



PUBLIC DISCLOSURE

April 11, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

American First National Bank
Charter Number: 23521

9999 Bellaire Boulevard
Houston, TX 77036

Office of the Comptroller of the Currency

909 Fannin Street Suite 1900
Houston, TX 77010-3031

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, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated Outstanding.

The following table indicates the performance level of American First National Bank with respect to the Lending, Investment, and Service Tests:

Performance Levels	American First National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		
High Satisfactory		X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on excellent lending activity, excellent geographic distribution, good borrower distribution, and a substantial majority of loans originated in the assessment areas (AAs).
- The Investment Test rating is based on an overall good level of investments across all states.
- The Service Test rating is based on overall good service activity across all states.

Lending in Assessment Area

A substantial majority of the bank's loans are in its AAs.

The bank originated 86.8 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	102	86.4	16	13.6	118	111,751	93.2	8,189	6.8	119,940
Small Business	1,257	86.9	190	13.1	1,447	274,596	77.8	78,376	22.2	352,972
Total	1,359	86.8	206	13.2	1,565	386,347	81.7	86,565	18.3	472,912

Description of Institution

American First National Bank (AFNB) is a full-service interstate community bank headquartered at 9999 Bellaire Boulevard in Houston, Texas. The bank was chartered on May 18, 1998, and is wholly owned by AFNB Holdings, Inc., a single bank holding company headquartered in Nevada.

AFNB has three rating areas that include California, Nevada, and Texas. The bank's five AAs include 20 total branches, of which three branches are in the Los Angeles AA, two branches are in the Las Vegas-Henderson AA, two are in the Nye County AA, seven are in the Dallas-Fort Worth AA, and six are in the Houston AA.

Since the previous CRA evaluation, AFNB opened three branches in 2019. The branches are located in the Los Angeles, Las Vegas-Henderson, and Houston AAs. Other than these routine branch openings, there have been no significant changes to AFNB's corporate structure, including merger or acquisition activities, since the last CRA evaluation.

As of December 31, 2021, AFNB had total assets of \$2.3 billion and the tier 1 leverage capital ratio was 11.4 percent. The bank offers a variety of lending products for consumers and businesses, but the bank's primary lending focus is commercial real estate. Loans accounted for 88.3 percent of total assets, with commercial real estate lending representing 89.5 percent of net loans by dollar amount.

There are no legal or financial factors impeding the bank's ability to meet the credit and community development (CD) needs of its AAs. AFNB was rated "Satisfactory" at the last CRA evaluation dated May 6, 2019.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the Lending, Investment, and Service Tests is January 1, 2019, through December 31, 2021. Of the 1,359 loan originations reported, only 7.5 percent were home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA). The bank originated no small farm loans.

In evaluating the bank's lending performance, we reviewed small loans to businesses. We compared AFNB's performance to peer performance using 2020 Peer Small Business Data (2020 peer data) to analyze small business loans reportable under CRA.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AA(s) within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is a blend of the state ratings. All states were equally rated, although Texas has the greatest level of loans and deposits.

The state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each State Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any 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 Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of California

CRA rating for the State of California: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs;
- An excellent geographic distribution of loans;
- An excellent distribution of loans among businesses of different sizes;
- A significant level of CD loans;
- A good level of qualified CD investments and grants;
- A good level of CD services; and
- Accessible service delivery systems.

Description of Institution's Operations in California

AFNB operates three branches in California. All branches are located in southeast Los Angeles County, an area with few low-income geographies. The county is included in the Los Angeles-Long Beach-Anaheim MSA. The most recent branch opened in the fourth quarter of 2019 and is located in a middle-income census tract (CT). The other two branches are located in moderate- and middle-income CTs.

The state of California represents 14.7 percent of bank-wide deposits and 5.1 percent of loan originations reported. As of June 30, 2021, AFNB held deposits totaling \$278 million, which represented 0.04 percent deposit market share and ranked the bank 106th of 192 institutions within the Los Angeles AA. The largest depository institutions were Bank of America, NA, JPMorgan Chase, NA, and Wells Fargo Bank, NA, which held a combined 40.5 percent market share in the Los Angeles AA.

Community Contacts

We identified two community contacts in Los Angeles County to determine credit and CD needs. One contact was an economic development organization that provides financial assistance, affordable housing, and advisory services to low-income and distressed neighborhoods. The other contact was a nonprofit counseling agency that specializes in first-time home buying and foreclosure prevention for low- or moderate-income (LMI) residents in southern Los Angeles County. Primary community needs identified were financial literacy, credit counseling, workforce development, and lending for small and micro businesses.

