



**PUBLIC DISCLOSURE**

January 6, 2020

**COMMUNITY REINVESTMENT ACT  
PERFORMANCE EVALUATION**

The Farmers National Bank of Danville  
Charter Number 2409

304 West Main Street, Danville, Kentucky 40422

Office of the Comptroller of the Currency

10200 Forest Green Boulevard, Suite 501, Louisville, Kentucky 40223

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

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# Overall CRA Rating

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

**The Lending Test is rated: Satisfactory**

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

The major factors that support this rating include:

- The Lending Test rating is based on a reasonable distribution of home mortgage and small business loans to low- and moderate-income (LMI) borrowers and businesses of different sizes respectively. FNB’s geographic distribution of home mortgage loans showed excellent dispersion throughout the AA. The geographic distribution of small business loans is reasonable.
- The Community Development (CD) Test rating is based on The Farmers National Bank of Danville’s (FNB) overall adequate responsiveness to community needs through qualified investments, CD service, and CD loans, taking into consideration the bank’s capacity, as well as the needs and available opportunities for community development in the Assessment Area (AA).

## Loan-to-Deposit Ratio

Considering the bank’s size, financial condition, and credit needs of the AA, the bank’s loan-to-deposit (LTD) ratio is reasonable. FNB’s LTD ratio averaged 81.5 percent over the 14 quarters since the bank’s prior CRA examination, with a quarterly high of 87.6 percent and a quarterly low of 76.0 percent. During the same time period, three local competitors of similar size averaged loan-to-deposit ratios of 76.1 percent, 80.6 percent, and 61.7 percent, respectively. The LTD ratio is calculated on a bank-wide basis.

## Lending in Assessment Area

A substantial majority of the bank’s loans are inside its AA. Based on a random sample of 20 home mortgage loans and 20 small business loans, the bank originated or purchased 90.0 percent of its total loans inside the bank’s AAs during the evaluation period based on number of loans and 58.2 percent based on dollar volume. This analysis is performed at the bank level, rather than the AA level.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	19	95.0	1	5.0	20	1,966	87.1	292	12.9	2,258
Small Business	17	85.0	3	15.0	20	1,247	38.2	2,020	61.8	3,267
Total	36	90.0	4	10.0	40	3,213	58.2	2,312	41.8	5,525

## Description of Institution

FNB is a full-service, intrastate financial institution. It is wholly owned by Boyle Bancorp, Inc., a single bank holding company located in Danville, Kentucky. As of September 30, 2019, FNB had \$558 million in total assets with \$403 million in loans, \$475 million in deposits, and \$62 million in tier 1 capital. FNB's business strategy includes meeting community needs by offering traditional banking products and services, including a variety of deposit and loan products.

As of the September 30, 2019 Consolidated Reports of Condition and Income (Call Report), FNB's net loans represented approximately 71.0 percent of its average assets. The composition of loans included loans secured by 1-4 family residential real estate (40.7 percent), loans secured by commercial real estate (27.2 percent), agricultural-related loans (17.8 percent), other commercial and industrial loans (7.1 percent), construction and land development (3.1 percent), loans to individuals (2.2 percent), and loans secured by multi-family (5 or more) residential properties (2.0 percent).

FNB designated one AA for CRA purposes that included Boyle, Garrard, Lincoln, and Mercer counties in Kentucky. All counties in the AA are adjacent, located in nonmetropolitan statistical areas, and share similar demographic and economic characteristics. In total, the AA consists of 22 census tracts (CT).

As of September 30, 2019, the bank had 12 full-service or express locations in four Kentucky counties. Full-service branches provide customers the opportunity to open accounts and are staffed with loan officers. Express branch services include opening new deposit accounts as well as conducting deposit, withdrawal, and checking transactions with established account holders. In addition, Express branch locations began offering consumer loans in the fourth quarter of 2019.

The bank's main office is located in downtown Danville, Boyle County, Kentucky. During the evaluation period, FNB also had:

- One full-service branch in Boyle County, located in Perryville, Kentucky,
- Four<sup>1</sup> express branches in Boyle County; three located in Danville, Kentucky and one located in Junction City, Kentucky,
- One full-service branch in Mercer County, located in Harrodsburg, Kentucky,
- One express branch in Mercer County, located in Burgin Kentucky,
- One full-service branch in Garrard County, located in Lancaster, Kentucky,
- And one<sup>2</sup> full-service branch in Lincoln County, located in Stanford, Kentucky.

All branch locations provide drive-through facilities. The bank has Automated Teller Machines (ATMs) or Interactive Teller Machines (ITMs) at each branch location. The bank also has two deposit taking ATM/ITMs, and one non-deposit taking ATM at other locations within the AA.

