



## **PUBLIC DISCLOSURE**

June 17, 2019

# **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Community Federal Savings Bank  
Charter Number 717528

89-16 Jamaica Avenue  
Woodhaven, NY 11421

Office of the Comptroller of the Currency

340 Madison Avenue  
4th Floor  
New York, NY 10017-2613

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Needs to Improve**

**The lending test is rated: Needs to Improve.**

The major factors that support this rating include:

- A substantial majority of the loans and other lending activities are outside of the institution's assessment area (AA). During the assessment period the bank originated and purchased 92.3 percent of its total home mortgage loans by numerical volume and 78.1 percent of loan by dollar volume outside of the bank's AA.
- The bank's overall borrower distribution of home mortgage loan originations and purchases for this evaluation period is poor, as the bank did not originate any loans to borrowers who were low- or moderate-income;
- The bank's loan-to-deposit ratio (LTD) is reasonable considering the size of the institution, financial condition, and assessment area (AA) credit needs. From December 31, 2013 to March 31, 2018, the bank's LTD ratio averaged 65.69 percent;
- The bank did not receive any CRA-related complaints during the evaluation period.

The overall bank Lending Test rating is based on the New York-Newark, NY-NJ-CT-PA Combined Statistical Area (CSA) Lending Test rating.

Lending levels reflect poor responsiveness to AA credit needs.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD ratio is reasonable. From December 31, 2013 to March 31, 2018, which is a period of 18 quarters, the bank's LTD ratio averaged 65.69 percent. During this time, the LTD ratio reached a low of 56.11 percent and a high of 78.78 percent. The most recent four quarters (June 30, 2017 to March 31, 2018) showed an increase with an average of 74.40 percent compared to the prior 14 quarters, which had an average of 63.20 percent. The Bank falls below the peer bank average of 73.59 percent. The peer group average LTD ratio had a low of 35.83 percent and a high of 103.45 percent. In 2017, the Board made a strategic decision to exit the mortgage banking business and focus on commercial loans as a primary product. The bank's exit of the mortgage lending area combined with the large asset mix of interest bearing bank balances concludes with a reasonable LTD ratio.

### Lending in Assessment Area

Based on the data in Table D, a substantial majority of the bank’s loans are outside its assessment area (AA) by both number of loans and dollar amount of loans during the evaluation period. The bank originated and purchased 9.6 percent of its total home mortgage loans by numerical volume and 27.4 percent of loan by dollar volume inside the bank’s AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage 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										
2015	19	15.0	108	85.0	127	21,763	41.7	30,385	58.3	52,148
2016	15	7.2	192	92.8	207	13,054	19.2	54,992	80.8	68,046
2017	8	7.7	96	92.3	104	7,317	21.9	26,085	78.1	33,402
Total	42	9.6	396	91.4	438	42,134	27.4	111,462	72.6	153,596

### Description of Institution

Community Federal Savings Bank (“CFSB” or the “bank”) is a wholly owned thrift of Community FSB Holding Company, a mutual stock holding company. The bank has one branch located in Woodhaven, NY and is headquartered in Manhattan, NY. The single branch operates as a full-service branch and is located in a middle-income census tract of Queens County. The main branch offers traditional banking hours and is open on Monday through Friday from 8:30AM to 4:30PM, with extended hours on Tuesday and Thursday. During the evaluation timeframe, there were no branch closures or openings. Additionally, there were no major changes to the bank’s corporate structure since the last CRA evaluation.

CFSB offers a wide variety of loan and deposit products and services for both personal and business customers. The bank had a mortgage banking operation that started in 2015 and ceased in the middle of 2017. The mortgage banking operation originated and sold 1-4 family residence mortgage loans. In mid-2017, the Board shifted their lending focus to small business loans and commercial real estate, including multifamily and investor-owned residential real estate (IORR). Beyond lending and deposits, the bank also offers a full range of other services, such as, wire transfers, automated clearing house (ACH) payments, and pre-paid cards. Different account access alternatives include online banking and mobile banking, as well as an automated teller machine (ATM) located at the main branch.

As of March 31, 2018, the bank had total assets of approximately \$147 million, primarily consisting of net loans and leases (\$96.7 million), Interest-Bearing Bank Balances (\$36.4 million), and US Treasury & Agency Securities (\$11.5 million). Deposits totaled \$132 million consisting of \$64.7 million in demand deposits, \$39.4 million in time deposits below insurance limit, \$19.3 million in Money Market Deposit Accounts, \$4.7 million in other savings deposits, \$1.9 million in NOW & ATS Accounts, and \$1.9 million in time deposits above insurance limit. Tier-1 capital amounted to \$14.9 million.

