PUBLIC DISCLOSURE

February 18, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Ozarks Federal Savings and Loan Association
Charter Number: 701283

2 East Columbia Street
Farmington, MO 63640

Office of the Comptroller of the Currency

500 N. Broadway, Suite 1700
St. Louis, MO 63102

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: Satisfactory

The Lending Test is rated: Satisfactory.

Ozarks Federal Savings & Loan Association's (Federal Savings Association or FSA) Community Reinvestment Act (CRA) performance is satisfactory. We based our conclusions solely on lending activities. The major factors that support the rating for the FSA include:

- The average loan-to-deposit ratio is more than reasonable given the FSA's size, financial condition, and level of local competition.

- A majority of the FSA's loans are originated within the assessment areas (AA).

- The FSA has a reasonable distribution to borrowers of various income levels throughout the AAs.

- The FSA's geographic distribution of loans across geographies of different income levels is reasonable throughout the AAs.

- There were no consumer complaints with respect to the FSA's CRA performance.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: 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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include 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 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, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/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. 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

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**.**

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

Rated Area: A rated area is a state or multi-state metropolitan 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 area, the institution will receive a rating for the multi-state metropolitan 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 One 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.

Description of Institution

The FSA is an intrastate savings and loan association headquartered in Farmington, Missouri. Operating as a mutual association, all holders of the FSA's deposit accounts and other authorized accounts are included as members. There were no affiliate or subsidiary activities considered in this evaluation.

The FSA operates five branches that offer a full range of banking products and services to its customers. This includes deposit and loan products, as well as ATM/Debit cards, wire transfers, internet banking (including bill pay) and mobile banking. The FSA has not opened or closed any branches since the last performance evaluation. Additionally, there have been no major changes in the FSA's corporate structure, including merger or acquisition activities.

As of December 31, 2017, the FSA had total assets of $238 million, total loans of $189 million, total deposits of $193 million and common equity tier 1 capital of $35 million or 21 percent of total risk weighted assets. The FSA's net loans and leases totaled $188 million and represented 79 percent of total assets. Loan portfolio composition as of December 31, 2017, includes the following:

Loan Type	Dollars (000)	Percentage of Loan Portfolio
Residential Loans	$ 176,027	93%
Commercial Loans	$ 12,564	6.6%
Consumer Loans	$ 581	<1%
Agricultural Loans	$ 70	<1%
Total Loans	**$ 189,242**	**100%**
Source: 12/31/2017 FFIEC Call Report		

The FSA's business strategy is that of a traditional savings and loan, with residential lending as a primary focus. There are no legal, financial, or other factors impeding the FSA's ability to help meet the credit needs in its AAs. The FSA's last CRA performance evaluation was on August 12, 2013. Utilizing Small Bank CRA examination procedures, the OCC concluded that the FSA's performance was "Satisfactory."

For CRA purposes, the FSA has identified two AAs in the state of Missouri: the St. Louis MO-IL (St. Louis) Metropolitan Statistical Area (MSA) #41180, and a Missouri Non-MSA AA. Both AAs conform to regulatory requirements and do not arbitrarily exclude any low- and moderate-income geographies.

Missouri Non-MSA AA

The Non-MSA AA represents the FSA's primary AA and includes all of Iron, Madison, St. Francois, and Washington Counties, located in southeastern Missouri. The FSA operates four branches and four deposit-taking ATMs in the Non-MSA AA. The main office is located in Farmington and there is one branch in each of the following towns: Fredericktown, Ironton, and Potosi. One deposit-taking ATM is located at each branch. As of June 30, 2017, the FSA reported $147 million in deposits in the Non-MSA AA. This represents 80 percent of the FSA's total deposits as of that date. According to FDIC market share information as of June 30, 2017, the FSA ranked 4th in deposit market share in the AA with a market share of 9.4 percent. The Non-MSA AA is very competitive with eight other deposit-taking institutions operating 41 branches. Competitors in the AA include local community banks, credit unions, small regional banks, and one large national bank (U.S. Bank).

