



## **PUBLIC DISCLOSURE**

October 24, 2022

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

Cumberland Federal Bank, FSB  
Charter Number 703234

1390 Second Avenue  
Cumberland, WI 54829

Office of the Comptroller of the Currency

222 South Ninth Street  
Suite 800  
Minneapolis, MN 55402-3393

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:

- A majority of the bank’s loans are originated inside its assessment area (AA).
- The loan-to-deposit (LTD) ratio is reasonable.
- The distribution of loans among borrowers of different income levels and businesses of different sizes is excellent.
- The bank’s dispersion of loans throughout geographies of different income levels is reasonable.
- The bank did not receive any CRA related complaints during the evaluation period.

## Loan-to-Deposit Ratio

Cumberland Federal Bank, FSB (CFB)’s LTD ratio is reasonable considering the bank’s size, financial condition, and credit needs of the AA. The bank’s average quarterly LTD ratio was 60.5 percent over the 14 quarters since the previous CRA evaluation. The ratio ranged from a low of 53.9 percent on December 31, 2021, to a high of 66.0 percent on September 30, 2019. The bank’s LTD ratio ranked fourth among four similarly situated institutions. Similarly situated institutions are defined as operating in Barron County or Rusk County and having total assets between \$74.5 million and \$322.0 million, as of December 31, 2021. CFB’s LTD ratio is not reflective of all lending activity. CFB sells a portion of home mortgages on the secondary market, which are not reflected in the average LTD ratio. If the bank retained those home mortgages, the bank’s LTD ratio would be higher.

<b>Loan-to-Deposit Ratios for Similarly Situated Banks</b>		
<b>Bank</b>	<b>Total Assets as of 12/31/2021 \$(000s)</b>	<b>Average LTD Ratio 3Q2018 to 4Q2021 (%)</b>
Ladysmith FS & LA	74,546	81.0
Community Bank of Cameron	166,933	81.0
Sterling Bank	322,042	67.8
<b>Cumberland Federal Bank, FSB</b>	<b>210,034</b>	<b>60.5</b>

*Source: Call Report Data from September 30, 2018 to December 31, 2021.*

## Lending in Assessment Area

CFB originated a majority of its loans inside its AA.

The bank originated and purchased 55.0 percent of its loans by number and 45.1 percent by dollar inside the bank’s AAs during the evaluation period. To evaluate the bank’s lending inside and outside its AA,

we selected samples of 20 business loans and 20 home mortgage loans. Business loans and home mortgage loans are the bank’s primary products within the bank’s AA.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home mortgage	13	65.0	7	35.0	20	1,183	61.7	736	38.3	1,919
Business	9	45.0	11	55.0	20	267	20.6	1,030	79.4	1,296
<b>Total</b>	<b>22</b>	<b>55.0</b>	<b>18</b>	<b>45.0</b>	<b>40</b>	<b>1,450</b>	<b>45.1</b>	<b>1,766</b>	<b>54.9</b>	<b>3,215</b>

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

## Description of Institution

CFB is a \$210 million mutual federal savings association headquartered in Cumberland, Wisconsin (WI). The bank expanded from its one location in northwestern Wisconsin and added a loan production office (LPO) in February 2019 in Ladysmith, then converted it to a branch in October 2020.

CFB is a full-service bank offering a variety of loan and deposit products. As of December 31, 2021, the loan portfolio totaled \$87.9 million, representing 41.8 percent of total assets. The loan portfolio by dollar volume is comprised of 42.2 percent home mortgage loans, 33.6 percent business loans, 21.9 percent farm loans, and 2.4 percent consumer loans.

CFB is a Federal Home Loan Bank (FHLB) Participating Financial Institution in the Mortgage Partnership Finance Xtra program and sells fixed-rate 15-, 20-, and 30-year conventional loans on the secondary market. CFB also offers other loans under government agency and economic development programs, including: FHLB Down Payment Plus, Small Business Administration (SBA), Farm Service Administration (FSA), Federal Housing Administration (FHA), and Wisconsin Home Economic Development Authority (WHEDA).

