

# **PUBLIC DISCLOSURE**

**January 13, 2025**

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Field & Main Bank  
RSSD #618740**

**140 North Main Street  
Henderson, Kentucky 42420**

**Federal Reserve Bank of St. Louis**

**P.O. Box 442  
St. Louis, Missouri 63166-0442**

**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 the 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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**INSTITUTION'S CRA RATING: This institution is rated SATISFACTORY.**

**The Lending Test is rated:**

**Satisfactory**

**The Community Development Test is rated:**

**Satisfactory**

Field & Main Bank meets the criteria for a Satisfactory rating based on the evaluation of the bank's lending and community development activities. The factors supporting the institution's rating include:

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and credit needs of the assessment areas (AAs).
- A majority of loans and other lending-related activities are in the AAs.
- The distribution of loans to borrowers reflects poor penetration among individuals of different income levels (including low- and moderate-income (LMI)) and businesses of different revenue sizes.
- The geographic distribution of loans reflects a reasonable dispersion throughout the AAs.
- There were no CRA-related complaints filed against the bank since the previous CRA evaluation.
- The bank's overall community development performance demonstrates adequate responsiveness to the community development needs of its AAs, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AAs. The bank has responded to these needs through community development loans, qualified investments, and community development services.

## **SCOPE OF EXAMINATION**

The bank's CRA performance was reviewed using the Federal Financial Institutions Examination Council's (FFIEC's) Intermediate Small Bank Procedures. The intermediate small bank examination procedures entail two performance tests: the Lending Test and the Community Development Test. Bank performance under these tests is rated at the institution level, as well as by multistate metropolitan statistical area (MSA) and state levels.

The bank maintains operations in three delineated AAs within two states: Indiana and Kentucky. The Indiana portion of the bank's AAs is contained entirely within the Evansville, Indiana-Kentucky MSA. The bank's Kentucky AAs include Fayette County and Harrison County. The Fayette County AA was analyzed using full-scope procedures, while the Harrison County AA was analyzed using limited-scope procedures. In light of these characteristics, the bank received three

sets of ratings: overall institution ratings, and ratings for the Evansville AA and the state of Kentucky.

The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each rated area completed as part of this evaluation. Deposit information in the following table, as well as deposit information throughout this evaluation, is taken from the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report data as of June 30, 2024.

Rated Areas	Offices		Deposits		Assessment Area Reviews		
	#	%	\$ (000s)	%	Full-Scope	Limited-Scope	TOTAL
Evansville	4	67.0	504,408	77.0	1	0	1
Kentucky	2	34.0	153,305	23.0	1	1	2
<b>OVERALL<sup>1</sup></b>	<b>6</b>	<b>100.0</b>	<b>657,713</b>	<b>100.0</b>	<b>2</b>	<b>1</b>	<b>3</b>

In light of branch structure, loan and deposit activity, and the bank's CRA evaluation history, CRA performance in the Evansville AA was given primary consideration, as it contains the majority of the bank's loan and deposit activity.

Furthermore, residential real estate (RRE) and small business loans were used to evaluate the bank's lending performance, as these loan categories are considered the bank's core business lines based on lending volume and the bank's stated business strategy. Therefore, the loan activity represented by these credit products is deemed indicative of the bank's overall lending performance. However, as the bank has a particular emphasis on home mortgage lending, performance based on the Home Mortgage Disclosure Act (HMDA) loan category carried the most significance toward the bank's overall performance conclusions. The following table details the performance criterion and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	June 30, 2021 – September 30, 2024
Assessment Area Concentration	January 1, 2023 – December 31, 2023
Loan Distribution by Borrower's Profile	
Geographic Distribution of Loans	
Response to Written CRA Complaints	April 5, 2021 – January 12, 2025
Community Development Activities	April 5, 2021 – January 12, 2025

Lending Test analyses often entail comparisons of bank performance to AA demographics and the performance of other lenders, based on HMDA and CRA aggregate lending data. Unless otherwise noted, AA demographics are based on 2020 American Community Survey (ACS) data; certain business demographics are based on 2023 Dun & Bradstreet data. When analyzing bank

<sup>1</sup> Note: In this table and others throughout this document, percentages may not total 100 percent due to rounding.

performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an AA. Aggregate lending datasets are also updated annually and are, therefore, expected to predict more relevant comparisons. In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating within the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from \$412.8 million to \$1.1 billion as of September 30, 2024.

As part of the Community Development Test, the bank's performance was evaluated using the following criteria, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AAs:

- The number and dollar amount of community development loans.
- The number and dollar amount of qualified investments and grants.
- The extent to which the bank provides community development services.

The review included community development activities initiated from the date of the bank's previous CRA evaluation to this review date. In addition, investments made prior to the date of the previous CRA evaluation, but still outstanding as of this review date, were also considered.

To augment this evaluation, two community contact interviews were conducted with members of the local community to ascertain specific credit needs, opportunities, and local market conditions within the bank's AAs. Information from these interviews also assisted in evaluating the bank's responsiveness to identified community credit needs and community development opportunities. Key details from these community contact interviews are included in the *Description of Assessment Area* section applicable to the AA in which they were conducted.

## **DESCRIPTION OF INSTITUTION**

The bank is a full-service retail bank offering both consumer and commercial loan and deposit products. The bank is wholly owned by Field & Main Bancorp, Inc., a single-bank holding company. The bank and its holding company are both headquartered in Henderson, Kentucky. The bank's branch network consists of six branches (including the main office), all of which have full-service automated teller machines on site. In addition, all six branches have drive-up accessibility. The bank did not open or close any branch offices during this review period. Based on this branch network and other service delivery systems, such as extended banking hours of operation and full-service online banking capabilities, the bank is largely well positioned to deliver financial services to the entirety of its AAs. However, due to a limited presence and a high degree of banking competition in the Lexington-Fayette, Kentucky MSA, the bank may be challenged to deliver financial services to the entirety of its Fayette County AA.

The bank operates in three CRA AAs:

**Multistate MSA**

- Evansville AA – All of Henderson County, Kentucky, and all of Vanderburgh County, Indiana (two of four counties that make up the Evansville, Indiana-Kentucky MSA).

**State of Kentucky**

- Fayette County AA – All of Fayette County (one of the six counties that make up the Lexington-Fayette, Kentucky MSA).
- Harrison County AA – All of Harrison County (nonMSA portion of the state).

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credit needs of its customers, and the bank appeared capable of meeting the credit needs of its AAs based on its available resources and financial products. As of September 30, 2024, the bank reported total assets of \$747.2 million. As of the same date, loans and leases outstanding were \$618.9 million (82.8 percent of total assets), and deposits totaled \$665.7 million. The bank's loan portfolio composition by credit category is displayed in the following table.

Distribution of Total Loans as of September 30, 2024		
Credit Category	Amount \$ (000s)	Percentage of Total Loans (%)
1–4 Family Residential	186,628	30.4
Commercial Real Estate	171,586	27.9
Commercial and Industrial	96,124	15.6
Construction and Development	65,903	10.7
Multifamily Residential	40,867	6.7
Farmland	34,875	5.7
Farm Loans	14,515	2.4
Loans to Individuals	2,930	0.5
Total Other Loans	1,484	0.2
<b>TOTAL</b>	<b>614,912</b>	<b>100.0</b>

As indicated by the table above, a significant portion of the bank's lending resources is directed to loans secured by 1–4 family residential properties, commercial real estate loans, and commercial and industrial loans. The bank also originates and subsequently sells a significant volume of loans related to RRE. As these loans are sold on the secondary market shortly after origination, this activity is not captured in the table.

The bank received a Satisfactory rating at its previous CRA evaluation conducted by this Reserve Bank on April 5, 2021.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

### LENDING TEST

Rated Area	Lending Test Rating
Evansville	Satisfactory
Kentucky	Satisfactory
<b>OVERALL</b>	<b>SATISFACTORY</b>

The bank meets the standards for a satisfactory Lending Test rating under the intermediate small bank procedures, which evaluate bank performance under the following five criteria, as applicable.

### Loan-to-Deposit (LTD) Ratio

One indication of the bank's overall level of lending activity is its LTD ratio. The table below displays the bank's average LTD ratio in comparison to those of regional peers. The average LTD ratio represents a 14-quarter average, dating back to the bank's last CRA evaluation.

LTD Ratio Analysis			
Name	Headquarters	Asset Size \$ (000s) as of September 30, 2024	Average LTD Ratio (%)
Field & Main Bank	Henderson, Kentucky	747,218	87.0
Regional Banks	Berne, Indiana	1,127,939	74.5
	Middlesboro, Kentucky	412,767	96.2
	Winchester, Kentucky	543,090	89.3

Based on data from the previous table, the bank's level of lending is in line with those of other banks in the region, all of which had stable trends over the period. During the review period, the bank's quarterly LTD ratio experienced a slightly increasing trend, with a 14-quarter average of 87.0 percent. In comparison, the average LTD ratios for the regional peers were similar and had a generally stable trend. Therefore, compared to data from regional banks, the bank's average LTD ratio is reasonable given the bank's size, financial condition, and credit needs of its AAs.

### Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank's AAs.

<b>Lending Inside and Outside the Assessment Areas January 1, 2023 through December 31, 2023</b>								
<b>Loan Type</b>	<b>Inside</b>				<b>Outside</b>			
	<b>#</b>	<b># %</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>#</b>	<b># %</b>	<b>\$ (000s)</b>	<b>\$ %</b>
HMDA	213	75.0	37,949	56.5	71	25.0	29,158	43.5
Small Business	59	71.1	11,721	64.9	24	28.9	6,340	35.1
<b>TOTAL LOANS</b>	<b>272</b>	<b>74.1</b>	<b>49,670</b>	<b>58.3</b>	<b>95</b>	<b>25.9</b>	<b>35,498</b>	<b>41.7</b>

A majority of loans and other lending-related activities were made in the bank's AAs. As shown above, 74.1 percent of the total loans were made inside the AAs, accounting for 58.3 percent of the dollar volume of total loans.

### **Borrower and Geographic Distribution**

Overall, performance by borrower's income/revenue profile is poor, based on the analyses of lending in the bank's two rated areas, as displayed in the following table.

<b>Rated Area</b>	<b>Loan Distribution by Borrower's Profile</b>
Evansville	Poor
Kentucky	Poor
<b>OVERALL</b>	<b>POOR</b>

As displayed in the following table, the bank's overall distribution of lending by income level of census tract reflects reasonable penetration throughout the two rated areas subject to review.

<b>Rated Area</b>	<b>Geographic Distribution of Loans</b>
Evansville	Excellent
Kentucky	Reasonable
<b>OVERALL</b>	<b>REASONABLE</b>

### **Responses to Complaints**

No CRA-related complaints were filed against the bank during this review period (April 5, 2021 through January 12, 2025).

### **COMMUNITY DEVELOPMENT TEST**

The bank's performance under the Community Development Test is rated satisfactory. Considering the bank's capacity and the need and availability of such opportunities for community development in the AAs, the bank demonstrates adequate responsiveness to the community development needs of the Evansville AA and the Kentucky AAs.



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**Field & Main Bank  
Henderson, Kentucky**

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**CRA Performance Evaluation  
January 13, 2025**

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<b>Rated Area</b>	<b>Community Development Test Rating</b>
Evansville	Satisfactory
Kentucky	Satisfactory
<b>OVERALL</b>	<b>SATISFACTORY</b>

The bank's community development performance was satisfactory in both the Evansville AA and the Kentucky AAs. As previously mentioned, based on the bank's branch structure, volume of loan and deposit activities, and greater operational presence, the bank's ratings were weighted more heavily toward CRA performance in the Evansville AA. As a result, the overall rating for the Community Development Test is satisfactory.

During the review period, the bank made 26 qualifying loans in its AAs, totaling approximately \$41.7 million. Of those loans, 19 were originated in LMI areas with the purpose of revitalization and stabilization of the geographies.

The bank also made 2 community development investments and 184 donations in its AAs totaling \$2.2 million. Both of the investments were municipal bonds issued to fund affordable housing and small business construction in LMI census tracts. Furthermore, the 184 donations were made to 40 separate organizations having a community development purpose.

During the review period, bank personnel used financial expertise to log 1,273 service hours at 36 different community development organizations within the bank's AAs. Service activities included delivering financial education in schools that primarily serve LMI families, providing financial expertise to community service organizations as board members, and offering financial expertise through the Volunteer Income Tax Assistance program.

In addition to adequately meeting the community development needs of its AAs, the bank had community development loans outside its AAs, but still within the broader statewide or regional areas. The bank made eight community development loans totaling \$32.4 million.

## **FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

Based on findings from the Consumer Affairs examination, including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements, conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

## EVANSVILLE, INDIANA-KENTUCKY METROPOLITAN STATISTICAL AREA<sup>2</sup>

**CRA RATING FOR THE EVANSVILLE ASSESSMENT AREA:** **SATISFACTORY**  
**The Lending Test is rated:** **Satisfactory**  
**The Community Development Test is rated:** **Satisfactory**

Major factors supporting the institution's Evansville AA rating include the following:

- The distribution of loans reflects poor penetration among individuals of different income levels (including LMI levels) and businesses of different sizes.
- Overall, the geographic distribution of loans reflects excellent dispersion throughout the AA.
- The bank's community development performance demonstrates adequate responsiveness to community development needs through community development loans, qualified investments, and community development services, considering the need and availability for such opportunities for community development in the AA.

### SCOPE OF EXAMINATION

Examination scope considerations applicable to the review of the Evansville AA are consistent with the overall CRA examination scope, as presented in the *Institution, Scope of Examination* section.

To augment this evaluation, one community contact interview was conducted to ascertain specific community credit needs, community development opportunities, and local economic conditions. The interview was with a representative from an agency specializing in economic development. Details from this interview are included in the *Description of Institution's Operations* section that follows.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE EVANSVILLE ASSESSMENT AREA

#### **Bank Structure**

The bank operates four branches, including the main office, in this AA, representing 67.0 percent of total branches. One branch is on the Indiana side of the AA, which is located in Vanderburgh County. The remaining three branches are in Henderson, Kentucky. During this review period, the bank did not open or close any branches in this AA. Based on this branch network and other service

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<sup>2</sup> This rating reflects performance within the multistate MSA. The Kentucky statewide evaluation is adjusted and does not reflect performance in the multistate MSA.

delivery systems, the bank is adequately positioned to deliver financial services to the entire AA.

### **General Demographics**

The Evansville, Indiana-Kentucky MSA consists of four counties in Indiana and Kentucky. The bank has designated two of the four counties in the MSA as its AA. The following table describes the counties in the bank's AA along with their respective populations, based on 2020 ACS data.

State	County	Population
Indiana	Vanderburgh	180,136
Kentucky	Henderson	44,793
<b>TOTAL ASSESSMENT AREA POPULATION</b>		<b>224,929</b>

This AA is a competitive banking market; according to the FDIC Deposit Market Share Report data, as of June 30, 2024, there are 16 FDIC-insured depository institutions in the AA that operate 59 offices. The bank ranked fourth in terms of deposit market share, with 77.0 percent of the total AA deposit dollars.

This AA covers a metropolitan area, and the population and demographics are diverse. Additionally, the AA is bisected by the Ohio River, creating a natural barrier. As a result, the community contact noted that almost 10,000 Indiana residents cross the river on a daily basis in order to work in Henderson, Kentucky. The credit needs of the area vary and include a blend of consumer and business credit products. Other particular credit needs in the AA, as noted primarily by the community contact, include financial education, credit counseling, and first-time homebuyer assistance programs. The community contact noted that many people in the AA face challenges securing dependable childcare, which sometimes impacts the employment opportunities in the area.

### **Income and Wealth Demographics**

The following table summarizes the distribution of AA census tracts by income level and the family population within those tracts.

<b>Assessment Area Demographics by Geography Income Level</b>						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown-	TOTAL
Census Tracts	11	21	25	10	6	73
	15.1%	28.8%	34.2%	13.7%	8.2%	100.0%
Family Population	5,968	15,882	23,887	12,229	99	58,065
	10.3%	27.4%	41.1%	21.1%	0.2%	100.0%

As shown above, 43.9 percent of the census tracts in the AA are LMI geographies, but only 37.7 percent of the family population resides in these census tracts. These LMI areas are primarily concentrated in and around the cities of Evansville, Indiana, and Henderson, Kentucky.

Based on 2020 ACS data, the median family income for the AA was \$65,786. At the same time, median family incomes for Indiana and Kentucky were \$73,265 and \$65,893, respectively. More recently, the FFIEC estimates the 2023 median family income for the Evansville, Indiana-Kentucky MSA to be \$87,300. The following table displays population percentages of AA families by income level compared to the Indiana and Kentucky family populations.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Assessment Area	14,300	11,051	12,255	20,459	<b>58,065</b>
	24.6%	19.0%	21.1%	35.2%	<b>100.0%</b>
Indiana	339,685	304,441	365,625	669,641	<b>1,679,392</b>
	20.2%	18.1%	21.8%	39.9%	<b>100.0%</b>
Kentucky	253,148	196,689	225,205	464,074	<b>1,139,116</b>
	22.2%	17.3%	19.8%	40.7%	<b>100.0%</b>

As shown in the table above, 43.6 percent of families within the AA are considered LMI, which is higher than the LMI family percentages of 38.3 percent in Indiana and 39.5 percent in Kentucky. Furthermore, the percentage of families living below the poverty level in the AA, 11.7 percent, is above the 8.9 percent level in the state of Indiana and slightly below the 12.3 percent level in the state of Kentucky. Considering these factors, the AA appears to be less affluent than the states of Indiana and Kentucky as a whole.