St. Louis MSA AA

The St. Louis MSA AA includes all of Jefferson County[1]. The FSA's sole branch in the St. Louis MSA AA is located in Festus, Missouri. This branch includes a deposit-taking ATM. As of June 30, 2017, FSA reported $37 million in deposits in the St. Louis MSA AA. This represents 20 percent of the FSA's total deposits as of that date. According to FDIC market share information as of June 30, 2017, the FSA ranked 15th in deposit market share in the AA with a market share of 1.4 percent. The St. Louis MSA AA is highly competitive with 19 other deposit-taking institutions operating 44 branches. Competitors in the AA include local community banks, credit unions, small regional banks, two large regional banks (Commerce Bank and UMB Bank), and five large banks (Bank of America, U.S. Bank, PNC Bank, BMO Harris Bank, and Regions Bank).

Refer to the community profiles in Appendix B for detailed demographics and other performance context information for AAs that received full-scope reviews.

[1] As of June 2016. Prior to June 2016, Ozarks FS & LA included only those census tracts east of Missouri Highway 30.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The scope of this evaluation includes an assessment of the FSA under the Small Bank performance criteria, which consists only of a lending test. The lending test evaluates the FSA's record of meeting the credit needs of its AAs through its lending activities.

The evaluation period for this examination is from August 13, 2013 to December 31, 2017. We determined that loan data from January 1, 2015 to December 31, 2017 was representative of the evaluation period and we sampled loans from this period for the lending test.

Home mortgage lending accounts for 83 percent of the total dollar amount and 82 percent of the total number of all loans originated during the evaluation period. Based on this information, the FSA's primary lending product for this evaluation is home mortgage loans.

Loan Originations by Loan Type from January 1, 2015 through December 31, 2017				
Loan Category	**Dollars (000s)**	**% of Dollars**	**Number of Loans**	**% of Number of Loans**
Home Mortgage Loans	$ 116,650	83%	883	82%
Commercial Loans	$ 23,355	17%	167	15%
Consumer Loans	$ 608	<1%	35	3%
Total Originations	**$ 140,613**	**100%**	**1,085**	**100%**
Source: Bank Records January 1, 2015 – December 31, 2017				

To evaluate lending performance, we reviewed the FSA's submitted Home Mortgage Disclosure Act (HMDA) data from 2015, 2016, and 2017 for home mortgage loans.

We completed two separate analyses of the FSA's lending performance. For the FSA's performance in 2015 and 2016, we used the comparators of demographic data from the 2010 United States (U.S.) Census and 2016 HMDA peer aggregate data. For the lending performance in 2017, we used the comparators of demographic data from the 2015 American Community Survey (ACS) U.S. Census and 2017 HMDA peer aggregate Data. The 2015 ACS provided an update to median family income, changing the income designation of some census tracts (CTs) in the AAs in 2017.

Data Integrity

In January 2019, we tested the accuracy of the FSA's Home Mortgage Disclosure Act (HMDA) data as reported on the Loan Application Register (LAR). We concluded that the FSA's HMDA data is reliable as a source for analysis and conclusions set forth in this CRA performance evaluation (PE).

Selection of Areas for Full-Scope Review

We selected the FSA’s Missouri Non-MSA AA for a full-scope review. During the evaluation period, 66 percent by number (727) and 59 percent by dollar volume ($95 million) of the home mortgage loans originated in the Missouri Non-MSA AA. Approximately 75 percent of deposits were located in the Missouri Non-MSA AA. The FSA’s St. Louis MSA AA will receive a limited-scope review. During the evaluation period, 23 percent by number (252) and 28 percent by dollar volume ($45 million) of the FSA’s home mortgage loans originated in the St. Louis MSA AA.

Please refer to the table in Appendix A for more information pertaining to the scope of the evaluation.

Ratings

We based the FSA’s overall rating primarily on those areas that received full-scope reviews.

Community Contacts

We contacted two community action agencies during this examination. Our contacts identified the primary needs in both of the FSA’s AAs as financial education and general funding to keep programs available in the community such as the Individual Development Account (IDA) program.

