



PUBLIC DISCLOSURE

August 22, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First National Bank in Port Lavaca
Charter Number 14821

1011 Highway 35 Bypass South
Port Lavaca, TX 77979

Office of the Comptroller of the Currency

Houston Office
909 Fannin Street
Suite 1900
Houston, TX 77010

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 major factors that support this rating include:

- The quarterly average loan to deposit (LTD) ratio is reasonable given the bank's size, financial condition, market focus, competition, and lending opportunities in the assessment area (AA).
- A substantial majority of the bank's loans, 83 percent by number and 71 percent by dollar volume, were made inside the AA.
- Distribution of loans is reasonable among individuals of different income levels and to businesses of different sizes, given the bank's performance context.
- Distribution of loans is reasonable among households of different income levels and to businesses of different sizes, given the bank's performance context.
- There were no Community Reinvestment Act (CRA) related complaints during the evaluation period.

Loan to Deposit Ratio

Considering the bank's size, financial condition, and the credit needs of the AA, the LTD ratio is reasonable.

The bank's average quarterly ratio of 56 percent is slightly lower than other similarly sized and situated institutions. However, the bank's LTD ratio is reasonable given the bank's performance context and capacity to lend in its AAs. The ratio ranged between 52 and 57 percent since the last evaluation. We reviewed four similarly situated institutions and noted an average LTD ratio of 84 percent, ranging between a low 66 percent and a high of 96 percent.

It is important to consider that the bank has public funds on deposit which are unavailable for lending. As of December 31, 2021, these funds made up 18 percent of total deposits. This does negatively affect the LTD ratio and therefore we exclude these funds from the bank's total deposits for our calculation. This resulted in an average ratio of 64 percent which in turn is comparable to the peer institution's low average LTD.

Lending in Assessment Area

A substantial majority of the bank's loans are inside its AA.

The bank originated 83 percent of the sampled loans inside the bank's AA during the evaluation period. We relied on a sample of 878 loans, originated since January 1, 2019. This included a sample of loans made under the Small Business Administration's Paycheck Protection Program (PPP), which was established by the Coronavirus Aid, Relief, and Economic Security Act, or CARES Act, to provide loans to small businesses in order to keep workers on the payroll during disruptions caused by the pandemic. Our small business loans sample was adjusted and limited to those for which income information was available for consideration.

This analysis is performed at the bank, rather than the AA, level. The following table reflects the distribution of loans, by number and dollar volume, as originated in or out of the AA.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans \$(000s)				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	\$	%	\$	%	\$(000s)
Commercial	103	81.1	24	18.9	127	\$8,082	68.7	\$3,682	31.3	\$11,764
Residential	324	78.8	87	21.2	411	\$63,619	70.6	\$26,433	29.4	\$90,052
Consumer	199	90.5	21	9.6	220	\$2,866	81.1	\$688	18.9	\$3,534
PPP	106	88.3	14	11.7	120	\$4,001	93.5	\$278	6.5	\$4,279
Total	732	83.4%	146	16.6%	878	\$78,568	71.7%	\$31,081	28.4%	\$109,629
<i>Source: Evaluation Period: 1/1/2016 - 12/31/2018 Bank Data Due to rounding, totals may not equal 100.0</i>										

Description of Institution

The FNB in Port Lavaca (FNB) is an independent, full-service community bank, the majority of which is owned by Bauer Management Inc., a privately held company chartered in 1999. The main office is located at 1101 South Highway 35 By-Pass in Port Lavaca, Texas. There are three additional branches located in Seadrift, Port O'Connor, and Victoria, Texas. Hours vary by location to meet the needs of the community. All locations operate automated teller machines and offer a variety of depository products and services. Online and mobile banking is also available 24 hours daily.

FNB offers a full range of credit products including, but not limited to, commercial, consumer, real estate, and agriculture loans. As of June 30, 2022, FNB reported total assets of \$389 million and tier 1 capital of \$40 million. During the same period, loans and leases totaled \$204 million. The loan portfolio is primarily composed of residential real estate loans totaling \$182 million, or 89 percent, of total loans. The remainder of the portfolio consists of commercial loans totaling \$12 million, or 6 percent; consumer loans totaling \$7 million, or 3 percent; and agricultural loans, totaling \$3 million, or approximately 1 percent of total loans.

