



## **PUBLIC DISCLOSURE**

**December 14, 2020**

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

First Texoma National Bank  
Charter Number 14005

220 West Main Street  
Durant, Oklahoma 74701

Office of the Comptroller of the Currency

8282 S Memorial Drive  
Suite 300  
Tulsa, Oklahoma 74133

**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 **Satisfactory**.

**The Lending Test is rated: Satisfactory.**

The major factors that support this rating include:

- The bank’s quarterly average loan-to-deposit (LTD) ratio is **more than reasonable** and meets the standard for outstanding performance.
- A **majority** of loans were originated or purchased inside the bank’s Assessment Area (AA) and meets the standard for satisfactory performance.
- The geographic distribution of loans reflects excellent dispersion of loan originations throughout the AAs.
- The borrower distribution of loans reflects reasonable penetration of loans to commercial small businesses.

### Loan-to-Deposit Ratio

Considering the bank’s size, financial condition, and credit needs of the AA, the bank’s LTD ratio is more than reasonable. First Texoma National Bank’s (FTNB) quarterly LTD ratio since the previous CRA Performance Evaluation (PE) averaged 89.02 percent. We compared the bank’s LTD ratio to three similarly situated banks in their market area. The aggregate average LTD ratio for the competing banks was 90.38 percent, with a low average of 80.95 percent and a high average of 95.89 percent.

### Lending in Assessment Area

FTNB’s lending in its AAs meets the standard for satisfactory performance. Primary loan products include commercial small business loans and residential home mortgage loans. A majority of the home mortgage loans, and the sampled business loans were originated inside the bank’s AAs during our evaluation period. This analysis is performed at the bank level, rather than the AA level. Our analysis included 286 home mortgage loans and 51 small business loans originated or renewed in 2017, 2018, and 2019. The bank originated 84.3 percent by number and 80.1 percent by dollar of small business loans inside the combined AA. The bank also originated 79.7 percent of home mortgages inside the combined AA and 79.3 percent by dollar amount. Percentages do not include extensions of credit by affiliates, as we did not review any affiliate lending during the evaluation period. The following table details lending in the combined AA for small business and home mortgage loans.

Lending Inside and Outside of the Oklahoma and Texas AAs										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage Loans	228	79.7	58	20.3	286	\$29,376	79.3	\$7,680	20.7	\$37,056
Commercial Loans	43	84.3	8	15.7	51	\$12,046	80.1	\$2,982	19.9	\$15,028
Total	271	80.4	66	19.6	337	\$41,422	79.5	\$10,662	20.5	\$52,084

Source: Data reported under HMDA; Commercial loan sample

## Description of Institution

FTNB is a \$208 million multi-state community bank headquartered in Durant, Oklahoma, and wholly owned by FNB Financial Services, Inc., a one-bank holding company also located in Durant. The holding company reports total assets of \$28 million as of June 30, 2020. There have been no mergers or acquisitions since the previous CRA PE. The bank's AAs, Bryan County and Choctaw County in Oklahoma, and Grayson County in Texas, received full-scope reviews.

FTNB currently has five locations with the main bank office located at 220 West Main, Durant, Oklahoma. In addition to the main office, there are two other locations in Durant, Oklahoma, including a full-service branch and drive-thru facility at 1825 West University, Durant, Oklahoma and a drive-thru facility at 420 West Main, Durant, Oklahoma. A full-service branch and drive-thru is located at 615 Hunter Avenue, Boswell, Oklahoma which is in Choctaw County. FTNB now has one location in Sherman, Texas which is in Grayson County, which is a full-service branch and drive-thru facility located at 2626 Loy Lake Road. Since the last CRA evaluation, the facility previously located at 3425 Heritage Parkway, Sherman, Texas was closed on October 31, 2020. This facility was located in a middle-income census tract (CT). FTNB offers a diverse line of loan and deposit services during reasonable hours, Monday through Friday, with some services provided on Saturday. Automated teller machines (ATMs) are located at four branch locations, with one additional ATM located at the Choctaw Travel Plaza West (convenience store). FTNB also offers banking services by telephone and internet banking.

