



PUBLIC DISCLOSURE

September 24, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The First National Bank of Blanchester
Charter Number 8588

121 East Main Street
Blanchester, OH 45107

Office of the Comptroller of the Currency
655 Metro Place South, Suite 625
Dublin, OH 43017

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.

Table of Contents

OVERALL CRA RATING	1
SCOPE OF THE EVALUATION	2
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	3
STATE RATING	4
APPENDIX A: SCOPE OF EXAMINATION	A-1
APPENDIX B: SUMMARY OF MMSA AND STATE RATINGS	B-1
APPENDIX C: DEFINITIONS AND COMMON ABBREVIATIONS	C-1
APPENDIX D: TABLES OF PERFORMANCE DATA	D-1

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 borrower-income distribution of home mortgage loans was reasonable during the 2017-2018 review period, and excellent in the 2016 review period.
- The borrower-income distribution of consumer loans was excellent throughout the three-year evaluation period.
- The Loan to Deposit (LTD) ratio is reasonable.
- A majority of the bank's loans are inside the assessment area (AA).

Loan-to-Deposit Ratio

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

The bank's quarterly average LTD ratio over the 21 quarters since the previous CRA Evaluation (June 30, 2014) is 75.4 percent. The ratio ranged from a high of 81.8 percent at December 31, 2014 to a low of 68.7 as of March 31, 2019, demonstrating a downward trend. The quarterly average LTD ratio for similarly situated financial institutions located in or near the AA was 97.2 percent for the same period. The custom peer group consisted of two banks headquartered in Clinton County and three banks headquartered in Warren County. Asset sizes of peer banks range from \$1.6 billion to \$71 million, with FNB being the smallest at \$63 million. FNB had the lowest LTD of the group.

The size of FNB and the lack of a secondary market-oriented mortgage lending operation limit the bank's capacity in comparison to some peer group members. However, the Clinton and Warren counties are steadily growing areas which suggests significant lending opportunities. Overall, performance is reasonable.

Lending in Assessment Area

A majority of the bank's home mortgage loans are inside its AAs.

FNB originated 68.8 percent by number of home mortgage and consumer loans and 79.4 percent by dollar amount inside the AA during the three-year evaluation period. This analysis is performed at the bank, rather than the AA, level. Table D is based on random samples of both home mortgage and consumer loans originated during the evaluation period.

Table D - Lending Inside and Outside of the Assessment Area

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Loans	30	75.0	10	25.0	40	3,194	80.7	766	19.3	3,960
Consumer Loans	25	62.5	15	37.5	40	171	61.7	106	38.3	277
Total	55	68.8	25	31.2	80	3,365	79.4	872	20.6	4,237

*Source: Evaluation Period: 1/1/2016 - 12/31/2018 sample of bank loans.
Due to rounding, totals may not equal 100.0*

Description of Institution

The First National Bank of Blanchester (“FNB” or “the bank”) is a wholly owned subsidiary of a one-bank holding company, First Blanchester Bancshares, Inc. The bank is located in Blanchester, Ohio, approximately 30 miles northeast of Cincinnati. Total assets of the bank as of June 30, 2019 are \$63.1 million. Total bank assets have increased by 14.3 percent from \$55.2 million at the last CRA evaluation (June 30, 2014). Net loans to total assets are currently 61.2 percent, or \$38.6 million. Net loans have increased 4.3 percent from the last CRA evaluation, when \$37.0 million were reported. Tier 1 Capital is \$7.3 million. There were no merger and acquisition activities during the current evaluation period.

FNB is a single-state institution with one rating area. There is one AA comprised of 4 census tracts (CTs). Three CTs are in Clinton County (a non-metropolitan area) and one CT (#324) is in Warren County (a Cincinnati Multi-State Metropolitan Area). FNB is located in the southwestern portion of Clinton County, very near the Warren County line. CT #324 does not extend substantially beyond the non-MSA boundary of Clinton County; therefore, it was included in the non-MSA AA. The entire AA is contiguous, meets the requirements of the regulation, and does not arbitrarily exclude any low- or moderate-income areas.

