



PUBLIC DISCLOSURE

May 30, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Wake Forest FS &LA
Charter Number 700143

302 S. Brooks Street
Wake Forest, NC 27587-2902

Office of the Comptroller of the Currency
101 South Tryon Street
Suite 400
Charlotte, NC 28280

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 major factors that support this rating include:

- The Lending Test rating for Wake Forest Federal Savings and Loan Association (Wake Forest Federal or bank) is based on the rating for the state of North Carolina.
- The Loan-to-Deposit (LTD) ratio is reasonable considering the bank's size, financial condition, and credit needs in its assessment area (AA).
- The majority of loans were originated inside the AA.
- The bank exhibits excellent geographic distribution of loans in the AA.
- The bank exhibits reasonable distribution of loans to borrowers of different income levels.
- The bank exhibits reasonable responsiveness to CD needs in the state through CD loans.

Loan-to-Deposit Ratio

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

The LTD ratio is calculated on a bank-wide basis covering the quarters ended March 31, 2019, through December 31, 2021. The average quarterly LTD ratio for the twelve consecutive quarters since the previous Community Reinvestment Act (CRA) evaluation is 82.12 percent. This is above the average quarterly LTD ratio of 75.72 percent for similar asset-sized institutions that operate within in the AA or within the North Carolina and South Carolina area. The bank's quarterly LTD ratio ranged from a quarterly high of 86.78 percent to a quarterly low of 78.30 percent. The quarterly LTD ratio for similar asset-sized institutions ranged from a quarterly high of 104.84 percent to a quarterly low of 35.82 percent over the same period.

Lending in Assessment Area

The majority of the bank's loans were originated inside the AA.

Wake Forest Federal originated 62.9 percent of its total loans inside the AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. The percentage of loans originated inside the AA had a positive impact on the OCC's analysis of the geographic distribution of loans.

The table below illustrates the number and dollar volume of home mortgage loans the bank originated inside and outside of its AA.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2019	27	69.2	12	30.8	39	5,715	58.6	4,032	41.4	9,747
2020	20	55.6	16	44.4	36	7,513	59.3	5,146	40.7	12,658
2021	14	63.6	8	36.4	22	3,818	60.2	2,529	39.8	6,346
Total	61	62.9	36	37.1	97	17,046	59.3	11,706	40.7	28,752

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

Description of Institution

Wake Forest Federal is a federally chartered savings association founded in 1922 that operates from a single location in Wake Forest, North Carolina. The bank is wholly owned by Wake Forest Bankshares, Inc., a mid-tier holding company and subsidiary of Wake Forest Bancorp Mutual Holding Company, headquartered in the same location. There were no branch closures or openings during the evaluation period. The institution operates as a small community financial institution focusing on fulfilling the needs of its customers, growing in a safe and sound manner, and remaining an equal credit opportunity lender.

It offers a variety of standard deposit and loan products to meet consumer and some commercial banking needs. Lending products include home mortgages, construction, multifamily, and nonfarm and nonresidential property loans, and other consumer loans. Deposit products include personal and business checking, savings, certificates of deposit, and money market accounts. Other services include online banking, bill pay, debit cards with ATM accessibility, and a non-deposit drive-through ATM.

As of December 31, 2021, Wake Forest Federal reported total assets of \$108.3 million and tier 1 capital of \$25.9 million. Primary loan products included 1-4 family mortgage loans totaling \$37.5 million, representing 57.77 percent of total loans. Construction loans secured by 1-4 family residential properties totaled \$10.2 million, representing 15.68 percent of total loans.

