



**PUBLIC DISCLOSURE**

June 05, 2023

**COMMUNITY REINVESTMENT ACT  
PERFORMANCE EVALUATION**

Legacy National Bank  
Charter Number 24573

4055 West Sunset  
Springdale, AR 72762

Office of the Comptroller of the Currency  
Little Rock Office

Victory Building  
1401 West Capitol Avenue  
Suite 350  
Little Rock, AR 72201

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

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## Overall CRA Rating

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

**The Lending Test is rated: Outstanding.**

**The Community Development Test is rated: Outstanding.**

The major factors that support this rating include:

- The lending test rating is based on Legacy National Bank's (LNB) outstanding performance in the state of Arkansas. During the evaluation period, the bank's loan-to-deposit (LTD) ratio is more than reasonable, and a substantial majority of their loans originated within the assessment area (AA).
- The community development (CD) test rating is based on LNB's excellent responsiveness to CD needs in its AA.

### Loan-to-Deposit Ratio

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

LNB's average LTD ratio of 91.23 percent, calculated over eight quarters from March 31, 2020, to December 31, 2021, is more than reasonable given the bank's lending capacity, and lending opportunities present in the AA. The LTD ratio is calculated on a bank wide basis.

For the purposes of this analysis, three banks with comparable asset sizes operating within the bank's AA were reviewed to determine the bank's performance relative to competition. These banks include Signature Bank of Arkansas, Generations Bank, and Chambers Bank. See table below.

<b>Bank Name</b>	<b>Total Assets of 12/31/2021 \$(000s)</b>	<b>8-Quarter Average LTD</b>
Legacy National Bank	\$934,460	91.23%
Signature Bank of Arkansas	\$851,707	93.78%
Generations Bank	\$706,263	92.77%
Chambers Bank	\$1,198,299	96.10%

LNB has the lowest LTD ratio in this peer group; however, the bank's LTD is still comparable to the peer group. LNB's branches are all located in Washington County and Benton County.

### Lending in Assessment Area

A substantial majority of the bank's loans are inside its AA.

The bank originated and purchased 87.2 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.

<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	370	82.2%	26	39.4%	396	\$133,558	97.4%	\$7,307	80.5%	\$140,865
Small Business	52	11.6%	8	12.1%	60	\$2,292	1.7%	\$354	3.9%	\$2,646
Small Farm	28	6.2%	32	48.5%	60	\$1,237	0.9%	\$1,414	15.6%	\$2,651
<b>Total</b>	<b>450</b>	<b>87.2%</b>	<b>66</b>	<b>12.8%</b>	<b>516</b>	<b>\$137,087</b>	<b>93.8%</b>	<b>\$9,075</b>	<b>6.2%</b>	<b>\$146,162</b>

*Source: Bank Data  
Due to rounding, totals may not equal 100.0%*

## Description of Institution

LNB is a \$916.0 million community bank headquartered in Springdale, Arkansas. As of December 31, 2022, LNB reported net loans of \$788.9 million, or 86.1 percent of total assets, and total deposits of \$776.0 million. LNB is a wholly-owned subsidiary of Legacy Bancshares, Inc., a one-bank holding company. As of May 1, 2021, LNB’s former sister bank, Bank of Gravette, merged with LNB.

LNB has one AA located in Northwest Arkansas and consisting of two counties – Washington County and Benton County. As of June 30, 2022, LNB’s deposits within the AA represented 5.21 percent market share. As of the 2021 Peer Mortgage Data, LNB has 0.67 percent of the market share when comparing loan volume. As of December 31, 2022, LNB has 10 full-service banking centers located centrally within the AA and only in the state of Arkansas. All banking centers are open Monday through Friday and equipped with an automated teller machine (ATM).

The bank’s primary lending activities are consisted of small business lending, home lending, and agricultural lending. There are no legal, financial, and other factors impeding the bank’s ability to help meet the credit needs in its AA. LNB’s prior Community Reinvestment Act (CRA) PE, dated March 30, 2020, rated the institution’s performance as “Outstanding.”

