



PUBLIC DISCLOSURE

August 17, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

North American Savings Bank, FSB
Charter Number: 703927
12498 S US Highway 71
Grandview, MO 64030

Office of the Comptroller of the Currency
7101 College Boulevard, Suite 1600
Overland Park, KS 66210

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
DESCRIPTION OF INSTITUTION.....	2
SCOPE OF THE EVALUATION	2
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	3
DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE KANSAS CITY AA.....	4
DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE ST. JOSEPH BUCHANAN COUNTY AA	5
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	6
LENDING TEST	6
INVESTMENT TEST	10
SERVICE TEST	11
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 following table indicates the performance level of **North American Savings Bank, FSB (NASB)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	North American Savings Bank, FSB Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

*The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on a review of geographic and borrower distribution of loans. The institution exhibits a good distribution of home mortgage loans among individuals of different income levels. NASB exhibit an adequate geographic distribution of loans in its assessment areas (AAs). Community development (CD) lending had a significantly positive impact on the Lending Test rating. Performance in the Kansas City AA received the most weight due to the higher volume of loans and deposits.
- The Investment Test rating is based on a review of the institution’s responsiveness to community development needs for full-scope AAs. Responsiveness is adequate for the three-year evaluation period with total qualified investments of \$8.6 million.
- The Service Test rating is based on a review of retail and community development services. Service delivery systems in general are accessible to geographies and individuals of different income levels.

Lending in Assessment Area

An adequate percentage of NASB’s loans are in its assessment areas (AAs) when considering the institution’s business strategy to originate and purchase home mortgage loans across the country. The institution originated and purchased 12.9 percent of total loans inside the institution’s AAs during the evaluation period. This analysis is performed at the institution, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria. We consider loans inside the AAs for the Lending Test geographical distribution analysis.

Table D - Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2017	869	13.2	5,719	86.8	6,588	201,102	10.1	1,782,395	89.9	1,983,497
2018	851	14.8	4,908	85.2	5,759	206,599	12.0	1,508,027	88.0	1,714,625
2019	1,055	11.6	8,036	88.4	9,091	273,189	9.5	2,609,453	90.5	2,882,642
Subtotal	2,775	12.9	18,663	87.1	21,438	680,890	10.3	5,899,875	89.7	6,580,764

Source: Evaluation Period: 1/1/2017 - 12/31/2019 bank data; due to rounding, totals may not equal 100.00.

Description of Institution

NASB is a \$2.5 billion wholly owned subsidiary of NASB Financial, Inc., with both headquartered in Grandview, Missouri. NASB is a full-service financial institution with 11 branches that include on premises deposit-taking automated teller machines (ATMs). NASB also operated five loan production offices (LPOs) during this evaluation period. The institution did not open or close any branches. NASB has two AAs: the Kansas City AA and the St. Joseph Buchanan County (SJBC) AA.

NASB's business strategy primarily focuses on the residential real estate market. The institution's business strategy focuses on home purchase VA loans nationally, with more focus on home purchase conventional loans in local market areas. Other product/service offerings include foreclosure prevention programs, free checking accounts and access to electronic banking services such as mobile banking.

As of December 31, 2019, NASB had tier 1 capital of \$271.2 million. The loan portfolio accounts for approximately 93 percent of total assets. Real estate loans comprise approximately 99 percent of the total loan portfolio. Real estate loans primarily consist of 1-4 family residential, commercial real estate, and 1-4 family residential construction loans representing 81 percent, 10 percent, and 5.6 percent of total loans, respectively. According to the FDIC Deposit Market Share Report dated June 30, 2019, NASB had total deposits of \$1.7 billion and is ranked ninth and fifth in deposit market shares in the Kansas City AA and the SJBC AA, respectively.

