



## **PUBLIC DISCLOSURE**

December 1, 2025

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Community National Bank  
Charter Number: 18054

500 West Illinois Avenue  
Midland, TX 79701

Office of the Comptroller of the Currency

5001 West Loop 289  
Suite 250  
Lubbock, TX 79414

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## Overall CRA Rating

**Institution’s CRA Rating:** This institution is rated **Satisfactory**.

The following table indicates the performance level of Community National Bank (CNB) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Community National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		
High Satisfactory			X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

\*The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on the bank’s level of lending indicating excellent responsiveness to local credit needs, a substantial majority of loans inside the bank’s assessment areas (AAs), good geographic distribution of loans, and good borrower lending distribution. The bank’s significant level of Community Development (CD) loans in the Odessa Metropolitan Statistical Area (MSA) supporting affordable housing needs along with the use of innovative and/or flexible mortgage loan products in the AAs had a positive impact on the overall Lending Test rating.
- The Investment Test rating is based on the bank’s level of investments, donations, and grants that reflected an overall adequate responsiveness to AA needs.
- The Service Test rating is based on good performance in the state of Texas. Overall, the bank’s full-scope AAs service delivery systems were accessible to geographies and individuals and businesses of different income levels. The bank also provided a good level of CD services in the Midland MSA AA and adequate level in the Odessa MSA AA. However, the Service Test was negatively impacted by performance in the limited-scope AAs.

### Product Innovation and Flexibility

The bank made use of innovative and/or flexible loan products that were available and assessed at the bank-wide level. These offerings were a positive factor in the bank’s overall Lending Test rating. In particular, the bank participates in various flexible mortgage lending programs that benefit underserved markets and/or low- and moderate-income individuals or families within the state of Texas. The following is a description of flexible mortgage products offered by the bank:

*Texas State Affordable Housing Corporation (TSAHC)*

CNB offers mortgage loan programs through the TSAHC, which was created at the direction of the Texas state legislature to serve as a self-sustaining, statewide, affordable housing provider. TSAHC programs target the housing needs of low- and moderate-income families and other underserved populations in Texas who do not have acceptable housing options through conventional financial channels. Programs include flexible underwriting standards, low fees, and downpayment assistance. The bank participates in two TSAHC downpayment assistance programs: TSAHC Home for Heroes and TSAHC Home Sweet Texas. During the evaluation period, CNB provided downpayment assistance to 26 low- or moderate-income borrowers, with this assistance collectively totaling \$147 thousand within the bank’s AAs through these programs.

*Federal Housing Administration (FHA) Loans*

The bank offers fixed-rate US FHA loans with 30-year terms. These mortgages accept decreased downpayments as low as 3.5 percent and have flexible credit underwriting standards. During the evaluation period, CNB originated 51 FHA loans totaling \$11 million to low- or moderate-income borrowers in its AAs during the evaluation period.

*Veterans Administration (VA) Mortgage Loans*

VA mortgage loans are guaranteed by the VA for qualified military veterans. There is no downpayment if they have full VA entitlement. During the evaluation period, CNB originated three loans totaling \$825.6 thousand to moderate-income borrowers in its AAs.

**Lending in Assessment Area**

A substantial majority of the bank’s loans were in its AAs.

The bank originated and purchased 82.99 percent of its total loans inside the bank’s AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria. Farm loans are not a primary product for the bank and are of limited volume but were included in the table below as reported on the CRA Loan Application Register (LAR).

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	746	86.24	119	13.76	865	231,593	72.40	88,265	27.60	319,858
Small Business	1,897	83.09	386	16.91	2,283	488,871	84.70	88,281	15.30	577,152
Small Farm	45	49.45	46	50.55	91	8,888	52.02	8,198	47.98	17,086
<b>Total</b>	<b>2,688</b>	<b>82.99</b>	<b>551</b>	<b>17.01</b>	<b>3,239</b>	<b>729,352</b>	<b>79.79</b>	<b>184,744</b>	<b>20.21</b>	<b>914,096</b>

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

## Description of Institution

CNB is a full-service, single state institution headquartered in Midland, Midland County, Texas, which is in the Permian Basin region of the state. The bank was originally established in 1983, and is wholly owned by Midland Bancshares, Inc, a \$2.4 billion one-bank holding company also headquartered in Midland, Texas. In addition to banking operations, CNB owns a subsidiary, Capital Banking Solutions, Inc. This subsidiary is used for marketing its CBS Capital Advantage product, a proprietary account receivable financing software, to other financial institutions.

CNB provides a wide range of traditional loan and deposit products within select North and West Texas markets, predominately within the Midland market. The bank expanded full service, deposit-taking operations into the Odessa MSA in 2005; the Lubbock MSA in 2020; and the Dallas-Plano-Irving Metropolitan Division (MD) in 2022. Specifically, CNB operates through its Midland-based headquarters, six additional branches in Midland, and one branch each in Stanton, Odessa, Lubbock, and Dallas. ATMs are located at all branch locations except for two branch offices in Midland and the Dallas-based branch. CNB also operates two stand-alone ATMs at the Midland International Air & Space Port. However, all ATMs are limited to cash withdrawals, balance inquires, and funds transfer between accounts and do not accept deposits. With this branching network, CNB has delineated four AAs: (1) Midland, TX MSA; (2) Odessa, TX MSA; (3) Lubbock, TX MSA; and Dallas-Plano-Irving, TX MD.

The bank continues to focus on commercial lending, including commercial real estate, inventory, equipment purchase, operating, and oil and gas (O&G) investments, particularly with businesses operating in the Permian Basin. With its expansion into Lubbock and Dallas markets, management primarily focuses on commercial real estate and non-O&G commercial and industrial lending in these markets. Moreover, the bank has a mortgage lending division that offers 15-, 20-, and 30-year mortgages with conventional, FHA, and VA financing for home equity loans, ARM loans, and interim construction loans. Deposit products include business and personal checking, savings, certificate of deposit products with access to Insured Cash Sweep (ICS) and Certificate of Deposit Account Registry (CDARS) services. Further, the bank provides 24-hour access to personal and business online banking through its website, [www.cnbt.bank](http://www.cnbt.bank). Online services include account balance review, funds transfer activities, bill pay, and various financial education tools. Mobile banking via smartphone and account alerts via text or email are also offered. Bank management remains focused on relationship banking within their served communities, while investing in technology to improve the bank's digital delivery systems and effectively compete with larger institutions.

The bank reported total assets of \$2.4 billion, total deposits of \$2.1 billion, and tier 1 capital of \$262.2 million as of December 31, 2024, which was the end of the evaluation period. Net loans and leases totaled approximately \$1.55 billion, or 64 percent of total assets. Major loan categories of the portfolio included commercial real estate at approximately 32 percent, commercial and industrial at 30 percent, construction lending at 16 percent, and 1-4 family residential lending at 9 percent. Consumer loans were not a significant portion of the portfolio at less than one percent of the loan portfolio. Total investments, including interest-bearing balances, were \$692.2 million.

There were no legal, financial, or other factors impeding the bank's ability to meet the credit needs of its AAs during the evaluation period. The bank has not been involved in any mergers or acquisitions since

our prior CRA performance evaluation. CNB received a “Satisfactory” overall rating at the last CRA evaluation dated February 7, 2022.

