

Appendix A: Study Definitions

Summary of FDIC Research Definition of Community Banking Organizations

Community banks are designated at the level of the banking organization.

(All charters under designated holding companies are considered community banking charters.)

Exclude: Any organization with:

- No loans or no core deposits
- Assets held in foreign branches $\geq 10\%$ of total assets
- More than 50% of assets in certain specialty banks, including:
 - credit card specialists
 - consumer nonbank banks¹
 - industrial loan companies
 - trust companies
 - bankers' banks

Include: All remaining banking organizations with:

- Total assets $<$ indexed size threshold²
- Total assets \geq indexed size threshold, where:
 - Loan to assets $> 33\%$
 - Core deposits to assets $> 50\%$
 - More than 1 office but no more than the indexed-maximum number of offices³
 - Number of large MSAs with offices ≤ 2
 - Number of states with offices ≤ 3
 - No single office with deposits $>$ indexed maximum branch deposit size.⁴

Lending Specialty Groups Defined for Analysis of FDIC-Insured Community Banks

Lending Specialty Group	Definition
Mortgage Specialists	Holds residential mortgage loans greater than 30 percent of total assets
Consumer Specialists	Holds credit card lines and other loans to individuals greater than 20 percent of total assets
CRE Specialists	Holds construction and development (C&D) loans greater than 10 percent of assets OR total CRE loans (C&D, multifamily, and secured by other commercial properties) greater than 30 percent of total assets
C&I Specialists	Holds C&I loans greater than 20 percent of total assets
Agricultural Specialists	Holds agricultural production loans plus loans secured by farm real estate greater than 20 percent of total assets
Multi-Specialists	Meets more than one of the single-specialty definitions above OR holds either retail loans or commercial loans greater than 40 percent of total assets
No Specialty	All other institutions

Source: FDIC.

Note: All specialty groups require the institution to hold loans greater than 33 percent of total assets.

¹ Consumer nonbank banks are financial institutions with limited charters that can make commercial loans or take deposits, but not both.

² Asset size threshold indexed to equal \$250 million in 1985 and \$1.65 billion in 2019.

³ Maximum number of offices indexed to equal 40 in 1985 and 94 in 2019.

⁴ Maximum branch deposit size indexed to equal \$1.25 billion in 1985 and \$8.24 billion in 2019.