Los Angeles AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Los Angeles AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2,346	9.4	28.7	24.9	34.8	2.2
Population by Geography	10,038,388	8.6	29.3	26.3	35.1	0.8
Housing Units by Geography	3,476,718	7.8	26.3	24.8	40.6	0.5
Owner-Occupied Units by Geography	1,499,879	2.4	17.2	26.6	53.7	0.1
Occupied Rental Units by Geography	1,763,190	12.2	34.2	23.6	29.2	0.9
Vacant Units by Geography	213,649	8.7	25.4	22.8	42.2	1.0
Businesses by Geography	1,150,937	4.7	19.2	21.2	52.6	2.3
Farms by Geography	10,514	3.0	17.3	24.2	54.3	1.2
Family Distribution by Income Level	2,186,485	24.5	16.3	16.7	42.4	0.0
Household Distribution by Income Level	3,263,069	25.9	15.4	15.8	43.0	0.0
Median Family Income MSA - 31084 Los Angeles-Long Beach-Glendale, CA	\$62,703	Median Housing Value				\$495,540
		Median Gross Rent				\$1,292
		Families Below Poverty Level				14.3%
<i>Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in California

As the only AA in the state, the Los Angeles AA received a full-scope review. Refer to appendix A for a list of all AAs under review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CALIFORNIA**LENDING TEST**

The bank's performance under the Lending Test in California is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Los Angeles AA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs. The only product analyzed was small loans to businesses, as there were not enough home mortgage loans for a meaningful analysis.

Number of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	% Rating Area Loans	% Rating Area Deposits
Los Angeles	10	59	10	79	95.2	100.0
Broader Statewide	0	0	4	4	4.8	0.0
TOTAL	10	59	14	83	100	100

Dollar Volume of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	% Rating Area Loans	% Rating Area Deposits
Los Angeles	52,064	6,798	57,513	116,375	75.7	100.0
Broader Statewide	0	0	37,362	37,362	24.3	0.0
TOTAL	52,064	6,798	94,875	153,737	100	100

*Tables reflect all lending activity, but only full-scope reviews are discussed in the narrative.

The bank originated an excellent volume of loans relative to its capacity based on deposits, competition, market presence, and business strategy. The proportion of reported bank loans is consistent with the proportion of bank deposits in the AA. By number, the bank's small business lending market share of 0.01 percent was slightly below the bank's deposit market share of 0.04 percent.

According to 2020 peer data by number, AFNB ranked 128th of 343 small business lenders in the AA. The volume of loans was good given competition with local and national lenders, which included megabanks and issuers of small business credit cards. The top five business lenders held 61.6 percent of the total market share by number, with average loan sizes ranging from \$17,000 to \$47,000. AFNB is not an issuer of small business credit cards and had an average loan size of \$123,000.

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA when considering the small percentage of low-income CTs.

Small Loans to Businesses

Refer to Table Q in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations of small loans to businesses.

The level of bank loans was below the level of small businesses in low-income geographies; however, this is reasonable given the low level of low-income CTs. In moderate-income CTs, the bank's proportion of small loans to businesses significantly exceeded the proportion of businesses and aggregate distribution of loans in moderate-income geographies.

Lending Gap Analysis

We evaluated the lending distribution in the AA and did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans among businesses of different sizes, given the product lines offered by the institution.

Small Loans to Businesses

Refer to Table R in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination of small loans to businesses.

The distribution of the bank's small loans to businesses by revenue was near to the proportion of small businesses but significantly exceeded the aggregate distribution of loans to those businesses.

Community Development Lending

The institution is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Los Angeles AA

AFNB made an excellent level of CD loans in the Los Angeles AA, which has a positive impact on lending performance in California. During the evaluation period, the bank originated 10 loans totaling \$57.5 million. AFNB effectively helped meet community credit needs through its CD lending, which supported both economic development and affordable housing for LMI individuals.

Broader Statewide

During the evaluation period, the bank made four broader statewide CD loans. One loan totaling \$1 million helped support affordable housing, while three loans totaling \$36.3 million supported economic development within the state.

Product Innovation and Flexibility

The institution makes no use of innovative and/or flexible lending practices in order to serve AA credit needs.

INVESTMENT TEST

The bank's performance under the Investment Test in California is rated High Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Los Angeles AA is good.

