



## PUBLIC DISCLOSURE

April 25, 2022

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First and Farmers National Bank  
Charter Number 6769

2020 South Highway 27  
Somerset, Kentucky 42501

Office of the Comptroller of the Currency

10200 Forest Green Boulevard  
Suite 501  
Louisville, Kentucky 40223

**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 **Satisfactory**

**The lending test is rated: Satisfactory**

**The community development test is rated: Outstanding**

The major factors that support this rating include:

- The Lending Test rating is based on a reasonable loan-to-deposit (LTD) ratio; a majority of First and Farmers National Bank's (F&F or Bank) lending taking place within its assessment area (AA); excellent geographic distribution of lending by income of the geography; and a reasonable distribution of lending among borrowers of different incomes and businesses of different sizes.
- The Community Development (CD) Test rating is based on outstanding responsiveness to community needs through qualified CD loans, investments, and services.

### Loan-to-Deposit Ratio

Considering the Bank's size, financial condition, and credit needs of the AA, the Bank's LTD ratio is reasonable. F&F's LTD ratio averaged 68.2 percent across 12 quarters since the prior CRA evaluation, with a quarterly high of 72.6 percent and a quarterly low of 64.5 percent. The average LTD ratio is reasonable compared to similarly situated banks with averages between 90.2 percent and 64.3 percent.

### Lending in Assessment Area

A majority of the Bank's loans are inside its AA. The Bank originated 66.7 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. The following table details the Bank's lending within the AA by number and dollar volume during the evaluation period for each loan category.

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	25	62.5	15	37.5	40	4,016	52.8	3,596	47.2	7,612
Small Business	16	80.0	4	20.0	20	455	36.4	796	63.6	1,252
Total	41	66.7	19	33.3	60	4,460	50.3	4,404	49.7	8,864

Source: Random sample of home mortgage and business loans from Bank records that were originated between January 1, 2019 and December 31, 2021. Totals may reflect negligible variances due to rounding.

## Description of Institution

F&F is an intrastate Bank headquartered in Somerset, Kentucky. The Bank is wholly owned by Albany Bancorp, Inc., a single bank holding company located in Somerset, Kentucky. Albany Bancorp is primarily owned, with 35.5 percent ownership, by Pine Knob Holdings, a multibank holding company located in Bowling Green, Kentucky.

The Bank serves its community through 11 branches located in four counties in southeastern Kentucky. The main office<sup>1</sup> is located in Somerset, Kentucky in Pulaski County. There are four<sup>2</sup> additional branches in Pulaski County, three<sup>3</sup> in Adair County, two in Clinton County, and one in Cumberland County. All branches offer automated teller machines (ATMs), 10 offer drive-thru service, and four offer Saturday business hours. The Bank also operates a stand-alone ATM located in the Student Union of Lindsey Wilson College in Adair County.

F&F offers traditional banking products and services for individual consumers and businesses. Its retail products include checking accounts, savings accounts, health savings accounts (HSAs), individual retirement accounts (IRAs), and certificates of deposit (CDs). Its lending products include consumer vehicle secured loans, stock and deposit secured loans, indirect dealer loans, unsecured personal loans, residential purchase, refinance, and construction loans, land secured loans, and home equity lines of credit (HELOCs). Its business lending products include small business loans, commercial loans, agricultural and farm loans, commercial construction loans, commercial lines of credit, and state/county/municipal improvement bonds. The Bank also offers the following services to its customers: free internet, mobile, and text banking, Saturday and drive-thru banking hours, 24-hour drive-thru ATMs, online deposit account opening, free bill pay, and VIP access to telephone banking.

