



PUBLIC DISCLOSURE

March 23, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Touchmark National Bank
Charter Number 24789

3651 Old Milton Parkway
Alpharetta, GA30005

Office of the Comptroller of the Currency

Three Ravinia Drive
Suite 1950
Atlanta, GA 30346

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Satisfactory**.

The lending test is rated: Satisfactory

The community development test is rated: Satisfactory

The major factors that support this rating include:

- The Lending Test rating is based on a full-scope review of the bank's small business lending in the bank's Assessment Area (AA) within the Atlanta-Sandy Springs-Alpharetta, Georgia Metropolitan Statistical Area (MSA). The Lending Test covered the timeframe of January 1, 2017 – December 31, 2019.
- The geographic distribution of small business loans reflects reasonable distribution throughout the AA.
- The distribution of loans to small businesses of different sizes is reasonable.
- The bank's loan-to-deposit ratio (LTD) is more than reasonable.
- The Community Development (CD) Test rating is based on the CD activities, including lending, investments and services for January 1, 2019 – December 31, 2019. The bank reflected poor responsiveness to the CD lending needs of LMI individuals and families in the bank's AA.
- CD investments and services reflect adequate responsiveness to the credit and CD needs of the bank's AA.

Loan-to-Deposit Ratio

The bank's LTD is more than reasonable considering the bank's size, financial condition, and credit needs of the AA. The quarterly LTD ratio averaged 103.3 percent since the last CRA evaluation. This determination is based on the quarterly LTD ratios from September 30, 2016 to December 31, 2019. The bank's quarterly LTD ratio ranged from a high of 111.98 percent at December 31, 2017, to a low of 97.49 percent at June 30, 2019.

As of December 31, 2019, the AA had 87 banks with a combined 807 branches. Many of the banks in the AA are much larger than Touchmark National Bank (TNB) with respect to branch networks, total deposits, and asset size. There are no similarly situated banks in the designated Atlanta-Sandy Springs-Alpharetta, Georgia Metropolitan Statistical Area (MSA). There are five banks within 150 miles of TNB that range in size from \$230.6 million to \$277.7 million. These five banks are much smaller than TNB with respect to total deposits and asset size and had a combined average LTD ratio of 68 percent, which is much lower than TNB's average LTD for the 13 quarters under review.

Lending in Assessment Area

A substantial majority of the bank's loans are outside its assessment area (AA).

The bank does not meet the standard for satisfactory performance. In 2017, the bank changed its lending strategy and expanded its Small Business Administration (SBA) lending division. The bank operates as a SBA Preferred Lender. Due to the bank's change in strategy, a substantial majority of its lending is outside of the AA. TNB originated and purchased 79.8 percent by number and 76.5 percent by dollar volume of its total loans outside of the bank's AA. The bank originated and purchased 20.2 percent by number and 23.5 percent by dollar volume of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business										
2017	15	14.3	90	85.7	105	\$9,795	18.2	\$43,962	81.8	\$53,757
2018	12	30.8	27	69.2	39	\$5,018	33.0	\$10,179	67.0	\$15,197
2019	7	29.2	17	70.8	24	\$3,830	36.8	\$6,570	63.2	\$10,400
Total	34	20.2	134	79.8	168	\$18,643	23.5	\$60,711	76.5	\$79,354

Source: Bank reported small business originations and purchases during evaluation period.

Small business loans are considered the primary product of the bank. This product has the greatest direct impact and addresses the responsiveness to the credit needs in the bank's AA.

Description of Institution

TNB is a federally chartered national bank headquartered in Alpharetta, GA. The bank is a Minority Depository Institution. It is wholly owned by Touchmark Bancshares, Inc., a one bank holding company. Established in 2008, TNB is a single state, traditional community institution that accepts local retail and commercial deposits and primarily originates commercial loans. Commercial loan products include: commercial lines of credit, commercial real estate loans, various commercial and industrial loans, standby letters of credit, equipment financing, and SBA and United States Department of Agriculture (USDA) loans. In 2017, the bank expanded its SBA lending division and operates as a SBA Preferred Lender. The bank's only full-service branch and deposit taking automated teller machine (ATM) is located at its headquarters in Alpharetta, GA. The ATM allows customers to make inquiries and access their account balances, make deposits and withdraw funds. Other non-complex products offered by the bank include personal and business checking and savings, money market deposit accounts and certificate of deposit accounts. Additionally, TNB offers remote deposit capture, on-line banking, telephone banking and mobile banking services for both deposit and loan transactions. At December 31, 2019, total assets were \$407.6 million and net loans totaled \$343.9 million with tier one capital of \$49.6 million. Net loans represented 84.38 percent of total assets.