There are no known legal, financial, or other factors that may impede the institution's ability to meet the credit needs in its AAs. NASB was rated "Satisfactory" in the last published CRA Public Evaluation (PE) dated July 10, 2017.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for this review is January 1, 2017 through December 31, 2019. The Lending Test, Investment Test, Service Test, and all CD activities were reviewed using this evaluation period. Primary loan products for this review are products in which the institution originated at least 20 loans within the AAs during the evaluation period. For primary loans, we analyzed home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA). Multifamily, small business, and small farm loans are not primary products with nominal loan volumes. Therefore, we did not evaluate these products.

With an evaluation period end date of December 31, 2019, qualifying activities performed in response to the significant impact of the Coronavirus Pandemic across the United States are not addressed in this evaluation. We will consider the institution's qualifying activities during applicable subsequent evaluations.

Selection of Areas for Full-Scope Review

The institution has two AAs; we performed a full-scope review of both. 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 metropolitan statistical area (MSA), multistate metropolitan 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 within the Rating section of this PE 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 institution's overall rating is a blend of the state ratings, and where applicable, multistate ratings. The Kansas City AA received the most weight to arrive at overall conclusions since it represents the majority of institution-wide loans and deposits followed by the SJBC AA. The Kansas City AA accounts for 92.1 percent of institution-wide deposits and 98.6 percent of loan originations. The MMSA and state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each State and MMSA 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 C.F.R. §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 assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

Description of Institution's Operations in the Kansas City AA

NASB operates 10 full-service branches in the Kansas City AA. This AA consists of seven of the 14 counties in the Kansas City, MO-KS metropolitan statistical area (MMSA): Cass, Clay, Jackson, Platte, and Lafayette in Missouri. In addition, although the institution does not have branches in the state of Kansas, the counties of Johnson and Wyandotte are adjacent to Jackson County and are included within the institution's Kansas City AA delineation. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude any areas, particularly low- or moderate-income (LMI) geographies.

Strong competition exists for financial services within the Kansas City AA. Competition includes large regional banks, large nationwide banks, and community banks. According to June 30, 2019 FDIC Deposit Market Share Report, NASB had \$1.6 billion in deposits in the Kansas City AA. NASB had a 2.7 percent deposit market share. NASB's deposit market share ranked eighth out of 102 deposit-taking institutions in the AA. As of December 31, 2019, the U.S. Bureau of Labor Statistics unemployment rate in the Kansas City MSA was 3.1 percent which was lower than the nation average of 3.5 percent. The Kansas City AA is home to several major industries, including restaurants, hospitals, pharmaceutical, and employment services. The federal and state government also employs large numbers of workers. The top employers in the AA include Cerner Corporation, HCA Midwest Health System, St. Luke's Health System, Ford Motor Co., the University of Kansas Hospital, and Children's Mercy Hospital and Clinics. Based on reports from the Kansas City Regional Association of Realtors, median sales price for existing home values increased 15.1 percent from \$177,000 in December 2017 to \$203,795 in December 2019. Median sales price for new home values also increased 12.1 percent from \$346,789 in December 2017 to \$388,885 in December 2019.

We identified two community contacts for the Kansas City AA. Both are involved in community housing. The contacts stated that affordable housing and funding for small business start-ups are primary credit needs. Assistance for affordable housing is strained and difficult for LMI to obtain financial assistance. Housing costs continues to increase.

Please refer to the Demographic Information for the Kansas City AA in Table A below for detailed demographics and other performance context information.

Table A – Demographic Information of the Kansas City Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	490	15.9	22.2	31.4	26.5	3.9
Population by Geography	1,865,977	9.6	21.4	36.9	31.8	0.3
Housing Units by Geography	801,706	11.4	22.6	37.2	28.4	0.5
Owner-Occupied Units by Geography	474,321	6.0	17.6	39.0	37.2	0.2
Occupied Rental Units by Geography	255,134	16.8	30.1	36.1	16.3	0.7
Vacant Units by Geography	72,251	27.1	28.5	29.4	13.1	1.9
Businesses by Geography	143,061	7.2	18.7	34.9	37.3	2.0
Farms by Geography	4,068	4.4	16.9	43.5	35.0	0.2
Family Distribution by Income Level	470,787	21.3	17.4	20.3	41.0	0.0
Household Distribution by Income Level	729,455	23.5	16.7	17.6	42.2	0.0
Median Family Income MSA - 28140 Kansas City, MO-KS MSA		\$72,623	Median Housing Value			\$162,916
			Median Gross Rent			\$857
			Families Below Poverty Level			9.1%

