



PUBLIC DISCLOSURE

August 22, 2022

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

The Old Point National Bank of Phoebus
Charter Number 12267

1 West Mellen Street
Hampton, Virginia 23663

Office of the Comptroller of the Currency
Roanoke Office
4419 Pheasant Ridge Road, Suite 300
Roanoke, Virginia 24014

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.

Table of Contents

Overall CRA Rating.....	1
Description of Institution	2
Scope of the Evaluation	4
Discriminatory or Other Illegal Credit Practices Review	5
State Rating.....	6
State of Virginia.....	6
Community Development Test.....	10
Appendix A: Scope of Examination	A-1
Appendix B: Summary of State Ratings.....	B-1
Appendix C: Definitions and Common Abbreviations.....	C-1
Appendix D: Tables of Performance Data.....	D-1

Overall CRA Rating

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

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 for Old Point National Bank (OPNB, or bank), is based on the rating of the state of Virginia.
- The loan-to-deposit (LTD) ratio is reasonable considering the bank's size, financial condition, and credit needs in its assessment area (AA).
- A majority of loans were originated or purchased inside the bank's AA.
- Geographic distribution of loans in the AA is reasonable.
- Distribution of loans to individuals of different income levels is reasonable, given the product lines offered by the bank.
- The Community Development (CD) Test rating is based on the bank's responsiveness to the CD needs of its AA demonstrated through CD activities.
- Responsiveness to CD needs in the AA through CD loans, qualified investments, grants and donations, and CD services is excellent.

Loan-to-Deposit Ratio

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

The LTD ratio is calculated on a bank-wide basis, covering the quarters as of March 31, 2019, through the quarter ended March 31, 2022. The bank's average quarterly LTD ratio for the 13 consecutive quarters since the previous CRA evaluation is 79.39 percent. This is near to the average quarterly LTD ratio of 80.29 percent for similar asset-sized institutions in the AA during the same evaluation period. The bank's average quarterly LTD ratios ranged from a quarterly high of 89.91 percent to a quarterly low of 69.90 percent. The LTD for similar asset-sized banks ranged from an average high of 101.68 percent to an average low of 63.95 percent over the same evaluation period.

Lending in Assessment Area

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

OPNB originated and purchased 75.7 percent of its total loans, by number, inside the 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. The OCC used the loans originated inside the bank's AAs for the geographic distribution of lending and the borrower income distribution analyses.

The table below illustrates the number and dollar volume of home mortgage loans the bank originated inside and outside of its AA.

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										
2019	114	92.7	9	7.3	123	27,044	91.1	2,636	8.9	29,680
2020	288	73.8	102	26.2	390	79,914	69.7	34,757	30.3	114,671
2021	260	71.8	102	28.2	362	66,133	57.5	48,822	42.5	114,955
Total	662	75.7	213	24.3	875	173,091	66.8	86,215	33.2	259,306

*Source: Bank Data for January 1, 2019, through December 31, 2021
Due to rounding, totals may not equal 100.0%*

Description of Institution

OPNB is an intrastate institution headquartered in Hampton, Virginia, holding total assets of \$1.3 billion, as of December 31, 2021. OPNB is a wholly owned subsidiary of Old Point Financial Corporation (OPFC). OPFC also wholly owns Old Point Trust and Financial Services, National Association (Old Point Trust), which is located in Newport News, Virginia. Neither OPFC nor Old Point Trust conduct lending activities. Old Point Insurance LLC, is a wholly-owned subsidiary of OPNB.

The bank has one rating area in the state of Virginia for this evaluation period. There is one AA consisting of the Virginia Beach-Norfolk-Newport News VA-NC MSA. As of December 31, 2021, the bank offers sixteen full-service branch offices, two limited-service branches, fourteen deposit-taking automated teller machines (ATMs), and five non-deposit taking ATMs within the AA. One branch is located in a low-income census tract (CT), five are located in moderate-income CTs, six are located in middle-income CTs, five are located in upper-income CTs, and one branch is located in an unknown income CT.

