



PUBLIC DISCLOSURE

September 21, 2020

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Heartland National Bank
Charter Number 23773

320 U.S. Highway 27, North
Sebring, FL 33870

Office of the Comptroller of the Currency

Tampa Field Office
4042 Park Oaks Blvd, Suite 240
Tampa, FL 33610

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

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Overall CRA Rating

Institution's CRA Rating: This institution is rated Satisfactory.

The lending test is rated: Satisfactory.

The community development test is rated: Outstanding.

The major factors that support this rating include:

- The Lending Test rating is based on a reasonable level of loans to deposits; a substantial majority of lending within the assessment area (AA); reasonable distribution of lending to borrowers of low- or moderate-income; reasonable dispersion of loans across low- or moderate-income geographies.
- The Community Development (CD) Test rating is outstanding based on the record of the bank's excellent responsiveness to community development lending, investment and services needs.

With an evaluation period end date of December 31, 2019, qualifying activities performed in response to the significant impact of the Corona Virus Pandemic across the United States are not addressed in this evaluation.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's loan-to-deposit ratio (LTD) is reasonable. The average quarterly LTD ratio for the bank during the evaluation period was 45.10 percent which is less than the quarterly average LTD ratio of 78.15 percent for three similarly situated banks.

According to the FDIC Deposit Market Share Report as of June 30, 2020, Heartland National Bank (HNB) had the largest share of deposits in the Highlands County market with \$459.4 million in deposits which represented 26.6 percent of the total deposits in Highlands County. For the same period, HNB's ratio was lower than the 78.15 percent ratio of three similarly situated banks identified by management and operating in the bank's AA. Peer banks used in the analysis offered similar lending and deposit products. Although average loan growth has been relatively constant, significant deposit growth at HNB is attributable to the closing of large national financial institutions branches in Sebring.

Lending in Assessment Area

A substantial majority of the bank's loans are inside its AA. HNB originated 94.4 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. Our conclusion is based on an analysis of 2017 - 2019 HMDA (639) and a sample of 60 business loans (60) originated and purchased during the period of January 1, 2017 through December 31, 2019. The bank originated and purchased 94.37 percent of its total loans inside the AA during the evaluation period.

The table on the following page depicts the bank's lending in the AA during the evaluation period.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	603	94.37	36	5.63	639	73,953	90.45	7,809	9.55	81,761
Small Business	57	95.00	3	5.00	60	6,790	92.77	529	7.23	7,319
Total	660	94.42	39	5.58	699	80,743	90.64	8,338	9.36	89,080*

Source: 2017-2019 HMDA; sample of business loans originated 2017-2019 selected from an internally generated bank report.

*Due to rounding, totals may not equal 100.0%.

Description of Institution

Heartland National Bank (HNB) is a full-service community bank chartered in 1999. The bank is a wholly owned subsidiary by Heartland Bancshares, Inc. As of December 31, 2019, the bank had total assets of \$411.3 million, total loans of \$164.4 million, total deposits of \$361.9 million, and tier one capital of \$39.4 million. The bank is the largest depository commercial bank in Highlands County. The bank offers traditional retail and commercial deposit and loan products. Most of the residential real estate loan originations are sold in the secondary market. HNB originated \$15.6 million, \$15.5 million and \$20.3 million in mortgage loans for 2017, 2018 and 2019, respectively, for sale to the secondary markets. Loan growth has been modest in recent years as loan demand has been slower in Highlands County than in other areas of Florida. The bank's business strategy is to continue to operate as an independent community bank originating traditional banking services.

HNB is a single state institution and does not have any branches outside the state of Florida. In addition to the main office in Sebring, the bank has three other branches located in Avon Park, Lake Placid and Sebring that include automated teller machine (ATMs) and one additional ATM located at the Sebring Regional Airport. The bank has designated Highlands County as its AA in the state of Florida. Highlands County comprises the Sebring, FL, Metropolitan Statistical Area (42700). The county consists of 24 census tracts (CTs) and three unspecified census tracts with a total population of 98,312. The AA does not consist of any low-income CTs. Of the 24 census tracts, eighteen CTs are in middle income census tracts, comprised of 74,289 or 75.6 percent of the total population.

There are no legal or financial circumstances that impede the bank's ability to help meet the credit needs in its AA. The bank was rated "Satisfactory" at the prior CRA evaluation, dated August 8, 2017.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated the CRA performance of HNB using Intermediate Small Bank (ISB) performance criteria, which includes a Lending Test and a Community Development (CD) Test. The Lending Test evaluates the bank's record of meeting the credit needs of its AA through the bank's lending activities. Our analysis under the Lending Test included both home mortgage lending and small business lending. The CD test evaluates the bank's responsiveness to CD needs in its AA through qualified CD lending, investments donations and services. The evaluation period for the Lending Test and CD loans, investments and services are for the state of Florida and covers the period from January 2017 through December 31, 2019.