The following table provides a summary of the loan mix:

<b>Loan Portfolio as of March 31, 2018</b>		
Loan Type	Dollar Amount (in \$000s)	% of Gross Loans and Leases
Construction	6,800	7%
Home Equity	366	0.4%
1-4 Family Residential	23,584	24.4%
Multifamily Residential	41,929	43.4%
Owner Occupied Non-Farm	4,784	5%
Other Non-Farm Residential	3,354	3.5%
Commercial and Industrial	7,825	8.1%
Consumer Loans	8,788	9.1%

CFSB operates in a competitive financial services market, with large institutions and other small institutions offering competing products in the bank’s assessment areas. CFSB has no financial or legal impediments affecting the bank’s ability to meet the credit needs of their community. The bank was rated as “Outstanding” utilizing Small-Bank procedures during the prior CRA evaluation dated December 30, 2013. There were no changes in CFSB’s AA during the evaluation period. The bank has one assessment area and for the purpose of this evaluation it is referred to as the New York-Newark, NY-NJ-CT-PA Combined Statistical Assessment Area (CSA). The CSA consists of Bronx, New York, Kings, Queens, and Nassau County. The total number of census tracts within the CSA is 2,664.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period for this CRA assessment is January 1, 2015 through December 31, 2017. CFSB is being evaluated as a small bank for CRA purposes. The bank’s primary loan category during this evaluation period was Home Mortgage Disclosure Act (HMDA) reportable mortgages, which include home purchase loans, home improvement loans, and home refinance loans. The bank had a mortgage banking operation that started in 2015 and ceased in the middle of 2017. As a result, the bank originated significantly fewer loans in 2017 in comparison to 2015 and 2016. Due to low volume of lending in the bank’s AA (as noted in the In/Out Ratio above), all three years from 2015-2017 were evaluated together, as each year individually did not exceed 20, which is the minimum volume for a statistically sound assessment. All data is compared to 2017 peer and demographic data, which had adjustments compared to 2016 following the results of the American Community Service (ACS) survey conducted by the U.S. Census Bureau. We combined loan types (home purchase, home improvement and refinancing) together for analysis purposes.

We completed the lending test in order to evaluate Community Federal Savings Bank's record of meeting the credit needs of its AA. The lending test includes residential home mortgage loan originations within the evaluation period.

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

In each state where the bank has an office, one or more AAs within that state is 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.

The CRA requires a bank to define an AA or AAs in which it will be evaluated. CFBSB has one AA, the New York-Newark, NY-NJ-CT-PA Combined Statistical Area. This AA meets the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income tracts. The CSA consists of Bronx, New York, Kings, Queens, and Nassau Counties, which fall within MSA 35004 - Nassau County-Suffolk County, NY MD and MSA 35614 - New York-Jersey City-White Plains, NY-NJ MD.

According to ACS Census and 2017 D&B Data, the CSA is comprised of 2,664 census tracts, which include 357 low-income tracts (13.4 percent), 693 moderate-income tracts (26.0 percent), 946 middle-income tracts (35.5 percent), and 597 upper-income tracts (22.4 percent). The 2015 ACS Census and 2017 D&B Data indicates that 39.4 percent of families in the AA are considered low- or moderate-income and approximately 14.1 percent of the households are below the poverty line.

### **Ratings**

The bank's overall rating is based on the areas that received full-scope reviews.

## **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 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.

## **Combined Statistical Area Rating**

New York-Newark, NY-NJ-CT-PA Combined Statistical Area (CSA)

### **CRA rating for the New York-Newark, NY-NJ-CT-PA CSA<sup>1</sup>: Needs to Improve**

#### **The Lending Test is rated: Needs to Improve**

The major factors that support this rating include:

- A substantial majority of the loans and other lending activities are outside of the institution's assessment area (AA). A substantial majority of the loans and other lending activities are outside of the institution's assessment area (AA). During the assessment period the bank originated and purchased 92.3 percent of its total home mortgage loans by numerical volume and 78.1 percent of loan by dollar volume outside of the bank's AAs;
- The bank's overall borrower distribution of home mortgage loan originations and purchases for this evaluation period is poor, as the bank did not originate any loans to borrowers who were low- or moderate-income;
- The bank's loan-to-deposit ratio (LTD) is reasonable considering the size of the institution, financial condition, and assessment area credit needs. From December 31, 2013 to March 31, 2018, the bank's LTD ratio averaged 65.69 percent; and
- The bank did not receive any CRA-related complaints during the evaluation period.

### **Description of Institution's Operations in the New York-Newark, NY-NJ-CT-PA Combined Statistical Area**

CFSB operates one branch located in Woodhaven, NY and is headquartered in Manhattan, NY. The single branch operates as a full-service branch and is located in a middle-income census tract of Queens County. The main branch offers traditional banking hours and is open on Monday through Friday from 8:30AM to 4:30PM, with extended hours on Tuesday and Thursday. During the evaluation timeframe, there were no branch closures or openings. Additionally, there were no major changes to the bank's corporate structure since the last CRA evaluation.