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

LNB was examined using Intermediate Small Bank evaluation procedures. The evaluation period for the lending test is January 1, 2020, through December 31, 2021. Loan products used to assess the bank’s performance under the lending test include residential real estate loans, small business

loans, and small farm loans. LNB is a Home Mortgage Disclosure Act (HMDA) reporting institution. The evaluation for the CD test is January 1, 2020, through December 31, 2022. The CD Test is based on qualified loans, investment purchases, donations, and services that meet CD needs in the AA.

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

LNB has one AA in Arkansas comprising 81 census tracts (CTs) in two contiguous counties – Washington and Benton counties. The AA received a full-scope review. There are no limited-scope areas.

### **Ratings**

The bank's overall rating is based on the performance in the state of Arkansas. As there is only one AA, the overall rating is based solely on the full-scope review.

## **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 or any affiliate whose loans have been considered as part of the institution's lending performance has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

## **State Rating**

### **State of Arkansas**

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

**The Lending Test is rated:** Outstanding

**The CD Test is rated:** Outstanding

The major factors that support this rating include:

- The geographic distribution of loans across geographies of different income levels is reasonable.
- The borrower distribution of loans to borrowers of different income levels is excellent.
- CD activities provide excellent responsiveness to low- and moderate-income (LMI) individuals and communities.

### **Description of Institution's Operations in Arkansas**

LNB operates 10 full-service branches in Northwest Arkansas. Five branches are in Washington County, Arkansas, with another five branches located in Benton County, Arkansas. The AA consists of 81 CTs – two low-income CTs; 15 moderate-income CTs; 39 middle-income CTs; and 25 upper-income CTs. Poverty is high in the AA with approximately 10.9 percent of families below the poverty line.

Deposit and lending competition within the AA is significant. Within the two counties in the AA, LNB has the fourth largest share of deposits at 5.2 percent per the Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report as of June 30, 2022. The AA has 185 bank branches from 33 institutions comprising mostly Arkansas based community to regional banking companies. The largest deposit market shareholder is Arvest Bank with 45.8 percent.

The bank's primary lending products are 1-4 family residential real estate loans, small business loans, and small farm loans. There are only two low-income CTs in the AA, limiting the bank's ability to originate loans in low-income geographies. Per table A below, 1.8 percent of businesses are in low-income geographies and 16.7 percent of businesses are in moderate-income geographies. Specific to farm by geography, 1.3 percent of farms are in low-income geographies and 14.8 percent of farms are in moderate-income geographies.

A community contact interview was conducted with an executive director for a CD corporation. The corporation focuses on development and management of affordable, senior, and assisted-living housing. Per the contact, the most urgent housing challenges facing Northwest Arkansas are: lack of regional housing policy that supports creation of housing to serve new and existing residents and preserve the region's housing affordability; need for diverse housing options;

limited affordable choices for low-income households; and weak links between housing and transportation as the walkability of cities are primarily focused in the downtown areas which comes at a premium and deters housing affordability. The Northwest Arkansas Council’s 2022 state of the region report reveals an increase in the area’s average annual unemployment rate, average annual wages, and number of business establishments. The corporation would like to partner with banks to develop and rehab more affordable housing.

As the community contact pointed out, the housing market in the AA is challenged as demand and home prices continue to increase. The lack of affordable housing has made it difficult for LMI individuals to purchase homes in the AA. As reflected in table A, the 2021 median family income in the metropolitan statistical area (MSA) is \$60,876 and the median housing value is \$157,293. This data is for the entire Fayetteville-Springdale-Rogers, AR MSA which includes other, more affordable counties than Benton and Washington counties. According to Realtor.com, the average list prices in Washington and Benton counties as of December 2021 was \$348,000 and \$380,000, respectively. These represented an 18.1 percent and 32.0 percent increase from December 2020.

Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowner’s insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$30,432 per year (or less than 50 percent of the 2021 median family income in the AA) could afford a \$141,723 mortgage with a payment of \$761 per month (based on the U.S. Department of Housing and Urban Development (HUD) affordable housing standard of 30 percent of gross income). A moderate-income borrower making \$48,695 per year (or less than 80 percent of the 2021 median family income in the AA) could afford a \$226,775 mortgage with a payment of \$1,217 per month (based on the HUD affordable housing standard of 30 percent of gross income). This illustrates that LMI borrowers would be challenged to qualify for a mortgage loan in the AA.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Fayetteville-Springdale-Rogers, AR MSA AA 2021</b>						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	81	2.5	18.5	48.1	30.9	0.0
Population by Geography	454,630	2.6	20.3	44.3	32.8	0.0
Housing Units by Geography	185,720	3.1	19.5	44.0	33.4	0.0
Owner-Occupied Units by Geography	102,054	0.7	15.4	46.2	37.7	0.0
Occupied Rental Units by Geography	65,338	6.8	26.6	39.4	27.3	0.0
Vacant Units by Geography	18,328	3.1	17.2	48.6	31.1	0.0
Businesses by Geography	29,916	1.8	16.7	44.8	36.6	0.0
Farms by Geography	1,029	1.3	14.8	51.2	32.8	0.0



Family Distribution by Income Level	114,420	19.5	18.2	20.2	42.0	0.0
Household Distribution by Income Level	167,392	22.3	16.5	18.4	42.7	0.0
Median Family Income MSA – 22220 Fayetteville-Springdale-Rogers, AR MSA		\$60,876	Median Housing Value			\$157,293
			Median Gross Rent			\$757
			Families Below Poverty Level			10.9%
<i>Source: 2015 ACS Census and 2020 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>						

## Scope of Evaluation in Arkansas

LNB’s one AA, comprising all of Washington and Benton Counties, received a full-scope review. No limited-scope reviews were conducted. Consistent with the bank’s primary lending focus, loans to farmers, home mortgage loans, and business loans were reviewed during this examination. LNB is a HMDA reporter. CD activities were reviewed to assess the bank’s responsiveness to CD needs in its AA.

## Lending Test

The bank’s performance under the Lending Test in Arkansas is rated Outstanding.

## Conclusions for Area Receiving a Full-Scope Review

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

## Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the state.

### *Home Mortgage Loans*

Refer to table O in the state of Arkansas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank’s home mortgage loan originations and purchases.

The bank’s geographic distribution of home mortgage loans among geographies of different income levels is excellent. The bank’s volume of home mortgage loans to borrowers in low-income CTs exceeds the percentage of owner-occupied units in the low-income CTs and the aggregate lending level. The bank’s volume of home mortgage loans to borrowers in moderate-

income CTs is near the percentage of owner-occupied units in the moderate income CTs and exceeds the aggregate lending level.

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

Refer to table Q in the state of Arkansas 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.

The bank's geographic distribution of small loans to businesses is reasonable. The bank's volume of small loans to businesses in low-income CTs exceeds the percentage of businesses in low-income tracts and the aggregate level of lending. The bank's volume of small loans to businesses in moderate-income CTs is somewhat lower than the percentage of businesses in moderate-income CTs and near the aggregate level of lending.

### ***Small Loans to Farms***

Refer to table S in the state of Arkansas 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 farms.

The bank's geographic distribution of small loans to farms is reasonable. The bank did not generate any loans to small farms in low income CTs; however, lending opportunities in low-income geographies is limited as only 1.3 percent of farms in the AA are located in low-income CTs. Aggregate industry data reflects a low demand for credit in low-income geographies as no small loans to farms were made in low-income CTs in the AA. The bank's volume of small loans to farms in moderate-income CTs is near the percentage of farms in moderate-income tracts and exceeds the aggregate level of lending.

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

We evaluated the lending distribution in the bank's AA to determine if any unexplained conspicuous gaps existed. There were no unexplained conspicuous gaps identified after reviewing performance context.

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

The bank exhibits excellent distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.

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

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

The income distribution of home mortgage loans to LMI borrowers is reasonable. The level of mortgage loans to low-income borrowers is lower than the percentage of low-income borrowers

in the AA and somewhat lower than the aggregate level of lending. The level of mortgage loans to moderate-income borrowers is lower than the percentage of moderate-income borrowers in the AA and the aggregate level of lending. While this typically indicates poor distribution of loans to LMI individuals, the shortage of affordable housing and difficulty that LMI individuals have qualifying for loans at the average value in the AA mitigates the performance. Additionally, approximately 47.8 percent of mortgage loans did not have borrower income information.

