



PUBLIC DISCLOSURE

November 09, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Hometown Bank, National Association
Charter Number 15593

1801 45th Street Galveston, TX 77550

Office of the Comptroller of the Currency

1301 McKinney Street Suite 1410 Houston, TX 77010-3031

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, nor should it 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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INSTITUTION'S CRA RATING: This institution is rated Satisfactory

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Outstanding.

The major factors that support this rating include:

- The Lending Test is based on a reasonable loan-to-deposit (LTD) ratio, good geographic distribution, reasonable borrower distribution, and a substantial majority of loans made inside the assessment area (AA). There were no CRA-related complaints during the evaluation period.
- The Community Development (CD) Test rating is based on activities reflecting excellent responsiveness to community needs.

Description of Institution

Hometown Bank is a full-service, single-state community bank headquartered in Galveston, Texas. The bank was chartered on June 23, 1966 and is partly owned by Moody Bank Holding Company, Inc., which is a two-bank holding company located in Galveston, Texas.

Hometown's only rating area is Texas. The bank has one AA, the Houston-Galveston AA which includes all of Harris, Brazoria, and Galveston counties. All three counties are located in the Houston-The Woodlands-Sugar Land metropolitan statistical area (MSA). The institution operates seven branches in the Houston-Galveston AA. Four branches including the bank's main office are located in Galveston County, two branches in Brazoria County, and one branch in Harris County. Each branch location contains an automated teller machine (ATM) and drive-through banking facilities. There have been no branch closings or openings since the prior CRA evaluation.

As of December 31, 2019, Hometown reported total assets of \$627 million and the tier 1 leverage ratio was 12.4 percent. The net loan portfolio was \$424 million or 68 percent of total assets. Hometown's primary lending focus is real estate, which accounted for 89 percent of net loans and leases. The bank offers a variety of traditional loan and deposit products to retail and commercial customers. Deposit products consist of business and personal checking/saving accounts, remote deposit capture, telephone banking, and mobile banking services.

There are no legal, financial, or other factors impeding the bank's ability to meet the credit and CD needs in its AA. Hometown was rated "Satisfactory" at the last CRA evaluation, dated August 31, 2017.

Scope of Examination

Evaluation Period/Products Evaluated

The evaluation period for the Lending Test is January 1, 2017 through December 31, 2019. As of the December 31, 2019 call report, the primary loan products are commercial loans, which represent 57 percent of the loan portfolio by dollar amount and 31 percent by number of loans. This is followed by residential mortgage loans, which represent 24 percent of the loan portfolio by dollar amount and 29 percent by number of loans. The bank also makes many consumer loans, which represent 2 percent by dollar amount and 26 percent by number of loans. All three products were given equal consideration during this evaluation. We reviewed all loans reported on the Home Mortgage Disclosure Act (HMDA) loan application register, and we sampled 90 commercial and 90 consumer loans. We performed a data integrity review of these three lending products, prior to this examination, and found the loan information to be reliable. The CD activities evaluation period was from August 31, 2017 through December 31, 2019. With an evaluation period end date of December 31, 2019, qualifying activities performed in response to the significant impact of the COVID-19 pandemic across the United States are not addressed in this evaluation. Bank qualifying activities will be considered in the subsequent evaluation.

Selection of Areas for Full-Scope Review

The bank's one AA, the Houston-Galveston AA, which includes all of Harris, Brazoria, and Galveston counties, had a full-scope review. All three counties are located in the Houston-The Woodlands-Sugar Land MSA.

Discriminatory or Other Illegal Credit Practices Review

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

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

State Rating

State of Texas

Description of Institution's Operations in Texas

The bank operates seven branches in the Houston-Galveston AA. Four branches, including the bank's main office, are located in Galveston County, two branches in Brazoria County, and one branch in Harris County. Each branch location contains an ATM and drive-through banking facilities. There have been no branch closings or openings since the prior CRA evaluation. Of the seven branches, the two in the city of Galveston are located in moderate-income census tracts (CTs). The two branches in Friendswood, as well as the Pearland and League City branches are all located in upper-income CTs, and the branch in Alvin, Texas is located in a middle-income CT. The majority of the deposits are at the Galveston branches with 43 percent, followed by the Friendswood branches with 35 percent of total deposits. The League City branch has 8 percent, the Pearland and Alvin branches each have 7 percent of total deposits.

