



## **PUBLIC DISCLOSURE**

March 31, 2016

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

Metropolitan Bank and Trust Company  
Charter Number: 80066

10 East 53rd Street  
New York, NY 10022

Office of the Comptroller of the Currency  
340 Madison Avenue, 9th Floor  
New York, NY 10173

**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.

## **GENERAL INFORMATION**

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income (LMI) neighborhoods, consistent with the safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of Metropolitan Bank and Trust Company – New York Branch (Metrobank NY or branch) issued by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency, for the evaluation period of July 12, 2011, through March 31, 2016. The agency rates the CRA performance of a national bank consistent with the provisions set forth in appendix A to 12 CFR 25.

## **INSTITUTION'S CRA RATING: This institution is rated Satisfactory.**

The major factors supporting the institution's rating include the following:

- The average loan-to-deposit ratio is reasonable given the size, financial condition, and assessment area (AA) relative to the size and complexity of the institution;
- A substantial majority of its loans are to borrowers within its AA;
- The borrower distribution of small loans to businesses in the AA reflects poor dispersion among small businesses;
- Geographic distribution of small loans to businesses reflects poor dispersion and penetration in low- and moderate-income geographies; and
- The bank did not receive any complaints regarding its CRA performance during the evaluation period.

## **SCOPE OF EXAMINATION**

This performance evaluation assesses the Metrobank NY's record of meeting the credit needs of the communities in which it operates. We evaluated the branch under the small bank performance criteria, which included a Lending Test.

The Lending Test evaluates an institution's record of helping meet the credit needs of its AA through its lending activities. This evaluation covers two U.S. Census data periods. We evaluated lending in 2011 using 2000 U.S. Census data and lending from 2012 through 2016 using 2010 U.S. Census data. The analyses were blended with greater weight on the later period because it is a longer and more recent period.

Based on our review of the number and dollar amount of loans originated during the evaluation period, we determined that business loans are Metrobank NY's primary loan product. Therefore, we based our conclusions regarding Metrobank NY's lending performance solely on loans to businesses. We did not include farms in the total numbers of businesses used as comparators for evaluating lending performance because lending activities consist primarily of trade finance. As part of the ongoing supervisory activities performed, we tested the accuracy of CRA lending data. We found the data to be accurate and reliable for our evaluation of CRA performance.

## **DESCRIPTION OF INSTITUTION**

Metrobank NY branch is federally licensed by the Office of the Comptroller of the Currency (OCC) and insured by the Federal Deposit Insurance Corporation (FDIC). The branch has \$39 million in assets and \$12 million in deposits as of March 31, 2016. Total loans and leases account for \$6 million. Metrobank NY is a branch of Metropolitan Bank and Trust Company, the flagship company of the Metrobank Group. Metrobank Group is the Philippines' largest financial conglomerate with a diversified business portfolio that includes the following: investment banking, thrift banking, leasing and financing, bancassurance, and credit cards. Metrobank Group has approximately

\$33 billion in assets as of March 31, 2016. Metrobank NY was established in 1977 and became a full branch in 1988.

Metrobank NY offers traditional deposit products including checking, savings, and time deposit accounts. Credit products offered by the branch are primarily commercial loans supporting trade financing and working capital needs for established Filipino/Asian corporations doing business in the United States (U.S.). Metrobank NY also offers remittance service for Filipino workers overseas, foreign exchange services, and correspondent banking services, including United States Dollar (USD) payment processing for its Head Office and affiliated branches. Metrobank is the leading provider of trade finance in the Philippines.

Metropolitan Bank and Trust Company was incorporated principally to provide financial services to the Filipino-Asian community. The branch was established and organized in response to the growing financial needs of the expanding Filipino population of the New York metropolitan area. The branch has limited lending authority without Head Office approval. Management must get approval from Head Office on loans exceeding the branch's lending authority.

Until 2015, the branch offered small, unsecured consumer installment loans in addition to commercial loans. These consumer loans were not the branch's primary product and were marketed via word-of-mouth referrals, primarily to teachers emigrating to the U.S. from the Philippines. Most of these borrowers had no established credit history in the U.S. The consumer installment loan portfolio has declined by approximately 81 percent since the prior CRA evaluation. This is due in part to the end of the surge of teachers hired from overseas to fill the teacher employment gap existing in the U.S. during the early 2000s. Many of these teachers and their families have since assimilated into the U.S. and moved away from the branch's AA.

Branch officers and employees are members of several local Filipino-Asian American community organizations. Branch management has referenced these organizations as sources for information on community needs identified through their affiliations with these organizations. With the support of management and Head Office, these individuals maintain an adequate level of participation in development and implementation projects that promote the economic revitalization and growth within the Filipino-Asian community.

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AAs. The branch received a "Satisfactory" rating on its prior performance evaluation issued by the OCC dated July 11, 2011.

