



## **PUBLIC DISCLOSURE**

June 8, 2021

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

The First National Bank of Elmer  
Charter Number 6707

Main Street  
Elmer, NJ 08318

Office of the Comptroller of the Currency

1150 Northbrook Drive  
Suite 303  
Trevose, PA 19053

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 **Satisfactory**

**The lending test is rated: Satisfactory**

The major factors that support this rating include:

- The First National Bank of Elmer (FNBE or bank) quarterly average net loan-to-deposit (LTD) ratio is reasonable and meets the standard for satisfactory performance.
- The bank originated a majority of its home mortgage loans in the assessment area.
- The bank's distribution of loans represents a reasonable penetration among individuals of different income levels.
- The bank's distribution of loans represents a reasonable dispersion throughout census tracts of different income levels.
- No CRA-related complaints were received since the previous evaluation.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the assessment area, the bank's LTD ratio is reasonable. FNBE's quarterly average net loan-to-deposit ratio over the 12-quarter evaluation period was 93.34 percent. During this period, the ratio ranged from a quarterly low of 90.22 percent to a quarterly high of 97.50 percent. FNBE's quarterly average net loan-to-deposit ratio compares favorably to a custom peer group comprised of other New Jersey financial institutions of similar size. The quarterly average net loan-to-deposit ratio for the banks of similar size was 80.19 percent over the same 21 quarters. The ratios ranged from a quarterly low of 75.84 percent to a quarterly high of 81.71 percent during that period.

### Lending in Assessment Area

The First National Bank of Elmer originated a majority of home mortgage and commercial loans, by number and dollar volume within its assessment area and exceeds the standard for satisfactory performance.

As detailed in Table D below, 67.5 percent of home mortgage loans were originated inside the bank's assessment area during the evaluation period. This analysis is performed at the bank level as the calculation does not include extensions of credit by affiliates that may be considered under the other performance criteria.

**Table D - Lending Inside and Outside of the Assessment Area**

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2018	43	66.2	22	33.8	65	7,901	37.2	13,321	62.8	21,222
2019	41	70.7	17	29.3	58	6,769	47.9	7,359	52.1	14,128
2020	72	66.7	36	33.3	108	9,764	35.7	17,599	64.3	27,363
<b>Subtotal</b>	<b>156</b>	<b>67.5</b>	<b>75</b>	<b>32.5</b>	<b>231</b>	<b>24,435</b>	<b>39.0</b>	<b>38,279</b>	<b>61.0</b>	<b>62,713</b>
<b>Total</b>	<b>156</b>	<b>67.5</b>	<b>75</b>	<b>32.5</b>	<b>231</b>	<b>24,435</b>	<b>39.0</b>	<b>38,279</b>	<b>61.0</b>	<b>62,713</b>

*Source: Bank Data  
Due to rounding, totals may not equal 100.0%*

## Description of Institution

The First National Bank of Elmer (FNBE) is a locally owned community bank established in 1903. The main office is in the Borough of Elmer, Salem County, New Jersey. FNBE is a wholly owned subsidiary of Elmer Bancorp, Inc. a single bank holding company established in 2001. FNBE maintains one subsidiary, the First Elmer Investment Corporation, a Delaware Corporation established to manage the bank's investment portfolio. The subsidiary does not affect the bank's capacity for community reinvestment and is not considered in this evaluation.

As of May 24, 2021, FNBE operates six full-service branches located throughout Salem, Cumberland, and Gloucester Counties. FNBE also has one executive office and two operations offices in Salem County, New Jersey. The six branches offer 24-hour ATM, drive-in banking and night depository services to their customers. The bank has extended lobby hours on Fridays as well as Saturday hours for all branch offices. There were no branches closed or opened since the previous evaluation period. The bank had no mergers or acquisitions during the evaluation period.

FNBE is a full service, community bank offering a standard range of retail and commercial products. The scope of retail products includes checking and savings accounts, money market accounts, certificate of deposits, home mortgages, home equity loans, and home equity lines of credit. Commercial products include checking and money market accounts, commercial real estate loans, lines of credit, and construction loans.

