



## PUBLIC DISCLOSURE

November 29, 2021

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Farmers National Bank  
Charter Number 6375

114 West Third Street  
Prophetstown, Illinois 61277

Office of the Comptroller of the Currency

Peoria Field Office  
211 Fulton Street, Suite 604  
Peoria, Illinois 61602

**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 for the state of Illinois is satisfactory.
- The Community Development (CD) Test rating for the state of Illinois is satisfactory. The bank’s response to the Covid-19 pandemic with responsive flexible lending had a positive impact to the bank’s CD performance.
- The bank originates a majority of its loans within its Assessment Areas (AAs).
- The loan-to-deposit (LTD) ratio is reasonable.

### Loan-to-Deposit Ratio

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

The quarterly average LTD ratio is 76.4 percent for the period running from September 30, 2018, to December 31, 2020, with a low quarterly LTD of 69.5 percent and a high quarterly LTD of 81.0 percent.

Farmer’s National Bank (FNB or bank) ranked fifth out of ten similarly situated FDIC insured financial institutions that compete with the bank for deposits in the AAs. The comparable institutions range in asset size from \$164.4 million to \$1.1 billion and reported quarterly average LTDs from 48.2 percent to 88.0 percent.

### Lending in Assessment Area

A majority of the bank’s loans are inside its AAs.

The bank originated and purchased 70.0 percent of its total loans inside the bank’s AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Farm	14	70.0	6	30.0	20	6,610	67.0	3,240	33.0	9,850

*Source: Sample of agriculture loans originated or purchased from January 1, 2018 to December 31, 2020.*

## **Description of Institution**

FNB is a \$857.9 million intrastate institution headquartered in Prophetstown, IL. The bank is wholly owned by Prophetstown Banking Co., a one-bank holding company with assets of approximately \$857.9 million in assets. FNB has no affiliates or subsidiaries.

FNB's strategy is to build customer relationships by providing competitive banking products and services. The bank has a strategic focus in agricultural lending and offers a full range of deposit and loan products and services. Please refer to the public file for additional details on products and services offered.

The CRA evaluation has one rating area with two legal assessment areas, a NonMSA AA serving portions of Whiteside County with two office locations and the Davenport-Moline-Rock Island MSA (Davenport MSA) AA serving portions of Henry County with one office location. Each of the three offices is a full-service location equipped with a deposit taking ATM and drive-thru and banking services are offered on Saturdays. There were no branch closings or openings since the previous CRA examination.

The bank sources a majority of its deposits, 57.6 percent, from the NonMSA AA while the Davenport MSA accounts for 42.4 percent, per FDIC deposit data at June 30, 2021.

Agricultural loans represent the largest product of the loan portfolio with \$288.8 million, or 78.6 percent, followed by commercial loans at \$44.6 million, or 12.1 percent, residential loans at \$26.6 million, or 7.2 percent, and consumer loans at \$7.6 million, or 2.1 percent per Call Report data at September 30, 2021.

The bank reported net loans and leases of 41.0 percent of total assets at September 30, 2021. The bank also reported tier 1 capital of \$112.3 million at September 30, 2021.

There are no legal or financial circumstances that impede FNB's ability to meet the credit needs of its AAs

The previous CRA rating was Satisfactory, which the OCC determined using the Intermediate Small Bank evaluation procedures detailed in the PE dated September 10, 2018.

## **Scope of the Evaluation**

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

The evaluation period extends from the previous CRA PE dated September 10, 2018 to November 29, 2021. We evaluated FNB under the Intermediate Small Bank evaluation procedures which includes a Lending Test and a CD Test.

The Lending Test evaluated loans originated or purchased between January 1, 2018, and December 31, 2020, and were compared to the 2015 American Community Survey Census Data. Lending performance is based on a sample of loans originated or purchased, not full population data. Performance is considered in context.

The CD Test evaluated eligible community development loans, investments, and services from January 1, 2018, to December 31, 2020.

