



**NEW YORK STATE BANKING DEPARTMENT
CONSUMER SERVICES DIVISION**

One State Street
New York, NY 10004

PUBLIC SUMMARY

Off-Site Evaluation

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Date of Evaluation: December 31, 2001

Institution: Medina Savings and Loan Association
11182 Maple Ridge Road
Medina, NY 14103-1814

Note: This evaluation is not an assessment of the financial condition of this institution. The rating assigned does not represent an analysis, conclusion or opinion of the New York State Banking Department concerning the safety and soundness of this financial institution.

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GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (“CRA”) performance of Medina Savings and Loan Association (“Medina”) prepared by the New York State Banking Department. The evaluation represents the Banking Department’s current assessment and rating of the institution’s CRA performance based on an evaluation conducted as of December 31, 2001.

Section 28-b of the New York State Banking Law, as amended, requires that when evaluating certain applications, the Superintendent of Banks shall assess a banking institution’s record of helping to meet the credit needs of its entire community, including low- and moderate-income areas, consistent with safe and sound operations.

Part 76 of the General Regulations of the Banking Board implements Section 28-b and further requires that the Banking Department assess the CRA performance records of regulated financial institutions. Part 76 establishes the framework and criteria by which the Department will evaluate this performance. Section 76.5 further provides that the Banking Department will prepare a written report summarizing the results of such assessment and will assign to each institution a numerical CRA rating based on a 1 to 4 scoring system. The numerical scores represent an assessment of CRA performance as follows:

- (1) Outstanding record of meeting community credit needs;
- (2) Satisfactory record of meeting community credit needs;
- (3) Needs to Improve record of meeting community credit needs; and
- (4) Substantial Noncompliance in meeting community credit needs.

Section 76.5 further requires that the CRA rating and the written summary be made available to the public (“Evaluation”). Evaluations are primarily based on a review of performance tests and standards described in Section 76.7 and detailed in Sections 76.8 – 76.13. The tests and standards incorporate the 12 assessment factors contained in Section 28-b of the New York State Banking Law.

For an explanation of technical terms used in this report, please consult the **GLOSSARY** at the back of this document.

OVERVIEW OF INSTITUTION'S PERFORMANCE

Medina Savings and Loan Association is rated "1", indicating an outstanding record of helping to meet community credit needs.

- Medina's average loan-to-deposit ratio for the evaluation period is deemed more than reasonable given the bank's size and capacity. For the eight quarters ending December 31, 2001 its average loan-to-deposit ratio was 88.91%, which compared well against the 85.8% ratio achieved at the previous evaluation.
- Medina originated a substantial majority of its HMDA-reportable loans in its assessment area. Assessment area loans represented 96% and 93% of the bank's HMDA-reportable originations in 2000 and 2001, respectively.
- Medina's distribution of HMDA-related loans among borrowers of different income levels is considered reasonable. In 2000, the bank achieved an LMI penetration ratio of 38%, somewhat trailing the aggregate's 44% ratio. Medina's ratio for 2001 remained relatively unchanged, at 37%. The 2001 aggregate data was not available for purposes of this Performance Evaluation.
- Medina's geographic distribution of loans showed an excellent dispersion throughout its assessment area. In 2000, the bank attained an LMI penetration ratio of 47.4%, well above the aggregate's 21.6% ratio. In 2001, Medina's LMI penetration ratio declined, to 39.6%, but was still significantly higher than the prior year's aggregate. The aggregate for 2001 was available.
- There were no CRA complaints received by Medina or by the New York State Banking Department during the evaluation period.

This evaluation was conducted based on a review of the 12 assessment factors set forth in Section 28-b of the New York State Banking Law and Part 76 of the General Regulations of the Banking Board.

PERFORMANCE CONTEXT

Institution's Profile

Chartered in March 1888, Medina Savings and Loan Association ("Medina," or the "bank") is a mutual savings institution located in the village of Medina, Orleans County, New York. Medina operates one full-service banking office with a drive-up facility. In addition, Medina has four Automated Teller Machines (ATMs), of which three are located in different areas. The institution provides traditional loan and deposit services to consumers and small businesses.