As of December 31, 2020, FNBE had total assets of \$330.4 million and tier one capital of \$28.2 million. FNBE reported net loan and leases of \$279.4 million or 84.6 percent of total assets. Total deposits were \$300.4 million or 90.9 percent of total assets.

There are no financial or legal impediments to hinder FNBE's ability to help meet the credit needs of its communities. FNBE's previous Performance Evaluation (PE), dated April 2, 2018, was rated "Satisfactory."

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

FNBE was evaluated using the Small Bank CRA examination procedures, which only includes a Lending Test. The Lending Test considers the bank's performance pursuant to the following criteria: Loan-to-Deposit Ratio Analysis; Assessment Area Concentration; Geographic Distribution; Borrower Distribution; and Response to CRA Complaints. The consideration and evaluation of community development activities is optional under the Small Bank examination procedures and was not completed for this review.

FNBE's primary loan products were determined to be commercial real estate and home mortgage loans based on the balance sheet composition as of March 31, 2021. Commercial real estate loans totaled 41.91 percent of gross loans and leases. 1-4 family residential real estate loans totaled 36.16 percent of gross loans and leases. The bank is a Home Mortgage Disclosure Act (HMDA) reporter; therefore, the OCC considered all home mortgage loans reported on the bank's 2018, 2019, and 2020 HMDA Loan Application Registers (LARs). The HMDA data was tested and found to be reliable. FNBE does not report small business lending in the HMDA LAR.

### Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

### Ratings

FNBE's overall rating is based solely on its performance in the State of New Jersey. The State of New Jersey rating is derived from the bank's performance under the CRA Small Bank Lending Test based on the bank's performance in relation to its home mortgage lending.

### 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 has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any 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 New Jersey**

**CRA rating for the State of New Jersey: Satisfactory**

**The Lending Test is rated: Satisfactory**

The major factors that support this rating include:

- FNBE originated a majority of its home mortgage loans in the assessment area.
- The bank's geographic distribution of home mortgage loans is reasonable given the assessment area's demographics.
- The bank's distribution of loans to individuals of different income levels is reasonable.

### **Description of Institution's Operations in New Jersey**

The bank operates only in the state of New Jersey and provides its products and services through its home office and six branches located in middle-income census tracts. The bank's primary business focus is home mortgage lending and commercial lending. Bank operations within the state of New Jersey are primarily detailed in the Description of Institution section above.

There is a high level of competition for financial services in the assessment area. According to the most recent Federal Deposit Insurance Corporation (FDIC) Deposit Market Share data as of May 24, 2021, 31 financial institutions operate 128 full-service offices in the MSA. Of those institutions, FNBE ranked 13<sup>th</sup> with a 2.2 percent of the market share. The top four depository institutions, TD Bank, NA, Fulton, NA, OceanFirst, NA, and Truist Bank holding 50.4 percent of the deposit market share in the assessment area.

The bank faces strong competition from other financial institutions that originate mortgage loans within the assessment area. According to 2019 Peer Mortgage Data, FNBE is ranked 68 out of 329 mortgage lenders in the MSA, with a market share of 0.24 percent of mortgage loans. FNBE's major competitors were: Wells Fargo Bank, NA, Greentree Mortgage Company, LLC, PennyMac Loan Services, LLC, and American Home Mortgage Company, LLC. 2020 Market Share data was not available at the time of our review; our review focused specifically on 2018/2019 data.

Data obtained from the U.S. Bureau of Labor Statistics indicates that as of March 31, 2021, the

average unemployment rate for Salem, Gloucester, and Cumberland counties were 8.4 percent. This is slightly higher than the unemployment rate for the state of New Jersey, which was reported at 7.9 percent; and the entire U.S, which was 6.0 percent for the same period.

There have been no changes to the bank's assessment area since the previous evaluation. The assessment area consists of Salem, Gloucester, and Cumberland counties. The assessment area is contiguous, meets the requirements of the CRA regulation, and does not arbitrarily exclude LMI census tracts.