The institution has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits good responsiveness to credit and community economic development needs. The institution rarely uses innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Los Angeles	0	0	30	1,472	30	100.0	1,472	100.0	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

AFNB supports CD investment needs in the Los Angeles AA through investments and donations. One investment totaling \$1.4 million supported affordable housing for LMI individuals. AFNB’s remaining donations helped promote economic development, provide community services to LMI individuals, and support affordable housing.

SERVICE TEST

The bank’s performance under the Service Test in California is rated High Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s performance in the Los Angeles AA is good.

Retail Banking Services

Service delivery systems are accessible to geographies and individuals of different income levels in the institution’s AA.

Distribution of Branch Delivery System								Population			
Assessment Area	Deposits	# of BANK Branches	% of Rated Area Branches in AA	Branches				% of Population within Each Geography			
	% of Rated Area Deposits in AA			Location of Branches by Income of Geographies (%)							
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Los Angeles	100.0	3	100.0	0.0	33.3	66.7	0.0	8.6	29.3	26.3	35.1

While AFNB has no branches in low-income geographies, the percentage of branches in moderate-income geographies exceed the population levels in those geographies. The remaining branches are located in middle-income geographies that are located near to LMI geographies.

Distribution of Branch Openings/Closings					
# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
		Low	Mod	Mid	Upp
1	0	0		+1	0

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. In the fourth quarter of 2019, AFNB opened one branch in a middle-income geography.

Services, including where appropriate, business hours, do not vary in a way that inconveniences its AA, particularly LMI geographies and/or individuals. Branches offer convenient service hours with lobby access Monday through Friday. Services include traditional banking services such as checking/savings accounts, check cashing, money orders, and cashier's checks. AFNB also offers convenient internet banking, granting customers access to banking activities anytime.

Community Development Services

The institution provides a relatively high level of CD services.

Bank employees provided 147 hours of service to four organizations. These 18 employees participated in 50 events that helped promote economic development, affordable housing for LMI individuals, and community services to LMI individuals. These activities were consistent with the bank's lending focus and credit needs of the AA. AFNB rarely makes use of innovative services but is responsive to community needs in the AA.

State Rating

State of Nevada

CRA rating for the State of Nevada: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to credit needs in its AAs;
- An excellent geographic distribution of loans;
- An excellent distribution of loans by businesses of different sizes;
- A significant level of CD loans;
- An excellent level of qualified CD investments and grants;
- A good level of CD services; and
- Accessible service delivery systems.

Description of Institution's Operations in Nevada

AFNB operates four branches in its two AAs in Nevada. The most significant AA in Nevada is the Las Vegas-Henderson AA, which includes all of Clark County. The AA is located in the Las Vegas-Henderson-Paradise MSA and accounts for 74.1 percent of rated area loans and 72.3 percent of rated area deposits. There are two branches located in moderate- and middle-income geographies, with the most recent branch opening in the fourth quarter of 2019. The Nye County AA has two branches that are located in middle-income CTs. The AA has a population of 51,591 people and according to the U.S. Bureau of Land Management, 98 percent of the land in Nye County is under federal government control.

The state of Nevada represents 13.1 percent of bank-wide deposits and 9.6 percent of loan originations reported. As of June 30, 2021, AFNB held deposits totaling \$248 million, which represented 0.23 percent market share and ranked the bank 27th of 45 institutions within the Nevada AAs. The state's largest depository institutions were Bank of America, NA, Wells Fargo Bank, NA, and Wells Fargo National Bank West, which held a combined 51.3 percent market share in the Nevada AAs. In the Las Vegas-Henderson AA, AFNB was the 32nd largest institution with a market share of 0.17 percent. In the Nye County AA, AFNB was the 5th largest institution with a market share of 9.05 percent.

Community Contacts

We identified three community contacts in Nevada to determine credit and CD needs. Two organizations support the Las Vegas-Henderson AA. One is a housing counseling agency that offers property rehabilitation and assistance to LMI families.