There were no legal or financial circumstances that impacted FNB's ability to meet the credit needs of its community. The last CRA evaluation was performed on August 1, 2016. FNB received a satisfactory rating.

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<sup>1</sup> Since the previous evaluation, the bank closed the Southtown branch and opened the Garland Drive branch. The new location was moved less than a mile from the closed location.

<sup>2</sup> The 2105 ACS Census changed classification of census tracts between 2016 and 2017. The Stanford branch is now in an upper-income census tract and no longer located in a distressed, nonmetropolitan middle-income geography.

## **Scope of the Evaluation**

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

We evaluated FNB's CRA performance under the intermediate small bank (ISB) procedures, which includes a lending and CD test. The Lending Test evaluated the bank's record of meeting the credit needs of its AA through its lending activities from January 1, 2017 through December 31, 2019. The CD test evaluated the bank's CD lending, qualified investments, and CD service activities from August 1, 2016, the date of the last CRA evaluation, through December 31, 2019. We used Call Report data to determine FNB's quarterly LTD ratio. The Lending Test also includes an analysis of primary loan products. Based on an analysis of lending activity, home mortgage and business loans were selected as primary loan products. Conclusions regarding the Bank's lending performance were based on a random sample of primary loan product originations during this period. We also reviewed all CD loans, qualified investments, donations, and CD services submitted by FNB management to evaluate the bank's responsiveness to the AA's CD needs.

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

The bank's only AA received a full-scope review. Refer to *Appendix A: Scope of Examination* for a list of products reviewed within the AA.

### **Ratings**

The bank's overall rating is based on the State of Kentucky rating. The State rating is based on a full-scope review of the bank's AA. More weight was given to the distribution of loans by income level of borrower and gross annual revenues of businesses than the geographic distribution of loans. This was due to the number of low- and moderate-income CTs in the Bank's AA over the evaluation period. Refer to the *Description of the Institution's Operations in Kentucky* for additional details regarding how the areas were weighted in arriving at the respective ratings.

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

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

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

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

# State Rating

## State of Kentucky

### CRA rating for the State of Kentucky: Satisfactory

**The Lending Test is rated: Satisfactory**

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

The major factors that support this rating include:

- A substantial majority of the bank's loans are within the AA.
- The distribution of loans to borrowers of different income levels and businesses of different sizes is reasonable.
- The geographic distribution of home mortgage loans is excellent. The bank's distribution of small business loans throughout the AA is reasonable.
- FNB's LTD ratio is reasonable.
- FNB exhibits adequate responsiveness to CD needs in the AA through qualified investments, CD services, and CD loans.

### Description of Institution's Operations in Kentucky

FNB has one AA in the state of Kentucky. The AA includes the entire counties of Boyle, Garrard, Lincoln, and Mercer. The AA meets the requirements of the regulation and does not arbitrarily exclude LMI geographies.

As a result of the 2015 United States ACS census data, the income designation of some CTs within the AA changed in 2017. In 2016, the AA consisted of zero low- and moderate-income, eight middle-income, and 14 upper-income CTs. From 2017 to 2019, the AA consisted of zero low-income, two moderate-income, 13 middle-income, and seven upper-income CTs. In addition, three of the 13 middle-income CTs were designated as distressed middle-income geographies during the review period. This designation is based on multiple criteria including poverty level, unemployment, and population loss.

FNB has strong competition within the AA. As of June 30, 2019, there were 15 financial institutions operating 41 banking offices in the AA, including FNB. Competition in the AA includes several local community banks as well as branches of large national and regional banks. June 30, 2019 FDIC deposit market share data shows FNB ranks first in market share at 34.4 percent. FNB's major competitors in the AA are First Southern National Bank, Lancaster, Kentucky (16.4 percent market share) and Whitaker Bank, Lexington, Kentucky (8.4 percent market share).

On average, the unemployment rates for the four counties within the AA were at or above the state unemployment rates for 2016, 2017, and 2018. At the time of our review, 2019 unemployment information was unavailable.

<b>Average Annual Unemployment Rates</b>			
	<b>2016</b>	<b>2017</b>	<b>2018</b>
Kentucky	5.1	4.9	4.3
Boyle	5.0	5.1	4.4
Garrard	4.9	4.9	4.4
Lincoln	6.1	5.7	5.0
Mercer	4.9	4.9	4.5

The major industries in the AA include services, manufacturing, trade, transportation, and utilities. Over the evaluation period, the number of industrial and manufacturing facilities have declined. Those businesses are being replaced with firms demanding a more specialized labor force. This has limited the number of available jobs in the AA.