## **Scope of the Evaluation**

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

This performance evaluation assessed CNB’s record of meeting the credit needs of its AAs under the CRA Large Bank Lending, Investment, and Service Tests. The evaluation period for Lending, Investment, and Service Tests is from January 1, 2022, through December 31, 2024.

For the Lending Test, examiners evaluated home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA) and small loans to businesses reported under the CRA, as well as CD lending activities. Small farm lending was not evaluated as a primary product considering the bank’s overall lending strategy and low volumes of agricultural loans. Our review of residential and small business lending activity in 2022-2024 was combined and presented for analysis in Appendix D for the Midland MSA AA, Odessa MSA AA, and the Dallas-Plano-Irving MD AA. For the Lubbock MSA, the U.S. Office of Management and Budget (OMB) made changes to the Lubbock MSA AA effective in 2024 that impacted CNB’s AA and the underlying data. For perspective, metropolitan statistical areas are delineated by OMB because of published standards to the Census Bureau data. Due to these changes, examiners analyzed the bank’s performance in the Lubbock MSA AA in 2024 separate from the 2022-2023 period.

The Investment Test considers the bank’s responsiveness to CD needs in the AAs through qualified investments, grants, and donations. The OCC’s analysis evaluates quantitative measures of performance through review of the CD investments and grants in each AA as compared to the AA’s allocated tier 1 capital. Examiners also considered the complexity and innovativeness of the investments, the responsiveness of the investments to CD needs, and the bank’s demonstrated leadership. Examiners placed more weight on the quantitative analysis than the qualitative analysis of CD investments when arriving at overall conclusions.

The Service Test considers both retail and CD services. For retail services, the geographic distribution of the bank’s branches among low-, moderate-, middle-, and upper-income geographies along with the impact of branch openings and closing carry the most weight in our analysis. Additionally, the Service Test considers the availability and effectiveness of alternative delivery system for delivering retail banking services including ATMs, online banking, and mobile banking. The level and responsiveness of CD services was also evaluated.

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

In each state where the bank has an office, one or more 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) or multistate metropolitan statistical area (MMSA), 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 section 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 ratings are based on performance in the state of Texas.

The state ratings are based on performance in all bank AAs, with the greatest weight placed on performance in the Midland MSA AA. Refer to the "Scope" section under each MMSA and State Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national bank's or federal savings association's (collectively, bank's) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area 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 Texas

**CRA rating for the State of Texas:** Satisfactory

**The Lending Test is rated:** Outstanding

**The Investment Test is rated:** Low Satisfactory

**The Service Test is rated:** High Satisfactory

The major factors that support this rating include:

- Lending levels reflected excellent responsiveness to the credit needs in its AAs;
- CNB originated a substantial majority of loans within its AAs;
- The bank exhibited good geographic distribution of loans within its AAs;
- The bank reflected good distribution of loans to borrowers of different income levels and businesses of different sizes.
- The bank had a significant level of CD loans in the Odessa MSA responsive to affordable housing needs and used innovative and/or flexible loan products through its AAs, which both positively impacted Lending Test ratings.
- The institution had an adequate level of qualified CD investments and grants;
- The bank's service delivery systems were accessible to geographies and individuals of different income levels in the AAs;
- The bank provided an overall adequate level of CD services.

### Description of Institution's Operations in Texas

CNB serves four AAs in the state of Texas through eleven locations and two stand-alone ATMs. CNB's primary product remains commercial loans, but they also offer a wide variety of residential mortgage products through its mortgage lending division, Community National Mortgage. While all locations offer a wide variety of financial products and services, the bank significantly concentrates in O&G lending in its Permian Basin markets while focusing on other commercial and industrial lending and commercial real estate in the Lubbock and Dallas markets. Additional information on the two full-scope AAs selected for review are discussed in detail below.

## Midland MSA AA

CNB conducts business with the public in this AA through its headquarters, seven additional branch locations, and two stand-alone ATMs. The Midland MSA AA is comprised of Midland and Martin Counties in West Texas and represents the bank’s primary AA when considering overall operations, branching network, and lending and deposit levels. Deposits assigned to this AA totaled \$1.75 billion or 92.6 percent of total deposits as of June 30, 2024. As stated previously, the bank continues to focus on commercial and industrial lending and O&G lending in this market. This AA accounts for approximately 50 percent of total bank loans and purchases during the evaluation period.

According to the FDIC, bank deposits represented 18.8 percent of the deposit market share in the AA as of June 30, 2024. Specifically, the bank ranked 1<sup>st</sup> of 15 reporting institutions in the AA. Competing institutions include national and super-regional banks, as well as a few community banks with longstanding roots in the market. Other banks with notable market share include Frost Bank (17.75 percent), Prosperity Bank (13.28 percent), West Texas National Bank (11.56 percent), and Wells Fargo Bank, National Association (11.03 percent). Local financial institutions operate 41 offices in the AA, with CNB having the largest branching presence in the Midland AA. Also, Prosperity Bank operates six offices and Wells Fargo Bank, National Association and Frost Bank both operate four offices in the AA.

### Demographics

Midland is the county seat of Midland County and is the largest city in the county and MSA. The Midland MSA AA has a total population of 175,220 and consists of two low-income geographies, eight moderate-income geographies, 15 middle-income geographies, 12 upper-income geographies, and two geographies with an unknown income level. The following table provides a summary of the demographics, including housing, business, and economic information for the Midland MSA AA.

Assessment Area(s) - Midland MSA 2024						
						2022 - 2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	39	5.13	20.51	38.46	30.77	5.13
Population by Geography	175,220	6.43	17.03	46.26	29.36	0.93
Housing Units by Geography	64,303	6.03	18.06	46.16	29.06	0.70
Owner-Occupied Housing by Geography	39,845	5.00	17.06	42.65	34.62	0.67
Occupied Rental Units by Geography	19,794	7.54	18.00	55.11	19.30	0.05
Vacant Units by Geography	4,664	8.36	26.76	38.25	22.98	3.64
Businesses by Geography	9,996	4.21	24.65	34.44	35.52	1.17
Farms by Geography	403	0.74	31.27	26.55	39.95	1.49
Family Distribution by Income Level	40,998	21.71	17.52	19.37	41.41	0.00
Household Distribution by Income Level	59,639	23.83	16.24	18.54	41.38	0.00
Unemployment rate (%)	3.43	5.14	3.20	3.70	2.83	0.00
Households Below Poverty Level (%)	9.77	24.15	15.80	9.62	3.78	0.00
Median Family Income (33260 - Midland, TX MSA)		\$97,494		Median Housing Value		\$212,600
Median Family Income (33260 - Midland, TX MSA) for 2024		\$91,500		Median Gross Rent		\$1,154
				Families Below Poverty Level		7.95
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						

For performance context, examiners evaluated the disparity between the median income of families within the AA and the cost of housing. Based on the information in the table above, low-income families earned \$48,747 and moderate-income families earned \$77,995. The median housing value in the AA was \$212,600. One method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30 percent of the applicant's income. The calculated maximum affordable monthly mortgage payment was \$1,218.67 for a low-income borrower and \$1,949.87 for a moderate-income borrower. Assuming a 30-year mortgage with a six percent interest rate and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly payment for a home at the MSA median housing value would be \$1,275 per month. Based on these calculations, low-income borrowers could be challenged to qualify for and afford home mortgage financing in the AA.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the state poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial resources to qualify for a home loan than those with income above poverty. In this AA, the overall household poverty level was 7.95 percent per the most recent census data available.

