



## **PUBLIC DISCLOSURE**

November 17, 2025

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

Home Federal Bank of Tennessee  
Charter Number: 703879

515 Market Street  
Knoxville, TN 37902

Office of the Comptroller of the Currency

320 Seven Springs Way  
Suite 310  
Brentwood, TN 37027

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

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## Overall CRA Rating

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

The following table indicates the performance level of Home Federal Bank of Tennessee with respect to the Lending, Investment, and Service Tests:

Performance Levels	Home Federal Bank of Tennessee Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		X
High Satisfactory		X	
Low Satisfactory			
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 lending performance within its assessment areas (AA) by income level of the geography and by income level of the borrower as well as its record of community development (CD) lending and usage of innovative and/or flexible lending practices.
- The Investment Test rating is based on the bank’s responsiveness and record of qualified CD investments within its AAs.
- The Service Test rating is based on the bank’s performance in providing CD services within the communities it serves.

### Lending in Assessment Area

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

The bank originated and/or purchased 87.0 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.

Table 1: Lending Inside and Outside of the Assessment Area										2022-2024
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	1,940	89.6	304	94.1	2,224	482,257	89.6	104,182	96.7	586,439
Small Business	224	10.4	19	5.9	243	55,767	10.4	3,535	3.3	59,302
<b>Total</b>	2,164	87.0	323	13.0	2,487	538,024	83.3	107,717	16.7	645,741

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

## Description of Institution

Home Federal Bank of Tennessee (Home Federal or bank) is a \$2.7 billion intrastate, mutual savings and loan financial institution headquartered in Knoxville, Tennessee. The bank does not have a holding company. The bank has two wholly owned subsidiaries: Home Financial Services and Investor's Trust Company. Home Financial Services is a self-contained broker/dealer dealing exclusively with fixed income securities. Investor's Trust Company provides real estate appraisal and construction inspection services for the bank and also manages the bank's other real estate owned portfolio. None of the services or products offered by the subsidiaries were included in this analysis.

Home Federal's primary business focus is home mortgage and commercial lending. As of December 31, 2024, the bank's assets totaled \$2.7 billion, of which gross loans totaled \$1.3 billion, or 46.6 percent of total assets. Commercial loans totaled \$549.8 million and represented 43.7 percent of gross loans. Commercial real estate loans accounted for the majority of the commercial loan portfolio at \$349.6 million, or 63.6 percent of total commercial loans. Construction and land development loans totaled \$154.8 million and consumer loans totaled \$3.4 million, representing 12.3 percent and 0.3 percent of gross loans, respectively. Deposits totaled \$2.2 billion as of December 31, 2024, and tier 1 capital totaled \$456.0 million.

Home Federal offers a wide range of traditional deposit and loan products, including home mortgage loans, consumer loans, small business loans, and commercial loans. Customers have 24-hour access to their accounts via telephone and internet. Telephone banking services include access to deposit and loan balance information and transfers between Home Federal accounts. Internet banking services include retail online banking, access to deposit and loan balance information, transfers between Home Federal accounts, bill payment, and access to check images.

Home Federal's CRA performance was last evaluated as of August 29, 2022. The bank's overall performance was "Outstanding." There are no legal, financial, or other factors that impede Home Federal from meeting the credit needs of the community.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period was January 1, 2022, through December 31, 2024. We used this evaluation period to assess the bank's performance under the Lending, Investment, and Service tests. In evaluating Home Federal's lending performance, we reviewed the bank's primary lending products: home mortgage loans and loans to small businesses. We placed more emphasis on performance in the Knoxville MSA AA as the majority of the bank's lending occurred in that AA. For home mortgage lending, we placed more emphasis on the borrower distribution rather than geographic distribution due to a limited number of low- and moderate-income (LMI) census tracts and a low owner-occupied housing inventory within the LMI AAs. Additionally, our evaluation of loans to small businesses was only performed for the Knoxville MSA AA, as the volume of loans in the Tennessee Non-MSA AA was not sufficient for a meaningful analysis. We also evaluated CD activities, including all loans, investments, and services that qualified per regulatory requirements.

### Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AA(s) within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA), if applicable are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating 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 rating is a blend of the state ratings, and where applicable, multistate ratings. Home Federal operates in one state, and the state rating is based on the bank's performance within both Tennessee AAs.

The state ratings in rating areas with a single AA are based on performance in that AA. The state ratings in rating areas with multiple AAs are based on the combination of conclusions in those AAs. Refer to the "Scope" section under each 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 banks 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 AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

## State Rating

### State of Tennessee

**CRA rating for the State of Tennessee:** Outstanding

**The Lending Test is rated:** Outstanding

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

**The Service Test is rated:** Outstanding

The major factors that support this rating include:

- The Lending Test rating is based on the bank's lending performance within its AAs by income level of the geography and by income level of the borrower as well as its record of CD lending and usage of innovative and/or flexible lending practices.
- The Investment Test rating is based on the bank's responsiveness and record of qualified CD investments within its AAs.
- The Service Test rating is based on the bank's performance in providing CD services within the communities it serves.