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 Consumer Financial Protection Bureau, 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.

Conclusions with Respect to Performance Tests

LENDING TEST

The FSA’s performance under the lending test is satisfactory. Lending to borrowers of different incomes and geographic distribution of loans among different income geographies are both reasonable. The FSA originated a majority of its home mortgage loans within the AAs. The loan-to-deposit ratio is more than reasonable.

Refer to Tables O and P in Appendix C for the facts and data used to evaluate the borrower and geographic distributions of the FSA’s home mortgage originations.

Loan-to-Deposit Ratio

The FSA’s loan-to-deposit (LTD) ratio is more than reasonable. The average LTD ratio over the evaluation period of 18 quarters was 88.5 percent. Over the same evaluation period, the FSA experienced a LTD ratio low of 75 percent and a high of 99.95 percent.

We analyzed the LTD ratio of other comparable institutions to assess the FSA’s performance. We used a peer group of four other comparable institutions ranging in size from $191 million to $330 million. These institutions had an average LTD ratio of 81.35 percent over the same evaluation period. The lowest average was 71.44 percent while the highest average was 94.28 percent. The FSA ranked second out of five when comparing the average LTD. The table below lists institutions pulled from the peer group sample with at least $100 million in assets with the corresponding average loan-to-deposit ratio.

Institution	Total Assets ($000s) as of 12/31/2017	Average Quarterly LTD Ratio
New Era Bank	$330,449	74%
Unico Bank	$282,119	71%
Belgrade State Bank	$252,300	85%
Ozarks FS & LA	**$238,366**	**89%**
Fortunebank	$191,443	94%
Source: Quarterly Call Reports from September 30, 2013 to December 31, 2017. *Note: The loan-to-deposit ratio is calculated on a bank-wide basis.*		

Lending in Assessment Area

The FSA originated a majority of its home mortgage loans, 89 percent of the total number and 87 percent of the total dollar volume, within the AAs.

Table D - 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)
Home Mortgage										
2015	311	90.1	34	9.9	345	40,616	89.7	4,689	10.4	45,305
2016	352	88.9	44	11.1	396	50,857	85.7	8,504	14.3	59,361
2017	317	89.3	38	10.7	355	48,647	86.8	7,414	13.2	56,061
Total	**980**	**89.4**	**116**	**10.6**	**1,096**	**140,120**	**87.2**	**20,607**	**12.8**	**160,727**
Source: Evaluation Period: 1/1/2015 - 12/31/2017 Bank Data *Due to rounding, totals may not equal 100.0*										

Lending to Borrowers of Different Incomes

Refer to Table P in Appendix C for the facts and data used to evaluate the borrower distribution of the FSA’s home mortgage loan originations.

Missouri Non-MSA AA

The overall borrower distribution of home mortgage loans in the Non-MSA AA was reasonable. We noted reasonable distribution within both analyses when considering loans made to low- and moderate-income borrowers, performance context information, aggregate peer data, and demographic comparators. We will apply greater weight to the FSA’s performance during the 2015-2016 evaluation period, which accounts for approximately 68 percent of home mortgage loan originations over the entire evaluation period of our review.

In evaluating the borrower distribution of home mortgage loans, we noted the number of families with incomes below the poverty level was 13.2 percent in 2016 and rose to 14.5 percent in 2017. People living in poverty, including LMI families, often have difficulty qualifying for conventional home mortgage products without flexible terms or reduced closing costs.

To provide some additional perspective, for 2015 and 2016, 15 of the 23 CTs that make up the Non-MSA AA were middle-income CTs distressed for poverty and for 2017; seven of the 15 CTs remained distressed. For a middle-income CT to receive a designation of distressed for poverty, the poverty rate for that CT must be at 20 percent or higher. While our focus is primarily on lending performance to LMI families and to LMI geographies, the FSA’s level of lending within the Non-MSA AA middle-income CTs distressed for poverty during the evaluation period was considerable. For the evaluation period 2015 through 2016, the FSA originated 342 home mortgage loans totaling $42.7

million throughout the 15 distressed middle-income CTs located in the Non-MSA AA. In 2017, the FSA originated 27 home mortgage loans totaling $2.9 million throughout the seven remaining distressed middle-income CTs located in the Non-MSA AA.