Source: 2015 ACS Census and 2019 D&B data; due to rounding, totals may not equal 100.0;
 (*) The NA category consists of geographies that have not been assigned an income classification.

Description of Institution's Operations in the St. Joseph Buchanan County AA

NASB operates one full-service branch in the SJBC AA. The AA consist of the single county of Buchanan. This one county AA is one of four counties within the St. Joseph MMSA. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude any areas, particularly LMI geographies. Competition for financial services is strong and includes large regional banks, large nationwide banks, and community banks. The top four competitors within the AA combined deposit market share totals 57.68 percent. According to June 30, 2019 FDIC Deposit Market Share Report, NASB had \$137.1 million in deposits in the St. Joseph MSA. NASB had an 8.2 percent deposit market share. NASB's deposit market share ranked forth out of 14 deposit-taking institutions in the AA. As of December 31, 2019, the U.S. Bureau of Labor Statistics unemployment rate in the St. Joseph MSA was 3.1 percent, which was lower than the national average of 3.5 percent. Major industries include health care, food processing, and education, government, and animal pharmaceuticals. The top employers in the AA include Mosaic Life Care, Triumph Foods, St. Joseph School District, 139th Airlift Wing, MO Air National Guard, and Boehringer Ingelheim.

The St. Joseph MMSA which includes Buchanan County was included in the Kansas City MMSA housing analysis. Based on reports from the Kansas City Regional Association of Realtors, median sales price for existing home values increased 15.1 percent from \$177,000 in December 2017 to \$203,795 in December 2019. Median sales price for new home values also increased 12.1 percent from \$346,789 in December 2017 to \$388,885 in December 2019.

We identified one community contact for the SJBC AA. The organization focuses on providing health and education assistance for community members. The organization stated that small consumer loans to assist with bill pay and rent is a primary credit need. The use of payday loans at unaffordable rates are high. The contact also stated that some rental properties are not well maintained which causes the need for affordable housing to increase.

Please refer to the Demographic Information for the SJBC AA in Table A below for detailed demographics and other performance context information.

Table A – Demographic Information of the St Joseph Buchanan County Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	25	4.0	28.0	48.0	20.0	0.0
Population by Geography	89,561	2.0	26.7	45.8	25.5	0.0
Housing Units by Geography	38,487	2.8	28.3	47.5	21.3	0.0
Owner-Occupied Units by Geography	21,091	0.9	22.8	48.9	27.4	0.0
Occupied Rental Units by Geography	12,085	5.3	30.6	48.2	15.9	0.0
Vacant Units by Geography	5,311	4.7	45.2	40.6	9.5	0.0
Businesses by Geography	4,951	7.4	18.0	42.4	32.2	0.0
Farms by Geography	196	1.0	7.1	62.2	29.6	0.0
Family Distribution by Income Level	20,874	22.3	17.2	24.0	36.4	0.0
Household Distribution by Income Level	33,176	25.9	16.0	17.4	40.6	0.0
Median Family Income MSA - 41140 St. Joseph, MO-KS MSA		\$59,820	Median Housing Value			\$115,283
			Median Gross Rent			\$702
			Families Below Poverty Level			13.9%

Source: 2015 ACS Census and 2019 D&B Data; due to rounding, totals may not equal 100.0
 (*) The NA category consists of geographies that have not been assigned an income classification.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank's performance under the Lending Test is rated "High Satisfactory."

