



## **PUBLIC DISCLOSURE**

August 18, 2025

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

First National Bank of  
Bosque County

Charter Number: 13675

P.O. Box 278 Valley Mills,  
TX 76689

Office of the Comptroller of the Currency

225 E. John Carpenter Fwy., Suite 900  
Irving, TX 75062

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

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## Overall CRA Rating

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

**The lending test is rated: Outstanding.**

The major factors that support this rating include:

- A reasonable average loan-to-deposit (LTD) ratio.
- A majority of loans were originated inside the assessment areas (AAs).
- A reasonable geographic distribution of home loans.
- An excellent distribution of home loans to borrowers of different incomes.
- An excellent borrower distribution of home loans.
- A reasonable distribution of consumer loans by geography.
- An excellent distribution of consumer loans to borrowers of different incomes.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, First National of Bosque County's (FNB or bank) LTD ratio is reasonable. The LTD ratio is calculated on a bank-wide basis. The bank's quarterly LTD ratio during the evaluation period averaged 71.9 percent. The average LTD ratio of similarly situated institutions for the same period was 51.7 percent, with low and high averages of 28.7 percent and 83.5 percent, respectively. These institutions are located within or adjacent to the AAs.

### Lending in Assessment Area

A majority of the bank's loans were inside its AAs. The bank originated and purchased 74.4 percent of its total loans inside its AAs during the evaluation period. This analysis is performed at the bank, rather than the AA level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Table 1: Lending Inside and Outside of the Assessment Area										2022 - 2024
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	95	68.63	44	31.37	139	13,354	51.60	12,524	48.40	25,879
Consumer	60	89.55	7	10.45	60	395	80.77	95	19.43	489
Total	155	74.37	51	25.63	199	13,749	52.14	12,619	47.86	26,368
Source: 1/1/2022 - 12/31/2024 Bank Data.										
Due to rounding, totals may not equal 100.0%										

### Description of Institution

FNB is an intrastate community bank that was established in Bosque County, Texas in 1896. The bank is headquartered in Valley Mills, Texas. The bank is wholly owned by Valley Mills Financial Corporation, a one-bank holding company also headquartered in Valley Mills Texas, which is located

approximately 100 miles south of Dallas-Fort Worth and 25 miles west of the City of Waco, Texas on State Highway 6.

FNB has banking facilities in two AAs, the Bosque County AA which was not part of a Metropolitan Statistical Area (MSA) and the McLennan County AA, which represents a portion of the Waco MSA. In 2024, Office of Management and Budget (OMB) revised the delineation of the Waco MSA to include the Bosque County AA. This impacted the bank's AAs delineation as both AAs are now part of the Waco MSA. Both AAs are composed of large rural geographies. There has been no change in the number or location of FNB's banking facilities. In addition to the headquarters in Valley Mills, FNB has three branch facilities, two that are located in Bosque County and a third in McLennan County, Texas.

FNB's Bosque County locations include its main location in Valley Mills, Texas and two additional branches located in Clifton, Texas and Meridian, Texas. The one McLennan County branch is located in Waco, Texas. Clifton is located approximately 10 miles northwest of Valley Mills on Texas State Highway 6. Meridian is the county seat, and it is located 10 miles northwest of Clifton on Texas State Highway 6. The Clifton branch was established in 1992 and the Meridian branch in 2006. The branch facility in McLennan County known as "The Ranch House" opened in 1995 and is located 10 miles south of Valley Mills in the western portion of Waco on State Highway 6. Lobby and drive-thru hours are set by each location to meet community needs. All banking locations, except for Meridian, offer drive-thru banking services. The Clifton and Ranch House branches offer 24-hour customer access to an automated teller machine (ATM).

The bank operates as a full-service institution and offers traditional personal and business loan products which include commercial, agriculture and consumer loans. Additionally, residential loans for home purchase, improvement and refinance are offered. The bank offers a variety of consumer and business deposit services including six different checking accounts (personal and business), savings accounts, time deposits, and individual retirement accounts.