OPNB closed two branches during the evaluation period, the Norge and Warwick branches. The Norge Branch, located in Williamsburg, Virginia, was in an upper-income CT and the Warwick branch, located in Newport News, Virginia, was in a moderate-income CT. Both branches were closed on December 31, 2020. These branch closures resulted from a strategic initiative implemented in response to changes in market demand and to improve operating efficiencies. No branches were opened during the evaluation period.

OPNB offers traditional commercial and consumer lending and deposit products, with fiduciary services provided by its affiliate, Old Point Trust. Product offerings include business and personal checking accounts, business and personal savings accounts, small business administration loans, construction loans, commercial real estate loans, automobile loans, mortgage loans, home equity loans, business and personal credit cards, private banking, and online banking. The Bank utilizes a variety of delivery channels for its products and services. Due to the COVID-19 pandemic, the bank experienced a significant increase in the use of digital and technological channels. In addition to standard brick and mortar services, it offers a full array of online banking services.

As of December 31, 2021, outstanding loans totaled \$846.8 million, resulting in a net loan and leases to total asset ratio of 63.7 percent. Tier one capital totaled \$119.7 million. The table below represents the breakdown of the loan portfolio as of December 31, 2021.

Distribution of Loan Portfolio*		
TYPE OF LOAN	Balance Outstanding (\$000s)	% OF TOTAL LOANS
Non-Farm/Non-Residential Real Estate	380,885	44.98
1-4 Family Residential Real Estate	190,604	22.51
Loans to Individuals	118,443	13.99
Commercial and Industrial	68,690	8.11
Construction & Land Development	58,440	6.90
Multi-family Residential Real Estate	19,050	2.25
Other loans	8,983	1.06
Loans secured by farmland/Ag Prod	1,718	0.20
TOTAL	846,813	100.00

*Source: Schedule RC-C Part 1 – Loans and Leases as reported in the Consolidated Report of Condition and Income as of December 31, 2021.

During 2020 and 2021, OPNB participated in the Paycheck Protection Program (PPP) implemented by the U.S. Small Business Administration (SBA). This program is a low-cost, qualifying forgivable loan program for small businesses to help cover payroll costs, interest on mortgages, rent, and utilities during the COVID-19 Pandemic. In 2020, the bank originated 1,135 PPP loans totaling \$100.8 million. In 2021, the bank originated 479 PPP loans totaling \$45.9 million.

OPNB's participation in the PPP was strong. For 2020, there were 1,070 PPP loans originated inside the bank's AA with 709 loans, totaling \$56.0 million, qualified as small business loans and 361 PPP loans, totaling \$37.5 million, qualified as CD loans. For 2021, 463 PPP loans originated in the AA qualified as CD loans, totaling \$48.3 million.

The bank received an "Outstanding" rating at the previous CRA performance evaluation dated July 8, 2019. There are no legal, financial, or other factors impeding its ability to help meet the credit needs in its AA during the evaluation period.

Scope of the Evaluation

Evaluation Period/Products Evaluated

Performance was based on an assessment of home mortgage loans originated and purchased during the evaluation period of January 1, 2019, through December 31, 2021. There was not a sufficient volume of small business or small farm loans to conduct a meaningful analysis. Multi-family loans were not considered in the lending test due to the low percentage of loan originations.

Performance also included an assessment of CD activities from January 1, 2019, through December 31, 2021. CD activities included CD loans, qualified investments, grants and donations, and services made in the evaluation period. Qualifying activities performed in response to the significant impact of the COVID-19 Pandemic across the United States are addressed in this evaluation.

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 based on the state rating for Virginia.