The primary business focus is to serve commercial and consumer customers in Bryan and Choctaw Counties in Oklahoma and Grayson County in Texas. FTNB does not sell loans into the secondary market, nor do they originate loans guaranteed by the Federal Housing Administration or United States Department of Veterans Affairs. As of September 30, 2020, FTNB has total assets of \$208 million, of which \$147 million, or 71 percent of total assets, were composed of various types of loans to individuals, commercial businesses, and agricultural. Tier 1 capital totaled \$22.1 million resulting in a tier 1 leverage ratio of 10.42 percent, relative to the peer group at 10.48 percent.

Specifically, the bank's loan portfolio consists of the following:

<b>FTNB Primary Lending Product Analysis</b>		
<b>Loan Category</b>	<b>\$ (000)</b>	<b>%</b>
Business Loans	74,566	50.58%
1-4 Family Residential RE Loans	48,641	32.99%
Consumer Loans	9,834	6.67%
Agricultural Loans	4,493	3.05%
Other Loans	9,907	6.71%
<b>Total</b>	<b>\$147,441</b>	<b>100%</b>

Management does not anticipate any significant changes in the composition of the loan portfolio in the near future. There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AA. The previous CRA PE was prepared as of November 15, 2016, and the bank received an overall rating of "Satisfactory."

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We evaluated FTNB using the Small Bank Standards for assessing performance. The evaluation period for the Lending Test is January 1, 2017 through December 31, 2019. FTNB is required to report under the Home Mortgage Disclosure Act (HMDA). We determined that the risk management system used to ensure the accuracy of HMDA loan application registers (LAR) data is satisfactory based on our data integrity testing performed during this CRA evaluation. Home mortgage loans reported under the HMDA totaled 286 loans for the three years 2017, 2018, and 2019. We performed data integrity on 10 loans and did not find any errors in data and determined the data to be reliable. As a small bank, the bank is not required to collect small business data; therefore, we selected 51 loans from years 2017, 2018, and 2019 to collect data to perform our small business analysis.

A review of home mortgage and business lending data includes Oklahoma and Texas. This PE is based primarily on 2015 United States (U.S.) Census American Community Survey update that went into effect on January 1, 2017.

With an evaluation period end date of December 31, 2019, qualifying activities performed in response to the significant impact of the coronavirus pandemic across the U.S. are not addressed in this evaluation. Bank qualifying activities will be considered in the subsequent evaluation.

### Selection of Areas for Full-Scope Review

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

### Ratings

The bank’s overall rating includes Oklahoma and Texas. Both states are equally rated.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

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

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

## **State Rating**

### **State of Oklahoma**

#### **CRA rating for the state of Oklahoma: Satisfactory**

##### **The Lending Test is rated: Satisfactory**

The major factors that support this rating include:

- An excellent geographic distribution of home mortgage and small business loans; and
- A reasonable distribution of loans by the income level of the borrower

### **Description of Institution's Operations in Oklahoma**

#### **Description of the Oklahoma AA**

The Oklahoma AA is identified as all of Bryan County and Choctaw County in southeastern Oklahoma and includes 17 complete and contiguous CTs. There are no low-income CTs in Bryan County or Choctaw County. In Bryan County, four CTs are categorized as moderate-income and seven are categorized as middle-income. There are no upper-income CTs in Bryan County. In Choctaw County, two CTs are categorized as moderate-income, three are categorized as middle-income, and one tract is categorized as upper-income. Of the three middle-income tracts in Choctaw County, two are considered distressed or underserved areas. The full-service main bank and a drive-thru facility in Durant are both located in moderate-income tracts in Bryan County. Another full-service branch is located in a middle-income tract in Bryan County. Durant is the largest city in Bryan County and the county seat. Durant is also the headquarters of the Choctaw Nation of Oklahoma. The Boswell branch is located in a middle-income tract in Choctaw County. Boswell is a small community 30 miles east of Durant. Hugo, Oklahoma is the largest city in Choctaw County which is 30 minutes east of Boswell and an hour from Durant. FTNB's AA does not reflect illegal discrimination and does not arbitrarily exclude low- or moderate-income (LMI) geographies.