Home Mortgage Loans

2015-2016

Borrower distribution of home mortgage loans is reasonable. The FSA originated 16.3 percent of loans to moderate-income borrowers. While this is below the percentage of moderate-income families (18.6 percent), the FSA's performance is reasonable as it exceeds the 2016 HMDA peer aggregate lending to moderate-income borrowers data (14.9 percent). The FSA originated 7.3 percent of loans to low-income borrowers. This is significantly below the percentage of low-income families (20.3 percent) and reflects poor performance; however, the FSA's performance exceeds the 2016 HMDA peer aggregate lending to low-income borrowers data (5.8 percent).

2017

Borrower distribution of home mortgage loans is poor. Performance in 2017 was weaker than that of 2015-2016. The FSA originated 14.3 percent of loans to moderate-income borrowers, which falls below the percentage of moderate-income families (18.4 percent) and the 2017 HMDA peer aggregate lending to moderate-income borrowers data (15.7 percent). The FSA originated 3.1 percent of loans to low-income borrowers. This falls significantly below the percentage of low-income families (21.9 percent) and slightly below the 2017 HMDA peer aggregate lending to low-income borrowers data (4.7 percent).

St. Louis MSA AA – Limited Scope

We completed a limited scope review of the St. Louis MSA AA for the borrower distribution of home mortgage loans.

Home Mortgage Loans

Borrower distribution of home mortgage loans was weaker than the full scope AA, for both the 2015-2016 and 2017 review periods

Geographic Distribution of Loans

The FSA's overall geographic distribution of home mortgage loans reflects reasonable dispersion among different income tracts in the AAs. We will apply greater weight to FSA's performance during the 2015-2016 evaluation period, which accounts for approximately 68 percent of home mortgage loan originations over the entire evaluation period of our review. When analyzing the FSA's home mortgage loan originations over the evaluation period, we did not identify any unexplained conspicuous lending gaps in the AAs.

Refer to Table O in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's loan originations.

Missouri Non-MSA AA

The overall geographic distribution of home mortgage loans in the Non-MSA AA is reasonable. Our analysis will be based only on the FSA's performance in moderate-income CTs as there are no low-income CTs in the Non-MSA AA.

Home Loans

2015-2016

Geographic distribution of home loans is excellent. The FSA originated 16.1 percent of loans in moderate-income CTs, which is well above the percentage of owner-occupied housing units located in moderate-income CTs (14.2 percent) and the 2016 HMDA peer aggregate lending to the moderate-income CTs (12.4 percent).

2017

The geographic distribution of home loans in 2017 is weaker than that of 2015-2016 and reflects poor performance. The FSA originated 9.8 percent of loans in moderate-income CTs, which is well below both the percentage of owner-occupied housing units located in moderate-income CTs (14.9 percent) and the 2017 HMDA peer aggregate lending to the moderate-income CTs (14.6 percent). Performance context factors to consider when comparing 2017 performance with 2015-2016 performance include:

- As a result of the 2015 ACS update (effective in 2017), the Non-MSA AA had one moderate-income CT that changed to a middle-income CT, further reducing the overall number of moderate-income CTs in the Non-MSA AA to only three.
- The population in moderate-income CTs in the Non-MSA AA dropped by just over 10 percent.
- The number of housing units in moderate-income CTs in the Non-MSA AA dropped by approximately 3 percent.

St. Louis MSA AA – Limited Scope

We completed a limited scope review of the St. Louis MSA AA for the geographic distribution of home mortgage loans.

Home Mortgage Loans

Geographic distribution of home mortgage loans was stronger than the full scope AA, for both the 2015-2016 and 2017 review periods

Responses to Complaints

The FSA did not receive any consumer complaints regarding its CRA performance during the assessment period of this PE.