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the Kansas City AA and the SJBC AA is good. CD lending activity had a significant positive impact on the bank's overall Lending Test performance.

Lending Activity

Lending levels reflect good responsiveness to AA credit needs, when considering area competition and the bank's capacity to lend.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% Loans	% Deposits
Kansas City AA	2,736	0	0	9	2,745	98.6	92.1
SJBC AA	39	0	0	0	39	1.4	7.9

*The table present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Dollar Volume of Loans \$(000's)*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% Loans	% Deposits
Kansas City AA	\$675,304	0	0	\$29,833	\$705,137	99.2	92.1
SJBC AA	\$5,586	0	0	0	\$5,586	0.8	7.9

*The table present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Kansas City AA

Lending levels reflect good responsiveness to AA credit needs.

According to 2019 peer mortgage data, the bank had a 1.3 percent market share of home mortgage loan originations. The bank was in the top 25 lenders and ranked 21st in the AA out of 637 lenders. NASB ranked 26th for low-income applicants and 21st for moderate-income applicants. NASB also ranked 23rd for applicants in low-income tracts and 23rd for moderate-income tracts.

Data published by the Kansas City Regional Association of Realtors for the AA reflect declining housing inventories with a corresponding increase in average sales prices, with 2018 and 2019 inventories at 8,000 units and an average sales price of \$245,000. Housing inventories have steadily declined. Median family income is \$72,623 and the median housing value is \$162,916. The Federal Reserve reported that the availability of affordable housing continues to be inadequate for the AA. To assist LMI borrowers, NASB implemented a lending assistance program, Good Neighbor, with lower qualifying credit scores, waiving lender fees, and providing lender credits for closing assistance. LMI borrowers utilized the bank's innovative loan programs with 16.9 percent of LMI borrowers involved in at least one of the programs.

St. Joseph Buchanan County AA

Lending levels reflect good responsiveness to AA credit needs.

According to 2019 peer mortgage data, the bank had a less than one percent market share of home mortgage loan originations. The bank ranked 34th out of 168 mortgage lenders in the AA. NASB ranked 11th for low-income applicants, tying with several other institutions, and 16th for moderate-income applicants. NASB also ranked fourth for applicants in low-income tracts as did nearly all banks due to one low-income tract in the AA and 15th for moderate-income tracts as did several other banks.

Data published by the Kansas City Regional Association of Realtors (which includes Buchanan County, Missouri) for the AA reflect declining housing inventories with a corresponding increase in average sales prices, with 2018 and 2019 inventories at 8,000 units and an average sales prices of \$245,000. Housing inventories have steadily declined.

Distribution of Loans by Income Level of the Geography

The bank exhibits an adequate geographic distribution of loans in its AA(s).

Home Mortgage Loans

Refer to Table O in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Kansas City AA

The overall geographic distribution of home mortgage loans in the Kansas City AA is adequate. The distribution of home mortgages in moderate-income geographies is good. The geographic distribution is slightly below area demographics and the industry aggregate. During the analysis, we took into consideration the high percentage of rental and vacant units in moderate-income geographies at 30.1 percent and 28.5 percent, respectively. The distribution of home mortgages in low-income geographies is poor. The geographic distribution is below the industry aggregate and is significantly below area demographics. During the analysis, we took into consideration the high percentage of rental and vacant units in low-income geographies at 16.8 percent and 27.1 percent, respectively. In addition, the bank's Good Neighbor discount program assisted 286 borrowers in the AA in LMI geographies with discounts and fees waivers amounting to \$403,000.

St. Joseph Buchanan County AA

The overall geographic distribution of home mortgage loans in the SJBC AA is adequate. The distribution of home mortgages in moderate-income geographies is adequate. The geographic distribution is below area demographics and the industry aggregate. During the analysis, we took into consideration the high percentage of rental and vacant units in moderate-income geographies at 30.6 percent and 45.2 percent, respectively. A geographic analysis of low-income geographies is not meaningful since less than one percent of the housing units for this area are owner-occupied.