For the year ended December 31, 2001, Medina reported total assets of about \$38 million, of which \$28 million, or almost 74%, were in loans. The bank also reported total deposits of approximately \$31 million. As per the June 30, 2001 (latest available) Market Share Report of all FDIC-Insured Institutions, Medina's deposit base represented 10.67% (with \$31.2 million) of all deposits in Orleans County.

Medina is primarily a residential real estate lender. The bank does not offer Federal Housing Administration ("FHA") or Veterans Administration ("VA") mortgages. Based on its December 31, 2001 Consolidated Statement of Condition, the bank reported about 74% of its loan portfolio in residential mortgage loans, and almost 21% in consumer loans. Refer to the chart below for further detail.

The institution offers a variety of lending products including:

- Residential mortgages;
- Property improvement loans;
- Personal secured loans;
- Personal unsecured loans;
- Home equity lines of credit; and
- Small Commercial real estate loans.

TOTAL GROSS LOANS OUTSTANDING				
LOAN TYPE	12/31/2001		12/31/2000	
	\$'000	%	\$'000	%
Residential Mortgage Loans	20,878	74.49	21,494	80.12
Consumer Loans	5,764	20.56	3,974	14.82
Commercial Mortgage Loans	684	2.44	867	3.23
Multifamily Mortgages	224	0.80	161	0.60
Commercial Loans	479	1.71	330	1.23
Total Gross Loans	28,029	100.00	26,826	100.00

In October 2001, Medina began to sell single family, fixed-rate residential mortgages to the Federal Home Loan Bank under its MPF program. The bank sold 50 loans totaling \$3.3 million during the last quarter of 2001.

During the evaluation period, the bank also began to provide used car financing. Management reported that the bank would be considered a primary lender for this type of financing by used car dealers located in the area served by the bank.

The institution competes with a large number of financial institutions within its assessment area, ranging from credit unions, savings banks, and large commercial banks such as Fleet and HSBC. Based on the 2000 Lender Market Share Report of HDMA-reportable loans, Medina ranked 10th among 154 financial institutions, with a 2.63% market share based on number of loans.

Medina, as a Savings & Loan institution, is not eligible to accept municipal deposits, potentially affecting its ability to meet the credit needs of the community. Management reports that its ability to originate mortgage loans has been somewhat hindered by the expanding presence of mortgage brokers and bankers within the assessment area.

Assessment Area

Medina Savings and Loan Association's assessment area includes the County of Orleans, in its entirety, and the partial County of Niagara. The County of Orleans includes: the towns of Ridgeway, Shelby, Yates, Carlton, Kendall, Gaines, Albion, Barre, Murray, Clarendon, the Village of Medina, the Village of Albion and the Village of Lyndonville. The partial County of Niagara includes: the towns of Royalton, Hartland, Somerset and the Village of Middleport. This assessment area consists of 12 census tracts of which four, or about 33%, are defined as moderate-income tracts, the remainder is comprised of eight middle-income tracts.

According to the 1990 U.S. Census data, the assessment area had a population of almost 56 thousand. There were 14.7 thousand families, of which approximately 45% were low- and moderate-income (LMI) families. About 56% of LMI families lived in the moderate-income census areas of the assessment area. Also, there were about 19.3 thousand households, of which 8.5% lived below the poverty level.

The 1990 median family income for the assessment area was \$33.2 thousand, and the average for the MSA was \$38.6 thousand. The 2001 HUD estimated median family income for the MSA was \$51.4 thousand.

There were about 21.5 housing units, of which 85.5% were 1-4 family units, and 10.4% were vacant housing units. Of the total number of housing units, 68.5% were owner-occupied units and 9.1% were mobile homes or trailers. Also, 28.5% (6,145) of the total units were in moderate-income census tracts. Of these units, 59.4% were owner-occupied.

The average median housing value was \$56.9 thousand, and the median value of housing units in the moderate-income tracts was \$48.6 thousand, with a median age of 50 years.

Details of the Assessment Area

Orleans County - According to the U.S. Census Bureau, Orleans County had a population of 41.8 thousand in 1990. There were 10.8 thousand families in the county of which 50% were LMI families and 6.9% had income below the poverty level. Forty-one percent of LMI families lived in LMI census tracts. Fifty-six percent of families who lived in LMI geographies were of low- to moderate-income.