### Description of Institution's Operations in Tennessee

Home Federal has 23 banking offices and 24 automated teller machines (ATMs) located in two AAs within Tennessee. Of these locations, one branch, with an accompanying ATM, is located in a low-income census tract. Five branches and five ATMs are located in moderate-income census tracts. Combined, six branches, or 26.1 percent of total branches, and six ATMs, or 25 percent of total ATMs, are located in LMI census tracts. All branches are open Monday through Friday. The hours offered by the bank are reasonable for the communities where the branches are located. Exclusive of the one "stand-alone" ATM which only dispenses cash and conducts account inquiries and does not accept deposits, the bank's branch location ATMs are all full-service and do accept deposits.

Home Federal has two AAs in the state of Tennessee, both of which meet the requirements of the regulation and do not arbitrarily exclude any areas, including LMI geographies. The largest AA consists of three counties within the Knoxville MSA (Knoxville MSA AA). Nineteen of the bank's 23 branches are located within the Knoxville MSA AA. The 2024 FDIC Deposit Market Share Report, which is based on data as of June 30, 2024, reported that \$2.0 billion, or 91.7 percent of Home Federal's deposit base was in the Knoxville MSA AA. There were 39 financial service providers with branches in the Knoxville MSA AA. Home Federal had an 8.9 percent market share in the AA and held the fifth market share position. The four largest competitors in the AA include First Horizon Bank with a 19.7 percent market share, Truist Bank with a 15.2 percent market share, Pinnacle Bank with a 12.9 percent market share, and Regions Bank with a 12.4 percent market share.

The Knoxville MSA is a dynamic and diverse economic region in East Tennessee, encompassing several counties including Knox, Anderson, and Blount counties. It serves as a regional hub for business, education, and cultural activities. The Bureau of Labor Statistics reflected an unemployment rate of 3.2 percent for the Knoxville MSA as of December 31, 2024. Key economic sectors include education and

healthcare, manufacturing, energy and technology, retail, and tourism. Major employers in the Knoxville MSA include Covenant Health, the University of Tennessee-Knoxville, the Oak Ridge National Laboratory, Clayton Homes, Inc., and K-VA-T Food Stores.

Based on data from the 2020 United States (U.S.) Census, low-income families within the Knoxville MSA AA earned less than \$3,025 monthly, and moderate-income families earned less than \$4,840 monthly. One method to determine housing affordability assumes a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$907.50 for low-income borrowers and \$1,452 for moderate-income borrowers. Assuming a 30-year mortgage with a 6 percent interest rate, and not accounting for down payment, homeowner's insurance, real estate taxes, or any additional monthly expenses, the monthly mortgage payment for a home at the Knoxville MSA AA median housing value would be \$1,033. Low-income borrowers would face significant challenges in affording a mortgage loan in this AA.

Home Federal's other AA is in Sevier County, a non-MSA of East Tennessee (Tennessee Non-MSA AA). According to the June 30, 2024, FDIC Deposit Market Share Report, there were seven financial service providers with branches in the Tennessee Non-MSA AA. Home Federal held \$177.0 million in deposits within this AA, which represents a 4.4 percent market share, ranking sixth in the Tennessee Non-MSA AA. The five larger competitors in the AA included SmartBank (34.7 percent market share), Citizens National Bank (29.9 percent market share), Tennessee State Bank (17.4 percent market share), First Horizon Bank (6.3 percent market share), and Truist Bank (5.1 percent market share).

Sevier County is renowned for its thriving tourism industry, one of the key economic drivers in the region. The county serves as a gateway to the Great Smoky Mountains, the most visited national park in the U.S., drawing millions of visitors annually. Employment is heavily skewed towards service industries, particularly those related to hospitality and retail. The Bureau of Labor Statistics reflected an unemployment rate of 3.0 percent for Sevier County as of December 31, 2024. Key economic sectors include tourism and hospitality, retail and attractions, and business tourism. Major employers in Sevier County include the Dollywood Company, Old Smoky Distillery LLC, Charles Blalock & Sons, and Westgate Smoky Mountains.

Based on 2020 U.S. Census data, low-income families within the TN Non-MSA AA earned less than \$2,351 monthly, and moderate-income families earned less than \$3,762 monthly. Housing affordability was calculated assuming a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$705 for low-income borrowers and \$1,128 for moderate-income borrowers. Assuming a 30-year mortgage with a 6 percent interest rate, and not accounting for down payment, homeowner's insurance, real estate taxes, or any additional monthly expenses, the monthly mortgage payment for a home at the TN Non-MSA AA median housing value would be \$1,150. LMI borrowers would face significant challenges in affording a mortgage loan in the TN Non-MSA AA.

The banking industry is highly competitive in the state of Tennessee. As of June 30, 2024, Home Federal's statewide deposits totaled \$2.1 billion. With a statewide deposit market share of 1.0 percent, Home Federal ranked 15<sup>th</sup> among 173 banks in Tennessee, and faces additional competition from other financial institutions, including credit unions and independent mortgage lenders, that also operate in the area.

Our evaluation included obtaining feedback from local community organizations on the economic conditions of the areas as well as needs for the communities they serve and impressions of local financial institutions. Representatives from contacted organizations cited issues with affordable housing, along with support for affordable childcare and small businesses. LMI housing was addressed, with affordability as the highest concern, along with seeking funding for rehabilitation of existing homes. Contacts expressed that banks are generally eager to assist, and that opportunities are abound for banks to help.

The following tables depict the demographic information for the two full-scope AAs in Tennessee.

