



## **PUBLIC DISCLOSURE**

March 30, 2020

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Fairfield FS & LA  
700311

111 East Main Street  
Lancaster, OH 43130-3713

Office of the Comptroller of the Currency

655 Metro Place South, Suite 625  
Dublin, OH 43017

**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, and should not 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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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Outstanding**.

**The lending test is rated: Outstanding.**

The major factors that support this rating include:

- Excellent distribution by borrower and geographic income.
- A more than reasonable Loan-to-Deposit (LTD) ratio.
- A substantial majority of loans were made within the Assessment Area (AA).
- An excellent level of optional and impactful community development activities.

### Loan-to-Deposit Ratio

Considering the thrift's size, financial condition, and credit needs of the AA, the thrift's LTD ratio is more than reasonable.

Over the 12 quarters since the previous CRA evaluation (January 2017 – December 2019), Fairfield FS&LA (Fairfield or thrift) maintained an average LTD ratio of 101.5 percent. The ratio ranged from a low of 98.8 percent at March 31, 2017, to a high of 103.3 percent at December 31, 2017. The quarterly average LTD ratio for similarly situated financial institutions located in, or near, the AA is 84.3 percent for the same period. The custom peer group consisted of other small community banks, including three banks headquartered in Franklin County, two banks headquartered in Licking County, two banks headquartered in Perry County, one bank headquartered in Pickaway County, and one bank headquartered in Fairfield County. Fairfield had the highest LTD of the group.

Strong economic factors contribute to the more than reasonable LTD performance. Fairfield County has been steadily growing as unemployment decreased, residential construction increased, and employment in most sectors is increasing. Steady economic growth resulted in significant lending opportunities.

### Lending in Assessment Area

A substantial majority of the thrift's loans are inside its assessment area (AA).

Fairfield originated 83.0 percent of its total loans inside the AA during the three-year evaluation period. This analysis is performed at the thrift, rather than the AA, level.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2017	146	77.2	43	22.8	189	29,765	79.2	7,804	20.8	37,569
2018	129	83.2	26	16.8	155	21,127	81.3	4,867	18.7	25,993
2019	175	88.4	23	11.6	198	29,027	88.1	3,916	11.9	32,943

<b>Total</b>	<b>450</b>	<b>83.0</b>	<b>92</b>	<b>17.0</b>	<b>542</b>	<b>79,918</b>	<b>82.8</b>	<b>16,587</b>	<b>17.2</b>	<b>96,506</b>
<i>Source: Evaluation Period: 1/1/2017 - 12/31/2019 Bank Data Due to rounding, totals may not equal 100.0</i>										

## Description of Institution

Fairfield is a federally chartered, mutual savings association headquartered in Lancaster, Ohio. As of December 31, 2019, total assets were \$264 million. Total assets decreased 2.6 percent from \$271 million at the last CRA evaluation (as of December 31, 2016). At December 31, 2019, net loans were \$235 million and net loans to total assets were 89.0 percent. Tier 1 capital was \$30.6 million. In addition to the main office, Fairfield operates two branches, one in Lancaster in a moderate-income census tract (CT) and the other in Pickerington, in a middle-income CT. All offices are in Fairfield County. Each office has a drive-up facility and an automated teller machine (ATM). Fairfield operates 13 additional stand-alone ATMs throughout the county, none of which accept deposits. The thrift also offers online and mobile banking services. No offices have been opened or closed since the prior CRA evaluation in 2017. There is no merger or acquisition activity that affected the scope of the thrift's operations during the evaluation period.

Fairfield is a single-state institution with one rating area. Fairfield County is the sole AA and contains 28 CTs. Fairfield County is part of the Columbus, Ohio Metropolitan Statistical Area (MSA) 18140. The entire AA is contiguous, meets the requirements of the regulation, and does not arbitrarily exclude any low-or moderate-income areas.

Fairfield offers standard deposit and lending products and services. Fairfield's primary lending focus is home mortgage lending. As reflected on the December 31, 2019, Consolidated Report of Condition and Income (Call Report), loans secured by residential real estate totaled \$230 million, or 97.7 percent of net loans and leases. The remainder of the loan portfolio consisted of commercial loans and nominal amounts of consumer loans.

There are no financial, legal, or other factors that impede Fairfield's ability to help meet the credit needs of its AA. The thrift's last CRA evaluation was conducted in April 2017 and resulted in an "Outstanding" rating.

## Scope of the Evaluations

### Evaluation Period/Products Evaluated

The overall evaluation period encompasses 2017, 2018 and 2019. Based on reviews of the thrift's Call Reports and loan production reports, the OCC determined home mortgage loans are the thrift's primary lending product.