## **DESCRIPTION OF ASSESSMENT AREA**

Metrobank NY's AA meets regulatory guidelines and does not arbitrarily exclude low- and moderate-income geographies. Metrobank NY's designated AA includes contiguous political subdivisions comprised of the borough of Manhattan (New York

County) and the northwest portion of the borough of Queens (Queens County). The vast majority of loans in the AA were made in Long Island City and Astoria, located in the northwest portion of Queens. The branch has primarily made renewals to the same customers year after year since the prior CRA Performance Evaluation. The limited scope of lending activity, services, and purpose does not warrant designating the full county as an AA. Manhattan and Queens are two of the five boroughs of New York City, which is part of the larger New York-Jersey City-White Plains-NY, NJ Metropolitan Division (New York MD). The New York Metropolitan Division (MD) is one of four MDs of the New York-Newark-Jersey City, NY-NJ-PA Metropolitan Statistical Area (MSA).

New York City is the largest and one of the most densely populated cities in the United States. According to the 2010 U.S. Census, New York City's population was approximately 8.5 million individuals. The city's population resides in 305 square miles of land, accounting for 27,012 individuals per square mile. The population density has increased 4.6 percent since 2000. The AA population in 2011 was 1.74 million and 1.78 million in 2016, as reported by 2000 and 2010 U.S. Census data, respectively.

According to Moody's Analytics, the New York MD includes some of the largest financial institutions and health care systems in the global market. The top five employers are two health care entities: Northwell Health and Mount Sinai Health System; two financial institutions: JP Morgan Chase Bank, N.A. and Citibank, N.A.; and Macy's, Inc. Mirroring a national trend, health care growth is outpacing the rest of the economy, helped by the presence of prestigious hospitals that attract patients from outside the metro area. The branch operates in a highly competitive environment.

Several financial institutions, including money center banks, mortgage banks, brokers, and other branches, agencies, and offices of foreign institutions, exist in New York City and northern New Jersey. Therefore, Metrobank NY faces significant competition in the New York MD from much larger market participants capable of offering a wider array of products. As of the June 30, 2015, FDIC Deposit Market Share Report, Metrobank NY had \$12 million in deposits, representing less than 0.01 percent of the total deposits in their market. Metrobank NY's market share of deposits in the AA ranked 99 out of 108 institutions. The Head Office maintains its presence in New York City primarily to meet the financial needs of the existing Filipino population and businesses in the New York area through assistance with trade finance or working capital to support their importation of goods from Asia.

Moody's Analytics reports that job growth within the AA slowed during the first quarter of 2016; however, it exceeded the growth rate in the Northeast and the U.S. overall. Total employment in the New York MD increased from 6.14 million in 2011 to 6.82 million in 2016, a gain of 681,000 jobs. Labor market tightening that marked much of the past year has slowed, and job gains have shifted away from high-wage industries, partially as a result of volatility in financial markets that lowered bank profits and led to sharp reductions in Wall Street bonuses. While demand for multifamily housing and office space in the metropolitan area is expected to remain strong, supply-side pressures are building. Real estate in Manhattan and in Brooklyn, two of the five boroughs of New

York City, remains a safe haven for wealthy overseas investors, but the response from developers in recent years may have exceeded demand. The commercial real estate market remains solid, but prevailing concerns suggest that commercial real estate growth may also slow. In response, some landlords have reduced their rent on office space in order to reduce vacancy.

According to the U.S. Department of Labor's Bureau of Labor Statistics, the average unemployment rate in the AA has declined from 9.55 percent in July 2011 to 5.93 percent in March 2016. According to the U.S. Department of Housing and Urban Development, estimated median family income in the New York MD was \$67,400 in 2011. In 2016, that number rose to \$72,600 as reported by the Federal Financial Institutions Examination Council. The percentage of families below the poverty level in the AA was 19.19 percent in 2011 and 16.77 percent in 2016 as reported by 2000 and 2010 U.S. Census data, respectively. Median housing values in the AA were \$242,321 in 2011 and \$530,354 in 2016 as reported by 2000 and 2010 U.S. Census data, respectively. The National Association of Realtors reported average 1- to 4-family home sales in the New York MD at \$442,600 in 2011 and \$354,000 in March 2016.

In 2011, demographic data from Dunn and Bradstreet showed 64.79 percent of businesses in the AA reported revenues of \$1 million or less. In 2015, 75.76 percent of businesses in the AA reported revenues of \$1 million or less. The number of businesses with revenues of \$1 million or less in the AA decreased significantly from 465,647 in 2011 to 374,522 in 2015. In addition, the number of businesses decreased from 721,069 in 2011 to 496,483 in 2015. In 2015, approximately 50 percent of all businesses in the AA were in services, 15.70 percent were in retail, and 9.25 percent in finance, insurance, and real estate.