As of December 31, 2024, the bank reported total assets of \$168.8 million, total deposits of \$148.9 million, and total equity capital of \$19.5 million. Net loans totaled \$126.3 million, representing approximately 75 percent of total assets. Major loan categories include one-to-four family residential real estate at 46.6 percent of total loans, commercial real estate at 23.9 percent, commercial and industrial at 21.5 percent, agriculture/farmland loans at 2.4 percent, and consumer loans at 5.4 percent. Investment securities totaled \$24.6 million. Tier 1 capital was \$20 million. Considering both dollar amounts and originations, we determined the bank's primary lending products for this evaluation are home mortgages and consumer loans.

FNB's strategic focus is to provide safe, and secure banking services to Bosque County and all areas they serve. The bank looks to differentiate themselves from the competition through superior services and local market presences. The bank looks to utilize resources locally first, while also finding profitable opportunities outside of their area to provide diversification to loan portfolios. Mortgage loans are the foundation of the bank's loan portfolio as they look to continue to provide loans to borrower in need of loans that are less traditional.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AAs. The bank received a "Satisfactory" rating at its previous CRA evaluation dated June 21, 2022.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We completed a full-scope review of FNB's CRA activities for both the 2022-2023 Bosque County AA and 2024 Waco MSA AA under the Small Bank CRA procedures, which includes the lending test. The lending test evaluates the bank's record of meeting the credit needs of its AAs through lending activities. The 2022-2023 McLennan County AA received a limited scope review.

Conclusions regarding the lending test are based on the bank's primary lending products. Primary products selected for review included home mortgage loans and consumer loans.

Conclusions for home mortgage loans are based on loans reported under the Home Mortgage Disclosure Act (HMDA) from January 1, 2022, to December 31, 2024. Conclusions for loans to consumers are based on samples selected from the same period.

The distribution of home mortgage and consumer loans by income category to borrowers received more weight than distribution of home and consumer loans category of the geography given the bank's AA do not have any low- and moderate-income geographies within the AAs.

### Selection of Areas for Full-Scope Review

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

### Ratings

The bank's overall rating is a blend of the state ratings, and where applicable, multistate ratings.

The MMSA rating and state ratings in rating areas with a single AA are based on performance in that AA. The MMSA and state ratings in rating areas with multiple AAs are based on the weighted-average conclusions in those 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 CFR 25.28(c) (March 29, 2024) 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 Consumer Financial Protection Bureau, as applicable.

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

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

## State Rating

### State of Texas

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

**The Lending Test is rated:** Outstanding

The major factors that support this rating include:

- The LTD ratio is reasonable.
- A majority of loans were within the bank's AA.
- The geographic distribution of loans reflects reasonable distribution throughout the AAs.
- Lending to individuals of various income levels and businesses of different sizes is reasonable.

### Description of Institution's Operations in Texas

FNB operated in two AAs in the State of Texas in 2022 and 2023. As of 2024, the bank operates in one AA as discussed in the "Description of Institution" section. Over the evaluation period, the bank's primary focus based on loan volumes and overall dollar amount held in portfolio and originations is one-to-four family residential loans and consumer loans.

The Bosque County AA consisted of the county in its entirety, which was not located in an MSA. The McLennan County AA consisted of the Northwest quadrant of McLennan County, which included some CTs in the Waco MSA. In 2024, the bank's AA consisted of CTs located in the Waco MSA because of OBM changes to the Waco MSA. With respect to bank operations in 2022 and 2023, the bank had three full-service locations in Bosque County, and one full-service location in McLennan County. In 2024, all banking locations were in Waco MSA AA. With respect to deposit base, the bank maintained approximately 0.1 percent of its deposits market share within the state of Texas as of June 30, 2024. As of June 30, 2023, FNB maintained approximately 32.94 percent of deposits Bosque County and 0.48 percent of McLennan County deposit market share respectively.

Bosque County AA

The following table provides a summary of the demographics, including housing, business, and economic information for the Bosque County AA.