The following table describes major demographic and economic characteristics of the Oklahoma AA, based on 2015 U.S. Census data:

Table A – Demographic Information						
Oklahoma Non-MSA: Bryan and Choctaw County AAs						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	17	0.0	37.5	56.3	6.3	0.0
Population by Geography	59,123	0.0	28.5	66.1	5.3	0.0
Housing Units by Geography	27,359	0.0	28.1	66.3	5.6	0.0
Owner-Occupied Units by Geography	14,950	0.0	18.3	74.5	7.2	0.0
Occupied Rental Units by Geography	7,606	0.0	45.6	52.2	2.1	0.0
Vacant Units by Geography	4,803	0.0	30.9	63.1	6.0	0.0
Businesses by Geography	3,428	0.0	36.8	59.4	3.9	0.0
Farms by Geography	206	0.0	15.0	74.8	10.2	0.0
Family Distribution by Income Level	14,362	23.9	18.9	19.6	37.7	0.0
Household Distribution by Income Level	22,556	29.5	16.3	17.4	36.8	0.0
Median Family Income Non-MSAs - OK		\$51,491	Median Housing Value			\$89,675
			Median Gross Rent			\$640
			Families Below Poverty Level			15.7%
<i>Source: 2015 ACS and 2019 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The aggregate population of the Bryan County and Choctaw County AA is 59,123. Of the 14,362 families, and 22,556 households, nearly 16 percent are below the poverty level.

**Community Contacts**

We consulted with one community contact (CC) and local leader within the AA to gain a better understanding of the general community credit needs, as well as, local economic conditions of the community. The interviewee cited the development of affordable housing as a primary need in the area. In addition, the demand for multi-family housing is also high. Infrastructure is a need; however, services for LMI families was identified as the most critical need in the area. Developers are buying lots in LMI areas to build single-family housing but primarily for the purposes of rental investment properties. The CC provided favorable comments specific to FTNB’s involvement in the community.

**Scope of Evaluation in Oklahoma**

The Durant, Oklahoma non-MSA AAs received a full-scope review. FTNB has four full-service branch and drive-thru facilities located in its AAs. Refer to appendix A for a list of all AAs under review.

**LENDING TEST**

The bank’s performance under the Lending Test in Oklahoma is rated **Satisfactory**.

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

Based on a full-scope review, the bank’s lending performance in the state of Oklahoma is reasonable.



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

The bank exhibits an **excellent** geographic distribution of loans in the state. There are no low income CTs in the AA, therefore, our evaluation was based on the bank's performance in moderate-income CTs.

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

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

During the evaluation period, the distribution of home mortgage loans to borrowers in moderate-income geographies is excellent. The percentage of bank loans in moderate-income geographies exceeded both the percentage of owner-occupied housing units and the aggregate distribution in those CTs and is considered excellent performance.

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

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

The geographic distribution of small loans to businesses reflects excellent distribution throughout the AA. For moderate-income geographies, the bank's lending was near to the percent of small businesses located in moderate-income geographies and exceeds the aggregate lending to small businesses in moderate-income geographies.

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

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

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

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

During the evaluation period, the distribution of home mortgage loans to LMI borrowers is poor. The percentage of bank loans to LMI borrowers is lower than both the percentage of moderate-income families and the aggregate distribution of loans to those families.

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

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

During the evaluation period, the bank's distribution of small loans to businesses by revenue is excellent. The bank's percentage of loans to small businesses with revenues less than \$1MM exceeded both the proportion of small businesses and the aggregate distribution of loans to those businesses.

### **Responses to Complaints**

There were no complaints related to FTNB's CRA performance within Oklahoma.