The primary loan product for the evaluation was determined to be agricultural loans due to the strategic focus of the bank.

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

In each state where the bank has an office, one or more of AAs within that state were selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated NonMSA 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 is based on the State of Illinois rating.

## **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 Illinois**

#### **CRA rating for the State of Illinois: Satisfactory**

**The Lending Test is rated: Satisfactory**

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

The major factors that support this rating include:

- The borrower distribution of loans reflects reasonable performance.
- The CD lending and CD services reflect adequate responsiveness, while CD investments reflect poor responsiveness. The bank's response to the Covid-19 pandemic with responsive flexible lending had a positive impact to the bank's CD performance.

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

FNB's lending strategy in Illinois is focused on agricultural lending. FNB serves its customers with three offices and three ATMs in Illinois, with two in the NonMSA AA and one office in the Davenport MSA AA. The bank offers lobby and drive through services, including banking services on Saturdays.

The bank originated or purchased over 5,600 loans totaling \$747.3 million from January 1, 2018, to December 31, 2021, per bank data.

Competition for deposits and agricultural lending is moderate. FNB competes with local and regional lenders for agricultural loans. Major competitors in the community include state and national banks, as well as credit unions.

The bank has a total of \$250.8 million in deposits from the NonMSA AA. The NonMSA AA accounts for 57.6 percent of FNB's total deposits, per FDIC deposit data at June 30, 2021. The bank has a deposit market share of 15.6 percent in Henry County, competing for the market's \$1.6 billion in deposits and ranking third among 11 institutions. The Davenport MSA AA has a total \$341.0 million in deposits. FNB has a deposit market share of 42.4 percent in Whiteside County, competing for the market's \$1.9 billion in deposits and ranking second out of 14 institutions.

The annual unemployment rate in the State of Illinois had been declining in 2018 and 2019 until 2020 due to the Covid-19 pandemic. The annualized unemployment rates were 4.4 percent in 2018, 4.0 percent in 2019, and 9.5 percent in 2020. Whiteside County was comparable to the State of Illinois in 2018 and 2019 while Henry County compared unfavorably. Unemployment rates in the AA were high during 2020 due to the Covid-19 pandemic, with Whiteside County experiencing its monthly highest unemployment rate of 16.3 percent in April 2020 and Henry County experiencing its monthly highest unemployment rate of 15.5 percent in April 2020.

Major employers in Whiteside County include Wal-Mart distribution center, CGH Medical Center, and Wahl Clipper Corporation. Major employers in Henry County include Henry County public schools, Great Dane Trailers, and the Henry County government.

For the NonMSA AA, we reviewed one community contact interview performed during the Covid-19 pandemic with a regional small business economic development group. The contact noted that many businesses are returning to operations but stated some have suffered serious financial damage. The contact further mentioned that the restaurant sector continues to suffer but is now hampered from lack of workers. Noted needs include technical assistance with small business startups and for small and micro lending. The contact noted many new small business startups are out of homes and funded from personal funds or through friends and family. The contact also noted that nontraditional lenders are able to outcompete banks on price and terms. The contact had no negative perceptions of the bank.

For the Davenport MSA AA, we reviewed two community contact interviews that were performed prior to the Covid-19 pandemic, one from a local chamber of commerce and one from a local economic development group. One contact described the economic condition to be stagnating to improving while another contact noted the economy to be very good. One contact mentioned the community has difficulty in attracting and maintaining manufacturing jobs. Areas of economic growth were noted with renewable energy and ethanol production. One contact noted small business and home loan lending to be a continuous need in the community, but also felt credit needs were being met in the area. Neither contact had a negative perception of the bank.