### **Housing Demographics**

Based on housing values, income levels, and rental costs, housing in the AA is less affordable compared to the states of Indiana and Kentucky.

Housing Cost Burden (%)						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Assessment Area	75.5	24.3	43.3	61.0	23.2	17.4
Indiana	73.0	28.2	40.4	56.9	22.2	14.6
Kentucky	67.0	27.8	36.6	52.9	23.9	16.1
<i>Cost burden is housing cost that equals 30 percent or more of household income.</i>						

As shown in the table above, the cost burden for low-income homeowners is greater than it is for the states of Indiana and Kentucky as a whole. Furthermore, the cost burden for moderate-income homeowners is similar to that of both states. Therefore, homeownership may be out of reach for many LMI families in the AA. The community contact stated that homeownership in the AA, specifically in Henderson County, may be out of reach for LMI residents due to a lack of housing inventory on the market and a lack of financial education among LMI residents.

### **Industry and Employment Demographics**

The AA supports a large and diverse business community, including a strong small business sector, as evidenced by Dun & Bradstreet data indicating that 88.0 percent of AA businesses have gross annual revenues of \$1 million or less. Furthermore, according to the U.S. Department of Labor, Bureau of Labor Statistics (BLS), there are 62,230 employees in the AA (including 11,563 governmental employees). By percentage of nongovernmental employees, the three largest job categories in the AA are healthcare (16.5 percent), followed by manufacturing (15.0 percent) and accommodation and retail (12.2 percent). The table below details BLS unemployment data (not seasonally adjusted) for the Evansville AA, Indiana, and Kentucky.

Unemployment Levels (%)				
Dataset	Time Period (Annual Average)			
	2021	2022	2023	2024 (Jan.–Jul.)
Vanderburgh County	4.0	3.1	3.2	3.9
Henderson County	4.3	3.9	4.0	4.7
Assessment Area	4.0	3.2	3.3	4.0
Indiana	3.9	3.1	3.3	4.1
Kentucky	4.5	4.0	4.2	4.9

As shown in the table above, unemployment levels varied between individual counties within the AA. Unemployment rates were higher in Henderson County and lower in Vanderburgh County. The AA had a lower unemployment rate compared to Kentucky and a higher unemployment rate compared to Indiana. For the Evansville AA, Indiana, and Kentucky, unemployment rates dropped steeply from 2021 to 2022 before rising both in 2023 and 2024.

### **Community Contact Information**

For the Evansville AA, one community contact interview was completed and referenced as part of this evaluation. The interview was conducted with an individual specializing in economic expansion and workforce development based in the Henderson County portion of the MSA.

The community contact interviewee characterized the local economy as slowly improving, particularly in the manufacturing industry. The contact stated that while most employers are able to fully meet their staffing needs, there is a strong need for additional childcare providers in the area. According to the contact, the lack of access to childcare is preventing some individuals from gaining employment, specifically in fields that utilize shift work, and this lack of access particularly affects those who would seek to work second or third shifts in the manufacturing industry. Additionally, the contact noted that a lack of housing inventory is proving to be a hindrance to renters seeking homeownership. While the Evansville AA has historically had an adequate amount of housing available for purchase by LMI individuals, the community contact noted that this is no longer the case.

The community contact indicated that opportunities exist for the area's financial institutions to engage in educational activities in the area regarding financial literacy. The community contact highlighted the need for financial literacy education for LMI individuals entering the workforce to help those individuals eventually have the ability to purchase a home or gain financing for a small business. Lastly, Field & Main Bank was specifically identified as being extremely active in the community, with its financial education program targeting high school students being highlighted.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE EVANSVILLE ASSESSMENT AREA**

**LENDING TEST**

The bank's Lending Test rating for the Evansville AA is satisfactory. The distribution of loans reflects poor penetration among borrowers of different income levels and businesses of different sizes. Additionally, the geographic distribution of loans reflects excellent penetration throughout the AA.

**Loan Distribution by Borrower's Profile**

Overall, the bank's loan distribution by borrower's profile is poor, with the performance from both loan categories (HMDA and small business lending) each being poor.

Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC (\$87,300 for the Evansville, Indiana-Kentucky MSA as of 2023). The following table shows the distribution of HMDA-reported loans by borrower income level in comparison to family population income demographics for the AA. Additionally, 2023 aggregate data for the AA is displayed.

Borrower Distribution of HMDA Loans Assessment Area: Evansville								
Product Type	Borrower Income Levels	2023						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	3	3.2	11.5	206	1.2	6.7	24.6
	Moderate	15	15.8	23.1	2,017	12.2	18.1	19.0
	Middle	10	10.5	17.4	1,524	9.2	17.7	21.1
	Upper	35	36.8	20.8	9,469	57.1	31.1	35.2
	Unknown	32	33.7	27.2	3,374	20.3	26.3	0.0
	<b>TOTAL</b>	<b>95</b>	<b>100.0</b>	<b>100.0</b>	<b>16,590</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	4	5.1	14.4	206	2.2	8.1	24.6
	Moderate	6	7.6	23.4	514	5.5	19.0	19.0
	Middle	13	16.5	21.4	1,252	13.3	19.5	21.1
	Upper	18	22.8	25.8	1,534	16.3	33.5	35.2
	Unknown	38	48.1	15.1	5,885	62.7	19.9	0.0
	<b>TOTAL</b>	<b>79</b>	<b>100.0</b>	<b>100.0</b>	<b>9,391</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	17.2	0	0.0	11.9	24.6
	Moderate	3	42.9	24.5	69	19.1	18.9	19.0
	Middle	1	14.3	24.0	50	13.8	25.8	21.1
	Upper	1	14.3	29.8	85	23.5	37.5	35.2
	Unknown	2	28.6	4.4	158	43.6	5.9	0.0
	<b>TOTAL</b>	<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>362</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	0	0.0	0.0	0	0.0	0.0	N/A
	Moderate	0	0.0	1.9	0	0.0	0.0	N/A
	Middle	0	0.0	0.0	0	0.0	0.0	N/A
	Upper	0	0.0	1.9	0	0.0	0.1	N/A
	Unknown	9	100.0	96.2	3,726	100.0	99.9	N/A
	<b>TOTAL</b>	<b>9</b>	<b>100.0</b>	<b>100.0</b>	<b>3,723</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>
<b>HMDA TOTALS</b>	Low	7	3.7	12.6	412	1.4	6.3	24.6
	Moderate	24	12.6	22.8	2,600	8.6	16.0	19.0
	Middle	24	12.6	19.0	2,826	9.4	16.1	21.1
	Upper	54	28.4	23.2	11,088	36.9	28.1	35.2
	Unknown	81	42.6	22.4	13,140	43.7	33.5	0.0
	<b>TOTAL</b>	<b>190</b>	<b>100.0</b>	<b>100.0</b>	<b>30,066</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (3.7 percent) is substantially below the low-income family population figure (24.6 percent) and



below the 2023 aggregate lending level to low-income borrowers (12.6 percent), reflecting poor performance. Similarly, the bank's level of lending to moderate-income borrowers (12.6 percent) is below the moderate-income family population percentage (19.0 percent) as well as the aggregate lending level (22.8 percent), also reflecting poor performance. Therefore, considering performance in both income categories, the bank's overall distribution of HMDA loans by borrower's profile is poor.

Next, small business loans were reviewed to determine the bank's lending levels to businesses of different sizes. The following table shows the distribution of 2023 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Small Business Loans by Revenue and Loan Size Assessment Area: Evansville								
Business Revenue and Loan Size		2023						
		Count			Dollars			Total
		Bank		Aggregate	Bank		Aggregate	Businesses
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	21	37.5	51.9	2,797	26.1	30.7	88.0
	Over \$1 Million/Unknown	35	62.5	48.1	7,910	73.9	69.3	12.0
	<b>TOTAL</b>	<b>56</b>	<b>100.0</b>	<b>100.0</b>	<b>10,707</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Size	\$100,000 or Less	34	60.7	86.9	1,545	14.4	22.4	
	\$100,001–\$250,000	11	19.6	5.6	1,990	18.6	15.4	
	\$250,001–\$1 Million	11	19.6	7.5	7,172	67.0	62.2	
	Over \$1 Million	0	0.0	0.0	0	0.0	0.0	
	<b>TOTAL</b>	<b>56</b>	<b>100.0</b>	<b>100.0</b>	<b>10,707</b>	<b>100.0</b>	<b>100.0</b>	
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	17	81.0		719	25.7	
		\$100,001–\$250,000	1	4.8		150	5.4	
		\$250,001–\$1 Million	3	14.3		1,928	68.9	
		Over \$1 Million	0	0.0		0	0.0	
		<b>TOTAL</b>	<b>21</b>	<b>100.0</b>		<b>2,797</b>	<b>100.0</b>	

The bank's level of lending to small businesses is poor. The bank originated 37.5 percent of its small business loans to businesses with revenues of \$1 million or less. In comparison, AA demographics estimate that 88.0 percent of businesses in the AA had annual revenues of \$1 million or less, and the 2023 aggregate lending level to small businesses is 51.9 percent.

