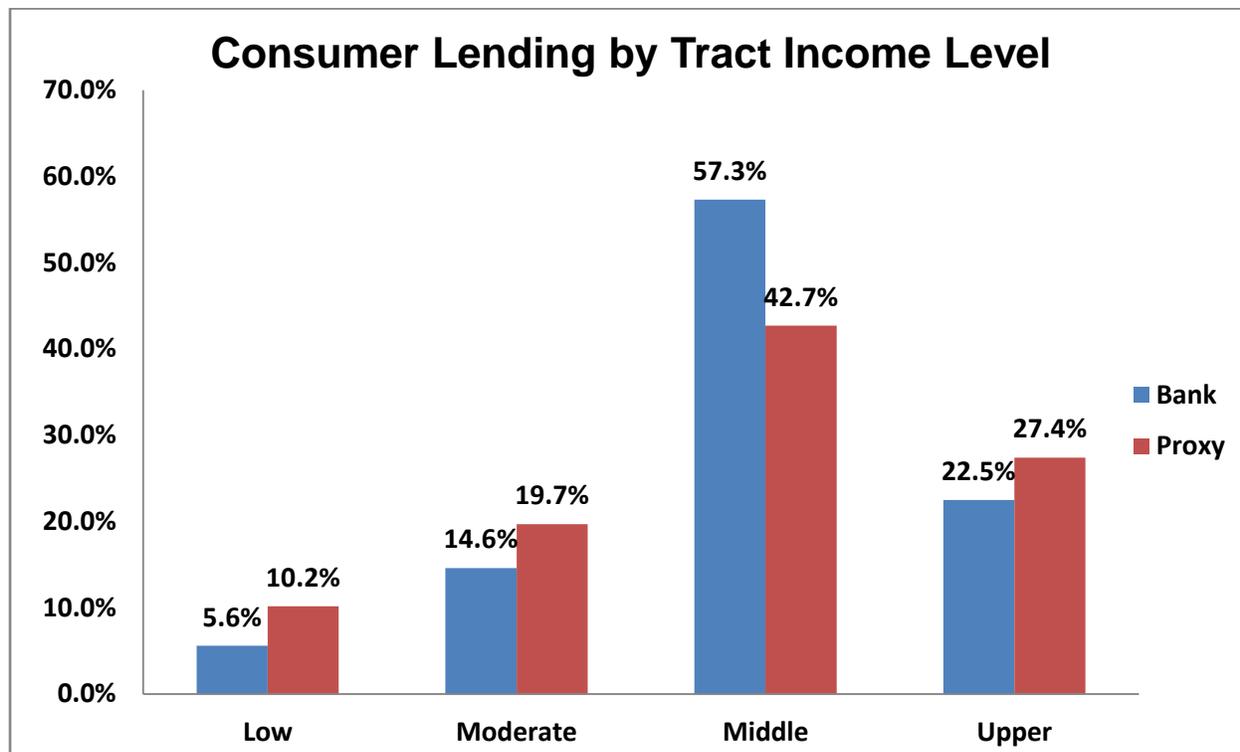
North Side originated a total of 65 HELOC loans in the assessment area during the evaluation period. Of the 65 loans, three were made in low-income tracts, 14 were made in moderate-income tracts, 26 were made in middle-income tracts, and 22 were made in upper-income tracts. The following chart compares the percentages of HELOC loans originated by tract income level to the demographics of the assessment area.



The chart indicates that overall North Side’s HELOC lending in low- and moderate-income tracts exceeded the percentage of owner-occupied units. HELOC lending in middle-income geographies was below proxy. Similarly, HELOC lending in upper-income geographies was slightly below the proxy. Due to a significant penetration of lending in low- and moderate-income tracts, the geographic distribution of HELOC loans is excellent.

Consumer Loans

North Side originated a total of 89 consumer loans in the assessment area during the evaluation period. Of the 89 loans, five were made in low-income tracts, 13 were made in moderate-income tracts, 51 were made in middle-income tracts, and 20 were made in upper-income tracts. The following chart compares the percentages of consumer loans originated by tract income level to the demographics of the assessment area.



The chart indicates that all consumer lending in low- and moderate- income tracts were below the percentage of households in low- and moderate- income tracts. Lending in middle-income census tracts significantly exceeded the percentage of households for consumer loan products. Given these factors, the geographic distribution of consumer loans is considered reasonable.