There other is a small business development center that provides free consulting and low-cost training to entrepreneurs. Primary needs identified were affordable housing options and down payment assistance, as well as a need for small loans to businesses. One organization in the Nye County AA helped to provide affordable housing and assistance to LMI individuals and families. Primary needs identified were affordable housing and financial literacy.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Las Vegas-Henderson AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	487	5.7	26.3	37.2	30.6	0.2
Population by Geography	2,035,572	5.0	25.3	39.2	30.3	0.2
Housing Units by Geography	857,131	5.6	24.9	38.7	30.6	0.2
Owner-Occupied Units by Geography	380,425	1.9	16.9	41.7	39.5	0.0
Occupied Rental Units by Geography	344,021	8.7	33.0	36.9	21.1	0.2
Vacant Units by Geography	132,685	8.1	27.0	34.8	29.5	0.6
Businesses by Geography	137,264	3.8	20.8	38.7	36.1	0.6
Farms by Geography	1,912	2.1	19.7	39.9	38.2	0.2
Family Distribution by Income Level	465,442	20.7	18.4	20.5	40.5	0.0
Household Distribution by Income Level	724,446	22.6	17.0	18.8	41.6	0.0
Median Family Income MSA - 29820 Las Vegas-Henderson-Paradise, NV MSA		\$59,993	Median Housing Value		\$169,213	
			Median Gross Rent		\$1,032	
			Families Below Poverty Level		11.9%	
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in Nevada

The Las Vegas-Henderson AA received a full-scope review, while the Nye County AA area received a limited-scope review. The rating for Nevada was primarily based on the results of the Las Vegas-Henderson AA due to the limited opportunities in the Nye County AA. Refer to appendix A for a list of all AAs under review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEVADA

LENDING TEST

The bank's performance under the Lending Test in Nevada is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Las Vegas-Henderson AA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs. The only product analyzed was small loans to businesses, as there were not enough home mortgage loans for a meaningful analysis.

Number of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	% Rating Area Loans	% Rating Area Deposits
Las Vegas-Henderson	7	88	8	103	74.1	72.3
Nye County	1	34	1	36	25.9	27.7
TOTAL	8	122	9	139	100	100

Dollar Volume of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	% Rating Area Loans	% Rating Area Deposits
Las Vegas-Henderson	2,748	21,715	13,567	38,030	87.9	72.3
Nye County	500	4,619	119	5,238	12.1	27.7
TOTAL	3,248	26,334	13,686	43,268	100	100

*Tables reflect all lending activity, but only full-scope reviews are discussed in the narrative.

In the Las Vegas-Henderson AA, the bank originated an excellent volume of loans relative to its capacity based on deposits, competition, market presence, and business strategy. The proportion of reported bank loans exceeds the proportion of bank deposits in the AA. By number, the bank's small business lending market share of 0.05 percent was below the bank's deposit market share of 0.17 percent.

According to 2020 peer data by number, AFNB ranked 56th of 255 small business lenders in the AA. The market consists of both local and national lenders including megabanks and issuers of small business credit cards. The five largest business lenders held 59.7 percent of the market and include mega banks and banks that are issuers of small business credit cards. AFNB is not an issuer of small business credit cards. By total dollar volume, AFNB held 0.25 percent market share. AFNB's average loan size of \$217,000 far exceeds the average loan size of the top five business lenders, which ranged from \$16,000 to \$42,000.

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AAs.

Small Loans to Businesses

Refer to Table Q in the state of Nevada section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination of small loans to businesses.

The distribution of small loans to businesses in LMI geographies is excellent. The bank's proportion of small loans to businesses significantly exceeded the proportion of businesses and aggregate distribution of loans in those geographies.

Lending Gap Analysis

We evaluated the lending distribution in the AA and did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans among businesses of different sizes, given the product lines offered by the institution.

Small Loans to Businesses

Refer to Table R in the state of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination of small loans to businesses.

The bank's distribution of small loans to businesses by revenue is excellent. The bank's proportion of loans was near to the proportion of small businesses and significantly exceeded the aggregate distribution of loans to those businesses.

Community Development Lending

The institution is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

AFNB has made a significant level of CD loans in the Las Vegas-Henderson AA, which has a positive impact on lending performance in Nevada. During the evaluation period, the bank originated eight loans totaling \$13.6 million. AFNB effectively helped meet community credit needs through its CD lending, which primarily supported economic development. A smaller portion of CD lending supported organizations providing community services to LMI individuals and families, as well as affordable housing.

Product Innovation and Flexibility

The institution makes no use of innovative and/or flexible lending practices in order to serve AA credit needs.

Conclusions for Area Receiving a Limited Scope Review

Based on a limited scope review, the bank's performance under the Lending Test in the Nye County AA is weaker than the bank's overall performance under the Lending Test in the full-scope area. There were limited lending opportunities when comparing the population to the amount of land under federal government control. Additionally, loan volume was weaker as a majority of the rated area deposits are in the full-scope AA. Weaker performance had no impact on the overall lending test rating in the state.