### Knoxville MSA AA

Assessment Area – Knoxville MSA 2023						
2022-2023						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	172	7.56	15.70	44.19	28.49	4.07
Population by Geography	691,374	5.89	13.93	47.57	30.80	1.81
Housing Units by Geography	300,988	6.80	15.25	47.86	29.32	0.77
Owner-Occupied Housing by Geography	183,437	2.83	12.65	50.77	33.73	0.02
Occupied Rental Units by Geography	88,259	13.67	20.37	41.03	22.71	2.22
Vacant Units by Geography	29,292	10.99	16.10	50.19	21.61	1.11
Businesses by Geography	26,641	4.73	13.22	39.38	41.15	1.51
Farms by Geography	960	3.96	10.63	52.92	32.08	0.42
Family Distribution by Income Level	173,221	19.61	17.21	20.48	42.69	0.00
Household Distribution by Income Level	271,696	23.33	15.84	17.47	43.36	0.00
Unemployment rate (%)	4.45	8.90	5.65	4.66	2.78	4.91
Households Below Poverty Level (%)	12.90	36.29	18.21	11.53	6.52	51.22
Median Family Income (28940 - Knoxville, TN MSA)		\$72,608			Median Housing Value	\$172,300
Median Family Income (28940 - Knoxville, TN MSA) for 2023		\$88,600			Median Gross Rent	\$882
					Families Below Poverty Level	8.57

FFIEC File – 2020 Census  
 2023 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

Assessment Area – Knoxville MSA 2024						
2024						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	172	7.56	15.12	44.77	28.49	4.07
Population by Geography	691,374	5.89	13.48	48.02	30.80	1.81
Housing Units by Geography	300,988	6.80	14.65	48.45	29.32	0.77
Owner-Occupied Housing by Geography	183,437	2.83	12.01	51.41	33.73	0.02
Occupied Rental Units by Geography	88,259	13.67	19.69	41.70	22.71	2.22
Vacant Units by Geography	29,292	10.99	15.98	50.31	21.61	1.11
Businesses by Geography	26,213	4.76	12.78	39.27	41.78	1.41
Farms by Geography	928	3.88	10.24	53.13	32.22	0.54
Family Distribution by Income Level	173,221	19.28	16.98	20.36	43.38	0.00
Household Distribution by Income Level	271,696	23.16	15.78	17.42	43.63	0.00
Unemployment rate (%)	4.45	8.90	5.75	4.65	2.78	4.91
Households Below Poverty Level (%)	12.90	36.29	18.76	11.46	6.52	51.22
Median Family Income (28940 - Knoxville, TN MSA)		\$71,711			Median Housing Value	\$172,300
Median Family Income (28940 - Knoxville, TN MSA) for 2024		\$87,700			Median Gross Rent	\$882
					Families Below Poverty Level	8.57

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

## Tennessee Non-MSA AA

Assessment Area – TN Non-MSA 2023						
2022-2023						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	27	0.00	18.52	55.56	22.22	3.70
Population by Geography	98,380	0.00	18.90	52.52	28.56	0.02
Housing Units by Geography	58,161	0.00	17.58	58.46	23.95	0.01
Owner-Occupied Housing by Geography	27,005	0.00	15.72	52.50	31.76	0.03
Occupied Rental Units by Geography	10,988	0.00	28.15	50.57	21.28	0.00
Vacant Units by Geography	20,168	0.00	14.31	70.73	14.96	0.00
Businesses by Geography	4,469	0.00	23.97	54.06	21.39	0.58
Farms by Geography	121	0.00	17.36	57.85	24.79	0.00
Family Distribution by Income Level	26,718	17.87	17.09	21.05	43.98	0.00
Household Distribution by Income Level	37,993	18.06	15.73	17.98	48.23	0.00
Unemployment rate (%)	4.79	0.00	3.99	5.49	4.02	0.00
Households Below Poverty Level (%)	13.09	0.00	14.46	15.19	8.39	0.00
Median Family Income (Non-MSAs - TN)		\$56,418			Median Housing Value	\$191,800
Median Family Income (Non-MSAs - TN) for 2023		\$69,500			Median Gross Rent	\$783
					Families Below Poverty Level	10.43

FFIEC File – 2020 Census  
 2023 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

Assessment Area – TN Non-MSA 2024						
2024						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	27	0.00	14.81	59.26	22.22	3.70
Population by Geography	98,380	0.00	15.99	55.43	28.56	0.02
Housing Units by Geography	58,161	0.00	15.55	60.49	23.95	0.01
Owner-Occupied Housing by Geography	27,005	0.00	14.00	54.22	31.76	0.03
Occupied Rental Units by Geography	10,988	0.00	22.25	56.47	21.28	0.00
Vacant Units by Geography	20,168	0.00	13.97	71.06	14.96	0.00
Businesses by Geography	4,285	0.00	19.63	58.27	21.49	0.61
Farms by Geography	119	0.00	16.81	59.66	23.53	0.00
Family Distribution by Income Level	26,718	17.69	16.96	20.87	44.47	0.00
Household Distribution by Income Level	37,993	18.02	15.72	17.97	48.29	0.00
Unemployment rate (%)	4.79	0.00	3.78	5.47	4.02	0.00
Households Below Poverty Level (%)	13.09	0.00	15.81	14.75	8.39	0.00
Median Family Income (Non-MSAs - TN)		\$55,998			Median Housing Value	\$191,800
Median Family Income (Non-MSAs - TN) for 2024		\$69,100			Median Gross Rent	\$783
					Families Below Poverty Level	10.43

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

## Scope of Evaluation in Tennessee

For our evaluation, we performed full-scope reviews of both AAs: the Knoxville MSA AA and the Tennessee Non-MSA AA. The Knoxville MSA AA is comprised of the entireties of Knox, Anderson, and Blount counties in Tennessee, while the Tennessee Non-MSA AA is comprised of the entirety of Sevier County, Tennessee.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TENNESSEE

### LENDING TEST

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

### Conclusions for Areas Receiving Full-Scope Reviews

Based on the full-scope reviews, the bank's performance in the Knoxville MSA AA and the Tennessee Non-MSA AA was excellent.