Competition is strong with 14 other financial institutions in its AA. The 2021 Deposit Market Share Report notes 31 branches operating in its AA. FNB held deposits totaling \$334 million, which represented 11 percent market share, placing the bank at third in ranking within its AA. The two leading banks with the largest market share percentages are Prosperity Bank and Wells Fargo Bank, N.A. which held a combined 70 percent market share in the AA.

FNB has two AAs comprised of 29 census tracts (CTs) located in Calhoun and Victoria counties. The main office is located in an upper-income CT while the remaining three branches are located in middle-income CTs. Boundaries consists of county lines or major thoroughfares, and do not arbitrarily exclude any low- or moderate-income (LMI) areas or reflect illegal discrimination.

There are no legal or financial factors impeding the bank's ability to meet the credit needs of its AA. There were no branch openings or closings during the evaluation period. The last CRA evaluation dated July 29, 2019, resulted in a satisfactory rating.

Scope of the Evaluation

Evaluation Period/Products Evaluated

FNB was evaluated under the Small Bank CRA evaluation procedures, which include a Lending Test. This test analyzes the bank's record of meeting the credit needs of its AAs through lending activities.

The scope of the evaluation covered the time period from July 29, 2019, the date of the last examination, to December 31, 2021. We utilized call report information to review loan products for the evaluation period. To evaluate FNB's lending performance, we relied on the Home Mortgage Disclosure Act (HMDA) Loan Application Register for residential loans and selected a random sample of commercial and consumer loans. The table below depicts the bank's loan portfolio.

As of December 30, 2021				
Product Type	Percent of Loan Portfolio by Dollar Volume		Percent of Loan Portfolio by Number of Loans	
	\$(000)	%	#	%
Commercial	\$55,223	28.7	253	14.6
Consumer	\$422	3.2	429	24.8
Residential	\$110,983	57.8	792	45.7
<i>Source: December 31, 2021, Report of Condition</i>				
<i>**PPP loans are included in the Commercial totals.</i>				

Additionally, we evaluated the bank's LTD ratio. To do this, we reviewed four similarly situated institutions. These banks are also selected based on comparable asset size.

Selection of Areas for Full-Scope Review

FNB has two AAs consisting of all CTs within Victoria and Calhoun counties. The bank has properly defined its AAs in accordance with the technical requirements of CRA regulations. The AAs consist of whole CTs, do not arbitrarily exclude LMI CTs, and include CTs where the bank's offices are located, and where the majority of its loans are originated. The AAs do not reflect illegal discrimination.

Ratings

Ratings for this CRA evaluation are based on the results of a full-scope review of the bank's AA.

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 (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC does not have public information regarding non-compliance with statutes and regulations prohibiting discriminatory or other illegal credit practices with respect to this institution. In determining this institution's overall CRA rating, the OCC has considered information that was made available to the OCC on a confidential basis during its consultations.

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 Texas

CRA rating for the State of Texas: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- A substantial majority of the bank's loans, 83 percent by number and 71 percent by dollar volume, were made inside the AA.
- Distribution of loans is reasonable among individuals of different income levels and to businesses of different sizes, given the bank's performance context.
- Distribution of loans is reasonable among households of different income levels and to businesses of different sizes given the bank's performance context.

Description of Institution's Operations in Texas

Competition is strong with 14 other financial institutions in the AA. The 2021 Deposit Market Share Report notes 31 branches operating in the AA. FNB held deposits totaling \$334 million, which represented an 11 percent market share, placing the bank at third in ranking within the AA. The two leading banks with the largest market share percentages are Prosperity Bank and Wells Fargo Bank, N.A. which held a combined 70 percent market share in the AA. There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AA.

Scope of Evaluation in Texas

A full-scope review was performed on the bank's AA for the evaluation period covering July 29, 2019, the date of the last examination, to December 31, 2021.

Community Contact

We contacted a representative from an economic development corporation in the bank's AA. It was stated that there are opportunities for financial institutions in the area to continue to serve the residents of the AA. The organization's emphasis is on the recruitment of new businesses, both international and domestic, for the purpose of creating jobs. The organization also retains and expands existing businesses by assisting with exports, strategic alliances, new project development, and workforce development. The representative stated credit opportunities in Victoria and the surrounding areas include home loans, particularly affordable housing, and small business loans.