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 metropolitan and nonmetropolitan areas 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").

<table>
<tr><td>Time Period Reviewed</td><td colspan="2">Lending Test (excludes CD loans): 01/01/15 to 12/31/17
Investment and Service Tests and
CD Loans: Not Applicable</td></tr>
<tr><td colspan="2">Financial Institution</td><td>Products Reviewed</td></tr>
<tr><td colspan="2">Ozarks Federal Savings and Loan Association (FSA)
Farmington, MO</td><td>Home Mortgage Loans</td></tr>
<tr><td>Affiliate(s)</td><td>Affiliate Relationship</td><td>Products Reviewed</td></tr>
<tr><td>Not Applicable</td><td>N/A</td><td>N/A</td></tr>
<tr><td colspan="3">List of Assessment Areas and Type of Examination</td></tr>
<tr><td>Assessment Area</td><td>Type of Exam</td><td>Other Information</td></tr>
<tr><td>State of Missouri
Missouri Non-MSA AA
St. Louis MO-IL MSA #41180</td><td>
Full-Scope
Limited-Scope</td><td></td></tr>
</table>

Appendix B: Community Profiles for Full-Scope Areas

Table A – Demographic Information of the Assessment Area
Assessment Area: Ozarks Federal – Missouri Non-MSA 2016

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	23	0.0	17.4	65.2	17.4	0.0
Population by Geography	113,410	0.0	15.6	69.6	14.8	0.0
Housing Units by Geography	50,041	0.0	15.9	70.6	13.5	0.0
Owner-Occupied Units by Geography	31,861	0.0	14.2	72.9	13.0	0.0
Occupied Rental Units by Geography	10,375	0.0	22.3	64.5	13.2	0.0
Vacant Units by Geography	7,805	0.0	14.4	69.5	16.1	0.0
Businesses by Geography	5,286	0.0	18.8	64.4	16.8	0.0
Farms by Geography	206	0.0	11.2	80.6	8.3	0.0
Family Distribution by Income Level	28,504	20.3	18.6	20.4	40.7	0.0
Household Distribution by Income Level	42,236	23.9	16.6	18.4	41.1	0.0
Median Family Income Non-MSAs - MO		$45,746	Median Housing Value			$97,181
			Median Gross Rent			$503
			Families Below Poverty Level			13.2%

Source: 2010 U.S. Census and 2016 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.

Table A – Demographic Information of the Assessment Area
Assessment Area: Ozarks Federal – Missouri Non-MSA 2017

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	23	0.0	13.0	82.6	4.3	0.0
Population by Geography	113,781	0.0	14.0	83.8	2.2	0.0
Housing Units by Geography	51,323	0.0	15.1	82.5	2.4	0.0
Owner-Occupied Units by Geography	30,025	0.0	14.9	82.9	2.2	0.0
Occupied Rental Units by Geography	12,589	0.0	16.5	80.1	3.5	0.0
Vacant Units by Geography	8,709	0.0	13.8	84.8	1.4	0.0
Businesses by Geography	5,277	0.0	11.6	85.1	3.3	0.0
Farms by Geography	212	0.0	7.1	89.6	3.3	0.0
Family Distribution by Income Level	28,407	21.9	18.4	22.7	37.0	0.0
Household Distribution by Income Level	42,614	24.2	16.8	19.0	39.9	0.0
Median Family Income Non-MSAs - MO		$48,553	Median Housing Value			$96,682
			Median Gross Rent			$583
			Families Below Poverty Level			14.5%

Source: 2015 ACS Census and 2017 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.

The FSA has designated the counties of Iron, Madison, St. Francois, and Washington as its Missouri Non-MSA AA. The AA meets the requirements of the regulation and does not arbitrarily exclude LMI geographies. The 2010 U.S. Census recorded 23 census tracts in the AA, consisting of four (17.4 percent) moderate-income tracts, 15 (65.2 percent) middle-income tracts, and four (17.4 percent) upper-income tracts. According to the 2010 census data, the area population was 113,410 with 17,692 or 15.6 percent residing in the moderate-income census tract.