To assess performance, the OCC analyzed the thrift's home mortgage loans, as reported under the Home Mortgage Disclosure Act (HMDA), for the three years in the evaluation period. This analysis involved comparing lending distributions against both the aggregated HMDA data reported by other lenders and key demographic information. The HMDA data was previously evaluated and found to be accurate and reliable. Community development activities submitted by management were also considered.

### Selection of Areas for Full-Scope Review

The OCC evaluated the thrift's performance in the one AA, Fairfield County, Ohio, using full-scope procedures.

### **Ratings**

The thrift is active only in the state of Ohio, and the rating is based solely on activity in the lone AA in Ohio.

The thrift is overwhelmingly a home mortgage lender. Therefore, the OCC based lending test performance entirely on the thrift's home mortgage lending activity.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## State Rating

### State of Ohio

**CRA rating for Ohio:** Outstanding

**The Lending Test is rated:** Outstanding

The major factors that support this rating include:

- The distribution of home mortgage loans by geographic income is excellent.
- The distribution of home mortgage loans by borrower income is excellent.
- Optional community development activities further support the thrift's excellent performance.

### Description of Institution's Operations in Ohio

Fairfield has three full-service office locations that include drive-thru and ATM services. In addition, there are 13 non-deposit-taking ATMs in Fairfield County, Ohio. Fairfield County is the sole AA and contains 28 CTs. Among the CTs, two are low-income, four are moderate-income, 15 are middle-income, and seven are upper-income. The thrift practices traditional banking activities, with a focus on home mortgage lending. Fairfield also offers personal and business accounts, online banking, and mobile banking services.

Economic conditions in Fairfield County improved over the evaluation period. As of December 2019, per the U.S. Bureau of Labor Statistics (BLS), Fairfield County had an unemployment rate (not seasonally adjusted) of 3.4 percent. The unemployment rate declined from 5.3 percent at the beginning of the evaluation period and was slightly below both the Ohio and national unemployment rates of 4.2 percent and 3.5 percent, respectively. The population of Fairfield County has grown, with the U.S. Census Bureau estimate for 2019 being 157,574, compared to 149,112 recorded by U.S. Census Bureau during the 2015 American Community Survey (ACS). Per the Ohio Department of Development, primary employment sectors include manufacturing, retail trade, and health care and social assistance. Significant employers include Fairfield Medical Center, Kroger Co., Oneida Group/Anchor Hocking, Cyril-Scott Co., Fairfield County, Nifco America, and local school systems.

Banking competition in Fairfield County is significant and comprised of a mix of community and large banks. According to the June 30, 2019, Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report, Fairfield ranks fifth of 17 competitors in total deposit market share, with 9.9 percent, or \$229 million. The thrift ranks behind three large banks and one larger community bank. Top deposit competitors include The Park National Bank, JPMorgan Chase Bank, The Huntington National Bank, The Vinton County National Bank, Fifth Third Bank, and PNC Bank. The top four depository institutions account for 52.8 percent of the deposit market.

According to the 2015 ACS data, the median housing value in the AA was \$156,868, a slight decline from the 2010 Census. The median family income noted by the 2015 ACS was \$70,454, meaning low-income families made less than \$35,227. Therefore, median housing values were at least 4.5 times the annual income of low-income families in Fairfield County, which is reflective of an obstacle to

homeownership for low-income families. Families living below the poverty line has been relatively stable and is currently estimated at 10.0 percent.

The OCC considered the poverty rate and home affordability as significant obstacles to homeownership in their analysis of home lending to low-income borrowers. The OCC also considered the greater lending resources available at larger banks within the AA.

Lastly, the OCC reviewed information provided from an interview with a representative of a nonprofit organization that provides social services to low-income residents. According to the contact, there is a high need for affordable, quality housing. The contact anticipates that need will continue to grow. Other opportunities for bank involvement in the community include funds for financial literacy courses, sponsoring Federal Home Loan Bank (FHLB) applications, refinancing Low-Income Housing Tax Credit (LIHTC) projects, and funds for a revitalization project to develop for-sale homes and rehab existing homes.