### *Economic Conditions*

Midland is a major center for oil and natural gas production, and the economy relies on the success of the oil and gas industry. This reliance has resulted in historically volatile economic conditions; however, performance was largely stable with growth in certain sectors during the evaluation period. Although O&G sectors continue to dominate, the local economy also supports other industries such as construction, education/healthcare, retail, and transportation. More recent job growth has been related to retail, education, and transportation. This job growth largely involved lower-paying services that dampened hourly wage growth, and workers are clocking fewer overtime hours. Local strengths highlighted in recent economic reports include a higher-than-average share of prime-age workers, improving workforce skill levels, and below-average, breakeven oil drilling prices. Weaknesses include extremely high employment volatility and having living and business costs higher than neighboring Odessa, TX. Major employers in the area include Dawson Geophysical, Inc. Endeavor Energy Resources, ExxonMobil Corp., Midland College, Midland Memorial Hospital, and ConocoPhillips. According to Moody's Analytics, business surveys indicate a more cautious approach to capital expenditure among extraction firms in the coming year, with top employers Chevron and ConocoPhillips announcing layoffs. Nevertheless, unemployment levels experienced an improving trend over the evaluation period. The unemployment rate was 2.6 percent as of December 2024 according to the Bureau of Labor Statistics. In comparison, the unemployment rate was 4.4 percent as of January 2022.

### **Odessa MSA AA**

CNB operates one location with an on-premises ATM in Odessa, Ector County, Texas. The AA is comprised solely of Ector County in West Texas, representing the entirety of the Odessa, Texas MSA. The bank entered this AA in 2005 but relocated Odessa-based operations to a newly constructed location in May 2023. The bank had \$60.9 million in total deposits assigned to this AA as of June 30, 2024, which was the bank's second largest market for the bank at that time. Management focuses primarily on commercial and industrial lending, including O&G, within this market. In all, approximately 12 percent of total bank loans and purchases in the evaluation period originate from this AA.

According to the FDIC, bank deposits represented 1.72 percent of the deposit market share in the AA as of June 30, 2024. The bank ranked 11th out of 16 FDIC-insured institutions operating in the AA. The bank encounters notable competition from several super-regional and national-wide financial institutions. The top five banks by market share are Prosperity Bank at 23.01 percent, JPMorgan Chase Bank, National Association at 12.88 percent, Frost Bank at 12.12 percent, Southwest Bank at 12.11 percent, and Wells Fargo Bank, National Association at 8.6 percent. Institutions with the largest branching network in the market include Prosperity Bank with six offices, American Momentum Bank with four offices, and four other banks each with three offices.

*Demographics*

Odessa is the county seat of Ector County and is situated in the Permian Basin region of the state. It is the largest city in the county and MSA. Specifically, the Odessa MSA AA has a total population of 165,171 and consists of ten moderate-income geographies, 14 middle-income geographies, and nine upper-income geographies. There are no low-income census tracts in this AA. The following table provides a summary of the demographics, including housing, business, and economic information for the Odessa MSA AA.

Assessment Area(s) - Odessa MSA 2024						
						2022 - 2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	33	0.00	30.30	42.42	27.27	0.00
Population by Geography	165,171	0.00	26.01	43.71	30.28	0.00
Housing Units by Geography	59,155	0.00	29.04	41.75	29.21	0.00
Owner-Occupied Housing by Geography	35,106	0.00	25.23	44.66	30.11	0.00
Occupied Rental Units by Geography	18,496	0.00	34.68	36.22	29.10	0.00
Vacant Units by Geography	5,553	0.00	34.36	41.78	23.86	0.00
Businesses by Geography	6,184	0.00	26.49	39.41	34.10	0.00
Farms by Geography	114	0.00	17.54	35.09	47.37	0.00
Family Distribution by Income Level	36,914	22.94	18.23	17.15	41.69	0.00
Household Distribution by Income Level	53,602	23.88	16.14	17.68	42.30	0.00
Unemployment rate (%)	6.57	0.00	8.09	6.94	4.83	0.00
Households Below Poverty Level (%)	13.13	0.00	18.03	12.22	9.70	0.00
Median Family Income (36220 - Odessa, TX MSA)		\$74,327		Median Housing Value		\$137,600
Median Family Income (36220 - Odessa, TX MSA) for 2024		\$82,000		Median Gross Rent		\$1,078
				Families Below Poverty Level		10.17
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						

For performance context, examiners evaluated the disparity between the median income of families within the AA and the cost of housing. Based on the information in the table above, low-income families earned \$41,000 and moderate-income families earned \$65,600. The median housing value in the AA was \$137,600. One method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30 percent of the applicant’s income. The calculated maximum affordable monthly mortgage payment was \$1,025 for a low-income borrower and \$1,640 for a moderate-income borrower. Assuming a 30-year mortgage with a six percent interest rate and not considering any down payment, homeowner’s insurance, real estate taxes, or additional monthly expenses, the monthly payment for a home at the MSA median housing value would be \$825 per month. Although this implies affordability, community contacts and economic reporting referenced below suggest there has been upward pressure on housing costs spurred by oil and gas activities.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the state poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial resources to qualify for a home loan than those with income above poverty. In this AA, the overall household poverty level was 10.17 percent per the most recent census data available. There is a greater level of poverty in the Odessa MSA as compared to the neighboring Midland MSA.

### *Economic Conditions*

The local economy is significantly concentrated in the oil and natural gas industry and this overreliance on the highly cyclical energy sector continues to represent a key weakness. Home prices and residential permitting both significantly increased in 2024, and economists expect home price appreciation to outpace the state average in the near term. The market is expected to remain far more affordable than the national average, nonetheless. Top employers in Odessa include Haliburton, Saulsbury Cos., Liberty Oilfield Services, Medical Center Hospital, and NexTier Complete Solutions. Local strengths highlighted in recent economic reports include below-average business costs, lower oil drilling costs in the Permian Basin than in northern states, and high birthrates. Weaknesses include the highly cyclical energy sector, few growth drivers outside of energy impeding successful diversification, and a slow-growing labor force. According to Moody's Analytics, Odessa's economy will lag that of fast-growing Texas amid oil price drops expected in 2026. Low breakeven costs will keep existing wells profitable and expanding pipeline capacity will strengthen exports. In the long run, lucrative drilling jobs will continue to lure younger workers, allowing Odessa to improve job and income growth. Unemployment levels experienced a declining trend over the evaluation period. The unemployment rate was 3.2 percent as of December 2024 according to the Bureau of Labor Statistics. In comparison, the unemployment rate was 5.3 percent as of January 2022.

### **Community Contacts**

The OCC performed one community contact and considered information from a previously conducted community contact for the purpose of determining a community profile, identifying opportunities for participation by local financial institutions, and determining the performance of local financial institutions. Contacts included a nonprofit organization devoted to affordable housing initiatives in the Permian Basin region and a community service organization benefiting the residents of Midland. Both contacts provided perspective on both Midland and Odessa markets given their interconnectedness. One contact indicated that the recent decline in oil prices have had a negative impact on the economy in the Permian Basin markets, which results in cost burdens that impact all persons, including low- and moderate-income individuals. This contact highlighted that there were some opportunities for financial institutions to support affordable housing initiatives in Midland but was generally complimentary of the performance by financial institutions in supporting local community development needs. Chiefly, the contact noted that local institutions continue to make a notable volume of grants and donations to support affordable housing initiatives undertaken by nonprofit organizations.