TNB has designated the counties of Fulton, Cobb, Gwinnett, DeKalb and Forsyth in the Atlanta-Sandy Springs-Alpharetta MSA as its AA. The bank includes all 627 census tracts (CTs) in the AA, which include Fulton (204), Cobb (120), Gwinnett (113), DeKalb (145) and Forsyth (45). The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low-or moderate-income CTs. According to the 2015 US American Community Services (ASC) Census data, the AA includes 627 CTs

by income level as follows: 83 low-income; 144 moderate-income; 142 middle-income; 251 upper-income CTs; and seven that are not applicable. Additionally, 2015 US ACS Census data, shows the population of the Atlanta-Sandy Springs-Alpharetta, Georgia MSA at 3.5 million with 807 thousand families. Approximately 22.1 percent of the families in the AA are low-income and 15.8 percent are moderate-income. Approximately 11.6 percent of the families live below the poverty level. For the evaluation period, the median family income in the AA was \$67,322.

Alpharetta, GA is in metro Atlanta, Georgia, in north Fulton County. In December 2019, the Georgia Department of Labor reported the unemployment rate in the MSA at 2.7 percent. The unemployment rate for the State of Georgia is higher at 3.1 percent. The MSA is home to top employers such as Emory University Hospital, Delta Airlines, Gwinnett Public Schools, AT & T and Piedmont Health Care. Competition from state and regional banks is strong. In addition to TNB there are 49 other FDIC-insured financial institutions that have 807 branch locations throughout the AA. At December 31, 2019, the top three banks based on total deposits in the AA were SunTrust Bank, Bank of America, and Wells Fargo. Overall, TNB ranks 32nd in deposits out of the FDIC-insured financial institutions operating in the AA.

For the evaluation period, there were no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AA. TNB's last CRA evaluation was dated September 12, 2016, and the institution was rated Satisfactory.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The performance evaluation is an assessment of TNB's CRA performance utilizing the Small Bank CRA procedures for years 2017 and 2018 and the Intermediate Small Bank CRA procedures for 2019. The assessments determine the bank's record of meeting the credit needs of its AA through lending and community development activities from January 1, 2017, through December 31, 2019. The overall rating was primarily driven by the results of the lending test, as the bank did not become subject to the CD activity requirements until 2019.

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 United States are not addressed in this evaluation. Bank qualifying activities will be considered in the subsequent evaluation.

The bank's primary lending product is commercial loans (loans secured by non-farm, non-residential property and commercial and industrial loans), which totaled \$276.8 million as of December 31, 2019. A sample of 20 small business loans originated from January 2017 through December 2019, were selected to evaluate the bank's performance under the lending test.

TNB is subject to the Home Mortgage Disclosure Act (HMDA), which requires the collection and reporting of application data concerning home purchase, home refinance, and home improvement loans. During the evaluation period, the bank did not originate any HMDA reportable loans. Due to this limited activity, further analysis was not conducted on home mortgage lending.

Selection of Areas for Full-Scope Review

Examiners conducted a full-scope review of the Atlanta-Sandy Springs-Alpharetta, Georgia MSA, which includes Fulton, Cobb, Gwinnett, DeKalb and Forsyth counties. There are no limited-scope areas. For more information regarding the scope of this examination, see Appendix A, Scope of Examination.

Ratings

The bank's overall rating is for the State of Georgia. The bank's primary loan product was determined to be small business loans, as the bank has a limited volume of home mortgage, small farm, or consumer loans. Our lending test assessment focused on small business loans originated and purchased in the bank's AA. Refer to the "Scope" section under the state section for details regarding how the state rating was determined for the evaluation.

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 Georgia

CRA rating for the State of Georgia¹: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The geographic distribution of small business loans reflects reasonable distribution throughout the AA.

