

PUBLIC DISCLOSURE

February 28, 2022

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

AuburnBank
100 North Gay Street
Auburn, Alabama 36830

RSSD ID NUMBER: 749635

FEDERAL RESERVE BANK OF ATLANTA
1000 Peachtree Street, N.E.
Atlanta, Georgia 30309-4470

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 the 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

INSTITUTION’S CRA RATING: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The following table indicates the performance level of AuburnBank with respect to the lending and community development tests.

PERFORMANCE LEVELS	AuburnBank	
	PERFORMANCE TESTS	
	Lending Test	Community Development Test
Outstanding		
Satisfactory	X	X
Needs to Improve		
Substantial Noncompliance		

****Note:** The lending test and the community development test are weighted equally when arriving at an overall rating.

Major factors supporting the institution’s rating include:

- The bank’s loan-to-deposit (LTD) ratio was reasonable given the bank’s size, financial condition, and assessment area credit needs.
- A majority of loans were made in the assessment area.
- The geographic distribution of loans reflects reasonable dispersion.
- The borrower’s profile reflects reasonable penetration among individuals of different income levels and businesses of different sizes.
- The bank’s community development performance demonstrates adequate responsiveness to community development needs in its assessment area through CD loans, qualified investments, and CD services, as appropriate, considering the bank’s capacity and the needs and availability of opportunities.

INSTITUTION

SCOPE OF EXAMINATION

The CRA performance evaluation assesses the bank's record of meeting the credit needs of its community, including low- and moderate-income (LMI) neighborhoods, within the context of information such as asset size and financial condition of the institution, competitive factors, as well as the economic and demographic characteristics of its defined assessment area. AuburnBank's CRA performance evaluation was based on CRA activities within its assessment areas using the Interagency Intermediate Small Institution Examination Procedures. Under these procedures, effective as of September 1, 2005, institutions meeting the threshold size are evaluated using two separately rated tests: a lending test, and a community development test that includes an evaluation of community development loans, investments, and services in light of community needs within its assessment areas and the capacity of the bank.

A full scope review was conducted on one of the bank's two assessment areas – the Auburn-Opelika, Alabama Metropolitan Statistical Area (Auburn MSA). When determining the overall rating, the greatest weight was placed on the bank's performance in the Auburn MSA because the majority of branches and lending are located in this assessment area.

The evaluation included an analysis of HMDA loans and small business loans originated from January 1, 2019, to December 31, 2020. A small business loan is defined as a business loan with an original amount of \$1 million or less and typically is either secured by nonfarm or nonresidential real estate or classified as commercial loans.

For the community development test, the examination covered community development loans, qualified investments, and community development services from October 1, 2018 through December 31, 2020. The CRA defines a community development activity as having a primary purpose of providing any of the following: affordable housing or community services for LMI persons, economic development through the financing of small businesses, or revitalizing or stabilizing LMI geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; these activities benefit the assessment area or a larger statewide or regional area that includes the assessment area.

As part of this evaluation, two community contacts were conducted – one with a local housing representative and one with an economic development representative. Each representative is familiar with the economic and demographic characteristics as well as community development opportunities. Information obtained from these contacts was used to establish a context for the communities in which the bank operates and to gather information on the bank's performance. Specific information obtained from the community contacts is included in the applicable section of the evaluation for the Auburn MSA.

DESCRIPTION OF INSTITUTION

AuburnBank is a community bank headquartered in Auburn, Alabama, and a wholly-owned subsidiary of Auburn National Bancorporation, Inc., Auburn, Alabama.

Branch Offices

The bank currently operates eight full-service branches and five stand-alone ATMs within its assessment areas. Seven of the bank's branches have ATMs, and one of the stand-alone ATMs accepts deposits and is considered full service. Since the previous evaluation, the bank has not opened or closed any branches.

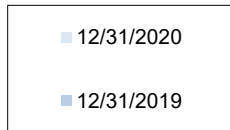
Loan Portfolio

According to the December, 31, 2020 Report of Condition (ROC), the bank’s assets totaled \$956.5 million, an increase of approximately \$146.7 million or 18.1 percent since the bank’s previous CRA evaluation conducted on December 03, 2018.

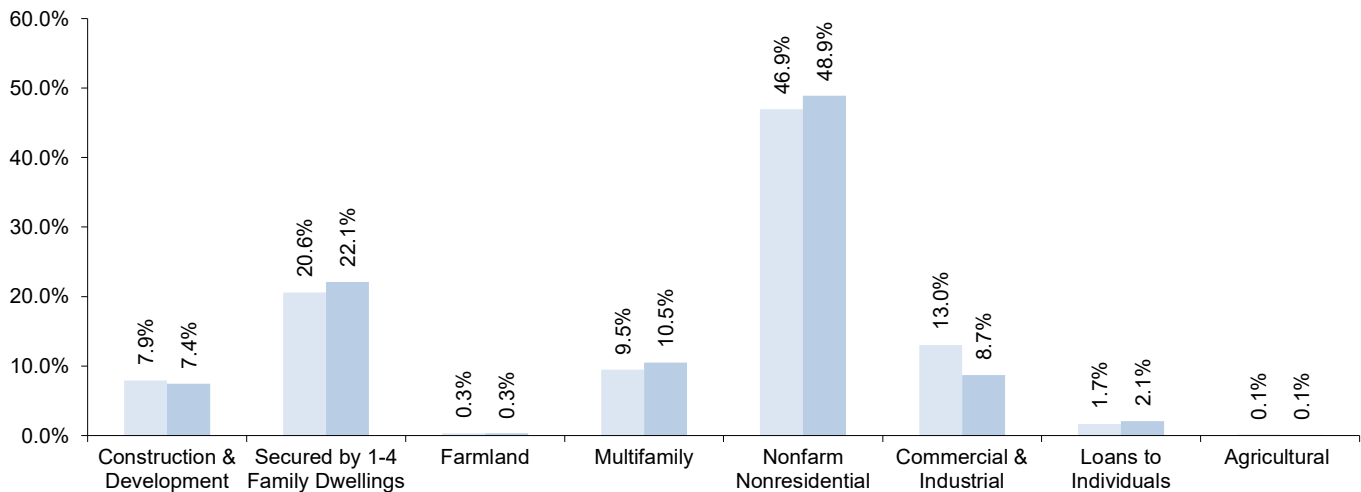
The following table and graphs show the composition of the loan portfolio according to the Consolidated Report of Condition and Income (Call Report).

COMPOSITION OF LOAN PORTFOLIO				
Loan Type	12/31/2020		12/31/2019	
	\$ (000s)	Percent	\$ (000s)	Percent
Construction and Development	33,514	7.9%	31,910	7.4%
Secured by One- to Four- Family Dwellings	87,465	20.6%	94,728	22.1%
Other Real Estate: Farmland	1,283	0.3%	1,195	0.3%
Multifamily	40,203	9.5%	44,839	10.5%
Nonfarm nonresidential	199,522	46.9%	209,610	48.9%
Commercial and Industrial	55,326	13.0%	37,206	8.7%
Loans to Individuals	7,093	1.7%	8,856	2.1%
Agricultural Loans	574	0.1%	403	0.1%
Total	\$424,980	100.00%	\$428,747	100.00%

* This table does not include the entire loan portfolio. Specifically, it excludes loans to depository institutions, bankers acceptances, lease financing receivables, obligations of state and political subdivisions, and other loans that do not meet any other category. Contra assets are also not included in this table.



Loan Portfolio Trend



As illustrated in the previous table, the bank’s loan portfolio as of December 31, 2020, consisted primarily of nonfarm nonresidential loans (46.9 percent) followed by 1-4 family dwellings (20.6 percent), and commercial & industrial loans (13.0 percent). Over the review period, commercial and industrial loans had the highest percentage increase at 4.3 percent, while nonfarm nonresidential loans experienced the largest decrease, at 2.0 percent.

Credit Products

AuburnBank offers various consumer and commercial loan products including home equity loans and lines of credit, fixed and adjustable rate mortgages, including VA and FHA loans, automobile and other consumer purpose loans, business loans and lines of credit, commercial real estate loans, and construction loans. Additionally, AuburnBank participated in the SBA Paycheck Protection Program (PPP), which was established as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. PPP loans were designed to help businesses retain workers and staff during the economic crisis caused by the COVID-19 pandemic. In 2020, AuburnBank originated 420 PPP loans in amounts of \$1 million or less for a total dollar amount of \$33.3 million; 89.0 percent (374 loans totaling \$28.8 million) of the PPP loans were in the bank’s assessment areas. The PPP loans were considered responsive to the needs of small businesses during the COVID-19 pandemic.

Assessment Areas

For purposes of the CRA, AuburnBank has defined two assessment areas in Alabama, which are listed below:

- Auburn assessment area – comprised of Lee County, which makes up the entirety of the Auburn MSA
- Chambers-Macon-Tallapoosa assessment area – comprised of Chambers, Macon, and Tallapoosa Counties

CRA Compliance

AuburnBank complies with the requirements of the CRA. No known legal impediments exist that would restrict the bank from meeting the credit needs of its assessment areas. The bank received a “Satisfactory” rating at its previous evaluation conducted by the Federal Reserve Bank of Atlanta dated December 03, 2018, under the Intermediate Small Bank Examination Procedures.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Overview

The bank’s overall performance rating for the lending test is satisfactory. The LTD ratio is considered reasonable given the bank’s size, financial condition, and assessment area credit needs. A majority of loans were made in the assessment areas. The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas. Additionally, the bank’s distribution of loans among individuals of different income levels and businesses of different sizes reflects reasonable penetration. As mentioned previously, the bank’s lending performance was evaluated using an analysis of HMDA and small business loans originated between January 1, 2019, and December 31, 2020.

Loan-to-Deposit Ratio

The bank’s net LTD ratio reflects its level of lending activity, and its lending levels show a reasonable responsiveness to meeting the overall assessment area’s credit needs. The bank’s average net LTD ratio for the nine quarters from December 31, 2018 to December 31, 2020, was 60.5 percent. The LTD ratio was compared with those of two other depository institutions in the assessment area over the same time period; their ratios ranged from 70.3 percent to 87.2 percent. While the bank’s average LTD appears lower than its peers, additional performance context information was considered. In particular, the bank’s 60.5 percent average LTD is an increase from the previous examination. Additionally, the bank sells a large portion of its loans to secondary market investors. Since loans that are sold do not remain on the bank’s books, these loans will not appear on the Call Report and are thus not considered in the loan portion of the LTD ratio.

Assessment Area Concentration

The bank originated a majority of the total loans to borrowers and businesses located in the bank’s assessment areas. The table below shows, by product type, the number and percentage of loans reviewed that were located inside and outside of the bank’s assessment areas.