Another community contact indicated that the local economy throughout the Permian Basin was largely stable in the evaluation period with economic headwinds emerging over the previous year. The contact identified improved infrastructure, affordable housing, rent/utility assistance, and affordable childcare as community needs, with affordable housing needs more pressing in the Odessa MSA. Notably, food banks have reported a significant increase in patronage over the last year. For the Midland MSA, the contact separated the local economy into two groups; one group represented by working class individuals performing service level jobs such as retail and the remaining element related to executives and other

support jobs for the O&G industry. Higher-paying executive and office jobs for the O&G industry are largely concentrated in Midland rather than Odessa. While inflation burdens have impacted low- and moderate-income individuals more severely, some economic headwinds will likely impact all populations in the near term as local O&G producers have recently announced layoffs within the region. Further, the contact highlighted financial literacy training for all ages as a community development need with opportunities for local financial institutions to support nonprofit organizations in providing this training. Finally, the contact was complimentary of the performance of local financial institutions and reported that institutions are eager to help assist in community development initiatives.

## **Scope of Evaluation in Texas**

Our scope for the State of Texas included a full-scope review of the Midland MSA AA and Odessa MSA AA. Examiners selected the Midland MSA for full-scope review as this AA represented the most predominant deposit concentration, lending activity, and branch distribution. Examiners also performed a full-scope review of the Odessa MSA AA as the bank has been operating in this AA since 2005 and it has not been subject to a full-scope evaluation in the previous two CRA evaluation periods. With respect to the Lubbock MSA AA and Dallas-Plano-Irving MD AA, examiners performed limited-scope reviews due to low deposit volumes, limited branching network, and the limited duration of deposit-taking operations in these markets. When determining overall ratings in the state of Texas, examiners gave the most weight to conclusions in the Midland MSA AA for performance tests due to deposit operations concentration. Refer to appendix A for a complete list of AAs.

Our analysis of lending activity focused on home mortgage and small business loans, which were identified as primary lending products for the bank. For the lending test, examiners placed more weight on small business lending which is the bank's largest product by volume and its primary lending focus.

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

### **LENDING TEST**

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

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

Based on full-scope reviews, the bank's performance was excellent in the Midland MSA AA and Odessa MSA AA. Examiners factored in the positive effects of CD lending when arriving at overall conclusions in the Odessa MSA AA.

### **Lending Activity**

Lending levels reflected excellent responsiveness to the AAs' credit needs relative to the bank's capacity based on deposits, competition, market presence, and business strategy. While lending activity was less concentrated in the Midland market compared to AA deposit composition, the bank encounters significant competition from non-depository lenders in the Midland MSA AA. Nonetheless, the bank's largest source of lending and deposit dollars are both concentrated in the Midland MSA AA. Small farm loans reported on the CRA LAR are included below, but examiners identified small business loan products and home

mortgages as primary lending products and analyzed those two lending products for the remaining portions of Lending Test.

Table 3: Lending Activity							2022-2024	
Number of Loans								
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% Rating Area Loans	% Rating Area Deposits	
Midland MSA	355	1,227	17	6	1,605	59.38	92.62	
Odessa MSA	225	169	0	4	398	14.72	3.21	
Lubbock MSA	151	348	28	4	531	19.64	2.89	
Dallas-Plano-Irving MD	15	153	0	1	169	6.26	1.28	
<b>Total</b>	<b>746</b>	<b>1,897</b>	<b>45</b>	<b>15</b>	<b>2,703</b>	<b>100.0</b>	<b>100.0</b>	
Dollar Volume of Loans (\$000s)								
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% Rating Area Loans	% Rating Area Deposits	
Midland MSA	104,837	316,913	3,450	3,319	428,519	57.98	92.62	
Odessa MSA	53,280	48,419	0	1,912	103,611	14.02	3.21	
Lubbock MSA	37,942	74,851	5,438	3,949	122,180	16.53	2.89	
Dallas-Plano-Irving MD	35,534	48,688	0	550	84,772	11.47	1.28	
<b>Total</b>	<b>231,593</b>	<b>488,871</b>	<b>8,888</b>	<b>9,730</b>	<b>739,082</b>	<b>100.0</b>	<b>100.0</b>	

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

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

**Midland MSA**

Lending levels reflected excellent responsiveness to AA credit needs when considering the impact of competition encountered from specialized home mortgage companies and nationwide lenders that offer a wider selection of home mortgage and small business lending products. According to FDIC deposit data as of June 30, 2024, the bank had a deposit market share of 18.8 percent. The bank ranked first among 15 depository institutions placing it in the top 6.7 percent of banks.

According to peer mortgage data for 2024, the bank had a market share of 1.48 percent based on the number of home mortgage loans originated or purchased. The bank ranked 19 among 304 home mortgage lenders in the AA, which placed it in the top 6.3 percent of lenders. The top five lenders with a combined HMDA market share of 30.63 percent were Lakeview Loan Servicing, LLC (9.09 percent), Primelending (7.11 percent), Pennymac Loan Services, LLC (4.98 percent), Amerihome Mortgage Company, LLC (4.79 percent), and Highlands Residential Mortgage (4.66 percent). The bank’s market share ranking of home mortgage originations, relative to all HMDA lenders, compared favorably with its deposit market share ranking relative to all deposit-taking institutions.

For small business lending activity, peer small business data was not publicly available at the time of the analysis, so examiners compared publicly available data from 2023. According to FDIC deposit data as of June 30, 2023, the bank had a deposit market share of 16.9 percent. The bank ranked first among 16 depository institutions placing it in the top 6.3 percent of banks.

According to peer small business data for 2023, the bank had a market share of 6.07 percent based on the number of small loans to businesses originated or purchased. The bank ranked third among 97 small business lenders in the AA, which placed it in the top 3.1 percent of lenders. Other significant lenders included American Express National Bank (20.1 percent), JPMorgan Chase Bank, N.A. (17.94 percent), Capital One, N.A. (5.99 percent), and Ameris Bank (5.25 percent). The bank's market share ranking of small business loan originations, relative to all small business lenders, compared favorably with its deposit market share ranking relative to all deposit taking institutions.

### Odessa MSA

Lending levels reflected excellent responsiveness to AA credit needs. According to FDIC deposit data as of June 30, 2024, the bank had a deposit market share of 1.7 percent. The bank ranked 11<sup>th</sup> out of 16 depository institutions placing it in the top 68.8 percent of banks.

According to peer mortgage data for 2024, the bank had a market share of 1.95 percent based on the number of home mortgage loans originated or purchased. The bank ranked 14<sup>th</sup> out of 209 home mortgage lenders in the AA, which placed it in the top 6.7 percent of banks. The top five lenders with a combined market share of 40.04 percent were Lakeview Loan Servicing, LLC (12.64 percent), DHI Mortgage Company LTD. (9.13 percent), Pennymac Loan Services, LLC (6.84 percent), 21<sup>st</sup> Mortgage (6.24 percent) and Primelending (5.19 percent). The bank's market share ranking of home mortgage originations, relative to all HMDA lenders, was stronger than its deposit market share ranking relative to all deposit taking institutions.