FNB serves the AA with traditional deposit accounts and loans. Home mortgage and consumer loans are the primary products. A home mortgage lending orientation is reflected on the December 31, 2018 Consolidated Report of Condition and Income (Call Report), as loans secured by residential real estate totaled \$31.7 million, or 82.7 percent of total loans and leases. The remainder of the loan portfolio consisted of 6.9 percent consumer, 8.2 percent commercial and commercial real estate, and 2.2 percent farm. However, in terms of recent loan origination activity, the bank has originated many relatively small dollar amount consumer loans, which influences our view that consumer loans are also a primary product for FNB.

There are no financial, legal, or other factors that impede the bank’s ability to help meet credit needs in the AA. The previous CRA evaluation was completed on August 25, 2014 and resulted in a rating of “Satisfactory”.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The overall evaluation period encompasses 2016, 2017 and 2018. Based on reviews of the bank's Call Reports and loan production reports we determined that consumer and home mortgage loans are the bank's primary lending products.

To assess performance in all three years, we randomly sampled consumer and home mortgage loans. Demographic data is used to help assess performance. This data changed during the current evaluation period causing 2016 performance to be analyzed as a separate review period from the 2017 -2018 period. We sampled 20 consumer and 20 mortgage loans from the 2016 review period, and 20 consumer and 20 mortgage loans from the 2017-2018 review period. After measuring the volume of loans made inside and outside the bank's AA, additional loans located inside the AA were then randomly selected to ensure a sufficient number of loans were analyzed so that we could develop a meaningful borrower-income distribution conclusion.

Selection of Areas for Full-Scope Review

FNB has only one AA, and it received a full-scope review.

Ratings

The bank is active only in the state of Ohio, and the rating is based solely on activity in the lone AA in that Ohio.

We placed more weight on consumer lending than home mortgage lending. Approximately 15.4 million in home mortgage loans were originated during the review period compared to only 3.9 million in consumer loans. However, 501 consumer loans were originated and only 166 home mortgage loans were originated. Because the number of consumer loans is much greater than the number of home mortgage loans, we placed greater weight on consumer lending than home mortgage lending.

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 Ohio

CRA rating for the State of Ohio: This institution is rated **Satisfactory**.

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The borrower-income distribution of home mortgage loans was reasonable during the 2017-2018 review period, and excellent in the 2016 review period.
- The borrower-income distribution of consumer loans was excellent throughout the three-year evaluation period.
- The LTD ratio is reasonable.
- A majority of the bank's loans are inside the AA.

Description of Institution's Operations in Ohio

FNB has one office location with a single deposit-taking ATM in Blanchester, Ohio. The AA is small (a portion Clinton County and a very small portion of Warren County), so when information specific to the bank's AA was unavailable, we relied on Clinton County information as the reference point for our narrative below.

The four CTs that comprise the AA are middle-income. The bank practices traditional banking activities with a focus on home mortgage and consumer lending. FNB also offers personal and business accounts, mobile banking, and online banking.

Economic conditions in Clinton County are stable. As of December 2018, per the U.S. Bureau of Labor Statistics (BLS), Clinton County had an unemployment rate (not seasonally adjusted) of 5.5 percent. The unemployment rate has been stable during the evaluation period, though is slightly above both the Ohio and national unemployment rates of 4.8 and 3.7 percent. The population of Clinton County has been stable, with the U.S. Census Bureau estimate for 2018 being 42,057, compared to 42,040 recorded during the 2010 Census. Primary employment sectors include manufacturing, services, and agriculture. Significant employers include Ahresty Wilmington Corp, Ferno-Washington Inc., ATSG/ABX Air, Clinton Memorial Hospital, and Wilmington College.

Competition in Clinton County is moderate and comprised of a diverse mix of community banks, large banks, credit unions and mortgage companies. According to the June 30, 2018 Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report, compared to 8 competitors in the AA, the bank ranks fourth in total deposit market share at 9.0 percent, or \$55.7 million. Top deposit competitors include People's State Bank, Fifth Third National Bank, Wilmington Savings Bank, PNC Bank, and First Financial State Bank. The top three depository institutions account for 71.2 percent of the entire market. Mortgage data for 2018, reported by lenders subject to the Home Mortgage Disclosure Act (HMDA), demonstrates that the top three mortgage lenders in the Clinton County are Wright-Patt Credit Union, Fifth Third Bank/Fifth Third Mortgage Company and the Loan Depot. FNB is not subject to the

HMDA, but internal bank records confirm that FNB is an important participant in the Clinton County home mortgage market.

