



Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

July 21, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Home Bank SB
Charter Number: 704255

59 W. Washington St.
Martinsville, IN 46151-1425

Office of the Comptroller of the Currency

Indianapolis Office
8777 Purdue Rd., Suite 105
Indianapolis, IN 46268

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 **Outstanding**.

The lending test is rated: Outstanding

The community development test is rated: Outstanding

The major factors that support this rating include:

- The Lending Test rating is based on excellent performance in the State of Indiana. Home Bank SB (Home Bank or bank) had a reasonable loan-to-deposit (LTD) ratio and originated a majority of loans in its assessment area (AA) with an excellent distribution among borrowers and geographies of different income levels.
- The Community Development (CD) Test rating is based on excellent performance in the State of Indiana. Home Bank demonstrated excellent responsiveness to needs in its AA by engaging in a combination of CD loans, qualified investments, and CD services.

Loan-to-Deposit Ratio

Home Bank's LTD ratio was reasonable, considering the bank's size, financial condition, credit needs of the AA, and volume of loans sold. As calculated on a bank-wide basis, Home Bank's quarterly LTD ratio averaged 58.5 percent over the 12-quarter period ended December 31, 2024. During this timeframe, the LTD ratio gradually trended upward from a low of 50.5 percent at March 31, 2022, to a high of 65.6 percent at December 31, 2024. Home Bank's average LTD ratio is lower than four of five similarly situated banks with total assets between \$230 million and \$815 million. In comparison, the LTD ratios for these five banks ranged from 57.2 percent to 87.7 percent and averaged 73.4 percent. The OCC considered Home Bank's LTD ratio does not include \$24.5 million of home mortgage loans that were sold into the secondary market during the evaluation period.

Lending in Assessment Area

A majority of the bank's loans were inside its AA. By number, Home Bank originated 68.3 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.

| Table 1: Lending Inside and Outside of the Assessment Area | | | | | | | | | 2022 - 2024 | |
|--|-----------------|--------------|------------|--------------|------------|---------------------------------|--------------|---------------|--------------|----------------|
| Loan Category | Number of Loans | | | | Total # | Dollar Amount of Loans \$(000s) | | | | |
| | Inside | | Outside | | | Inside | | Outside | | |
| | # | % | # | % | | \$ | % | \$ | % | |
| Home Mortgage | 374 | 68.25 | 174 | 31.75 | 548 | 82,933 | 63.73 | 47,195 | 36.27 | 130,127 |
| Total | 374 | 68.25 | 174 | 31.75 | 548 | 82,933 | 63.73 | 47,195 | 36.27 | 130,127 |

Source: 1/1/2022 - 12/31/2024 Bank Data.
Due to rounding, totals may not equal 100.0%

Description of Institution

Home Bank is a federally chartered mutual savings bank headquartered in Martinsville, Indiana. Martinsville is in south central Indiana approximately 30 miles southwest of Indianapolis and 20 miles north of Bloomington. Home Bank has not engaged in merger or acquisition activity or opened or closed any offices since the prior CRA evaluation.

As a single-state institution, Home Bank operates five full-service offices in the Indianapolis-Carmel-Greenwood metropolitan statistical area (Indianapolis MSA). The main office and two branches are in Morgan County, one branch is in Hendricks County, and one branch is in Johnson County. Each location offers lobby and drive-up service as well as an automated teller machine (ATM). Given this footprint, Home Bank has one rating area, the State of Indiana, with a single AA, the Indianapolis MSA. See the Description of Institution's Operations in Indiana for more details on this AA.

Home Bank offers a variety of loan products, deposit accounts, and other services to meet the personal and business banking needs of its customers. Loan products include various types of home mortgage loans, commercial loans, and consumer loans. Deposit accounts consist of checking and savings accounts, certificates of deposit, and individual retirement accounts. Other available banking services include debit and credit cards, bill pay, remote deposit capture, automated clearing house transactions, and safe deposit boxes.

As of December 31, 2024, Home Bank had total assets of \$421.2 million, total deposits of \$361.5 million, and tier one capital of \$52.8 million. Gross loans and leases of \$239.9 million represented 57 percent of total assets. The loan portfolio consisted of residential real estate loans (66.7 percent), commercial real estate loans (26.7 percent), commercial and industrial loans (3.8 percent), consumer loans (1.5 percent), agricultural loans (0.7 percent), and other loans (0.5 percent). By number and dollar amount, loans originated in 2022, 2023, and 2024 primarily consisted of residential real estate, which represented 63.6 percent of the total number and 72.9 percent of the total dollar amount.