Selection of Areas for Full-Scope Review

HNB has only one AA, the Sebring-Avon Park MSA, which is comprised of Highlands County, Florida. We conducted a full scope review for the Sebring-Avon Park MSA. 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 review of the bank's record of performance in the Sebring-Avon Park MSA, AA. The bank's headquarters and its branch offices are all within the Sebring-Avon Park MSA AA.

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.

State Rating

State of Florida

CRA rating for the State of Florida: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- The bank's loan-to-deposit ratio is reasonable.
- A substantial majority of loan originations are within the bank's AA.
- The geographic distribution of loans is reasonable.
- The distribution of loans to individuals of different incomes and businesses of different sizes is reasonable.
- CD activities reflect outstanding responsiveness to community needs.

Description of Institution's Operations in Florida

HNB operates the main office and three branches in the Sebring-Avon Park MSA AA, which comprises Highlands County, in one state, Florida. The bank has ATMs at each branch location. Highlands County has no low-income census tracts. The bank is a traditional community national bank that provides a variety of lending products funded solely by local deposits.

The Sebring-Avon Park MSA is a retiree community and destination for snowbirds given the favorable state tax exemption, and lower business and living costs relative to other Florida metro areas. With the large percentage of snowbirds who tend to obtain financing from their financial institutions in their home state, HNB was ranked as the third largest mortgage loan originator, out of 307 lenders in the AA, with 326 loans and a 6.47 percent market share. The Mid-Florida Credit Union was ranked as first with a 10.44 percent market share and Quicken Loans, the largest online mortgage lender, was the second largest lender with a 7.48 percent market share in the AA. The steady influx of retirees and snowbirds support Sebring's healthcare industry and network of medical providers. As a regional healthcare hub, Sebring is more reliant than average for good paying jobs, and the area ranks in the top 20 nationally, in concentration of jobs in healthcare.

We determined community credit needs in the full-scope AA by reviewing recent housing and demographic information, and through a discussion with community contacts. We contacted two community organizations with missions in business and economic development who identified affordable housing and small business lending as community needs. The bank provided financing for

projects that needed rehabilitation after the 2017 Hurricane Irma, which had impacted the Sebring area, and for economic development in Opportunity Zones.

The following tables depict the demographic information for the AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Heartland NB 2017						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	24	0.0	8.3	75.0	16.7	0.0
Population by Geography	98,312	0.0	9.0	75.6	15.4	0.0
Housing Units by Geography	55,057	0.0	7.8	77.2	15.0	0.0
Owner-Occupied Units by Geography	30,663	0.0	4.5	76.6	18.9	0.0
Occupied Rental Units by Geography	9,725	0.0	17.5	75.7	6.9	0.0
Vacant Units by Geography	14,669	0.0	8.1	79.6	12.3	0.0
Businesses by Geography	11,388	0.0	7.8	74.4	17.7	0.0
Farms by Geography	621	0.0	4.7	73.1	22.2	0.0
Family Distribution by Income Level	25,832	16.6	20.3	21.6	41.5	0.0
Household Distribution by Income Level	40,388	21.2	17.1	21.0	40.7	0.0
Median Family Income MSA - 42700 Sebring-Avon Park, FL MSA		\$42,321	Median Housing Value			\$87,653
			Median Gross Rent			\$719
			Families Below Poverty Level			13.0%
<i>Source: 2015 ACS and 2019 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 Florida

The bank has one AA, and the rating for Florida is based on a full-scope review of the Sebring-Avon Park MSA AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FLORIDA

LENDING TEST

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

Based on reasonable performance in the Sebring-Avon Park MSA AA, the bank's performance in the state of Florida is reasonable.

Distribution of Loans by Income Level of the Geography

Based on the data in Tables O and Q located in appendix D, and the performance context considerations discussed in the Description of Institution's Operations in Florida, we concluded the geographic distribution of the bank's home mortgage and business loan originations and purchases across geographies of different income levels reflects reasonable distribution. As part of our analysis, we used 2017-2019 HMDA loans and a sample of business loans originated in the Sebring-Avon Park MSA.