As of the December 31, 2021 call report, F&F reported \$542 million in total deposits, \$355 million in total loans, and \$64 million in tier 1 capital. The loan portfolio breakdown was as follows:

<b>Loan Portfolio Summary by Loan Type</b>		
<b>December 31, 2021</b>		
<b>Loan Category</b>	<b>\$ (000)</b>	<b>% of total loans</b>
Loans Secured by Real Estate	319,687	90.0
Consumer Loans	15,513	4.4
Commercial Loans	16,274	4.6
Agriculture Loans	3,176	.9
Other Loans	322	.1
<b>Total Loans</b>	<b>354,972</b>	<b>100.0%</b>

There are no legal or financial impediments affecting F&F's ability to meet the credit needs of its community. However, the Covid-19 pandemic, beginning in 2020, impacted the local economy, including unemployment. The U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP) provided loans to help businesses keep their workforce employed during the pandemic. F&F participated in this program and originated 1,036 loans, or \$18.2 million, to business and farms within

1 Since the previous evaluation, the main office was moved two miles from the closed location. The change in location did not result in a change of census tract (middle-income).

2 The Grand Central branch was closed as a result of the main office move due to the proximity of the new main office to this branch location.

3 The main Columbia office was moved three miles from the closed location while remaining in the same census tract.

their AA to support community needs. The last CRA evaluation was performed by the Office of the Comptroller of the Currency (OCC) on March 25, 2019. The Bank received a Satisfactory rating.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

We evaluated F&F's CRA performance under the Intermediate Small Bank (ISB) procedures, which includes a lending and CD test. The Lending Test evaluated the Bank's record of meeting the credit needs of its AA through its lending activities from January 1, 2019, through December 31, 2021. The CD test evaluated the Bank's CD lending, qualified investments, and CD service activities for the same period. We used call report data to determine F&F's quarterly LTD ratio. The Lending Test also includes an analysis of primary loan products. Based on an analysis of lending activity, home mortgage and business loans were selected as primary loan products. Conclusions regarding the Bank's lending performance were based on a random sample of primary loan product originations during this period. We also reviewed all CD loans, qualified investments, donations, and CD services submitted by F&F management to evaluate the Bank's responsiveness to the AA's CD needs.

### **Selection of Areas for Full-Scope Review**

The Bank's only AA received a full-scope review. Refer to *Appendix A: Scope of Examination* for a list of products reviewed within the AA.

### **Ratings**

The Bank's overall rating is based on the State of Kentucky rating. The State rating is based on the full-scope review of F&F's single AA. In assessing performance, we placed more weight on the distribution by borrower income levels and business gross annual revenues than the geographic distribution of loans. This was due to no low-income and six moderate-income CTs in the Bank's AA during the evaluation period.

## **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 AA 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 Kentucky

**CRA rating for the State of Kentucky:** Satisfactory

**The Lending Test is rated:** Satisfactory

**The Community Development Test is rated:** Outstanding

The major factors that support this rating include:

- The geographic dispersion of small business loans throughout the Bank's AA is excellent.
- F&F exhibits outstanding responsiveness to CD needs in the AA through CD investments, loans, services, and donations. These CD activities are extensive given the available opportunities in the AA and the Bank's capacity.
- The Bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes.

### Description of Institution's Operations in Kentucky

F&F operates within a single AA in the state of Kentucky. The AA includes the entire counties of Adair, Clinton, Cumberland, and Pulaski. The AA meets the requirements of the regulation and does not arbitrarily exclude low- and moderate-income (LMI) geographies.

The total population for the AA is 99,482. The four counties consist of 26 CTs with no low-income tracts, six moderate-income tracts, 18 middle-income tracts, and two upper-income tracts. All middle-income tracts in Adair, Clinton, and Cumberland Counties were designated as *distressed* by the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation (FDIC), and OCC in 2019, 2020, and 2021. All middle-income tracts in Pulaski County were designated as *distressed* in 2019 and 2021 but not in 2020. Clinton and Cumberland Counties were also designated as *underserved* throughout the evaluation period. Annual designations of *distressed* or *underserved* nonmetropolitan middle-income geographies are determined based on rates of poverty, unemployment, and population loss or population size, density, and dispersion.