Home Bank's lending activities are consistent with its size, expertise, financial capacity, and local economic conditions. There are no legal, financial, or other factors, that affect its ability to help meet the needs of the AA. As stated in the CRA Performance Evaluation dated June 6, 2022, Home Bank received an Outstanding rating for its CRA performance during the previous evaluation period of 2019-2021.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This evaluation is based on Home Bank's performance from January 1, 2022, to December 31, 2024. The OCC assessed performance using Intermediate Small Bank examination procedures, which include a Lending Test and a CD Test. The Lending Test reflects Home Bank's record of meeting the credit needs of its AA for its primary loan product, home mortgage loans. The CD Test reflects Home Bank's responsiveness to the CD needs of the AA through loans, qualified investments, and services with a CD purpose. The OCC validated and used loan data reported under the Home Mortgage Disclosure Act (HMDA) and information on CD activities provided by management.

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 AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA), if applicable 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

Home Bank operates in one state, so the overall rating is based on its Lending and CD Test performance in the State of Indiana. The State of Indiana rating is based on performance in the single AA, the Indianapolis MSA.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) (March 29, 2024) 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 (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 Indiana

CRA rating for the State of Indiana¹: Outstanding

The Lending Test is rated: Outstanding

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- an excellent distribution of loans among geographies and borrowers of different levels; and,
- excellent responsiveness to CD needs through a combination of CD loans, qualified investments, and CD services.

Description of Institution's Operations in Indiana

As mentioned above, Home Bank has five full-service offices in Indiana. The main office in Martinsville, a branch in Martinsville, and a branch in Mooresville are in Morgan County. The other two branches are in Plainfield which is in Hendricks County and Greenwood which is in Johnson County. Based on 2020 Census data, the main office and three branches are in a middle-income census tract and one branch is in an upper-income census tract. Previous data from the 2015 American Community Survey (ACS), indicated the main office was in a low-income census tract, three branches were in a middle-income census tract, and one branch was in an upper-income tract.

Given Home Bank's market footprint and lending pattern, the delineated assessment area includes Hendricks County, Morgan County, and northern Johnson County. All three counties are part of the Indianapolis MSA. The demographic characteristics and additional information about the job market, housing costs and affordability, market competition, and credit needs of this AA are presented below to provide further context for Home Bank's operations in the Indianapolis MSA.

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

Indianapolis MSA

Demographic Characteristics

| Assessment Area(s) - Indianapolis MSA 2024 | | | | | | | |
|--|----------|------------|-----------------|-------------------------------------|--------------|------------|--|
| 2022 - 2024 | | | | | | | |
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # | |
| Geographies (Census Tracts) | 68 | 0.00 | 10.29 | 61.76 | 27.94 | 0.00 | |
| Population by Geography | 364,676 | 0.00 | 6.33 | 60.52 | 33.15 | 0.00 | |
| Housing Units by Geography | 135,604 | 0.00 | 7.74 | 62.02 | 30.23 | 0.00 | |
| Owner-Occupied Housing by Geography | 98,671 | 0.00 | 5.94 | 59.64 | 34.41 | 0.00 | |
| Occupied Rental Units by Geography | 29,747 | 0.00 | 12.87 | 68.17 | 18.96 | 0.00 | |
| Vacant Units by Geography | 7,186 | 0.00 | 11.27 | 69.27 | 19.45 | 0.00 | |
| Businesses by Geography | 13,247 | 0.00 | 9.49 | 62.92 | 27.59 | 0.00 | |
| Farms by Geography | 707 | 0.00 | 8.35 | 62.80 | 28.85 | 0.00 | |
| Family Distribution by Income Level | 94,235 | 13.79 | 17.50 | 23.04 | 45.67 | 0.00 | |
| Household Distribution by Income Level | 128,418 | 15.06 | 14.21 | 19.40 | 51.33 | 0.00 | |
| Unemployment rate (%) | 3.82 | 0.00 | 6.32 | 4.24 | 2.56 | 0.00 | |
| Households Below Poverty Level (%) | 6.58 | 0.00 | 15.21 | 6.99 | 3.65 | 0.00 | |
| Median Family Income (26900 - Indianapolis-Carmel-Greenwood, IN MSA) | \$80,333 | | | Median Housing Value | \$179,200 | | |
| Median Family Income (26900 - Indianapolis-Carmel-Greenwood, IN MSA) for 2024 | \$98,600 | | | Median Gross Rent | \$951 | | |
| | | | | Families Below Poverty Level | 4.39 | | |
| FFIEC File - 2020 Census | | | | | | | |
| FFIEC File - 2024 Census | | | | | | | |
| 2024 Dun & Bradstreet SBSF Demographics | | | | | | | |
| Due to rounding, totals may not equal 100.0% | | | | | | | |
| (*) The NA category consists of geographies that have not been assigned an income classification | | | | | | | |