Home Mortgage Loans

Refer to Table O in the state of Florida 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 geographic distribution of home mortgage loans reflects satisfactory distribution throughout the AA. There are no low-income geographies in the Sebring-Avon Park MSA. The distribution of home mortgage lending in moderate-income geographies is near to the proportion of owner-occupied housing units in moderate-income geographies and exceeds the aggregate distribution of loans made in moderate-income geographies.

Small Loans to Businesses

Refer to Table Q in the state of Florida 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 geographic distribution of small loans to businesses reflects satisfactory distribution throughout the AA. There are no low-income geographies in the Sebring-Avon Park MSA. The distribution of bank's loans to small business in moderate-income geographies is somewhat lower than the proportion of small businesses located in moderate-income geographies and somewhat lower than the aggregate distribution of loans made in these geographies for those lenders that report these types of loans (Large Bank CRA Reporters). Not reflected in the Table Q data are four small business loans totaling \$864,504 made to three businesses to finance low-income rental housing and rehabilitation and revitalization efforts in Downtown Avon Park and two medical transport vehicles for a business in Sebring. All funds directly benefited moderate-income geographies and/or Federally Designated Opportunity Zones in the MSA. Please refer to the Community Development section below for additional details. Based on 2019 Dunn and Bradstreet Data, small businesses represent 94.79 percent of all businesses located in the MSA of which only 7.29 percent small businesses operate in a moderate-income geography and 52 financial institutions competing for these types of small business loans.

Lending Gap Analysis

The bank's home mortgage loans and small business loan originations in LMI geographies during the evaluation period did not reflect any unexplained conspicuous lending gaps.

Distribution of Loans by Income Level of the Borrower

Based on the data in Tables P and R located in appendix D, and the performance context considerations discussed in the Description of Institution's Operations in Florida, the bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank. As part of our analysis, we used the same sample for our analysis of lending to borrowers of different income levels and businesses of different sizes as we did for our analysis of lending by income level of the geography.

Home Mortgage Loans

Refer to Table P in the state of Florida 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 geographic distribution of home mortgage loans reflects satisfactory distribution throughout the AA. The distribution of home mortgage lending to low-income borrowers is lower than the proportion of low-income families residing in the assessment area and near to the aggregate distribution of loans to those borrowers. The distribution of lending to moderate-income borrowers is somewhat lower than the proportion of moderate-income families residing in the assessment area and near to the aggregate distribution to those borrowers.

Small Loans to Businesses

Refer to Table R in the state of Florida 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 borrower distribution of small loans to businesses is reasonable in Sebring-Avon Park MSA AA. The proportion of loans the bank made to small businesses in the assessment area are near to the proportion of small businesses in the assessment area and exceeds the aggregate distribution of loans to those businesses in the assessment area for those lenders that report business loans.

Responses to Complaints

The bank did not receive any CRA related complaints during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Florida is rated Outstanding.

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

Number and Amount of Community Development Loans

Refer to the Community Development Loan 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 \$
Sebring-Avon Park MSA	7	100%	\$5,935	100%

HNB originated seven community development loans totaling \$5.9 million for the purpose of financing affordable housing and equipment for low-income residents located in an Opportunity Zone, to revitalize and stabilize disaster areas due to Hurricane Irma, rehabilitate a commercial property located in an Opportunity Zone, and to finance economic development.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000s)	#	% of Total #	\$(000s)	% of Total \$	#	\$(000's)
Sebring-Avon Park MSA	19	\$3,734	124	\$9,000	143	100.00	\$12,734	100.00	0	\$0.00

* 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, set forth the information and data used to evaluate the bank's level of qualified CD investments. These tables include all CD investment, including prior period investments that remain outstanding as of the examination date.

During the evaluation period, the bank made a reasonable volume of qualified investments and donations. The bank made 88 donations totaling \$40,161 generally benefitting low-and moderate-income students who attend Highlands County public schools and eligible for free or reduced lunch programs. Bank donations went towards school sponsored athletic youth programs and fundraising

events for college scholarships. The bank also made donations to several community-based nonprofit service organizations whose purpose is to serve low- and moderate-income individuals with affordable housing, free meals, health, education and counseling services as well as basic housing needs for the homeless, abused, and at-risk families. Most notable was a donation of a residential lot with a market value of \$14 thousand to Habitat for Humanity with the purpose to construct a new residential home that will benefit a low-to moderate-income family residing in Highlands County. Affordable housing has been identified as a crucial community credit need.