Economic conditions in the AA prior to the Covid-19 pandemic were similar to conditions in the state of Kentucky. The unemployment level at the beginning of 2020 for the AA was between 4.4 and 6.0 percent and had remained stable throughout 2019. The state of Kentucky was 4.7 percent at the beginning of 2018 and decreased to 3.7 percent at the end of 2019. At the peak of the pandemic in April 2020, the unemployment rates were 16.4, 8.1, 9.1, and 18.0 percent for Adair, Clinton, Cumberland, and Pulaski Counties, respectively. The state of Kentucky peaked at 16.7 percent. The December 2021 unemployment rate improved significantly for all four counties and were down to a range between 3.5 and 5.0 percent.

Competition in the AA is strong. The FDIC Deposit Market Share Report indicates F&F has 22.5 percent of the market share, ranking first with \$525 million in deposits as of June 30, 2021. There are an additional 15 financial institutions operating 33 branches in the Bank's AA. Primary competitors include The Citizens National Bank of Somerset (seven branches, 19.3 percent market share), Cumberland Security Bank, Inc. (four branches, 9.9 percent market share), and The Monticello Banking Company (three branches, 9.6 percent market share).

Opportunities for reinvestment include support of organizations that provide services for low- and moderate-income families. As part of this evaluation, we contacted Lake Cumberland Community Action Agency. Emergency services, such as utility assistance and food, is the most requested service of their agency. They also identified the need for low-cost funding to promote and support the creation of affordable housing and living wage jobs as significant needs. Community contact indicated local banks are active in meeting community credit needs.

The following table shows demographic information covering F&F's AA of Adair, Clinton, Cumberland, and Pulaski Counties.

### Non-MSA including Adair, Clinton, Cumberland, and Pulaski Counties

Table A – Demographic Information of the Assessment Area						
Assessment Area: Adair, Clinton, Cumberland, and Pulaski Counties						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	26	0.0	23.1	69.2	7.7	0.0
Population by Geography	99,482	0.0	16.8	71.4	11.8	0.0
Housing Units by Geography	48,715	0.0	20.0	69.4	10.5	0.0
Owner-Occupied Units by Geography	27,719	0.0	17.5	70.3	12.3	0.0
Occupied Rental Units by Geography	11,523	0.0	15.4	73.7	10.8	0.0
Vacant Units by Geography	9,473	0.0	33.2	61.7	5.1	0.0
Businesses by Geography	7,476	0.0	13.6	72.1	14.3	0.0
Farms by Geography	473	0.0	15.9	75.3	8.9	0.0
Family Distribution by Income Level	26,478	25.8	16.9	19.6	37.7	0.0
Household Distribution by Income Level	39,242	29.4	14.8	16.3	39.5	0.0
Median Family Income Non-MSAs - KY		\$45,986	Median Housing Value			\$93,542
			Median Gross Rent			\$554
			Families Below Poverty Level			19.1%
<i>Source: 2015 ACS and 2021 D&amp;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>						

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KENTUCKY

### LENDING TEST

The Bank's performance under the Lending Test in Kentucky is rated Satisfactory.

### **Distribution of Loans by Income Level of the Geography**

The Bank exhibits excellent geographic distribution of loans in the state.

#### ***Home Mortgage Loans***

Refer to Table O in *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations and purchases.

Lending to geographies of different income levels reflects reasonable dispersion. The Bank originated 12.5 percent of loans in moderate-income CTs. This is below the 17.5 percent of moderate-income tracts but above the 10.5 percent aggregate. The majority of the Bank's loans were made in middle-income CT however, all middle-income tracts were noted as being distressed and/or underserved.

#### ***Small Loans to Businesses***

Refer to Table Q in *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the geographic distribution of the Bank's originations and purchases of small loans to businesses.

F&F's lending reflected excellent dispersion of loans to small businesses across geographies in the Bank's AA. The Bank originated 55.0 percent of small business loans in moderate-income CTs exceeding both the demographic comparators (13.6 percent) and aggregate data (12.8 percent). This figure includes consideration of the PPP loans originated by the Bank during the evaluation period.