Lending Inside and Outside the Assessment Area

Loan Types	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Improvement	9	75.0	\$756	74.8	3	25.0	\$255	25.2
Home Purchase - Conventional	218	84.8	\$45,454	87.9	39	15.2	\$6,239	12.1
Home Purchase - VA	6	100.0	\$1,487	100.0	0	0.0	\$0	0.0
Multi-Family Housing	25	64.1	\$22,625	39.7	14	35.9	\$34,351	60.3
Other Purpose Closed-End	24	82.8	\$4,152	77.1	5	17.2	\$1,235	22.9
Refinancing	330	84.8	\$69,712	86.1	59	15.2	\$11,211	13.9
Total HMDA	612	83.6	\$144,186	73.0	120	16.4	\$53,291	27.0
Total Small Business	791	87.9	\$89,213	79.0	109	12.1	\$23,645	21.0
TOTAL LOANS	1,403	86.0	\$233,399	75.2	229	14.0	\$76,936	24.8

Note: Affiliate loans not included

As indicated in the previous table, 86.0 percent of total loans by number and 75.2 percent of total loans by dollar amount were made in the bank's assessment areas. This indicates the bank's willingness to originate loans that meet the credit needs of its assessment areas.

Distribution of Lending by Geography, Borrower Income, and Business Size

For this analysis, the geographic and borrower distribution of HMDA and small business lending was compared to available demographic and aggregate information, as applicable. Performance context information was also considered. Considering these factors, the geographic distribution of HMDA and small business loans reflects reasonable penetration throughout the assessment areas. Similarly, the distribution of lending to borrowers reflects reasonable penetration among customers of different income levels and businesses of different sizes. The analyses of HMDA and small business lending within each assessment area are discussed in detail later in this report.

COMMUNITY DEVELOPMENT TEST

The bank's community development test is rated satisfactory. Considering the bank's capacity and the need for availability of opportunities in the assessment areas, the bank demonstrates adequate responsiveness for community development needs through a combination of community development loans, qualified investments, and community development services.

During the review period, the bank originated or renewed ten community development loans totaling \$13.9 million, made qualified contributions totaling \$46,222, and volunteered 409 hours of community development services. As described below, these activities benefitted the bank's assessment areas and/or a larger statewide area that included the bank's assessment areas.

Of the ten qualified community development loans, eight directly impacted the Auburn assessment area while the remaining two impacted the entire state of Alabama, including both of the bank's assessment areas. The eight loans with direct impact to the bank's assessment areas served a variety of purposes, including revitalization and stabilization of moderate-income tracts (two loans totaling \$7.0 million), community services for LMI individuals (three loans totaling \$563,328), and PPP loans that assisted small businesses impacted by the COVID-19 pandemic (three loans totaling \$2.4 million). The remaining two loans serving the broader statewide region that includes both assessment areas totaled \$3.9 million and helped fund ongoing statewide loan programs targeted to community service efforts for LMI individuals and affordable housing efforts that leverage low-income housing tax credits to construct multifamily housing for LMI individuals.

The bank also invested \$46,222 throughout its assessment areas in the form of contributions. All of the 28 contributions benefitted the Auburn assessment area and were made to 8 different organizations. Qualified contributions helped organizations specializing in affordable housing (2 contributions totaling \$2,000); rehabilitation and construction inside designated disaster areas (2 contributions totaling \$1,250); and community services to LMI individuals (24 contributions totaling \$42,972).

Bank representatives used their financial and technical expertise to provide financial services to community development organizations that serve LMI individuals and small businesses. During the review period, bank staff provided qualified service to community organizations serving the Auburn assessment area (246 hours) and the Chambers-Macon-Tallapoosa assessment area (120 hours). In addition, qualified services were provided by two employees to affordable housing efforts throughout the broader state of Alabama including both assessment areas (43 hours).

More detail on the bank's community development performance in each assessment area is included in subsequent sections of the report.

RESPONSIVENESS TO SUBSTANTIATED COMPLAINTS

Neither the bank nor this Reserve Bank has received any CRA-related complaints since the previous evaluation.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

**METROPOLITAN AREA
 FULL-SCOPE REVIEW**

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE AUBURN ASSESSMENT AREA

Overview

The Auburn assessment area includes the entirety of Lee County, which makes up the Auburn MSA. According to the 2020 FFIEC census data, the assessment area consists of 27 census tracts, which includes 1 low-income tract, 6 moderate-income tracts, 16 middle-income tracts, 3 upper-income tracts, and 1 unknown income tract.

The bank’s main office and five of its branches are located in the Auburn assessment area. In 2020, the bank had one branch located in a low-income tract, two located in moderate-income tracts, and three located in middle-income tracts. For the review period, 85.6 percent by number and 84.6 percent by dollar amount of the bank’s HMDA-reportable lending, and 89.3 percent by number and 89.9 percent by dollar amount of the bank’s small business lending occurred in the Auburn assessment area.

The Auburn assessment area continues to represent the highest concentration of combined deposits and lending in the bank’s footprint and had the greatest impact on the institution’s performance rating across the two tests.

Population Information

Population in the Auburn MSA was estimated at 163,271 in 2020, representing an increase of 16.4 percent from the 2010 census.² This growth rate was significantly higher than the Alabama statewide growth rate of 5.1 percent. The estimated population in the MSA in 2020 also represents 3.3 percent of the state of Alabama’s estimated population of 5,024,279 in 2020.³

Income Characteristics

For purposes of classifying borrower income, this evaluation uses the FFIEC estimated median family income for the relevant area. The following table sets forth the estimated median family income for 2019 and 2020 for the Auburn MSA. It also provides a breakdown of the estimated annual income based on income-level.

**Borrower Income Levels
 Auburn-Opelika, AL MSA**

FFIEC Estimated Median Family Income		Low	Moderate	Middle	Upper
		0 - 49.99%	50% - 79.99%	80% - 119.99%	120% - & above
2019	\$71,100	0 - \$35,549	\$35,550 - \$56,879	\$56,880 - \$85,319	\$85,320 - & above
2020	\$76,500	0 - \$38,249	\$38,250 - \$61,199	\$61,200 - \$91,799	\$91,800 - & above

The estimated median family income for the Auburn MSA was \$71,100 in 2019, and \$76,500 for 2020. According to the 2020 FFIEC census data, there were 35,939 families in the assessment area. Of those families, 24.8 percent were low-income, 15.2 percent were moderate-income, 18.6 percent were middle-income, and 41.4

²ACS Population Summary. Accessed March 31, 2022. Available from: <https://www.auburnalabama.org/retail/Auburn-Opelika%20MSA%20Demographic%20Profile.pdf>.

³ United States Census Bureau. Accessed March 31, 2022. Available from: <https://census.gov/quickfacts/AL>

percent were upper-income. Of the total families, 14.3 percent had incomes below the poverty level. The percentage of families with incomes below the poverty level increased from 11.0 percent in 2010, to 14.3 percent in 2020, according to the 2010 census and 2020 FFIEC data respectively.

Housing Characteristics

According to 2020 FFIEC census data, there were 64,964 housing units in the assessment area; 52.0 percent are owner-occupied units, 36.0 percent are rental units, and 12.0 percent are vacant. The median housing value is \$154,279 compared to the state median value of \$125,500.

The number of residential units sold in 2020 totaled 2,400 units representing an increase of 296 units when compared to the 2,104 units that were sold in 2018. Additionally, the median sales price of homes in the assessment area in 2020 was \$267,280, a 12.6 percent increase from the 2018 median sales price of \$237,310.⁴ These factors are an indication of an improving housing market as the economy continues to show signs of growth in the area.

The affordability ratio is defined as the median household income divided by the median housing value. A higher ratio means the housing is considered more affordable while a lower ratio means the housing is considered less affordable. The affordability ratio for the assessment area is 28.9 compared to the state of Alabama at 34.8, which means that housing in the state of Alabama is more affordable than in the assessment area. Further, rental units account for 44.2 percent of housing in low-income tracts and 54.3 percent in moderate-income tracts. This data indicates that housing affordability is a challenge throughout the assessment area and homeownership is less likely in low- and moderate-income census tracts.

Employment Statistics

The city of Auburn's Industrial Development Board has historically been proactive in attracting manufacturing corporations and in investing in industrial development. The city offers an industrial park and a technology park occupied by national and international companies specializing in various products, including automobile parts, aeronautics and aviation components, small engines and generators, specialty plastics packaging, and wireless technologies. The city's Economic Development Department creates employment opportunities for the citizens of Auburn and expands the tax base of the community through industrial, commercial, and retail development. It also supports the future of the Auburn economy by aiding the entrepreneurial efforts of the startups.⁵ A positive business environment, a viable workforce, a fantastic education system and a high quality of life have all fueled Auburn's economy and growth over the years.⁶ The Auburn MSA ranked No. 6 on Site Selection magazine's list of metros that added the most economic development projects in 2020. The Auburn MSA was one of two Alabama metros to make the list of metros with populations of less than 200,000. Auburn added seven projects.⁷ In 2020, the largest employers in the assessment area were Auburn University, which employed 7,100 employees, East Alabama Medical Center (3,200 employees) and Lee County School Systems (1,260 employees).⁸

⁴ "Lee County Residential Real Estate – Annual Trends Report". Alabama Center for Real Estate. Accessed on April 13, 2022. Available from: http://d1ambw9zjiu0uw.cloudfront.net/market_annual/34.pdf?1519057978

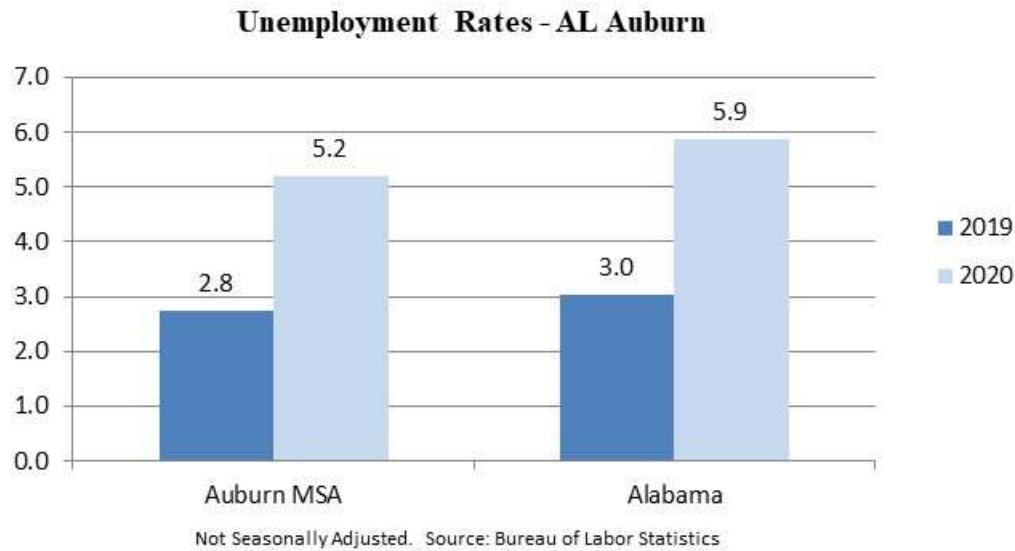
⁵ City of Auburn Economic Development. Accessed on April 07, 2022; Available from: <https://www.auburnalabama.org/economic-development/>

⁶ City of Auburn Commercial Development. Accessed on April 07, 2022; Available from: <https://www.auburnalabama.org/economic-development/auburn-community-profile/COMMERCIAL%20DEV.pdf>

⁷ Auburn News. Accessed on April 07, 2022; Available from: <https://news.auburnalabama.org/article/Economic%20Development/3963>

⁸ Opelika Economic Development. Largest Employers. Accessed on April 7, 2022; Available from: <https://www.opelika-al.gov/398/Largest-Employers>

The following table shows the unemployment rates percentages for the Auburn MSA and the State of Alabama.