Inside the bank's small AA, competition is quite limited, with only one other deposit-taking community bank, Peoples State Bank, being present. Home mortgage lending inside the small AA, in addition to the entities listed above, includes a significant presence by 1st National Bank (of Lebanon, Ohio) and Quicken Loans. FNB is a leader in the mortgage market inside the small AA. The population within the AA, as with Clinton County, has remained stable.

According to 2010 U.S. Census data, the median housing value in the Clinton County portion of the AA was \$127,123 and the median family income was \$52,573. Low-income families made less than \$26,287. Median housing values were at least 4.8 times the annual income of low-income families in the AA. Thus, we conclude that the cost of housing represents a significant obstacle to homeownership for low-income families. In 2010, there were 5,838 housing units, of which 69.9 percent were owner-occupied and 22.5 percent were rental-occupied. Families living below the poverty level is significant and totaled 11.0 percent.

According to the 2015 American Community Survey (ACS) data, the median housing value in the AA was \$120,619, a slight decline from the 2010 Census. The median family income noted by the 2015 ACS was \$56,217, meaning low-income families made less than \$28,109. Thus, median housing values are at least 4.3 times the annual income of low-income families in the Clinton County portion of the AA, again, reflective of an obstacle to homeownership for low-income families. In 2015, there were 5,863 total housing units in the AA, with only 64.1 percent being owner-occupied. This represents a decrease in the number of owner-occupied units when compared to the 2010 data, which implies somewhat fewer opportunities for home mortgage lending. Rental units were mostly stable, representing 23.1 percent of total units. Families below the poverty line decreased to 9.6 percent but this rate is still considered moderate.

The 2015 ACS data demonstrates that the poverty rate decreased, and the median-family incomes have increased. Even so, the poverty rate remains significant. The homeownership affordability issue for low-income families that was observed in the 2010 census data is also evident in the 2015 ACS data, though slightly less severe. Therefore, we considered the poverty rate and home affordability as significant obstacles to homeownership in our analysis of home lending to low-income borrowers.

Lastly, we reviewed information provided from an interview with a representative from a nonprofit organization that provides social services and affordable housing to low-income residents of Clinton County. According to the contact, there is a need for affordable housing. Other opportunities for bank involvement include general operating support for non-profits, funds for the local food pantry, refinancing needs for Low-Income Housing Tax Credit (LIHTC) projects, and funds for a local revolving loan fund used to assist low-income persons in purchasing automobiles.

Table A – Demographic Information of the Assessment Area**Assessment Area: Non-MSA OH, 2016**

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	3	0.0	0.0	100.0	0.0	0.0
Population by Geography	14,082	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	5,838	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	4,083	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	1,312	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	443	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	501	0.0	0.0	100.0	0.0	0.0
Farms by Geography	71	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	4,063	17.9	19.1	19.3	43.7	0.0
Household Distribution by Income Level	5,395	18.9	15.2	18.8	47.0	0.0
Median Family Income Non-MSAs - OH		\$52,573	Median Housing Value			\$127,123
			Median Gross Rent			\$675
			Families Below Poverty Level			11.0%
<i>Source: 2010 U.S. Census and 2016 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>						

Table A – Demographic Information of the Assessment Area**Assessment Area: Non-MSA OH, 2017-2018**

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	3	0.0	0.0	100.0	0.0	0.0
Population by Geography	13,990	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	5,863	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	3,760	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	1,354	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	749	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	511	0.0	0.0	100.0	0.0	0.0
Farms by Geography	64	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	3,759	13.6	18.0	29.2	39.1	0.0
Household Distribution by Income Level	5,114	15.2	14.5	23.2	47.0	0.0
Median Family Income Non-MSAs - OH		\$56,217	Median Housing Value			\$120,619
			Median Gross Rent			\$728
			Families Below Poverty Level			9.6%
<i>Source: 2015 ACS Census and 2018 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>						

LENDING TEST

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

Based on a full-scope review, the bank's lending performance in the state of Ohio is reasonable.

Distribution of Loans by Income Level of the Geography

An analysis of the geographic distribution of loans in the AA would not be meaningful, as there are neither any low- or moderate-income CTs.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent 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 Ohio 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.

Performance during the overall evaluation period was reasonable. To assess performance under this criterion, we compared the percentage of home mortgage loans to the percentage of families living in each of the four borrower income categories, placing particular emphasis on lending to low- and moderate-income families. We also compared the bank's performance against other active mortgage lenders in the AA, as demonstrated by HMDA aggregate data. We describe the bank's performance below.