Therefore, the state rating is based on performance in this AA. Refer to the “Scope” section under each state and Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

We placed more weight on geographic distribution of loans versus lending to borrowers of different income levels, due to the barriers of home ownership for LMI families as well as the bank’s performance with lending in LMI areas. Additionally, we placed more weight on the moderate-income geographic distribution of loans due to the limited volume of loan originations in low-income geographies within the overall market.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) in determining a national banks 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 Consumer Financial Protection Bureau, 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 Virginia

CRA rating for the State of Virginia¹: Outstanding

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- Geographic distribution of loans in the AA is reasonable.
- Distribution of loans to borrowers of different income levels is reasonable.
- Responsiveness to CD needs in the AA through CD loans, qualified investments, grants and donations, and CD services is excellent.

Description of Institution's Operations in Virginia

OPNB has one AA within the state of Virginia rating area, which is the Virginia Beach-Norfolk-Newport News VA-NC MSA. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income (LMI) geographies.

The AA is comprised of 418 CTs, which consists of 31 low-income geographies, 112 moderate-income geographies, 147 middle-income geographies, 115 upper-income geographies, and 13 geographies that do not have an assigned income level. Based on the 2015 American Community Survey (ACS) U.S. Census and the 2021 Dunn & Bradstreet (D&B) data, the AA has a population of 1.7 million people. Please refer to the "Description of the Institution" section for additional details.

Competition for mortgage loans is strong and includes local commercial and savings banks, branches of larger regional and nationwide banks, and national mortgage lenders. Based on the 2021 Peer Mortgage Data, there were 649 lending institutions within the AA competing for mortgage applications. The top five lenders, with combined market share of 28.66 percent (by loan count) are Pennymac Loan Services, LLC, Freedom Mortgage Corporation, Rocket Mortgage, Atlantic Bay Mortgage Group, and Wells Fargo Bank NA. OPNB ranked 73rd with a market share of 0.21 percent.

From a review of the 2021 Peer Deposit Market Share Report, OPNB ranked 9th with a deposit market share of 2.74 percent, among 47 institutions in the market. One hundred percent of OPNB's deposits were within this MSA. Towne Bank, Truist Bank, Wells Fargo Bank, N.A., and Bank of America, N.A., were the bank's major competitors with deposit market shares of 20.34, 15.20, 14.94, and 9.93 percent, respectively.

¹ This rating reflects performance within the state.

Employment and Economic Factors

According to the Bureau of Labor Statistics, the unemployment rate in the AA reported an annual average for 2019, 2020, and 2021 of 3.1, 7.1, and 4.5 percent, respectively. The state of Virginia unemployment rates were somewhat below the AA rates, reporting an annual average of 2.8, 6.2, and 3.9 percent for 2019, 2020, and 2021, respectively. The national average annual unemployment rates of 3.7, 8.1, and 5.4 percent were above the state and AA average annual unemployment rates for the same time period.

Moody's Analytics Report as of April 2022, indicated that the economic drivers for the area are the defense industry, tourism, and logistics. The top employers for the area are Naval Station Norfolk, Sentara Healthcare, Riverside Regional Medical Center, and Bon Secours Health Systems. The AA economic recovery is pushing forward but still has a way to go. Employment in leisure/hospitality and retail is roughly in line with pre-pandemic levels, but healthcare has recouped only about half of pandemic-related job losses and manufacturing payrolls continue to decline. The AA will benefit from elevated defense spending as shipbuilders grow their payrolls as the Department of Defense looks to modernize the Navy's fleet.

Housing

The 2015 ACS U.S. Census data reported single family homes make up most of the housing stock in the AA, with 79.46 percent of the homes consisting of one-unit, detached dwellings. Total rental occupied units accounted for 35.20 percent of the one-unit, detached dwellings, and multi-family units accounted for 18.28 percent of the housing stock. The median housing value in the AA was \$235,946 for the evaluation period and the median gross rent was \$1,092 per month.