CFB has one AA, currently consisting of fifteen census tracts (CTs) which includes ten CTs in Barron County and five CTs in Rusk County. The AA expanded twice during this evaluation period. At the beginning of the evaluation period on January 1, 2019, the AA consisted of three middle-income CTs located in Barron County that extend across the northern portion of the county. On January 1, 2021, the AA expanded to include Rusk County, which added five CTs. The revised AA had a total of eight CTs, of which three were moderate-income and five were middle-income. On April 1, 2021, the AA expanded to include the remaining portion of Barron County, adding seven more CTs, including one additional moderate-income CT. Refer to the Description of Operations in Wisconsin section for more details on the AA.

There are no legal, financial, or other factors that impede the bank’s ability to serve the credit needs of its AA. CFB received a Satisfactory rating in the PE dated September 17, 2018.

## Scope of the Evaluation

## **Evaluation Period/Products Evaluated**

We evaluated CFB's CRA performance utilizing the small bank CRA procedures, which consists of the Lending Test. The evaluation period for the LTD ratio analysis covered the quarters ending September 30, 2018 to December 31, 2021. The complaints analysis period was September 18, 2018 to October 24, 2022. The evaluation period for the remaining portions of the Lending Test is January 1, 2019 through December 31, 2021.

We determined CFB's primary loan products for the AA by reviewing the number and dollar volume of loan originations and purchases during the evaluation period. Home mortgage and business loans were CFB's primary loan products in the AA since they represented the largest volume. Refer to the applicable Lending Test narratives under the State Rating section for details on loan products analyzed. We selected random samples of 20 home loans and 20 business loans from the evaluation period to complete the lending inside the AA, borrower distribution, and geographic distribution portions of the Lending Test analysis. We used information provided in bank loan files to complete our review.

## **Selection of Areas for Full-Scope Review**

The Cumberland AA was selected for a full-scope review since it is the bank's only AA. Refer to Appendix A: Scope of Examination for an outline of the examination scope.

## **Ratings**

CFB's overall rating is based on the lending performance within the Cumberland AA. The bank's lending performance was evaluated on five performance criteria: the loan-to-deposit ratio, lending in the AA, lending to borrowers of different incomes, geographic distribution of loans, and responses to CRA related complaints. Home loans and business loans were given equal weight in the analysis. As discussed in the description of institution, the AA only included moderate-income CTs in the one year of the evaluation period (2021). We considered that as performance context when evaluating the bank's performance and we placed less weight on the geographic distribution performance when determining the Lending Test rating.

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

Pursuant to 12 CFR 25.28(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 Consumer Financial Protection Bureau, 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 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 Wisconsin

**CRA rating for the State of Wisconsin: Satisfactory.**

**The Lending Test is rated: Satisfactory.**

The major factors that support this rating include:

- The bank exhibits excellent distribution of loans to businesses of different sizes and borrowers of different income levels.
- The distribution of business and home loans across geographies of different income levels is reasonable.
- CFB did not receive any CRA related complaints during the review period.

## Description of Institution's Operations in Wisconsin

CFB has its main office in Cumberland, WI. The bank operates one other full-service branch in Ladysmith, WI that was converted from a loan production office in October 2020. The Cumberland branch includes a 24-hour drive-up automated teller machine (ATM). The bank does not own or operate any deposit-taking ATMs.

The bank's single AA in the state includes Barron and Rusk counties. As indicated previously in the Description of Institution section, there were changes to the bank's AA during the evaluation period. Tables A on the following pages provide more detail on the AA composition throughout the evaluation period.

Financial competition within Barron and Rusk counties is strong. The Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report as of June 30, 2021, notes that there are 14 financial institutions within Barron and Rusk counties. Of those 14 banks, CFB holds the fourth largest market share in the AA with \$149 million in deposits or 9.1 percent of the deposit market share. Institutions with the top three largest deposit market shares include Dairy State Bank at 24.0 percent, Sterling Bank at 15.0 percent, and U.S. Bank, National Association with 11.8 percent.