For small business lending activity, peer small business data was not publicly available at the time of the analysis, so examiners compared publicly available data from 2023. According to FDIC deposit data as of June 30, 2023, the bank had a deposit market share of 4.65 percent. The bank ranked 9<sup>th</sup> out of 17 financial institutions placing it in the top 52.9 percent of banks.

According to peer small business data for 2023, the bank had a market share of 1.41 percent based on the number of small loans to businesses originated or purchased. The bank ranked 17<sup>th</sup> of 83 small business lenders in the AA, which placed it in the top 20.48 percent of lenders. The top five lenders with a combined market share of 55.46 percent were American Express National Bank (17.61 percent), JPMorgan Chase Bank, N.A. (14.4 percent), Ameris Bank (9.7 percent), Bank of America, N.A. (7.43 percent), and Capital One, N.A. (6.32 percent). The bank's market share ranking of small business loan originations, relative to all small business lenders, was stronger than its deposit market share ranking relative to all deposit-taking institutions.

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

The bank exhibited good geographic distribution of loans in its AAs. Our analysis considered the following performance context factors when evaluating geographic distribution across the bank's full-scope AA:

- For the Midland MSA AA, examiners placed more emphasis on the bank's performance in the moderate-income geographies, as these areas had a higher percentage of owner-occupied housing units and small businesses. Low-income census tracts in Midland consisted of two census tracts in the commercial and industrial district with a very low percentage of owner-occupied housing in these tracts at 5 percent. These factors evidence the limited opportunities within low-income geographies for home lending.

- The Odessa MSA AA did not have any low-income geographies during the evaluation period and conclusions were solely based on performance within the moderate-income geographies.

### ***Home Mortgage Loans***

Refer to Table 7 in the State of Texas 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.

#### Midland MSA

Based on the data in the tables and considering the performance context factors discussed above, the overall geographic distribution of home mortgage loans was good.

The bank's percentage of home loans in low-income geographies was significantly below the percentage of owner-occupied homes in those geographies and below the aggregate lending performance. The percentage of home mortgage loans in moderate-income geographies was well below the percentage of owner-occupied homes in those areas but exceeded the aggregate distribution of lending.

#### Odessa MSA

Based on the data in the tables and considering the performance context factors discussed above, the overall geographic distribution of home mortgage loans was adequate.

The bank's percentage of home loans in moderate-income geographies was significantly below the percentage of owner-occupied homes in those geographies and below the aggregate lending performance.

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

Refer to Table 9 in the State of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

#### Midland MSA

Based on the data in the tables and considering the performance context factors discussed above, the overall geographic distribution of small loans to businesses was excellent.

The bank's small loans to businesses in low-income geographies exceeded both the percentage of small businesses within these tracts and the aggregate lending performance. In moderate-income geographies, the percentage of small business lending was below the percentage of businesses in these geographies but exceeded the aggregate lending performance.

#### Odessa MSA

Based on the data in the tables and considering the performance context factors discussed above, the overall geographic distribution of small loans to businesses was good.

The bank's small loans to businesses in moderate-income geographies was near the percentage of owner-occupied housing units and approximated the aggregate lending performance.

### ***Lending Gap Analysis***

No unexplained, conspicuous lending gaps were identified.

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

The bank exhibited a good distribution of loans among individuals of different income levels and business of different sizes, given the product lines offered by the institution. Our analysis considered the following performance context factors when evaluating borrower distribution across the bank's full-scope AAs:

- Examiners considered poverty levels in both full-scope AAs, which may limit the bank's ability to fully penetrate the low-income borrower demographic for HMDA lending.

#### ***Home Mortgage Loans***

Refer to Table 8 in the State of Texas 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.

##### Midland MSA

Based on the data in the tables and considering the performance context factors discussed above, the overall borrower distribution of home mortgage loans is excellent.

The bank's percentage of mortgage lending to low-income borrowers was below percentage of low-income families but exceeded the aggregate distribution of lending. The percentage of mortgage lending to moderate-income borrowers exceeded both the percentage of moderate-income families and the aggregate lending performance.

##### Odessa MSA

Based on the data in the tables and considering the performance context factors discussed above, the overall borrower distribution of home mortgage loans is good.

The bank's percentage of mortgage lending to low-income borrowers was significantly below the percentage of low-income families. Also, the bank's home lending to low-income borrowers was significantly below the aggregate distribution of loans. For moderate-income borrowers, the percentage of home loans was near to the percentage of moderate-income families but exceeded the aggregate distribution of loans.

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

Refer to Table 10 in the State of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

##### Midland MSA

Based on the data in the tables and considering the performance context factors discussed above, the overall borrower distribution of small loans to businesses is good.

The percentage of the bank's small loans to businesses with revenues less than or equal to \$1 million was well below the percentage of businesses identified as having revenue less than or equal to \$1 million but exceeded the aggregate lending to these businesses.

Odessa MSA

Based on the data in the tables and considering the performance context factors discussed above, the overall borrower distribution of small loans to business is adequate.

The percentage of the bank's small loans to businesses within revenues less than or equal to \$1 million was well below the percentage of businesses identified as having revenue less than or equal to \$1 million but approximated the aggregate lending performance.

**Community Development Lending**

The institution had made an adequate level of CD loans.

Refer to Table 3 in the Lending Activity section for the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Midland MSA

The institution had made a low level of CD loans in the Midland MSA AA, which resulted in a neutral effect on the Lending Test conclusion in the AA. CNB made a total of six CD loans totaling approximately \$3.3 million, representing approximately 1.4 percent of tier 1 capital allocated to the Midland MSA AA. These loans included three loans totaling \$2.4 million to community service organizations and three loans totaling \$921 thousand to support affordable housing initiatives. The most substantial example involves two loans totaling \$2.2 million to support a nonprofit organization that provides essential community services and workforce development programs to individuals with intellectual disabilities, with most clients served by the organization involving low- and moderate-income individuals.

Odessa MSA

The bank has made a relatively high level of CD loans relative to the scope of operations in the Odessa MSA AA, which resulted in a positive impact on the Lending Test in the Odessa MSA AA. CNB made four loans totaling \$1.9 million that support affordable housing initiatives. This represented 22.7 percent of tier 1 capital allocated to the Odessa MSA AA. A significant example includes a loan totaling \$1.1 million to purchase and renovate a 28-unit apartment complex that supports affordable housing within a moderate-income geography. These loans were particularly responsive to local needs as community contacts indicated affordable housing was a significant community development need in the Odessa MSA.

**Product Innovation and Flexibility**

The institution used innovative and/or flexible lending practices in order to serve AA credit needs, which had a positive impact on the Lending Test in the State of Texas.

Please refer to the Product Innovation and Flexibility section of the Overall CRA Rating section at the beginning of this evaluation for information on innovative and flexible products offered bank-wide.

**Conclusions for Areas Receiving Limited-Scope Reviews**

Refer to Tables 7 through 10 in the State of Texas section of appendix D for the facts and data that support the limited-scope conclusions.