The AA is comprised of delineated census tracts in northern Wake County and southern Franklin County, North Carolina. These counties, along with Johnston County (not included in the AA), comprise the Raleigh-Cary, NC metropolitan statistical area (MSA). The entire MSA is too large for the bank to service with only one branch location. As a result, they have not taken the entire MSA as the AA. The AA consists of 20 contiguous census tracts (CTs), with ten CTs located in northern Wake County, where the only office is located, and the remaining ten CTs located in southern Franklin County. The AA has expanded since the previous CRA examination by 12 census tracts due to the growth within the surrounding communities. It now includes two low-income CTs, six moderate-income CTs, nine middle-income CTs, and three upper-income CTs. The customer base continues to

shift away from the Raleigh Triangle area to these more desirable living areas in the AA. Wake Forest Federal's branch is located in a moderate-income CT. The defined AA is contiguous and does not arbitrarily exclude any low- or moderate-income CTs. Please refer to Table A below for additional information related to the AA and demographic composition.

Wake Forest Federal has not been involved in any mergers or acquisitions since the previous CRA evaluation. There have not been any legal, financial, or other factors impeding its ability to meet the credit needs in the AA. The bank received a "Satisfactory" CRA rating at the last public evaluation dated February 25, 2019.

Scope of the Evaluation

Evaluation Period/Products Evaluated

Given the timing of this examination and the lack of available peer data for 2022, the evaluation period for home mortgage loans is from January 1, 2019, through December 31, 2021. Based on our analysis, home mortgage loans represent the primary loan product. Wake Forest Federal is not subject to the reporting requirements of the Home Mortgage Disclosure Act (HMDA). Therefore, we utilized internal records of home mortgage loan originations to evaluate CRA performance. Small farm and small business loans were not evaluated due to the bank not originating a sufficient volume in the AA for a meaningful analysis. Performance also included an assessment of CD loans from January 1, 2019, through December 31, 2021.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same MSA, multistate statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is based on the state rating.

The state rating is based on performance in all bank AAs in the state, which included a full-scope review of northern Wake County and southern Franklin County, North Carolina. Refer to the "Scope" section under the 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) 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 North Carolina

CRA rating for the State of North Carolina: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the AA.
- The bank exhibits reasonable distribution of loans to borrowers of different income levels.
- The bank exhibits reasonable responsiveness to CD needs through CD loans.

Description of Institution's Operations in North Carolina

Wake Forest Federal has one AA within the state of North Carolina rating area, which includes census tracts in northern Wake County and southern Franklin County. As discussed above, while the assessment area for CRA purposes is within the Raleigh-Cary MSA, the total MSA is more than what is serviceable by a bank of this size with one branch location. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude any low- or moderate-income CTs. Refer to appendix A for a listing of the 20 specific tracts that make up the AA.

Competition for deposits in the AA is strong. According to the 2021 Deposit Market Share report, there are 15 other financial institutions operating in the AA. Wake Forest ranks 8th with 4.13 percent market share of deposits. Competitors in the AA include community banks and large national and state banks. The top three institutions, holding 53.97 percent of the market share, are Wells Fargo, Truist Bank, and First-Citizens Bank with 19.17 percent, 18.07 percent, and 16.73 percent of the deposit market share, respectively.

Wake Forest Federal also continues to face significant lending competition within its AA. According to the 2021 Peer Mortgage Market Share Report, there are 485 other financial institutions operating in the AA. The bank is not ranked since they are not required to report their HMDA data. The top five lenders in AA, with a combined market share of 24.46 percent, are State Employee's Credit Union, Rocket Mortgage, Wells Fargo, Truist Bank, and Freedom Mortgage Corporation.

Employment and Economic Factors

The U.S. Bureau of Labor Statics reported the annual average unemployment rate in Franklin County, North Carolina for 2019, 2020, and 2021 were 4.0 percent, 6.7 percent, and 4.8 percent, respectively. The Wake County, North Carolina unemployment rate during the same period was 3.4 percent, 6.4 percent, and 4.1 percent, respectively. The national unemployment rates for 2019, 2020, and 2021 were similar to the AA at 3.7 percent, 8.1 percent, and 5.4 percent, respectively. The state of North Carolina annual average unemployment rates for the same period were 3.9 percent, 7.3 percent, and 4.9 percent.

