



**PUBLIC DISCLOSURE**

September 13, 2021

**COMMUNITY REINVESTMENT ACT  
PERFORMANCE EVALUATION**

Southwest National Bank  
**Charter Number 12346**

400 East Douglas  
Wichita, KS 67201

Office of the Comptroller of the Currency

2959 North Rock Road, Suite 510  
Wichita, KS 67226

**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: Outstanding.**

The major factors that support this rating include:

- The Lending Test rating is based on Satisfactory performance in the State of Kansas.
- The Community Development (CD) Test rating is based on Outstanding performance in the State of Kansas.
- A more than reasonable loan-to-deposit (LTD) ratio.
- A majority of the bank’s loans were made in its assessment area (AA).

### Loan-to-Deposit Ratio

Considering the bank’s size, financial condition, and credit needs of the AA, the bank’s loan-to-deposit ratio is more than reasonable.

Southwest National Bank’s (Southwest) average quarterly LTD ratio since the prior CRA examination is 95 percent. The LTD ratio is calculated on a bank-wide basis. We compared Southwest to six similarly situated institutions in the AA. The six banks’ LTD ratios averaged 81 percent, ranging from a low average of 66 percent to a high average of 93 percent.

### Lending in Assessment Area

A majority of the bank’s loans are inside its assessment area (AA).

The bank originated and purchased 67.5 percent 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. 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 Business	19	95.0	1	5.0	20	7,595	93.7	510	6.3	8,105
Consumer	8	40.0	12	60.0	20	193	39.2	299	60.8	492
<b>Total</b>	<b>27</b>	<b>67.5</b>	<b>13</b>	<b>32.5</b>	<b>40</b>	<b>7,788</b>	<b>90.6</b>	<b>809</b>	<b>9.4</b>	<b>8,597</b>

## Description of Institution

Southwest is an intrastate financial institution headquartered in Wichita, Kansas. Southwest had total assets of \$527 million and tier 1 capital of \$47 million as of June 30, 2021. The bank is a wholly owned subsidiary of Republic Financial Corporation, a \$49 million one-bank holding company headquartered in Wichita, Kansas. The bank has no affiliates and no subsidiary activities for consideration in this evaluation.

Southwest's only AA is the Wichita Metropolitan Statistical Area (MSA). Southwest has nine locations, of which one is a limited service facility. All the full-service branch locations include drive-up facilities, with the exception of the downtown location. Southwest has six deposit-taking ATMs, and one walk-up cash dispensing ATM located in Wichita, Kansas. All the branch locations are located in Wichita, Kansas.

There is strong competition in the AA as the bank ranks ninth out of the 48 financial institutions for deposit market share. According to the June 30, 2020 FDIC Deposit Market Share Report, Southwest's deposits total \$480 million giving the bank a market share of 2.46 percent. One hundred percent of the bank's deposits are in the AA.

Southwest is a full-service banking institution offering a full range of commercial, real estate, and consumer credit products. As of December 31, 2020, net loans and leases represented 86 percent of the bank's total assets. The bank's \$448 million loan portfolio consisted of 43 percent consumer loans, 12 percent one-to-four family and multi-family residential real estate loans, and 45 percent business loans. The bank's primary focus during the evaluation period was consumer and business loans.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AA. The Office of the Comptroller of the Currency last evaluated Southwest's CRA performance on August 13, 2018. The bank received an overall rating of "Satisfactory" under the Intermediate Small Bank performance standards.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

Examiners performed an evaluation of the bank's CRA performance using the Intermediate Small Bank CRA procedures to assess management's ability to meet the community's credit needs within the bank's AA. The Performance Evaluation (PE) is an assessment of CRA performance from January 1, 2018, through December 30, 2020. Our loan sample included 20 commercial loan originations and 20 consumer automobile loans, since commercial and auto loans were the bank's primary products.

### Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was 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 non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the “Scope” section under each State Rating for details regarding how full-scope AAs were selected. Refer to Appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

## **Ratings**

The bank’s overall rating is a blend of the state ratings, and where applicable, multistate ratings.

The OCC placed more weight on the commercial lending and consumer automobile lending portfolios as these are the bank’s primary products.