Based on limited-scope reviews, the bank’s performance under the Lending Test in the Lubbock MSA AA and Dallas-Plano-Irving MD AA is weaker than the bank’s overall performance under the Lending Test in the full-scope areas. In the Lubbock MSA AA, examiners observed a particularly weaker performance with respect to small business geographic dispersion and home mortgage borrower income dispersion tests. However, this market had excellent home mortgage geographic dispersion and a good performance in small business income dispersion. Within the Dallas-Plano-Irving MD, this AA had an overall lower volume of lending and represented a new AA for the bank with deposit-taking operations recently established in 2022. Nonetheless, the OCC acknowledged the positive impacts from a significant level of CD lending by dollar volume within the Lubbock MSA and Dallas-Plano-Irving MD with qualifying CD loans totaling 52.1 percent and 16 percent of AA-allocated tier 1 capital, respectively. Given these factors, coupled with the fact that less than five percent of total deposits are concentrated within the limited-scope AAs, performance in the limited-scope AAs had a neutral impact on overall conclusions for the Lending Test.

## INVESTMENT TEST

The bank’s performance under the Investment Test in Texas is rated Low Satisfactory. More weight was placed on the Midland MSA AA performance considering most banking operations are concentrated in this market.

## Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank’s performance in the Midland MSA is adequate and performance in the Odessa MSA is good.

Assessment Area	Prior Period		Current Period		Total				2022-2024 Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
	Midland MSA	0	0	53	5,830	53	49.07	5,830	62.79	0
Odessa MSA	0	0	9	3,013	9	8.33	3,013	32.45	0	0
Lubbock MSA	0	0	11	27	11	10.19	27	0.29	0	0
Dallas-Plano-Irving MD	0	0	2	251	2	1.85	251	2.70	0	0
Broader Statewide or Regional Area	0	0	33	164	33	30.56	164	1.77	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>108</b>	<b>9,285</b>	<b>108</b>	<b>100.00</b>	<b>9,285</b>	<b>100.00</b>	<b>0</b>	<b>0</b>

\* The table presents the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

### Midland MSA

CNB provided an adequate level of qualified CD investments and grants in the Midland MSA, although rarely in a leadership position, particularly those that are not routinely provided by private investors. The institution exhibited adequate responsiveness to credit and community development needs but rarely uses innovative and/or complex investments to support CD initiatives. During the evaluation period, CNB provided 53 CRA qualified grants and investments totaling \$5.8 million, or 2.40 percent of the bank’s Tier 1 capital allocated to the Midland MSA. Details of the qualified investments are summarized below:

- The bank purchased five municipal bonds totaling \$5.5 million in which proceeds supported local schools primarily serving students from economically disadvantaged households.
- The bank made 41 CD donations totaling \$228 thousand to local nonprofit organizations that provide community services to low- and moderate-income individuals in the AA. Among this

total, the bank made donations totaling approximately \$119 thousand to a nonprofit organization that provides various community services to low-income senior citizens.

- The bank made seven CD donations totaling \$102 thousand to support local affordable housing initiatives. Of this total, the bank made two donations totaling \$55 thousand to a nonprofit organization that provides affordable living arrangements for homeless individuals in Midland. Affordable housing was identified as a continuing need in the AA.

#### Odessa MSA

CNB provided a significant level of qualified CD investments and grants relative to its market share in the Odessa MSA, occasionally in a leadership position, particularly those that are not routinely provided by private investors. The institution exhibited adequate responsiveness to credit and community development needs but rarely uses innovative and/or complex investments to support CD initiatives. During the evaluation period, CNB provided nine CRA-qualified grants and investments totaling \$3.0 million, or approximately 36 percent of the bank's tier 1 capital allocated to the Odessa MSA. Details of the qualified investments are summarized below:

- The bank purchased three municipal bonds totaling \$3 million in which proceeds supported local schools primarily serving students from economically disadvantaged households.
- The bank made six donations totaling \$13 thousand to nonprofit organizations that provide community services to low- and moderate-income individuals. Of this total, the bank made four donations totaling \$5 thousand to a domestic violence shelter.

#### Statewide with Purpose/Mandate/Function to Serve the AA

The bank made 33 qualifying CD donations totaling \$164 thousand to nine nonprofit organizations that provide various community services benefiting children of low- and moderate-income families with a primary focus on serving both Midland MSA and Odessa MSA AAs.

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

Based on a limited-scope review, the bank's performance under the Investment Test in the Lubbock MSA was weaker than the bank's overall performance under the Investment Test in the full-scope areas due to the lower volume of investments. Conversely, the bank's performance under the Investment Test in the Dallas-Plano-Irving MD is consistent with the bank's overall performance under the Investment Test in the full-scope areas. The bank's performance in the limited-scope reviews had an overall neutral impact on the Investment Test rating for the State of Texas.

### **SERVICE TEST**

The bank's performance under the Service Test in Texas is rated High Satisfactory. Weaker performance in the limited-scope AAs had a negative impact on the Service Test rating in the State of Texas.

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

Based on full-scope reviews, the bank's performance in the Midland MSA AA was excellent and the bank's performance in the Odessa MSA AA was adequate.

## Retail Banking Services

Service delivery systems were accessible to geographies and individuals of different income levels in the institution's AAs.

Assessment Area	Deposits	Branches							Population				
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)					% of Population within Each Geography				
				Low	Mod	Mid	Upp	NA	Low	Mod	Mid	Upp	NA
Midland MSA	92.62	8	72.73	12.50	25.00	50.00	12.50	0.00	6.43	17.03	46.26	29.36	0.93
Odessa MSA	3.21	1	9.09	0.00	0.00	0.00	100.00	0.00	0.00	26.01	43.71	30.28	0.00
Dallas-Plano-Irving MD	1.28	1	9.09	0.00	0.00	0.00	100.00	0.00	9.77	24.63	29.36	35.29	0.95
Lubbock MSA	2.89	1	9.09	0.00	0.00	0.00	100.00	0.00	5.61	20.96	42.30	27.13	3.99

Source: FFIEC File - 2020, 2024 Census  
1/1/2022 - 12/31/2024 Bank Data  
Due to rounding, totals may not equal 100.0%

\* The narrative below addresses performance in full-scope areas only.

### Midland MSA

The distribution of CNB branches in the Midland MSA was excellent. The bank's branches were readily accessible to its AA including geographies and individuals of different income levels. The bank operates eight branches in the AA, with one branch located in a low-income geography and two branches located in a moderate-income geography. The percentage of bank locations in low-income geographies exceeded the percentage of population within those geographies. Similarly, the percentage of bank locations in moderate-income geographies exceeded the percentage of population within those geographies.

### Odessa MSA

The bank operates one branch in this AA, which is in an upper-income census tract. This limited branching operation does not compare favorably to the percentage of population residing within moderate-income geographies at 26.01 percent. Nonetheless, the OCC acknowledged that the Odessa branch is located on Highway 191; a strategic location that is heavily relied upon daily for business and personal travel for residents. This highway is relied upon for individuals commuting between Odessa and Midland and runs directly through a cluster of moderate-income geographies approximately five to six miles west from the branch location.

In addition to full-service branches, CNB provides several alternative delivery systems, which are accessible to all geographies and individuals throughout the bank's AAs. CNB offers mobile banking, online banking, telephone banking, bill pay, and Zelle. Mobile banking is offered via the CNB App and includes features such as check deposits (using smartphone camera), transfer funds between accounts, bill pay and management of recent transactions. However, limited support was provided to determine the impact of alternative delivery systems on low- and moderate-income individuals, so no significant weight was placed on these services.