Refer to the table in Appendix A for the time period covered, affiliate activities, and loan products considered.

Calhoun AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Port Lavaca Calhoun County						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	6	0.0	16.7	16.7	50.0	16.7
Population by Geography	21,666	0.0	19.9	17.1	63.0	0.0
Housing Units by Geography	11,606	0.0	15.4	28.9	55.8	0.0
Owner-Occupied Units by Geography	5,663	0.0	17.9	18.9	63.1	0.0
Occupied Rental Units by Geography	2,331	0.0	23.4	13.4	63.2	0.0
Vacant Units by Geography	3,612	0.0	6.2	54.4	39.4	0.0
Businesses by Geography	1,185	0.0	12.2	16.3	71.6	0.0
Farms by Geography	54	0.0	3.7	14.8	81.5	0.0
Family Distribution by Income Level	5,590	17.2	16.0	16.0	50.7	0.0
Household Distribution by Income Level	7,994	18.7	13.9	17.1	50.3	0.0
Median Family Income Non-MSAs - TX		\$52,198	Median Housing Value			\$108,408
			Median Gross Rent			\$775
			Families Below Poverty Level			14.4%
<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>						

Victoria AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Port Lavaca Victoria AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	23	4.3	34.8	30.4	26.1	4.3
Population by Geography	90,099	3.7	34.9	25.6	35.9	0.0
Housing Units by Geography	35,876	3.4	34.2	25.6	36.7	0.0
Owner-Occupied Units by Geography	21,403	2.2	26.6	24.5	46.7	0.0
Occupied Rental Units by Geography	11,107	5.6	48.0	25.4	21.0	0.0
Vacant Units by Geography	3,366	4.0	37.3	33.5	25.3	0.0
Businesses by Geography	6,851	2.2	33.8	25.0	38.9	0.1
Farms by Geography	232	0.9	16.4	31.9	50.9	0.0
Family Distribution by Income Level	23,051	23.4	16.9	18.0	41.6	0.0
Household Distribution by Income Level	32,510	23.3	16.6	18.2	41.9	0.0
Median Family Income MSA - 47020 Victoria, TX MSA		\$60,302	Median Housing Value			\$117,929
			Median Gross Rent			\$791
			Families Below Poverty Level			12.4%
<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>						

LENDING TEST

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

Conclusions for Areas Receiving a Full-Scope Review

The bank's performance under the Lending Test in the Calhoun AA is rated Satisfactory.

Calhoun AA

For our evaluation, we considered the following factors:

- There are no low-income CTs in the Calhoun AA.
- Only 17 percent of the AA is composed of moderate-income CTs.
- The Calhoun AA primarily consists of upper-income CTs (67 percent).
- The sample selection of small business loans was limited to those of which income information was available for consideration.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans to borrowers in the full-scope AA.

Home Mortgage Loans

Geographic distribution of residential loans is reasonable. There were no owner-occupied housing units located within low-income CTs; therefore, there was no lending activity. As the bank has only one moderate-income CT in this AA, the percentage of loans originated was significantly below the demographic comparator; however, the percentage of loans originated exceeded the aggregate comparator.

Refer to Table O in appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Small Loans to Businesses

Geographic distribution of business loans is reasonable. There were no businesses located within low-income CTs; therefore, there was no lending activity. The percentage of loans originated in moderate-income CTs is below, yet comparable, to both the demographic and aggregate comparators.

Additionally, we considered the following activity for the geographic distribution of PPP loans. The percentage of loans originated in the bank's moderate-income CT is below both the demographic and aggregate comparators.

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 originations and purchases of small loans to businesses.

Consumer Loans

Geographic distribution of consumer loans is reasonable. There were no low-income households located within the low-income CTs; therefore, there was no lending activity. The percentage of loans originated in moderate-income areas CTs is significantly below the demographic comparator but comparable to the aggregate comparator.