The primary industries in the AA are education services, public administration, health care and social assistance, and manufacturing. The top employers in the AA are the Wake County and Franklin County school districts, North Carolina State University at Raleigh, WakeMed, the County of Franklin, and Novozymes North America Inc.

Housing

Wake Forest Federal's AA provides limited opportunity to lend to low- and moderate-income (LMI) geographies within the AA. There are two low-income CTs and six moderate-income CTs in the AA. The 2015 American Community Survey (ACS) U.S. Census data reported there are 49,828 total housing units in the AA, of which 67.21 percent are owner-occupied, 22.98 percent are rental-occupied, and 9.81 percent are vacant housing units. Housing units in LMI CTs represent 31.5 percent of total housing units.

Homeownership in LMI geographies may be difficult due to the median housing prices compared to median family income. According to the 2015 ACS U.S. Census data, the median housing value was \$201,410, and may be somewhat high for LMI households in the AA. The weighted average median family income in the AA was \$78,057, which results in annual income for low-income households below \$47,850, and an annual income for moderate-income households between \$47,850 and \$76,560. Additionally, 7.9 percent of households fall below the poverty level. These income and poverty levels could make it difficult to afford housing in the AA for LMI borrowers.

Community Contact

The OCC made a community contact in the AA during the evaluation period, which included a nonprofit serving LMI areas and providing community services. In addition, we reviewed the county consolidated plan. The community contact and city plan indicated that the following are identified needs within the AA.

- Lending and investment products for nonprofit organizations
- Preserve and expand the supply of affordable housing
- Improve the transportation system, including bus routes and rail
- Small loans to small businesses particularly to start-up businesses
- Providing technical assistance to local community organizations
- Programs that prevent and assist those experiencing homelessness
- Assist with regional workforce development efforts
- Increase the supply of affordable housing
- Increase services to build self-sufficiency and sustainability
- Small loans to small businesses particularly to start-up businesses
- Training and technical assistance to small businesses

Wake Forest Federal AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Wake Forest Federal AA 2021						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	20	10.0	30.0	45.0	15.0	0.0
Population by Geography	123,805	5.2	23.3	54.8	16.7	0.0
Housing Units by Geography	49,828	5.4	26.1	52.7	15.8	0.0
Owner-Occupied Units by Geography	33,490	4.5	23.7	55.0	16.9	0.0
Occupied Rental Units by Geography	11,451	7.9	29.0	50.0	13.1	0.0
Vacant Units by Geography	4,887	6.3	35.9	42.8	15.0	0.0
Businesses by Geography	12,274	4.0	15.7	58.5	21.8	0.0
Farms by Geography	478	6.7	20.9	59.6	12.8	0.0
Family Distribution by Income Level	33,592	24.5	18.8	19.9	36.7	0.0
Household Distribution by Income Level	44,941	26.0	17.3	17.4	39.4	0.0
Median Family Income MSA - 39580 Raleigh-Cary, NC MSA		\$78,057	Median Housing Value			\$201,410
			Median Gross Rent			\$910
			Families Below Poverty Level			7.9%
<i>Source: 2015 ACS and 2020 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in North Carolina

The Lending Test was completed through a full-scope review of the bank's sole AA.

The analysis for borrower and geographic distribution is based on originations of home mortgage loans during the evaluation period. Home mortgage loan data was analyzed using Home Mortgage Disclosure Act Loan Register (HMDA LAR) information. Since the bank is not required to report HMDA data, we analyzed a sample of loans originated during the evaluation period using the bank's internal HMDA LAR data. We placed more weight on the geographic distribution of loans versus lending to borrowers of different income due to barriers of home ownership for LMI borrowers.

LENDING TEST

The bank's performance under the Lending Test in North Carolina is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, performance in the Wake Forest Federal AA is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the State.

Home Mortgage Loans

Refer to Table O in the state of North Carolina section of appendix D for the facts and data used to evaluate the geographic distribution of home mortgage loan originations and purchases.