CFSB offers a wide variety of loan and deposit products and services for both personal and business customers. The bank had a mortgage banking operation that started in 2015 and ceased in the middle of 2017. The mortgage banking operation originated and sold 1-4 family residence loans. In mid-2017, the Board and management shifted the lending focus of the bank to small business loans and commercial real estate, including multifamily and IORR. Beyond lending and deposits, the bank also offers a full range of other services, such as wire transfers, ACH, and pre-paid cards. Different account access alternatives include online

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<sup>1</sup> This rating reflects performance within the MMSA. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

banking and mobile banking as well as an automated teller machine (ATM) located at the main branch.

There were no changes in CFSB’s AA during the exam period. The bank has one assessment area and for the purpose of this evaluation is referred to as the New York-Newark, NY-NJ-CT-PA Combined Metropolitan Statistical Assessment Area (CSA). The CSA consists of Bronx, New York, Kings, Queens, and Nassau County. The total number of census tracts within the CSA is 2,664.

Housing affordability in the AA is limited for low- and moderate-income borrowers. The median housing value in the AA is \$523,390, which is approximately 15 times the maximum income for a low-income borrower or 9 times the maximum income for a moderate-income borrower in MSA 35614. Similarly, the housing cost is approximately 10 times the maximum income for a low-income borrower or 6 times the maximum income for a moderate-income borrower in MSA 35004. This is also reflected in the lower percentage of owner-occupied housing units located in low- and moderate-income geographies, further supporting the difficulty with affording housing in the AA for these borrowers.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: CFSB CSA</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)	2,664	13.4	26.0	35.5	22.4	2.7
Population by Geography	10,810,247	16.4	27.4	33.7	22.3	0.3
Housing Units by Geography	4,281,539	15.0	25.4	32.3	27.1	0.2
Owner-Occupied Units by Geography	1,623,517	3.4	17.8	46.8	31.9	0.2
Occupied Rental Units by Geography	2,258,723	23.9	31.2	22.4	22.2	0.3
Vacant Units by Geography	399,299	11.0	24.2	29.8	34.7	0.3
Businesses by Geography	721,606	8.5	18.7	32.4	38.3	2.1
Farms by Geography	7,691	4.0	19.8	47.7	27.8	0.6
Family Distribution by Income Level	2,447,961	29.8	16.8	17.5	35.9	0.0
Household Distribution by Income Level	3,882,240	30.6	15.0	16.2	38.2	0.0
Median Family Income MSA - 35004 Nassau County-Suffolk County, NY MD		\$108,193	Median Housing Value			\$523,390
Median Family Income MSA - 35614 New York-Jersey City-White Plains, NY-NJ MD		\$72,047	Median Gross Rent			\$1,365
			Families Below Poverty Level			14.1%

Source: 2015 ACS Census and 2017 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.

## **Scope of Evaluation in New York-Newark, NY-NJ-CT-PA CSA**

The bank defined the New York-Newark, NY-NJ-CT-PA Combined Statistical Area #408 as its AA. The CSA consists of Bronx, New York, Kings, Queens, and Nassau Counties, which fall within MSA 35004 - Nassau County-Suffolk County, NY MD and MSA 35614 - New York-Jersey City-White Plains, NY-NJ MD.

According to ACS Census and 2017 D&B Data the CSA is comprised of 2,664 census tracts, which include 357 low-income tracts (13.4 percent), 693 moderate-income tracts (26.0 percent), 946 middle-income tracts (35.5 percent), and 597 upper-income tracts (22.4 percent). The 2015 ACS Census and 2017 D&B Data indicates that 39.4 percent of families in the AA are considered low- or moderate-income and approximately 14.1 percent of the households are below the poverty line. The New York-Newark, NY-NJ-CT-PA CSA meets the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income tracts.

The evaluation period of this PE is January 1, 2015 through December 31, 2017. During the evaluation period home mortgages were the bank's primary lending product, so residential mortgages were the only lending product considered for the purposes of this evaluation. As of March 31, 2018, home mortgages made up 67.8 percent of the bank's portfolio. Specifically, 1-4 Family Residential and the Multifamily Residential loans comprised 24.4 percent and 43.4 percent of the bank's portfolio, respectively.

Before the bank discontinued the mortgage banking division, they opened loan production offices in New Jersey, Rhode Island, Massachusetts, and Connecticut. The majority of these locations are not in the bank's AA. Additionally, the bank exercises a vendor-based approach in its key business lines – including broker-sourced lead-based origination and third-party risk management. It is important to consider this performance context, given that a substantial majority of the loans and other lending activities are outside of the institution's AA.