Job Market

Data from the five-year ACS estimate indicates the two most common employment sectors in Hendricks, Johnson, and Morgan counties are healthcare and social assistance, and manufacturing. Other common sectors by county and some of the major employers in the AA include the following:

| Employment Sectors | |
|--------------------|--|
| Hendricks County | Retail Trade, Educational Services, Transportation and Warehousing, and Professional, Scientific, and Technical Services |
| Johnson County | Retail Trade, Educational Services, Construction, and Transportation and Warehousing |
| Morgan County | Construction, Transportation and Warehousing, Retail Trade, and Educational Services |

Source: Data USA 2023 Census Bureau ACS 5-year estimate

| Major Employers | |
|------------------|--|
| Hendricks County | Amazon Fulfillment Center, Duke Energy Indiana LLC, Hendrick's Regional Health, Q-edge Corp, and Homegoods Distribution Center |
| Johnson County | Carey James, Johnson Memorial Health, Ulta Beauty Distribution Center, Walmart Supercenter, and Indiana Masonic Home Health Center |
| Morgan County | Nice-pak Products Inc, IU Health Morgan Hospital, Toa LLC, Franciscan Health Mooresville, and Walmart Supercenter |

Source: STATS Indiana (Data Axe)

The average annual unemployment rate for all counties in the AA gradually trended upward during the evaluation period but remained relatively low, under 4 percent. Unemployment in each county also compared favorably to the rate for the State of Indiana. According to the Bureau of Labor Statistics, the average annual unemployment rates for the three counties in the AA and Indiana were as follows:

| Average Annual Unemployment Rates | | | |
|-----------------------------------|------|------|------|
| | 2022 | 2023 | 2024 |
| State of Indiana | 3.1 | 3.4 | 4.2 |
| Hendricks County | 2.4 | 2.7 | 3.4 |
| Johnson County | 2.5 | 2.9 | 3.6 |
| Morgan County | 3.0 | 3.3 | 3.9 |

Source: Bureau of Labor Statistics; Rates Not Seasonally Adjusted

Housing Costs and Affordability

A home mortgage loan may not be affordable for low- and moderate-income families in the AA. The demographic data in the table below shows the median housing value for the AA was at least 3.6 times the annual income of a low-income family and at least 2.3 times the annual income of a moderate-income family.

| | |
|----------------------------------|-----------|
| Median Housing Value (MHV) | \$179,200 |
| Median Family Income (MFI) | \$ 98,600 |
| | |
| Low Income Level (<50% MFI) | \$ 49,300 |
| Moderate-Income Level (<80% MFI) | \$ 78,880 |

Source: 2020 ACS Census; 2024 Updated FFIEC MFI

In addition, data from Realtor.com shows the median list price for homes rose during the evaluation period and was higher than the median housing value indicated by the 2020 ACS Census data. From January 2022 to December 2024, the median list price of homes for the Indianapolis MSA increased from \$275,000 to \$309,900. These prices were 5.6 to 6.3 times the annual income of low-income families and 3.5 to 3.9 times the annual income of moderate-income families.

Based on a list price of \$275,000 and \$309,900, the estimated payment for a 30-year mortgage with a 5 percent interest rate would be \$1,476 and \$1,664 per month, respectively. In comparison, low-income families could afford a maximum mortgage payment of \$1,233 and moderate-income families could afford a maximum monthly payment of \$1,972. This example illustrates that a home would not be affordable for low-income families or some moderate-income families.