As part of this review, we contacted a member of the community to gain an understanding of the economic conditions of the area, credit needs in the area, and involvement of local financial institutions. We spoke with Arlene Frisinger, who serves as the Deputy Clerk Treasurer for the City of Cumberland, WI. Frisinger stated the city is working to improve their economic conditions but have not been very successful. There is also an effort to bring businesses to the city which leads to opportunities for banks to invest. There is a huge need for housing, but very little available. There are multiple opportunities available for local financial institutions in the Cumberland area, specifically for housing. She stated there is a large amount of residential and manufacturing, with very little agriculture. Agriculture is located in more of the townships surrounding Cumberland.

The following tables provide demographic information on the Cumberland AA, as it has evolved during the course of the evaluation period. We analyzed and incorporated relevant demographic information from the AA in the Lending Test to evaluate the bank’s performance of home mortgage and business lending.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Cumberland AA for 01/01/2019 to 12/31/2020</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)	3	0.0	0.0	100.0	0.0	0.0
Population by Geography	12,066	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	7,462	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	3,932	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	1,200	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	2,330	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	710	0.0	0.0	100.0	0.0	0.0
Farms by Geography	105	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	3,403	19.3	19.9	24.5	36.2	0.0
Household Distribution by Income Level	5,132	23.8	16.0	20.4	39.8	0.0
Median Family Income Non-MSAs - WI		\$60,742	Median Housing Value			\$139,370
			Median Gross Rent			\$627
			Families Below Poverty Level			7.6%
<i>Source: 2015 ACS and 2020 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>						

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Cumberland AA for 01/01/2021 to 03/31/2021</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)	8	0.0	37.5	62.5	0.0	0.0
Population by Geography	26,423	0.0	32.0	68.0	0.0	0.0
Housing Units by Geography	16,412	0.0	28.1	71.9	0.0	0.0
Owner-Occupied Units by Geography	8,771	0.0	29.2	70.8	0.0	0.0
Occupied Rental Units by Geography	2,600	0.0	37.0	63.0	0.0	0.0
Vacant Units by Geography	5,041	0.0	21.5	78.5	0.0	0.0
Businesses by Geography	1,510	0.0	34.3	65.7	0.0	0.0
Farms by Geography	214	0.0	30.4	69.6	0.0	0.0
Family Distribution by Income Level	7,529	23.5	22.5	23.7	30.3	0.0
Household Distribution by Income Level	11,371	26.3	18.6	20.5	34.6	0.0
Median Family Income Non-MSAs - WI		\$60,742	Median Housing Value			\$122,447
			Median Gross Rent			\$636
			Families Below Poverty Level			9.9%
<i>Source: 2015 ACS and 2021 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>						

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Cumberland AA for 4/1/2021 to 12/31/2021</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)	15	0.0	26.7	73.3	0.0	0.0
Population by Geography	60,043	0.0	23.7	76.3	0.0	0.0
Housing Units by Geography	32,633	0.0	23.9	76.1	0.0	0.0
Owner-Occupied Units by Geography	18,804	0.0	23.0	77.0	0.0	0.0
Occupied Rental Units by Geography	6,555	0.0	30.1	69.9	0.0	0.0
Vacant Units by Geography	7,274	0.0	20.6	79.4	0.0	0.0
Businesses by Geography	3,837	0.0	29.4	70.6	0.0	0.0
Farms by Geography	454	0.0	17.2	82.8	0.0	0.0
Family Distribution by Income Level	16,715	22.0	22.3	23.8	31.9	0.0
Household Distribution by Income Level	25,359	24.9	19.0	20.7	35.4	0.0
Median Family Income Non-MSAs - WI		\$60,742	Median Housing Value			\$125,591
			Median Gross Rent			\$642
			Families Below Poverty Level			9.2%
<i>Source: 2015 ACS and 2021 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 Wisconsin**

The Wisconsin state rating is based solely on the results of the Cumberland AA. As indicated previously, this is the bank's only AA, and it received a full-scope review. We based the Lending Test conclusions on home mortgage and business lending, as they are the bank's primary products.

## **LENDING TEST**

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

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

Based on a full-scope review, the bank's lending performance in the state of Wisconsin is reasonable.

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

The bank exhibits reasonable geographic distribution of loans. The AA area included moderate-income CTs for only one year of the three-year evaluation period. More specifically, there were three moderate-income CTs in the AA during the first quarter of 2021 and four moderate-income CTs in the AA during the remainder of 2021.