Refer to Tables Q and R in the state of Nevada section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

The bank's performance under the Investment Test in Nevada is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Las Vegas-Henderson AA is excellent.

The institution has an excellent level of qualified CD investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits excellent responsiveness to credit and community economic development needs. The institution rarely uses innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Las Vegas-Henderson	0	0	20	1,404	20	66.7	1,404	97.3	0	0
Nye County	0	0	10	39	10	33.3	39	2.7	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

AFNB supports CD investment needs in the Las Vegas-Henderson AA through investments and donations. One investment totaling \$1.3 million supported affordable housing for LMI individuals. AFNB's remaining donations helped support economic development and affordable housing.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Investment Test in the Nye County AA is consistent with the bank's overall performance under the Investment Test in the full-scope area given performance context. Donations helped support economic development and provide community services to LMI individuals.

SERVICE TEST

The bank's performance under the Service Test in Nevada is rated High Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Las Vegas-Henderson AA is good.

Retail Banking Services

Service delivery systems are accessible to geographies and individuals of different income levels in the institution's AAs.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of AFNB Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Las Vegas-Henderson	72.3	2	50.0	0.0	50.0	50.0	0.0	5.0	25.3	39.2	30.3
Nye County	27.7	2	50.0	0.0	0.0	100.0	0.0	0.0	51.7	41.8	6.5

In the Las Vegas-Henderson AA, AFNB has no branches in low-income geographies but the percentage of branches in moderate-income geographies significantly exceed the population levels in those geographies. While the Nye County AA received a limited-scope review, the branch distribution system was consistent with the Las Vegas-Henderson AA.

Distribution of Branch Openings/Closings					
# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
		Low	Mod	Mid	Upp
1	0	0	0	+1	0

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. In the fourth quarter of 2019, AFNB opened one branch in a middle-income geography.

Services, including where appropriate, business hours, do not vary in a way that inconveniences its AA, particularly LMI geographies and/or individuals. All branches offer convenient service hours with lobby access Monday through Friday, but only the Las Vegas branch offers drive through services. Services include traditional banking services such as checking/savings accounts, check cashing, money orders, and cashier's checks. AFNB also offers convenient internet banking, granting customers access to banking activities anytime.

Community Development Services

The institution provides a relatively high level of CD services.

In the Las Vegas-Henderson AA, bank employees provided 265 hours of service to eight organizations. These 21 employees participated in 45 events that assisted in providing community services to LMI individuals. AFNB rarely makes use of innovative services but is responsive to community needs in the AA.

While outside the AAs, one employee served in a leadership role to an organization that supports the whole state of Nevada. This organization provides varying CD activities, but primarily addresses affordable housing needs throughout the state.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Service Test in the Nye County AA is consistent with the bank's overall performance under the Service Test in the full-scope area.

Given the performance context in Nye County, the bank met community needs through CD services. Bank employees provided 102 hours of service to six organizations. These 11 employees participated in 23 events that assisted in providing community services to LMI individuals. One particularly innovative service was providing financial literacy to the community while hosting a mobile dentistry clinic. This enabled the mobile clinic to provide free dental services to LMI youth.

State Rating

State of Texas

CRA rating for the State of Texas: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to credit needs in its AAs;
- An excellent geographic distribution of loans;
- A good distribution of loans by the income level of the borrower;
- A significant level of CD loans;
- A significant level of qualified CD investments and grants;
- A relatively high level of CD services; and
- Readily accessible service delivery systems.

Description of Institution's Operations in Texas

AFNB operates 13 branches in its two AAs in Texas. The Dallas-Fort Worth AA is comprised of Collin, Dallas, Denton, and Tarrant counties, which are located in the Dallas-Fort Worth-Arlington MSA. The Dallas-Fort Worth AA has seven branches, which accounts for 29.3 percent of rated area deposits and 20.5 percent of rated area loan originations. The Houston AA, the most significant AA in the state in terms of lending and deposits, includes Fort Bend and Harris counties. The AA is located in the Houston-The Woodlands-Sugar Land MSA. The Houston AA has six branches, which accounts for 70.7 percent of rated area deposits and 77.5 percent of rated area loan originations.

The state of Texas represents 72.1 percent of bank-wide deposits and 85.3 percent of loan originations reported. As of June 30, 2021, AFNB held deposits totaling \$1.36 billion, which represented 0.12 percent market share and ranked the bank 45th of 314 institutions within Texas AAs. The largest depository institutions were Charles Schwab Bank, SSB, JPMorgan Chase Bank, NA, and Bank of America, NA, which held a combined 66.1 percent market share in the Texas AAs. In the Dallas-Fort Worth AA, AFNB was the 74th largest institution with a market share of 0.05 percent. In the Houston AA, AFNB was the 29th largest institution with a market share of 0.30 percent.