There were gaps in lending throughout the assessment area. In particular, there were 33 low-income tracts with no loans, 34 moderate-income tracts with no loans, 48 middle-income tracts with no loans, and 21 upper-income tracts with no loans. The 33 low-income tracts averaged 66.5% rental units and 17.1% vacant units. This substantial percentage of rental and vacant units in these tracts significantly impedes the bank’s ability to originate HMDA loans. In addition, North Side’s assessment area contains two large universities. A significant number of low- and moderate-income tracts are located in the universities areas, which would further impede the bank’s ability to originate HMDA loans.

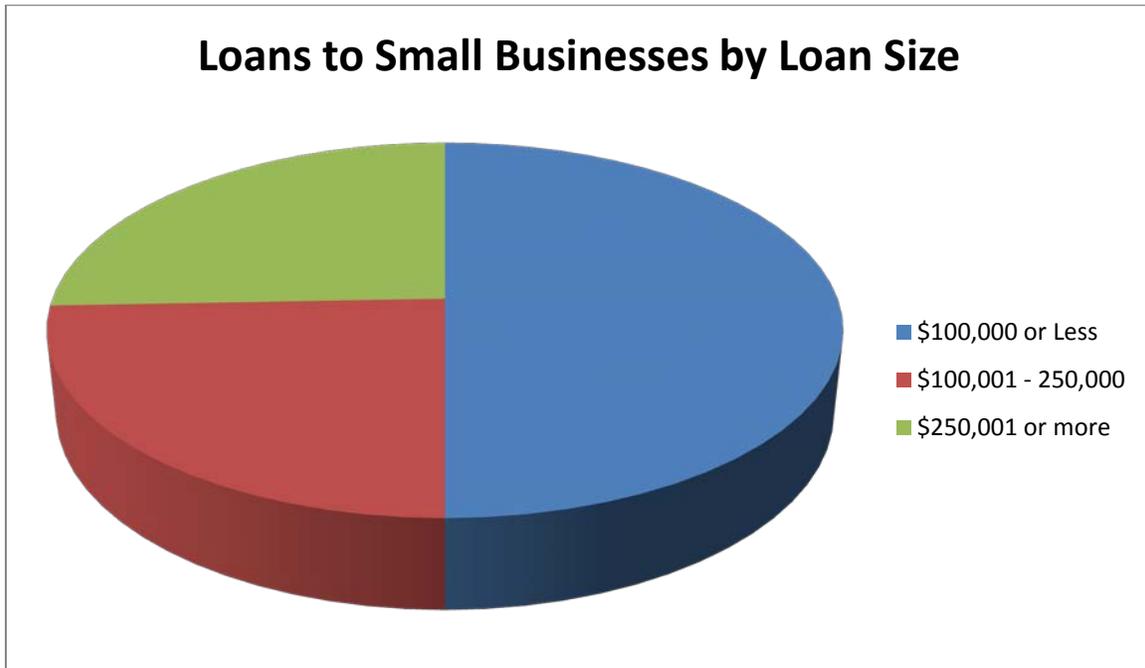
Borrower Distribution of Lending

The borrower distribution of loans is considered reasonable.

Small Business Loans

There were 86 small business loans originated in the assessment area. Of these 86 loans, 41 (47.7%) were to small businesses with annual revenues of \$1 million or less. In the assessment area, businesses with revenues less than \$1 million account for 88.8% of businesses.