HNB invested in 55 Minority Depository Institutions (MDIs) totaling \$12.7 million of which 36 or \$8.96 million were new investments and 19 or \$3,73 million prior period investments made in the last evaluation period and still outstanding during this evaluation period. These financial institutions play a vital role in promoting the viability of underserved communities. Minority-owned banks provide loans and services to minority populations and the communities they serve. Generally, a bank receives positive consideration for CD investments benefitting the bank's assessment area, state-wide or a broader regional area. These types of investments are favorably considered in CD investment performance regardless of location of the bank. None of the 55 investments were to minority-owned banks in Highlands County; however, due to these types of investments meeting a critical CD need throughout the United States, HNB is provided the same consideration as if originated in its assessment area.

Extent to Which the Bank Provides Community Development Services

HNB provides an excellent level of CD services in the AA consistent with the bank's capacity and expertise. The bank has partnered with eighteen (18), of a total of 35, nonprofit organizations, financial educators, affordable housing organizations that provide CRA eligible services to LMI families and youth. Bank employees and management contributed a total of 843 hours of service by volunteering to provide financial literacy, financial and technical expertise, mentoring and leadership roles.

Following Hurricane Irma, Highlands County was designated a Federal Disaster Area. Many businesses and residents were left without basic services such as phones, internet service, water, and electricity. Most of the assistance programs, such as filing of insurance claims, FEMA loans, access to social services were only accessible by computer or phone. HNB created a community call center that provided computers and phones at each branch office for the residents and small businesses to securely have access to these emergency services and conduct basic business activities, and payroll processes to ensure employees received much needed paychecks.

HNB created a "Donations for Day-off" program to support the United Way of Highlands County, one of the largest humanitarian organizations in Highlands County. United Way of Highlands County provides emergency housing assistance, access to social services, welfare and advocacy to low income families in emergency situations. Bank employees donated one hour of pay per month to the United Way in exchange for one paid day off during the year.

HNB created a "Day of Caring Project" in which the employees donated time during work hours to repair and maintain United Way Facilities.

HNB provided financial education classes to Avon Park's High School students. Students learned about the importance of maintaining deposit and savings accounts as well as the process for applying for a loan and the importance of maintaining a good credit score.

Responsiveness to Community Development Needs

The level of CD efforts demonstrates an outstanding response to the needs and opportunities in the AA. During 2017, Sebring was impacted by Hurricane Irma. The bank originated loans that revitalize and stabilize the community after the 2017 Hurricane Irma, as well as loans that promoted economic development in Opportunity Zones and supported affordable housing for LMI households. Responsiveness also included volunteering, mentoring and providing financial literacy through various non-profit organizations that provide services and counseling to LMI individuals and youth. The bank also made financial donations, including donating a land lot to the Habitat for Humanity.

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 MSA(s) and non-MSA(s) that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	01/01/2017-12/31/2019	
Bank Products Reviewed:	Home Mortgage Loans Small Business Loans Community Development Loans, Qualified Investments, Community Development Services)	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	Not Applicable	Not Applicable
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State of Florida		
MSA 42700-Sebring-Avon Park, FL	Full-Scope	Highlands County

Appendix B: Summary of MMSA and State Ratings

RATINGS Heartland National Bank			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
Heartland National Bank	Satisfactory	Outstanding	Satisfactory

(*) The Lending Test and Community Development Test carry equal weight in the overall rating.

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet 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 O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			
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
Sebring-Avon Park MSA	603	73,953	33.3	3,137	0.0	0.0	0.0	4.5	4.1	3.0	76.6	69.2	74.1	18.9	26.7	22.9	0.0	0.0	0.0
<i>Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%</i>																			

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017-19
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Sebring-Avon Park MSA	603	73,953	33.3	3,137	16.6	3.0	3.5	20.3	11.1	13.2	21.6	15.9	20.7	41.5	65.5	42.2	0.0	4.5	20.4
<i>Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 HMDA Data, 2019 HMDA Aggregate Data,</i>																			

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

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$(000's)	% of Total	Overall Market	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate
Sebring-Avon Park MSA	57	\$6,790	100.00	1,561	0.00	0.00	0.00	7.83	5.26%	9.6	74.45	80.70	72.3	17.72	14.04	18.1	0.00	0.00	0.00

Source: 2019 D&B Data; sample of business loans originated 2017-2019 selected from an internally generated bank report; and, 2018 CRA Aggregate Data
 Due to rounding, totals may not equal 100.00%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$(000's)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Sebring-Avon Park MSA	57	6,790	100.00	1,561	92.33	82.46	54.1	2.34	17.54	5.34	0.00

Source: 2019 D&B Data; sample of business loans originated 2017-2019 selected from an internally generated bank report; and, 2018 CRA Aggregate Data
 Due to rounding, totals may not equal 100.00%