Performance during the 2017 through 2018 review period was reasonable. Based on our analysis of 2017 and 2018 home mortgage loan data, the percentage of home mortgage loans originated to low-income borrowers was well below and to moderate-income borrowers exceeded the corresponding percentages of low- and moderate-income families. Further, the percentage of FNB's home mortgage loans to both low- and moderate-income borrowers below the percentage of home mortgage loans of other home mortgage lenders as reflected in the aggregate HMDA data.

The bank's performance in 2016 review period was excellent. The percentage of home mortgage loans originated to low-income borrowers was well below and to moderate-income borrowers greatly exceeded the corresponding percentages of low- and moderate-income families. Further, the percentage of FNB's home mortgage loans to both low- and moderate-income borrowers exceeded the percentage of home mortgage loans of other home mortgage lenders as reflected in the aggregate HMDA data.

We also considered both the moderate poverty rate and housing affordability issues in our analysis of mortgage lending to low-income families as these factors represent a significant barrier to homeownership for low-income families.

Consumer Loans

Refer to Table V in the state of Ohio section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

Performance during the overall evaluation period was excellent. The consumer loan analysis is similar to the mortgage loan analysis described above. However, there is no aggregate reporting data available to assist in gauging performance. In addition, median household incomes are used in the consumer lending analysis, rather than median family incomes. We describe the bank's performance below.

Performance during the 2017 through 2018 review period was excellent. Based on our analysis of 2017 and 2018 consumer loan data, the percentage of consumer loans originated to both low- and moderate-income borrowers exceeded by large margins the corresponding percentages of low- and moderate-income households.

Performance in the 2016 review period was also excellent. The percentage of consumer loans originated to low-income borrowers was well below and to moderate-income borrowers exceeded by a large margin the corresponding percentages of low- and moderate-income families.

We also considered the moderate poverty rate in drawing our conclusion of the bank's performance in the low-income category.

Responses to Complaints

There were no complaints related to the bank's CRA performance during the evaluation period.

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:	01/01/16 to 12/31/18	
Bank Products Reviewed:	Home Mortgage Loans, Consumer Loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
<i>None.</i>		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Ohio		
Non-MSA	Full-scope	3 CTs in Clinton County, 1 CT in Warren County

Appendix B: Summary of MMSA and State Ratings

RATINGS THE FIRST NATIONAL BANK OF BLANCHESTER)	
Overall Bank:	Lending Test Rating
THE FIRST NATIONAL BANK OF BLANCHESTER	Satisfactory
MMSA or State:	
OHIO	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 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.

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017-18
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
NonMSA OH	20	2,130	100.0	410	13.6	5.0	8.5	18.0	20.0	23.7	29.2	30.0	24.1	39.1	45.0	28.0	0.0	0.0	15.6
Total	20	2,130	100.0	410	13.6	5.0	8.5	18.0	20.0	23.7	29.2	30.0	24.1	39.1	45.0	28.0	0.0	0.0	15.6

*Source: 2015 ACS Census ; 01/01/2017 - 12/31/2018 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																			2016
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
NonMSA OH	20	1,727	100.00	374	17.9	5.0	2.1	19.1	35.0	21.9	19.3	20.0	13.9	43.7	35.0	32.1	0.0	5.0	29.9
Total	20	1,727	100.00	374	17.9	5.0	2.1	19.1	35.0	21.9	19.3	20.0	13.9	43.7	35.0	32.1	0.0	5.0	29.9

*Source: 2010 U.S Census ; 01/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2017-2018	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
NonMSA OH	20	100	100.0	15.2	25.0	14.5	30.0	23.3	35.0	47.0	10.0	0.0	--	
Total	20	100	100.0	15.2	25.0	14.5	30.0	23.3	35.0	47.0	10.0	0.0	--	

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data.
Due to rounding, totals may not equal 100.0*

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2016	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
FNB Blanchester NonMSA OH	20	152	100.0	18.9	10.0	15.2	35.0	18.8	30.0	47.0	25.0	0.0	0.0	
Total	20	152	100.0	18.9	10.0	15.2	35.0	18.8	30.0	47.0	25.0	0.0	0.0	

*Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data.
Due to rounding, totals may not equal 100.0*