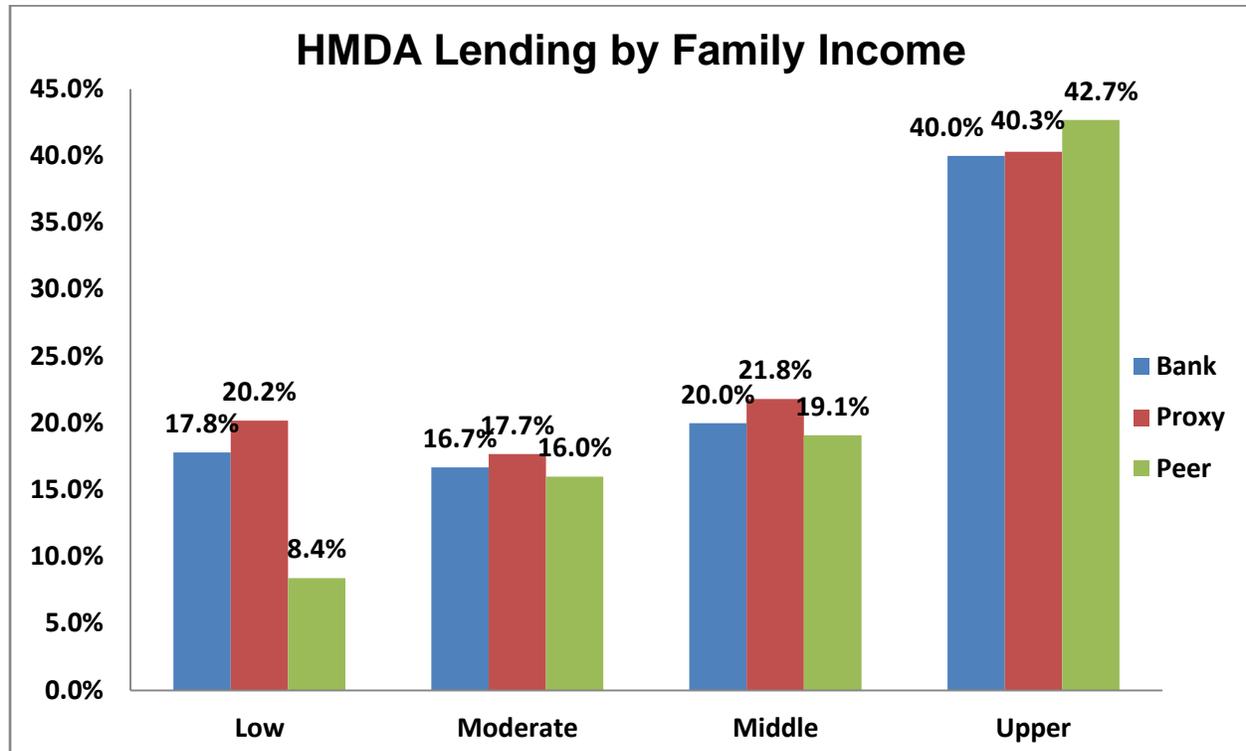
Loan amount was considered in addition to revenue, as smaller loans are generally commensurate with the borrowing needs of smaller businesses. Of the 86 loans to small businesses originated within the assessment area, 43 (50.0%) loans were for loan amounts \$100,000 or less. The following table depicts the percentage of small business loans originated by loan amount.



Lending to small businesses of different revenue sizes is adequate.

HMDA Loans

Of the 90 HMDA loans originated in the assessment area during the evaluation period, 16 were to low-income borrowers, 15 were to moderate-income borrowers, 18 were to middle-income borrowers, and 36 were to upper-income borrowers. Five loans were to borrowers of unknown income.