Banking competition in the AA is intense. As of June 30, 2019, Hometown had \$516 million in deposits and is ranked forty-second out of 168 banks, with 0.22 percent deposit market share. The top three banks representing 33 percent of all market share within the AA included JP Morgan Chase, Bank of America, and Wells Fargo.

Community Contacts

We made three community contacts in Brazoria, Galveston, and Harris counties. One contact indicated there were community development opportunities to provide services targeted to low- and moderate-income (LMI) persons. This included affordable childcare and mentoring programs for at risk youth. Affordable housing was also a need in the community. Banks can assist by offering homeownership training and access to affordable mortgage options. Disaster recovery efforts after major hurricanes was also cited as a need in the area.

One contact indicated that microloans ranging from \$5,000 to \$50,000 were needed to assist small businesses. Financial literacy was also stated as a need for start-up small businesses.

Houston-Galveston AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Hometown Houston-Galveston AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	904	17.0	31.0	23.6	27.5	0.9
Population by Geography	4,996,266	14.2	28.6	26.9	29.9	0.3
Housing Units by Geography	1,922,805	14.8	27.6	25.9	31.5	0.3
Owner-Occupied Units by Geography	980,584	6.7	23.8	29.3	40.1	0.1
Occupied Rental Units by Geography	745,320	23.3	31.6	22.4	22.0	0.6
Vacant Units by Geography	196,901	22.6	31.1	21.8	24.1	0.3
Businesses by Geography	431,384	11.8	21.0	22.5	44.5	0.2
Farms by Geography	6,165	7.1	17.3	28.9	46.7	0.1
Family Distribution by Income Level	1,185,112	26.6	16.9	17.1	39.5	0.0
Household Distribution by Income Level	1,725,904	26.6	16.6	16.9	39.9	0.0
Median Family Income MSA - 26420 Houston-The Woodlands-Sugar Land, TX MSA		\$69,373	Median Housing Value			\$168,447
			Median Gross Rent			\$953
			Families Below Poverty Level			14.2%
<i>Source: 2015 ACS 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>						

Conclusions with Respect to Performance Tests

LENDING TEST

Loan-to-Deposit Ratio

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

The bank’s quarterly average LTD ratio since the last CRA examination was 74.6 percent. During the evaluation period, the bank’s quarterly LTD ratio ranged from a low of 70.1 percent to a high of 80.1 percent. Our analysis included three similarly situated banks in the AA. The comparator banks quarterly average LTD ratio was 78.5 percent for the same period, ranging from a low of 71.8 percent to a high of 83.2 percent.

Lending in Assessment Area

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

The bank originated and purchased 98.3 percent of its total loans inside the bank’s AAs during the evaluation period.

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		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	330	97.9	7	2.1	337	67,367	93.5	4,646	6.5	72,013
Small Business	89	98.9	1	1.1	90	32,392	99.8	70	0.2	32,462
Consumer	89	98.9	1	1.1	90	1,223	97.4	33	2.6	1,256
Total	508	98.3	9	1.7	517	100,982	95.5	4,749	4.5	105,731

The bank’s performance under the Lending Test is rated Satisfactory. Based on a full-scope review, the bank’s performance in the Houston-Galveston AA is reasonable.

Geographic Distribution of Loans

The bank exhibits reasonable geographic distribution of loans in the Houston-Galveston AA.