Competition

The bank operates in a highly competitive banking market that includes regional and national financial institutions. According to the FDIC Deposit Market Share Report as of June 30, 2020, 19 FDIC-insured institutions operated 43 branches within the Auburn MSA. AuburnBank ranked 1st with a market share of 20.6 percent of deposits and the largest number of branches (six, including the main office) within the assessment area. Bank management indicated that competition is a major challenge particularly due to the influx of nontraditional lenders like Fintech companies and the presence of established credit unions.

Community Contacts

As part of the CRA examination, information was obtained from a local housing organization and from an economic development organization. One of the contacts noted that affordable housing for LMI individuals was in short supply. The contact stated that Section 8 housing for LMI individuals has seen demand for such housing especially during the pandemic. The contact stated that investors put more emphasis on building expensive houses rather than affordable housing for LMI individuals. Additionally, the contact stated that banks typically work with applicants to provide first time homebuyers education.

According to the small business contact, two main challenges facing small businesses are financing for start-up and the cost of health insurance. The contact noted that the population in the area has increased over the past few years, which has been somewhat related to either students from Auburn University staying in the area or Auburn University Alumni coming back to the area to retire. The contact also stated that prior to the COVID-19 pandemic, the economy was doing very well, further stating that while some small businesses closed as a result of the pandemic, more businesses remained in operation because of the PPP loans provided.

Assessment Area Demographics

The following table provides demographic characteristics of the Auburn assessment area based on the 2020 FFIEC census data along with 2020 Dun & Bradstreet (D&B) information and is used for the analysis of 2019 and 2020 CRA performance. Certain components of the data in the table are discussed in this evaluation as they apply to specific parts of the analysis.

Combined Demographics Report

Assessment Area: AL Auburn

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	3.7	914	2.5	314	34.4	8,900	24.8
Moderate-income	6	22.2	5,425	15.1	1,119	20.6	5,468	15.2
Middle-income	16	59.3	24,638	68.6	3,431	13.9	6,699	18.6
Upper-income	3	11.1	4,855	13.5	230	4.7	14,872	41.4
Unknown-income	1	3.7	107	0.3	47	43.9	0	0.0
Total Assessment Area	27	100.0	35,939	100.0	5,141	14.3	35,939	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	1,646	622	1.8	37.8	728	44.2	296	18.0
Moderate-income	13,182	4,235	12.5	32.1	7,156	54.3	1,791	13.6
Middle-income	40,534	23,922	70.9	59.0	12,316	30.4	4,296	10.6
Upper-income	7,167	4,810	14.3	67.1	1,690	23.6	667	9.3
Unknown-income	2,435	164	0.5	6.7	1,528	62.8	743	30.5
Total Assessment Area	64,964	33,753	100.0	52.0	23,418	36.0	7,793	12.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	82	1.6	78	1.7	3	0.8	1	2.1
Moderate-income	1,610	31.9	1,433	30.9	161	44.8	16	33.3
Middle-income	2,686	53.2	2,519	54.3	146	40.7	21	43.8
Upper-income	601	11.9	543	11.7	48	13.4	10	20.8
Unknown-income	67	1.3	66	1.4	1	0.3	0	0.0
Total Assessment Area	5,046	100.0	4,639	100.0	359	100.0	48	100.0
	Percentage of Total Businesses:			91.9		7.1		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	1	1.4	1	1.5	0	0	0	0.0
Moderate-income	15	20.8	15	22.1	0	0	0	0.0
Middle-income	44	61.1	40	58.8	4	100	0	0.0
Upper-income	12	16.7	12	17.6	0	0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0	0	0.0
Total Assessment Area	72	100.0	68	100.0	4	100.0	0	0.0
	Percentage of Total Farms:			94.4		5.6		0.0

2020 FFIEC Census Data and 2020 D&B Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Overview

As mentioned previously, the bank's lending performance was evaluated through an analysis of HMDA and small business loans originated between January 1, 2019 and December 31, 2020. The loans were analyzed using 2020 FFIEC census data.

The review included a total of 524 HMDA loans and 707 small business loans originated inside the Auburn assessment area. Of note, 338 (47.8 percent) of the small business loans were PPP loans, all of which had unknown revenue. Since the number of HMDA and small business loans was similar but HMDA represented the higher dollar volume, HMDA loans were given greater consideration in determining the bank's lending test rating.

Geographic Distribution of Loans

The geographic distribution of HMDA and small business loans was compared to available demographic information. Performance context information was also taken into consideration. Based on the following analysis, the overall geographic distribution of the bank's HMDA and small business loans reflects reasonable dispersion throughout the Auburn assessment area and does not reveal any unexplained gaps in lending patterns.

Residential Real Estate (HMDA) Lending

The following table shows the geographic distribution of Auburn Bank's HMDA-reportable loans for 2019 and 2020 within its Auburn assessment area and also includes a comparison of the bank's HMDA lending to the aggregate HMDA lenders within the assessment area. The HMDA aggregate lenders' data are the combined total of lending activity reported by all lenders subject to HMDA in the assessment area.

Geographic Distribution of HMDA Loans - Table 1 of 2

Assessment Area: AL Auburn

PRODUCT TYPE	Tract Income Levels	Bank Lending & Demographic Data Comparison					Bank & Aggregate Lending Comparison											
		2019, 2020					2019						2020					
		Bank				Owner Occupied Units	Count			Dollar			Count			Dollar		
		Count	Dollar				Bank	Agg	%	Bank	Agg	%	Bank	Agg	%	Bank	Agg	
#	%	\$ (000s)	\$ %	%	#	%	%	\$ (000s)	\$ %	\$ %	#	%	%	\$ (000s)	\$ %	\$ %		
HOME PURCHASE	Low	0	0.0%	\$0	0.0%	1.8%	0	0.0%	0.3%	\$0	0.0%	0.2%	0	0.0%	0.3%	\$0	0.0%	0.1%
	Moderate	46	23.4%	\$7,886	19.7%	12.5%	25	25.3%	16.4%	\$4,053	22.6%	13.1%	21	21.4%	15.3%	\$3,833	17.3%	12.4%
	Middle	111	56.3%	\$23,810	59.5%	70.9%	48	48.5%	69.5%	\$8,980	50.1%	69.9%	63	64.3%	69.9%	\$14,830	67.0%	69.9%
	Upper	39	19.8%	\$8,184	20.4%	14.3%	25	25.3%	12.7%	\$4,713	26.3%	15.7%	14	14.3%	13.5%	\$3,471	15.7%	16.5%
	Unknown	1	0.5%	\$166	0.4%	0.5%	1	1.0%	1.0%	\$166	0.9%	1.1%	0	0.0%	1.0%	\$0	0.0%	1.1%
	<i>Total</i>	<i>197</i>	<i>100.0%</i>	<i>\$40,046</i>	<i>100.0%</i>	<i>100.0%</i>	<i>99</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$17,912</i>	<i>100.0%</i>	<i>100.0%</i>	<i>98</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$22,134</i>	<i>100.0%</i>	<i>100.0%</i>
REFINANCE	Low	0	0.0%	\$0	0.0%	1.8%	0	0.0%	0.5%	\$0	0.0%	0.1%	0	0.0%	0.1%	\$0	0.0%	0.0%
	Moderate	38	13.7%	\$8,222	13.8%	12.5%	15	24.6%	11.6%	\$3,320	27.5%	9.3%	23	10.6%	10.4%	\$4,902	10.4%	8.3%
	Middle	164	59.0%	\$34,125	57.5%	70.9%	30	49.2%	70.5%	\$5,428	45.0%	69.0%	134	61.8%	70.1%	\$28,697	60.7%	70.5%
	Upper	72	25.9%	\$15,974	26.9%	14.3%	14	23.0%	16.8%	\$2,830	23.4%	19.5%	58	26.7%	19.0%	\$13,144	27.8%	20.8%
	Unknown	4	1.4%	\$1,055	1.8%	0.5%	2	3.3%	0.5%	\$495	4.1%	2.1%	2	0.9%	0.4%	\$560	1.2%	0.4%
	<i>Total</i>	<i>278</i>	<i>100.0%</i>	<i>\$59,376</i>	<i>100.0%</i>	<i>100.0%</i>	<i>61</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$12,073</i>	<i>100.0%</i>	<i>100.0%</i>	<i>217</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$47,303</i>	<i>100.0%</i>	<i>100.0%</i>
HOME IMPROVEMENT	Low	1	12.5%	\$38	5.3%	1.8%	0	0.0%	0.0%	\$0	0.0%	0.0%	1	25.0%	1.6%	\$38	7.9%	0.6%
	Moderate	1	12.5%	\$35	4.9%	12.5%	1	25.0%	7.8%	\$35	14.9%	4.7%	0	0.0%	8.7%	\$0	0.0%	7.7%
	Middle	6	75.0%	\$643	89.8%	70.9%	3	75.0%	68.8%	\$200	85.1%	70.3%	3	75.0%	60.3%	\$443	92.1%	62.9%
	Upper	0	0.0%	\$0	0.0%	14.3%	0	0.0%	23.4%	\$0	0.0%	24.9%	0	0.0%	29.4%	\$0	0.0%	28.8%
	Unknown	0	0.0%	\$0	0.0%	0.5%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	<i>Total</i>	<i>8</i>	<i>100.0%</i>	<i>\$716</i>	<i>100.0%</i>	<i>100.0%</i>	<i>4</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$235</i>	<i>100.0%</i>	<i>100.0%</i>	<i>4</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$481</i>	<i>100.0%</i>	<i>100.0%</i>
MULTIFAMILY	Multi-Family Units																	
	Low	2	8.7%	\$934	4.9%	0.6%	1	10.0%	2.9%	\$219	2.8%	0.1%	1	7.7%	3.0%	\$715	6.4%	0.8%
	Moderate	7	30.4%	\$9,031	47.6%	38.1%	1	10.0%	48.6%	\$2,765	35.8%	96.2%	6	46.2%	36.4%	\$6,266	55.7%	45.6%
	Middle	9	39.1%	\$6,239	32.9%	34.2%	7	70.0%	28.6%	\$4,678	60.5%	1.6%	2	15.4%	27.3%	\$1,561	13.9%	13.4%
	Upper	2	8.7%	\$316	1.7%	7.4%	1	10.0%	5.7%	\$66	0.9%	0.4%	1	7.7%	12.1%	\$250	2.2%	10.7%
	Unknown	3	13.0%	\$2,464	13.0%	19.7%	0	0.0%	14.3%	\$0	0.0%	1.7%	3	23.1%	21.2%	\$2,464	21.9%	29.5%
<i>Total</i>	<i>23</i>	<i>100.0%</i>	<i>\$18,984</i>	<i>100.0%</i>	<i>100.0%</i>	<i>10</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$7,728</i>	<i>100.0%</i>	<i>100.0%</i>	<i>13</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$11,256</i>	<i>100.0%</i>	<i>100.0%</i>	
OTHER PURPOSE LOC	Low	0	0.0%	\$0	0.0%	1.8%	0	0.0%	0.8%	\$0	0.0%	0.3%	0	0.0%	0.9%	\$0	0.0%	0.1%
	Moderate	0	0.0%	\$0	0.0%	12.5%	0	0.0%	7.5%	\$0	0.0%	4.4%	0	0.0%	7.8%	\$0	0.0%	5.4%
	Middle	0	0.0%	\$0	0.0%	70.9%	0	0.0%	72.2%	\$0	0.0%	72.6%	0	0.0%	69.6%	\$0	0.0%	63.8%
	Upper	0	0.0%	\$0	0.0%	14.3%	0	0.0%	19.5%	\$0	0.0%	22.7%	0	0.0%	21.7%	\$0	0.0%	30.7%
	Unknown	0	0.0%	\$0	0.0%	0.5%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	<i>Total</i>	<i>0</i>	<i>0.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>