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

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

CFB exhibits a poor distribution of home mortgage loans across different income level geographies in the AA. The bank originated or purchased no home mortgage loans in moderate-income census tracts, which is significantly below both the percentage of owner-occupied housing units that are located in moderate-income census tracts and the percent of aggregate lending that occurred in moderate-income census tracts. As referenced above, the AA only included moderate-income CTs during 2021, so the first two full years of the evaluation period did not give the bank the opportunity to originate home loans in moderate-income CTs within its AA. Additionally, the demographic data shows that more of the housing units in the moderate-income geographies are rental units compared to owner-occupied homes, further limiting home lending opportunities for the bank.

### ***Small Loans to Businesses***

Refer to Table Q in the state of Wisconsin section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The distribution of small business loans is reasonable considering the performance context. The bank's percentage of business loans in moderate-income CTs is below both the percentage of businesses that are located in moderate-income CTs and the percentage of aggregate lending that occurred in moderate-income CTs. However, these moderate-income CTs were only included in the AA for one of the three years during the evaluation period.

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

The bank exhibits excellent distribution of loans among individuals of different income levels and businesses of different sizes.

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

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

CFB exhibits an excellent distribution of home mortgage loans to low- and moderate-income (LMI) borrowers in the AA. The bank's lending to low-income borrowers significantly exceeds aggregate lending performance and is near the percentage of low-income families in the AA. The bank's lending to moderate-income borrowers exceeds the percentage of moderate-income families in the AA and the aggregate lending to moderate-income borrowers

### ***Small Loans to Businesses***

Refer to Table R in the state of Wisconsin section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The distribution of loans to businesses of different sizes is excellent. The bank's lending to small businesses significantly exceeds the percentage of small businesses in the AA and aggregate lending to small businesses.

## **Responses to Complaints**

During the evaluation period, there were no complaints related to CFB's performance in meeting the AA's credit needs.

## 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>	01/01/2029 – 12/31/2021	
<b>Bank Products Reviewed:</b>	Home Mortgage Loans Business Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	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>
<b>Wisconsin</b>		
Cumberland AA	Full-Scope	01/01/2019 – 12/31/2020: CTs 0001.0, 0002.0, and 0003.0 in Barron County 01/01/2021 – 03/31/2021: Rusk County and CTs 0001.0, 0002.0, and 0003.0 in Barron County 04/01/2021 – 12/31/2021: Barron and Rusk Counties

## Appendix B: Summary of MMSA and State Ratings

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RATINGS – Cumberland Federal Bank, FSB	
Overall Bank:	Lending Test Rating
Cumberland Federal Bank, FSB	Satisfactory
State:	
Wisconsin	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 this PE:

- 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.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2019-2021</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	
Cumberland	20	1,916	100.0	2,772	0.0	0.0	0.0	23.0	0.0	19.1	77.0	100.0	80.9	0.0	0.0	0.0	0.0	0.0	0.0	
<i>Source: 2015 ACS data for the bank's AA in effect 04/01/2021-12/31/2021; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.                      Due to rounding, totals may not equal 100.0%</i>																				

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2019-2021</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	
Cumberland	20	1,916	100.0	480	19.3	15.0	3.8	19.9	20.0	19.0	24.5	10.0	20.4	36.2	55.0	42.1	0.0	0.0	14.8	
<i>Source: 2015 ACS data for the bank's AA in effect 01/01/2019-12/31/2020; 01/01/2019 - 12/31/2021 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.                      Due to rounding, totals may not equal 100.0%</i>																				

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2019-2021**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Cumberland	20	498	100.0	691	0.0	0.0	0.0	29.4	15.0	23.9	70.6	85.0	76.1	0.0	0.0	0.0	0.0	0.0	0.0

Source: 2021 D&B Data for the bank's AA in effect 04/01/2021-12/31/2021; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2019-2021**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Cumberland	20	498	100.0	156	84.2	95.0	58.3	5.1	5.0	10.6	0.0

Source: 2020 D&B Data for the bank's AA in effect 01/01/2019-12/31/2020; 01/01/2019 - 12/31/2021 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%