Home Mortgage Loans

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

Overall the geographic distribution of home mortgage loans in the Houston-Galveston AA is excellent. The bank originated 5.8 percent of its mortgage loans in low-income CTs. This is near to the percent of owner-occupied housing units at 6.7 percent, and exceeds the aggregate of all financial institutions which is 3.8 percent. The bank originated 43.6 percent of its mortgage loans in moderate-income CTs. This exceeds the percent of owner-occupied housing units at 23.8 percent, as well as the aggregate of all financial institutions which is 15.3 percent.

Small Loans to Businesses

Refer to Table Q in 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.

Overall, the geographic distribution of small business loans in the Houston-Galveston AA is adequate. The bank originated 4.5 percent of its small business loans in low-income CTs. This is lower than the percent of businesses at 11.8 percent and the aggregate of all financial institutions which is 12.5 percent in the AA.

However, the bank originated 16.9 percent of its small business loans in moderate-income CTs, which is near to the percent of businesses at 21.0 percent, and the aggregate of all financial institutions at 21.1 percent in the AA, which represents good performance.

Consumer Loans

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

Overall, the geographic distribution of consumer loans in the Houston-Galveston AA is good. The bank originated 5.6 percent of its consumer loans in low-income CTs. This is significantly lower than the percent of households at 13.9 percent in the AA, and considered poor penetration. However, the bank originated 37.1 percent of its consumer loans in moderate-income CTs, which exceeds the percent of households at 27.2 percent in the AA, which is considered excellent penetration.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

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

Home Mortgage Loans

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

The distribution of home mortgage loans by the income level of the borrower is adequate. The percentage of home mortgage loans to low-income borrowers at 5.2 percent is significantly lower than the percentage of low-income families at 26.6 percent; however, it exceeds the percentage of aggregate lending by all financial institutions, which is 3.8 percent. The percentage of home mortgage loans to moderate-income borrowers at 8.5 percent, is somewhat lower than both the percentage of moderate-income families at 16.9 percent and the aggregate lending by all financial institutions, which is 15.3 percent.

Small Loans to Businesses

Refer to Table R in 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.

Overall, the borrower distribution of loans to businesses is good. The bank's percentage of loans to small businesses (businesses with annual revenues of \$1 million or less) at 50.6 percent is lower than the percentage of small businesses located in the AA at 86.1 percent; however, it exceeds the aggregate lending by all financial institutions, which is 39.4 percent.

Consumer Loans

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

The distribution of consumer loans by the income level of the borrower is good. The percentage of consumer loans to low-income borrowers at 19.1 percent is somewhat lower than the percentage of low-income households at 26.6 percent. The percentage of consumer loans to moderate-income borrowers at 13.48 percent, is near to the percentage of moderate-income families at 16.6 percent.

Responses to Complaints

There were no CRA-related complaints received during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank’s performance under the CD Test is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on full-scope review, the bank exhibits excellent responsiveness to community needs in its AA through qualified CD loans, investments, donations, and services. This rating was determined after consideration of the bank's financial capacity and the need and availability of such opportunities for CD activities in the bank's AAs.

Number and Amount of CD Loans

The CD 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.

CD Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Houston-Galveston	28	87.5	13,269	85.4

In the Houston-Galveston AA, the level of CD loans was excellent. Hometown originated 28 loans to 25 borrowers totaling \$13.3 million. These loans helped meet community needs by supporting affordable housing totaling \$2.2 million and community services totaling \$3 million for LMI individuals. Additionally, \$4.6 million was originated for economic development of small business and job creation for LMI individuals. Hometown responded to revitalization and stabilization needs including a \$1 million loan that aided disaster recovery when the Houston-Galveston AA was designated as a Federal disaster area following hurricane Harvey, which occurred in August 2017.

Number and Amount of Qualified Investments

Assessment Area	Prior Period*		Current Period		Total			
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$
Houston-Galveston	12	5,900	87	6,282	99	87.9	\$12,182	51.6

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

The level of CD investments and donations was excellent. Hometown invested \$6.3 million in 12 qualified investments that provided affordable housing to LMI individuals. Additional contributions included 75 donations to organizations totaling \$91,166. Most of these donations assisted organizations providing community services to LMI individuals; however, a small portion of donations supported affordable housing, economic development, and revitalization or stabilization of designated disaster areas.