The MMSA rating and state ratings are based on performance in all bank AAs. Refer to the “Scope” section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **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 Kansas

**CRA rating for the State of Kansas<sup>1</sup>:** Satisfactory

**The Lending Test is rated:** Satisfactory

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

The major factors that support this rating include:

- The bank exhibits reasonable geographic distributions of loans in the AA.
- The bank exhibits reasonable distribution of loans to businesses of different sizes and individuals of different income levels.
- The bank's community development performance demonstrates an excellent responsiveness to the community development needs of the AA.

### Description of Institution's Operations in Kansas

Southwest National Bank is an intrastate financial institution headquartered in Wichita, Kansas. The bank offers a broad range of commercial, real estate, and consumer loan products. The bank's primary lending focus is commercial and auto lending.

Southwest's only AA is the Wichita MSA. There are no census tracts designated as distressed or underserved middle-income nonmetropolitan tracts. The Wichita MSA includes 152 census tracts and comprises the following counties:

- Butler County
- Harvey County
- Kingman County
- Sedgwick County
- Sumner County

In an effort to assist small businesses and farms in the community with financial issues related to COVID-19, the bank participated in making SBA Paycheck Protection Program (PPP) loans. In 2020, the bank made over \$40.3 million in loans to 365 small businesses. In 2021, the bank made over \$16.6 million to 217 small businesses.

Examiners used existing community contacts to assess the credit needs and opportunities in the Wichita MSA. Community contacts noted opportunities including, but not limited to financing for start-up businesses, assisting low- and moderate-income borrowers, and funding development projects throughout the city. The community contacts communicated that the financial institutions in the Wichita MSA are involved in the community and work with consumers to meet credit needs.

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

## Wichita MSA AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Wichita MSA 2018-2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	152	9.9	25.7	34.1	30.3	0.0
Population by Geography	638,884	7.4	21.4	36.4	34.8	0.0
Housing Units by Geography	269,297	8.2	23.0	37.4	31.4	0.0
Owner-Occupied Units by Geography	160,130	4.5	16.4	37.7	41.4	0.0
Occupied Rental Units by Geography	82,782	13.5	32.8	37.2	16.5	0.0
Vacant Units by Geography	26,385	14.7	32.2	35.4	17.7	0.0
Businesses by Geography	35,801	4.9	24.8	34.2	36.1	0.0
Farms by Geography	1,666	2.3	9.2	42.4	46.1	0.0
Family Distribution by Income Level	159,533	20.5	17.9	21.4	40.2	0.0
Household Distribution by Income Level	242,912	23.7	16.6	18.4	41.3	0.0
Median Family Income MSA - 48620 Wichita, KS MSA		\$64,331	Median Housing Value			\$121,867
Median Family Income Non-MSAs - KS		\$57,229	Median Gross Rent			\$740
			Families Below Poverty Level			10.3%
<i>Source: 2015 ACS and 2020 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 Kansas

For purposes of this evaluation, we performed a full-scope review of the bank's single AA. The AA consists of the Wichita MSA (#48620) which includes all of Butler, Harvey, Kingman, Sedgwick, and Sumner counties located in southcentral Kansas. The AA meets regulatory requirements, as it consists of whole geographies and does not reflect illegal discrimination or arbitrarily exclude any low- or moderate-income geographies. Please refer to Appendix A for additional information.

The 2020 Wichita MSA consisted of five counties with 152 census tracts. The tracts include 15 low-income geographies, 39 moderate-income geographies, 52 middle-income geographies, and 46 upper-income geographies. According to the 2015 ACS US Census, the population of the AA is 638,884 with a median family income of \$64,331. There are 242,912 households and 159,533 families in the AA. Of these households approximately 28 percent receive social

security, 17 percent are retired, and 14 percent are below the poverty level. Thirteen percent of the population is over age 65, and 33 percent of the population consists of civilians not in the work force. There are 269,297 total housing units, with 60 percent of the units being owner-occupied, 31 percent of the units rental occupied, and 10 percent being vacant units. The median housing value is \$121,867. The income distribution for families within the AA is 21 percent low-income, 18 percent moderate-income, 21 percent middle-income, and 40 percent upper-income. The August 31, 2021, unemployment rate for the Wichita MSA is 5.2 percent, which is above the Kansas unemployment rate of 3.8 percent and in-line with the national rate of 5.2 percent, for the same period.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KANSAS**

### **LENDING TEST**

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

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

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

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

The bank exhibits reasonable geographic distribution of loans in the state.