### Lending Activity

Lending levels reflected excellent responsiveness to AA credit needs.

Table 3: Lending Activity								2022-2024	
<b>Number of Loans</b>									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
Knoxville MSA	1,811	217	3	49	0	2,080	93.7	92.0	
TN Non-MSA	129	7	0	3	0	139	6.3	8.3	
<b>Total</b>	<b>1,940</b>	<b>224</b>	<b>3</b>	<b>52</b>	<b>0</b>	<b>2,219</b>	<b>100.0</b>	<b>100.3</b>	
<b>Dollar Volume of Loans (\$000s)</b>									
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Consumer	Total	% Rating Area Loans	% Rating Area Deposits	
Knoxville MSA	448,213	52,652	1,189	98,521	0	600,575	92.4	92.0	
TN Non-MSA	34,044	3,115	0	12,303	0	49,462	7.6	8.3	
<b>Total</b>	<b>482,257</b>	<b>55,767</b>	<b>1,189</b>	<b>110,824</b>	<b>0</b>	<b>650,037</b>	<b>100.0</b>	<b>100.3</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.

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

The bank exhibited an excellent geographic distribution of loans in its AAs.

#### *Home Mortgage Loans*

Refer to Table 7 in the state of Tennessee 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.

For the Knoxville MSA AA in 2022-2023, the bank's performance in low-income census tracts accounted for 2.49 percent of its home mortgage lending activity, which is in-line with the overall percentage of owner-occupied housing units in the low-income tracts (2.83 percent) and slightly below the peer aggregate lending level/percentage (3.62). In moderate-income census tracts, the bank's performance (9.78 percent) was below both the overall percentage of housing units in moderate-income tracts (12.65) and the peer aggregate lending percentage (12.96). In 2024, the bank's performance in low-income census tracts was 2.84 percent, which is in-line with the overall percentage of owner-occupied housing units in low-income tracts (2.83) and slightly lower than the peer aggregate lending percentage (3.99). In moderate-income census tracts in 2024, the bank's performance (11.70 percent)

was in-line with the overall percentage of housing units in moderate-income tracts (12.01) and slightly below the peer aggregate lending percentage (13.31). The bank's performance is considered excellent given the high level of competition in the AA and the low level of owner-occupied housing inventory in the LMI census tracts relative to the number of rental housing units in those census tracts.

For the Tennessee Non-MSA AA in 2022-2023, there were no low-income census tracts during the evaluation period. In moderate-income census tracts, the bank's performance (11.46 percent) was below the overall percentage of housing units in moderate-income tracts (15.72) and in-line with the peer aggregate lending percentage (11.93). In 2024, there were no low-income tracts. In moderate-income census tracts in 2024, the bank's performance (15.15 percent) was above both the overall percentage of housing units in moderate-income tracts (14.00) and the peer aggregate lending percentage (11.94).

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

Refer to Table 9 in the state of Tennessee 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.

For the Knoxville MSA AA in 2022-2023, the bank's loans to small businesses in low-income census tracts accounted for 6.21 percent of the bank's lending activity, which is higher than both the peer aggregate lending percentage (3.69) and overall percentage of businesses (4.73) in low-income tracts. In moderate-income census tracts, the bank's loans to small businesses accounted for 22.36 percent of the bank's lending activity, which is higher than both the peer aggregate lending percentage (12.20) and overall percentage of businesses (13.22) in moderate-income tracts. For 2024, the bank's loans to small businesses in low-income tracts accounted for 10.71 percent of the bank's lending activity, which is higher than the overall percentage of businesses (4.76) in low-income tracts. In moderate-income tracts, the bank's loans to small businesses accounted for 16.07 percent of the bank's lending activity, which is higher than the overall percentage of businesses (12.78) in moderate-income tracts. Peer aggregate data was not available for 2024.

In the Tennessee Non-MSA AA, the total number of loans to small businesses during the 2022 to 2024 evaluation period was insufficient to provide a meaningful analysis of the bank's lending performance.

### **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 and farms of different sizes, given the product lines offered by the institution.

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

Refer to Table 8 in the state of Tennessee 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.

For the Knoxville MSA AA in 2022-2023, loans to low-income borrowers accounted for 7.70 percent of the bank's home mortgage loans, which is higher than the peer aggregate lending percentage (7.41) but lower than the overall percentage of low-income families in the AA (19.61). Loans to moderate-income borrowers accounted for 15.40 percent of the bank's home mortgage loans, which is lower than both the peer aggregate lending percentage (18.09) and the overall percentage of low-income families in the AA (17.21). In 2024, loans to low-income borrowers accounted for 7.27 percent of the bank's home

mortgage loans, which is higher than the peer aggregate lending percentage (5.64) but lower than the overall percentage of low-income families in the AA (19.28). Loans to moderate-income borrowers accounted for 12.77 percent of the bank's home mortgage loans, which is lower than both the peer aggregate lending percentage (15.19) and the overall percentage of low-income families in the AA (16.98).