Lending Gap Analysis

We reviewed summary reports and analyzed NASB's home mortgage lending activity over the evaluation period to identify gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of home mortgage loans among individuals of different income levels.

Home Mortgage Loans

Refer to Table P in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Kansas City AA

The overall borrower distribution of home mortgage loans in the Kansas City AA is good. The distribution of home mortgage loans to moderate-income borrowers is good. The percentage of loans to moderate-income borrowers exceeds area demographics and is only slightly below the industry aggregate. The distribution of home mortgage loans to low-income borrowers is poor. The percentage of loans to low-income borrowers is below the industry aggregate and significantly below area demographics. Other factors considered during the lending analysis include the affordability of home mortgages at this income level, strong competition, and the lack of sufficient market down payment assistance programs to assist with credit needs. In addition, we were unable to evaluate the borrower distribution for a portion of the bank's loans since income information was not available for 6.5 percent of bank-reported home loan mortgages for during the evaluation period.

Housing costs in addition to lower inventories continue to impact LMI borrower's ability to qualify for a home mortgage loan. The median family income for this AA is \$72,623. Based on 2015 updated Census Data, the median housing cost is \$162,916. For this analysis, we considered the cost of housing compared to LMI family incomes of up to \$36,311 for low-income families and up to \$58,097 for moderate-income families. LMI borrower's ability to qualify for a home mortgage with estimated monthly payments of over \$1,500 per month based on the average sales price exceeds the ability of LMI borrowers' capability of meeting the monthly payments. To assist low- and moderate-income borrowers, NASB implemented a lending assistance program. Approximately 145 LMI borrowers were able to participate in flexible home programs offered by NASB totaling \$20.1 million.

St. Joseph Buchanan County AA

The overall borrower distribution of home mortgage loans in the SJBC AA is good. The distribution of home mortgage loans to moderate-income borrowers is excellent. The percentage of loans to moderate-income borrowers significantly exceeds both area demographics and the industry aggregate. The distribution of home mortgage loans to low-income borrowers is adequate. The percentage of loans to low-income borrowers exceeds the industry aggregate but is significantly below area demographics. Note, we were unable to evaluate the borrower distribution for a portion of loans since income information was not available for 7.7 percent of the bank's reported home loan mortgages for this AA.

Housing costs in addition to lower inventories continue to impact LMI borrower's ability to qualify for and/or to obtain a home mortgage loan. The Federal Reserve reported the availability of affordable housing is inadequate. Based on 2015 updated Census Data, the median housing cost is \$115,283. For the borrower distribution analysis, we considered the costs of housing compared to LMI family incomes of up to \$29,909 for low-income families and up to \$47,855 for moderate-income families based on a median family income of \$59,820 for this AA. In addition, the number of families living below the poverty level is 13.9 percent which makes it difficult to afford a home loan at this level when unable to meet minimum living needs. To assist low- and moderate-income borrowers, NASB implemented a lending assistance program, Good Neighbor, with lower qualifying credit scores, waiving lender fees, and providing lender credits for closing assistance.

Community Development Lending

The institution provides a relatively high level of CD loans. CD lending had a significantly positive impact on the Lending Test.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

CD loans demonstrated excellent responsiveness to CD needs and opportunities in the Kansas City AA during the evaluation period. Management originated nine CD loans totaling more than \$29.9 million or 12 percent of tier 1 capital allocated to the Kansas City AA. All loans addressed affordable housing needs in the AA, by funding the rehabilitation and maintenance of 1,032 multi-family units designated primarily for low- and moderate-income individuals to rent. The institution did not provide any CD loans for the St Joseph AA.

Broader Statewide and/or Regional Area

The institution provided one loan that provided affordable housing that was located in the broader statewide or regional area totaling \$6.8 million with a purpose, mandate, or function to serve the AA. This loan provided for the acquisition and rehabilitation of 86 affordable housing units.