## 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:

- An excellent geographic distribution of home mortgage and small business loans; and
- A reasonable distribution of loans by the income level of the borrower

### Description of Institution's Operations in Texas

#### Description of the Texas AA

The Texas AA consists of Grayson County in north central Texas and includes 26 complete and contiguous CTs in the Sherman-Denison, Texas MSA. Eight CTs are categorized as moderate-income, 12 are categorized as middle-income, and six are categorized as upper-income. There are no low-income CTs in the Texas AA. FTNB's full-service branch in Sherman is located in a middle-income tract. The AA does not reflect illegal discrimination and does not arbitrarily exclude LMI geographies. The following table describes major demographic and economic characteristics of the Texas AA, based on 2015 U.S. Census data:

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	26	0.0	30.8	46.2	23.1	0.0
Population by Geography	122,780	0.0	24.4	48.3	27.3	0.0
Housing Units by Geography	54,244	0.0	22.5	51.5	26.1	0.0
Owner-Occupied Units by Geography	31,593	0.0	20.4	50.0	29.6	0.0
Occupied Rental Units by Geography	15,622	0.0	27.4	51.1	21.4	0.0
Vacant Units by Geography	7,029	0.0	20.6	58.9	20.5	0.0
Businesses by Geography	8,502	0.0	21.3	49.6	29.1	0.0
Farms by Geography	431	0.0	8.1	49.7	42.2	0.0
Family Distribution by Income Level	32,294	22.4	17.5	19.3	40.9	0.0
Household Distribution by Income Level	47,215	24.6	16.0	16.7	42.7	0.0
Median Family Income MSA - 43300 Sherman-Denison, TX MSA		\$60,873	Median Housing Value			\$110,160
			Median Gross Rent			\$777
			Families Below Poverty Level			12.3%

Source: 2015 ACS and 2019 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 total population of the Grayson County AA is 122,780. Of the 32,294 families, and 47,215 households, 12 percent are below the poverty level.

### **Community Contacts**

We interviewed a CC and local area leader within the AA to gain a better understanding of the general community credit needs, as well as, local economic conditions of the community. The interviewee noted that the area has experienced a lot of growth in population and businesses. The population increase generated new interest in small business start-ups, the expansion of existing businesses, and more retailers locating to the area. The CC identified a need for small business start-up lending. As the area evolved and the population increased, real estate prices also increased. This created a shortage of housing, primarily in entry level single-family homes in the moderate-income areas of the community. The community has a good amount of affordable housing for low-income residents in the form of apartment complexes. The CC provided favorable comments about the willingness of local community banks to provide funding needs.

### **Scope of Evaluation in Texas**

The Sherman-Denison MSA received a full-scope review. FTNB has one full-service branch and drive-thru facility location in Sherman, Texas which is in Grayson County. Refer to appendix A for a list of all AAs under review.

### **LENDING TEST**

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

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

Based on a full-scope review, the bank's performance in the state of Texas is reasonable.

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

The bank exhibits excellent geographic distribution of loans in the AA. There are no low income CTs in the AA, therefore, our evaluation was based on the bank's performance in moderate-income CTs.

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

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

During the evaluation period, the distribution of home mortgage loans to borrowers in moderate-income geographies is excellent. The percentage of bank loans in moderate-income geographies exceeded both the percentage of owner-occupied housing units and the aggregate distribution in those CTs.

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

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

The geographic distribution of small business loans to businesses reflects excellent distribution. For moderate-income geographies, the bank's lending exceeds the percent of small businesses located in moderate-income geographies and was equal to the aggregate lending to small businesses in moderate-income geographies.

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

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

During the evaluation period, the distribution of home mortgage loans to moderate-income borrowers is poor. The percentage of bank loans to LMI borrowers is lower than the percentage of moderate-income families. The percentage of bank loans to low-income borrowers is lower than the aggregate distribution and in moderate-income borrowers is somewhat lower than the aggregate distribution of loans to those families.

#### ***Home Mortgage 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.

During the evaluation period, the distribution of home mortgage loans to moderate-income borrowers is poor. The percentage of bank loans to moderate-income borrowers is lower than both the percentage of moderate-income families and the aggregate distribution of loans to those families.