Community Contacts

As part of our evaluation, we reviewed two community contacts completed by the FDIC in conjunction with other CRA examinations in the AA. The first contact is an organization that represents LMI individuals and families with the mission to provide well-maintained neighborhoods and assist with the decrease of homelessness. The organization fulfills its mission by leveraging federal, state, and private resources and is funded by both city and federal funds. The contact stated the economic conditions of the area are good and continue to improve. The economy is dominated by tourism-related industries and lower-wage jobs. There continues to be a need for affordable housing as the growth of lower-wage jobs makes housing prospects more difficult. There is a need for financing LMI multi-family rental housing development and rehabilitation. The contact further stated that local banks appear to be willing to assist with affordable housing initiatives.

The second community contact is an organization with the mission of fostering small business success through counseling, training, and assisting business owners with financing opportunities. The contact stated there is a critical need for a viable micro-lending program to serve businesses and residents in LMI neighborhoods and burgeoning and growing home-based businesses. They added that this program would be an ideal undertaking for the region's financial institutions. The contact stated they have also participated in activities with local financial institutions for training events.

Virginia Beach-Norfolk-Newport News, VA-NC MSA AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Virginia Beach Norfolk Newport News, VA-NC MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	418	7.4	26.8	35.2	27.5	3.1
Population by Geography	1,697,529	5.8	26.5	35.7	31.6	0.4
Housing Units by Geography	692,799	5.9	26.5	36.2	31.1	0.4
Owner-Occupied Units by Geography	383,899	2.5	18.1	38.7	40.5	0.2
Occupied Rental Units by Geography	243,833	10.5	38.8	33.0	17.3	0.5
Vacant Units by Geography	65,067	8.4	29.5	34.2	26.9	1.0
Businesses by Geography	176,320	4.4	23.3	35.8	35.4	1.1
Farms by Geography	4,261	2.2	17.2	38.1	42.1	0.4
Family Distribution by Income Level	422,174	21.4	17.6	20.2	40.9	0.0
Household Distribution by Income Level	627,732	22.8	16.7	19.0	41.5	0.0
Median Family Income MSA - 47260 Virginia Beach-Norfolk-Newport News, VA-NC MSA		\$69,773	Median Housing Value			\$235,946
			Median Gross Rent			\$1,092
			Families Below Poverty Level			9.6%
<i>Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in Virginia

The Virginia Beach-Norfolk-Newport News, VA-NC MSA AA will receive a full-scope review since it is the only AA for the bank. Home mortgage loans were the primary loan product for the evaluation period.

Conclusions in Respect to Performance Tests in Virginia

Lending Test

Performance under the Lending Test in Virginia is rated satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, lending performance in the state of Virginia is reasonable.

Distribution of Loans by Income Level of the Geography

Geographic distribution of loans is reasonable.

Home Mortgage Loans

Refer to Table O in the state of Virginia section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans to borrowers in low-income geographies was below the percentage of owner-occupied housing units and the aggregate peer lending. The percentage of home mortgage loans in moderate-income geographies was near to the percentage of owner-occupied housing and the aggregate peer lending.

We considered the demographic characteristics of low- and moderate-income geographies in evaluating geographic distribution of mortgage loans. We placed more weight on performance in moderate-income geographies than in low-income geographies because of significantly fewer opportunities to lend in low-income geographies. Low-income CTs totaled 7.4 percent of all CTs in the AA, with only 2.5 percent of owner-occupied housing units located in these CTs. These factors impact the bank's ability to make mortgage loans to individuals residing in these low-income geographies.

Distribution of Loans by Income Level of the Borrower

Distribution of loans to individuals of different income levels is reasonable.

Home Mortgage Loans

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

The percentage of home mortgage loans to low-income borrowers is well-below the percentage of low-income families but exceeded aggregate peer lending. The percentage of home mortgage loans to moderate-income borrowers was near to the percentage of moderate-income families and near to the aggregate peer lending totals.