Assessment Area(s) - 2023 Bosque County AA						
2022 - 2023						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	7	0.00	0.00	85.71	14.29	0.00
Population by Geography	18,235	0.00	0.00	79.53	20.47	0.00
Housing Units by Geography	9,776	0.00	0.00	80.95	19.05	0.00
Owner-Occupied Housing by Geography	5,524	0.00	0.00	77.64	22.36	0.00
Occupied Rental Units by Geography	1,731	0.00	0.00	83.19	16.81	0.00
Vacant Units by Geography	2,521	0.00	0.00	86.67	13.33	0.00
Businesses by Geography	617	0.00	0.00	72.61	27.39	0.00
Farms by Geography	79	0.00	0.00	68.35	31.65	0.00
Family Distribution by Income Level	5,283	17.40	16.03	21.73	44.84	0.00
Household Distribution by Income Level	7,255	17.89	17.44	18.06	46.62	0.00
Unemployment rate (%)	4.26	0.00	0.00	4.45	3.65	0.00
Households Below Poverty Level (%)	11.90	0.00	0.00	13.95	4.19	0.00
Median Family Income (Non-MSAs - TX)		\$61,785	Median Housing Value			\$123,400
Median Family Income (Non-MSAs - TX) for 2023		\$73,200	Median Gross Rent			\$751
			Families Below Poverty Level			10.75
FFIEC File - 2020 Census						
2023 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

Based on the 2023 Peer Mortgage Data for the Bosque County AA, the bank had a market share of 10.3 percent for the total number of loans and 5.1 percent of the total dollar amount of loans, which ranked the bank first in this AA. The bank has its main office and two branch offices in the Bosque County AA, which represented 32.9 percent of the deposit market share with average deposits per branch representing \$39.4 million. The bank ranked second out of five lenders. The Bosque County AA included the headquarters and deposits total 42.8 percent. The AA included the cities of Valley Mills, Clifton, Iredell, Cranfills Gap, Walnut Springs, Morgan, and Meridian (the county seat). The Bosque County AA consisted of all seven census tracts in the county. There were no low- or moderate-income geographies in the Bosque County AA. The AA had six middle-income census tracts, and one upper-income census tract. The main office is located in Valley Mills, which is a middle-income census tract. The branch in Clifton is located in an upper-income census tract. The branch in Meridian is located in a middle-income census tract. None of the CTs in this AA have been classified as either distressed or underserved. The bank has properly defined its AA in accordance with the technical requirements of the CRA regulation. The AA consisted of whole CTs, does not arbitrarily exclude low- and moderate-income (LMI) CTs, and includes the CTs where FNB offices are located.

There were 9,776 housing units in the AA. About 81 percent of the housing units are located in middle-income CTs. 56.5 percent of housing in the AA was owner-occupied, 17.7 percent was occupied by rental units and 25.8 percent is vacant. The AA had a median family income of \$73,200 with a median housing value of \$123,400.

The community contact in the Bosque County AA is an extension of local government organization that assist the community by promoting the creation of job thru assistance with retaining, expanding and attracting new businesses. The most critical need identified from this contact was a need for credit funding for general 1-4 family housing.

Assessment Area(s) - 2023 McLennan County AA						
2022 - 2023						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	5	0.00	0.00	20.00	80.00	0.00
Population by Geography	26,111	0.00	0.00	14.96	85.04	0.00
Housing Units by Geography	9,412	0.00	0.00	20.30	79.70	0.00
Owner-Occupied Housing by Geography	6,462	0.00	0.00	8.11	91.89	0.00
Occupied Rental Units by Geography	2,171	0.00	0.00	55.18	44.82	0.00
Vacant Units by Geography	779	0.00	0.00	24.26	75.74	0.00
Businesses by Geography	869	0.00	0.00	10.70	89.30	0.00
Farms by Geography	72	0.00	0.00	2.78	97.22	0.00
Family Distribution by Income Level	6,410	9.42	12.15	16.18	62.25	0.00
Household Distribution by Income Level	8,633	14.69	10.41	12.53	62.37	0.00
Unemployment rate (%)	3.18	0.00	0.00	2.77	3.25	0.00
Households Below Poverty Level (%)	8.57	0.00	0.00	25.67	4.31	0.00
Median Family Income (47380 - Waco, TX MSA)		\$66,852	Median Housing Value			\$228,000
Median Family Income (47380 - Waco, TX MSA) for 2023		\$84,300	Median Gross Rent			\$875
			Families Below Poverty Level			3.24
FFIEC File - 2020 Census						
2023 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