According to the 2015 ACS Census, the total number of census tracts remained the same. The 2015 ACS Census recorded 23 census tracts in the AA, consisting of three (13 percent) moderate-income tracts, 19 (82.6 percent) middle-income tracts, and one (4.3 percent) upper-income tract. Population was slightly up from the 2010 census at 113,781, with 15,929 or 14 percent residing in moderate-income census tracts.

The distribution of families by income level was 21.9 percent low-income, 18.4 percent moderate-income, 22.7 percent middle-income, and 37 percent upper-income. The percentage of households in the AA living below the poverty level was 14.5 percent. The 2017 FFIEC adjusted median family income for the Non-MSA AA was $50,800. Low-income families earned annual income of $25,400 or less, and moderate-income families earned annual income of $25,400 to $40,640.

Table B – Median Family Income Ranges 2015-17

Assessment Area: Ozarks Federal Missouri Non-MSA AA

Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2015 ($49,700)	<$24,850	$24,850 to <$39,760	$39,760 to <$59,640	≥$59,640
2016 ($48,200)	<$24,100	$24,100 to <$38,560	$38,560 to <$57,840	≥$57,840
2017 ($50,800)	<$25,400	$25,400 to <$40,640	$40,640 to <$60,960	≥$60,960

Source: FFIEC

As of June 30, 2017, there were nine depository institutions in the AA operating 46 branches. The FSA has four branches in the Non-MSA AA. According to the June 30, 2017 FDIC Summary of Deposits Report, the FSA's deposits in the AA totaled $147 million, representing 9.4 percent of the market. The FSA ranks fourth in the Non-MSA AA. The three depository institutions with market shares greater than the FSA in the Non-MSA AA are First State Community Bank (37.8 percent), New Era Bank (19.3 percent), and Belgrade State Bank (14.8 percent). These three institutions accounted for a combined 71.9 percent of total deposits in the Non-MSA AA.

Iron County, Missouri

Iron County has a population of approximately 10,000 as of the 2015 ACS update. The economy here employs just under 4,000 people and is specialized in Mining, Quarrying, Oil and Gas Extraction, Agriculture, Forestry, Fishing and Hunting, and Healthcare/Social Assistance. The nearest opportunities for higher education offerings are located in neighboring St. Francois County (Mineral Area College and National Academy of Beauty Arts-Farmington) or in neighboring Wayne County (Three Rivers College). The median property value in Iron County is $81,800, and the homeownership rate is approximately 70 percent.

Madison County, Missouri

Madison County has a population of approximately 12,000 as of the 2015 ACS update. The economy here employs just over 5,000 people and is specialized in Transportation and Warehousing, Construction, and Healthcare/Social Assistance. The nearest opportunities for higher education offerings are located in neighboring St. Francois County (Mineral Area College and National Academy of Beauty Arts-Farmington.) or in neighboring Wayne County (Three Rivers College). The median property value in Madison County is $95,800, and the homeownership rate is approximately 75 percent.

St. Francois County, Missouri

St. Francois County has a population of approximately 66,000 as of the 2015 ACS update. The economy here employs approximately 26,000 people and is specialized in Mining, Quarrying, Oil and Gas Extraction, Public Administration, and Utilities. St. Francois County offers higher education opportunities at Mineral Area College and National Academy of Beauty Arts-Farmington. The median property value in St. Francois County is $106,100, and the homeownership rate is approximately 68 percent.

Washington County, Missouri

Washington County has a population of approximately 25,000 as of the 2015 ACS update. The economy here employs just over 9,000 people and is specialized in Mining, Quarrying, Oil, and Gas Extraction, Construction, and Manufacturing. The nearest opportunities for higher education offerings are located in neighboring St. Francois County (Mineral Area College and National Academy of Beauty Arts-Farmington). The median property value in Washington County is $80,400, and the homeownership rate is approximately 82 percent.