**Geographic Distribution of Loans**

As noted previously, the AA includes 11 low-income and 21 moderate-income census tracts, representing 43.9 percent of all AA census tracts. Overall, the bank's geographic distribution of loans in this AA reflects excellent penetration throughout these LMI census tracts, based on the HMDA and small business loan categories. As previously stated, performance in the HMDA loan category carried the most significance in the overall rating consideration. Furthermore, based on reviews from both loan categories, the bank had loan activity in 84.4 percent of all AA LMI census tracts, and there were no conspicuous lending gaps noted.

The following table displays the geographic distribution of 2023 HMDA loans compared to owner-occupied housing demographics and aggregate performance for the AA.

Geographic Distribution of HMDA Loans Assessment Area: Evansville								
Product Type	Tract Income Levels	2023						
		Count			Dollars			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	8	8.4	7.3	1,901	11.5	5.0	7.5
	Moderate	29	30.5	30.4	3,910	23.6	22.7	25.3
	Middle	50	52.6	38.1	9,048	54.5	38.0	43.5
	Upper	8	8.4	24.1	1,731	10.4	34.2	23.3
	Unknown	0	0.0	0.1	0	0.0	0.1	0.3
	<b>TOTAL</b>	<b>95</b>	<b>100.0</b>	<b>100.0</b>	<b>16,590</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	10	12.7	4.8	1,970	21.0	4.8	7.5
	Moderate	20	25.3	24.3	2,277	24.2	20.4	25.3
	Middle	45	57.0	44.8	4,711	50.2	43.5	43.5
	Upper	4	5.1	26.1	433	4.6	31.3	23.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.3
	<b>TOTAL</b>	<b>79</b>	<b>100.0</b>	<b>100.0</b>	<b>9,391</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	1	14.3	6.0	150	41.4	4.4	7.5
	Moderate	1	14.3	23.5	7	1.9	20.1	25.3
	Middle	3	42.9	43.6	105	29.0	41.5	43.5
	Upper	2	28.6	26.9	100	27.6	34.0	23.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.3
	<b>TOTAL</b>	<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>362</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	5	55.6	35.8	2,611	70.1	6.6	14.1
	Moderate	3	33.3	35.8	752	20.2	69.5	39.5
	Middle	1	11.1	24.5	360	9.7	19.9	31.3
	Upper	0	0.0	3.8	0	0.0	4.1	12.9
	Unknown	0	0.0	0.0	0	0.0	0.0	2.1
	<b>TOTAL</b>	<b>9</b>	<b>100.0</b>	<b>100.0</b>	<b>3,723</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA TOTALS	Low	24	12.6	6.7	6,632	22.1	5.1	7.5
	Moderate	53	27.9	28.2	6,946	23.1	27.9	25.3
	Middle	99	52.1	40.2	14,224	47.3	36.9	43.5
	Upper	14	7.4	24.7	2,264	7.5	30.0	23.3
	Unknown	0	0.0	0.1	0	0.0	0.1	0.3
	<b>TOTAL</b>	<b>190</b>	<b>100.0</b>	<b>100.0</b>	<b>30,066</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The analysis of HMDA loans revealed excellent lending performance to borrowers residing in low-income geographies. The bank's total penetration of low-income census tracts by number of loans (12.6 percent) exceeds the percentage of owner-occupied housing units in low-income

census tracts (7.5 percent). Additionally, the bank's performance in low-income census tracts exceeds that of other lenders in the AA based on 2023 HMDA aggregate data, which indicate that 6.7 percent of aggregate HMDA loans inside this AA were made to borrowers residing in low-income geographies.

Bank performance in moderate-income census tracts was consistent with comparison data and deemed reasonable. The bank's total penetration of moderate-income census tracts by number of loans (27.9 percent) is slightly above the percentage of owner-occupied housing units in moderate-income census tracts (25.3 percent). The bank's performance in moderate-income census tracts is also slightly below that of other lenders based on aggregate lending data, which indicate that 28.2 percent of aggregate HMDA loans inside this AA were made to borrowers residing in moderate-income census tracts. Combined, the bank's geographic distribution of HMDA loans in LMI geographies, 40.5 percent, is excellent.

Second, the bank's geographic distribution of small business loans was reviewed. The following table displays 2023 small business loan activity by geography income level compared to the location of businesses throughout the bank's AA and 2023 small business aggregate data.

Geographic Distribution of Small Business Loans Assessment Area: Evansville							
Tract Income Levels	2023						
	Count			Dollars			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	
Low	5	8.9	12.2	322	3.0	16.8	11.9
Moderate	18	32.1	26.2	2,467	23.0	29.7	30.0
Middle	22	39.3	31.5	5,165	48.2	22.9	29.5
Upper	10	17.9	23.7	2,477	23.1	20.3	20.9
Unknown	1	1.8	6.4	275	2.6	10.3	7.9
<b>TOTAL</b>	<b>56</b>	<b>100.0</b>	<b>100.0</b>	<b>10,706</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The bank's level of lending in low-income census tracts (8.9 percent) is slightly below the estimated percentage of businesses operating inside these census tracts (11.9 percent) and 2023 aggregate lending levels in low-income census tracts (12.2 percent). Consequently, the bank's performance in low-income areas is reasonable. The bank's percentage of loans in moderate-income census tracts (32.1 percent) is slightly higher than the 2023 aggregate lending percentage in moderate-income census tracts (26.2 percent) and higher than the percentage of small businesses in moderate-income census tracts (30.0 percent), representing reasonable performance. On a combined basis, the level of lending in LMI census tracts (41.0 percent) is slightly higher than the aggregate level of lending in LMI census tracts (38.4 percent). Therefore, the bank's overall geographic distribution of small business loans is reasonable.

## COMMUNITY DEVELOPMENT TEST

The bank's Community Development Test rating for the Evansville AA is satisfactory. The bank demonstrates adequate responsiveness to the community development needs of the AA, considering the bank's capacity and the need and availability of such opportunities for community development in the AA.

During the review period, the bank made 18 qualifying loans in the AA totaling approximately \$23.5 million. Of those loans, 15 were affordable housing loans made to revitalize and stabilize LMI areas.

The bank also made community development investments and donations in the AA totaling \$2.2 million. This amount included 2 new qualified investments totaling \$2.1 million and 160 donations totaling \$75,752. All of the investments were municipal bonds issued to fund housing and small business construction in LMI census tracts. Furthermore, the 160 donations were to 30 separate organizations having a community development purpose.

During the review period, bank personnel used financial expertise to log 1,238 service hours with 32 different community development organizations within the AA. A significant number of employees volunteered throughout the review period, delivering financial education in schools that primarily serve LMI families, providing financial expertise to community service organizations as board members, and offering financial expertise through the Volunteer Income Tax Assistance program.

## KENTUCKY

### CRA RATING FOR KENTUCKY:

The Lending Test is rated:

The Community Development Test is rated:

### SATISFACTORY

Satisfactory

Satisfactory

Major factors supporting the institution's Kentucky rating include the following:

- Overall, the distribution of loans in the Kentucky AAs reflects poor penetration among individuals of different income levels (including LMI levels) and businesses of different sizes.
- The geographic distribution of loans reflects reasonable dispersion throughout the Kentucky AAs.
- The bank's community development performance demonstrates adequate responsiveness to community development needs through community development loans, qualified investments, and community development services, considering the need and availability for such opportunities for community development in the bank's AAs.

### SCOPE OF EXAMINATION

Scoping considerations applicable to the review of the Kentucky AAs are consistent with the overall CRA examination scope as presented in the *Institution, Scope of Examination* section. The bank's ratings in the state of Kentucky reflect a composite of the bank's performance in the AAs evaluated with full-scope review procedures throughout the state.

To augment the evaluation of the full-scope review AA in Kentucky, one community contact interview was conducted to ascertain specific community credit needs, community development opportunities, and local economic conditions. The interview was conducted with a representative from an economic development organization in the area. Details from this interview are included in the *Description of Institution's Operations* section applicable to the AA in which the community contact was made.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN KENTUCKY

The bank operates two offices (34.0 percent of total branches) throughout the two CRA AAs in the state of Kentucky. The following table gives additional detail regarding the bank's operations within Kentucky.