## NonMSA AA

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Farmers – NonMSA AA 2015 ACS Census</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	8	0.0	0.0	75.0	25.0	0.0
Population by Geography	24,571	0.0	0.0	75.4	24.6	0.0
Housing Units by Geography	10,609	0.0	0.0	76.7	23.3	0.0
Owner-Occupied Units by Geography	8,114	0.0	0.0	73.9	26.1	0.0
Occupied Rental Units by Geography	1,662	0.0	0.0	88.1	11.9	0.0
Vacant Units by Geography	833	0.0	0.0	81.3	18.7	0.0
Businesses by Geography	1,102	0.0	0.0	79.0	21.0	0.0
Farms by Geography	218	0.0	0.0	74.8	25.2	0.0
Family Distribution by Income Level	7,021	11.3	19.6	22.5	46.6	0.0
Household Distribution by Income Level	9,776	14.5	15.1	18.6	51.8	0.0
Median Family Income NonMSAs - IL		\$59,323	Median Housing Value			\$123,470
			Median Gross Rent			\$637
			Families Below Poverty Level			5.8%
<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>						

## Davenport MSA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Farmers - Davenport MSA AA 2015 ACS Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	5	0.0	0.0	80.0	20.0	0.0
Population by Geography	20,121	0.0	0.0	78.5	21.5	0.0
Housing Units by Geography	8,558	0.0	0.0	80.5	19.5	0.0
Owner-Occupied Units by Geography	6,612	0.0	0.0	77.0	23.0	0.0
Occupied Rental Units by Geography	1,348	0.0	0.0	96.1	3.9	0.0
Vacant Units by Geography	598	0.0	0.0	84.1	15.9	0.0
Businesses by Geography	1,270	0.0	0.0	84.3	15.7	0.0
Farms by Geography	267	0.0	0.0	88.0	12.0	0.0
Family Distribution by Income Level	5,789	14.2	16.1	24.9	44.8	0.0
Household Distribution by Income Level	7,960	18.2	14.5	17.8	49.4	0.0
Median Family Income MSA - 19340 Davenport-Moline-Rock Island, IA-IL MSA		\$66,600	Median Housing Value			\$132,652
			Median Gross Rent			\$640
			Families Below Poverty Level			4.8%
<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>						

### Scope of Evaluation in Illinois

The NonMSA AA and Davenport MSA AA both received a full-scope review. Both AAs received equal weight. Refer to Appendix A for more information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ILLINOIS

### LENDING TEST

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

### Conclusions for Areas Receiving Full-Scope Reviews

Based on the full-scope reviews of the NonMSA AA and Davenport MSA AA, the bank's lending performance in the state of Illinois is reasonable.

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

There were no low- or moderate-income (LMI) geographies during the evaluation period. An analysis is not meaningful.

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

The bank exhibits reasonable distribution of loans to farms of different sizes, given the product lines offered by the bank.

### ***Small Loans to Farms***

Refer to Table T in the state of Illinois 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 farms.

The distribution of small farms reflects reasonable distribution of loans in the AAs

### **NonMSA**

The distribution of small farms reflects reasonable distribution of loans in the AA.

The proportion of lending to small farms is near to the percentage of small farms in the AA and exceeded the aggregate distribution. In the sample, 11.1 percent of loans did not have revenue information. This is due to the sample including SBA Paycheck Protection Program (PPP) loans. As PPP loans are not originated with revenue information, this information was considered in context in evaluating the overall performance.

### **Davenport MSA**

The distribution small farms reflects reasonable distribution of loans in the AA.

The proportion of lending to small farms is near to the percentage of small farms in the AA and exceeds the aggregate distribution.

## **Responses to Complaints**

FNB did not receive any complaints about its performance in helping to meet the credit needs of its AA during the evaluation period.

## **COMMUNITY DEVELOPMENT TEST**

The bank's performance under the Community Development Test in the state of Illinois is rated Satisfactory. The bank's response to the Covid-19 pandemic with flexible lending positively affected the bank's CD performance.

## **Conclusions for Areas Receiving Full-Scope Reviews**

Based on full-scope reviews, the bank exhibits adequate responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas.

The bank's performance in the NonMSA exhibits adequate responsiveness, while the performance in the Davenport MSA exhibits poor responsiveness. The overall rating factors in the positive consideration of the bank's Covid-19 response.