Originations & Purchases
2020 FFIEC Census Data and 2015 ACS Data

Geographic Distribution of HMDA Loans - Table 2 of 2
Assessment Area: AL Auburn

PRODUCT TYPE	Tract Income Levels	Bank Lending & Demographic Data Comparison					Bank & Aggregate Lending Comparison											
		2019, 2020					2019					2020						
		Bank				Owner Occupied Units %	Count			Dollar		Count			Dollar			
		Count #	%	Dollar \$ (000s)	\$ %		Bank #	%	Agg %	Bank \$ (000s)	\$ %	Agg \$ %	Bank #	%	Agg %	Bank \$ (000s)	\$ %	Agg \$ %
OTHER PURPOSE CLOSED/EXEMPT	Low	0	0.0%	\$0	0.0%	1.8%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	2.0%	\$0	0.0%	0.3%
	Moderate	1	5.6%	\$338	11.9%	12.5%	1	7.7%	13.8%	\$338	19.8%	14.8%	0	0.0%	16.3%	\$0	0.0%	7.7%
	Middle	11	61.1%	\$1,359	47.9%	70.9%	10	76.9%	69.0%	\$1,259	73.7%	68.7%	1	20.0%	61.2%	\$100	8.9%	64.1%
	Upper	6	33.3%	\$1,140	40.2%	14.3%	2	15.4%	15.5%	\$112	6.6%	16.1%	4	80.0%	16.3%	\$1,028	91.1%	23.1%
	Unknown	0	0.0%	\$0	0.0%	0.5%	0	0.0%	1.7%	\$0	0.0%	0.4%	0	0.0%	4.1%	\$0	0.0%	4.8%
	Total	18	100.0%	\$2,837	100.0%	100.0%	13	100.0%	100.0%	\$1,709	100.0%	100.0%	5	100.0%	100.0%	\$1,128	100.0%	100.0%
PURPOSE NOT APPLICABLE	Low	0	0.0%	\$0	0.0%	1.8%	0	0.0%	5.1%	\$0	0.0%	3.3%	0	0.0%	0.4%	\$0	0.0%	0.2%
	Moderate	0	0.0%	\$0	0.0%	12.5%	0	0.0%	8.2%	\$0	0.0%	9.9%	0	0.0%	6.7%	\$0	0.0%	5.8%
	Middle	0	0.0%	\$0	0.0%	70.9%	0	0.0%	81.6%	\$0	0.0%	73.7%	0	0.0%	87.0%	\$0	0.0%	86.0%
	Upper	0	0.0%	\$0	0.0%	14.3%	0	0.0%	5.1%	\$0	0.0%	13.2%	0	0.0%	4.6%	\$0	0.0%	6.8%
	Unknown	0	0.0%	\$0	0.0%	0.5%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	1.3%	\$0	0.0%	1.1%
	Total	0	0.0%	\$0	0.0%	100.0%	0	0.0%	100.0%	\$0	0.0%	100.0%	0	0.0%	100.0%	\$0	0.0%	100.0%
HMDA TOTALS	Low	3	0.6%	\$972	0.8%	1.8%	1	0.5%	0.5%	\$219	0.6%	0.2%	2	0.6%	0.3%	\$753	0.9%	0.1%
	Moderate	93	17.7%	\$25,512	20.9%	12.5%	43	23.0%	14.5%	\$10,511	26.5%	29.7%	50	14.8%	12.5%	\$15,001	18.2%	11.5%
	Middle	301	57.4%	\$66,176	54.3%	70.9%	98	52.4%	69.8%	\$20,545	51.8%	55.0%	203	60.2%	70.1%	\$45,631	55.4%	68.0%
	Upper	119	22.7%	\$25,614	21.0%	14.3%	42	22.5%	14.3%	\$7,721	19.5%	13.6%	77	22.8%	16.3%	\$17,893	21.7%	18.5%
	Unknown	8	1.5%	\$3,685	3.0%	0.5%	3	1.6%	0.9%	\$661	1.7%	1.5%	5	1.5%	0.8%	\$3,024	3.7%	1.9%
	Total	524	100.0%	\$121,959	100.0%	100.0%	187	100.0%	100.0%	\$39,657	100.0%	100.0%	337	100.0%	100.0%	\$82,302	100.0%	100.0%

Originations & Purchases
2020 FFIEC Census Data and 2015 ACS Data

The geographic distribution of the bank’s HMDA-reportable loans reflects reasonable dispersion throughout the assessment area. For the combined review period, the bank originated 524 HMDA loans in the assessment area. Of the 524 loans, three loans (0.6 percent) were made in low-income tracts, which is less than the owner-occupied units at 1.8 percent, but comparable to aggregate lenders. In addition, 93 loans (17.7 percent) were originated in moderate-income tracts which is higher than the 12.5 percent of owner-occupied housing units in these tracts.

Separated by tract category and year, both the bank and aggregate lenders originated 0.5 percent of loans in low-income tracts in 2019. Similarly, in 2020, the bank originated 0.6 percent of loans in low-income tracts compared to 0.3 percent by aggregate lenders. In moderate-income tracts for 2019, the bank originated 43 loans (23.0 percent), which exceeded the aggregate lending performance of 14.5 percent. The bank performance in moderate-income tracts in 2020 (14.8 percent) slightly exceeded aggregate performance of 12.5 percent.

Small Business

The following table shows the geographic distribution of small business loans as a percentage of the total number of loans by type within the Auburn assessment area in 2019 and 2020.

Geographic Distribution of Small Business Loans

Assessment Area: AL Auburn

Tract Income Levels	Bank Lending & Demographic Data Comparison				
	2019, 2020				
	Count		Bank Dollar		Total Businesses
	#	%	\$ (000s)	\$ %	%
Low	13	1.8%	\$739	0.9%	1.6%
Moderate	220	31.1%	\$28,909	36.1%	31.9%
Middle	365	51.6%	\$36,551	45.6%	53.2%
Upper	98	13.9%	\$11,476	14.3%	11.9%
Unknown	11	1.6%	\$2,504	3.1%	1.3%
Tr Unknown	0	0.0%	\$0	0.0%	
<i>Total</i>	<i>707</i>	<i>100.0%</i>	<i>\$80,179</i>	<i>100.0%</i>	<i>100.0%</i>

Originations & Purchases
 2020 FFIEC Census Data and 2020 D&B Information

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. Auburn Bank originated 707 small business loans inside the assessment area in 2019 and 2020. Of this total, 338 (47.8 percent) were PPP loans originated in 2020. Thirteen loans (1.8 percent) were made to businesses in low-income tracts, which was similar to the percentage of businesses located in these tracts (1.6 percent). The bank also originated 220 (31.1 percent) of its small business loans in moderate-income tracts, which was similar to the percentage of businesses located in these geographies (31.9 percent).

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

Based on the following analysis, the overall distribution of the bank’s HMDA and small business loans by borrower income and business revenue reflects reasonable dispersion throughout the bank’s assessment area. The bank’s HMDA-reportable and small business lending performance were compared to available demographic information. For HMDA-reportable lending, the lending data was also compared to the aggregate performance of lenders in the assessment area. Performance context issues were also taken into consideration.

Residential Real Estate (HMDA) Lending

The following table shows the distribution of the bank’s HMDA-reportable loans by the income level of the borrowers.