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**Field & Main Bank  
Henderson, Kentucky**

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**CRA Performance Evaluation  
January 13, 2025**

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Assessment Area	Offices		Deposits As of September 30, 2024		Review Procedures
	#	%	\$	%	
Fayette County	1	50.0	19,204	12.5	Full Scope
Harrison County	1	50.0	134,101	87.5	Limited Scope
<b>TOTAL</b>	<b>2</b>	<b>100.0</b>	<b>153,305</b>	<b>100.0</b>	<b>1 – Full Scope</b>

The bank did not open or close any branches in the state of Kentucky during the review period. As mentioned above, lending in Fayette County was weighted more heavily, with \$6.6 million of HMDA lending in 2023, compared to Harrison County having only \$1.2 million.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KENTUCKY**

### **LENDING TEST**

The bank's Lending Test rating for the state of Kentucky is satisfactory. The bank's overall distribution of loans by borrower's income and revenue profile reflects poor penetration among borrowers of different income levels and businesses of different sizes. However, the geographic distribution of loans reflects reasonable penetration throughout the Kentucky AAs.

#### **Borrower and Geographic Distribution**

Overall, the bank's performance by borrower's income and revenue profile is poor in Kentucky, as is displayed in the following tables.

<b>Full-Scope Review Assessment Area</b>	<b>Loan Distribution by Borrower's Profile</b>
Fayette County	Poor

<b>Limited-Scope Review Assessment Area</b>	<b>Loan Distribution by Borrower's Profile</b>
Harrison County	Exceeds

As displayed in the following tables, the bank's overall geographic distribution of loans reflects reasonable penetration throughout Kentucky.

<b>Full-Scope Review Assessment Area</b>	<b>Geographic Distribution of Loans</b>
Fayette County	Reasonable

<b>Limited-Scope Review Assessment Area</b>	<b>Geographic Distribution of Loans</b>
Harrison County	Consistent

### **COMMUNITY DEVELOPMENT TEST**

The bank's Community Development Test rating for the state of Kentucky is satisfactory. The bank's overall community development performance demonstrates adequate responsiveness to the community development needs of the Kentucky AAs, considering the bank's capacity and the need/availability of such opportunities for community development. The bank has addressed the community development needs of its AAs through community development loans, qualified investments, and community development services.

<b>Full-Scope Review Assessment Area</b>	<b>Community Development Performance</b>
Fayette County	Adequate

<b>Limited-Scope Review Assessment Area</b>	<b>Community Development Performance</b>
Harrison County	Consistent



The bank extended eight community development loans totaling \$18.2 million within the Kentucky AAs. Of these eight loans, three were for revitalization and stabilization, four were for affordable housing, and one was for economic development. In addition, the bank made 24 donations totaling \$29,100 in the Kentucky AAs. The majority of donation dollars benefitted community service organizations in the Kentucky AAs that serve individuals from primarily LMI families who are at housing or hunger risk. Lastly, the bank provided 35 hours of service to five different community development organizations within the Kentucky AAs.

## LEXINGTON-FAYETTE, KENTUCKY METROPOLITAN STATISTICAL AREA

(Full-Scope Review)

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE FAYETTE COUNTY ASSESSMENT AREA

#### Bank Structure

The bank operates one of its six branches (16.7 percent) in this AA. This branch is located in a middle-income census tract in downtown Lexington. No branch changes occurred in this AA during the review period. Based on its limited branch network and the size of the county, the bank faces challenges in delivering financial services to the entirety of the AA.

#### General Demographics

The AA consists of Fayette County in its entirety. This is the bank's primary AA for the state of Kentucky and is located in the north-central portion of the state. As of the 2020 ACS, the AA population was 322,570. Of the 32 FDIC-insured depository institutions with a branch presence in this AA, the bank ranked 28<sup>th</sup> in deposit market share, encompassing 0.2 percent of total deposit dollars.

#### Income and Wealth Demographics

The following table summarizes the distribution of AA census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown-	TOTAL
Census Tracts	7	19	28	25	3	82
	8.5%	23.2%	34.1%	30.5%	3.7%	100.0%
Family Population	4,515	14,518	26,875	27,895	697	74,500
	6.1%	19.5%	36.1%	37.4%	0.9%	100.0%

As shown above, 31.7 percent of the census tracts in the AA are LMI geographies, but only 25.6 percent of the family population resides in these census tracts. The low-income census tracts are concentrated in the northern half of the city of Lexington, whereas the moderate-income census tracts are spread throughout the county.

Based on 2020 ACS data, the median family income for the AA was \$80,115. At the same time, the median family income for Kentucky was \$65,893. More recently, the FFIEC estimates the 2023 median family income for the Lexington-Fayette, Kentucky MSA to be \$93,400. The following table displays population percentages of AA families by income level compared to the Kentucky family population.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Assessment Area	16,725	12,042	14,289	31,444	<b>74,500</b>
	22.5%	16.2%	19.2%	42.2%	<b>100.0%</b>
Kentucky	253,148	196,689	225,205	464,074	<b>1,139,116</b>
	22.2%	17.3%	19.8%	40.7%	<b>100.0%</b>

As shown in the table above, 38.7 percent of families within the AA were considered LMI, which is slightly below the LMI family level of 39.5 percent in Kentucky. The percentage of families living below the poverty level in the AA, 9.9 percent, is below the 12.3 percent level in the state of Kentucky. Considering these factors, the AA appears to be slightly more affluent than the state of Kentucky as a whole.

### **Housing Demographics**

As displayed in the following table, homeownership in the AA is less affordable compared to the state of Kentucky.

Housing Cost Burden (%)						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Assessment Area	77.3	34.6	42.7	62.4	30.2	15.3
Kentucky	67.0	27.8	36.6	52.9	23.9	16.1
<i>Cost burden is housing cost that equals 30 percent or more of household income.</i>						

Cost burden is significantly greater in the AA than in the state of Kentucky as a whole for both renters and homeowners. Additionally, the community contact reported that housing prices in the AA have been significantly increasing, making it more difficult for LMI individuals to become homeowners. When taken together, these factors indicate that homeownership may be out of reach for LMI individuals living within the AA compared to those living in other locations throughout Kentucky.

**Industry and Employment Demographics**

The AA supports a large and diverse business community, including a strong small business sector. County business patterns indicate that there are 199,107 paid employees in the AA, including governmental employees. By percentage of employees, the three largest job categories are healthcare and social assistance (13.2 percent), accommodation and food services (10.4 percent), and retail (9.7 percent). The table below details unemployment data from the BLS (not seasonally adjusted) for Fayette County.

Unemployment Levels (%)				
Dataset	Time Period (Annual Average)			
	2021	2022	2023	2024 (Jan.–Jul.)
Assessment Area	3.7	3.2	3.4	4.0
Kentucky	4.5	4.0	4.2	4.9

As shown in the table above, unemployment levels decreased in both the AA and the state of Kentucky from 2021 to 2022. Conversely, unemployment levels increased during both 2023 and 2024 in both the AA and the state of Kentucky. This information was confirmed by the community contact, who reported that the AA’s unemployment rates were both low and relatively stable.

**Community Contact Information**

One community contact interview was completed in this AA, which was with an individual representing a local community development financial institution (CDFI). The CDFI partners with banks to meet housing and business needs, developing specialized credit products and utilizing numerous community development programs, such as those sponsored by the U.S. Department of Housing and Urban Development and the Small Business Administration (SBA).

The contact stated that the economy of the city of Lexington is doing well and growing; unemployment is low. In addition, there are numerous programs available for banks to participate in to promote community development in the AA, and the contact stated that a good level of banking competition in the market is reflective of numerous banks actively involved in these programs.

The community contact identified one area that would benefit the community through an increased utilization of SBA lending programs. Furthermore, the contact stated that as real estate prices have increased significantly, previously affordable housing options have become fewer, resulting in a significant shortage of affordable homeownership and rental housing options. Consequently, increased use of existing affordable home loan programs, such as those with junior lien options to cover closing costs, is a crucial community development need in this AA.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE FAYETTE  
COUNTY ASSESSMENT AREA**

**LENDING TEST**

The distribution of loans reflects poor penetration among borrowers of different income levels and businesses of different sizes. However, the geographic distribution of loans reflects reasonable penetration throughout the AA.

**Loan Distribution by Borrower's Profile**

Overall, the bank's loan distribution by borrower's profile is poor, with the performance from both loan categories (HMDA and small business lending) being poor.

Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC (\$93,400 for the Lexington-Fayette, Kentucky MSA as of 2023). The following table shows the distribution of HMDA-reported loans by borrower income level in comparison to family population income demographics for the AA. Additionally, 2023 aggregate data is displayed.