For the Tennessee Non-MSA AA in 2022-2023, loans to low-income borrowers accounted for 1.04 percent of the bank's home mortgage loans, which is lower than both the peer aggregate lending percentage (3.80) and the overall percentage of low-income families in the AA (17.87). Loans to moderate-income borrowers accounted for 14.58 percent of the bank's home mortgage loans, which is higher than the peer aggregate lending percentage (7.98), but lower than the overall percentage of low-income families in the AA (17.09). In 2024, there were no loans made to low-income borrowers, which is lower than both the peer aggregate lending percentage (3.81) and the overall percentage of low-income families in the AA (17.69). Loans to moderate-income borrowers accounted for 15.15 percent of the bank's home mortgage loans, which is higher than the peer aggregate lending percentage (7.92) and slightly lower than the overall percentage of moderate-income families in the AA (16.96).

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

Refer to Table 10 in the state of Tennessee 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.

For the Knoxville MSA AA in 2022-2023, the bank originated 44.72 percent of its small business loans to businesses with revenues less than or equal to \$1 million, which is in-line with the peer aggregate lending percentage (49.77), but below the overall percentage of such businesses (84.28) in the AA. In 2024, the bank originated 28.57 percent of its small business loans to businesses with revenues less than or equal to \$1 million, which is below the overall percentage of such businesses (83.58) in the AA. Peer aggregate data was not available for 2024.

For the Tennessee Non-MSA AA, the total number of loans to small businesses during the 2022 to 2024 evaluation period was insufficient to provide a meaningful analysis of the bank's lending performance.

### **Community Development Lending**

The institution was a leader in making 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. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

The bank granted 52 CD loans totaling \$110.8 million during the review period. More weight was given to the Knoxville MSA AA because this AA makes up the majority of the bank's deposit base.

#### **Knoxville MSA AA:**

The level of CD lending in the Knoxville MSA AA had a positive impact on the overall conclusion. The level of lending reflected the bank's responsiveness to the CD needs of the AA.

The bank originated 49 CD loans totaling \$98.5 million in the Knoxville MSA AA during the evaluation period. These loans were to organizations that provided affordable housing to LMI individuals, provided services to LMI individuals, promoted economic development, and/or promoted revitalization/stabilization in the AA. The following are examples of CD loans originated by the bank.

- A \$5.9 million loan to provide funds for a low-income apartment complex.
- A \$5.0 million loan to provide job training programs to LMI individuals.
- A \$2.0 million loan to provide funds to create affordable housing for LMI individuals.

#### Tennessee Non-MSA AA:

The bank granted three CD loans totaling \$12.3 million in the Tennessee Non-MSA AA during the evaluation period. These loans were to organizations that promoted economic development. Opportunities for CD lending participation are limited in this AA because it is largely rural and has grown in popularity as a tourist destination due to its proximity to the Great Smoky Mountains National Park. Because the primary industry in Sevier County is tourism, commercial developments dominate the real estate market, limiting the opportunities for CD projects, particularly affordable housing projects.

### **Product Innovation and Flexibility**

The institution made extensive use of innovative and/or flexible lending practices in order to serve AA credit needs.

#### ***Bank on East Tennessee Program***

The bank is a participant in the *Bank On East Tennessee* program, which is a group of local banks, government, and community organizations with a mission to connect those with little or no bank experience to safe, affordable banking options. Home Federal Bank is a *Bank On East Tennessee* Partner, and has agreed to open “second chance” accounts upon completion of a basic financial literacy class. These classes are offered by various community organizations in the area. While there have been accounts opened in prior CRA examination cycles, there were no accounts opened under this program during the current CRA examination cycle.

#### ***Low-Fee Checking Options***

The bank offers several low-fee checking and savings accounts with no or low below-balance fees, low maintenance fees, low statement fees, and no transaction limits. Additionally, Home Federal offers checking accounts for the Emerald Youth Academy Launch Point Program, which is a three-day hands-on workshop and life skills building event for recent high school graduates who are transitioning into college or who are launching into their careers. There are currently eight open accounts through this program.

#### ***Secured Credit Cards***

Home Federal offers various secured credit card options that allow individuals to build and/or improve their credit scores. Options included a basic secured option, as well as a Max Cash secured option that offers cash back for qualified users. During the evaluation period, the bank opened 62 accounts, with a total available credit limit of \$60,000.

***Share Loans***

The bank offers a small dollar loan secured by an assignment of a Home Federal savings account or certificate of deposit. The minimum loan amount is \$1,500. During the evaluation period, the bank originated 169 loans under this program totaling \$4.2 million.

***Personal Unsecured Lines of Credit***

Home Federal offers a personal unsecured line of credit for specific loan purposes. Loan terms vary between 12 and 24 months, and the minimum loan amount is \$5,000. During the evaluation period, the bank originated 51 loans under this program, totaling \$2.0 million.

***Personal Overdraft Lines of Credit***

The bank offers a personal unsecured line of credit for overdraft purposes for current checking account customers. This is a personal line of credit account and is not issued to account holders using their account for business purposes. During the evaluation period, the bank originated 52 loans under this program totaling \$69,600.