<b>Table A – Demographic Information</b>						
<b>Assessment Area: MSA AA – Fairfield County OH – 2019</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	28	7.1	14.3	53.6	25.0	0.0
Population by Geography	149,112	4.4	14.5	52.4	28.7	0.0
Housing Units by Geography	59,367	5.2	15.2	53.3	26.3	0.0
Owner-Occupied Units by Geography	38,803	2.5	12.6	49.7	35.2	0.0
Occupied Rental Units by Geography	16,229	10.8	21.1	60.8	7.3	0.0
Vacant Units by Geography	4,335	8.7	15.8	57.5	17.9	0.0
Businesses by Geography	8,574	10.4	8.5	50.6	30.5	0.0
Farms by Geography	459	2.6	16.3	53.8	27.2	0.0
Family Distribution by Income Level	39,967	19.7	17.3	21.1	41.9	0.0
Household Distribution by Income Level	55,032	22.3	15.2	17.1	45.2	0.0
Median Family Income MSA – 18140 Columbus, OH MSA		\$70,454	Median Housing Value			\$156,868
			Median Gross Rent			\$816
			Families Below Poverty Level			7.3%
<i>Source: 2015 ACS Census and 2019 D&amp;B Data</i>						
<i>Due to rounding, totals may not equal 100.0</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

## Scope of Evaluation in Ohio

The overall evaluation period encompasses 2017, 2018, and 2019. Based on reviews of the thrift's Call Reports and loan production reports the OCC determined home mortgage loans are the thrift's primary lending product.

The OCC conducted a full-scope CRA evaluation to assess the thrift's record of meeting the credit needs of its customers, including low-and moderate-income residents.



The OCC also compared the thrift's lending distribution to pertinent demographic factors in the AA. The HMDA data was previously evaluated and found to be accurate and reliable.

Lastly, the OCC also considered community development activities reported by the thrift.

## **LENDING TEST**

The thrift's performance under the Lending Test in Ohio is rated Outstanding.

## **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the thrift's performance in Ohio is excellent.

## **Distribution of Loans by Income Level of the Geography**

The thrift exhibits excellent geographic distribution of loans in the Fairfield County AA.

### ***Home Mortgage Loans***

Refer to Table O in appendix D for the facts and data used to evaluate the geographic distribution of the thrift's home mortgage loan originations.

The thrift exhibits excellent distribution of home mortgage loans in the Fairfield County AA.

The thrift originated 7.3 percent of loans in low-income CTs, which exceeded the percentage of home mortgage loans of other home mortgage lenders (aggregate data), which was 3.3 percent. The thrift originated 15.6 percent of home mortgage loans in moderate-income CTs, which exceeded the percentage of home mortgage loans in the aggregate HMDA data, which was 12.0 percent.

The thrift's home mortgage lending is also reflective of an excellent geographic distribution when compared to the percentage of owner-occupied housing units located in either low-or moderate-income CTs. The thrift's lending in both low-and moderate-income CTs exceeded the percentage of owner-occupied homes in those areas.

### ***Lending Gap Analysis***

The lending analysis did not identify any unexplained or conspicuous gaps in lending to low-or moderate-income CTs.

## **Distribution of Loans by Income Level of the Borrower**

The thrift exhibits an excellent distribution of loans to individuals of different income levels given the product lines offered by the thrift.

### ***Home Mortgage Loans***

Refer to Table P in appendix D for the facts and data used to evaluate the borrower distribution of the thrift's home mortgage loan originations.

The thrift exhibits excellent distribution of home mortgage loans to different income levels in the Fairfield County AA.

Over the evaluation period, the thrift originated 8.0 percent of loans to low-income borrowers, which exceeded the percentage of lending to low-income borrowers demonstrated in the aggregate data (7.8 percent). The thrift's origination of loans to moderate-income borrowers was 17.6 percent, which was near the aggregate lending percentage of 18.9 percent.

The thrift's home mortgage lending distribution was also excellent when compared to the percentages of low-and moderate-income families that reside in the AA. The OCC considered the impact of home affordability issues on the opportunity to engage in mortgage lending to low-income families. The OCC also considered competition from the large banks active in the AA with numerous locations and greater resources.

### **Responses to Complaints**

There have been no complaints received regarding the thrift's performance.

## COMMUNITY DEVELOPMENT

Based on a full-scope review, the bank exhibits excellent responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, considering the bank's capacity and the need and availability of such opportunities for community development in the AA. Performance related to community development activities further solidified the bank's rating in the state.