The borrower distribution of home mortgage loans is reasonable, considering the homeownership difficulties in LMI geographies due to high median housing prices compared to median family income, and a high percentage of renter occupied units in LMI geographies.

When assessing performance, examiners considered the affordability of housing for low-income borrowers in the AA due to demographic constraints. The median housing value for the AA was \$235,946 per the 2015 ACS US Census data. The weighted average median family income was \$69,773 for the AA, which means the maximum income for low-income families (defined as less than 50.00 percent of the area median family income) is \$34,886; and the maximum income for moderate-income families (defined as less than 80.00 percent of the area median family income) is \$55,811. Therefore, low and moderate-income borrowers may have difficulty qualifying for home mortgage loans.

Responses to Complaints

The bank did not receive any CRA related complaints during the evaluation period.

Community Development Test

Performance under the Community Development Test in the state of Virginia is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities in the AA.

Number and Amount of Community Development Loans

The Community Development Loans Table, shown below, details the information and data used to evaluate the 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 \$
Virginia Beach-Norfolk-Newport News, VA-NC MSA	17	100.00	\$5,077	100.00

The bank originated 17 CD loans totaling \$5.1 million, representing 4.24 percent of tier one capital, that has a purpose, mandate, or function that directly benefits the Virginia Beach-Norfolk-Newport News, VA-NC MSA. The bank continues to originate CD loans for affordable housing for LMI individuals, community services, and revitalization or stabilization in the bank's AA. Notable loans to support CD included the following:

- \$1.8 million to construct a pre-leased two tenant retail center in a low-income CT, which will bring new jobs in the area, particularly to LMI individuals living there.
- \$714 thousand to extend a construction loan for six months and sell five-units in a townhome development located in a moderate-income area. The builder is required to sell at least one out of five units to qualified LMI purchasers.
- \$414 thousand to renew a loan to a non-profit organization that supports LMI people with disabilities to lead productive and fulfilling lives. The organization defines LMI people as individuals who benefit from Medicaid, Social Security Income and/or Social Security Disability Income and those who fall below 200 percent of the federal poverty level.
- \$325 thousand to renew a working capital line of credit to a non-profit that offers crisis services to those affected by violence including shelter, advocacy, and subsidized before and after school childcare and summer programs.

OPNB participated in the SBA PPP to support businesses impacted by the COVID-19 Pandemic. The bank originated 361 PPP loans in 2020, and 463 PPP loans in 2021, in the bank's AA that qualified as CD loans.

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)
Virginia Beach-Norfolk-Newport News, VA-NC MSA	2	\$248	2	\$4,074	4	80.0	4,322	81.2	0	0
Virginia Statewide	0	0	1	\$1,000	1	20.0	1,000	18.8	0	0
TOTAL	2	\$248	3	5,074	5	100.0	5,322	100.0	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.*

OPNB provided a significant level of new qualified CD investments during the evaluation period as well as continuing with investments made in a previous evaluation period that remain outstanding as of this examination date. The qualified investments made during the evaluation period represented 5.08 percent of tier 1 capital. All these investments support numerous CD organizations that provide direct support and services to LMI geographies and individuals. Some notable investments are:

- \$1.2 million purchase in June 2020, in a public facility revenue bond issued by the Virginia Beach Virginia Development Authority. This entity was established by the state of Virginia General Assembly in 1964, as a component of the City of Virginia Beach to facilitate the expansion of the tax base through increased business investment. This bond was issued to support various city and school projects in the Virginia Beach area.
- The continuing investment of a \$1.0 million purchase in a municipal bond issued by the Virginia State Housing Development Authority. This entity is a non-profit organization created by the state of Virginia in 1972, to provide mortgages, primarily for first-time homebuyers and developers of quality rental housing for the elderly and those with disabilities.
- Capital calls on two of three continuing investments with the Virginia Community Development Corporation/Housing Equity Funds of Virginia. The capital calls were \$140 thousand for one fund and \$108 thousand for the second fund during the evaluation period.