Opportunities for community reinvestment include support of organizations that provide services for low- and moderate-income families. There are limited opportunities for financing affordable housing projects. A community contact identified financial support for utilities and rent payments as the most significant need within the AA. Financial education for all ages was also identified as an opportunity, as generational poverty continues to be a growing concern. The contact indicated local banks are very active in meeting the community’s needs.

The following table shows demographic information covering FNB’s AA of Boyle, Garrard, Lincoln, and Mercer Counties.

### **Non-metropolitan AA including Boyle, Garrard, Lincoln, and Mercer counties**

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Boyle, Garrard, Lincoln, and Mercer Counties</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	22	0.0	9.1	59.1	31.8	0.0
Population by Geography	92,204	0.0	8.4	58.5	33.2	0.0
Housing Units by Geography	40,745	0.0	8.6	57.8	33.7	0.0
Owner-Occupied Units by Geography	25,774	0.0	7.8	56.8	35.4	0.0
Occupied Rental Units by Geography	10,459	0.0	8.9	63.7	27.4	0.0
Vacant Units by Geography	4,512	0.0	12.0	49.5	38.5	0.0
Businesses by Geography	4,841	0.0	5.5	58.5	36.0	0.0
Farms by Geography	388	0.0	9.3	46.4	44.3	0.0
Family Distribution by Income Level	25,518	21.6	14.6	18.0	45.9	0.0
Household Distribution by Income Level	36,233	22.2	14.9	16.2	46.6	0.0
Median Family Income Non-MSAs – GA		\$45,986	Median Housing Value			\$122,289
			Median Gross Rent			\$617

	Families Below Poverty Level	15.8%
<i>Source: 2015 ACS Census and 2019 D&amp;B Data Due to rounding, totals may not equal 100.0  (*) The NA category consists of geographies that have not been assigned an income classification.</i>		

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

### **LENDING TEST**

The bank’s performance under the Lending Test in Kentucky is rated Satisfactory.

Based on a full-scope review, the bank’s lending performance in the state of Kentucky is Satisfactory.

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

The bank exhibits an excellent geographic distribution of home mortgage loans in the AA. The geographic distribution of small business loans is reasonable.

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

Our sample found excellent dispersion of home mortgage loans across geographies in the bank’s AA. Refer to Table O in *Appendix C: Tables for Performance Data* for the facts and data used to evaluate the geographic distribution of the bank’s home mortgage loan originations and purchases.

During the evaluation period, the bank’s home mortgage loan originations in moderate-income CTs exceeded both the demographic and aggregate comparators. The sample also included two loans originated in middle-income CTs designated as distressed for the three years under review.

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

Our sample found reasonable dispersion of business loans across geographies in the bank’s AA. Refer to Table Q in *Appendix C: Tables for Performance Data* for the facts and data used to evaluate the geographic distribution of the bank’s originations and purchases of small loans to businesses.

The bank’s loans to small businesses in moderate-income CTs was in-line with the demographic comparator and exceeded the aggregate comparator. The sample included three loans to businesses located in distressed middle-income CTs.

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

The distribution of loans to borrowers of different income levels, as well as to business of different sizes, is reasonable.

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

The distribution of home mortgage loans reflects reasonable penetration among low- and moderate-income borrowers. Refer to Table P in *Appendix C: Tables for Performance Data* for the facts and data used to evaluate the borrower distribution of the bank’s home mortgage loan originations and purchases.

This analysis took into consideration factors limiting opportunities to lend to low-income families. Chiefly, approximately 20 percent of households in the AA are below the poverty level. While the percentage of home mortgage loans to low-income borrowers was well below the demographic comparator, it exceeded the aggregate comparator. Home mortgage loans originated to moderate-income borrowers was in-line with the demographics of the area, and slightly above the aggregate comparator.

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

FNB exhibits reasonable penetration of loans across businesses of different revenue size. Refer to Table R in *Appendix C: Tables for Performance Data* for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

During the evaluation period, the bank's percentage of loans to businesses with revenues of \$1 million or less was slightly above the demographic comparator. FNB's percentage of loans to businesses with revenues less than \$1 million compared very favorably to the aggregate comparator.

### **Responses to Complaints**

FNB did not receive any written complaints regarding its CRA performance during the evaluation period.

## **COMMUNITY DEVELOPMENT TEST**

The bank's performance under the CD Test is rated Satisfactory.

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

### **Number and Amount of Community Development Loans**

FNB demonstrated adequate responsiveness to the needs of its AA through CD lending. During the evaluation period, the bank originated or renewed two CD loans totaling \$216,103 within the AA. One loan was to finance a development project to provide jobs in distressed middle-income CTs. The other was to help support a local café that focuses on providing hot meals to low-income individuals.