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

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

During the evaluation period, the bank's distribution of small loans to businesses by revenue is excellent. The bank's percentage of loans to small businesses with revenues less than \$1MM was near to the proportion of small businesses and exceeded the aggregate distribution of loans to those businesses.

### **Responses to Complaints**

There were no complaints related to FTNB's CRA performance within Texas.

## 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.”

<b>Time Period Reviewed:</b>	<b>January 1, 2017 to December 31, 2019</b>	
<b>Bank Products Reviewed:</b>	Home Mortgage and Small Business Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A – No affiliates were considered as part of this review.		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>MMSA(s)</b>		
None	N/A	N/A
<b>State - Oklahoma</b>		
<b>Bryan County &amp; Choctaw County Non-MSA AA</b>	Full-Scope	Home Mortgage and Small Business Loans
<b>State - Texas</b>		
<b>Grayson County MSA AA</b>	Full-Scope	Home Mortgage and Small Business Loans

## Appendix B: Summary of MMSA and State Ratings

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RATINGS: First Texoma National Bank of Durant	
Overall Bank:	Lending Test Rating
FTNB of Durant	Satisfactory
MMSA or State:	
Oklahoma	Satisfactory
Texas	Satisfactory

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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



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

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

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

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

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

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

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

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

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

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

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

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

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

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

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

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

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

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

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

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year.

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

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																	<b>OK</b>	<b>2017-2019</b>
<b>Assessment Area</b>	<b>Total Home Mortgage Loans</b>			<b>Low-Income Tracts</b>			<b>Moderate-Income Tracts</b>			<b>Middle-Income Tracts</b>			<b>Upper-Income Tracts</b>			<b>Not Available-Income Tracts</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
<b>OK Non-MSA</b>	164	\$20,654	24.0	0.0	--	0.0	18.3	29.9	20.5	74.5	68.9	76.5	7.2	1.2	3.1	0.0	--	0.0
<b>Total</b>	<b>164</b>	<b>\$20,654</b>	<b>24.0</b>	<b>0.0</b>	<b>--</b>	<b>0.0</b>	<b>18.3</b>	<b>29.9</b>	<b>20.5</b>	<b>74.5</b>	<b>68.9</b>	<b>76.5</b>	<b>7.2</b>	<b>1.2</b>	<b>3.1</b>	<b>0.0</b>	<b>--</b>	<b>0.0</b>

*Source: 2015 U.S Census; 01/01/2017 - 01/01/2019 Bank Data, 2019 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																	<b>OK</b>	<b>2017 - 2019</b>
<b>Assessment Area</b>	<b>Total Home Mortgage Loans</b>			<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
<b>OK Non-MSA</b>	164	\$20,654	63.6	23.9	1.2	2.3	18.9	6.1	13.2	19.6	12.8	18.1	37.7	52.4	38.0	0.0	27.4	28.4
<b>Total</b>	<b>164</b>	<b>\$20,654</b>	<b>63.6</b>	<b>23.9</b>	<b>1.2</b>	<b>2.3</b>	<b>18.9</b>	<b>6.1</b>	<b>13.2</b>	<b>19.6</b>	<b>12.8</b>	<b>18.1</b>	<b>37.7</b>	<b>52.4</b>	<b>38.0</b>	<b>0.0</b>	<b>27.4</b>	<b>28.4</b>

*Source: 2015 U.S Census; 01/01/2017 - 01/01/2019 Bank Data, 2019 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0*

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																	<b>2017 - 2019</b>		
Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available- Income Tracts			
	#	\$	% of Total	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
OK Non-MSA	21	\$5,399	77%	0.0	-	0.0	36.8	34.4	23.9	59.4	65.6	71.9	3.9	-	4.2	0.0	-	0.0	
<b>Total</b>	<b>21</b>	<b>\$5,399</b>	<b>77%</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>36.8</b>	<b>34.4</b>	<b>23.9</b>	<b>59.4</b>	<b>65.6</b>	<b>71.9</b>	<b>3.9</b>	<b>-</b>	<b>4.2</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	