***Residential Loans***

The bank offers adjustable-rate mortgage loans that allow for less rigid qualifications, as well as a special 97 percent retained loan. This loan has a maximum loan amount of \$806,500 and does not have an income limit tied to it. In some cases, homebuyer education is a requirement. Loans are also available through the Tennessee Housing Development Agency (THDA) and United States Department of Agriculture (USDA), which do have income limits. In 2023, Home Federal began offering Fannie Mae's HomeReady Mortgage. This low-down-payment product is designed to help lenders serve credit-worthy low-income borrowers. During the evaluation period, the bank originated 16 of these affordable mortgage options for a total of \$5.7 million.

**INVESTMENT TEST**

The bank's performance under the Investment Test in Tennessee is rated High Satisfactory.

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

Based on full-scope reviews, the bank's performance in the Knoxville MSA AA and the Tennessee Non-MSA AA was good.

The institution had a good level of qualified investments, including grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibited good responsiveness to credit and CD needs. The institution made significant use of innovative and/or complex investments to support CD initiatives.

Table 4: Qualified Investments*									2022-2024	
Assessment Area	Prior Period		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Knoxville MSA	1	20	291	1,970	292	87.4	1,990	57.6	0	0
TN Non-MSA	0	0	22	159	22	6.6	159	4.6	0	0
Broader Statewide or Regional Area	7	279	13	1,027	20	6.0	1,306	37.8	0	0
<b>Total</b>	<b>8</b>	<b>299</b>	<b>326</b>	<b>3,156</b>	<b>334</b>	<b>100</b>	<b>3,455</b>	<b>100</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.

In addition to investable securities, Home Federal provided CD donations to different community organizations in its AAs that offer services to LMI individuals and families. These donations provided funding to these organizations, which gave individuals and families relief through food, medical, housing, and community opportunities. Within the Knoxville MSA AA and the Tennessee Non-MSA AA, Home Federal advanced \$2.2 million towards 313 investment securities, charitable donations, and grants during the evaluation period.

The following are examples of qualified investments in the AAs.

Knoxville MSA AA:

- Three grants totaling \$6,000 to an organization that provides youth development, senior assistance, and health services for LMI individuals.
- A \$500 grant to an organization that provides services for the homeless.
- Two grants totaling \$5,000 to an organization that provides housing for LMI individuals with mental health disabilities.
- An \$800 donation to an organization that provides services for homeless individuals.
- Three grants totaling \$17,500 to an organization that aids small businesses.
- Four grants totaling \$24,000 to an organization that provides free medical and dental care to LMI individuals.
- Five grants totaling \$52,500 to an organization that provides services for survivors of domestic violence.
- Four grants totaling \$57,750 to an organization that provides affordable housing.

Tennessee Non-MSA AA:

- Three donations totaling \$3,000 to an organization that provides free healthcare services for LMI individuals.
- Two donations totaling \$1,060 to an organization that provides transitional housing and services to homeless individuals.

The bank also participated in several qualified investment opportunities inside and outside its AAs during the evaluation period. Three investments were inside the AAs, while 13 investments were in the broader, regional area. These investments include various local bonds with intentions to revitalize/stabilize area infrastructure.

## SERVICE TEST

The bank's performance under the Service Test in Tennessee is rated Outstanding.

### Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Knoxville MSA AA and the Tennessee Non-MSA AA was excellent.

### Retail Banking Services

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

Table 5: Distribution of Branch Delivery Systems													2024
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
Knoxville MSA 2024	91.7	19	82.6	5.3	21.1	42.1	31.6	0.0	5.9	13.5	48.0	30.8	1.8
TN Non-MSA 2024	8.3	4	17.4	0.0	25.0	50.0	25.0	0.0	0.0	16.0	55.4	28.6	0.0
<b>Total</b>	<b>100.0</b>	<b>23</b>	<b>100.0</b>	<b>4.3</b>	<b>21.7</b>	<b>43.5</b>	<b>30.4</b>	<b>0.0</b>	<b>5.2</b>	<b>13.8</b>	<b>48.9</b>	<b>30.5</b>	<b>1.6</b>

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

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

#### Knoxville MSA AA:

The quantity, quality, and accessibility of banking service delivery systems within the Knoxville MSA AA are satisfactory. Home Federal has 19 full-service branches within the AA. There is one branch (5.3 percent of total branches in the AA) in a low-income geography and four branches (21.1 percent of total branches in the AA) in moderate-income geographies. The percentage of branches within low-income geographies is similar to the percentage of the population within low-income geographies. Additionally, the percentage of branches within moderate-income geographies exceeds the percentage of the population within moderate-income geographies. All branch locations have deposit-taking ATMs onsite. There is one additional non-deposit taking ATM in a moderate-income geography. Customers can use the ATMs to check balances and transfer funds between accounts. All customers can access account management services through online banking and mobile banking. There are two additional mortgage loan origination offices within the AA that serve as a home base for floating mortgage loan officers. The mortgage loan origination offices are in middle- and upper-income geographies; however, loan officers take appointments at all the bank's branches, business offices, or applicant's homes.