Branch Openings/Closings								
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)					
			Low	Mod	Mid	Upp	NA	
Midland MSA	0	0	0	0	0	0	0	0
Odessa MSA	1	1	0	0	-1	+1	0	0
Lubbock MSA	1	1	0	0	0	0	0	0
Dallas-Plano-Irving MD	1	0	0	0	0	+1	0	0
<b>Total</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>2</b>	<b>0</b>	<b>0</b>

1/1/2022 - 12/31/2024 Bank Data.

\* The narrative below addresses performance in full-scope areas only.

To the extent changes have been made, the institution's opening and closing of branches had not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. CNB did not open or close any branches in the Midland MSA AA during the evaluation period. For the Odessa MSA AA, the bank relocated a branch situated in a middle-income geography to a newly constructed branch in an upper-income geography. The original branch was slightly closer to moderate-income geographic clusters; however, the new site has been purposefully positioned to capitalize on local commuting trends and facilitate travel to other parts of Odessa.

Services, including where appropriate, business hours did not vary in a way that inconvenienced its AAs, particularly low- and moderate-income geographies and/or individuals. For the Midland MSA, lobby hours are 9:00am until 4:00pm Monday – Thursday with extended hours on Friday until 5:00pm. Drive-thru services are available at seven of the eight Midland MSA-based locations, with exception to the headquarters location. However, this location is near the drive-thru at the Louisiana Avenue branch for drive-thru access. Standard drive-thru hours are 7:30am until 6:00pm, with exception to the Stanton and Cuthbert locations. Drive-thru hours at the Stanton location are from 8:00am until 5:00pm Monday – Friday. At the Cuthbert location, drive-thru hours are from 7:30am until 6:00pm Monday-Friday and 8:30am until 1:00pm on Saturdays. While Saturday drive-thru hours are only offered at one location in a middle-income geography, this branch is in proximity of multiple moderate-income geographies in Midland. For the Odessa MSA, lobby hours at the sole location are 9:00am until 4:00pm Monday – Thursday with extended hours on Friday until 5:00pm and drive-thru hours are 7:30am until 6:00pm Monday – Friday.

## Community Development Services

### Midland MSA

The institution provided a good level of CD services. Forty-two bank employees devoted 1,060 CD hours to eleven different nonprofit organizations benefiting the Midland MSA AA during the evaluation period. Six employees volunteered in leadership roles at the organizations such as board members and/or treasurer. These activities helped support organizations that provide essential community services, workforce development programs, and affordable housing benefiting low- and moderate-income individuals in the AA.

The following are examples of community development services provided to the Midland MSA AA during the evaluation period:

- Twenty-seven employees provided 235 cumulative hours of financial literacy education services to local schools primarily serving children from low- and moderate-income households.
- One employee provided 78 cumulative hours of financial expertise and technical assistance in service as a board member of a nonprofit organization that provides health and wellness services, financial literacy training, workforce development programs, and other essential services primarily benefiting low- and moderate-income individuals.
- One employee provided 70 hours of financial expertise to support a nonprofit organization that connects low-income families and other vulnerable groups, such as the elderly, veterans and youth exiting foster care, with affordable housing opportunities in the AA.

#### Odessa MSA

The institution provided an adequate level of CD services relative to the scale of banking operations in the Odessa MSA AA. During the evaluation period, bank employees provided 137 service hours to two organizations serving the AA. Employees provided 117 qualifying hours of board service to a nonprofit organization that provides essential community services and workforce development programs to at-risk and economically disadvantaged youth. Another employee provided 20 hours of qualifying technical assistance activities benefiting a local nonprofit organization that provides community services to children from low- and moderate-income families in the AA.

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

Based on limited-scope reviews, the bank's performance under the Service Test in the Lubbock MSA and Dallas-Plano-Irving MD was weaker than the bank's overall performance under the Service Test in the full-scope areas due to poorer branch distribution in low- and moderate-income geographies and few if any qualifying CD service hours. Performance in the limited-scope AAs had a negative impact on the Service Test for the State of Texas.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed:</b>	01/01/2022 – 12/31/2024	
<b>Bank Products Reviewed:</b>	Home mortgage, small business Community development loans, qualified investments, community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>Texas</b>		
Midland MSA	Full-scope	All Census Tracts in Midland and Martin Counties
Odessa MSA	Full-scope	All Census Tracts in Ector County
Lubbock MSA	Limited-scope	All Census Tracts in Lubbock, Lynn, and Crosby Counties
Dallas-Plano-Irving MD	Limited-scope	All Census Tracts in Collin, Denton, Hunt, Dallas, Rockwall, Kaufman, and Ellis Counties

## Appendix B: Summary of MMSA and State Ratings

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RATINGS				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Community National Bank	Outstanding	Low Satisfactory	High Satisfactory	Satisfactory
State:				
Texas	Outstanding	Low Satisfactory	High Satisfactory	Satisfactory

(\*) The Lending Test is weighted more heavily than the Investment and Service Tests 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 the 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):** 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 of this title, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (10) and (13) of this title.

**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

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated the same 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 30<sup>th</sup> of each year. Tables without data are not included in this PE.

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

- Table 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** – Compares 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 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.

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		
Dallas-Plano-Irving MD	15	35,534	2.52	426,841	5.06	6.67	3.84	19.74	--	13.88	31.10	26.67	36.65	43.76	66.67	45.18	0.34	--	0.42		
Midland MSA	355	104,837	59.66	17,227	5.00	1.41	2.11	17.06	9.01	8.93	42.65	61.41	51.59	34.62	27.32	36.06	0.67	0.85	1.15		
Odessa MSA	225	53,280	37.82	12,733	--	--	--	25.23	9.33	11.18	44.66	23.11	38.65	30.11	67.56	50.11	--	--	--		
<b>Total</b>	<b>595</b>	<b>193,652</b>	<b>100.00</b>	<b>456,801</b>	<b>4.90</b>	<b>1.01</b>	<b>3.67</b>	<b>19.82</b>	<b>8.91</b>	<b>13.61</b>	<b>31.94</b>	<b>46.05</b>	<b>37.27</b>	<b>43.00</b>	<b>43.53</b>	<b>44.97</b>	<b>0.34</b>	<b>0.50</b>	<b>0.44</b>		

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

Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022 - 2023		
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		
Lubbock MSA	110	26,892	100.00	18,655	4.39	4.55	2.42	18.17	18.18	13.74	41.89	52.73	41.65	34.49	21.82	41.06	1.05	2.73	1.07		
<b>Total</b>	<b>110</b>	<b>26,892</b>	<b>100.00</b>	<b>18,655</b>	<b>4.39</b>	<b>4.55</b>	<b>2.42</b>	<b>18.17</b>	<b>18.18</b>	<b>13.74</b>	<b>41.89</b>	<b>52.73</b>	<b>41.65</b>	<b>34.49</b>	<b>21.82</b>	<b>41.06</b>	<b>1.05</b>	<b>2.73</b>	<b>1.07</b>		