Refer to Table U in appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

Distribution of Loans by Income Level of the Borrower

The bank exhibits reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

Home Mortgage Loans

The distribution of residential loans to individuals of different income levels is reasonable. The percentage of residential loans originated to LMI borrowers is significantly below the demographic comparator but near the aggregate comparator. We considered that the Federal Financial Institutions Examination Council's (FFIEC) Median income was \$60,302, while noting that median housing was valued at \$117,929. This is indicative of families facing difficulties to qualify for home purchase loans.

Refer to Table P in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Small Loans to Businesses

Distribution of businesses of different sizes is excellent. During the evaluation period, 75 percent of the bank's business loans were made to small businesses. This is slightly below the demographic comparator but significantly exceeds the aggregate comparator.

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 originations and purchases of small loans to businesses.

Consumer Loans

Distribution of consumer loans to individuals of different income levels is reasonable. Although the percentage of consumer loans originated to low- and moderate-income borrowers is significantly lower than the demographic comparator, we considered census data which reflects that 14.4 percent of households in the assessment area had an income that was determined to be below poverty level. Therefore, these customers are typically unable to meet credit underwriting standards. We also considered that 27 percent of our loan sample did not include income information for the borrowers selected.

Refer to Table V in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

Victoria AA

The bank's performance under the Lending Test in the Victoria AA is rated Satisfactory.

For our evaluation, we considered the following factors:

- There is only one low-income CT in the Victoria AA.
- The Victoria AA primarily consists of middle- and upper-income CTs (56 percent).
- The sample selection of small business loans was limited to those of which income information was available for consideration.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans to borrowers in the full-scope AA.

Home Mortgage Loans

Geographic distribution of residential loans is reasonable. Although the bank only has one low-income CT in this AA, the percentage of loans originated in this CT exceeded both the demographic and aggregate comparators. The percentage of loans in moderate-income CTs were near the demographic and aggregate comparators.

Refer to Table O in appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Small Loans to Businesses

Geographic distribution of business loans is reasonable. During the evaluation period the bank did not originate any commercial loans in low-income geographies. The percentage of business loans originated to moderate-income borrowers is significantly lower than the demographic and aggregate comparators.

However, we considered the following activity for the geographic distribution of PPP loans. During the evaluation period the bank did not originate any PPP loans in low-income geographies. The percentage of loans originated in moderate-income CTs significantly exceeds both the demographic and aggregate comparators.

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 originations and purchases of small loans to businesses.

Consumer Loans

Geographic distribution of consumer loans is reasonable. During the evaluation period the bank did not originate any consumer loans in low-income geographies. The percentage of loans originated to moderate-income borrowers is significantly lower than the demographic comparator. However, we considered census data which reflects that 12.4 percent of households in the AA had an income that was determined to be below poverty level. Therefore, these customers may often be unable to meet credit underwriting standards.

Refer to Table U in appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

Distribution of Loans by Income Level of the Borrower

The bank exhibits reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

Home Mortgage Loans

Distribution of residential loans to individuals of different income levels is reasonable. The percentage of residential loans originated to LMI borrowers is significantly below the demographic comparators, yet near the aggregate comparators. We considered that the FFIEC Median income was \$60,302, while noting that median housing was valued at \$117,929. This is indicative of families facing difficulties to qualify for home purchase loans.

Refer to Table P in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Small Loans to Businesses

Distribution of loans to small businesses is excellent. During the evaluation period, 79 percent of the bank's business loans were made to small businesses. This is slightly below the demographic comparator, but significantly exceeds the aggregate comparator.

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 originations and purchases of small loans to businesses.

Consumer Loans

Distribution of consumer loans to individuals of different income levels is reasonable. The percentage of consumer loans originated to LMI borrowers is significantly lower than the demographic comparator. However, we considered that census data states that 12.4 percent of households in the AA had income that was determined to be below poverty level. Therefore, these customers may often be unable to meet credit underwriting standards. We also noted that 36 percent of our loan sample did not include income information for the borrowers.

Refer to Table V in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

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:	01/01/2019 to 12/31/2021	
Bank Products Reviewed:	Home Mortgage; Commercial (including PPP); Consumer	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	None	None
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Texas	Full-scope	Calhoun and Victoria Counties

Appendix B: Summary of State Ratings

RATINGS – First National Bank	
Overall Bank:	Lending Test Rating
First National Bank in Port Lavaca	Satisfactory
Texas:	
Victoria AA	Satisfactory
Calhoun AA	Satisfactory

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 and purchased 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 and purchased 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 low- or moderate-income 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 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 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 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 CT 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 and purchased 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 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 (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.