#### Community Contact:

We spoke with one community contact as part of our evaluation. We met with a representative of a small business development center in Manhattan. The Center provides free assistance to small businesses and aspiring entrepreneurs through its centers located throughout the state of New York. The Center assists small businesses as both an advocate and strategic resource, guiding them through the appropriate channels to formalize their operations. The organization takes a multi-faceted approach to help entrepreneurs launch and grow their business. This location draws funding from the U.S Small Business Administration, the state of New York, and a local university.

The Center primarily serves businesses in Manhattan and the greater New York City area. The contact indicated that credit and lending conditions have marginally improved within the past year. He noted that high rents persist as an impediment to small businesses operating in Manhattan. Additionally, mandated start-up requirements, such as license requirements, professional fees, and other expenditures, can prove difficult for small businesses and start-up firms, depending on the municipality.

The contact identified opportunities for small business lending offering loans in the ranges of \$10,000 to \$50,000 and \$50,000 to \$250,000. The needs of the former are often being met by the Community Development Financial Institution community. In recent years, small businesses in the latter category have begun to access larger institutions, but a great deal of unmet demand remains. Greater bank involvement within the \$50,000 to \$250,000 range could improve support and foster growth for start-ups and small businesses. The contact indicated that small businesses in either range do not access the full array of lending services at their disposal, namely community development institutions, credit unions, or local banking institutions. The contact emphasized that small business owners often fail to communicate the strength of their operations to lenders, citing the possible need for improved financial literacy programs.

Larger financial institutions in the metropolitan area have begun to lend to small businesses seeking loans in the \$50,000 to \$250,000 range. The contact indicated that some progress has been made, but there still exists room for growth in the number of lenders offering credit within that range. Small business lending in this respect has been primarily aimed toward fueling growth through increased staffing and capital investment.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA**

Metrobank NY's performance under the Lending Test is rated "Satisfactory."

### **Loan-to-Deposit Ratio**

Metrobank NY's average loan-to-deposit (LTD) ratio is reasonable given the size, financial condition, and assessment area of the institution. The branch's quarterly average net LTD ratio over the nineteen quarters since the prior CRA evaluation is 52 percent. During this period, Metrobank NY's LTD ratio ranged from a low of 37 percent as of September 30, 2011, to a high of 82 percent as of December 31, 2012. The LTD ratio at the end of the evaluation period was 49 percent.

As a federal branch of a foreign bank, Metrobank NY's LTD ratio is more susceptible to volatility caused by changes in the amount of deposits held in the branch by the Head Office and affiliates. Other factors contributing to volatility in the LTD ratio are the payoff or change-in-balance of large dollar amount loans within the bank's small loan portfolio. For example, the balance of one of the bank's commercial loans was reduced by \$1.5 million in 2013. After the reduction in the balance of the large commercial loan, the deposit base increased, resulting in a decline in the LTD ratio from that point forward in the evaluation period. As of June 30, 2012, the LTD ratio was 81 percent, and the LTD ratio was 49 percent on March 31, 2016. We considered the volatility of the bank's deposit base and the impact on the LTD ratio caused by the reduction in the balance of a large dollar-amount loan. We also considered the trend in the LTD ratio during the evaluation period.

The average net LTD ratio is computed excluding Head Office and affiliate deposits. We were unable to compare the bank's LTD ratio to the ratios in other banks because we were unable to identify similarly situated peer banks. Metrobank NY's business strategy is very unique compared to other banks its size.

### Lending in Assessment Area

The substantial majority of Metrobank NY's loans were made inside its AA. The following table details the branch's lending within the AA by number and dollar amount of loans.

<b>Lending in the AA</b>										
Loan Type	Number of Loans					Dollars of Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Commercial	1,766	98.06	35	1.94	1801	91,953	87.8	12,773	13.89	104,726
Total	1,766	98.06	35	1.94	1801	91,953	87.8	12,773	13.89	104,726

Source: data collected by bank

### Lending to Businesses of Different Sizes

Metrobank's lending to businesses of different sizes is poor.

In the 2011 analysis period, 65 percent of the businesses in the bank's AA were classified as small businesses with reported annual revenues of \$1 million or less. During the 2012 to 2016 analysis period, 76 percent of the businesses in the AA were small businesses with annual revenues of \$1 million or less. No loans were made to a small business during the evaluation period. All of the loans made by the bank were to businesses with reported annual revenue over \$1 million.