There are eight census tracts in Orleans County, four (50%) of which are moderate-income tracts.

The 1990 median family income for the county was \$32.6 thousand and for the MSA it was \$40.5 thousand. The 2000 HUD estimated median family income for the MSA increased, to \$52.4 thousand.

There were 16.3 thousand housing units in the county, 83% of which were 1-4 family structures. Sixty-six percent of all housing units were owner occupied, and 34.0% of those units were located in the moderate-income census tracts. Twelve percent of all housing units were vacant/boarded up. The median housing value was \$57.1 thousand. The housing had a median age of 45 years.

The unemployment rate averaged 5.3% in 2000 and 5.5% in 2001.

Niagara County - According to the U.S. Census Bureau, Niagara County (in its entirety) had a population of 220.8 thousand in 1990. There were 60.0 thousand families in the county of which 38% were LMI families and 8.6% had income below the poverty level. Twenty-eight percent of LMI families lived in LMI census tracts. Sixty-four percent of families who lived in LMI geographies were of low- to moderate- income.

There are 54 census tracts in Niagara County, of which only four (eastern part of the County) are part of Medina's assessment area. These are all middle-income census tracts. Of the total number of tracts in the county, 14 (26%) are LMI tracts.

The 1990 median family income for the county was \$33.9 thousand and for the MSA it was \$34.8 thousand. The year 2000 HUD estimated median family income for the MSA was \$46.9 thousand.

There were 90.4 thousand housing units, 84% of which were 1-4 family structures. Sixty-four percent of the housing units were owner-occupied, and 13% of those units were located in LMI census tracts. Seven percent of all housing units were vacant/boarded up. The median housing value was \$60.2 thousand. The housing had a median age of 38 years.

The unemployment rate averaged 5.8% in 2000 and 6.6% in 2001.

The designated assessment area appears reasonable based on the location of the bank's office and its lending pattern. There is no evidence that low- and moderate-income ("LMI") census tracts are arbitrarily excluded.

PERFORMANCE STANDARDS AND ASSESSMENT FACTORS

Medina's performance for the years 2000 and 2001 was evaluated under the small bank performance criteria, which include the following: (1) Loan-to-Deposit Ratio and other Lending-Related Activities; (2) Proportion of Lending in the Assessment Area; (3) Geographic Distribution of Lending; (4) Distribution of Lending by Borrower Characteristics; and (5) Action Taken in Response to Written Complaints Regarding CRA.

Loan-to-Deposit Ratio – “Outstanding”

For the evaluation period, Medina's loan-to-deposit ratio is considered more than reasonable given its size, financial condition and the credit needs of its assessment area.

The bank's average loan-to-deposit ratio for the eight quarters ending December 31, 2001 was 88.91%, reflecting an increase over the previous evaluation ratio of 85.8%.

Proportion of Lending Within Assessment Area – “Outstanding”

Medina provided a substantial majority of its HMDA-reportable loans in its assessment area. In 2000, the bank originated 76 HMDA-reportable loans within the assessment area, representing 96% of total originations. In 2001, it made 101 HMDA-reportable loans, or almost 93%, in the assessment area.

Borrower Distribution of Lending – “Satisfactory”

Medina's distribution of lending among borrowers of various income levels in its assessment area, including LMI individuals, is considered reasonable.

In 2000, the bank provided 29 HMDA-reportable loans to LMI borrowers within its assessment area, resulting in a 38% LMI penetration ratio, compared to the aggregate's ratio of 44%. It is noted that the bank attained a slightly better penetration ratio (18.4%) among low-income individuals, compared to the aggregate (17.6%).

In 2001, Medina made 37 HMDA loans to LMI borrowers, showing an increase by number, but a relatively consistent LMI penetration ratio of 37%. The aggregate for 2001 was not available.

Geographic Distribution of Lending – “Outstanding”

For the evaluation period, Medina's geographic distribution of its HMDA-reportable loans based on census tract income indicated an excellent dispersion throughout its assessment area.

In 2000, the bank originated 36 HMDA loans in moderate-income census tracts, resulting in an

LMI penetration ratio of 47.4%. This is well over the aggregate's 21.6% penetration ratio. In 2001, Medina extended 40, or 39.6%, of its HMDA-reportable loans in LMI tracts in its assessment area. While showing a decline in percentage terms, the number of LMI loans actually increased from the prior year. Moreover, the 2001 ratio remained above that achieved by the prior year's aggregate. The aggregate for 2001 was not available.