According to 2015 ACS data, the assessment area consists of 123 census tracts, of which three are low-income, 15 are moderate-income, 57 are middle-income, 21 are upper-income, and four are unclassified. Based on the ACS data the total population of the assessment area is 512.4 thousand. Within the assessment area, there are 179.0 thousand households and 127.1 thousand families. There are 195.3 thousand housing units, of which, 68.6 percent are owner-occupied, 23.0 percent are rental-occupied, and 0.08 percent are vacant housing units. Approximately 0.8 percent of owner-occupied housing is located in low-income census tracts, 9.6 percent in moderate-income census tracts, 60.6 percent in middle-income census tracts, and 28.9 percent in upper-income census tracts. The median housing cost is \$194,361. The average median family income is \$75,130.

The table below, which is based on 2015 American Community Survey (ACS) Census and 2020 D&B data, presents certain demographic characteristics of FNBE's assessment area.

**Table A - Demographic Information of the Assessment Area****Assessment Area: Elmer AA**

<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)	123	3.3	14.6	56.9	21.1	4.1
Population by Geography	512,453	3.4	12.7	55.3	27.2	1.5
Housing Units by Geography	195,280	2.6	13.9	57.7	25.8	0.0
Owner-Occupied Units by Geography	134,008	0.8	9.6	60.6	28.9	0.0
Occupied Rental Units by Geography	44,975	7.2	23.9	50.3	18.6	0.0
Vacant Units by Geography	16,297	5.3	20.9	53.8	20.1	0.0
Businesses by Geography	28,693	1.6	12.7	55.7	30.0	0.0
Farms by Geography	1,208	0.4	4.5	59.9	35.3	0.0
Family Distribution by Income Level	127,076	19.7	17.2	21.3	41.8	0.0
Household Distribution by Income Level	178,983	23.5	15.3	18.0	43.3	0.0
Median Family Income MSA - 15804 Camden, NJ		\$87,133	Median Housing Value			\$194,361
Median Family Income MSA - 47220 Vineland-Bridgeton, NJ MSA		\$57,550	Median Gross Rent			\$1,019
Median Family Income MSA - 48864 Wilmington, DE-MD-NJ		\$80,707	Families Below Poverty Level			8.4%

Source: 2015 ACS and 2020 D&B Data

Due to rounding, totals may not equal 100.0%

(\*) The NA category consists of geographies that have not been assigned an income classification.

The Elmer AA combines three FFIEC MSA/MDs: Camden, NJ MD, Vineland-Bridgeton, NJ MSA, and Wilmington, DE-MD-NJ MD. Within these MSA/MDs, the bank operates in Gloucester County, Cumberland County, and Salem County, NJ, respectfully. The 2020 FFIEC updated median family income for the MSA/MDs is \$101,500, \$67,700, and \$90,800, respectfully. Across the Elmer AA, approximately 19.7 percent of families are low-income, 17.2 percent are moderate-income, 21.3 percent are middle-income, and 41.8 percent are upper-income.

The FFIEC adjusted median family income levels were used to analyze home mortgage loans under the Borrower Profile criterion. The following table presents the low-, moderate-, middle- and upper- income categories for each year. Based on the data found in the table below, the annual FFIEC adjusted MFI increased by approximately 9.8 percent (\$9,100) in the Camden, NJ MD, 8.5 percent (\$5,300) in the Vineland-Bridgeton, NJ MSA, and 2.6 percent (\$2,300) in the Wilmington, DE-MD-NJ MD between 2018 and 2020.