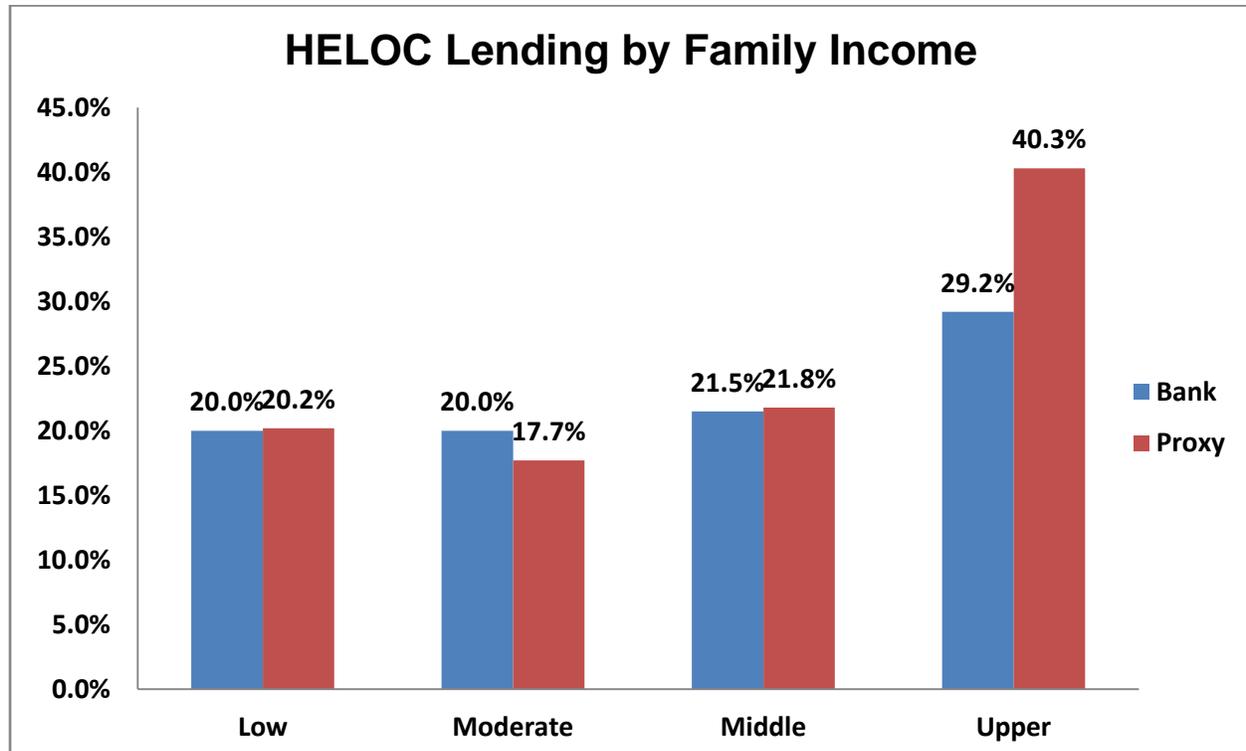


The chart indicates that the bank originated a slightly lower percentage of HMDA loans to low-income borrowers than the percentage of low-income families in the assessment area. However, North Side’s HMDA originations to low-income borrowers were significantly higher than peer. Similarly, HMDA lending to moderate-income borrowers was generally consistent with the demographics of the assessment area and peers. HMDA lending to middle- and upper-income borrowers was generally consistent with demographics and peers.

In addition, North Side offers lower-income individuals the opportunity to participate in a Federal Home Loan Bank (FHLB) program. The Welcome Home Grant Program provides down payment assistance for first-time, low- and moderate-income homebuyers. North Side obtained six grants aggregating \$20,000 during this review period. Given these factors and the penetration of loans to low- and moderate-income families, the borrower distribution of HMDA lending is reasonable.

HELOC Loans

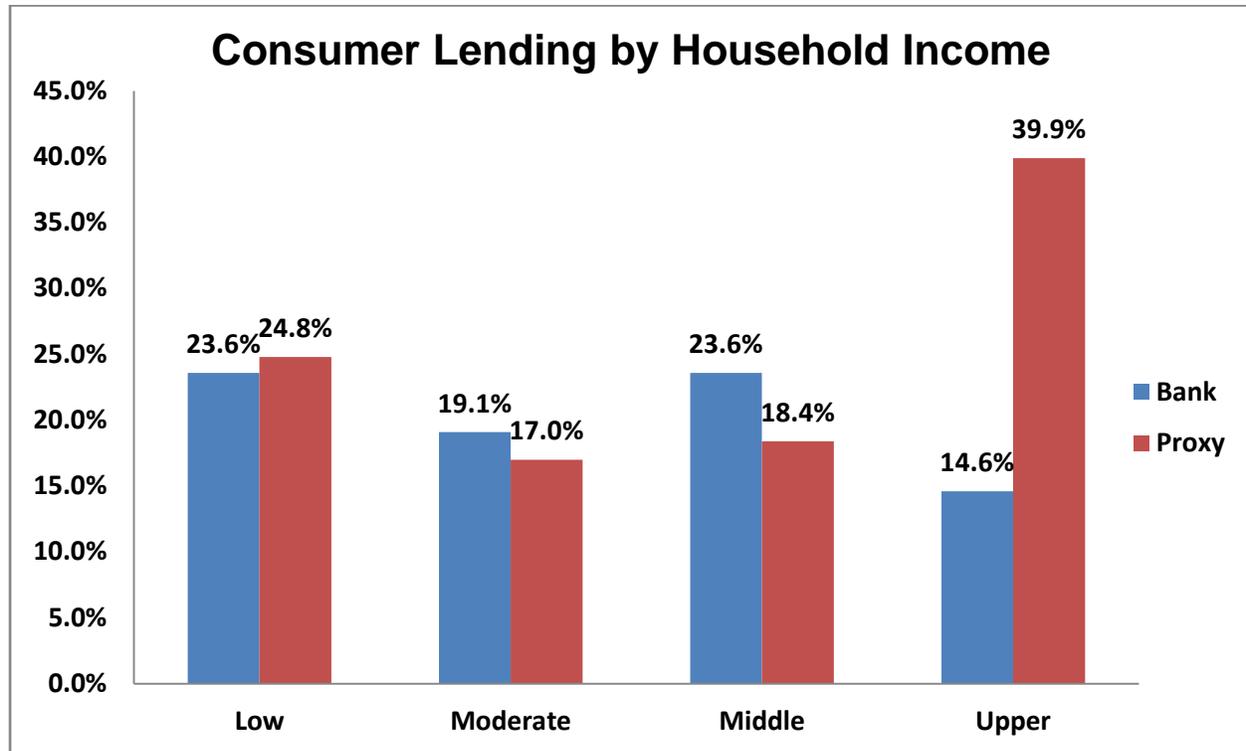
Of the 65 HELOC loans originated in the assessment area during the evaluation period, 13 were to low-income borrowers, 13 were to moderate-income borrowers, 14 were to middle-income borrowers, and 19 were to upper-income borrowers.