Borrower Distribution of HMDA Loans - Table 1 of 2

Assessment Area: AL Auburn

PRODUCT TYPE	Borrower Income Levels	Bank Lending & Demographic Data 2019, 2020					Bank & Aggregate Lending Comparison											
		Bank				Families by Family Income %	2019				2020							
		Count		Dollar			Count		Dollar		Count		Dollar					
		#	%	\$ (000s)	\$ %		Bank #	Agg %	Bank \$ (000s)	Agg \$ %	Bank #	Agg %	Bank \$ (000s)	Agg \$ %	Bank \$ %	Agg \$ %		
HOME PURCHASE	Low	5	2.5%	\$486	1.2%	24.8%	3	3.0%	6.0%	\$241	1.3%	3.2%	2	2.0%	7.5%	\$245	1.1%	4.2%
	Moderate	33	16.8%	\$4,981	12.4%	15.2%	19	19.2%	18.4%	\$2,885	16.1%	13.6%	14	14.3%	22.7%	\$2,096	9.5%	18.2%
	Middle	33	16.8%	\$6,023	15.0%	18.6%	19	19.2%	24.0%	\$3,310	18.5%	22.9%	14	14.3%	23.6%	\$2,713	12.3%	23.6%
	Upper	92	46.7%	\$22,772	56.9%	41.4%	41	41.4%	37.7%	\$9,283	51.8%	47.1%	51	52.0%	36.7%	\$13,489	60.9%	44.9%
	Unknown	34	17.3%	\$5,784	14.4%	0.0%	17	17.2%	13.8%	\$2,193	12.2%	13.1%	17	17.3%	9.5%	\$3,591	16.2%	9.2%
	Total	197	100.0%	\$40,046	100.0%	100.0%	99	100.0%	100.0%	\$17,912	100.0%	100.0%	98	100.0%	100.0%	\$22,134	100.0%	100.0%
REFINANCE	Low	9	3.2%	\$896	1.5%	24.8%	3	4.9%	5.4%	\$309	2.6%	2.6%	6	2.8%	3.5%	\$587	1.2%	1.8%
	Moderate	37	13.3%	\$5,912	10.0%	15.2%	6	9.8%	11.7%	\$697	5.8%	7.2%	31	14.3%	12.1%	\$5,215	11.0%	8.4%
	Middle	48	17.3%	\$8,618	14.5%	18.6%	10	16.4%	19.2%	\$1,129	9.4%	16.2%	38	17.5%	19.1%	\$7,489	15.8%	16.9%
	Upper	155	55.8%	\$36,722	61.8%	41.4%	33	54.1%	41.6%	\$7,114	58.9%	50.2%	122	56.2%	41.0%	\$29,608	62.6%	49.1%
	Unknown	29	10.4%	\$7,228	12.2%	0.0%	9	14.8%	22.1%	\$2,824	23.4%	23.9%	20	9.2%	24.4%	\$4,404	9.3%	23.8%
	Total	278	100.0%	\$59,376	100.0%	100.0%	61	100.0%	100.0%	\$12,073	100.0%	100.0%	217	100.0%	100.0%	\$47,303	100.0%	100.0%
HOME IMPROVEMENT	Low	1	12.5%	\$35	4.9%	24.8%	1	25.0%	9.4%	\$35	14.9%	8.5%	0	0.0%	7.9%	\$0	0.0%	4.8%
	Moderate	2	25.0%	\$378	52.8%	15.2%	1	25.0%	14.1%	\$60	25.5%	9.6%	1	25.0%	13.5%	\$318	66.1%	10.4%
	Middle	2	25.0%	\$160	22.3%	18.6%	1	25.0%	18.0%	\$75	31.9%	20.3%	1	25.0%	15.9%	\$85	17.7%	14.8%
	Upper	2	25.0%	\$78	10.9%	41.4%	0	0.0%	55.5%	\$0	0.0%	59.6%	2	50.0%	60.3%	\$78	16.2%	66.9%
	Unknown	1	12.5%	\$65	9.1%	0.0%	1	25.0%	3.1%	\$65	27.7%	2.0%	0	0.0%	2.4%	\$0	0.0%	3.2%
	Total	8	100.0%	\$716	100.0%	100.0%	4	100.0%	100.0%	\$235	100.0%	100.0%	4	100.0%	100.0%	\$481	100.0%	100.0%
MULTIFAMILY	Low	1	4.3%	\$219	1.2%	24.8%	1	10.0%	5.7%	\$219	2.8%	0.1%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	0	0.0%	\$0	0.0%	15.2%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Middle	0	0.0%	\$0	0.0%	18.6%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Upper	6	26.1%	\$2,711	14.3%	41.4%	2	20.0%	11.4%	\$323	4.2%	0.2%	4	30.8%	12.1%	\$2,388	21.2%	2.7%
	Unknown	16	69.6%	\$16,054	84.6%	0.0%	7	70.0%	82.9%	\$7,186	93.0%	99.7%	9	69.2%	87.9%	\$8,868	78.8%	97.3%
	Total	23	100.0%	\$18,984	100.0%	100.0%	10	100.0%	100.0%	\$7,728	100.0%	100.0%	13	100.0%	100.0%	\$11,256	100.0%	100.0%
OTHER PURPOSE LOC	Low	0	0.0%	\$0	0.0%	24.8%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	5.2%	\$0	0.0%	4.3%
	Moderate	0	0.0%	\$0	0.0%	15.2%	0	0.0%	12.0%	\$0	0.0%	6.1%	0	0.0%	8.7%	\$0	0.0%	4.9%
	Middle	0	0.0%	\$0	0.0%	18.6%	0	0.0%	22.6%	\$0	0.0%	14.9%	0	0.0%	22.6%	\$0	0.0%	14.5%
	Upper	0	0.0%	\$0	0.0%	41.4%	0	0.0%	59.4%	\$0	0.0%	74.3%	0	0.0%	58.3%	\$0	0.0%	72.9%
	Unknown	0	0.0%	\$0	0.0%	0.0%	0	0.0%	6.0%	\$0	0.0%	4.6%	0	0.0%	5.2%	\$0	0.0%	3.5%
	Total	0	0.0%	\$0	0.0%	100.0%	0	0.0%	100.0%	\$0	0.0%	100.0%	0	0.0%	100.0%	\$0	0.0%	100.0%

Originations & Purchases
2020 FFIEC Census Data and 2015 ACS Data

Borrower Distribution of HMDA Loans - Table 2 of 2

Assessment Area: AL Auburn

PRODUCT TYPE	Borrower Income Levels	Bank Lending & Demographic Data					Bank & Aggregate Lending Comparison											
		2019, 2020					2019					2020						
		Bank				Families by Family Income	Count		Dollar			Count			Dollar			
		Count		Dollar			Bank	Agg	Bank	Agg	Bank	Agg	Bank	Agg				
#	%	\$(000s)	\$ %	%	#	%	%	\$(000s)	\$ %	\$ %	#	%	%	\$(000s)	\$ %	\$ %		
OTHER PURPOSE CLOSED/EXEMPT	Low	1	5.6%	\$24	0.8%	24.8%	1	7.7%	8.6%	\$24	1.4%	5.4%	0	0.0%	12.2%	\$0	0.0%	3.9%
	Moderate	1	5.6%	\$150	5.3%	15.2%	1	7.7%	12.1%	\$150	8.8%	11.9%	0	0.0%	18.4%	\$0	0.0%	7.1%
	Middle	4	22.2%	\$432	15.2%	18.6%	3	23.1%	31.0%	\$404	23.6%	26.5%	1	20.0%	10.2%	\$28	2.5%	5.8%
	Upper	12	66.7%	\$2,231	78.6%	41.4%	8	61.5%	43.1%	\$1,131	66.2%	50.8%	4	80.0%	53.1%	\$1,100	97.5%	77.9%
	Unknown	0	0.0%	\$0	0.0%	0.0%	0	0.0%	5.2%	\$0	0.0%	5.4%	0	0.0%	6.1%	\$0	0.0%	5.2%
	<i>Total</i>	<i>18</i>	<i>100.0%</i>	<i>\$2,837</i>	<i>100.0%</i>	<i>100.0%</i>	<i>13</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$1,709</i>	<i>100.0%</i>	<i>100.0%</i>	<i>5</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$1,128</i>	<i>100.0%</i>	<i>100.0%</i>
PURPOSE NOT APPLICABLE	Low	0	0.0%	\$0	0.0%	24.8%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	0	0.0%	\$0	0.0%	15.2%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Middle	0	0.0%	\$0	0.0%	18.6%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.4%	\$0	0.0%	0.5%
	Upper	0	0.0%	\$0	0.0%	41.4%	0	0.0%	3.1%	\$0	0.0%	4.4%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Unknown	0	0.0%	\$0	0.0%	0.0%	0	0.0%	96.9%	\$0	0.0%	95.6%	0	0.0%	99.6%	\$0	0.0%	99.5%
	<i>Total</i>	<i>0</i>	<i>0.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>
HMDA TOTALS	Low	17	3.2%	\$1,660	1.4%	24.8%	9	4.8%	5.6%	\$828	2.1%	2.4%	8	2.4%	5.2%	\$832	1.0%	2.7%
	Moderate	73	13.9%	\$11,421	9.4%	15.2%	27	14.4%	15.6%	\$3,792	9.6%	8.6%	46	13.6%	16.3%	\$7,629	9.3%	12.0%
	Middle	87	16.6%	\$15,233	12.5%	18.6%	33	17.6%	21.9%	\$4,918	12.4%	15.8%	54	16.0%	20.4%	\$10,315	12.5%	18.6%
	Upper	267	51.0%	\$64,514	52.9%	41.4%	84	44.9%	39.2%	\$17,851	45.0%	37.7%	183	54.3%	38.5%	\$46,663	56.7%	45.0%
	Unknown	80	15.3%	\$29,131	23.9%	0.0%	34	18.2%	17.8%	\$12,268	30.9%	35.5%	46	13.6%	19.5%	\$16,863	20.5%	21.6%
	<i>Total</i>	<i>524</i>	<i>100.0%</i>	<i>\$121,959</i>	<i>100.0%</i>	<i>100.0%</i>	<i>187</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$39,657</i>	<i>100.0%</i>	<i>100.0%</i>	<i>337</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$82,302</i>	<i>100.0%</i>	<i>100.0%</i>

Originations & Purchases
 2020 FFIEC Census Data and 2015 ACS Data

The bank’s HMDA-reportable lending distribution by borrower income is reasonable. For the combined review period, the bank originated 3.2 percent of its HMDA loans to low-income borrowers, which is significantly lower than the percentage of families considered low-income at 24.8 percent. In contrast, the bank’s HMDA-reportable lending to moderate-income borrowers at 13.9 percent was similar to the percentage of moderate-income families at 15.2 percent.

Analyzed by borrower income level and year, the bank’s 2019 lending performance to low-income borrowers (4.8 percent), while well below demographic, was similar to aggregate lending performance (5.6 percent). However, in 2020, the bank made 2.4 percent of loans to low-income borrowers compared to 5.2 percent by aggregate lenders. In 2019, the bank’s lending to moderate-income borrowers at 14.4 percent was in line with aggregate performance of 15.6 percent. However, in 2020, the bank’s lending of 13.6 percent to moderate-income borrowers was lower than aggregate lenders at 16.3 percent.

Although aggregate lenders originated a slightly higher percentage of HMDA loans to LMI borrowers, the performance results in the tables reflect that, like the bank, aggregate lenders also experienced challenges in lending to these borrowers when compared to the demographics of families in the area. The assessment area also contains a large student population attending Auburn University and elevated levels of rental units, making the supply of owner-occupied units more competitive between lenders. Additionally, 52.1 percent of renters in the assessment area pay in excess of 30 percent of their income toward rent, making it difficult to save for and have money for down payment; this oftentimes disproportionately affects LMI borrowers. As such, many LMI families are not current prospects for HMDA loans in this assessment area.

Small Business Lending

The following table shows, by loan size, the number and dollar volume of small business loans originated by AuburnBank inside the Auburn assessment area.