## 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.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000’s)	% of Total \$
NonMSA	3	100	2,015	100
Davenport MSA	0	0	0	0
Total	3	100	2,015	100

FNB’s CD lending performance represents adequate responsiveness in the full-scope areas, given the opportunities, needs, and lending programs available.

FNB’s CD lending performance in the NonMSA AA represents adequate responsiveness as it includes three loans totaling \$2.0 million, representing 3.1 percent of allocated tier 1 capital. In the NonMSA AA, FNBs CD loans benefited organizations providing community services to majority LMI persons.

FNB’s CD lending performance in the Davenport MSA AA represents very poor responsiveness as there are no qualified CD loans.

The bank received positive consideration in its response to the Covid-19 pandemic. In addition to the three CD loans, FNB made use of responsive flexible lending during the Covid-19 pandemic by originating loans to stabilize small businesses and communities through the PPP. The bank originated 312 PPP loans in the AAs, combined, totaling \$9.7 million or 7.9 percent of tier 1 capital. The data for the PPP lending was not sufficiently detailed to allocate to the AAs and is considered in context at the overall performance level for CD lending. FNB is not traditionally active in SBA lending.

## 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)
Combined	0	0	47	20	47	100	20	100	0	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.

FNB’s CD investment performance represents poor responsiveness. The bank’s investments consisted entirely of donations as there were no qualifying investments. The \$20 thousand in donations represented substantially less than 0.1 percent of tier 1 capital. The data for donations was not sufficiently detailed to allocate to the AAs. This data was considered in context at the overall

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

performance level for CD investments. The donations supported organizations that provided community services to LMI persons.

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

FNB's CD service performance represents adequate responsiveness in the AAs.

In the NonMSA AA, performance represents adequate responsiveness with eleven employees providing 233 service hours, including six in leadership roles totaling 140 hours. In the Davenport MSA AA, performance represents adequate responsiveness with eleven employees providing 171 service hours, including three in leadership roles totaling 45 hours.

The bank's delivery systems are reasonably accessible to individuals of different income and businesses of different sizes via branches, deposit-taking ATMs, and online and mobile platforms.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSA(s) and NonMSA(s) that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	Lending Test: January 1, 2018 to December 31, 2020 CD Test: January 1, 2018 to December 31, 2020	
<b>Bank Products Reviewed:</b>	Small farm, Community development loans, Qualified investments, Community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<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>State: Illinois</b>		
NonMSA	Full-Scope	Portion of Whiteside County
Davenport MSA	Full-Scope	Portion of Henry County

## Appendix B: Summary of MMSA and State Ratings

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RATINGS Farmers National Bank			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
Farmers National Bank	Satisfactory	Satisfactory	Satisfactory
State:			
Illinois	Satisfactory	Satisfactory	Satisfactory

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

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

**Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -**  
Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

<b>Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues</b>											<b>2018-20</b>
<b>Assessment Area:</b>	<b>Total Loans to Farms</b>				<b>Farms with Revenues &lt;= 1MM</b>			<b>Farms with Revenues &gt; 1MM</b>		<b>Farms with Revenues Not Available</b>	
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Farms</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Farms</b>	<b>% Bank Loans</b>	<b>% Farms</b>	<b>% Bank Loans</b>
NonMSA	27	7,677	50	72	98.2	63.0	41.7	0.9	25.9	0.9	11.1
Davenport MSA	27	3,084	50	75	96.6	81.5	48.0	1.5	11.1	1.9	7.4
<b>Total</b>	<b>54</b>	<b>10,761</b>	<b>100</b>	<b>147</b>	<b>97.3</b>	<b>72.2</b>	<b>44.9</b>	<b>1.2</b>	<b>18.5</b>	<b>1.4</b>	<b>9.3</b>
<i>Source: 2019 D&amp;B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.            Due to rounding, totals may not equal 100.0%</i>											