#### Tennessee Non-MSA AA:

The quantity, quality, and accessibility of banking service delivery systems within the Tennessee Non-MSA AA are satisfactory. The bank has four full-service branches in the AA. There is one moderate income geography within the AA, which the bank has a branch in. Twenty-five percent of the bank's branches within the AA are located in a moderate-income census tract, exceeding the percentage (16.0) of the population that resides in the moderate-income geography. There are no low-income geographies

within the AA. All branch locations have deposit-taking ATMs onsite. Customers can also use the ATMs to check balances and transfer funds between accounts. All customers can access account management services through online banking and mobile banking. There is one additional mortgage loan origination office in the AA that serves as a home base for floating mortgage loan officers. The mortgage loan office is located in a moderate-income geography. Loan officers take appointments at all the bank's branches, business offices, or applicant's homes.

Assessment Area	Branch Openings/Closings		Net change in Location of Branches (+ or -)				
	# of Branch Openings	# of Branch Closings	Low	Mod	Mid	Upp	NA
			Knoxville MSA 2024	0	0	0	0
TN Non-MSA 2024	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

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

Home Federal did not open or close any branches during the evaluation period.

Services, including where appropriate, business hours, were tailored to the convenience and needs of its AAs, particularly LMI geographies and/or individuals.

### Community Development Services

The institution was a leader in providing CD services.

The bank provides an outstanding level of CD services within the Knoxville MSA AA, and a relatively high level of CD services in the Tennessee Non-MSA AA. CD Services in both AAs are responsive to community needs. The bank's responsiveness is demonstrated by the number of employees actively involved and the number and diversity of organizations served. Home Federal's employees committed over 2,500 hours to qualifying CD service activities within the AAs over the evaluation period. In addition, Home Federal staff help both community service organizations and LMI individuals apply for housing grants from the Federal Home Loan Bank.

#### Knoxville MSA AA:

Home Federal provides an outstanding level of CD services that are responsive to the needs of the community within the Knoxville MSA AA. During the evaluation period, 171 staff members committed 2,222 community service hours to 28 different qualifying organizations in the AA. Within these qualifying organizations, 16 activities included leadership roles, such as board members, officers, and planning committee members. These activities help provide affordable housing, revitalization and stabilization of designated areas, and provide community services to LMI individuals and families. Home Federal officers and employees also participated in financial literacy events as teachers or facilitators. Examples of the numerous organizations to which the bank's staff members provided services are shown below.

- One bank employee served as a board member and on the finance and investment committees of an organization that serves people of all ages experiencing hunger in East Tennessee.
- One bank employee served as a board member and treasurer of an organization that focuses on providing affordable housing to low-income individuals and LMI neighborhoods.

- Two bank employees served as planning committee members for two separate fundraisers. The fundraisers were events hosted by nonprofit organizations that support a leading regional nonprofit provider of mental health, substance use, and social and victim services.

Tennessee Non-MSA AA:

The bank provides a significant level of CD services in the Tennessee Non-MSA AA. Over the evaluation period, two bank employees devoted 330 community service hours to two different qualifying organizations in the AA. Both individuals volunteered in leadership positions within the organizations served. They share their financial expertise serving as board members and officers within the organizations that provide community services to LMI individuals and families. Examples of the services provided are shown below.

- One bank employee dedicates a significant amount of time to a local organization in Sevierville where they serve as Treasurer. This organization provides support to other organizations serving LMI individuals, including the Boys and Girls Club of the Smoky Mountains, the Sevier County Food Ministry, and the Sevier County Youth Shelter.
- One bank employee serves as a board member for a local organization that provides small businesses with local real estate information and developments.

## 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>	01/01/22 to 12/31/24	
<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		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>MMSA(s)</b>		
N/A	N/A	N/A
<b>Tennessee</b>		
Knoxville MSA AA	Full-scope	Entirety of Knox, Anderson, and Blount Counties
TN Non-MSA AA	Full-scope	Entirety of Sevier County

## 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
Home Federal Bank of Tennessee	Outstanding	High Satisfactory	Outstanding	Outstanding
MMSA or State:				
Tennessee	Outstanding	High Satisfactory	Outstanding	Outstanding

(\*) 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 LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Consumer Loan(s):** 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** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s AA.
- Table 10. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

**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
Knoxville MSA 2023	1,247	300,373	92.85	46,381	2.83	2.49	3.62	12.65	9.78	12.96	50.77	47.47	48.75	33.73	40.26	34.55	0.02	--	0.11
TN Non-MSA 2023	96	22,998	7.15	8,674	--	--	--	15.72	11.46	11.93	52.50	38.54	60.15	31.76	50.00	27.83	0.03	--	0.07
<b>Total</b>	<b>1,343</b>	<b>323,371</b>	<b>100.00</b>	<b>55,055</b>	<b>2.46</b>	<b>2.31</b>	<b>3.05</b>	<b>13.04</b>	<b>9.90</b>	<b>12.80</b>	<b>51.00</b>	<b>46.84</b>	<b>50.55</b>	<b>33.48</b>	<b>40.95</b>	<b>33.49</b>	<b>0.02</b>	<b>--</b>	<b>0.11</b>

*Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, -- 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
Knoxville MSA	564	147,840	94.47	20,951	2.83	2.84	3.99	12.01	11.70	13.31	51.41	43.44	48.58	33.73	41.84	33.75	0.02	0.18	0.37
TN Non-MSA	33	11,046	5.53	3,284	--	--	--	14.00	15.15	11.94	54.22	42.42	60.05	31.76	42.42	27.98	0.03	--	--
<b>Total</b>	<b>597</b>	<b>158,886</b>	<b>100.00</b>	<b>24,235</b>	<b>2.46</b>	<b>2.68</b>	<b>3.45</b>	<b>12.27</b>	<b>11.89</b>	<b>13.12</b>	<b>51.77</b>	<b>43.38</b>	<b>50.14</b>	<b>33.48</b>	<b>41.88</b>	<b>32.96</b>	<b>0.02</b>	<b>0.17</b>	<b>0.32</b>

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

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
Knoxville MSA 2023	1,247	300,373	92.85	46,381	19.61	7.70	7.41	17.21	15.40	18.09	20.48	20.05	22.18	42.69	51.24	37.91	--	5.61	14.40
TN Non-MSA 2023	96	22,998	7.15	8,674	17.87	1.04	3.80	17.09	14.58	7.98	21.05	26.04	13.47	43.98	56.25	55.72	--	2.08	19.03
<b>Total</b>	<b>1,343</b>	<b>323,371</b>	<b>100.00</b>	<b>55,055</b>	<b>19.38</b>	<b>7.22</b>	<b>6.84</b>	<b>17.20</b>	<b>15.34</b>	<b>16.50</b>	<b>20.56</b>	<b>20.48</b>	<b>20.81</b>	<b>42.86</b>	<b>51.60</b>	<b>40.72</b>	<b>--</b>	<b>5.36</b>	<b>15.13</b>

*Source: FFIEC File - 2020 Census; 1/1/2022- 12/31/2023 Bank Data, --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
Knoxville MSA	564	147,840	94.47	20,951	19.28	7.27	5.64	16.98	12.77	15.19	20.36	19.50	20.86	43.38	56.03	39.41	--	4.43	18.90
TN Non-MSA	33	11,046	5.53	3,284	17.69	--	3.81	16.96	15.15	7.92	20.87	24.24	12.73	44.47	51.52	51.83	--	9.09	23.72
<b>Total</b>	<b>597</b>	<b>158,886</b>	<b>100.00</b>	<b>24,235</b>	<b>19.07</b>	<b>6.87</b>	<b>5.39</b>	<b>16.98</b>	<b>12.90</b>	<b>14.21</b>	<b>20.43</b>	<b>19.77</b>	<b>19.76</b>	<b>43.53</b>	<b>55.78</b>	<b>41.09</b>	<b>--</b>	<b>4.69</b>	<b>19.55</b>

Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, -- 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																			2022-2023
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
Knoxville MSA 2023	161	38,717	96.41	28,655	4.73	6.21	3.69	13.22	22.36	12.20	39.38	37.27	40.85	41.15	34.16	42.27	1.51	--	0.78
TN Non-MSA 2023	6	3,054	3.59	5,512	--	--	--	23.97	33.33	19.94	54.06	50.00	56.80	21.39	16.67	23.06	0.58	--	0.20
<b>Total</b>	<b>167</b>	<b>41,771</b>	<b>100.00</b>	<b>34,167</b>	<b>4.05</b>	<b>5.99</b>	<b>3.10</b>	<b>14.77</b>	<b>22.75</b>	<b>13.45</b>	<b>41.49</b>	<b>37.72</b>	<b>43.43</b>	<b>38.32</b>	<b>33.53</b>	<b>39.34</b>	<b>1.38</b>	<b>--</b>	<b>0.68</b>

Source: FFIEC File - 2020 Census; 1/1/2022- 12/31/2023 Bank Data, 2023 Dunn & Bradstreet SBSF Demographics, -- 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
Knoxville MSA	56	13,935	98.25	--	4.76	10.71	--	12.78	16.07	--	39.27	32.14	--	41.78	41.07	--	1.41	--	--
TN Non-MSA	1	61	1.75	--	--	--	--	19.63	--	--	58.27	100.00	--	21.49	--	--	0.61	--	--
<b>Total</b>	<b>57</b>	<b>13,996</b>	<b>100.00</b>	<b>--</b>	<b>4.09</b>	<b>10.53</b>	<b>--</b>	<b>13.75</b>	<b>15.79</b>	<b>--</b>	<b>41.94</b>	<b>33.33</b>	<b>--</b>	<b>38.93</b>	<b>40.35</b>	<b>--</b>	<b>1.30</b>	<b>--</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											2022-2023
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
Knoxville MSA 2023	161	38,717	96.41	28,655	84.28	44.72	49.77	4.75	50.31	10.97	4.97
TN Non-MSA 2023	6	3,054	3.59	5,512	86.37	66.67	51.63	3.40	33.33	10.23	--
<b>Total</b>	<b>167</b>	<b>41,771</b>	<b>100.00</b>	<b>34,167</b>	<b>84.58</b>	<b>45.51</b>	<b>50.07</b>	<b>4.56</b>	<b>49.70</b>	<b>10.86</b>	<b>4.79</b>

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2023 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											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
Knoxville MSA	56	13,935	98.25	--	83.58	28.57	--	4.60	57.14	11.82	14.29
TN Non-MSA	1	61	1.75	--	85.58	100.00	--	3.27	--	11.16	--
<b>Total</b>	<b>57</b>	<b>13,996</b>	<b>100.00</b>	<b>--</b>	<b>83.86</b>	<b>29.82</b>	<b>--</b>	<b>4.42</b>	<b>56.14</b>	<b>11.73</b>	<b>14.04</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%