<b>Table B - Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Camden, NJ MD Median Family Income (15804)</b>				
2018 (\$92,400)	<\$46,200	\$46,200 to <\$73,920	\$73,920 to <\$110,880	≥\$110,880
<b>Camden, NJ Median Family Income (15804)</b>				
2019 (\$97,300)	<\$48,650	\$48,650 to <\$77,840	\$77,840 to <\$116,760	≥\$116,760
2020 (\$101,500)	<\$50,750	\$50,750 to <\$81,200	\$81,200 to <\$121,800	≥\$121,800
<b>Vineland-Bridgeton, NJ MSA Median Family Income (47220)</b>				
2018 (\$62,400)	<\$31,200	\$31,200 to <\$49,920	\$49,920 to <\$74,880	≥\$74,880
2019 (\$64,500)	<\$32,250	\$32,250 to <\$51,600	\$51,600 to <\$77,400	≥\$77,400
2020 (\$67,700)	<\$33,850	\$33,850 to <\$54,160	\$54,160 to <\$81,240	≥\$81,240
<b>Wilmington, DE-MD-NJ MD Median Family Income (48864)</b>				
2018 (\$87,900)	<\$43,950	\$43,950 to <\$70,320	\$70,320 to <\$105,480	≥\$105,480
<b>Wilmington, DE-MD-NJ Median Family Income (48864)</b>				
2019 (\$87,200)	<\$43,600	\$43,600 to <\$69,760	\$69,760 to <\$104,640	≥\$104,640
2020 (\$90,800)	<\$45,400	\$45,400 to <\$72,640	\$72,640 to <\$108,960	≥\$108,960
<i>Source: FFIEC</i>				

## Community Contact

The OCC reached out to one new community contact pertinent to the bank's AA to obtain additional information regarding the bank's AA. The organization's primary purpose is to assist and provide homes for low-income individuals within their jurisdiction. From this community contact, we learned that there are opportunities to participate in community development programs that make loans to small businesses. In addition, we learned that the primary needs of the area continue to be affordable mortgages. This community contact indicated that the community has a large need for subsidized housing, and that more home-ownership trainings and programs can be very beneficial for the community, as well a rent-to buy initiative program as (according to the contact) more than 50% of the residents are renters. Since the COVID-19 pandemic began, many of the local residents have been unemployed, causing a large demand for subsidized housing. When asked about the local financial institutions, the community contact indicated that due to the COVID-19 Pandemic they are unable to make an assessment regarding the involvement of the local institution. However, before the pandemic started, many of the local institutions were active participants in the community.

## Scope of Evaluation in New Jersey

The bank operates only in the state of New Jersey. The OCC performed a full-scope evaluation of the bank's assessment area. The bank's AA is composed of three MSA/MDs, which were combined for the purpose of this evaluation. There are no limited-scope review areas.

As previously stated, FNBE's primary loan products based on originations and purchases during the evaluation period were home mortgages. The OCC analyzed the bank's home mortgage lending performance in relation to the comparative demographic data from the 2015 ACS of the U.S. Census data. The OCC also compared the bank's home mortgage lending to the aggregate of all lenders in the

bank's assessment area reporting loans pursuant to HMDA. Banks report HMDA data annually, and the most recent year for which information is available is 2020.

## **LENDING TEST**

The bank's performance under the Lending Test in New Jersey is rated Satisfactory.

Based on a full-scope review, the lending performance in the state of New Jersey is reasonable. The bank's average loan-to-deposit ratio is reasonable. A majority of FNBE's home mortgage loans are made within the assessment area. The bank's has reasonable geographic distribution of loans throughout census tracts of different income levels. Loan distribution among borrowers of different income levels is reasonable. The geographic and borrower distribution analyses were based on loan activity conducted inside the bank's assessment area.

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

The bank exhibits reasonable geographic distribution of loans in New Jersey.

Demographic and performance context challenges, such as the limited availability of owner-occupied housing in low-income census tracts in the assessment area were also considered. The majority of owner-occupied housing units are located in the middle-and upper- income census tracts and the majority of the bank's home mortgage lending was also in those respective tracts. No unexplained, conspicuous gaps were identified.

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

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

Considering the bank's assessment area demographics and performance context factors, the geographic distribution of home mortgage loans reflects reasonable distribution throughout the assessment area.

The bank's percentage of home mortgage lending was below the percentage of owner-occupied housing units and aggregate in low-income census tracts. FNBE originated 0.0 percent of home mortgage loans in low-income census tracts, compared to 0.8 percent of owner-occupied housing units located within low-income census tracts. The aggregate originated 0.5 percent home mortgage loans in the low-income census tract. The bank's lending in moderate-income census tracts at 9.6 percent was higher than the aggregate lending at 8.6 percent and equal to the owner-occupied housing unit's percentage at 9.6 percent within the assessment area.