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 multistate MSA (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 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

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 are treated as originations and purchases; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased and purchased by all HMDA or CRA-reporting lenders in the 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 performance evaluation.

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/AA. 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 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 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.

Table U. Assessment Area Distribution of Consumer 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 households in those geographies.

Table V. Assessment Area Distribution of Consumer 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 households by income level in each MMSA/AA.

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% 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
Calhoun AA	240	45,175	74.1	506	0.0	0.0	0.0	17.9	9.2	5.1	18.9	34.2	34.6	63.1	56.7	60.3	0.0	0.0	0.0
Victoria AA	84	18,444	25.9	2,701	2.2	2.4	1.1	26.6	19.0	20.2	24.5	28.6	23.9	46.7	50.0	54.8	0.0	0.0	0.0
Total	324	63,619	100.0	3,207	1.7	0.6	0.9	24.8	11.7	17.8	23.3	32.7	25.6	50.2	54.9	55.7	0.0	0.0	0.0

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

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Calhoun AA	240	45,175	74.1	506	17.2	0.8	1.0	16.0	4.6	5.3	16.0	10.4	11.1	50.7	77.9	67.6	0.0	6.3	15.0
Victoria AA	84	18,444	25.9	2,701	23.4	1.2	3.0	16.9	6.0	11.6	18.0	10.7	19.3	41.6	63.1	40.6	0.0	19.0	25.6
Total	324	63,619	100.0	3,207	22.2	0.9	2.7	16.7	5.6	10.6	17.7	10.8	18.0	43.4	73.1	44.8	0.0	9.6	23.9

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

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	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Calhoun AA	51	4,620	24.5	323	0.0	0.0	0.0	12.2	5.8	10.8	16.3	29.4	21.1	71.6	64.7	68.1	0.0	0.0	0.0
Calhoun AA PPP	76	3,047	36.5	323	0.0	0.0	0.0	12.2	6.58	10.8	16.3	32.9	21.1	71.6	60.5	68.1	0.0	0.0	0.0
Victoria AA	52	1,432	25.0	2,154	2.2	0.0	2.6	33.8	17.3	32.4	25.0	30.8	23.4	38.9	51.9	41.6	0.1	0.0	0.0
Victoria AA PPP	29	930	13.9	2,154	2.2	0.0	2.6	33.8	31.0	32.4	25.0	31.0	23.4	38.9	37.9	41.6	0.1	0.0	0.0
Total	208	10,029	100.0	2,477	1.9	0.0	2.3	30.6	11.6	29.6	23.7	30.1	23.1	43.8	58.3	45.1	0.1	0.0	0.0

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%

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
Calhoun AA	51	4,620	49.5	323	79.9	74.5	44.0	4.9	25.5	15.2	0.0
Victoria AA	52	1,432	50.5	2,154	81.8	78.9	38.9	4.6	21.1	13.6	0.0
Total	103	6,052	100.0	2,477	81.6	76.7	39.5	4.6	23.3	13.8	0.0

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 U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2019-2021	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Calhoun AA	139	1,611	69.9	0.0	0.0	19.5	7.9	17.3	50.4	63.1	41.7	0.0	0.0	
Victoria AA	60	1,255	30.1	3.3	0.0	33.9	23.3	24.8	36.7	37.9	40.0	0.0	0.0	
Total	199	2,866	100.0	2.7	0.0	31.1	15.6	23.3	43.6	42.9	40.9	0.0	0.0	

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

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2019-2021	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Calhoun AA	139	1,611	69.9	18.7	9.4	13.9	7.9	17.1	17.3	50.3	35.9	0.0	26.7	
Victoria AA	60	1,255	30.1	23.3	8.3	16.6	10.8	18.2	8.3	41.9	58.3	0.0	20.0	
Total	199	2,866	100.0	22.4	8.9	16.1	7.9	17.9	12.8	43.6	47.1	0.0	23.4	

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