Market Competition

Competition for deposits is significant given the number and size of the financial institutions with offices in the AA. As of June 20, 2024, FDIC data showed Home Bank and 25 other national, regional, and state banks operated 121 offices and had deposits totaling \$9.7 billion. Home Bank's six offices with deposits of \$360.6 million represent a market share of 3.7 percent. This market share ranks Home Bank 11th within the group. The top competitors are Chase Bank, First Merchants Bank, Fifth Third

Bank, PNC Bank, and Huntington National Bank. The market share of these five banks ranges from 15.8 percent to 8.4 percent and together totals 51.8 percent.

Significant competition for home mortgage loans also exists. Aggregate HMDA data for 2023 shows a total of 391 reporting lenders originated and purchased 12,028 home mortgage loans. The top lender, Rocket Mortgage, had 497 loans and a market share of 4.1 percent. Other top lenders were Huntington National Bank (4 percent), Pennymac Loan Services (3.8 percent), GVC Mortgage (3.7 percent), and Indiana Members Credit Union (3.2 percent). In comparison, Home Bank had 107 loans and ranked 36th with a market share of 0.9 percent.

Community Contact

The OCC considered information from an April 2025 interview with a representative of an affordable housing organization that serves the Indianapolis MSA. The representative shared the results of their 2021 and 2024 needs assessment. In rank order, the top five identified needs were as follows:

| Community Needs Assessment Comparison | | |
|---------------------------------------|---------------------------------|--|
| Rank | 2024 | 2021 |
| 1 | Quality and affordable housing | Good jobs with adequate wages, benefits, and opportunities |
| 2 | Transportation Support | Second chance hiring programs |
| 3 | Food Assistance | Programs for youth |
| 4 | Mental Health and/or counseling | Assistance with legal services |
| 5 | Programs for seniors | Counseling services |

The representative noted there are several opportunities for financial institutions to help meet these identified credit and community development needs. These opportunities include the following:

- General operating support,
- Construction gap financing,
- Funds for a home rehab program,
- Financial literacy resources (funds, guest speakers, opening savings accounts),
- Affordable Housing Program/Federal Home Loan Bank sponsor,
- Line of credit financing and below-market construction financing,
- Downpayment and closing cost assistance for low- and moderate-income borrowers, and
- Home repair loan products.

Scope of Evaluation in Indiana

The OCC performed a full-scope review of Home Bank's only AA, the Indianapolis MSA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN INDIANA

LENDING TEST

The bank's performance under the Lending Test in Indiana is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the State of Indiana was excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibited an excellent geographic distribution of loans in the state.

Home Mortgage Loans

Home Bank's geographic distribution of home mortgage loans in the Indianapolis MSA was excellent. This conclusion is based on the following performance:

- The AA did not have any low-income census tracts during the evaluation period.
- Home Bank's percentage of home mortgage loans in moderate-income census tracts exceeded the percentage of owner-occupied housing units and the aggregate percentage for all reporting lenders.

Refer to Table 7 in the State of Indiana 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.

Lending Gap Analysis

The OCC analyzed Home Bank's geographic lending pattern for home mortgages by mapping loan originations and purchases. The OCC did not identify any unexplained conspicuous lending gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibited an excellent distribution of loans to individuals of different income levels and businesses and farms of different sizes given the products lines offered by the bank.

Home Mortgage Loans

Home Bank's overall borrower distribution of home mortgage loans in the Indianapolis MSA was excellent. This conclusion is based on the following performance for 2022-2024:

- Home Bank's percentage of home mortgage loans to low-income borrowers was near the percentage of low-income families and exceeded the aggregate percentage for all reporting lenders.
- Home Bank's percentage of home mortgage loans to moderate-income borrowers exceeded the percentage of moderate-income families and approximated the aggregate percentage for all reporting lenders.

Refer to Table 8 in the State of Indiana 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.

Responses to Complaints

Home Bank did not receive any complaints regarding its CRA performance during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the State of Indiana is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibited 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 AA.

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. Since Home Bank was responsive to CD needs and opportunities in the Indianapolis MSA, the OCC also considered the CD loans made in the broader statewide or regional area.

| Assessment Area | Total | | | |
|------------------------------------|-------|--------------|------------|---------------|
| | # | % of Total # | \$ (000's) | % of Total \$ |
| Indianapolis MSA | 12 | 80.0 | 8,033 | 80.5 |
| Broader Statewide or Regional Area | 3 | 20.0 | 1,947 | 19.5 |
| Total | 15 | 100.0 | 9,980 | 100.0 |

Indianapolis MSA

During the evaluation period, Home Bank originated a total of 12 qualified CD loans totaling \$8 million, or 15.2 percent of tier 1 capital, as of December 31, 2024. These loans were responsive to a variety of CD needs. The following are examples of CD loans the bank originated or purchased in this AA:

- Two construction loans totaling \$3.5 million for two buildings in a logistics park that is a key driver of development and growth in the area according to the local government's economic strategy.
- A \$2 million loan to support the start-up of a new restaurant that is creating jobs in a moderate-income census tract. The jobs are accessible not only to the residents of that area, but also to those of the adjacent moderate-income census tract.