Extent to Which the Bank Provides CD Services

Bank involvement through CD services is excellent. In the Houston-Galveston AA, eight bank employees provided a total of 1,718 hours of service to 10 organizations. Most of these organizations provide community services that benefit LMI individuals; however, some organizations help support affordable housing and economic development. Using their financial expertise, two bank officers held leadership positions through board membership in two organizations. Bank officers also provided banking and financial seminars to classes within the district. Other CD services included providing financial expertise to organizations that facilitate affordable housing and provide community services to LMI individuals within the bank’s AA.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD loans): 01/01/2017 through 12/31/2019 CD test: 08/31/2017 through 12/31/2019	
Financial Institution	Products Reviewed	
Hometown Bank, National Association Galveston, TX	Residential, Business and Consumer	
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Houston-Galveston AA	Full-Scope	

Appendix B: Summary of Ratings

RATINGS HOMETOWN BANK, N.A.			
Overall Bank	Lending Test Rating	CD Test rating	Overall Bank/State Rating
Satisfactory	Satisfactory	Outstanding	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

Aggregate Lending (Aggt.): The number of loans originated and purchased 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/AA.

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

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

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to 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 CT delineated by the U.S. Census Bureau in the most recent decennial census.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Rating Area: A rated area is a state or multistate MSA. 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 multistate MSA, the institution will receive a rating for the multistate MSA.

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate MSAs 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 loans are treated as originations/purchases; (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MSA/AA. 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 Performance Evaluation. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems.

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

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

Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. The table also presents aggregate peer data for the years the data is available.

Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography – Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households throughout those geographies.

Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Geography - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MSA/AA.

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2017-19	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Houston-Galveston AA	330	67,367	100.0	134,796	6.7	5.8	3.8	23.8	43.6	15.3	29.3	21.5	31.4	40.1	29.1	49.4	0.1	0.0	0.1		
Total	330	67,367	100.0	134,796	6.7	5.8	3.8	23.8	43.6	15.3	29.3	21.5	31.4	40.1	29.1	49.4	0.1	0.0	0.1		

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017-19	
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Houston-Galveston AA	330	67,367	100.0	134,796	26.6	5.2	3.8	16.9	8.5	15.3	17.1	10.9	21.1	39.5	55.8	43.1	0.0	19.7	16.7	
Total	330	67,367	100.0	134,796	26.6	5.2	3.8	16.9	8.5	15.3	17.1	10.9	21.1	39.5	55.8	43.1	0.0	19.7	16.7	
<p><i>Source: 2015 ACS Census ; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i></p>																				

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
Houston-Galveston AA	89	32,392	100	32,392	11.8	--4.49	12.5	21.0	16.85	21.1	22.5	32.58	22.5	44.5	46.07	43.7	0.2	0.0	0.2
Total	89	32,392	100	32392	11.8	4.49	12.5	21.0	16.85	21.1	22.5	32.58	22.5	44.5	46.07	43.7	0.2	0.0	0.2

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	
Houston-Galveston AA	89	32,392	100%	126,668	86.1	50.56	39.4	5.4	37.08	8.4	12.36	
Total	89	32,392	100%	126,668	86.1	50.56	39.4	5.4	37.08	8.4	12.36	
<p><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></p>												

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2017-19	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Houston-Galveston AA	89	1,223	100%	13.9	5.62	27.2	37.08	26.3	29.21	32.3	28.09	0.3	0.0	
<p><i>Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data. Due to rounding, totals may not equal 100.0%</i></p>														

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2017-19	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Houston-Galveston AA	89	1,223	100%	26.6	19.10	16.6	13.48	16.9	19.10	39.9	25.84	0.0	22.47	
Total	89	1,223	100%	26.6	19.10	16.6	13.48	16.9	19.10	39.9	25.84	0.0	22.47	

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data.
Due to rounding, totals may not equal 100.0%*