### McLennan County AA

Based on the 2023 Peer Mortgage Data for the McLennan County AA, the bank had a market share of 0.4 percent for the total number of loans and 0.6 percent of the total dollar amount of loans, which ranked the bank 46<sup>th</sup> out of 143 lenders in this AA. The bank had one branch in the McLennan County AA. Total bank deposits in this AA represented 0.4 percent, which ranked 58 out of 60 lenders. Average deposits per branch totaled \$34.9 million. The AA included portions of Waco and three smaller cities including: China Spring, Crawford, and Valley Mills. The McLennan County AA had five census tracts. There were no low- or moderate-income CTs in this AA. There was one middle-income CT and four upper-income census tracts. The branch is located in an upper-income census tract. The AA consists of whole CTs, does not arbitrarily exclude LMI CTs and includes the CTs where FNB offices are located. A community contact was not completed for the McLennan County AA as this is a limited-scope AA.

### Waco MSA

The following table provides a summary of the demographics, including housing, business, and economic information for the Waco MSA AA.

Assessment Area(s) - Waco MSA 2024						
						2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	12	0.00	0.00	58.33	41.67	0.00
Population by Geography	44,346	0.00	0.00	41.51	58.49	0.00
Housing Units by Geography	19,188	0.00	0.00	51.20	48.80	0.00
Owner-Occupied Housing by Geography	11,986	0.00	0.00	40.16	59.84	0.00
Occupied Rental Units by Geography	3,902	0.00	0.00	67.61	32.39	0.00
Vacant Units by Geography	3,300	0.00	0.00	71.94	28.06	0.00
Businesses by Geography	1,495	0.00	0.00	36.25	63.75	0.00
Farms by Geography	153	0.00	0.00	38.56	61.44	0.00
Family Distribution by Income Level	11,693	13.93	13.91	18.62	53.54	0.00
Household Distribution by Income Level	15,888	16.24	13.66	15.11	54.98	0.00
Unemployment rate (%)	3.62	0.00	0.00	4.08	3.31	0.00
Households Below Poverty Level (%)	10.09	0.00	0.00	16.66	4.29	0.00
Median Family Income (47380 - Waco, TX MSA)		\$65,634		Median Housing Value		\$156,500
Median Family Income (47380 - Waco, TX MSA) for 2024		\$81,700		Median Gross Rent		\$795
				Families Below Poverty Level		6.64
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

As a result of OMB's revision of MSA delineation in 2024, all the bank's branches to include the main location are now located in the Waco MSA, which represented 1.8 percent of the deposit market share with average deposits per branch representing \$38.8 million. The bank ranked 15 out of 29 lenders. The Waco MSA AA consists of 12 CTs, which includes five CTs in McLennan County and seven census tracts in Bosque County. There are no low- or moderate-income geographies in the Waco MSA AA. The AA has seven middle-income census tracts, and five upper-income census tracts. None of the CTs in this AA have been classified as either distressed or under-served. The bank has properly defined its AA in accordance with the technical requirements of the CRA regulation. The AA consists of whole CTs, does not arbitrarily exclude LMI CTs, and includes the CTs where FNB offices are located.

There are 19,188 housing units in the AA. About 51.20 percent of the housing units are located in middle-income CTs. 62.5 percent of housing in the AA is owner-occupied, 20.3 percent is occupied by rental units and 17.2 percent is vacant. The AA has a median family income of \$81,700 with a median housing value of \$156,500.

The community contact in the Waco MSA AA is the same community contact made in the Bosque County AA above as Bosque County was included in the Waco MSA in 2024.

## Scope of Evaluation in Texas

During the 2022 and 2023 review period, FNB AAs consisted of Bosque County AA and McLennan County AA. We selected the Bosque County AA for a full scope review based on a majority of the bank's branches and operations being located in the Bosque County AA during the evaluation period. During the 2024 review period, OMB revised delineation of the Waco MSA to include the Bosque County AA resulting in the bank having only one AA. We conducted a full-scope review of the Waco MSA AA for the 2024 review period. In both review periods, we evaluated the two primary lending

products: home mortgage loans and consumer loans. Please refer to the Appendix A: Scope of Examination table for a listing of all AAs and products included in this evaluation.

## **LENDING TEST**

The bank's performance under the Lending Test in Texas is rated Outstanding.