- Two Small Business Administration 504 loans totaling \$369,000 to a newly formed entity for the purchase of a single-tenant office building that provides more space for a growing mental health counseling business.
- A \$250,000 revolving line of credit that supports operations of a non-profit that helps people experiencing homelessness and addiction through individualized programs and transitional housing.

Broader Statewide or Regional Area

In the broader statewide or regional area, Home Bank made three CD loans totaling \$1.9 million, or 3.7 percent of tier 1 capital, as of December 31, 2024. This total includes a \$1.5 million loan that funded the purchase of school buses for a school district with a high percentage of students that qualify for the national school lunch program. The other two loans totaling \$468,800 financed businesses that retained and created permanent jobs accessible to low- and moderate-income residents.

Number and Amount of Qualified Investments

| Table 4: Qualified Investments | | | | | | | | | | |
|---------------------------------------|----------------------|--------------|-----------------------|------------|--------------|--------------|--------------|---------------|-------------------------------|-----------|
| Assessment Area | Prior Period* | | Current Period | | Total | | | | Unfunded Commitments** | |
| | # | \$(000's) | # | \$(000's) | # | % of Total # | \$(000's) | % of Total \$ | # | \$(000's) |
| Indianapolis MSA | 7 | 4,211 | 36 | 738 | 43 | 100.0 | 4,949 | 100.0 | | |
| Total | 7 | 4,211 | 36 | 738 | 43 | 100.0 | 4,949 | 100.0 | | |

During the evaluation period, Home Bank made a \$500,000 investment in a municipal bond that provided financing for affordable housing programs in the broader statewide area, including the bank's AA. The bank also invested \$29,809 in two low-income housing tax credit equity funds and made 33 qualified donations totaling \$209,048. The donations benefitted 25 organizations that provide various community services or affordable housing to low- and moderate-income individuals or families within the AA. The bank also received credit for seven prior period municipal bond investments with an outstanding book balance of \$4.2 million as of December 31, 2024. These bonds supported affordable housing and economic development. Total qualified investments of \$4.9 million represent 9.4 percent of tier 1 capital.

Extent to Which the Bank Provides Community Development Services

Within the AA, 12 Home Bank employees spent approximately 1,257 hours volunteering their financial expertise to 13 different organizations. These organizations provide various CD services that support affordable housing, revitalization efforts, financial literacy, homelessness, substance abuse, and youth programs. Each of these employees served in a leadership role as a director, officer, or committee member. One employee further volunteered by preparing taxes and providing extensive consulting to organizations regarding the Federal Home Loan Bank of Indianapolis's (FHLBI) affordable housing and small business grant programs. In addition, several employees volunteered as project managers for task forces of a community coalition initiated by the bank's former Chief Executive Officer. This coalition works to develop actionable solutions for affordable housing, mental health, childcare, and transportation issues.

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

In addition to these volunteer efforts, Home Bank participates in the following grant programs offered by the FHLBI:

- Neighborhood Impact Program (NIP) – The NIP is a home repair and modification program designed to assist low- and moderate-income homeowners with deferred maintenance repairs (e.g., roofs, windows, siding) and accessibility improvements (e.g., walk-in showers, ramps, chairlifts). During the evaluation period, four borrowers received grants totaling \$79,132.
- Homeownership Opportunity Program (HOP) – The HOP grant helps first-time low- and moderate-income homebuyers with downpayment and closing cost assistance. During the evaluation period, one borrower received a grant of \$10,000.
- Elevate – The Elevate small business grant assists the growth and development of small businesses by providing money for capital expenditures, workforce training, working capital, and a variety of other needs. During the evaluation period, four borrowers received grants totaling \$74,096.