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

**Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **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
Lubbock MSA	41	11,050	100.00	8,536	3.69	--	1.91	17.92	19.51	14.83	42.84	26.83	39.36	34.49	53.66	43.04	1.05	--	0.82
<b>Total</b>	<b>41</b>	<b>11,050</b>	<b>100.00</b>	<b>8,536</b>	<b>3.69</b>	<b>--</b>	<b>1.91</b>	<b>17.92</b>	<b>19.51</b>	<b>14.83</b>	<b>42.84</b>	<b>26.83</b>	<b>39.36</b>	<b>34.49</b>	<b>53.66</b>	<b>43.04</b>	<b>1.05</b>	<b>--</b>	<b>0.82</b>

Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2024 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
Dallas-Plano-Irving MD	15	35,534	2.52	426,841	22.49	--	3.62	17.19	6.67	12.08	18.85	6.67	19.02	41.47	40.00	42.15	--	46.67	23.13
Midland MSA	355	104,837	59.66	17,227	21.71	9.01	4.39	17.52	21.69	14.44	19.37	18.87	20.21	41.41	30.14	31.19	--	20.28	29.77
Odessa MSA	225	53,280	37.82	12,733	22.94	0.89	2.86	18.23	13.78	12.67	17.15	28.44	21.36	41.69	36.89	30.68	--	20.00	32.43
<b>Total</b>	<b>595</b>	<b>193,652</b>	<b>100.00</b>	<b>456,801</b>	<b>22.47</b>	<b>5.71</b>	<b>3.63</b>	<b>17.23</b>	<b>18.32</b>	<b>12.18</b>	<b>18.82</b>	<b>22.18</b>	<b>19.13</b>	<b>41.48</b>	<b>32.94</b>	<b>41.42</b>	<b>--</b>	<b>20.84</b>	<b>23.64</b>

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 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 - 2023**

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
Lubbock MSA	110	26,892	100.00	18,655	22.97	1.82	4.10	16.46	1.82	11.69	19.44	0.91	16.85	41.14	13.64	36.55	--	81.82	30.82
<b>Total</b>	<b>110</b>	<b>26,892</b>	<b>100.00</b>	<b>18,655</b>	<b>22.97</b>	<b>1.82</b>	<b>4.10</b>	<b>16.46</b>	<b>1.82</b>	<b>11.69</b>	<b>19.44</b>	<b>0.91</b>	<b>16.85</b>	<b>41.14</b>	<b>13.64</b>	<b>36.55</b>	<b>--</b>	<b>81.82</b>	<b>30.82</b>

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 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** **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
Lubbock MSA	41	11,050	100.00	8,536	22.51	2.44	3.00	16.26	--	10.84	19.34	7.32	16.52	41.89	24.39	35.37	--	65.85	34.28
<b>Total</b>	<b>41</b>	<b>11,050</b>	<b>100.00</b>	<b>8,536</b>	<b>22.51</b>	<b>2.44</b>	<b>3.00</b>	<b>16.26</b>	<b>--</b>	<b>10.84</b>	<b>19.34</b>	<b>7.32</b>	<b>16.52</b>	<b>41.89</b>	<b>24.39</b>	<b>35.37</b>	<b>--</b>	<b>65.85</b>	<b>34.28</b>

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

**Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2022 - 2024**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate
Dallas-Plano-Irving MD	153	48,688	9.88	345,240	5.43	4.58	4.59	17.68	6.54	16.99	31.08	15.69	29.54	44.86	73.20	47.87	0.94	--	1.00
Midland MSA	1,227	316,913	79.21	12,730	4.21	4.73	3.76	24.65	19.56	18.77	34.44	28.77	37.95	35.52	45.88	38.35	1.17	1.06	1.17
Odessa MSA	169	48,419	10.91	8,436	--	--	--	26.49	21.89	22.50	39.41	37.28	41.79	34.10	40.83	35.72	--	--	--
<b>Total</b>	<b>1,549</b>	<b>414,020</b>	<b>100.00</b>	<b>366,406</b>	<b>5.28</b>	<b>4.20</b>	<b>4.46</b>	<b>18.10</b>	<b>18.53</b>	<b>17.18</b>	<b>31.37</b>	<b>28.41</b>	<b>30.12</b>	<b>44.32</b>	<b>48.03</b>	<b>47.26</b>	<b>0.93</b>	<b>0.84</b>	<b>0.98</b>

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

**Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2022 - 2023**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate
Lubbock MSA	219	47,089	100.00	14,601	4.24	0.46	3.43	17.13	10.96	14.88	37.47	35.62	35.59	39.03	52.05	44.61	2.13	0.91	1.49
<b>Total</b>	<b>219</b>	<b>47,089</b>	<b>100.00</b>	<b>14,601</b>	<b>4.24</b>	<b>0.46</b>	<b>3.43</b>	<b>17.13</b>	<b>10.96</b>	<b>14.88</b>	<b>37.47</b>	<b>35.62</b>	<b>35.59</b>	<b>39.03</b>	<b>52.05</b>	<b>44.61</b>	<b>2.13</b>	<b>0.91</b>	<b>1.49</b>

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2023 Dunn & Bradstreet SBSF Demographics, 2022, 2023 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2024**

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate
Lubbock MSA	129	27,762	100.00	--	3.66	0.78	--	18.53	9.30	--	37.63	36.43	--	37.85	51.94	--	2.33	1.55	--
<b>Total</b>	<b>129</b>	<b>27,762</b>	<b>100.00</b>	<b>--</b>	<b>3.66</b>	<b>0.78</b>	<b>--</b>	<b>18.53</b>	<b>9.30</b>	<b>--</b>	<b>37.63</b>	<b>36.43</b>	<b>--</b>	<b>37.85</b>	<b>51.94</b>	<b>--</b>	<b>2.33</b>	<b>1.55</b>	<b>--</b>

Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, -- CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2022 - 2024**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Dallas-Plano-Irving MD	153	48,688	9.88	345,240	88.41	43.79	51.09	3.21	36.60	8.38	19.61
Midland MSA	1,227	316,913	79.21	12,730	83.73	54.69	43.71	4.72	33.09	11.54	12.22
Odessa MSA	169	48,419	10.91	8,436	84.18	38.46	39.86	4.30	44.38	11.51	17.16
<b>Total</b>	<b>1,549</b>	<b>414,020</b>	<b>100.00</b>	<b>366,406</b>	<b>88.16</b>	<b>51.84</b>	<b>50.58</b>	<b>3.28</b>	<b>34.67</b>	<b>8.56</b>	<b>13.49</b>

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

**Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2022 - 2023**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Lubbock MSA	219	47,089	100.00	14,601	85.91	61.64	48.12	3.32	25.11	10.77	13.24
<b>Total</b>	<b>219</b>	<b>47,089</b>	<b>100.00</b>	<b>14,601</b>	<b>85.91</b>	<b>61.64</b>	<b>48.12</b>	<b>3.32</b>	<b>25.11</b>	<b>10.77</b>	<b>13.24</b>

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2023 Dunn & Bradstreet SBSF Demographics, 2022, 2023 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2024**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Lubbock MSA	129	27,762	100.00	--	84.40	61.24	--	3.43	24.81	12.17	13.95
<b>Total</b>	<b>129</b>	<b>27,762</b>	<b>100.00</b>	<b>--</b>	<b>84.40</b>	<b>61.24</b>	<b>--</b>	<b>3.43</b>	<b>24.81</b>	<b>12.17</b>	<b>13.95</b>

Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, -- CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%