### **Conclusions for Areas Receiving a Full-Scope Reviews**

Based on full-scope reviews, the bank's performance in the state of Texas is excellent.

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

The bank exhibited reasonable geographic distribution of loans in the State.

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

Refer to Tables 7a and 7b in the state of Texas 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.

##### **Bosque County AA**

The geographic distribution of home mortgage loans in Bosque County AA is reasonable. The bank did not have any low- and moderate-income geographies.

##### **Waco MSA AA**

The geographic distribution of home mortgage loans in Waco County AA is reasonable. The bank did not have any low- and moderate-income geographies.

#### ***Consumer Loans***

Refer to Tables 13a and 13b in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

##### **Bosque County AA**

The geographic distribution of consumer loans in Bosque County AA is reasonable. The bank did not have any low- and moderate-income geographies.

##### **Waco MSA AA**

The geographic distribution of consumer loans in Waco County AA is reasonable. The bank did not have any low- and moderate-income geographies.

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

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

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

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

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

Refer to Tables 8a and 8b in the state of Texas 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.

#### **Bosque County AA**

The distribution of home mortgage loans in Bosque County AA to borrowers by income level is excellent. The distribution of home mortgages to low-income borrowers in Bosque County AA exceeded the aggregate distribution percentage in the AA and was lower than the percentage of low-income families in the AA. The distribution of home mortgages to moderate-income borrowers exceeded the percentage of moderate-income families in the AA and aggregate distribution percentage.

#### **Waco MSA AA**

The distribution of mortgage loans Waco MSA AA is reasonable. The distribution of loans to low-income borrowers is near the percentage of low-income families in the AA. The distribution of loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA.

### ***Consumer Loans***

Refer to Tables 14a and 14b in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

#### **Bosque County AA**

The distribution of consumer loans in Bosque County AA to borrowers by income level is excellent. The distribution of consumer loans to low and moderate-income borrower exceeded the percentage of low- and moderate-income households in the Bosque County AA.

#### **Waco MSA AA**

The distribution of consumer loans in Waco MSA AA to borrowers by income level is excellent. The distribution of consumer loans to low and moderate-income borrower exceeded the percentage of low- and moderate-income households in the Waco MSA AA.

### **Responses to Complaints**

There were no CRA related complaints received by the bank during the evaluation period.

### **Conclusions for Area Receiving a Limited Scope Review**

Based on a limited-scope review, the bank's performance under the Lending Test in the McLennan County AA was consistent with the bank's overall performance under the Lending Test in the full scope areas.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed:</b>	1/01/2022 to 12/31/2024	
<b>Bank Products Reviewed:</b>	Home mortgage and consumer loans.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>State -Texas</b>		
Brazo County AA	Full-scope	Entire county of Brazo
McLennan County AA	Limited Scope	Partial McLennan County including some of the county’s CTs located in Waco MSA
Waco MSA AA	Full-scope	Entire County of Brazos and part of McLennan County.

## Appendix B: Summary of MMSA and State Ratings

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RATINGS	
Overall Bank:	Lending Test Rating
First National Bank of Bosque County	Outstanding
MMSA or State:	
Texas	Outstanding

## Appendix C: Definitions and Common Abbreviations

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

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

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

**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 CD loans and qualified investments, branch distribution, and CD services).

**Low-Income:** Individual income that is at less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

**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/AA.

**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.

**Multistate Metropolitan Statistical Area (MMSA):** 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.

**Prior Period Investments:** Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

**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 multistate 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 multistate metropolitan statistical area, the institution will receive a rating for the multistate 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.

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

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/AA. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

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

- Table 7. 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 8. 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/AA. The table also presents aggregate peer data for the years the data is available.
- Table 13. 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 14. 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/AA.