Appendix A: Scope of Examination

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

| | | |
|---|---|---|
| Time Period Reviewed: | (01/01/22 to 12/31/24) | |
| Bank Products Reviewed: | Home mortgage loans CD loans, qualified investments, and CD services | |
| Affiliate(s) | Affiliate Relationship | Products Reviewed |
| None | Not Applicable | Not Applicable |
| List of Assessment Areas and Type of Examination | | |
| Rating and Assessment Areas | Type of Exam | Other Information |
| State of Indiana | | |
| Indianapolis-Carmel-Greenwood, IN MSA | Full Scope | Hendricks County, Morgan County, and northern portion of Johnson County |

Appendix B: Summary of MMSA and State Ratings

| RATINGS | | | |
|------------------------|----------------------|----------------|--|
| Overall Bank: | Lending Test Rating* | CD Test Rating | Overall Bank/State/ Multistate Rating |
| Home Bank Savings Bank | Outstanding | Outstanding | Outstanding |
| MMSA or State: | | | |
| State of Indiana | Outstanding | Outstanding | Outstanding |

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

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 low- and moderate-income 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 CD loans and qualified investments, branch distribution, and CD services).

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

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.

Multistate Metropolitan Statistical Area (MMSA): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

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.

Prior Period Investments: Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

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 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 multistate metropolitan statistical area, the institution will receive a rating for the multistate 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.

Unfunded Commitments: Legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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/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 PE.

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

Table 7. 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 8. 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/AA. The table also presents aggregate peer data for the years the data is available.

Table 9. 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 AA.

Table 10. 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.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table 11. 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 AA.

Table 12. 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 \$500,000) 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 13. 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 14. 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/AA.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

| Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography | | | | | | | | | | | | | | | | 2022 - 2024 | | | |
|--|---------------------------|---------------|-------------------|----------------|-----------------------------------|--------------|-------------|-----------------------------------|--------------|-------------|-----------------------------------|--------------|--------------|-----------------------------------|--------------|--------------|-----------------------------------|--------------|-------------|
| Assessment Area: | Total Home Mortgage Loans | | | | Low-Income Tracts | | | Moderate-Income Tracts | | | Middle-Income Tracts | | | Upper-Income Tracts | | | Not Available-Income Tracts | | |
| | # | \$ | % of Total Number | 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 |
| Indianapolis MSA 2024 | 374 | 82,933 | 100.00 | 28,821 | 0.0 | 0.0 | 0.0 | 5.94 | 16.58 | 6.79 | 59.64 | 59.89 | 60.18 | 34.41 | 23.53 | 33.03 | 0.0 | 0.0 | 0.0 |
| Total | 374 | 82,933 | 100.00 | 28,821 | 0.0 | 0.0 | 0.0 | 5.94 | 16.58 | 6.79 | 59.64 | 59.89 | 60.18 | 34.41 | 23.53 | 33.03 | 0.0 | 0.0 | 0.0 |

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, -- HMDA Aggregate Data, "-- data not available.
Due to rounding, totals may not equal 100.0%

| Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower | | | | | | | | | | | | | | | | 2022 - 2024 | | | |
|---|---------------------------|---------------|-------------------|----------------|----------------------|--------------|-------------|---------------------------|--------------|--------------|-------------------------|--------------|--------------|------------------------|--------------|--------------|--------------------------------|--------------|--------------|
| Assessment Area: | Total Home Mortgage Loans | | | | Low-Income Borrowers | | | Moderate-Income Borrowers | | | Middle-Income Borrowers | | | Upper-Income Borrowers | | | Not Available-Income Borrowers | | |
| | # | \$ | % of Total Number | Overall Market | % Families | % Bank Loans | % Aggregate | % Families | % Bank Loans | % Aggregate | % Families | % Bank Loans | % Aggregate | % Families | % Bank Loans | % Aggregate | % Families | % Bank Loans | % Aggregate |
| Indianapolis MSA 2024 | 374 | 82,933 | 100.00 | 28,821 | 13.79 | 12.83 | 8.53 | 17.50 | 22.46 | 22.04 | 23.04 | 24.87 | 25.16 | 45.67 | 35.83 | 29.91 | 0.0 | 4.01 | 14.37 |
| Total | 374 | 82,933 | 100.00 | 28,821 | 13.79 | 12.83 | 8.53 | 17.50 | 22.46 | 22.04 | 23.04 | 24.87 | 25.16 | 45.67 | 35.83 | 29.91 | 0.0 | 4.01 | 14.37 |

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, -- HMDA Aggregate Data, "-- data not available.
Due to rounding, totals may not equal 100.0%

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.