The chart indicates that the bank originated a comparable percentage of HELOC loans to low-income borrower as compared to the families in the assessment area. North Side’s HELOC originations to moderate-income borrowers were higher than families in the assessment area. HELOC lending to middle-income borrowers was generally consistent with the demographics of the assessment area. HELOC lending to upper-income borrowers was significantly below the demographics in the assessment area. The borrower distribution of HELOC lending was reasonable.

Consumer Loans

There were 89 consumer loans originated in the assessment area for which borrower income was reported. Of these 89 loans, 21 were to low-income borrowers, 17 were to moderate-income borrowers, 21 were to middle-income borrowers, and 13 were to upper-income borrowers. 17 loans were to borrowers of unknown income.



The chart indicates that the bank originated a comparable percentage of consumer loans to low-income borrower as compared to the households in the assessment area. North Side’s consumer originations to moderate-income borrowers were higher than households in the assessment area. Similarly, consumer lending to middle-income borrowers was generally higher than the demographics of the assessment area. Lastly, consumer lending to upper-income borrowers was significantly below the demographics in the assessment area. The borrower distribution of consumer lending was reasonable.

Response to Consumer Complaints

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

Fair Lending or Other Illegal Credit Practices Review

No evidence of discriminatory or other illegal credit practices was noted during this evaluation.

Community Development Test

The bank is rated Satisfactory under the Community Development Test. North Side’s community development performance demonstrates an adequate level of responsiveness to the needs of its assessment area through community development loans, investments, and services, considering the bank’s capacity and the need and availability of community development opportunities in the assessment area.

Community Development Loans

North Side demonstrated good responsiveness to the community development needs of the assessment area through community development loans. The bank originated two community development loans that benefited the assessment area during the evaluation period totaling \$520,000. The primary purpose of two loans was for affordable housing to low- and moderate-income individuals.

Qualified Investments

North Side has demonstrated an adequate responsiveness to community development investment needs of its assessment area. During the evaluation period, the bank made 27 new investments to 16 organizations totaling \$38,331. The bank’s investments were primarily in the form of donations to support a variety of activities, such as financial education for local contractors and other small business owners, education to low- and moderate-income individuals to break out the cycle of poverty, services directed to low- and moderate-income individuals and families (i.e., food, home repairs, shelter), seminars that promote the stabilization and revitalization of communities by increasing and promoting homeownership in low- and moderate-neighborhoods, and financial literacy programs to low- and moderate-income students.

Community Development Services

North Side has demonstrated an adequate responsiveness to the community development service needs of its assessment area. The following chart displays the branch distribution by tract income level compared to families by tract income.

Tracts	# of Branches	% of Branches	# of Tracts¹⁰	% of Tracts¹¹	% of Families by Income
Low-Income	0	0.0%	42	15.7%	20.2%
Moderate-Income	2	28.6%	59	22.0%	17.7%
Middle-Income	4	57.1%	104	38.8%	21.8%
Upper-Income	1	14.3%	60	22.4%	40.3%
Total	7	100.0%	268	98.9%	100.0%

In general, the branch distribution is not representative of the overall makeup of geographies in the assessment area, as 37.7% of the tracts are designated as low- and moderate-income tracts and 28.6% of the bank’s branches are located in moderate-income tracts. However, in addition to branch delivery systems, North Side offers alternative delivery systems such as ATMs, telephone, and internet banking. North Side offers a free check-cashing service designed to help those without bank accounts be able to cash a check drawn on North Side customer’s account at no charge.