Borrower Distribution of RRE Loans Assessment Area: Fayette County								
Product Type	Tract Income Levels	2023						
		Count			Dollars			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	5.0	0	0.0	2.5	22.4
	Moderate	0	0.0	18.5	0	0.0	12.5	16.2
	Middle	0	0.0	18.0	0	0.0	15.4	19.2
	Upper	4	57.1	38.3	913	56.8	50.6	42.2
	Unknown	3	42.9	20.1	693	43.2	19.0	0.0
	<b>TOTAL</b>	<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>1,606</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	13.1	0	0.0	8.0	22.4
	Moderate	0	0.0	18.0	0	0.0	13.6	16.2
	Middle	0	0.0	20.6	0	0.0	18.8	19.2
	Upper	1	50.0	35.8	400	76.9	44.7	42.2
	Unknown	1	50.0	12.5	120	23.1	14.9	0.0
	<b>TOTAL</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>520</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	9.9	0	0.0	4.2	22.4
	Moderate	0	0.0	16.7	0	0.0	11.3	16.2
	Middle	0	0.0	25.4	0	0.0	21.5	19.2
	Upper	0	0.0	45.5	0	0.0	59.4	42.2
	Unknown	0	0.0	2.5	0	0.0	3.6	0.0
	<b>TOTAL</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	0	0.0	0.0	0	0.0	0.0	N/A
	Moderate	0	0.0	0.0	0	0.0	0.0	N/A
	Middle	0	0.0	0.0	0	0.0	0.0	N/A
	Upper	0	0.0	7.0	0	0.0	1.3	N/A
	Unknown	1	100.0	93.0	4,480	100.0	98.7	N/A
	<b>TOTAL</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>4,480</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>
HMDA TOTALS	Low	0	0.0	7.6	0	0.0	3.1	22.4
	Moderate	0	0.0	18.0	0	0.0	11.0	16.2
	Middle	0	0.0	20.0	0	0.0	14.3	19.2
	Upper	5	50.0	38.8	1,313	19.9	44.2	42.2
	Unknown	5	50.0	15.5	5,293	80.1	27.4	0.0
	<b>TOTAL</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>6,606</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

As displayed in the preceding table, the bank did not originate any HMDA loans to low- or moderate-income borrowers in the AA. This is below the low-income family population figure (22.4 percent) and below the aggregate lending level to low-income borrowers (7.6 percent), reflecting poor performance. Similarly, the bank's level of lending to moderate-income borrowers

is below the moderate-income family population percentage (16.2 percent) and the aggregate lending level (18.0 percent), reflecting poor performance. Therefore, considering performance from both income categories, the bank's overall distribution of HMDA loans by borrower's profile is poor.

Next, small business loans were reviewed to determine the bank's level of lending to businesses of varying sizes. The following table shows the distribution of 2023 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Small Business Loans by Revenue and Loan Size Assessment Area: Fayette County								
Business Revenue and Loan Size		2023						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Business Revenue	\$1 Million or Less	0	0.0	52.9	0	0.0	33.6	91.4
	Over \$1 Million/Unknown	2	100.0	47.1	750	100.0	66.4	8.6
	<b>TOTAL</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>750</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Size	\$100,000 or Less	0	0.0	92.4	0	0.0	35.1	
	\$100,001–\$250,000	1	50.0	3.7	150	20.0	15.8	
	\$250,001–\$1 Million	1	50.0	3.8	600	80.0	49.2	
	Over \$1 Million	0	0.0	0.0	0	0.0	0.0	
	<b>TOTAL</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>750</b>	<b>100.0</b>	<b>100.0</b>	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	0	0.0		0	0.0		
	\$100,001–\$250,000	0	0.0		0	0.0		
	\$250,001–\$1 Million	0	0.0		0	0.0		
	Over \$1 Million	0	0.0		0	0.0		
	<b>TOTAL</b>	<b>0</b>	<b>0.0</b>		<b>0</b>	<b>0.0</b>		

The bank's level of lending to small businesses is poor. The bank did not originate any small business loans to businesses with revenues of \$1 million or less in 2023. Comparatively, 91.4 percent of businesses in the AA are estimated to have \$1 million or less in revenues, and the aggregate level of lending to small businesses is 52.9 percent.

**Geographic Distribution of Loans**

As noted previously, the Fayette County AA includes 7 low-income and 19 moderate-income census tracts, representing 31.7 percent of all AA census tracts. Overall, the bank's geographic distribution of loans in this AA reflects reasonable penetration throughout these LMI census tracts, based on the HMDA and small business loan categories.

Furthermore, the bank had loan activity in 14.6 percent of all AA census tracts. The bank originated one loan (14.3 percent) in low-income census tracts and four loans in moderate-income census tracts (21.1 percent). The bank also originated loans in 2 of 28 middle-income census tracts (7.1 percent) and 5 of 25 upper-income census tracts (20.0 percent). Considering the limited branching structure and the geographic size of the area, this is reasonable. Therefore, no conspicuous lending gaps were noted in LMI areas.



Geographic Distribution of HMDA Loans Assessment Area: Fayette County								
Product Type	Tract Income Levels	2023						
		Count			Dollars			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	4.7	0	0.0	3.1	3.5
	Moderate	2	28.6	17.9	318	19.8	11.6	17.6
	Middle	2	28.6	40.8	404	25.2	38.9	35.7
	Upper	3	42.9	35.9	884	55.0	45.9	42.6
	Unknown	0	0.0	0.7	0	0.0	0.6	0.6
	<b>TOTAL</b>	<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>1,606</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	4.5	0	0.0	4.5	3.5
	Moderate	1	50.0	16.2	120	23.1	12.2	17.6
	Middle	0	0.0	36.9	0	0.0	34.6	35.7
	Upper	1	50.0	41.7	400	76.9	47.9	42.6
	Unknown	0	0.0	0.7	0	0.0	0.8	0.6
	<b>TOTAL</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>520</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	3.4	0	0.0	2.2	3.5
	Moderate	0	0.0	14.7	0	0.0	8.6	17.6
	Middle	0	0.0	39.1	0	0.0	35.1	35.7
	Upper	0	0.0	42.4	0	0.0	53.8	42.6
	Unknown	0	0.0	0.5	0	0.0	0.4	0.6
	<b>TOTAL</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	0	0.0	14.1	0	0.0	14.2	11.9
	Moderate	0	0.0	43.7	0	0.0	43.1	29.6
	Middle	0	0.0	25.4	0	0.0	23.6	30.5
	Upper	1	100.0	16.9	4,480	100.0	19.0	20.4
	Unknown	0	0.0	0.0	0	0.0	0.0	7.5
	<b>TOTAL</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>4,480</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA TOTALS	Low	0	0.0	4.4	0	0.0	4.6	3.5
	Moderate	3	30.0	16.8	438	6.6	15.4	17.6
	Middle	2	20.0	39.1	404	6.1	35.9	35.7
	Upper	5	50.0	39.1	5,764	87.3	43.7	42.6
	Unknown	0	0.0	0.6	0	0.0	0.5	0.6
	<b>TOTAL</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>6,606</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The analysis of HMDA loans revealed reasonable lending performance to borrowers residing in low-income geographies. The bank's total penetration of low-income census tracts by number of loans (0.0 percent) is only slightly below the percentage of owner-occupied housing units in low-income census tracts (3.5 percent) and below the performance of the aggregate (4.4 percent). The

bank's performance in moderate-income census tracts (30.0 percent) is above both the aggregate (16.8 percent) and the demographic (15.4 percent) in the AA. This represents reasonable performance in moderate-income census tracts. When taking into consideration both income categories, overall HMDA lending performance to borrowers residing in LMI census tracts is reasonable.

Second, the bank's geographic distribution of small business loans was reviewed. The following table displays 2023 small business loan activity by geography income level compared to the location of businesses throughout the AA and 2023 small business aggregate data.

<b>Geographic Distribution of Small Business Loans Assessment Area: Fayette County</b>							
<b>Tract Income Levels</b>	<b>Count</b>			<b>Dollars</b>			<b>Businesses</b>
	<b>Bank</b>		<b>Aggregate</b>	<b>Bank</b>		<b>Aggregate</b>	
	<b>#</b>	<b>%</b>	<b>%</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>\$ %</b>	<b>%</b>
Low	1	50.0	4.4	150	20.0	4.4	4.3
Moderate	1	50.0	17.0	600	80.0	17.4	18.1
Middle	0	0.0	33.5	0	0.0	33.4	32.6
Upper	0	0.0	38.7	0	0.0	36.1	37.5
Unknown	0	0.0	6.4	0	0.0	8.8	7.5
<b>TOTAL</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>750</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The bank's level of lending in low-income census tracts (50.0 percent) is above both the estimated percentage of businesses operating inside these census tracts (4.3 percent) and aggregate lending levels in low-income census tracts (4.4 percent). This represents reasonable performance. Similarly, the bank's level of lending in moderate-income census tracts (50.0 percent) is above both the estimated percentage of businesses (18.1 percent) and the aggregate performance (17.0 percent) in these census tracts, representing reasonable performance. As such, small business lending performance in LMI census tracts is reasonable.