### Number and Amount of Community Development Loans

Refer to the Community Development Loans table below for the facts and data used to evaluate the thrift's level of CD lending.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Fairfield County	7	87.5	17	1.3
Central Ohio Regional Area	1	12.5	1,250	98.7
Total	8	100.0	1,267	100.0

The thrift offers a small dollar credit card program for non-profit organizations. In addition, the thrift made a highly impactful community development loan in the form of a permanent mortgage to a non-profit. The purpose was to pay off a short-term rehabilitation loan that resulted in a greatly improved homeless shelter in Columbus. The organization that operates the homeless shelter serves all of Central Ohio, including Fairfield County. The new facility also provides greater privacy to clients, as well as laundry rooms and a day room for inclement weather. The improved shelter also provides a classroom, job application area, and office space for case workers. The shelter served approximately 60,000 meals in 2018. In addition, the thrift's \$1.25-million loan was made at a 0.50 percent discount to the normal commercial real estate interest rate in effect at the time, and the origination fee was 0.75 percent less than the standard origination fee.

## Number and Amount of Qualified Investments

Many of the thrift's philanthropic gifts to organizations in the community have a clear primary purpose of community development as defined by the CRA and are aggregated into the table below.

Assessment Area	Qualified Investments									
	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Fairfield County	0	0	39	116	39	100	116	100	0	0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The thrift made donations to community service organizations serving either Lancaster or Fairfield County. Donations supported organizations that serve low-income residents, such as homeless shelters, food pantries, children from low-income families, food vulnerable senior citizens, medical service foundations, and children's mentoring programs.

## Extent to Which the Bank Provides Community Development Services

Thrift management and employees provide a great deal of service to their local community. A significant number of these activities meet the definition of community development service as defined in the CRA regulation. The OCC noted multiple board memberships at community service providers that provide an array of poverty relief programs to residents of Fairfield County. Further, the OCC noted multiple committee memberships on such organizations that assist with financial management, fundraising, and other critical needs. Thrift employees regularly teach financial literacy classes in schools where many students qualify for free or reduced-price lunches, which is a proxy for low-or moderate-income status. Employees also provided financial literacy classes to adults through a local community action organization.

Management provided substantial technical assistance to two non-profits as they applied for affordable housing grants from the Federal Home Loan Bank of Cincinnati. One grant (\$881,000) was for a domestic violence shelter for abused women, and the other grant (\$800,000) was for the non-profit that operates the homeless shelter described above under "community development loans."

Lastly, Fairfield provides home finance counseling to customers, including low-and moderate-income individuals and families. The thrift has a special loan program called "Neighbors Helping Neighbors," which allows borrowers to purchase and finance their primary residence with no down payment, and no corresponding increase in the interest rate, or additional fees. A total of 11 loans for \$1.1 million were originated under this program during the evaluation period.

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\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	01/01/2017 to 12/31/19	
<b>Bank Products Reviewed:</b>	Home mortgage Community development loans, qualified investments, community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None	NA	NA
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>States: Ohio</b>		
Columbus MSA	Full-Scope	Fairfield County

## Appendix B: Summary of State Ratings

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RATINGS: FAIRFIELD FEDERAL SAVINGS AND LOAN ASSOCIATION	
Overall Bank:	Lending Test Rating
FAIRFIELD FEDERAL SAVINGS AND LOAN ASSOCIATION	Outstanding
MMSA or State:	
OHIO	Outstanding

## Appendix C: Definitions and Common Abbreviations

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The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

**Community Development (CD):** 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 Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**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, 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 (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

**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 (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

**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 state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.



**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

**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.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical 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 multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical 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) 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.

**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.

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-,

and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography -** Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower -** Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																				<b>2017-19</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Fairfield County	450	79,918	100.0	6,047	2.5	7.3	3.3	12.6	15.6	12.0	49.7	51.1	44.7	35.2	26.0	40.0	0.0	0.0	0.0		
<b>Total</b>	<b>450</b>	<b>79,918</b>	<b>100.0</b>	<b>6,047</b>	<b>2.5</b>	<b>7.3</b>	<b>3.3</b>	<b>12.6</b>	<b>15.6</b>	<b>12.0</b>	<b>49.7</b>	<b>51.1</b>	<b>44.7</b>	<b>35.2</b>	<b>26.0</b>	<b>40.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																				<b>2017-19</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Fairfield County	450	79,918	100.0	6,047	19.7	8.0	7.8	17.3	17.6	18.9	21.1	22.0	24.3	41.9	44.9	33.7	0.0	7.6	15.4		
<b>Total</b>	<b>450</b>	<b>79,918</b>	<b>100.0</b>	<b>6,047</b>	<b>19.7</b>	<b>8.0</b>	<b>7.8</b>	<b>17.3</b>	<b>17.6</b>	<b>18.9</b>	<b>21.1</b>	<b>22.0</b>	<b>24.3</b>	<b>41.9</b>	<b>44.9</b>	<b>33.7</b>	<b>0.0</b>	<b>7.6</b>	<b>15.4</b>		

*Source: 2015 ACS Census ; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0*