*Source: 2015 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; Due to rounding, totals may not equal 100.0*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>OK</b>	<b>2017-2019</b>
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Bryan County & Choctaw County OK Non-MSA	21	\$5,399	100%	34,109	80.5	100%	49.6	5.1	0.0	14.4	0.0		
<b>Total</b>	<b>21</b>	<b>\$5,399</b>	<b>100%</b>	<b>34,109</b>	<b>80.5</b>	<b>100%</b>	<b>49.6</b>	<b>5.1</b>	<b>0.0</b>	<b>14.4</b>	<b>0.0</b>		

*Source: 2015 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; Due to rounding, totals may not equal 100.0*

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																	<b>TX</b>	<b>2017-2019</b>
	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
<b>Assessment Area</b>	#	\$	% of Total	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
<b>TX MSA</b>	64	\$8,722	9.4	0.0	--	0.0	20.4	32.8	15.9	50.0	42.2	46.2	29.6	25.0	37.8	0.0	--	0.0
<b>Total</b>	<b>64</b>	<b>\$8,722</b>	<b>9.4</b>	<b>0.0</b>	<b>--</b>	<b>0.0</b>	<b>20.4</b>	<b>32.8</b>	<b>15.9</b>	<b>50.0</b>	<b>42.2</b>	<b>46.2</b>	<b>29.6</b>	<b>25.0</b>	<b>37.8</b>	<b>0.0</b>	<b>--</b>	<b>0.0</b>

*Source: 2015 U.S Census; 01/01/2017 - 01/01/2019 Bank Data, 2019 HMDA Aggregate Data, “—” data not available. Due to rounding, totals may not equal 100.0*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																	<b>TX</b>	<b>2017 - 2019</b>
	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
<b>Assessment Area</b>	#	\$	% of Total	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate
<b>TX MSA</b>	64	\$8,722	24.8	22.4	1.6	4.1	17.5	7.8	11.5	19.3	15.6	19.8	40.9	23.4	41.8	0.0	51.6	22.8
<b>Total</b>	<b>64</b>	<b>\$8,722</b>	<b>24.8</b>	<b>22.4</b>	<b>1.6</b>	<b>4.1</b>	<b>17.5</b>	<b>7.8</b>	<b>11.5</b>	<b>19.3</b>	<b>15.6</b>	<b>19.8</b>	<b>40.9</b>	<b>23.4</b>	<b>41.8</b>	<b>0.0</b>	<b>51.6</b>	<b>22.8</b>

*Source: 2015 U.S Census; 01/01/2017 - 01/01/2019 Bank Data, 2019 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0*

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																	<b>2017 - 2019</b>		
Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available- Income Tracts			
	#	\$	% of Total	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
TX MSA	22	\$6,647	83%	0.0	-	0.0	21.3	22.7	22.9	49.6	59.1	44.8	29.1	18.1	32.3	0.0	-	0.0	
<b>Total</b>	<b>22</b>	<b>\$6,647</b>	<b>83%</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>21.3</b>	<b>22.7</b>	<b>22.9</b>	<b>49.6</b>	<b>59.1</b>	<b>44.8</b>	<b>29.1</b>	<b>18.1</b>	<b>32.3</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	

*Source: 2015 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; Due to rounding, totals may not equal 100.0*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>TX</b>	<b>2017-2019</b>
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Grayson County TX MSA	22	\$6,647	83.34	88,347	84.1	77.9	42.5	4.4	22.1	11.4	0.0		
<b>Total</b>	<b>22</b>	<b>\$6,647</b>	<b>83.34</b>	<b>88,347</b>	<b>84.1</b>	<b>77.9</b>	<b>42.5</b>	<b>4.4</b>	<b>22.1</b>	<b>11.4</b>	<b>0.0</b>		

*Source: 2015 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; Due to rounding, totals may not equal 100.0*