Action Taken In Response to Written Complaints With Respect to CRA

There were no CRA complaints on record either with the New York State Banking Department or with Medina Savings and Loan Association.

Discrimination or Other Illegal Practices

Any practices intended to discourage applications for types of credit set forth in the banking institution's CRA Public File.

There were no practices noted that were intended to discourage applications for the types of credit offered by the institution.

Evidence of prohibited discriminatory or other illegal credit practices

The compliance report, as of July 15, 2002, issued by the New York State Banking Department, reflected a satisfactory performance in complying with anti-discrimination and other applicable laws and regulations. Prohibited discriminatory or other illegal credit practices were not noted.

Process Factors

Activities conducted by the banking institution to ascertain the credit needs of its community, including the extent of the banking institution's efforts to communicate with members of its community regarding the credit services being provided by the banking institution.

All officers and members of the board reside in the assessment area and are active in the community, as they are selected from local Chamber of Commerce, civic, business and social organizations. Therefore, they are well aware of the needs of the community. Medina identified the need to provide financing for used automobile sales to low- and moderate-income individuals.

The extent of the banking institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the banking institution.

Medina promotes its services and communicates to the residents of its area through

advertisements in local newspapers, cable television, (two countywide free) telephone books, and church bulletins. The bank also does periodic mailings to its customers informing them of the various types of lending products available. In addition, the bank informs the general public of its progress in extending loans, including the amount and the number of loans made.

The extent of participation by the banking institution's board of directors/trustees in formulating the banking institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.

The board of trustees, together with management, is responsible for establishing and monitoring Medina's strategic business plan, which includes a "Vision Statement." This statement emphasizes the importance of reinvesting deposits in the community, in order to foster economic growth within the assessment area. They also developed a "Mission Statement," which includes CRA activities, to realize the bank's business plan.

Other Factors

Other factors that in the judgement of the Superintendent and the Banking Board, bear upon the extent to which a banking institution is helping to meet the credit needs of its entire community.

Medina has employed a variety of strategies in helping to meet the credit needs of the entire community, as follows:

- Extending business hours from 9AM to 5PM on Monday, Tuesday, Thursday and Friday and 9AM to 1PM on Saturdays.
- Hosting various community group meetings from Little League to hospital organizations.
- Members of the Board, officers and employees are actively involved in a variety of community organizations, including the following:
 - Orleans County Chamber of Commerce
 - ARC Investment Committee
 - Twig Association
 - Religious educator and member of church education committee
 - Member of loan approval committee of Medina Canal
 - Medina Memorial Hospital
 - Habitat for Humanity

EXHIBITS

Exhibit 1

Residential Real Estate Loans - Year 2000 - by Borrower Income Level*										
Borrower Income Level	Total Lending				Assessment Area Lending				Aggregate**	
	Applics.		Originations		Applics.		Originations		Originations	
	#	%	#	%	#	%	#	%	#	%
Low	16	18.4	14	17.7	16	19.5	14	18.4	182	17.6
Moderate	15	17.2	15	19.0	15	18.3	15	19.7	277	26.7
Middle	21	24.1	20	25.3	19	23.2	18	23.7	296	28.6
Upper	31	35.6	30	38.0	29	35.4	29	38.2	250	24.1
N/A	4	4.6	-	0.0	3	3.7	-	0.0	31	3.0
Total	87	100.0	79	100.0	82	100.0	76	100.0	1,036	100.0

* Borrower income level is based upon the Department of Housing and Urban Development's annual estimate of median family income figure for the MSA of the mortgaged property. Low income is defined as <50% of the MSA median, moderate income is 50% to <80%, middle income is 80% to <120%, and upper income is at least 120%.