### **Number and Amount of Qualified Investments**

FNB's level of qualified investments demonstrates excellent responsiveness to the CD needs of its AA. The bank made nine qualified investments in its AA totaling \$10.6 million during the evaluation period. In addition, the bank maintained 12 prior period investments totaling \$3.5 million. Eight of the current period investments and 11 of the prior period investments totaled \$11.4 million and benefitted school districts where the majority of students qualify for free or reduced-price meals under the United States Department of Agriculture's School Lunch Program.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Boyle, Garrard, Lincoln, & Mercer Counties	12	3,512	9	10,595	21	100	14,107	100	0	0

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

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

In addition to the above investments, FNB made \$469,457 in donations to qualified community organizations and various CD charities in the AA. Of the total donations made, \$298,457 went to distressed or underserved communities for local health care providers, charitable organizations, and local food pantries providing services to LMI individuals.

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

FNB's level of qualified community services demonstrates adequate responsiveness to the CD needs of the AA.

FNB offers adjustable-rate loans for owner-occupied properties within FNB's market through the Affordable Home Loan Program. This program is targeted to low- and moderate-income persons who meet certain income qualifications, with applicant income limits set for each county in the AA. This program is run in conjunction with the Federal Home Loan Bank (FHLB) of Cincinnati's Welcome Home Loan Grant Program (Welcome Home). Welcome Home grants fund reasonable down payment and closing costs for low- and moderate-income homebuyers. During the evaluation period, FNB made 24 loans totaling approximately \$2.0 million and was involved in the use of \$120,000 in grant funds.

Many employees are involved in non-profit organizations that provide services for low-and moderate-income individuals or economic development for small businesses. Bank management is actively involved in several economic development organizations and community groups. For example,

- A senior bank officer has served as a board member of the Harrodsburg Housing Authority since 2008. The officer provides financial expertise to the organization regarding financing needs of low-to-moderate income (LMI) families. The mission of the housing authority is to provide rental assistance for affordable housing to LMI families.
- Other bank officers and employees serve as board members or provide financial expertise to organizations such as the Family Services Association, Ephraim McDowell Healthcare Foundation, and Habitat for Humanity. Individuals within the bank also participate in financial education classes for the local school systems, as well as Bluegrass Community and Technical College for adult education.

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

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed:</b>	Lending Test (excludes CD Loans): January 1, 2017 to December 31, 2019 CD Investment, Services and Loan Tests: August 1, 2016 to December 31, 2019	
<b>Bank Products Reviewed:</b>	Home mortgage, small business, CD loans, qualified investments, and CD services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Not Applicable		
<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>Kentucky</b>		
Boyle, Garrard, Lincoln, and Mercer Counties	Full-scope	

## Appendix B: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

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

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

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

**Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2017-19**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
	20	2,050	100	2,162	0.0	0.0	0.0	7.8	10.0	4.3	56.8	40.0	55.3	35.4	50.0	40.4	0.0	0.00	0.0
<b>Total</b>	<b>20</b>	<b>2,050</b>	<b>100</b>	<b>2,162</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7.8</b>	<b>10.0</b>	<b>4.3</b>	<b>56.8</b>	<b>40.0</b>	<b>55.3</b>	<b>35.4</b>	<b>50.0</b>	<b>40.4</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2017-19**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
	20	2,050	100	2,162	21.6	10.0	4.6	14.6	15.0	13.6	18.0	40.0	22.5	45.9	35.0	42.8	0.0	0.0	16.5
<b>Total</b>	<b>20</b>	<b>2,050</b>	<b>100</b>	<b>2,162</b>	<b>21.6</b>	<b>10.0</b>	<b>4.6</b>	<b>14.6</b>	<b>15.0</b>	<b>13.6</b>	<b>18.0</b>	<b>40.0</b>	<b>22.5</b>	<b>45.9</b>	<b>35.0</b>	<b>42.8</b>	<b>0.0</b>	<b>0.00</b>	<b>16.5</b>

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2017-19**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
	20	1,327	100	960	0.0	0.0	0.0	5.5	5.0	3.9	58.5	55.0	51.7	36.0	40.0	44.5	0.0	0.0	0.0
<b>Total</b>	<b>20</b>	<b>1,327</b>	<b>100</b>	<b>960</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>5.5</b>	<b>5.0</b>	<b>3.9</b>	<b>58.5</b>	<b>55.0</b>	<b>51.7</b>	<b>36.0</b>	<b>40.0</b>	<b>44.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2017-19**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
	20	1,327	100.0	960	83.6	85.0	46.8	3.8	10.0	12.6	5.0
<b>Total</b>	<b>20</b>	<b>1,327</b>	<b>100.0</b>	<b>960</b>	<b>83.6</b>	<b>85.0</b>	<b>46.8</b>	<b>3.8</b>	<b>10.0</b>	<b>12.6</b>	<b>5.0</b>

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0