¹ This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

- The distribution of loans to small businesses of different sizes is reasonable.
- CD investments and service activities reflect adequate responsiveness to the credit and CD needs of the bank's AA.
- CD lending activities reflects poor responsiveness to the CD needs of the bank's AA.

Description of Institution's Operations in State of Georgia

TNB has one branch in Georgia, which is its headquarters in Alpharetta located in Fulton County in the Atlanta-Sandy Springs-Alpharetta, Georgia MSA. The branch has one deposit taking ATM. The total dollar volume of deposits is \$352 million, which is 0.21 percent share in the Atlanta, GA market giving the bank a ranking of number 32 out of 50 banks in the market by deposits. There are no similarly situated banks in the designated Atlanta-Sandy Springs-Alpharetta, Georgia MSA. There are five small banks within 150 miles of TNB that are much smaller than TNB with respect to total deposits and asset size. Leading competitors in the market are SunTrust Bank, Bank of America Wells Fargo, BB & T and Delta Community Credit Union. Due to the number of banks operating in the AA, competition is very strong for lending and deposits. As a preferred SBA lender in the AA, the bank has the opportunity to compete and originate SBA loans with large and regional banks inside of the AA.

The evaluation considers the input from three recent community contacts. The community contacts are from one affordable housing and two economic development organizations. The identified credit needs include board and bank personnel involvement, along with credit availability for affordable housing. Economic development organizations noted banks in the community are committed to developing their communities but believe educational classes on topics such as how to start a small business, how to get a business loan, and how to get capital are needed.

Atlanta-Sandy Springs-Alpharetta Georgia

Table A – Demographic Information of the Assessment Area						
Assessment Area: Touchmark 2019-AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	627	13.2	23.0	22.6	40.0	1.1
Population by Geography	3,474,837	9.5	22.7	26.5	40.8	0.5
Housing Units by Geography	1,407,329	10.6	23.5	25.1	40.6	0.2
Owner-Occupied Units by Geography	750,939	4.2	17.0	27.7	51.1	0.0
Occupied Rental Units by Geography	501,342	17.4	31.2	22.2	28.7	0.4
Vacant Units by Geography	155,048	19.4	29.8	21.9	28.6	0.2
Businesses by Geography	461,910	6.2	19.7	25.1	48.3	0.7
Farms by Geography	6,687	4.8	18.4	29.3	47.3	0.2
Family Distribution by Income Level	807,243	22.1	15.5	16.6	45.7	0.0
Household Distribution by Income Level	1,252,281	23.2	15.8	16.7	44.4	0.0

Median Family Income MSA - 12060 Atlanta-Sandy Springs-Alpharetta, GA MSA	\$67,322	Median Housing Value	\$209,925
		Median Gross Rent	\$1,032
		Families Below Poverty Level	11.6%
<i>Source: 2015 ACS Census and 2019 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>			

Scope of Evaluation in State of Georgia

This analysis reflects a full-scope review of the bank's AA encompassing the five counties of Fulton, Cobb, Gwinnett, DeKalb and Forsyth in the Atlanta-Sandy Springs-Alpharetta, Georgia MSA.

Refer to the table in Appendix A: Scope of Examination for additional information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF GEORGIA

LENDING TEST

The bank's performance under the lending test in the State of Georgia is rated Satisfactory.

Conclusions for the Atlanta-Sandy Springs-Alpharetta, Georgia MSA receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the State of Georgia is reasonable. The geographic distribution of small business lending is satisfactory. We compared the bank's performance with both demographic comparators and aggregate lender information.

The bank originated a minimal number of mortgages, small farm and consumer loans; therefore, a meaningful analysis could not be performed for those product types.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the State of Georgia.

Small Loans to Businesses

Refer to Table Q in the State of Georgia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

During the 2017-2019 analysis period, the geographic distribution of loans to small businesses reflects reasonable distribution within the Atlanta-Sandy Springs-Alpharetta MSA AA. Approximately 26 percent of small businesses within the AA are located in low or moderate CTs. The bank originated or purchased 24 percent of their small business loans within those CTs.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to businesses of different sizes, given the products offered by the bank.

Small Loans to Businesses

Refer to Table R in the State of Georgia section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank’s originations and purchases of small loans to businesses.