Small Business Loans by Business Revenue & Loan Size

Assessment Area: AL Auburn

Business Revenue & Loan Size		Bank Lending & Demographic Data Comparison 2019, 2020				
		Bank				Total Businesses
		Count		\$ (000s)		%
		#	%	\$	%	%
BUSINESS REVENUE	\$1million or Less	290	41.0%	\$37,985	47.4%	91.9%
	Over \$1 Million	55	7.8%	\$12,097	15.1%	7.1%
	<i>Total Rev. available</i>	345	48.8%	\$50,082	62.5%	99.0%
	Rev. Not Known	362	51.2%	\$30,097	37.5%	1.0%
	<i>Total</i>	707	100.0%	\$80,179	100.0%	100.0%
LOAN SIZE	\$100,000 or Less	505	71.4%	\$18,489	23.1%	
	\$100,001 - \$250,000	121	17.1%	\$19,280	24.0%	
	\$250,001 - \$1 Million	81	11.5%	\$42,410	52.9%	
	<i>Total</i>	707	100.0%	\$80,179	100.0%	
LOAN SIZE & Rev \$1 Mill or Less	\$100,000 or Less	195	67.2%	\$7,935	20.9%	
	\$100,001 - \$250,000	52	17.9%	\$8,221	21.6%	
	\$250,001 - \$1 Million	43	14.8%	\$21,828	57.5%	
	<i>Total</i>	290	100.0%	\$37,985	100.0%	

Originations & Purchases
2020 FFIEC Census Data and 2020 D&B Information

As stated previously, 338 (47.8 percent) of the small business loans made in the Auburn assessment area during the review period were PPP loans with unknown revenue. Banks were not required to collect or report revenue information for PPP loans. Of the 345 loans for which revenues were known, 290 (84.1 percent) were made to businesses with gross annual revenues of \$1 million or less, which is slightly less than the percentage of businesses in the assessment area (91.9 percent) that are small businesses. Furthermore, 626 of 707 total originations (88.5 percent) were in amounts of \$250,000 or less, showing the bank’s willingness to make small dollar loans to help meet the credit needs of businesses in its community. Given market conditions and performance context factors, the distribution of loans by business revenue reflects reasonable penetration among businesses of different sizes.

COMMUNITY DEVELOPMENT TEST

The bank’s community development performance in the Auburn assessment area is adequate considering the bank’s capacity and the need for and availability of opportunities in the assessment area.

During the review period, the bank made eight qualifying community development loans in the Auburn assessment area, totaling \$10.0 million. Two of the loans totaling \$7.0 million support revitalization and stabilization efforts throughout the industrial and technology parks. Three of the loans totaling \$563,328 assisted local nonprofits offering community services primarily to LMI individuals and families. The remaining three loans totaling \$2.4 million were PPP loans that assisted small businesses impacted by the COVID-19 pandemic.

In addition, AuburnBank made 28 contributions in the Auburn assessment area totaling \$46,222. Nearly all of the contributions (24 totaling \$42,972) were provided to nonprofit organizations that provide literacy, food, wellness, and medical assistance to LMI children, individuals, and families. The remaining contributions were to organizations engaged in affordable housing and rehabilitation and construction of designated disaster areas.

Bank employees also used their financial expertise to provide services that benefit LMI families in the Auburn assessment area. Community development services totaled 246 hours and were provided by three employees to four nonprofits serving Lee County.

**NONMETROPOLITAN AREA
LIMITED-SCOPE REVIEW**

The following assessment area was reviewed using limited-scope examination procedures. Through these procedures, conclusions regarding the Institution’s CRA performance are drawn from the review of available facts and data, including performance and demographic information. The limited-scope review revealed the bank’s CRA performance in this assessment area is consistent with the area that received a full-scope review. Please refer to the tables in Appendix B for information regarding this area.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN CHAMBERS-MACON-TALLAPOOSA ASSESSMENT AREA.

Description of Assessment Area

The assessment area is not in an MSA and is comprised of Chambers, Macon, and Tallapoosa Counties, which make up the Valley, Alabama micropolitan statistical area. According to the 2020 FFIEC census data, of the 31 census tracts in the assessment area, there are no low-income tracts, 7 moderate-income tracts, 17 middle-income tracts, 6 upper-income tracts, and 1 unknown-income census tract. In addition, of total families, 23.2 percent are low-income, 16.3 percent are moderate-income, 17.9 percent are middle-income, and 42.6 percent are upper-income. According to the D&B data, 14.8 percent of businesses in the assessment area are located in moderate-income tracts, 63.2 percent are in middle-income tracts, 21.4 percent are in upper-income tracts, and 0.6 percent are in tracts with unknown-income level.

Conclusions with Respect to Performance Tests

AuburnBank operates two branches in the assessment area. According to the FDIC Deposit Market Share Report as of June 30, 2020, there were 13 financial institutions operating 21 branch offices in the assessment area. AuburnBank ranked 8th with a deposit market share of 5.2 percent. Valley National Bank had the highest market share at 26.1 percent followed by Farmers and Merchants Bank with a market share of 13.0 percent.

The bank originated 88 HMDA-reportable loans and 84 small business loans in the assessment area. Of the 84 small business loans, 36 (42.9 percent) were PPP loans with no revenues reported or collected. The bank’s performance with regard to the level and distribution of lending in the assessment area was consistent with the bank’s overall performance. Regarding community development activities, bank staff provided 120 hours of community services to various organizations but did not originate any community development loans or make any qualified investments directly to this assessment area. However, given the limited opportunities available and the bank’s community development loan and service contributions to statewide organizations that serve the entire state of Alabama, including this assessment area, community development performance was deemed consistent.

The following table compares conclusions regarding the bank’s performance in the assessment area to the bank’s overall performance.

Performance in the Limited-Scope Review Non-Metropolitan Assessment Area		
Assessment Area	Lending Test	Community Development Test
Chambers-Macon-Tallapoosa	Consistent	Consistent

APPENDIX A

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED			
Lending Test: January 1, 2019 through December 31, 2020			
Community Development Test: October 1, 2018 through December 31, 2020			
AuburnBank		PRODUCTS REVIEWED	
AuburnBank (Auburn, Alabama)		HMDA and Small Business Loans	
AFFILIATE(S)	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED	
N/A	N/A	N/A	
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
<i>ASSESSMENT AREA</i>	<i>TYPE OF EXAMINATION</i>	<i>BRANCHES VISITED</i>	<i>OTHER INFORMATION</i>
Auburn	Full-Scope Review	N/A	N/A
Chambers-Macon-Tallapoosa	Limited-Scope Review	N/A	N/A

APPENDIX B – LIMITED SCOPE ASSESSMENT AREA DEMOGRAPHIC AND LENDING TABLES

Combined Demographics Report

Assessment Area: AL Chambers Macon Tallapoosa

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0	5,752	23.2
Moderate-income	7	22.6	3,167	12.8	853	26.9	4,030	16.3
Middle-income	17	54.8	15,526	62.7	2,918	18.8	4,429	17.9
Upper-income	6	19.4	6,044	24.4	785	13.0	10,562	42.6
Unknown-income	1	3.2	36	0.1	20	55.6	0	0.0
Total Assessment Area	31	100.0	24,773	100.0	4,576	18.5	24,773	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	6,857	3,002	11.5	43.8	2,256	32.9	1,599	23.3
Middle-income	28,392	16,420	62.7	57.8	7,263	25.6	4,709	16.6
Upper-income	13,606	6,709	25.6	49.3	2,230	16.4	4,667	34.3
Unknown-income	397	39	0.1	9.8	200	50.4	158	39.8
Total Assessment Area	49,252	26,170	100.0	53.1	11,949	24.3	11,133	22.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	440	14.8	401	14.7	28	15.1	11	17.2
Middle-income	1,878	63.2	1,722	63.2	123	66.5	33	51.6
Upper-income	637	21.4	585	21.5	33	17.8	19	29.7
Unknown-income	18	0.6	16	0.6	1	0.5	1	1.6
Total Assessment Area	2,973	100.0	2,724	100.0	185	100.0	64	100.0
Percentage of Total Businesses:			91.6		6.2		2.2	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	6	4.7	6	5.0	0	0.0	0	0.0
Middle-income	96	75.6	90	74.4	6	100.0	0	0.0
Upper-income	25	19.7	25	20.7	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	127	100.0	121	100.0	6	100.0	0	0.0
Percentage of Total Farms:			95.3		4.7		0.0	