A substantial majority of FNBE's mortgage loans were concentrated in middle-income census tracts. This distribution can be attributed to the fact that majority of the assessment area's owner-occupied housing units fall within middle-income census tracts. Middle-income census tracts account for 60.6 percent of owner-occupied housing units in the assessment area. FNBE originated 71.8 percent of home mortgage loans in middle-income census tracts, compared to 59.1 percent in aggregate lending in middle-income census tracts. FNBE's home mortgage lending in upper-income tracts at 18.6 percent

was below the percentage of owner-occupied housing units at 28.9 percent and aggregate at 31.9 percent.

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

The bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.

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

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

FNBE's lending performance to low- and moderate-income borrowers was reasonable. The bank made 5.8 percent of home mortgage loans to low-income borrowers, while 19.7 percent of families in the assessment area were low-income. FNBE's lending performance was commensurate with aggregate performance of 7.9 percent to low-income borrowers.

The percentage of mortgage lending to moderate-income borrowers was lower than both the assessment area demographics and the aggregate of all HMDA-reporting lenders. FNBE originated 14.1 percent of home mortgage loans to moderate-income borrowers compared to 17.2 of moderate-income families in the assessment area. The bank in aggregate made approximately 20.8 percent of home loans to moderate-income borrowers. FNBE's lending performance to low- and moderate-income borrowers may be attributable to the fact that homes in the assessment area may not be affordable for low- and moderate-income families.

FNBE's lending performance across all income classes was lower than the assessment area demographics. The bank's lower performance was attributable to HMDA data collection limitations. FNBE was unable to collect income information on 28.2 percent of its borrowers. Aggregate data from all HMDA-reporting lenders did not include income information for 22.0 percent of borrowers. Taking these factors into consideration, FNBE's lending performance to low- and moderate-income borrowers was reasonable.

### **Responses to Complaints**

The bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

## 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>	<b>1/01/2018 – 12/31/2020</b>	
<b>Bank Products Reviewed:</b>	Home Mortgage Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None	N/A	N/A
<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>
New Jersey	Full Scope Examination	Salem, Gloucester, and Cumberland counties

## Appendix B: Summary of MMSA and State Ratings

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<b>RATINGS</b> <b>First National Bank of Elmer</b>	
<b>Overall Bank:</b>	<b>Lending Test Rating</b>
First National Bank of Elmer	Satisfactory
<b>State:</b>	
New Jersey	Satisfactory

## 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 O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2018-20**

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
Elmer AA	156	24,435	100.0	16,402	0.8	0.0	0.5	9.6	9.6	8.6	60.6	71.8	59.1	28.9	18.6	31.9	0.0	0.0	0.0
<b>Total</b>	<b>156</b>	<b>24,435</b>	<b>100.0</b>	<b>16,402</b>	<b>0.8</b>	<b>0.0</b>	<b>0.5</b>	<b>9.6</b>	<b>9.6</b>	<b>8.6</b>	<b>60.6</b>	<b>71.8</b>	<b>59.1</b>	<b>28.9</b>	<b>18.6</b>	<b>31.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2018-20**

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
Elmer AA	156	24,435	100.0	16,402	19.7	5.8	7.9	17.2	14.1	20.8	21.3	20.5	22.9	41.8	31.4	26.4	0.0	28.2	22.0
<b>Total</b>	<b>156</b>	<b>24,435</b>	<b>100.0</b>	<b>16,402</b>	<b>19.7</b>	<b>5.8</b>	<b>7.9</b>	<b>17.2</b>	<b>14.1</b>	<b>20.8</b>	<b>21.3</b>	<b>20.5</b>	<b>22.9</b>	<b>41.8</b>	<b>31.4</b>	<b>26.4</b>	<b>0.0</b>	<b>28.2</b>	<b>22.0</b>

Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%