Employment and Economic Factors

According to the U.S. Department of Labor, Bureau of Labor Statistics (BLS) report, the annual unemployment rates for the Non-MSA AA ranged from a low of 4.4 percent to a high of 7.9 percent. The unemployment rate for the state of Missouri as of December 2015 and December 2017 was 5 percent and 3.8 percent, respectively. The national unemployment rate as of the same dates was 5 percent (December 2015) and 4.1 percent (December 2017).

Unemployment Rates 2015-17

Assessment Area: Ozarks Federal Missouri Non-MSA AA

Area	2015	2016	2017
Iron County	7.9%	7.2%	6.5%
Madison County	5.9%	5.5%	4.7%
St. Francois County	6.1%	5.5%	4.4%
Washington County	6.7%	6.3%	5.5%
State of Missouri	5.0%	4.6%	3.8%
National	5.0%	4.7%	4.1%

Source: U.S. Department of Labor; Bureau of Labor Statistics

The top five employment sectors in Missouri are education and health services, government, professional and business services, retail trade, and leisure and hospitality services. The top five employers in Missouri are Wal-Mart Stores Inc., BJC Healthcare, SSM Health Care System, Washington University in St. Louis, and Boeing Defense, Space & Security.

According to Moody's Analytics, "Missouri's expansion will slow in 2019 with job gains falling short of the regional and national averages. Recent corporate and individual tax cuts weaken the outlook for the public sector. Meanwhile, softer demand for autos will weigh on production at Missouri plants. Longer term, below-average demographics and a reliance on manufacturing will cement Missouri as a national underperformer."

Housing

The 2010 US Census reported total housing units of 50,041 for the Non-MSA AA. Of the total number of housing units, 31,861 or 63.7 percent of the total housing units in the AA are owner occupied, 10,375 or 20.7 percent are renter occupied, and 7,805 or 15.6 percent are vacant. Of all owner occupied units, 4,524 or 14.2 percent were located in moderate-income census tracts. Of all occupied rental units, 2,314 or 22.3 percent were located in moderate-income census tracts. Of all vacant units, 1,124 or 14.4 percent were located in moderate-income census tracts. Additionally, 6,485 or 17.3 percent of all single-family homes and 437 or 20.9 percent of multifamily housing units were located in moderate-income census tracts. The 2010 U.S. Census indicates that the weighted average median housing value was $97,181, and the weighted average monthly gross rent was $503.

The 2015 ACS Census reported total housing units of 51,323 for the Non-MSA AA. Of the total number of housing units, 30,025 or 58.5 percent of the total housing units in the AA were owner occupied, 12,589 or 24.5 percent were renter occupied, and 8,709 or 17 percent were vacant. Of all owner occupied units, 4,474 or 14.9 percent were located in moderate-income census tracts. Of all occupied rental units, 2,077 or 16.5 percent were located in moderate-income census tracts. Of all vacant units, 1,202 or 13.8 percent were located in moderate-income census tracts. Additionally, 5,288 or 14.1 percent of all single family (1-4 units) homes and 723 or 21.8 percent of multifamily housing units were located in moderate-income census tracts. The 2015 ACS Census indicates that the weighted average median housing value was $96,682 and the weighted average monthly gross rent was $583.

Affordability

We utilized a scenario assuming a 30-year mortgage with a five percent interest rate, which does not account for down payment, homeowners insurance, real estate taxes, or any additional monthly expenses to determine home affordability for low- and moderate-income borrowers. A low-income borrower making $25,400 per year (or less than 50 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $118,289 mortgage with a payment of $635 per month. A moderate-income borrower making $40,640 per year (or less than 80 percent of the 2017 FFIEC adjusted median family income in the AA) could afford a $189,262 mortgage with a payment of $1,016 per month. This illustrates that low-income borrowers would be challenged to qualify for a mortgage loan in the Non-MSA AA with an estimated payment of $724. The median housing value in the Non-MSA AA ranged from a low of $96,000 in January 2015 and a high of $134,950 in December 2017 according to Realtor.com data.

Appendix C: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas 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 Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases; (2) "aggregate" is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Deposit data is compiled by the FDIC and is available as of June 30th of each year. Tables without data are not included in this PE. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems.