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

Refer to Table Q in the state of Kansas 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.

Southwest demonstrated excellent distribution of small loans to businesses located in low- and moderate-income tracts.

Southwest exhibited excellent distribution during the evaluation period with 5 percent of loans to small businesses located in a low-income tract, and 55 percent of loans to small businesses located in a moderate-income tract. These percentages exceed the market demographic data of 4.9 percent of small businesses in the AA located in a low-income tract, and 24.8 percent located in a moderate-income tract. The bank also exceeded the aggregate data indicating 4.7 percent and 24.5 percent of small businesses are in low- and moderate-income tracts, respectively.

#### ***Consumer Loans***

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

Southwest demonstrated reasonable distribution of consumer loans to borrowers located in low- and moderate-income tracts.

Southwest exhibited excellent distribution to borrowers in low-income tracts during the evaluation period, with 10 percent of consumer auto loans made to borrowers located in a low-income tract. This exceeds the demographic data of 7.5 percent of households in low-income tracts. The bank exhibited reasonable distribution of consumer auto loans made to borrowers located in moderate-income tracts at 20 percent, compared to the demographic data of 22 percent of households in moderate-income tracts.

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

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

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

Refer to Table R in the state of Kansas 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.

Southwest demonstrated reasonable distribution of loans to businesses of different sizes.

The distribution of commercial loans to businesses with revenues less than or equal to \$1 million is reasonable. Southwest originated 60 percent of commercial loans to small businesses during the evaluation period. This is lower than the demographic data of 79.7 percent; however, this exceeds aggregate data of 40.6 percent. Southwest originated 25 percent of commercial loans to businesses with revenues greater than \$1 million. This exceeds the demographic data of 6.9 percent of businesses with revenue greater than \$1 million in the AA. Southwest originated 15 percent of commercial loans to businesses with no revenue information available. Management notes that many of these loans were PPP loans made to borrowers who met the criteria as a small business, which did not require the collection of income information.

#### ***Consumer Loans***

Refer to Table V in the state of Kansas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

Southwest demonstrated excellent distribution of consumer loans to low- and moderate-income borrowers.

The distribution of consumer loans to low-income borrowers is excellent. Southwest originated 70 percent of consumer loans to low-income borrowers during the evaluation period, exceeding the demographic data of 23.7 percent of households in the AA. The distribution of consumer loans to moderate-income borrowers is reasonable. Southwest originated 10 percent of consumer loans to moderate-income borrowers during the evaluation period, compared to the demographic data of 16.6 percent of households. While this is below demographic data, lending volumes were concentrated in the low-income demographic as middle-income and upper-income lending volumes were also below demographic.

**Responses to Complaints**

There were no CRA related complaints during the evaluation period.

**COMMUNITY DEVELOPMENT TEST**

The bank’s performance under the Community Development Test in the state of Kansas is rated Outstanding.

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

Based on a full-scope review, the bank exhibits excellent responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, as appropriate, considering the bank’s capacity and the need and availability of such opportunities for community development in the bank’s assessment area.

**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 \$
Wichita MSA	362	100	32,190	100

CD loans demonstrated excellent responsiveness to CD needs and opportunities in the AA during the evaluation period. Southwest originated 362 qualified CD loans totaling \$32.19 million during the evaluation period. All qualified CD loans were PPP loans originated through the national emergency disaster declaration to address the disruption in economic and financial activities as a result of the COVID-19 pandemic.

**Number and Amount of Qualified Investments**

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000’s)	#	\$(000’s)	#	% of Total #	\$(000’s)	% of Total \$	#	\$(000’s)
Wichita MSA	0	0	14	58	14	100	58	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.

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

Southwest's management provided regional community development investments that impacted the bank's AA. Southwest originated 14 qualified investments and donations totaling \$58 thousand to seven organizations in the AA during the evaluation period. These investments supported organizations which provide community services primarily to low- and moderate-income individuals.