** The term "Aggregate" refers to loans originated in the bank's assessment area by all HMDA reporting lenders.

Exhibit 2

Residential Real Estate Loans - Year 1998 - by Geography Income Level*										
Geo Income Level	Total Lending				Assessment Area Lending				Aggregate	
	Applics.		Originations		Applics.		Originations		Originations	
	#	%	#	%	#	%	#	%	#	%
Low	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Moderate	37	42.5	36	45.6	37	45.1	36	47.4	224	21.6
Middle	49	56.3	43	54.4	45	54.9	40	52.6	812	78.4
Upper	1	1.1			-	0.0		0.0		0.0
N/A					-	0.0		0.0		0.0
Total	87	100.0	79	100.0	82	100.0	76	100.0	1,036	100.0

* Geography income level is based upon 1990 Census data on median family income figure for the MSA of the mortgaged property. Low income is defined as <50% of the MSA median, moderate income is 50% to <80%, middle income is 80% to <120%, and upper income is at least 120%.

Exhibit 3

Residential Real Estate Loans - Year 2001 - by Borrower Income Level*								
Borrower Income Level	Total Lending				Assessment Area Lending			
	Applics.		Originations		Applics.		Originations	
	#	%	#	%	#	%	#	%
Low	13	10.0	13	11.9	13	11.0	13	12.9
Moderate	27	20.8	24	22.0	27	22.9	24	23.8
Middle	45	34.6	39	35.8	41	34.7	37	36.6
Upper	37	28.5	31	28.4	30	25.4	25	24.8
N/A	8	6.2	2	1.8	7	5.9	2	2.0
Total	130	100.0	109	100.0	118	100.0	101	100.0

- Borrower income level is based upon the Department of Housing and Urban Development's annual estimate of median family income figure for the MSA of the mortgaged property. Low income is defined as <50% of the MSA median, moderate income is 50% to <80%, middle income is 80% to <120%, and upper income is at least 120%.

Exhibit 4

Residential Real Estate Loans - Year 2001 - by Geography Income Level								
Geo Income Level	Total Lending				Assessment Area Lending			
	Applics.		Originations		Applics.		Originations	
	#	%	#	%	#	%	#	%
Low	-	0.0	-	0.0	-	0.0	-	0.0
Moderate	45	34.6	40	36.7	45	38.1	40	39.6
Middle	84	64.6	69	63.3	73	61.9	61	60.4
Upper	1	0.8		0.0	-	0.0	-	0.0
N/A	-	0.0	-	0.0	-	0.0	-	0.0
Total	130	100.0	109	100.0	118	100.0	101	100.0

GLOSSARY

Aggregate

The cumulative lending by all HMDA-reporting lenders in the same geographic area under evaluation.

Community Development

The term “community development” is defined to mean:

1. Affordable housing (including multifamily housing) for low- or moderate-income (“LMI”) individuals;
2. Community services targeted to LMI individuals;
3. Activities that promote economic development by financing business or farms that meet the size eligibility standards of the United States Small Business Administration (“SBA”) Development Company or Small Business Investment Company programs, or have gross annual incomes of \$1 million or less;
4. Activities that revitalize or stabilize LMI geographies; and
5. Activities that seek to prevent defaults and/or foreclosures in loans included in (1) and (3), above.

A “community development loan” is defined as a loan that has as its *primary purpose* community development. This includes but is not limited to loans to:

- Borrowers for affordable housing rehabilitation and construction, including construction and permanent financing for multifamily rental property serving low or moderate income (“LMI”) persons;
- Nonprofit organizations serving primarily LMI or other community development needs;
- Borrowers to construct or rehabilitate community facilities that are located in LMI areas or that primarily serve LMI individuals;
- Financial intermediaries including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds or pools, micro-finance institutions, and low-income or community development credit unions that primarily lend or facilitate lending to promote community development;
- Local, state and tribal governments for community development activities; and
- Borrowers to finance environmental clean up or redevelopment of an industrial site as part of an effort to revitalize the LMI community in which the property is located.