Community Contacts

We identified seven community contacts in Texas. Of the four organizations identified in the Dallas-Fort Worth AA, there was a food bank, a CD corporation, and two economic development councils.

The primary needs identified included financial literacy and job training, financing programs for economic development, and home mortgage assistance. Of the three organizations identified in the Houston AA, one provides youth services such as housing and life skills programs, one provides affordable housing assistance, and one provides small business loans for economic development. The primary needs identified included small dollar loans, CD loan funding, affordable housing, and financial literacy.

Houston AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Houston AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	862	17.3	30.0	22.4	29.5	0.8
Population by Geography	5,014,693	14.0	27.8	25.6	32.3	0.4
Housing Units by Geography	1,876,851	14.8	26.7	24.6	33.6	0.3
Owner-Occupied Units by Geography	985,907	6.4	22.7	27.4	43.4	0.1
Occupied Rental Units by Geography	719,809	23.9	31.3	22.0	22.1	0.7
Vacant Units by Geography	171,135	25.0	30.4	19.0	25.2	0.4
Businesses by Geography	550,024	10.8	18.5	21.4	49.1	0.2
Farms by Geography	7,191	6.9	16.1	24.5	52.3	0.1
Family Distribution by Income Level	1,195,439	25.7	16.4	16.9	41.1	0.0
Household Distribution by Income Level	1,705,716	25.6	16.2	16.8	41.4	0.0
Median Family Income MSA - 26420 Houston-The Woodlands-Sugar Land, TX MSA	\$69,373	Median Housing Value				\$175,476
		Median Gross Rent				\$973
		Families Below Poverty Level				13.7%
<i>Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in Texas

The Houston AA received a full-scope review, as it is the most significant AA based on lending and deposit levels. The rating for Texas was based on both full- and limited-scope reviews. Refer to appendix A for a list of all AAs under review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

LENDING TEST

The bank’s performance under the Lending Test in Texas is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank’s performance in the Houston AA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs. The only product analyzed was small loans to businesses, as home mortgage loans were not a primary product

Number of Loans						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	% Rating Area Loans	% Rating Area Deposits
Houston	72	839	56	967	77.5	70.7
Dallas-Fort Worth	12	237	7	256	20.5	29.3
Broader Statewide	0	0	25	25	2.0	0.0
TOTAL	84	1,076	88	1,248	100	100

Dollar Volume of Loans						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	% Rating Area Loans	% Rating Area Deposits
Houston	54,189	200,538	108,126	362,853	70.8	70.7
Dallas-Fort Worth	2,251	40,926	21,338	64,515	12.6	29.3
Broader Statewide	0	0	85,337	85,337	16.6	0.0
TOTAL	56,440	241,464	214,801	512,705	100	100

*Tables reflect all lending activity, but only full-scope reviews are discussed in the narrative.

The bank originated an excellent volume of loans relative to its capacity based on deposits, competition, market presence, and business strategy. The proportion of reported bank loans exceeds the proportion of bank deposits in the AA. By number, the bank's small business lending market share totaled 0.2 percent, which was slightly below the deposit market share of 0.3 percent.

According to 2020 peer data by number, AFNB ranked 48th of 332 small business lenders in the AA. The market consists of local and national lenders including megabanks and issuers of small business credit cards. The five largest business lenders held 50.5 percent of the market and are issuers of small business credit cards. AFNB is not an issuer of small business credit cards. AFNB's average loan size of \$200,000 exceeds the average loan size of the top business lenders, which ranged from \$15,000 to \$44,000.

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AAs.

Small Loans to Businesses

Refer to Table Q in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination of small loans to businesses.

In the Houston AA, the distribution of small loans to businesses in LMI geographies is excellent. The bank's proportion of small loans to businesses significantly exceeded the proportion of businesses and aggregate distribution of loans in those geographies.

Lending Gap Analysis

We evaluated the lending distribution in the AAs and did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among businesses of different sizes, given the product lines offered by the institution.

Small Loans to Businesses

Refer to Table R in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination of small loans to businesses.

In the Houston AA, the distribution of small loans to businesses by revenue is good. The proportion of loans was slightly below the proportion of small businesses but significantly exceeded the aggregate distribution of loans to those businesses.