CD qualified investments totaled \$58 thousand during the evaluation period. Examples of Qualified Investments provided by Southwest include:

- Investments in organizations which provide specialized support for individuals with intellectual and developmental disabilities, and individuals who are blind or visually impaired.
- Investments in organizations which assist low- and moderate-income families that have undergone trauma or are victims of child abuse.
- Investments in organizations that provide emergency shelter and residential assistance for low- and moderate-income individuals

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

Southwest's record of providing CD services in the state of Kansas is adequate. The bank provided community development services through six qualified CD organizations or programs during the evaluation period. The bank does not collect hours of employee service for the programs offered through the bank's ongoing operational environment; however, during the evaluation period 22 employees provided service during Southwest's Shred Day for a total of 66 hours. The Shred Day was conducted in 2018 and 2019 to promote customer awareness for information security by encouraging individuals to shred sensitive information. This service activity was conducted at a bank facility located in a low- or moderate-income area.

Bank employees provided financial service to several area organizations that provide support for small businesses, affordable housing, and community services to low- and moderate-income individuals. Examples of CD services provided by bank staff included:

- Trust services at a reduced fee to individuals who are participants of a governmental organization providing community services to low- and moderate-income individuals.
- Credit education and financial literacy to participants of a financial literacy program designed for young individuals from low- and moderate-income families.
- International funds transfer program to Mexico. This program is sponsored by the Federal Reserve and allows transfers at a low cost and benefits low-to moderate-income individuals. During the evaluation period, 62 percent of the transactions were conducted by those residing in low- to moderate-income tracts.
- COVID-19 related loan modifications which sought to address economic disruptions and challenges posed by COVID-19 on businesses and individual borrowers.

## 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 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”.

<b>Time Period Reviewed:</b>	(01/01/2018 to 12/31/2020)	
<b>Bank Products Reviewed:</b>	Small Business and Consumer Loans 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 of Kansas</b>		
Wichita MSA	Full-Scope	Butler, Harvey, Kingman, Sedgwick, and Sumner Counties. Wichita MSA comprises 152 census tracts.

## Appendix B: Summary of MMSA and State Ratings

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RATINGS Southwest National Bank			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
Southwest National Bank	Satisfactory	Outstanding	Satisfactory
State:			
Kansas	Satisfactory	Outstanding	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 O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-,

and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (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.
- 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 in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower -** Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2018-2020</b>		
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
Wichita MSA 2018-2020	20	7,630	100	10,131	4.9	5	4.7	24.8	55	24.5	34.1	25	30.3	36.1	15	38.4	0.0	0.0	2.1		
<b>Total</b>	<b>20</b>	<b>7,630</b>	<b>100</b>	<b>10,131</b>	<b>4.9</b>	<b>5</b>	<b>4.7</b>	<b>24.8</b>	<b>55</b>	<b>24.5</b>	<b>34.1</b>	<b>25</b>	<b>30.3</b>	<b>36.1</b>	<b>15</b>	<b>38.4</b>	<b>0.0</b>	<b>0.0</b>	<b>2.1</b>		

Source: 2020 D&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%

Southwest National Bank (10000012346) excluded from Aggregate

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2018-2020</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Wichita MSA 2018-2020	20	7,630	100	10,131	79.7	60	40.6	6.9	25	13.4	15		
<b>Total</b>	<b>20</b>	<b>7,630</b>	<b>100</b>	<b>10,131</b>	<b>79.7</b>	<b>60</b>	<b>40.6</b>	<b>6.9</b>	<b>25</b>	<b>13.4</b>	<b>15</b>		

Source: 2020 D&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%

Southwest National Bank (10000012346) excluded from Aggregate

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2018-2020	
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	
Wichita MSA 2018-2020	20	371	100.0	7.5	10.0	22.0	20.0	37.6	40.0	32.9	30.0	0.0	0.0	
<i>Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data.                      Due to rounding, totals may not equal 100.0%</i>														

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2018-2020	
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	
Wichita MSA 2018-2020	20	371	100.0	23.7	70.0	16.6	10.0	18.4	5.0	41.4	15.0	0.0	0.0	
<b>Total</b>	20	371	100.0	<b>23.7</b>	70.0	<b>16.6</b>	10.0	<b>18.4</b>	5.0	<b>41.4</b>	15.0	<b>0.0</b>	0.0	
<i>Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data.                      Due to rounding, totals may not equal 100.0%</i>														