A “qualified investment” is defined as a lawful investment, deposit, membership share or grant that has as its *primary purpose* community development. This includes but is not limited to investments, deposits, membership shares or grants in or to:

- Financial intermediaries (including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds, micro-finance institutions and low-income or community development credit unions) that primarily lend or facilitate lending in LMI areas or to LMI

individuals in order to promote community development;

- Organizations engaged in affordable housing rehabilitation and construction;
- Organizations, including, for example, small business investment corporations that promote economic development by financing small businesses;
- Facilities that promote community development in LMI areas or LMI individuals, such as youth programs, homeless centers, soup kitchens, health care facilities, battered women's centers, and alcohol and drug recovery centers;
- Projects eligible for low-income housing tax credits;
- State and municipal obligations, such as revenue bonds that specifically support affordable housing or other community development needs;
- Organizations serving LMI housing or other community development needs, such as counseling for credit, home ownership, home maintenance, and other financial services education; and
- Organizations supporting activities essential to the capacity of LMI individuals or geographies to utilize credit to sustain economic development, such as day care operations and job training programs that facilitate access to permanent jobs.

A "community development service" is defined as a service that has as its *primary purpose* community development, is related to the provision of financial services, and has not been considered in the evaluation of the banking institution's retail banking services. This includes but is not limited to:

- Providing technical assistance on financial matters to nonprofit, tribal or government organizations serving LMI housing or economic revitalization and development needs;
- Providing technical assistance on financial matters to small businesses or community development organizations;
- Lending employees to provide financial services for organizations facilitating affordable housing construction and rehabilitation or development of affordable housing;
- Providing credit counseling, home buyers and home maintenance counseling, financial planning or other financial services education to promote community development and affordable housing;
- Establishing school savings programs for LMI individuals;
- Providing seminars for LMI persons on banking and bank account record-keeping;
- Making ATM "Training Machines" available for extended periods at LMI community sites or at community facilities that serve LMI individuals; and
- Technical assistance activities to community development organizations such as:
 - ❖ Serving on a loan review committee;
 - ❖ Developing loan application and underwriting standards;
 - ❖ Developing loan processing systems;
 - ❖ Developing secondary market vehicles or programs;
 - ❖ Assisting in marketing financial services, including the development of advertising and promotions, publications, workshops and conferences;
 - ❖ Furnishing financial services training for staff and management;
 - ❖ Contributing accounting/bookkeeping services; and

- ❖ Assisting in fund raising, including soliciting or arranging investments.

Demand-Adjusted Penetration Rate

The number of owner-occupied loans made by the institution (or aggregate as appropriate) in a geographic area per thousand owner-occupied housing units in that area. Mathematically, it is arrived at by dividing the number of owner-occupied housing units into the number of loans made and then multiplying by 1,000.

Demand-Adjusted Penetration Ratio

A ratio that depicts geographic penetration of loans by comparing demand-adjusted lending in LMI areas with non-LMI areas. Mathematically, it is arrived at by dividing the demand-adjusted penetration rate in non-LMI areas into the demand-adjusted penetration rate in LMI areas and then expressed as a percentage.

A ratio of 100% means that the institution (or aggregate as appropriate) made an equal number of loans proportionally in LMI and non-LMI areas. Less than 100 percent would indicate less lending in LMI areas on the same basis compared to non-LMI areas, whereas over 100 percent would indicate a greater level of lending in LMI areas versus non-LMI areas.

Home Mortgage Disclosure Act (“HMDA”)

The Home Mortgage Disclosure Act, enacted by Congress in 1975, and subsequently amended, requires institutions to annually report data about applications for residential (including multifamily) financing.

Loans to Small Businesses

Small business loans to businesses with gross annual revenues of \$1 million or less.

Low or Moderate Income (“LMI”) Geographies

Those census tracts or block numbering areas (“BNAs”), where according to the 1990 US Census, the median family income is less than 80% of the area median family income. In the case of tracted areas that are part of a Metropolitan Statistical Area (“MSA”) or Primary Metropolitan Statistical Area (“PMSA”), this would relate to the median family income for the MSA or PMSA in which the tracts are located. In the case of BNAs and tracted areas that are not part of a MSA or PMSA, the area median family income would be the statewide non-metropolitan median family income.

LMI Borrowers

Borrowers whose income, as reported on the loan application which the lender relied upon in making the credit decision, is less than 80% of the area median family income. In the case where the residential property is located in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure borrower income levels are updated annually by the U.S. Department of Housing and Urban Development (“HUD”).

LMI Individuals/Persons

Those individuals, whose income is less than 80% of the area median family income. In the case where the individual resides in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure individual income levels are updated annually by HUD.

Small Business Loans

Loans of original amounts of \$1 million or less to businesses.