### **Distribution of Loans by Income Level of the Borrower**

The Bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes.

#### ***Home Mortgage Loans***

Refer to Table P in *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations and purchases.

Lending to low- and moderate-income borrowers in the AA is reasonable. The Bank originated 4.2 percent of loans to low-income borrowers. While this is below the 25.8 percent of families, it is above the 3.3 percent aggregate. F&F originated 16.7 percent of loans to moderate-income borrowers consistent with the demographic comparator of 16.9 percent and above the 14.0 percent aggregate.

There are local factors contributing to the Bank's performance of originating loans to low-income families compared to the percentage of low-income families in the AA. There are 25.8 percent of households below the poverty level. Rental units comprise approximately 26.6 percent of the total housing units in the AA giving low-income families more feasible options for housing. Furthermore, the \$6.8 million in residential loans to LMI borrowers sold on the secondary market are not included in Table P in *Appendix D*.

### ***Small Loans to Businesses***

Refer to Table R in *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the borrower distribution of the Bank's originations and purchases of small loans to businesses.

F&F's distribution of loans to businesses of different sizes is excellent. The Bank originated 75.0 percent of loans to businesses with revenues of less than \$1 million. While this is below the 85.2 percent of small businesses in the AA, it is greater than the aggregate lending comparator of 32.9 percent. Of the loans originated, there are 15.0 percent with revenues not reported due to the loan originations being a part of the SBA's PPP loan program in which gross revenue information was not required to be obtained to provide funding to businesses.

### **Responses to Complaints**

F&F did not receive any written complaints regarding its CRA performance during the evaluation period.

## **COMMUNITY DEVELOPMENT TEST**

The Bank's performance under the Community Development Test in the state of Kentucky is rated Outstanding.

### **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the Bank exhibits excellent responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, as appropriate, considering the Bank's capacity and the need and availability of such opportunities for community development in the Bank's assessment area.

### **Number and Amount of Community Development Loans**

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the Bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Business	9	23.7	\$5,448	43.1
Non-Profit	2	5.3	\$300	2.4
Rental Housing	27	71.1	\$6,884	54.5
Total	38	100.0	\$12,632	100.0

F&F demonstrated outstanding responsiveness to the CD needs of the AA through community development loans. During the evaluation period, the Bank originated 38 qualifying CD loans totaling \$12.6 million. Of these loans, 23.7 percent were made to support small businesses in the AA, providing 124 jobs and supporting income based childcare services for LMI individuals. Two loans were made to Lindsey Wilson College and Community Medical Services, supporting LMI individuals with continuing education and medical services. The majority of loans, by volume, were made to support LMI rental housing in the AA. Of the 360 housing units financed by these loans, 349 were in moderate income areas and all were priced below the HUD Fair Market Rent for their respective counties.

### Number and Amount of Qualified Investments

F&F's amount of qualified CD investments continue to demonstrate outstanding responsiveness to the development needs in the AA.

During the evaluation period, the Bank purchased 18 school district bonds totaling \$4.2 million. These bonds were used to finance revitalization efforts in schools in the AA with a majority enrollment from LMI families. The Bank also maintains 12 school district bonds totaling \$3.0 million since the last evaluation, also providing financing for schools with a majority enrollment from LMI families.

The Bank purchased 19 bonds that supported communities both inside and outside the AA totaling \$39.8 million. These investments were made in the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank, and the Federal Farm Credit Bank.

F&F made \$276,355 in donations. Of these donations, \$198,816 were made to qualified organizations; notably Somerset-Pulaski Economic Development Authority, Lindsey Wilson College, and Project 58:10 which provides food for children in low-income families.

Assessment Area	Prior Period*		Current Period		Total			
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$
In	12	\$2,964	18	\$4,155	30	58.7	\$7,119	15.2
In and Out			19	\$39,794	19	41.3	\$39,794	84.8

\* 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.