10 There are three unknown income tracts within the assessment area that are not displayed on this table.

11 There are three unknown income tracts within the assessment area that are not displayed at this table that represents the 1.1%.

The bank's employees provide their financial expertise to local organizations that provide community development services to the community through board and committee memberships.

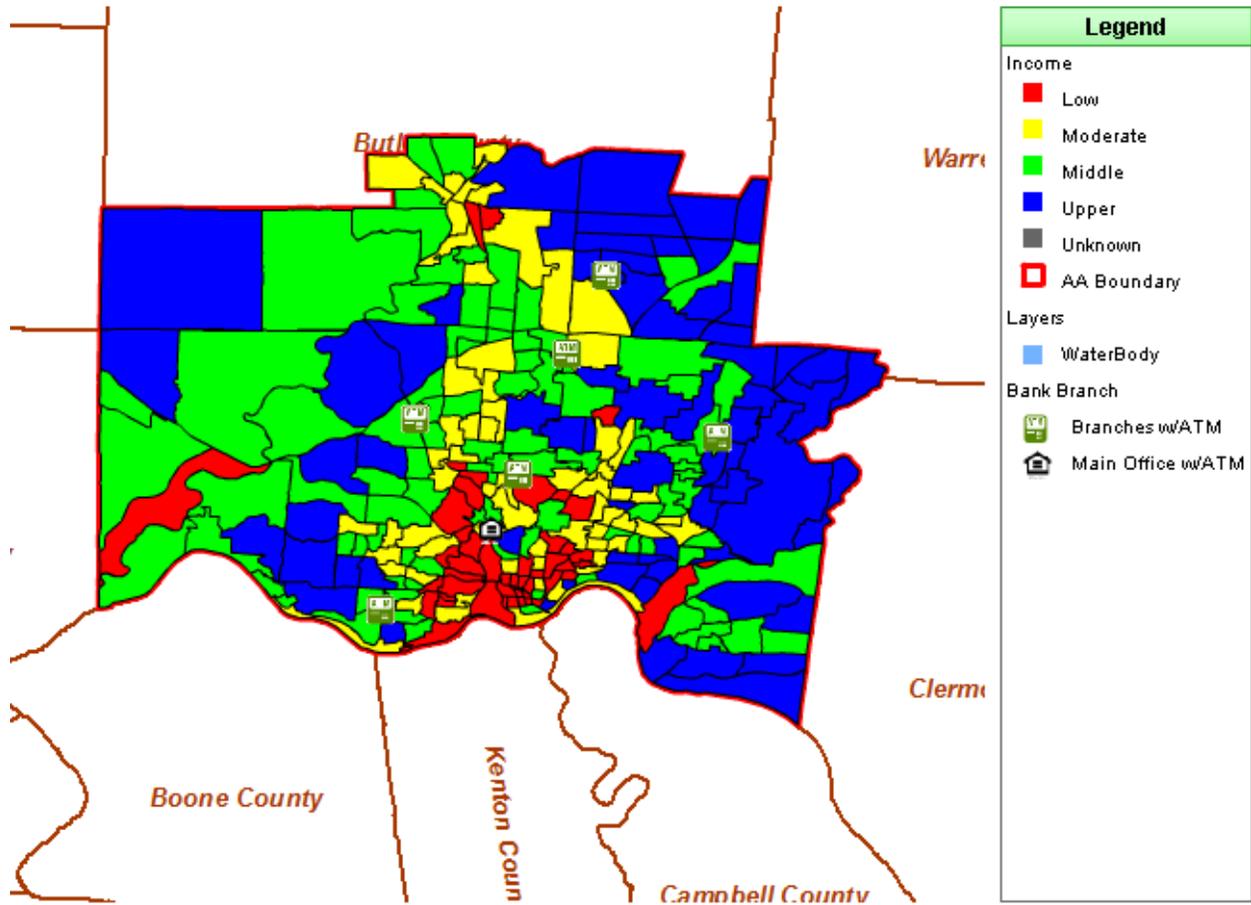
- *ABA Get Smart About Credit Day/Accounting for Kids Day/Smart Money Choices/Teach Children to Save Day* – Four employees/officers volunteer to teach these programs at low- and moderate-income schools in Hamilton County. These programs are part of the Cincinnati Public Schools curriculum involving volunteers from financial industry to teach financial literacy to its youth in the schools.
- *Annual Construction Seminar* –North Side's commercial loan officers provided financial expertise regarding the requirements of obtaining a commercial loan and sponsorship at this annual construction seminar that was free-of-charge and available to all local small business contractors.
- *Bank on Cincinnati* –This comprehensive program is targeted at the “unbanked,” those who live without access to mainstream financial institutions. An employee is a member of the Financial Education Committee, which meets every other week to prepare a standard curriculum that includes financial education for unbanked persons desiring to open a bank account.
- *Booth Residence* – An employee conducted a financial seminar at this low-income senior housing complex. Topics covered included identity theft, fraud check scams, government payment conversion, and the BankOn Cincinnati program.
- *Churches Active in Northside (CAIN)* – An employee is a board member of this non-profit service. The service provides basic necessities like food, emergency financial assistance, clothing and household items for low-income individuals and families.
- *Cincinnati Development Fund* – The CRA officer is a member of the loan committee. This non-profit organization helps to finance affordable housing, development, and community revitalization projects and offers participation loan opportunities for financial institutions.
- *Cincinnati Northside Community Urban Redevelopment Corporation* – A senior vice president is a board member for this organization that supports the acquisition and redevelopment of blighted properties in the Northside neighborhood.
- *Horizon Certified Development Corporation* – A vice president is a voting member of the loan committee for the Hamilton County chapter, and the compliance officer is a voting member of the loan committee for the Kentucky chapter of this corporation. This organization provides professional economic development expertise to the local communities it serves.
- *Student Enterprise Program (STEP)* – Several employees participated in this financial literacy program at schools with a majority of low- to moderate-income students.