Community Development Lending

The institution is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Houston AA

AFNB made a significant level of CD loans, which has a positive impact on lending performance in the state. During the evaluation period, the bank originated 56 loans totaling \$108.1 million. AFNB effectively helped meet community credit needs through its CD lending, which primarily supported economic development. A smaller portion of loans helped organizations provide community services or affordable housing to LMI individuals and families.

Broader Statewide

AFNB originated 25 broader statewide CD loans. The CD loans, totaling \$85.3 million, supported economic development within the state.

Product Innovation and Flexibility

The institution makes no use of innovative and/or flexible lending practices in order to serve AA credit needs.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Lending Test in the Dallas-Fort Worth AA is consistent with the bank's overall performance under the Lending Test in the full-scope area.

Refer to Tables Q and R in the state of Texas section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

The bank's performance under the Investment Test in Texas is rated High Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the Houston AA is good.

The institution has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits good responsiveness to credit and community economic development needs. The institution occasionally uses innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Dallas-Fort Worth	1	695	34	2,865	35	28.2	3,560	41.8	0	0
Houston	3	1,951	86	3,025	89	71.8	4,976	58.2	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

AFNB contributed \$5 million to organizations in the Houston AA. Three investments totaling \$3.9 million supported affordable housing to LMI individuals, two investments totaling \$450,000 provided community services to LMI individuals, and one investment totaling \$150,000 helped revitalize/stabilize LMI areas. The remaining donations primarily benefitted organizations that provide community services to LMI individuals, with a smaller portion supporting economic development, affordable housing, and revitalization/stabilization of disaster areas. While outside the AA, AFNB also made one broader statewide donation to a nonprofit organization that provides programs to combat-wounded heroes and their families throughout the state.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Investment Test in the Dallas-Fort Worth AA is stronger than the bank's overall performance under the Investment Test in the full-scope area. These investments and donations helped support affordable housing, provide community services to LMI individuals, and promote economic development.

SERVICE TEST

The bank's performance under the Service Test in Texas is rated High Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the Houston AAs is good.

Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits % of Rated Area Deposits in AA	Branches						Population			
		# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Dallas – Fort Worth	29.3	7	53.8	14.3	42.9	42.9	0.0	11.7	26.1	27.3	34.8
Houston	70.7	6	46.2	33.3	16.7	16.7	33.3	14.0	27.8	25.6	32.3

In the Houston AA, the percentage of branches in low-income geographies significantly exceeds the population levels in those geographies, while the percentage of branches in moderate-income geographies was below the population levels in those geographies. While the Dallas-Fort Worth AA received a limited-scope review, the branch distribution was stronger than the Houston AA.

Distribution of Branch Openings/Closings					
# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
		Low	Mod	Mid	Upp
1	0	0	0	0	+1

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. In the fourth quarter of 2019, the bank opened one branch in an upper-income geography.

Services, including where appropriate, business hours, are tailored to the convenience and needs of its AAs, particularly LMI geographies and/or individuals. All branches offer convenient lobby hours Monday through Saturday. In the Houston AA, all but one branch offers drive-thru access. Services include traditional banking services such as checking/savings accounts, check cashing, money orders, and cashier's checks. AFNB also offers convenient internet banking, granting customers access to banking activities anytime.

Community Development Services

The institution provides a relatively high level of CD services.

In the Houston AA, bank employees provided a total of 1,404 hours of service to 40 organizations. These 172 employees participated in 286 events that primarily provided community services to LMI individuals. A portion of these events also helped to promote economic development and affordable housing for LMI individuals, as well as one event that supported revitalization/stabilization.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Service Test in the Dallas-Fort Worth AA is consistent with the bank's overall performance under the Service Test in the full-scope area. Bank employees provided 268 hours to 22 organizations. These 40 employees participated in 62 events that primarily assisted in providing community services to LMI individuals. A portion of these events helped promote economic development and affordable housing for LMI individuals, as well as one event that supported revitalization/stabilization.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	January 1, 2019 – December 31, 2021	
Bank Products Reviewed:	Small business loans CD loans, qualified investments, CD services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
MMSA(s)		
None	NA	NA
California		
Los Angeles AA	Full-scope	
Nevada		
Las Vegas-Henderson AA	Full-scope	
Nye County AA	Limited-scope	
Texas		
Dallas-Fort Worth AA	Limited-scope	
Houston AA	Full-scope	

Appendix B: Summary of MMSA and State Ratings

RATINGS		American First National Bank		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
AFNB	Outstanding	High Satisfactory	High Satisfactory	Outstanding
MMSA or State:				
California	Outstanding	High Satisfactory	High Satisfactory	Outstanding
Nevada	Outstanding	Outstanding	High Satisfactory	Outstanding
Texas	Outstanding	High Satisfactory	High Satisfactory	Outstanding

(*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated by all reporting lenders in the state/AA.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. CTs nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other nonvisible features in some instances. CTs ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent core based statistical areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for LMI individuals; community services targeted to LMI individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize LMI geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder’ and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A CT 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 MSA to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

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

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A CT with a median family income that is less than 50 percent.