The percentage of home mortgage loans originated in low-income geographies exceeded the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders. The percentage of home mortgage loans originated in moderate-income geographies was slightly above to the percentage of owner-occupied housing units located in those geographies and exceeded the aggregate percentage of all reporting lenders.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to individuals of different income levels, given the product lines offered by the bank.

Home Mortgage Loans

Refer to Table P in the state of North Carolina section of appendix D for the facts and data used to evaluate the borrower distribution of mortgage loan originations.

The percentage of home mortgage loans originated to low-income borrowers was significantly below the percentage of families but exceeded the aggregate percentage of all reporting lenders.

The percentage of home mortgage loans originated to moderate-income borrowers was significantly below the percentage of families and the aggregate percentage of all reporting lenders.

We considered multiple factors that may have impacted the bank's opportunities to originate loans to LMI borrowers. As previously discussed above, homeownership in LMI geographies may be difficult to achieve due to high median housing prices compared to median family income. While the bank did not perform well in originations to moderate-income borrowers, their originations were almost double the amount of other aggregate lender data to low-income borrowers. This is significant given that low-income borrowers are the most likely to be affected by income challenges noted above. Given the potential difficulties for LMI borrowers to achieve ownership and the bank's outperformance compared to aggregate lending data to low-income borrowers, we determined that distribution is reasonable.

Responses to Complaints

Wake Forest Federal did not receive any CRA related complaints during the evaluation period.

COMMUNITY DEVELOPMENT

Based on a full-scope review, the bank exhibits adequate responsiveness to CD needs in the state through CD loans considering the bank’s capacity and the need and availability of such opportunities for CD. Performance related to the CD activities had a positive effect on the bank’s rating in the state.

Number and Amount of Community Development Loans

Refer to the Community Development Loans table below for the facts 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.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Statewide	11	100	487.5	100

Wake Forest Federal demonstrated adequate responsiveness to CD needs by originating qualified CD loans through a participation loan program that provides financing for affordable housing. During the evaluation period, the bank participated in 11 loans totaling \$487,500, representing 1.88 percent of tier 1 capital. CD loans promoted economic development through the creation of affordable housing for LMI individuals by funding multifamily housing developments.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the 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”.

Time Period Reviewed:	January 1, 2019 to December 31, 2021	
Bank Products Reviewed:	Home Mortgage Loans Community Development Loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
N/A	N/A	N/A
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Wake Forest Federal AA	Full Scope	20 contiguous CTs in Wake and Franklin Counties, NC comprised of: 0539.00 0542.10 0605.01 0542.03 0542.11 0605.02 0542.04 0543.01 0606.00 0542.05 0603.01 0607.00 0542.06 0603.02 0608.01 0542.07 0604.01 0608.02 0542.08 0604.02

Appendix B: Summary of State Ratings

RATINGS-WAKE FOREST FEDERAL SAVINGS AND LOAN ASSOCIATION	
Overall Bank:	Lending Test Rating
Wake Forest Federal Savings and Loan Association	Satisfactory
State:	
North Carolina	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including 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

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 30th of each year. Tables without data are not included in this PE.

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

Table 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 O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2019-21	
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	
Wake Forest Federal AA	61	17,046	100.0	14,313	4.5	8.2	1.5	23.7	24.6	18.3	55.0	62.3	62.3	16.9	4.9	18.0	0.0	0.0	0.0	
Total	61	17,046	100.0	14,313	4.5	8.2	1.5	23.7	24.6	18.3	55.0	62.3	62.3	16.9	4.9	18.0	0.0	0.0	0.0	

*Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 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																			2019-21	
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	
Wake Forest Federal AA	61	17,046	100.0	14,313	24.5	11.5	6.9	18.8	3.3	18.8	19.9	14.8	21.0	36.7	44.3	35.8	0.0	26.2	17.6	
Total	61	17,046	100.0	14,313	24.5	11.5	6.9	18.8	3.3	18.8	19.9	14.8	21.0	36.7	44.3	35.8	0.0	26.2	17.6	

*Source: 2015 ACS ; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*