### Extent to Which the Bank Provides Community Development Services

F&F's CD services reflect outstanding responsiveness in meeting community needs within its AA. The Bank's size in relation to the size of its AA as well as the needs within the communities in the AA were considered in evaluating F&F's CD services.

The Bank offered a wide array of secondary market loans during the evaluation period. These loans totaled \$6.8 million, including \$1.6 million in VA loans, \$2.7 million in FHA loans, and \$2.5 million in RHS loans. F&F participated in multiple programs to assist LMI individuals including the SBA's PPP, COVID-19 Deferrals, the Kentucky Unemployment Bridge Loan Program, and the Federal Home Loan

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

Bank Welcome Home Program. The Bank also offers free internet and mobile banking as well as free interest-bearing checking accounts, improving banking access for LMI individuals.

Senior management and employees of F&F provided additional CD services in the AA. Three employees volunteered in the Reality Store program, providing financial literacy education to schools in the AA with a majority enrollment of LMI students. Multiple employees also served as Board members in local organizations supporting local small business development and LMI families. Some of the notable Board memberships include Over My Head, Habitat for Humanity, Columbia-Adair County Economic Development Authority, Cumberland County Hospital, Somerset-Pulaski Rotary Club, and the Chambers of Commerce for Albany, Somerset-Pulaski County, Columbia-Adair County, and Burkeville. Over My Head provides transition support to homeless individuals. Habitat for Humanity provides housing and home ownership support to LMI families. Cumberland County Hospital provides medical treatment and support for LMI families. Each named Chamber of Commerce and the Columbia-Adair County Economic Development Authority provide training and support for developing small businesses in the AA.

## Appendix A: Scope of Examination

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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 MSA(s) and non-MSA(s) 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”.

<b>Time Period Reviewed:</b>	01-01-2019 to 12-31-2021	
<b>Bank Products Reviewed:</b>	Home mortgage and small business loans Community development loans, qualified investments, and community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
<i>Not Applicable</i>		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
Kentucky		
Non-MSA	Full-Scope	Adair, Clinton, Cumberland, and Pulaski Counties

## Appendix B: Summary of MMSA and State Ratings

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RATINGS: First and Farmers National Bank			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
First and Farmers National Bank	Satisfactory	Outstanding	Satisfactory
MMSA or State:			
Kentucky	Satisfactory	Outstanding	Satisfactory

(\*) The Lending Test and Community Development Test carry equal weight in the overall rating.

## Appendix C: Definitions and Common Abbreviations

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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 and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**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. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts 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 low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income 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 non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder’ and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

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

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), 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 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

**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 census tract with a median family income that is less than 50 percent.

**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 state/assessment area.

**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 (FFIEC) 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:** 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 Metropolitan Statistical Area 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.

**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.

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

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) 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 Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

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

**Upper-Income:** Individual income 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

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, 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 are treated 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/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> 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 O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- 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 and purchased 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 assessment area.
- 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 and purchased 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.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																<b>2019-2021</b>		
Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
#	\$	% of Total	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Non-MSA	24	4,004	100	0.0	0.0	0.0	17.5	12.5	10.5	70.3	79.2	66.3	12.3	8.3	23.2	0.0	0.0	0.0

*Source: 2015 ACS Census; 01/01/2019 - 12/31/2021 Bank Data, 2020 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																<b>2019-2021</b>		
Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
#	\$	% of Total	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	
Non-MSA	24	4,004	100	25.8	4.2	3.3	16.9	16.7	14.0	19.6	12.5	19.6	37.7	66.7	42.4	0.0	0.0	20.7

*Source: 2015 ACS Census; 01/01/2019 - 12/31/2021 Bank Data, 2020 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%*

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																<b>2019-2021</b>		
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	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Non-MSA	20	500	100	0.0	0.0	0.0	13.6	55.0	12.8	72.1	45.0	74.0	14.3	0.0	13.2	0.0	0.0	0.0

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

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2019-2021</b>	
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	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Non-MSA	20	500	100	851	85.2	75.0	32.9	4.1	10.0	10.8	15.0	

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