Market Share: The number of loans originated by the institution as a percentage of the aggregate number of loans originated by all reporting lenders in the state/AA.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a core based statistical area that contains an urbanized population of at least 2.5 million. A metropolitan division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The MSA comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Multistate Metropolitan Statistical Area (MMSA) (state): Any MMSA or multistate combined statistical area, as defined by the Office of Management and Budget.

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 CD as its primary purpose.

Rating Area: A rated area is a state or MMSA. 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 MMSA, the institution will receive a rating for the MMSA.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the consolidated report of condition and income (call report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the call report. These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with noncumulative dividends, retained earnings, and minority interests in the equity accounts of consolidated subsidiaries.

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All MMSAs, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated the same as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/AA. Deposit data are compiled by the Federal Deposit Insurance Corporation and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s AA.

Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated by the bank to businesses with revenues of \$1 million or less to: (1) the percentage distribution of businesses with revenues of greater than \$1 million; and (2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

CALIFORNIA

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2019-2021		
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.		
Los Angeles	59	6,798	100.0	386,037	4.8	1.7	4.8	19.2	54.2	19.2	21.2	28.8	21.4	52.6	15.3	52.7	2.3	0.0	2.0		
Total	59	6,798	100.0	386,037	4.8	1.7	4.8	19.2	54.2	19.2	21.2	28.8	21.4	52.6	15.3	52.7	2.3	0.0	2.0		

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2019-2021	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Los Angeles	59	6,798	100.0	386,037	91.0	81.4	41.7	3.6	6.8	5.5	11.9		
Total	59	6,798	100.0	386,037	91.0	81.4	41.7	3.6	6.8	5.5	11.9		

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

NEVADA

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2019-2021		
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.		
Las Vegas-Henderson	88	21,715	72.1	59,872	3.8	11.4	3.0	20.8	40.9	18.4	38.7	18.2	38.3	36.1	29.5	40.1	0.6	0.0	0.3		
Nye County	34	4,619	27.9	669	0.0	0.0	0.0	52.0	47.1	52.5	44.5	52.9	44.5	3.1	0.0	3.0	0.3	0.0	0.0		
Total	122	26,334	100.0	60,541	3.8	8.2	2.9	21.2	42.6	18.7	38.8	27.9	38.3	35.6	21.3	39.7	0.6	0.0	0.3		

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2019-2021	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Las Vegas-Henderson	88	21,715	72.1	59,872	86.8	78.4	40.4	4.3	15.9	8.9	5.7		
Nye County	34	4,619	27.9	669	83.9	76.5	48.0	3.2	23.5	12.8	0.0		
Total	122	26,334	100.0	60,541	86.8	77.9	40.5	4.3	18.0	8.9	4.1		

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

TEXAS

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2019-2021		
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	Aggt.		
Dallas – Fort Worth	237	40,926	22.0	187,376	7.1	17.3	7.5	18.3	21.9	19.5	25.6	26.2	24.0	48.3	34.6	48.2	0.7	0.0	0.8		
Houston	839	200,538	78.0	166,086	10.8	33.3	11.5	18.5	23.0	18.9	21.4	17.6	22.0	49.1	26.1	47.5	0.2	0.0	0.2		
Total	1,076	241,464	100.0	353,462	8.7	29.7	9.4	18.4	22.8	19.2	23.8	19.5	23.1	48.6	28.0	47.8	0.5	0.0	0.5		

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2019-2021	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggt.	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Dallas – Fort Worth	237	40,926	22.0	187,376	88.4	73.4	37.7	3.6	19.8	8.0	6.8		
Houston	839	200,538	78.0	166,086	88.1	63.4	37.7	4.2	27.7	7.7	8.9		
Total	1,076	241,464	100.0	353,462	88.3	65.6	37.7	3.9	25.9	7.9	8.5		

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*