#### COMMUNITY DEVELOPMENT TEST

The bank demonstrates adequate responsiveness to community development needs within the Fayette County AA, considering the bank's capacity and the need and availability of such opportunities for community development. The bank addressed these needs through community development loans, qualified investments, and community development services.

During the review period, the bank extended seven community development loans totaling \$16.2 million in this AA, all of which were new originations. Three of these loans were revitalization and stabilization loans made to finance construction of Low-Income Housing Tax Credit housing. Another two of the loans were affordable housing loans made to finance the construction of affordable housing for LMI individuals.

The bank made 19 donations totaling \$26,800 in this AA. Finally, bank personnel provided 19 service hours to three different community development organizations in this AA.

# NONMETROPOLITAN KENTUCKY STATEWIDE AREA

(Limited-Scope Review)

## DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE HARRISON COUNTY ASSESSMENT AREA

This AA includes the entirety of Harrison County, and the bank operates one office in this AA. The tables below detail key demographics relating to this AA.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	855	834	1,093	2,528	5,310
	16.1%	15.7%	20.6%	47.6%	100.0%
Household Population	1,732	705	1,351	3,686	7,474
	23.17%	9.43%	18.08%	49.32%	100.0%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	0	0	2	3	0	5
	0.0%	0.0%	40.0%	60.0%	0.0%	100.0%
Family Population	0	0	2,172	3,138	0	5,310
	0.0%	0.0%	40.9%	59.1%	0.0%	100.0%
Household Population	0	0	3,126	4,348	0	7,474
	0.0%	0.0%	41.82%	58.18%	0.0%	100.0%
Business Institutions	0	0	265	233	0	498
	0.0%	0.0%	53.2%	46.8%	0.0%	100.0%

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE HARRISON  
COUNTY ASSESSMENT AREA****LENDING TEST**

The bank's Lending Test performance in this AA exceeds the bank's Lending Test performance in the AA within the MSA portion of the state of Kentucky that was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank's Lending Test performance in this AA, see the tables in *Appendix D*.

<b>Lending Test Criteria</b>	<b>Performance</b>
Distribution of Loans by Borrower's Profile	Exceeds
Geographic Distribution of Loans	Consistent
<b>OVERALL</b>	<b>Exceeds</b>

**COMMUNITY DEVELOPMENT TEST**

The bank's Community Development Test performance in this AA is consistent with the bank's Community Development Test performance in the AA within the MSA portion of the state of Kentucky that was reviewed using full-scope procedures.

During the review period, the bank made one economic development loan totaling \$2.0 million to finance the construction of a senior wellness center serving LMI individuals. Additionally, the bank made five donations totaling \$2,300 and provided 16 service hours to two community development organizations in this AA.

**APPENDIX A – SCOPE OF EXAMINATION TABLES**

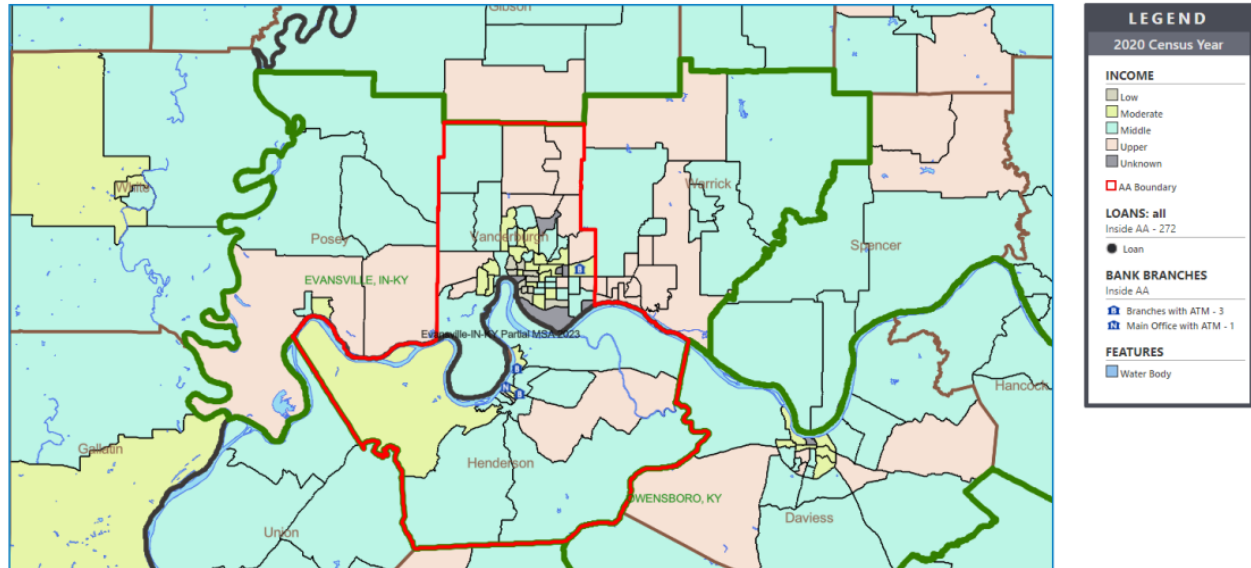
<b>Scope of Examination</b>		
<b>TIME PERIOD REVIEWED</b>	January 1, 2023 – December 31, 2023, for HMDA and small business lending  April 5, 2021 – January 12, 2025, for community development loans, investment, and service activities	
<b>FINANCIAL INSTITUTION</b>  Field & Main Bank Henderson, Kentucky	<b>PRODUCTS REVIEWED</b>  HMDA Small Business	
<b>AFFILIATE(S)</b>  N/A	<b>AFFILIATE RELATIONSHIP</b>  N/A	<b>PRODUCTS REVIEWED</b>  N/A

<b>Assessment Area – Examination Scope Details</b>					
<b>Assessment Area</b>	<b>Rated Area</b>	<b># of Offices</b>	<b>Deposits \$ (000s) (as of June 30, 2024)</b>	<b>Branches Visited</b>	<b>CRA Review Procedures</b>
Evansville	Evansville, Indiana-Kentucky MSA	4	504,408	0	Full Scope
Fayette County	Kentucky	1	19,204	0	Full Scope
Harrison County	Kentucky	1	134,101	0	Limited Scope
<b>OVERALL</b>		<b>6</b>	<b>657,713</b>	<b>0</b>	<b>2 – Full Scope</b>

APPENDIX B – ASSESSMENT AREA MAPS

Evansville Assessment Area

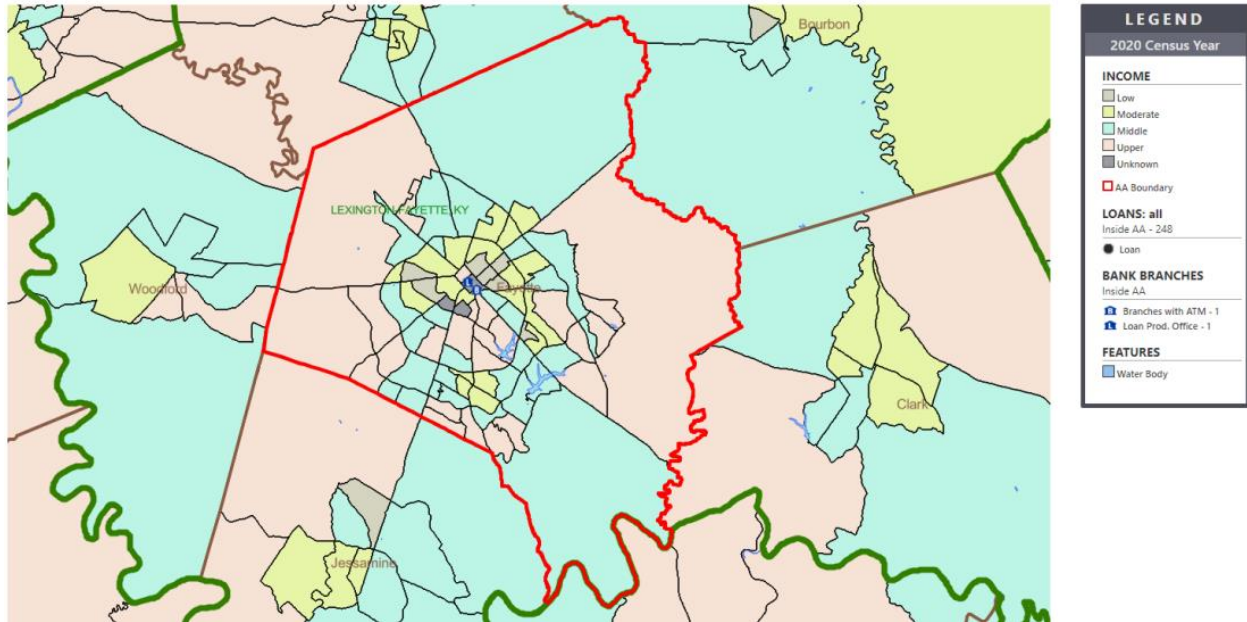
Field & Main Bank - Henderson, KY 2025  
Evansville, IN KY Partial MSA AA