During the evaluation period, OPNB donated \$309,940 to 36 organizations in the AA. Examples of such donations and grants are:

- \$27 thousand to United Way of South Hampton Roads, which serves at least a majority of LMI individuals;
- \$7 thousand to a non-profit foundation which provides direct services to patients with chronic life-threatening diseases at no cost to the patient in need, with 50 percent of the patients having a household income of less than \$24 thousand and 42 percent are either disabled or unemployed;
- \$55 thousand to a non-profit organization which partners with area families, local government, faith groups and other associations to build and renovate affordable homes for sale to qualifying LMI families in the cities of Hampton, Newport News, Poquoson, and Williamsburg; and
- \$48 thousand to non-profit organization that provides affordable quality preschool programs that develop the whole child and foster school readiness, with families paying tuition based on their income and need.

Extent to Which the Bank Provides Community Development Services

During the evaluation period, 19 staff members provided 219 CD service hours to 22 organizations in the AA including community service organizations that primarily target services to LMI individuals, affordable housing organizations, and economic development organizations. Below are examples of these CD services.

- An employee serves as a board member of a local non-profit medical center that provides free medical and dental services for uninsured individuals in LMI communities.
- An employee serves as a board member and treasurer for a CD organization committed to permanently transition families and individuals out of homelessness.
- An employee served as a board member for an economic development organization that provided mentoring to small business owners who were starting or growing their businesses. The organization provided office space, technical support, and hosted workshops to educate entrepreneurs on various financial topics.
- An employee serves as a board member of a local community service organization that provides supportive services and affordable housing for homeless families and victims of sexual and domestic violence.

In addition, the bank hosts a variety of financial literacy seminars for homebuyers and small business owners that are designed to help meet the credit needs of LMI borrowers and small businesses in the community. Additionally, the bank provided grants for first-time homebuyers and LMI borrowers, and offers a community service checking account for non-profit organizations and community service organizations that provides a savings to the community organizations.

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:	01/01/2019 to 12/31/2021	
Bank Products Reviewed:	Home Mortgage Loans Community Development Loans, Qualified Investments, Community Development Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	None	None
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Virginia		
Virginia Beach-Norfolk-Newport News, VA-NC MSA	Full scope	In the state of Virginia - All census tracts for Williamsburg City, Virginia Beach City, Suffolk City, Portsmouth City, Poquoson City, Norfolk City, Newport News City, Hampton City, Franklin City, Chesapeake City, York County, Southampton County, Mathews County, James City, Isle of Wight County, Gloucester County

Appendix B: Summary of State Ratings

RATINGS Old Point National Bank of Phoebus			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank / State Rating
Old Point National Bank of Phoebus	Satisfactory	Outstanding	Outstanding
State:			
Virginia	Satisfactory	Outstanding	Outstanding

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at 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 metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

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

Table 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 O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2019-21		
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		
Virginia Beach Norfolk Newport News VA-NC MSA	662	173,091	100.0	123,114	2.5	1.5	2.3	18.1	17.2	17.9	38.7	33.2	37.3	40.5	47.7	42.2	0.2	0.7	0.2		
Total	662	173,091	100.0	123,114	2.5	1.5	2.3	18.1	17.2	17.9	38.7	33.2	37.3	40.5	47.7	42.2	0.2	0.7	0.2		

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 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																			2019-21		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Virginia Beach Norfolk Newport News VA-NC MSA	662	173,091	100.0	123,114	21.4	5.6	4.5	17.6	14.7	16.3	20.2	18.0	18.9	40.9	53.8	27.8	0.0	8.0	32.6		
Total	662	173,091	100.0	123,114	21.4	5.6	4.5	17.6	14.7	16.3	20.2	18.0	18.9	40.9	53.8	27.8	0.0	8.0	32.6		

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%