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

Refer to table R in the state of Arkansas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The income distribution of small loans to businesses is excellent. The bank's volume of loans to businesses with revenues less than \$1 million is somewhat lower than the percentage of businesses with revenues less than \$1 million and exceeds the aggregate level of lending. Given the fact that 22.5 percent of businesses had unknown income more weight was placed on performance compared to aggregate industry data.

### ***Small Loans to Farms***

Refer to table T in the state of Arkansas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to farms.

The income distribution of small loans to farms is excellent. The bank's volume of loans to farms with revenues less than \$1 million is near the percentage of farms with revenues less than \$1 million and exceeds the aggregate level of lending.

### **Responses to Complaints**

There were no complaints related to the institution's CRA performance within the state of Arkansas during the evaluation period.

## **Community Development Test**

The bank's performance under the CD Test in the state of Arkansas is rated Outstanding.

### **Conclusions for Area Receiving a Full-Scope Review**

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

### Number and Amount of Community Development Loans

The CD Loans table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Washington & Benton Counties AA	14	100%	\$19,146	100%
<b>Total</b>	<b>14</b>	<b>100%</b>	<b>\$19,146</b>	<b>100%</b>

The bank's level of CD lending demonstrates excellent responsiveness to the community needs in the AA. During the evaluation period, the bank originated or renewed 14 CD loans, totaling \$19.1 million for affordable housing and to revitalize and stabilize designated areas within the AA. Significant loans include a \$8.7 million and a \$3.1 million loans to refinance 82 rental units and to purchase and renovate a 42-unit apartment complex, respectively.

### Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Washington & Benton Counties AA	0	\$0	76	\$176.7	76	100%	\$176.7	100%	0	\$0
<b>Total</b>	<b>0</b>	<b>\$0</b>	<b>76</b>	<b>\$176.7</b>	<b>76</b>	<b>100%</b>	<b>\$176.7</b>	<b>100%</b>	<b>0</b>	<b>\$0</b>

\* *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.

The Qualified Investment table, shown above, sets forth the information and data used to evaluate the bank' level of qualified CD investments.

The bank's level of investment and donations demonstrates excellent responsiveness to the needs of its AA given performance context. The bank did not purchase any qualified investments in the AA during the evaluation period. Rather, the bank made 76 donations, totaling \$176,700 to qualified organizations in the AA. Significant donations include a \$20,000 donation to Springdale Public Schools to support youth athletic programs for the children of LMI individuals and \$15,000 donation to Brandon Burlsworth Foundation that partners with Wal-Mart/Sam's Club Optical to provide free eye exams and glasses to LMI uninsured children.

Competition for qualified investments in the Fayetteville-Springdale-Rogers MSA is strong. A limited number of qualified investments are issued, and it is often difficult for smaller community banks to compete with large nationwide and regional banks for purchasing.

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

The bank demonstrates excellent responsiveness to CD needs. Bank officers and employees actively participate in several CD service activities. Bank employees use their banking experience and expertise to assist various organizations. The organizations provide basic living needs, healthcare, and education opportunities. For example, bank employees serve as a board member of the Brandon Burlsworth Foundation, treasurer of the Gravette Chamber of Commerce, and secretary of the Ozarks Electric Cooperative.

Furthermore, the bank created a Junior Bank Board for students in Springdale High, Har-Ber High, Bentonville High and Bentonville West High. The purpose of Junior Bank Board is for members to receive real-life education, learning how to plan, interact, and manage a professional board meeting.