**Fayette County Assessment Area**

**Field & Main Bank - Henderson, KY 2025**

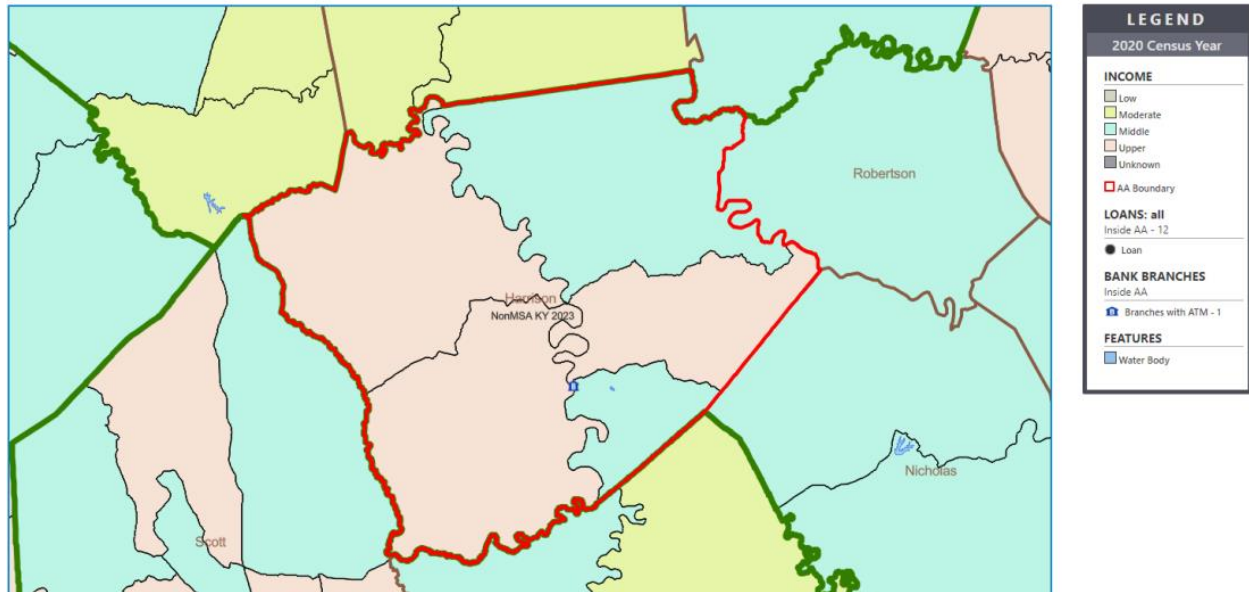
Lexington-Fayette KY Partial MSA AA



**Harrison County Assessment Area**

Field & Main Bank - Henderson, KY 2025

NonMSA KY AA





**APPENDIX C – SUMMARY OF STATE AND MULTISTATE METROPOLITAN  
STATISTICAL AREA RATINGS**

<b>State or Multistate MSA</b>	<b>Lending Test Rating</b>	<b>Community Development Test Rating</b>	<b>Overall Rating</b>
Evansville, Indiana-Kentucky MSA	Satisfactory	Satisfactory	<b>Satisfactory</b>
State of Kentucky	Satisfactory	Satisfactory	<b>Satisfactory</b>

**APPENDIX D – LENDING PERFORMANCE TABLES FOR LIMITED-SCOPE  
REVIEW ASSESSMENT AREA**

**Kentucky**

**Harrison County Assessment Area**

Borrower Distribution of HMDA Loans Assessment Area: Harrison County								
Product Type	Borrower Income Levels	2023						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	1.2	0	0.0	0.7	16.1
	Moderate	4	33.3	14.3	430	28.7	9.9	15.7
	Middle	2	16.7	25.8	300	20.0	20.8	20.6
	Upper	6	50.0	41.3	770	51.3	52.9	47.6
	Unknown	0	0.0	17.5	0	0.0	15.8	0.0
	<b>TOTAL</b>	<b>12</b>	<b>100.0</b>	<b>100.0</b>	<b>1,500</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	7.4	0	0.0	4.7	16.1
	Moderate	2	20.0	12.8	124	14.0	11.0	15.7
	Middle	2	20.0	30.9	108	12.2	25.3	20.6
	Upper	6	60.0	39.4	652	73.8	47.0	47.6
	Unknown	0	0.0	9.6	0	0.0	11.9	0.0
	<b>TOTAL</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>884</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	2.2	0	0.0	1.7	16.1
	Moderate	0	0.0	13.3	0	0.0	6.9	15.7
	Middle	0	0.0	24.4	0	0.0	14.8	20.6
	Upper	0	0.0	53.3	0	0.0	63.5	47.6
	Unknown	0	0.0	6.7	0	0.0	13.1	0.0
	<b>TOTAL</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	0	0.0	0.0	0	0.0	0.0	N/A
	Moderate	0	0.0	0.0	0	0.0	0.0	N/A
	Middle	0	0.0	0.0	0	0.0	0.0	N/A
	Upper	0	0.0	0.0	0	0.0	0.0	N/A
	Unknown	0	0.0	100.0	0	0.0	100.0	N/A
	<b>TOTAL</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>N/A</b>

**Field & Main Bank  
Henderson, Kentucky**

**CRA Performance Evaluation  
January 13, 2025**

<b>HMDA TOTALS</b>	Low	0	0.0	3.1	0	0.0	1.6	16.1
	Moderate	6	27.3	14.0	554	23.2	10.0	15.7
	Middle	4	18.2	26.8	408	17.1	21.1	20.6
	Upper	12	54.5	41.5	1,422	59.6	51.4	47.6
	Unknown	0	0.0	14.5	0	0.0	15.9	0.0
	<b>TOTAL</b>	<b>22</b>	<b>100.0</b>	<b>100.0</b>	<b>2,384</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Small Business Loans by Revenue and Loan Size Assessment Area: Harrison County								
Business Revenue and Loan Size		2023						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	1	100.0	68.9	264	100.0	40.4	92.0
	Over \$1 Million/Unknown	0	0.0	31.1	0	0.0	59.6	8.0
	<b>TOTAL</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>264</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Size	\$100,000 or Less	0	0.0	95.2	0	0.0	52.4	
	\$100,001–\$250,000	0	0.0	3.6	0	0.0	24.8	
	\$250,001–\$1 Million	1	100.0	1.2	264	100.0	22.7	
	Over \$1 Million	0	0.0	0.0	0	0.0	0.0	
	<b>TOTAL</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>264</b>	<b>100.0</b>	<b>100.0</b>	
Loan Size	Revenue \$1 Million or Less	0	0.0		0	0.0		
	\$100,001–\$250,000	0	0.0		0	0.0		
	\$250,001–\$1 Million	1	100.0		264	100.0		
	Over \$1 Million	0	0.0		0	0.0		
	<b>TOTAL</b>	<b>1</b>	<b>100.0</b>		<b>264</b>	<b>100.0</b>		

## APPENDIX E – GLOSSARY

**Aggregate lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**Assessment area:** One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

**Census tract:** A small subdivision of metropolitan and nonmetropolitan counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely, depending on population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community contact:** Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

**Community development:** An activity associated with one of the following five descriptions: (1) affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; (4) activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and geographies.

**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, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Demographics:** The statistical characteristics of human populations (e.g., age, race, sex, and income) used especially to identify markets.

**Distressed nonmetropolitan middle-income geography:** A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the

following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

**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 nonrelatives 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 who do 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 income of applicants; the amount of loan requested; and the disposition of the application (e.g., approved, denied, and withdrawn).

**Home mortgage loans:** Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancing of home improvement and home purchase loans.

**Household:** One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

**Housing affordability ratio:** Calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

**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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

**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 metropolitan area/assessment area.

**Median family income:** The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

**Metropolitan area (MA):** A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an MSA that has a population of at least 2.5 million may be divided into MDs.

**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.

**Nonmetropolitan statistical area (nonMSA):** Not part of a metropolitan area. (See metropolitan area.)

**Other products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**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.

**Performance context:** The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

**Performance criteria:** These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

**Performance evaluation (PE):** A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

**Qualified investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated area:** A rated area is a state or multistate metropolitan 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 multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

**Small businesses/small farms:** A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were \$1 million or less.

**Small loan(s) to business(es):** That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are secured either by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

**Small loan(s) to farm(s):** That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports 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.

**Underserved middle-income geography:** A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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