During the 2017-2019 analysis period, the distribution of the bank’s small loans to businesses by revenue was reasonable. Ninety percent of businesses reported total revenues less than \$1 million. Forty-six percent of TNB’s loan originations were to businesses with annual revenues of less than \$1 million, which compares favorably with aggregate lending by all lenders at 46.8 percent.

Responses to Complaints

Neither TNB nor the OCC received complaints related to the bank’s CRA performance since the prior CRA examination.

COMMUNITY DEVELOPMENT TEST

The bank’s performance under the Community Development Test in the State of Georgia, for 2019, is rated Satisfactory.

Conclusions for the Atlanta-Sandy Springs-Alpharetta, Georgia MSA.

During the evaluation period of January 1, 2019- December 31, 2019, consideration was given to the bank’s capacity, and the credit needs and availability of such opportunities for community development in the bank’s AA. CD activities for lending demonstrated a poor responsiveness to community development needs of LMI individuals and families within the bank’s AA. However, TNB demonstrated adequate responsiveness to CD needs through qualified investment activities and CD services.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Atlanta-Sandy Springs-Alpharetta MSA	0	0	0.0	0

TNB did not present for consideration any qualified community development loans that were originated inside the Atlanta-Sandy Springs-Alpharetta, Georgia MSA, which represents a poor level of CD loans. Even with strong competition from large and regional banks within the AA, there are available opportunities to originate CD loans. The bank originated several CD loans outside of the bank's AA for 2019, but to receive consideration of that lending activity, the needs of the AA must first be met.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Atlanta-Sandy Springs-Alpharetta MSA	0	00.0	2	2,718	2	100.0	2,718	100.0	0	00.0

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

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

TNB demonstrated adequate responsiveness to CD needs through qualified investment activities within the Atlanta-Sandy Springs-Alpharetta, Georgia MSA for 2019. TNB purchased two pools of mortgage backed securities for CD investments totaling \$2.7 million that directly benefited the AA. The underlying residential mortgage loans in the mortgage backed securities portfolio were originated to borrowers with LMI income levels within the AA. There were no prior period or unfunded CD investments.

Extent to Which the Bank Provides Community Development Services

TNB demonstrated satisfactory responsiveness to CD needs when offering qualifying services to LMI individuals within the AA for 2019. An employee provided services within the AA, that also meet the requirements of a CD service. That employee provided technical assistance by serving on a Community Services Board.

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

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 MSA(s) and non-MSA(s) that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	1/01/2017 to 12/31/2019	
Bank Products Reviewed:	Small Business for lending test 1/01/2017 – 12/31/2019 Community development loans, qualified investments, community development services for 1/01/2019 – 12/31/2019	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	None	None
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Georgia		
Atlanta-Sandy Springs-Alpharetta MSA	Full-scope	Fulton, Cobb, Gwinnett, DeKalb and Forsyth

Appendix B: Summary of State of Georgia Ratings

RATINGS Touchmark National Bank			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State Rating
Touchmark NB	Satisfactory	Satisfactory	Satisfactory
State:			
Georgia	Satisfactory	Satisfactory	Satisfactory

(*) The overall rating was primarily driven by the results of the lending test, as the bank did not become subject to the CD activity requirements until 2019.

Appendix C: Definitions and Common Abbreviations

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

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

Aggregate Lending (Aggt.): The number of loans originated and purchased 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 120 percent, in the case of a geography.

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated 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.

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																				2017-19	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
Touchmark 2019 -AA	34	18,643,103	100.00	116,163	6.2	12.6	5.1	19.7	11.1	18.0	25.1	32.3	23.6	48.3	44.03	52.9	0.7	0.0	0.5		
Total	34	18,643,103	100.00	116,163	6.2	12.6	5.1	19.7	11.1	18.0	25.1	32.3	23.6	48.3	44.03	52.9	0.7	0.0	0.5		

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2017-19	
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	
Touchmark 2019-AA	20	32,486,411	100.0	116,163	89.7	45.83	46.8	3.8	54.17	6.5	0.0	
Total	20	32,486,411	100.0	116,163	89.7	45.83	46.8	3.8	54.17	6.5	0.0	
<i>Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i>												