2020 FFIEC Census Data and 2020 D&B Information

Geographic Distribution of HMDA Loans - Table 1 of 2

Assessment Area: AL Chambers-Macon-Tallapoosa

PRODUCT TYPE	Tract Income Levels	Bank Lending & Demographic Data Comparison					Bank & Aggregate Lending Comparison											
		2019, 2020					2019						2020					
		Bank				Owner Occupied Units	Count			Dollar			Count			Dollar		
		Count		Dollar			Bank	Agg	%	Bank	Agg	%	Bank	Agg	%	Bank	Agg	
#	%	\$ (000s)	\$ %	%	#	%	%	\$ (000s)	\$ %	\$ %	#	%	%	\$ (000s)	\$ %	\$ %		
HOME PURCHASE	Low	0	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	1	3.7%	\$68	1.0%	11.5%	0	0.0%	5.4%	\$0	0.0%	2.8%	1	6.3%	5.3%	\$68	1.8%	3.0%
	Middle	11	40.7%	\$2,088	30.3%	62.7%	4	36.4%	50.9%	\$437	14.5%	40.4%	7	43.8%	51.5%	\$1,651	42.5%	39.2%
	Upper	15	55.6%	\$4,739	68.7%	25.6%	7	63.6%	43.7%	\$2,577	85.5%	56.8%	8	50.0%	43.1%	\$2,162	55.7%	57.8%
	Unknown	0	0.0%	\$0	0.0%	0.1%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.1%	\$0	0.0%	0.0%
	<i>Total</i>	27	100.0%	\$6,895	100.0%	100.0%	11	100.0%	100.0%	\$3,014	100.0%	100.0%	16	100.0%	100.0%	\$3,881	100.0%	100.0%
REFINANCE	Low	0	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	1	1.9%	\$140	1.4%	11.5%	0	0.0%	6.6%	\$0	0.0%	4.5%	1	2.4%	3.9%	\$140	1.8%	2.3%
	Middle	25	48.1%	\$3,539	34.2%	62.7%	6	54.5%	48.1%	\$934	37.7%	35.3%	19	46.3%	41.3%	\$2,605	33.1%	31.9%
	Upper	26	50.0%	\$6,657	64.4%	25.6%	5	45.5%	45.3%	\$1,541	62.3%	60.1%	21	51.2%	54.8%	\$5,116	65.1%	65.7%
	Unknown	0	0.0%	\$0	0.0%	0.1%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	<i>Total</i>	52	100.0%	\$10,336	100.0%	100.0%	11	100.0%	100.0%	\$2,475	100.0%	100.0%	41	100.0%	100.0%	\$7,861	100.0%	100.0%
HOME IMPROVEMENT	Low	0	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	0	0.0%	\$0	0.0%	11.5%	0	0.0%	7.0%	\$0	0.0%	2.6%	0	0.0%	7.4%	\$0	0.0%	6.6%
	Middle	0	0.0%	\$0	0.0%	62.7%	0	0.0%	62.0%	\$0	0.0%	65.7%	0	0.0%	57.4%	\$0	0.0%	48.1%
	Upper	1	100.0%	\$40	100.0%	25.6%	1	100.0%	31.0%	\$40	100.0%	31.7%	0	0.0%	35.2%	\$0	0.0%	45.3%
	Unknown	0	0.0%	\$0	0.0%	0.1%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	<i>Total</i>	1	100.0%	\$40	100.0%	100.0%	1	100.0%	100.0%	\$40	100.0%	100.0%	0	0.0%	100.0%	\$0	0.0%	100.0%
MULTI FAMILY	Multi-Family Units																	
	Low	0	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	1	50.0%	\$3,581	98.4%	17.2%	1	100.0%	25.0%	\$3,581	100.0%	23.1%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Middle	1	50.0%	\$60	1.6%	35.3%	0	0.0%	50.0%	\$0	0.0%	4.6%	1	100.0%	100.0%	\$60	100.0%	100.0%
	Upper	0	0.0%	\$0	0.0%	40.4%	0	0.0%	25.0%	\$0	0.0%	72.3%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Unknown	0	0.0%	\$0	0.0%	7.1%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
<i>Total</i>	2	100.0%	\$3,641	100.0%	100.0%	1	100.0%	100.0%	\$3,581	100.0%	100.0%	1	100.0%	100.0%	\$60	100.0%	100.0%	
OTHER PURPOSE LOC	Low	0	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	0	0.0%	\$0	0.0%	11.5%	0	0.0%	2.4%	\$0	0.0%	1.3%	0	0.0%	7.4%	\$0	0.0%	2.2%
	Middle	0	0.0%	\$0	0.0%	62.7%	0	0.0%	58.5%	\$0	0.0%	51.0%	0	0.0%	33.3%	\$0	0.0%	11.4%
	Upper	0	0.0%	\$0	0.0%	25.6%	0	0.0%	39.0%	\$0	0.0%	47.6%	0	0.0%	59.3%	\$0	0.0%	86.4%
	Unknown	0	0.0%	\$0	0.0%	0.1%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	<i>Total</i>	0	0.0%	\$0	0.0%	100.0%	0	0.0%	100.0%	\$0	0.0%	100.0%	0	0.0%	100.0%	\$0	0.0%	100.0%

Originations & Purchases
2020 FFIEC Census Data and 2015 ACS Data

Geographic Distribution of HMDA Loans - Table 2 of 2

Assessment Area: AL Chambers-Macon-Tallapoosa

PRODUCT TYPE	Tract Income Levels	Bank Lending & Demographic Data Comparison					Bank & Aggregate Lending Comparison											
		2019, 2020					2019					2020						
		Bank				Owner Occupied Units %	Count		Dollar			Count		Dollar				
		Count	Dollar				Bank	Agg	Bank	Agg	Bank	Agg	Bank	Agg				
#	%	\$ (000s)	\$ %	%	#	%	%	\$ (000s)	\$ %	\$ %	#	%	%	\$ (000s)	\$ %	\$ %		
OTHER PURPOSE CLOSED/EXEMPT	Low	0	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	0	0.0%	\$0	0.0%	11.5%	0	0.0%	4.0%	\$0	0.0%	0.4%	0	0.0%	3.6%	\$0	0.0%	0.7%
	Middle	3	50.0%	\$150	11.4%	62.7%	3	75.0%	64.0%	\$150	23.7%	62.2%	0	0.0%	53.6%	\$0	0.0%	50.1%
	Upper	3	50.0%	\$1,165	88.6%	25.6%	1	25.0%	28.0%	\$484	76.3%	35.8%	2	100.0%	42.9%	\$681	100.0%	49.2%
	Unknown	0	0.0%	\$0	0.0%	0.1%	0	0.0%	4.0%	\$0	0.0%	1.6%	0	0.0%	0.0%	\$0	0.0%	0.0%
	<i>Total</i>	<i>6</i>	<i>100.0%</i>	<i>\$1,315</i>	<i>100.0%</i>	<i>100.0%</i>	<i>4</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$634</i>	<i>100.0%</i>	<i>100.0%</i>	<i>2</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$681</i>	<i>100.0%</i>	<i>100.0%</i>
PURPOSE NOT APPLICABLE	Low	0	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	0	0.0%	\$0	0.0%	11.5%	0	0.0%	10.2%	\$0	0.0%	6.8%	0	0.0%	15.7%	\$0	0.0%	12.0%
	Middle	0	0.0%	\$0	0.0%	62.7%	0	0.0%	73.5%	\$0	0.0%	64.5%	0	0.0%	60.0%	\$0	0.0%	54.9%
	Upper	0	0.0%	\$0	0.0%	25.6%	0	0.0%	16.3%	\$0	0.0%	28.6%	0	0.0%	24.3%	\$0	0.0%	33.1%
	Unknown	0	0.0%	\$0	0.0%	0.1%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	<i>Total</i>	<i>0</i>	<i>0.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>
HMDA TOTALS	Low	0	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	3	3.4%	\$3,789	17.0%	11.5%	1	3.6%	6.0%	\$3,581	36.8%	4.3%	2	3.3%	4.9%	\$208	1.7%	2.7%
	Middle	40	45.5%	\$5,837	26.3%	62.7%	13	46.4%	51.2%	\$1,521	15.6%	38.0%	27	45.0%	46.6%	\$4,316	34.6%	35.5%
	Upper	45	51.1%	\$12,601	56.7%	25.6%	14	50.0%	42.8%	\$4,642	47.6%	57.7%	31	51.7%	48.4%	\$7,959	63.8%	61.8%
	Unknown	0	0.0%	\$0	0.0%	0.1%	0	0.0%	0.1%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	<i>Total</i>	<i>88</i>	<i>100.0%</i>	<i>\$22,227</i>	<i>100.0%</i>	<i>100.0%</i>	<i>28</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$9,744</i>	<i>100.0%</i>	<i>100.0%</i>	<i>60</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$12,483</i>	<i>100.0%</i>	<i>100.0%</i>

Originations & Purchases
2020 FFIEC Census Data and 2015 ACS Data

Geographic Distribution of Small Business Loans

Assessment Area: AL Chambers-Macon-Tallapoosa

Tract Income Levels	Bank Lending & Demographic Data Comparison				
	2019, 2020				
	Bank				Total Businesses %
	Count		Dollar		
#	%	\$ (000s)	\$ %	%	
Low	0	0.0%	\$0	0.0%	0.0%
Moderate	8	9.5%	\$613	6.8%	14.8%
Middle	56	66.7%	\$5,528	61.2%	63.2%
Upper	20	23.8%	\$2,892	32.0%	21.4%
Unknown	0	0.0%	\$0	0.0%	0.6%
Tr Unknown	0	0.0%	\$0	0.0%	
<i>Total</i>	<i>84</i>	<i>100.0%</i>	<i>\$9,034</i>	<i>100.0%</i>	<i>100.0%</i>

Originations & Purchases
2020 FFIEC Census Data and 2020 D&B Information

Borrower Distribution of HMDA Loans - Table 1 of 2

Assessment Area: AL Chambers-Macon-Tallapoosa

PRODUCT TYPE	Borrower Income Levels	Bank Lending & Demographic Data					Bank & Aggregate Lending Comparison											
		2019, 2020					2019					2020						
		Bank				Families by Family Income	Count		Dollar			Count			Dollar			
		Count		Dollar			#	%	%	Bank		#	Agg		Bank		Agg	
#	%	\$(000s)	\$ %	%	\$ %	\$ %				\$ %	\$ %		\$ %	\$ %	\$ %			
HOME PURCHASE	Low	0	0.0%	\$0	0.0%	23.2%	0	0.0%	3.7%	\$0	0.0%	1.3%	0	0.0%	4.3%	\$0	0.0%	1.4%
	Moderate	2	7.4%	\$129	1.9%	16.3%	1	9.1%	14.2%	\$29	1.0%	6.2%	1	6.3%	17.4%	\$100	2.6%	8.0%
	Middle	5	18.5%	\$1,069	15.5%	17.9%	2	18.2%	19.9%	\$423	14.0%	12.1%	3	18.8%	19.0%	\$646	16.6%	11.1%
	Upper	18	66.7%	\$4,372	63.4%	42.6%	7	63.6%	48.3%	\$1,582	52.5%	66.7%	11	68.8%	52.3%	\$2,790	71.9%	73.4%
	Unknown	2	7.4%	\$1,325	19.2%	0.0%	1	9.1%	13.9%	\$980	32.5%	13.7%	1	6.3%	7.1%	\$345	8.9%	6.1%
	<i>Total</i>	<i>27</i>	<i>100.0%</i>	<i>\$6,895</i>	<i>100.0%</i>	<i>100.0%</i>	<i>11</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$3,014</i>	<i>100.0%</i>	<i>100.0%</i>	<i>16</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$3,881</i>	<i>100.0%</i>	<i>100.0%</i>
REFINANCE	Low	0	0.0%	\$0	0.0%	23.2%	0	0.0%	4.7%	\$0	0.0%	1.5%	0	0.0%	2.8%	\$0	0.0%	0.8%
	Moderate	1	1.9%	\$62	0.6%	16.3%	0	0.0%	8.1%	\$0	0.0%	3.4%	1	2.4%	6.4%	\$62	0.8%	2.8%
	Middle	5	9.6%	\$735	7.1%	17.9%	0	0.0%	15.7%	\$0	0.0%	9.7%	5	12.2%	12.2%	\$735	9.3%	7.3%
	Upper	40	76.9%	\$8,736	84.5%	42.6%	10	90.9%	57.1%	\$2,388	96.5%	70.4%	30	73.2%	60.4%	\$6,348	80.8%	70.9%
	Unknown	6	11.5%	\$803	7.8%	0.0%	1	9.1%	14.4%	\$87	3.5%	15.1%	5	12.2%	18.3%	\$716	9.1%	18.2%
	<i>Total</i>	<i>52</i>	<i>100.0%</i>	<i>\$10,336</i>	<i>100.0%</i>	<i>100.0%</i>	<i>11</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$2,475</i>	<i>100.0%</i>	<i>100.0%</i>	<i>41</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$7,861</i>	<i>100.0%</i>	<i>100.0%</i>
HOME IMPROVEMENT	Low	0	0.0%	\$0	0.0%	23.2%	0	0.0%	4.2%	\$0	0.0%	1.0%	0	0.0%	9.3%	\$0	0.0%	2.1%
	Moderate	0	0.0%	\$0	0.0%	16.3%	0	0.0%	9.9%	\$0	0.0%	6.4%	0	0.0%	13.0%	\$0	0.0%	4.1%
	Middle	1	100.0%	\$40	100.0%	17.9%	1	100.0%	26.8%	\$40	100.0%	21.7%	0	0.0%	11.1%	\$0	0.0%	8.2%
	Upper	0	0.0%	\$0	0.0%	42.6%	0	0.0%	57.7%	\$0	0.0%	70.4%	0	0.0%	59.3%	\$0	0.0%	74.4%
	Unknown	0	0.0%	\$0	0.0%	0.0%	0	0.0%	1.4%	\$0	0.0%	0.6%	0	0.0%	7.4%	\$0	0.0%	11.2%
	<i>Total</i>	<i>1</i>	<i>100.0%</i>	<i>\$40</i>	<i>100.0%</i>	<i>100.0%</i>	<i>1</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$40</i>	<i>100.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>
MULTIFAMILY	Low	0	0.0%	\$0	0.0%	23.2%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	0	0.0%	\$0	0.0%	16.3%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Middle	0	0.0%	\$0	0.0%	17.9%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Upper	0	0.0%	\$0	0.0%	42.6%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Unknown	2	100.0%	\$3,641	100.0%	0.0%	1	100.0%	100.0%	\$3,581	100.0%	100.0%	1	100.0%	100.0%	\$60	100.0%	100.0%
	<i>Total</i>	<i>2</i>	<i>100.0%</i>	<i>\$3,641</i>	<i>100.0%</i>	<i>100.0%</i>	<i>1</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$3,581</i>	<i>100.0%</i>	<i>100.0%</i>	<i>1</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$60</i>	<i>100.0%</i>	<i>100.0%</i>
OTHER PURPOSE LOC	Low	0	0.0%	\$0	0.0%	23.2%	0	0.0%	4.9%	\$0	0.0%	1.1%	0	0.0%	3.7%	\$0	0.0%	2.3%
	Moderate	0	0.0%	\$0	0.0%	16.3%	0	0.0%	17.1%	\$0	0.0%	11.3%	0	0.0%	7.4%	\$0	0.0%	2.3%
	Middle	0	0.0%	\$0	0.0%	17.9%	0	0.0%	14.6%	\$0	0.0%	11.1%	0	0.0%	3.7%	\$0	0.0%	1.1%
	Upper	0	0.0%	\$0	0.0%	42.6%	0	0.0%	58.5%	\$0	0.0%	60.0%	0	0.0%	77.8%	\$0	0.0%	93.5%
	Unknown	0	0.0%	\$0	0.0%	0.0%	0	0.0%	4.9%	\$0	0.0%	16.5%	0	0.0%	7.4%	\$0	0.0%	0.9%
	<i>Total</i>	<i>0</i>	<i>0.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>