Product Innovation and Flexibility

The institution makes limited use of innovative and/or flexible lending practices in order to serve AA credit needs. The bank participates in and offers innovative lending programs for low- and moderate-income individuals through the Missouri Housing Development Commission (MHDC) First Place and Next Step loan products for first time home buyers or buyers in designated areas based on income. The institution developed a discount program called Good Neighbor Discounts that offers discounts to applicants in LMI tracts that waives lender fees and discounts for pricing or credits against closing costs with 38.3 percent of these loans going to LMI. The bank also developed the Good Neighbor Loan program for use in LMI tracts or for borrowers with qualifying LMI incomes. The bank participates in Fannie Mae (FNMA) HomeReady and Freddie HomePossible that offer affordable, low-down payments purchase loans for LMI borrowers.

INVESTMENT TEST

The bank’s performance under the Investment Test is rated “Low Satisfactory”.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank’s performance in the Kansas City AA and the SJBC AA is adequate.

The institution has an adequate level of qualified CD investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits adequate responsiveness to credit and community economic development needs. The institution does not use innovative and/or complex investments to support CD initiatives.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total**				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Kansas City AA	1	3,290	85	4,870	86	89.6	8,159	94.3	0	0
SJBC AA	0	0	10	491	10	10.4	491	5.7	0	0

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

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

Kansas City AA

Qualified investments demonstrated adequate responsiveness to CD needs and opportunities in the AA during the evaluation period. Investments and donations made during the evaluation period totaling \$4.9 million, combined with \$3.3 million in investments made during the prior period, total \$8.2 million, which represents 3.27 percent of the AA’s allocated tier 1 capital.

Management purchased one investment totaling \$2.8 million in the AA during the evaluation period, as well as one investment totaling \$3.3 million in the prior period. All investments support affordable housing for LMI individuals.

Management made 85 qualified donations totaling \$2.1 million to 36 organizations in the AA during the evaluation period. Donations supported organizations who provide community services such as programs for emergency housing assistance, home buyer education, youth programs, and more.

St. Joseph Buchanan County AA

Qualified investments demonstrated adequate responsiveness to CD needs and opportunities in the AA during the evaluation period. Investments and donations made during the evaluation period total \$491,000 and represent 2.29 percent of the AA’s allocated tier 1 capital. Management purchased one investment totaling \$256,000 in the AA during the evaluation period.

Investments supported affordable housing for low to moderate-income borrowers in a mortgage loan security. Management made nine qualified donations totaling \$256,000 to four organizations in the AA during the evaluation period. Three donations supported scholarship funds targeted to low to moderate-income students. Another organization provides financial education targeted to schools with more than fifty percent of students eligible for the free or reduced lunch program.

SERVICE TEST

The bank’s performance under the Service Test is rated “High Satisfactory”.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank’s performance in the Kansas City AA is good. Based on a full-scope review, the bank’s performance in the SJBC AA is poor.

Retail Banking Services

Service delivery systems in general are accessible to geographies and individuals of different income levels in the institution’s AA(s).

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography *			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Kansas City AA	92.1	10	90.9	0.0	50.0	40.0	10.0	9.6	21.4	36.9	31.8
SJBC AA	7.9	1	9.1	0.0	0.0	0.0	100.0	2.0	26.7	45.8	25.5

*May not add up to 100 percent due to N/A tracts

Kansas City AA

The branch distribution in the Kansas City AA is accessible to geographies and individuals of different income levels. The bank operates 10 full-service branches. Each full-service branch includes a deposit taking ATM. There are two additional deposit taking ATMs; one located in at the Mortgage Center in a middle-income CT and a stand-alone in an upper-income CT. The percentage of NASB’s branches in moderate-income geographies significantly exceeds the percentage of the population living in these geographies. None of the institution’s branches are in designated low-income geographies. The institution participates in the MoneyPass ATM network. This provides an additional 236 ATM locations within the two AAs; 67 of the MoneyPass ATMs are in LMI geographies; 65 are in the Kansas City AA.