- *Working in Neighborhoods* – The CRA officer, a vice president, and an employee provided financial counseling for first-time low- and moderate-income homebuyers, foreclosure prevention, and financial education for low- and moderate-income youth. Working in Neighborhoods is a HUD-approved counseling agency.

Other Real Estate Owned Rental Program

In addition to the community development loans, qualified investments, and community development services discussed above, North Side rented homes from its inventory of other real estate owned (OREO) during the review period. Extraordinary conditions in the housing market in recent years have resulted in banks owning homes acquired through foreclosure or from seriously delinquent borrowers on a voluntary basis. The Federal Reserve Board issued a policy statement on April 5, 2012 reiterating that statutes and Federal Reserve regulations permit the rental of OREO residential properties as part of an orderly disposition strategy within legal holding-period limits. The policy statement also stated that OREO rental properties that meet the definition of community development under CRA would receive CRA consideration. In this case, North Side's OREO rental program provides affordable housing to low- and moderate-income individuals.

APPENDIX A
ASSESSMENT AREA MAP



APPENDIX B
LENDING TABLES

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	5	5.6%	52	3.0%	21	23.6%	136	7.9%
Moderate	13	14.6%	108	6.3%	17	19.1%	197	11.4%
Low/Moderate Total	18	20.2%	160	9.3%	38	42.7%	333	19.3%
Middle	51	57.3%	1,145	66.3%	21	23.6%	628	36.3%
Upper	20	22.5%	423	24.5%	13	14.6%	291	16.8%
Unknown	0	0.0%	0	0.0%	17	19.1%	476	27.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	89	100.0%	1,728	100.0%	89	100.0%	1,728	100.0%
	Home Equity							
Low	3	4.6%	53	1.2%	13	20.0%	585	13.4%
Moderate	14	21.5%	625	14.3%	13	20.0%	627	14.3%
Low/Moderate Total	17	26.2%	678	15.5%	26	40.0%	1,212	27.7%
Middle	26	40.0%	1,255	28.7%	14	21.5%	772	17.7%
Upper	22	33.8%	2,438	55.8%	19	29.2%	2,147	49.1%
Unknown	0	0.0%	0	0.0%	6	9.2%	240	5.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	65	100.0%	4,371	100.0%	65	100.0%	4,371	100.0%
	Consumer Loan Totals							
Low	8	5.2%	105	1.7%	34	22.1%	721	11.8%
Moderate	27	17.5%	733	12.0%	30	19.5%	824	13.5%
Low/Moderate Total	35	22.7%	838	13.7%	64	41.6%	1,545	25.3%
Middle	77	50.0%	2,400	39.4%	35	22.7%	1,400	23.0%
Upper	42	27.3%	2,861	46.9%	32	20.8%	2,438	40.0%
Unknown	0	0.0%	0	0.0%	23	14.9%	716	11.7%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	154	100.0%	6,099	100.0%	154	100.0%	6,099	100.0%