<b>Borrower Distribution of Loans to Businesses in AA 2011</b>				
Business Revenues (or Sales)	<=\$1,000,000	>\$1,000,000	Not Reported	Total
% of AA Businesses	64.89	3.78	31.33	100
% of Bank Loans in AA by #	0	100	0	100
% of Bank Loans in AA by \$	0	100	0	100

Source: data collected by bank

<b>Borrower Distribution of Loans to Businesses in AA 2012- 2016</b>				
Business Revenues (or Sales)	<=\$1,000,000	>\$1,000,000	Not Reported	Total
% of AA Businesses	75.76	6.49	17.75	100
% of Bank Loans in AA by #	0	100	0	100
% of Bank Loans in AA by \$	0	100	0	100

Source: data collected by bank



**Geographic Distribution of Loans**

We considered Metrobank NY’s lending to geographies of different incomes to also be poor. In 2011, Metrobank NY originated 73 percent of loans to businesses in low-income census tracts, compared to 9 percent of businesses in the AA. There were no loans originated in moderate-income census tracts, which represented 23 percent of businesses in the AA. However, from 2012 to 2016, Metrobank NY originated no loans to businesses in low- or moderate-income census tracts, compared to 11 percent of businesses within the AA in low-income census tracts and 23 in moderate-income census tracts.

Performance context was considered in our conclusion given the change in the census tract income level where many of the bank’s loans were originated. The institution has a concentration of loans in two geographies and one of them became a middle-income census tract in the 2010 U.S. Census; it was a low-income census tract in 2011 based on the 2000 U.S. Census. The branch generally makes renewals of loans to the same borrowers year after year. Many borrowers have more than one loan in a year, particularly during the portion of the evaluation period covered by the 2010 U.S. Census data, which represents the majority of the evaluation period.

We analyzed reports of areas with no lending activity and reviewed maps of the branch’s activities within its AA. Based upon the business strategy and the data in our analysis and reviews, we concluded there were no conspicuous gaps identified within Metrobank NY’s AA.

<b>Geographic Distribution of Loans to Businesses in AA 2011</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans
Business Loans	9.42	73.17	23.04	0	23.10	26.83	42.99	0

*Source: data collected by bank*

Geographic Distribution of Loans to Businesses in AA 2012 - 2016								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans
Business Loans	11.40	0	23.13	0	22.12	99.65	40.08	0.35

Source: data collected by bank

**Responses to Complaints**

Metrobank NY did not receive any complaints related to the institution’s CRA performance for the evaluation period; therefore, this criterion is not applicable.

**Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. 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 assessment area by an affiliate whose loans have been considered as part of the bank’s lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

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

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.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**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 assessment area.

**Census Tract (CT):** Small, relatively permanent statistical subdivisions of a county delineated by local participants as part of the U.S. Census Bureau's Participant Statistical Areas Program. The primary purpose of CTs is to provide a stable set of geographic units for the presentation of decennial census data. CTs generally have between 1,500 and 8,000 people, with an optimum size of 4,000 people.

**Community Development:** 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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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:** A loan-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.

**Family:** A group of two or more people (one of whom is the householder) related by birth, marriage, or adoption, residing together. A family household may also include non-relatives living with the family.

**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), loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** Such loans include home purchase, home improvement, and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

**Household:** Consists of one or more persons, whether related (family) or unrelated (nonfamily), 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 income, or a geography with a median family income, that is less than 50 percent of the MSA, MD or non-MSA median family income.

**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 assessment area.

**Median Family Income (MFI):** The median income for families derived from the United States Census Bureau's American Community Survey data every 5 years and used to determine the income level category of geographies. The MFI is updated annually by the Federal Financial Institutions Examination Council (FFIEC) to estimate the income

level of individuals within a geography. For any given geography, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget.

**Metropolitan Division (MD):** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division often functions as a distinct social, economic, and cultural area within the larger Metropolitan Statistical Area.

**Metropolitan Statistical Area (MSA):** As defined by the Office of Management and Budget, one or more whole counties that have at least one urbanized area with a population of at least 50,000, plus adjacent outlying counties that have a high degree of social and economic integration with the urbanized area as measured through commuting ties. A Metropolitan Statistical Area containing a population of 2.5 million or more may be subdivided into Metropolitan Divisions.

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

**Moderate-Income:** Individual income, or a geography with a median family income, that is at least 50 percent and less than 80 percent of the MSA, MD or non-MSA median family income.

**Multifamily:** A residential structure that contains five or more units.

**Other Products:** Includes any unreported optional category of loans for which the institution may collect and maintain data to request consideration during a CRA evaluation. An example of such activity includes consumer loans.

**Owner-Occupied Units:** Housing 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.

**Rated Area:** A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state or multi-state metropolitan area, the state or multi-state metropolitan area rating is the institution's CRA rating. If an institution maintains domestic branches in more than one state, the institution will receive a separate rating for each state in which branches are located, unless those branches are within a single multi-state metropolitan area. If an institution maintains domestic

branches in two or more states within a multi-state metropolitan area, the institution will receive a single rating for the multistate metropolitan 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). These loans have original amounts of \$1 million or less and typically are secured by either 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 One 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, or a geography with a median family income, that is at least 120 percent of the area median income.