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 MA/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 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) throughout those geographies. Because small business data is 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 Revenues** – Compares the percentage distribution of the number of small loans (less than or equal to $1 million) originated and purchased by the bank to businesses with revenues of $1 million or less to the percentage distribution of businesses with revenues of $1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. The table also presents aggregate peer data for the years the data is available.

Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography – The percentage distribution of the number of small loans (less than or equal to $500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. Because small farm data is not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues – Compares the percentage distribution of the number of small loans (less than or equal to $500,000) originated and purchased by the bank to farms with revenues of $1 million or less to the percentage distribution of farms with revenues of $1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. The table also presents aggregate peer 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 throughout 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 MA/assessment area.

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography — **2015-16**

	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	**#**	**$**	**% 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**
Ozarks Non-MSA AA	504	62,810	76.0	2,550	0.0	0.0	0.0	14.2	16.1	12.4	72.9	69.8	70.8	13.0	14.1	16.9	0.0	0.0	0.0
Ozarks St Louis MO-IL MSA AA	159	28,663	24.0	10,856	0.0	0.0	0.0	13.5	18.2	10.2	83.9	79.9	86.2	2.7	1.9	3.5	0.0	0.0	0.0
Total	**663**	**91,473**	**100.0**	**13,406**	**0.0**	**0.0**	**0.0**	**13.7**	**16.6**	**10.6**	**80.3**	**72.2**	**83.3**	**6.0**	**11.2**	**6.1**	**0.0**	**0.0**	**0.0**

Source: 2010 U.S Census; 01/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography — **2017**

	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	**#**	**$**	**% 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**
Ozarks Non-MSA AA	224	32,467	70.7	2,624	0.0	0.0	0.0	14.9	9.8	14.6	82.9	85.7	82.9	2.2	4.5	2.5	0.0	0.0	0.0
Ozarks St Louis MO-IL MSA AA	93	16,180	29.3	10,151	0.0	0.0	0.0	25.0	37.6	22.6	66.3	61.3	67.3	8.7	1.1	10.2	0.0	0.0	0.0
Total	**317**	**48,647**	**100.0**	**12,775**	**0.0**	**0.0**	**0.0**	**21.9**	**18.0**	**20.9**	**71.5**	**78.5**	**70.5**	**6.7**	**3.5**	**8.6**	**0.0**	**0.0**	**0.0**

Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																						2015-16
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Ozarks Non-MSA AA	504	62,810	76.0	2,550	20.3	7.3	5.8	18.6	16.3	14.9	20.4	20.4	20.7	40.7	47.8	37.2	0.0	8.1	21.5
Ozarks St Louis MO-IL MSA AA	159	28,663	24.0	10,856	19.1	6.9	7.7	18.5	13.8	19.7	24.8	24.5	21.4	37.5	45.3	26.0	0.0	9.4	25.1
Total	**663**	**91,473**	**100.0**	**13,406**	**19.5**	**7.2**	**7.3**	**18.6**	**15.7**	**18.8**	**23.4**	**21.4**	**21.3**	**38.5**	**47.2**	**28.2**	**0.0**	**8.4**	**24.4**

Source: 2010 U.S Census ; 01/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Ozarks Non-MSA AA	224	32,467	70.7	2,624	21.9	3.1	4.7	18.4	14.3	15.7	22.7	24.6	21.0	37.0	47.8	36.4	0.0	10.3	22.1
Ozarks St Louis MO-IL MSA AA	93	16,180	29.3	10,151	20.8	4.3	9.4	21.2	16.1	22.0	23.6	22.6	21.6	34.5	53.8	24.7	0.0	3.2	22.3
Total	**317**	**48,647**	**100.0**	**12,775**	**21.2**	**3.5**	**8.5**	**20.3**	**14.8**	**20.7**	**23.3**	**24.0**	**21.5**	**35.3**	**49.5**	**27.1**	**0.0**	**8.2**	**22.3**

Source: 2015 ACS Census ; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0