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	\$(000s)	%	#	%	\$(000s)	%
By Tract Income								
Low	1	1.2%	100	0.6%	0	0.0%	0	0.0%
Moderate	33	38.4%	6,557	37.8%	0	0.0%	0	0.0%
Low/Moderate Total	34	39.5%	6,657	38.4%	0	0.0%	0	0.0%
Middle	42	48.8%	8,406	48.5%	0	0.0%	0	0.0%
Upper	8	9.3%	2,038	11.8%	0	0.0%	0	0.0%
Unknown	2	2.3%	230	1.3%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	86	100.0%	17,331	100.0%	0	0.0%	0	0.0%
By Revenue								
Total \$1 Million or Less	41	47.7%	5,416	31.3%	0	0.0%	0	0.0%
Over \$1 Million	43	50.0%	11,887	68.6%	0	0.0%	0	0.0%
Not Known	2	2.3%	28	0.2%	0	0.0%	0	0.0%
Total	86	100.0%	17,331	100.0%	0	0.0%	0	0.0%
By Loan Size								
\$100,000 or less	43	50.0%	1,782	10.3%	0	0.0%	0	0.0%
\$100,001 - \$250,000	21	24.4%	3,624	20.9%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	22	25.6%	11,925	68.8%	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	86	100.0%	17,331	100.0%	0	0.0%	0	0.0%
By Loan Size and Revenue \$1 Million or Less								
\$100,000 or less	30	73.2%	1,005	18.6%	0	0.0%	0	0.0%
\$100,001 - \$250,000	5	12.2%	825	15.2%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	6	14.6%	3,586	66.2%	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	41	100.0%	5,416	100.0%	0	0.0%	0	0.0%

*Information based on 2000 Census data

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Purchase								
Low	3	8.6%	174	5.0%	10	28.6%	414	12.0%
Moderate	7	20.0%	332	9.6%	8	22.9%	525	15.2%
Low/Moderate Total	10	28.6%	506	14.6%	18	51.4%	939	27.2%
Middle	12	34.3%	766	22.2%	6	17.1%	555	16.1%
Upper	13	37.1%	2,184	63.2%	9	25.7%	1,824	52.8%
Unknown	0	0.0%	0	0.0%	2	5.7%	138	4.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	35	100.0%	3,456	100.0%	35	100.0%	3,456	100.0%
Refinance								
Low	3	9.4%	328	6.5%	2	6.3%	66	1.3%
Moderate	4	12.5%	325	6.5%	5	15.6%	343	6.8%
Low/Moderate Total	7	21.9%	653	13.0%	7	21.9%	409	8.1%
Middle	7	21.9%	660	13.1%	7	21.9%	794	15.8%
Upper	18	56.3%	3,723	73.9%	17	53.1%	3,648	72.4%
Unknown	0	0.0%	0	0.0%	1	3.1%	185	3.7%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	32	100.0%	5,036	100.0%	32	100.0%	5,036	100.0%
Home Improvement								
Low	2	9.1%	34	9.8%	4	18.2%	51	14.7%
Moderate	6	27.3%	67	19.3%	2	9.1%	6	1.7%
Low/Moderate Total	8	36.4%	101	29.0%	6	27.3%	57	16.4%
Middle	5	22.7%	105	30.2%	5	22.7%	74	21.3%
Upper	9	40.9%	142	40.8%	10	45.5%	154	44.3%
Unknown	0	0.0%	0	0.0%	1	4.5%	63	18.1%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	22	100.0%	348	100.0%	22	100.0%	348	100.0%
Multi-Family								
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%	295	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%	295	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	1	100.0%	295	100.0%	1	100.0%	295	100.0%
HMDA Totals								
Low	8	8.9%	536	5.9%	16	17.8%	531	5.8%
Moderate	17	18.9%	724	7.9%	15	16.7%	874	9.6%
Low/Moderate Total	25	27.8%	1,260	13.8%	31	34.4%	1,405	15.4%
Middle	25	27.8%	1,826	20.0%	18	20.0%	1,423	15.6%
Upper	40	44.4%	6,049	66.2%	36	40.0%	5,626	61.6%
Unknown	0	0.0%	0	0.0%	5	5.6%	681	7.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	90	100.0%	9,135	100.0%	90	100.0%	9,135	100.0%

*Information based on 2000 Census data

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 nonmetropolitan 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 refinancings 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 nonmortgage, 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.