Originations & Purchases
2020 FFIEC Census Data and 2015 ACS Data

Borrower Distribution of HMDA Loans - Table 2 of 2

Assessment Area: AL Chambers-Macon-Tallapoosa

PRODUCT TYPE	Borrower Income Levels	Bank Lending & Demographic Data 2019, 2020					Bank & Aggregate Lending Comparison											
		Bank				Families by Family Income %	2019					2020						
		Count		Dollar			Count		Dollar			Count		Dollar				
		#	%	\$(000s)	\$ %		Bank #	Agg %	Bank \$(000s)	Agg \$ %	Agg \$ %	Bank #	Agg %	Bank \$(000s)	Agg \$ %	Agg \$ %		
OTHER PURPOSE CLOSED/EXEMPT	Low	0	0.0%	\$0	0.0%	23.2%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	3.6%	\$0	0.0%	0.6%
	Moderate	2	33.3%	\$98	7.5%	16.3%	2	50.0%	16.0%	\$98	15.5%	4.7%	0	0.0%	10.7%	\$0	0.0%	2.2%
	Middle	0	0.0%	\$0	0.0%	17.9%	0	0.0%	12.0%	\$0	0.0%	2.9%	0	0.0%	25.0%	\$0	0.0%	15.4%
	Upper	4	66.7%	\$1,217	92.5%	42.6%	2	50.0%	72.0%	\$536	84.5%	92.4%	2	100.0%	57.1%	\$681	100.0%	81.1%
	Unknown	0	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	3.6%	\$0	0.0%	0.7%
	<i>Total</i>	<i>6</i>	<i>100.0%</i>	<i>\$1,315</i>	<i>100.0%</i>	<i>100.0%</i>	<i>4</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$634</i>	<i>100.0%</i>	<i>100.0%</i>	<i>2</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$681</i>	<i>100.0%</i>	<i>100.0%</i>
PURPOSE NOT APPLICABLE	Low	0	0.0%	\$0	0.0%	23.2%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Moderate	0	0.0%	\$0	0.0%	16.3%	0	0.0%	2.0%	\$0	0.0%	1.3%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Middle	0	0.0%	\$0	0.0%	17.9%	0	0.0%	0.0%	\$0	0.0%	0.0%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Upper	0	0.0%	\$0	0.0%	42.6%	0	0.0%	2.0%	\$0	0.0%	5.8%	0	0.0%	0.0%	\$0	0.0%	0.0%
	Unknown	0	0.0%	\$0	0.0%	0.0%	0	0.0%	95.9%	\$0	0.0%	92.9%	0	0.0%	100.0%	\$0	0.0%	100.0%
	<i>Total</i>	<i>0</i>	<i>0.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>0</i>	<i>0.0%</i>	<i>100.0%</i>	<i>\$0</i>	<i>0.0%</i>	<i>100.0%</i>
HMDA TOTALS	Low	0	0.0%	\$0	0.0%	23.2%	0	0.0%	4.0%	\$0	0.0%	1.3%	0	0.0%	3.5%	\$0	0.0%	1.1%
	Moderate	5	5.7%	\$289	1.3%	16.3%	3	10.7%	11.7%	\$127	1.3%	4.9%	2	3.3%	11.3%	\$162	1.3%	4.9%
	Middle	11	12.5%	\$1,844	8.3%	17.9%	3	10.7%	17.9%	\$463	4.8%	10.5%	8	13.3%	14.9%	\$1,381	11.1%	8.9%
	Upper	62	70.5%	\$14,325	64.4%	42.6%	19	67.9%	51.0%	\$4,506	46.2%	64.7%	43	71.7%	55.4%	\$9,819	78.7%	71.5%
	Unknown	10	11.4%	\$5,769	26.0%	0.0%	3	10.7%	15.5%	\$4,648	47.7%	18.6%	7	11.7%	15.0%	\$1,121	9.0%	13.6%
	<i>Total</i>	<i>88</i>	<i>100.0%</i>	<i>\$22,227</i>	<i>100.0%</i>	<i>100.0%</i>	<i>28</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$9,744</i>	<i>100.0%</i>	<i>100.0%</i>	<i>60</i>	<i>100.0%</i>	<i>100.0%</i>	<i>\$12,483</i>	<i>100.0%</i>	<i>100.0%</i>

Originations & Purchases
2020 FFIEC Census Data and 2015 ACS Data

Small Business Loans by Business Revenue & Loan Size

Assessment Area: AL Chambers-Macon-Tallapoosa

Business Revenue & Loan Size		Bank Lending & Demographic Data Comparison 2019, 2020				
		Bank				Total Businesses %
		Count		\$(000s)		
		#	%	\$	%	
BUSINESS REVENUE	\$1million or Less	41	48.8%	\$5,128	56.8%	91.6%
	Over \$1 Million	2	2.4%	\$375	4.2%	6.2%
	<i>Total Rev. available</i>	<i>43</i>	<i>51.2%</i>	<i>\$5,503</i>	<i>61.0%</i>	<i>97.8%</i>
	Rev. Not Known	41	48.8%	\$3,531	39.1%	2.2%
	<i>Total</i>	<i>84</i>	<i>100.0%</i>	<i>\$9,034</i>	<i>100.0%</i>	<i>100.0%</i>
LOAN SIZE	\$100,000 or Less	59	70.2%	\$1,940	21.5%	
	\$100,001 - \$250,000	14	16.7%	\$2,229	24.7%	
	\$250,001 - \$1 Million	11	13.1%	\$4,865	53.8%	
	<i>Total</i>	<i>84</i>	<i>100.0%</i>	<i>\$9,034</i>	<i>100.0%</i>	
LOAN SIZE & Rev \$1 Mill or Less	\$100,000 or Less	25	61.0%	\$725	14.1%	
	\$100,001 - \$250,000	9	22.0%	\$1,547	30.2%	
	\$250,001 - \$1 Million	7	17.1%	\$2,856	55.7%	
	<i>Total</i>	<i>41</i>	<i>100.0%</i>	<i>\$5,128</i>	<i>100.0%</i>	

Originations & Purchases
2020 FFIEC Census Data and 2020 D&B Information

APPENDIX C – DEFINITIONS AND GENERAL INFORMATION

Definitions

ATM	Automated Teller Machine
CDC	Community Development Corporation
CDFI	Community Development Financial Institution
CRA	Community Reinvestment Act (Regulation BB)
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
HMDA	Home Mortgage Disclosure Act (Regulation C)
HUD	Department of Housing and Urban Development
LMI	Low- and Moderate-Income
LTD	Loan-to-Deposit
LTV	Loan-to-Value Ratio
MD	Metropolitan Division
MSA	Metropolitan Statistical Area
OMB	Office of Management and Budget
REIS	Regional Economic Information System
SBA	Small Business Administration
USDA	United States Department of Agriculture

Rounding Convention

Because the percentages presented in tables were rounded to the nearest tenth in most cases, some columns may not total exactly 100 percent.

General Information

The 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 neighborhoods, consistent with 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 AuburnBank prepared by the **Federal Reserve Bank of Atlanta**, the institution's supervisory agency, as of February 28, 2022. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

APPENDIX D – 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.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of MSAs. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon 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 development: All Agencies have adopted the following language. Affordable housing (including multi-family 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 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; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System (Board), Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC) have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- I. Low-or moderate-income geographies;
- II. Designated disaster areas; or
- III. Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, FDIC, and OCC, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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.

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 (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

APPENDIX D – GLOSSARY (Continued)

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 do business or have banking offices in a MSA to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

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

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (for example, 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.

Metropolitan area (MA): A 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.

Multi-family: Refers to a residential structure that contains five or more units.

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.

APPENDIX D – GLOSSARY (Continued)

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

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

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

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Call Report and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. 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): A loan included in 'loans to small farms' as defined in the instructions for preparation of the 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.

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