## **LENDING TEST**

The bank's performance under the Lending Test in the New York-Newark, NY-NJ-CT-PA CSA is rated Needs to Improve.

This rating is largely attributable the poor distribution of loans to low-or moderate-income borrowers within the AA. During the review period the bank did not originate any loans to low-or moderate-income borrowers within the AA.

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

The distribution of the bank's home mortgage loans in low- and moderate-income geographies is excellent. The proportion of loans significantly exceeded the proportion of owner-occupied housing units and the aggregate distribution of loans in those geographies.

#### **Home Mortgage Loans**

Based on the data in Table O in the Appendix, the bank's overall geographic distribution of home mortgage loan originations and purchases in the AA is excellent. All three years (2015-2017) were combined to meet the minimum of 20 loans per AA to conduct a meaningful analysis.

For all three years of data, the proportion of home mortgage loans in low-income and moderate-income geographies was significantly stronger than the percentage of owner-occupied housing units in those geographies and significantly stronger than the aggregate distribution of loans in those geographies.

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

We reviewed summary reports and maps, and analyzed CFSB's home mortgage lending activity during the evaluation period to identify any gaps in the geographic distribution of loans. Our review of the geographic distribution of loans did not identify any gaps. The bank's CSA has a moderate volume of low- and moderate-income census tracts. Overall, the CSA contains 357 low-income census tracts and 693 moderate-income census tracts, which is respectively, 13.4 percent and 26.0 percent of the aggregate total census tracts. The bank has one branch that is located in a middle-income geography, and the branch location is in close proximity to low- and moderate-income geographies. The branch is accessible to all segments of the CSA via major thoroughfares and public transportation. The bank's lending products are available to any potential borrower, regardless of their geography.

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

Distribution of loan by income level of the borrower is poor. The bank did not originate any loans to borrowers who were low- or moderate-income, which reflects a needs to improve rating for this portion of the lending test. This is considerably lower than the number of loans originated and purchased by all reporting lenders (HMDA or CRA) in their AA. The percentage of the aggregate number of loans originated and purchased to low and moderate-income

borrowers was 3.2 percent and 12.5 percent respectively as reported by all reporting lenders (HMDA or CRA). However, it is important to note that a significant volume of loans (78.6 percent) was originated where the income was not available. This is consistent with the bank's strategy to lend to commercial borrowers purchasing and refinancing multi-family units, for which income is not reported. Refer to Table P in the Appendix for further information.

### **Responses to Complaints**

The bank did not receive any CRA-related complaints during the evaluation period.

## 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>	01/01/2015 to 12/31/2017	
<b>Bank Products Reviewed:</b>	Home Mortgage Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<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>CSA(s)</b>		
New York-Newark, NY-NJ-CT-PA CSA	Full- Scope	Includes New York counties Bronx, New York, Kings, Queens, and Nassau County

## Appendix B: Summary of CSA and State Ratings

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RATINGS	Community Federal Savings Bank
Overall Bank:	Lending Test Rating
Community Federal Savings Bank	Needs to Improve
CSA or State:	
New York-Newark, NY-NJ-CT-PA CSA	Needs to Improve

## 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.

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2015-17	
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	
CommFed CMS A	42	20,391	100.0	120,080	3.4	19.0	4.5	17.8	50.0	18.8	46.8	19.0	46.2	31.9	11.9	30.4	0.2	0.0	0.2	
<b>Total</b>	<b>42</b>	<b>20,391</b>	<b>100.0</b>	<b>120,080</b>	<b>3.4</b>	<b>19.0</b>	<b>4.5</b>	<b>17.8</b>	<b>50.0</b>	<b>18.8</b>	<b>46.8</b>	<b>19.0</b>	<b>46.2</b>	<b>31.9</b>	<b>11.9</b>	<b>30.4</b>	<b>0.2</b>	<b>0.0</b>	<b>0.2</b>	

Source: 2015 ACS Census; 01/01/2015 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.  
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>2015-17</b>	
<b>Assessment Area:</b>	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>			
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
CommFed CMSA	42	20,391	280.0	120,080	29.8	0.0	3.2	16.8	0.0	12.5	17.5	2.4	21.6	35.9	19.0	48.3	0.0	78.6	14.4	
<b>Total</b>	<b>42</b>	<b>20,391</b>	<b>280.0</b>	<b>120,080</b>	<b>29.8</b>	<b>0.0</b>	<b>3.2</b>	<b>16.8</b>	<b>0.0</b>	<b>12.5</b>	<b>17.5</b>	<b>2.4</b>	<b>21.6</b>	<b>35.9</b>	<b>19.0</b>	<b>48.3</b>	<b>0.0</b>	<b>78.6</b>	<b>14.4</b>	

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