Table 7a: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022 - 2023
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	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
Bosque County AA	59	5,815	84.29	692	--	--	--	--	--	--	77.64	72.88	80.20	22.36	27.12	19.80	--	--	--
McLennan County AA	11	2,707	15.71	1,533	--	--	--	--	--	--	8.11	18.18	6.98	91.89	81.82	93.02	--	--	--
<b>Total</b>	<b>70</b>	<b>8,521</b>	<b>100.00</b>	<b>2,225</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>40.16</b>	<b>64.29</b>	<b>29.75</b>	<b>59.84</b>	<b>35.71</b>	<b>70.25</b>	<b>--</b>	<b>--</b>	<b>--</b>
Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2022, 2023 HMDA Aggregate Data, "--" data not available.																			
Due to rounding, totals may not equal 100.0%																			

Table 7b: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2024
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	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
Waco MSA 2024	25	4,833	100.00	--	--	--	--	--	--	--	40.16	60.00	--	59.84	40.00	--	--	--	--
<b>Total</b>	<b>25</b>	<b>4,833</b>	<b>100.00</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>40.16</b>	<b>60.00</b>	<b>--</b>	<b>59.84</b>	<b>40.00</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, -- HMDA Aggregate Data, "--" data not available.																			
Due to rounding, totals may not equal 100.0%																			

Table 8a: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																		2022 - 2023	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate
2023 Bosque County AA	59	5,815	84.29	692	17.40	11.86	4.62	16.03	16.95	14.02	21.73	25.42	18.35	44.84	40.68	44.22	--	5.08	18.79
2023 McLennan County AA	11	2,707	15.71	1,533	9.42	--	2.09	12.15	18.18	8.81	16.18	9.09	21.00	62.25	72.73	50.55	--	--	17.55
Total	70	8,521	100.00	2,225	13.02	10.00	2.88	13.91	17.14	10.43	18.69	22.86	20.18	54.38	45.71	48.58	--	4.29	17.93
Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2022, 2023 HMDA Aggregate Data, "--" data not available.																			
Due to rounding, totals may not equal 100.0%																			

Table 8b: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2024
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate
Waco MSA 2024	254	833	100.00	--	13.93	12.00	--	13.91	8.00	--	18.62	12.00	--	53.54	52.00	--	--	16.00	--
Total	254	833	100.00	--	13.93	12.00	--	13.91	8.00	--	18.62	12.00	--	53.54	52.00	--	--	16.00	--
Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, -- HMDA Aggregate Data, "--" data not available.																			
Due to rounding, totals may not equal 100.0%																			

Table 13a: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2022 - 2023
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
2023 Bosque County AA	20	79,961	50.00	--	--	--	--	78.97	75.00	21.03	25.00	--	--
2023 McLennan County AA	20	180,585	50.00	--	--	--	--	19.95	25.00	80.05	75.00	--	--
<b>Total</b>	<b>40</b>	<b>260,546</b>	<b>100.00</b>	--	--	--	--	<b>46.90</b>	<b>50.00</b>	<b>53.10</b>	<b>50.00</b>	--	--
Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data. Due to rounding, totals may not equal 100.0%													

Table 13b: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2024
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Waco MSA 2024	20	214,728	100.00	--	--	--	--	46.90	45.00	53.10	55.00	--	--
<b>Total</b>	<b>20</b>	<b>214,278</b>	<b>100.00</b>	--	--	--	--	<b>46.90</b>	<b>45.00</b>	<b>53.10</b>	<b>55.00</b>	--	--
Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data. Due to rounding, totals may not equal 100.0%													

Table 14a: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2022 - 2023
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Total Number	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
2023 Bosque County AA	20	79,961	50.00	17.89	20.00	17.44	20.00	18.06	25.00	46.62	35.00	--	--
2023 McLennan County AA	20	180,585	50.00	14.69	50.00	10.41	30.00	12.53	10.00	62.37	10.00	--	--
<b>Total</b>	<b>40</b>	<b>260,546</b>	<b>100.00</b>	<b>16.15</b>	<b>35.00</b>	<b>13.62</b>	<b>25.00</b>	<b>15.06</b>	<b>17.5</b>	<b>55.17</b>	<b>22.50</b>	<b>--</b>	<b>--</b>
Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0%													

Table 14b: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2024
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Total Number	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Waco MSA 2024	20	214,728	100.00	16.24	20.00	13.66	30.00	15.11	20.00	54.98	30.00	--	--
<b>Total</b>	<b>20</b>	<b>214,728</b>	<b>100.00</b>	<b>16.24</b>	<b>20.00</b>	<b>13.66</b>	<b>30.00</b>	<b>15.11</b>	<b>20.00</b>	<b>54.98</b>	<b>30.00</b>	<b>--</b>	<b>--</b>
Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0%													