Services, including where appropriate, business hours do not vary in a way that inconveniences its AA, particularly low- and moderate-income geographies and/or individuals. Alternative services offered include e-statements, bill pay, money transfers, and remote deposits. The bank does not maintain metrics to determine their effectiveness in helping meet the needs of LMI individuals or small businesses.

The bank did not open or close any branches in the Kansas City AA during the evaluation period.

St. Joseph Buchanan County AA

The branch distribution is unreasonably inaccessible to portions of the SJBC AA, particularly low- and moderate-income geographies and/or low- and moderate-income individuals. There are no branches or deposit-taking ATMs in LMI geographies. The bank operates one full-service branch, which includes a deposit-taking ATM. The branch operates in an upper census tract. However, there are two MoneyPass network ATMs in LMI tracts.

Services and business hours do not vary in a way that inconveniences its AA, particularly low- and moderate-income geographies and/or individuals. Alternative services offered include e-statements, bill pay, money transfers, and remote deposits. The bank does not maintain metrics to determine their effectiveness in helping meet the needs of LMI individuals or small businesses.

The bank did not open or close any branches in the SJBC AA during the evaluation period.

Community Development Services

The institution overall provides an adequate level of CD services.

Kansas City AA

NASB provides an adequate level of CD services in the Kansas City AA. The bank had 22 different employees provide 284 hours of CD services to 13 different organizations.

Examples of service hours include the following:

- Teaching financial education classes to LMI students and communities.
- Fundraising for an organization that targets low-income children.
- Serving as committee member for an organization that promotes better access to financial services to LMI individuals and communities in the Kansas City area.

St. Joseph Buchanan County AA

The institution provides few if any CD services in the SJBC AA. Bank management did not provide documentation to support qualified CD services for this AA.

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, 2017 to December 31, 2019	
Bank Products Reviewed:	Home mortgage, community development loans, qualified investments, and community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	N/A	N/A
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Kansas City AA	Full-scope	Cass, Clay, Jackson, Platte, and Lafayette in Missouri; and Johnson and Wyandotte in Kansas
St. Joseph Buchanan County AA	Full-scope	Buchanan County, Missouri

Appendix B: Summary of MMSA and State Ratings

RATINGS North American Savings Bank, FSB				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
North American Savings, FSB	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory

(*) The Lending Test is weighted more heavily than the Investment and Service Tests 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 §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

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 (MSA): 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 MSA 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.

MMSA (state): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

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 MMSAs, 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 loans are treated the same 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 2017-19

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Kansas City AA	2,736	675,304	98.6	71,058	6.0	1.9	3.0	17.6	13.2	15.8	39.0	36.3	39.0	37.2	48.2	42.1	0.2	0.4	0.1
SJBC AA	39	5,586	1.4	1,957	0.9	0.0	0.6	22.8	10.3	20.1	48.9	51.3	49.3	27.4	38.5	30.1	0.0	0.0	0.0
Total	2,775	680,890	100.0	73,015	5.8	1.9	2.9	17.9	13.2	15.9	39.4	36.5	39.3	36.7	48.1	41.7	0.2	0.4	0.1

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

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

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Kansas City AA	2,736	675,304	98.6	71,058	21.3	6.6	8.2	17.4	17.8	19.8	20.3	22.9	21.7	41.0	46.2	35.0	0.0	6.5	15.3
SJBC AA	39	5,586	3.7	1,957	22.3	10.3	9.9	17.2	35.9	20.8	24.0	20.5	22.9	36.4	25.6	29.2	0.0	7.7	17.2
Total	2,775	680,890	100.0	73,015	21.3	6.7	8.2	17.4	18.0	19.8	20.5	22.8	21.8	40.8	45.9	34.9	0.0	6.6	15.3

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