## 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 metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed:</b>	Lending Test: (01/01/2020-12/31/2021) Community Development Test: (01/01/2020-12/31/2022)	
<b>Bank Products Reviewed:</b>	Home mortgage, small business, and small farm Community development loans, community development services, and qualified investments	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	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>
Fayetteville-Springdale-Rogers MSA	Full Scope	Washington County and Benton County

## Appendix B: Summary of MMSA and State Ratings

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<b>RATINGS: Legacy National Bank</b>			
<b>Overall Bank:</b>	<b>Lending Test Rating</b>	<b>CD Test Rating</b>	<b>Overall Rating</b>
Legacy National Bank	Outstanding	Outstanding	Outstanding
<b>State:</b>			
Arkansas	Outstanding	Outstanding	Outstanding

## Appendix C: 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 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 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 S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income

geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

**Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

**Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography -** Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.

**Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower -** Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			
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
Washington and Benton Counties AA	370	133,559	100.0	34,106	0.7	3.0	0.5	15.4	14.1	10.7	46.2	38.4	41.6	37.7	44.6	47.3	0.0	0.0	0.0
<b>Total</b>	<b>370</b>	<b>133,559</b>	<b>100.0</b>	<b>34,106</b>	<b>0.7</b>	<b>3.0</b>	<b>0.5</b>	<b>15.4</b>	<b>14.1</b>	<b>10.7</b>	<b>46.2</b>	<b>38.4</b>	<b>41.6</b>	<b>37.7</b>	<b>44.6</b>	<b>47.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2020-21</b>	
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	
Washington and Benton Counties AA	370	133,558	100.0	34,106	19.5	2.7	5.2	18.2	5.4	13.2	20.2	8.1	17.7	42.0	35.9	41.8	0.0	47.8	22.0	
<b>Total</b>	<b>370</b>	<b>133,558</b>	<b>100.0</b>	<b>34,106</b>	<b>19.5</b>	<b>2.7</b>	<b>5.2</b>	<b>18.2</b>	<b>5.4</b>	<b>13.2</b>	<b>20.2</b>	<b>8.1</b>	<b>17.7</b>	<b>42.0</b>	<b>35.9</b>	<b>41.8</b>	<b>0.0</b>	<b>47.8</b>	<b>22.0</b>	

*Source: 2015 ACS ; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2020-21</b>	
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	
Washington and Benton Counties AA	40	\$7,135	100%	12,735	1.8	2.5	1.5	16.7	12.5	15.3	44.8	52.5	44.7	36.6	32.5	38.5	0.0	0.0	0.0	
<b>Total</b>	<b>40</b>	<b>\$7,135</b>	<b>100%</b>	<b>12,735</b>	<b>1.8</b>	<b>2.5</b>	<b>1.5</b>	<b>16.7</b>	<b>12.5</b>	<b>15.3</b>	<b>44.8</b>	<b>52.5</b>	<b>44.7</b>	<b>36.6</b>	<b>32.5</b>	<b>38.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

*Source: 2020 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2020-21</b>	
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		
Washington and Benton Counties AA	40	\$7,135	100	12,735	83.0	50.0	40.5	4.6	27.5	12.4	22.5		
<b>Total</b>	<b>40</b>	<b>\$7,135</b>	<b>100</b>	<b>12,735</b>	<b>83.0</b>	<b>50.0</b>	<b>40.5</b>	<b>4.6</b>	<b>27.5</b>	<b>12.4</b>	<b>22.5</b>		

*Source: 2020 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography</b>																			
Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Washington and Benton Counties AA	40	\$25,221	100	953	1.3	0.0	0.0	14.8	12.5	7.1	51.2	85.0	77.3	32.8	2.5	15.5	0.0	0.0	0.0
<b>Total</b>	<b>40</b>	<b>\$25,221</b>	<b>100</b>	<b>953</b>	<b>1.3</b>	<b>0.0</b>	<b>0.0</b>	<b>14.8</b>	<b>12.5</b>	<b>7.1</b>	<b>51.2</b>	<b>85.0</b>	<b>77.3</b>	<b>32.8</b>	<b>2.5</b>	<b>15.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

*Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues</b>												<b>2020-21</b>	
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans		
Washington and Benton Counties AA	40	\$25,221	100	953	95.5	85.0	49.2	1.9	7.5	2.5	7.5		
<b>Total</b>	<b>40</b>	<b>\$25,221</b>	<b>100</b>	<b>953</b>	<b>95.5</b>	<b>85.0</b>	<b>49.2</b>	<b>1.9</b>	<b>7.5</b>	<b>2.5</b>	<b>7.5</b>		

*Source: 2020 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*