



**PUBLIC DISCLOSURE**

November 12, 2019

**COMMUNITY REINVESTMENT ACT  
PERFORMANCE EVALUATION**

First National Bank of Clarksdale  
Charter Number 15284

402 East Second Street  
Clarksdale, MS 38614

Office of the Comptroller of the Currency

Victory Building 1401 West Capitol Avenue, Suite 350  
Little Rock, AR 72201

**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 (LMI) neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## Overall CRA Rating

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

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

**The community development test is rated:** Satisfactory.

The major factors that support this rating include:

- The lending test rating is based on the two full-scope assessment areas (AA) in the state of Mississippi.
- The loan-to-deposit (LTD) ratio is reasonable.
- A majority of loans originated inside the bank's AAs.
- The geographic distribution of loans reflects reasonable distribution throughout the bank's AAs.
- The distribution of loans to farms and businesses of different sizes reflects reasonable distribution.
- Community development (CD) activities, including lending, investments, donations, and services, reflect adequate responsiveness to the needs of the bank's AAs.

### Loan-to-Deposit Ratio

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

First National Bank of Clarksdale's (FNBC) quarterly LTD ratio since the previous CRA Performance Evaluation (CRA PE) averaged 72.77 percent for 12 consecutive quarters. We compared the bank's LTD ratio to three similarly situated banks in their market area. The aggregate average LTD ratio for the competing banks was 74.28 percent, with a low average of 63.53 percent and high average of 89.97 percent.

### Lending in Assessment Area

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

The bank's ratio of lending within the AAs is reasonable. The bank originated and purchased 68.9 percent of its total loans by number and 71.7 percent of the total dollar volume inside the bank's 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. In determining the overall geographic distribution of lending by income level, we omitted the 37 loans deemed outside the AAs and added 27 loans deemed in the AAs. See the chart on the following page for more information.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Farm	28	70.0	12	30.0	40	11,685,9	79.5	3,019,37	20.5	14,705,35
Small Business	52	68.4	24	31.6	79	7,926,63	62.6	4,737,43	37.4	12,664,07
Total	80	68.9	36	31.1	119	19,612,6	71.7	7,756,80	28.3	27,369,43

## Description of Institution

First National Bank of Clarksdale (FNBC) is a \$353 million community bank headquartered in Clarksdale, Mississippi. As of September 30, 2019, FNBC had gross loans of \$219 million, or 62.24 percent of total assets. FNBC is wholly owned by First Valley National Corporation, a one-bank holding company.

FNBC has one rating area, the state of Mississippi, with two AAs consisting of Coahoma and Lafayette counties. The bank operates five branches within the AAs. The main office and two branches are in Clarksdale, MS, and two branches are in Oxford, MS, operating as the Bank of Oxford. While all offices are full-service, most lending activity is conducted through the main office in Clarksdale and the two branches in Oxford. The bank offers a full range of loan and deposit products, services, and maintains five automated teller machine (ATM) locations. All branches are located within the state of Mississippi. Deposits totaled \$296 million, and 90.90 percent of deposits were in Coahoma County as of June 30, 2019.

The bank's primary focus is agriculture lending in Coahoma County; and commercial real estate (CRE) and construction and land development (C&D) in Lafayette County in addition to other loan and deposit products to meet the needs of the communities. As of September 30, 2019, the loan portfolio consisted of 24.49 percent agricultural loans; 18.51 percent C&D loans; 13.72 percent CRE / small business loans; and 12.94 percent 1-4 family residential loans. The majority of the 1-4 family residential portfolio is non-owner occupied and considered commercial/small business.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AAs. FNBC's prior CRA PE, dated October 31, 2016, rated the institution "Satisfactory".

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We completed a full-scope review of FNBC's CRA activities in its AAs under the Intermediate Small Bank CRA procedures, which includes the Lending Test and the CD Test. The Lending Test evaluates the bank's record of meeting the credit needs of its AAs through its lending activities. The CD Test evaluates the bank's responsiveness to the CD needs in its AAs through qualified CD lending, investments and donations, and services.

Conclusions regarding the Lending Test are based on samples of small business loans (including 1-4 family real estate) for both AAs, agricultural loans for Coahoma County, and C&D loans for Lafayette County. A sample of 20 loans for each loan product in each AA originated from January 1, 2017, through

December 30, 2018, were selected for testing. Loans originated in 2016 were included in the prior PE. Conclusions regarding the CD test are based on the bank's CD activities since the prior CRA exam.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more of its AAs within that state was selected for a full-scope review. For this evaluation, that included only the state of Mississippi. For purposes of this evaluation, bank delineated non-metropolitan statistical area (MSA) AAs within the same state were not combined and were evaluated as individual areas. 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.

FNBC does not operate in any multi-state AAs. FNBC designated two AAs - Coahoma County, MS and Lafayette County, MS. FNBC is not a Home Mortgage Disclosure Act (HMDA) reporting institution, and consumer residential real estate loans are not a primary loan product. To assess the bank's performance under the Lending Test, examiners reviewed a sample of small business loans (including 1-4 family real estate) for both AAs, agricultural loans for Coahoma County, and C&D loans for Lafayette County.

The state ratings are based on performance in all bank AAs. Refer to the "Scope" section under the State Rating section for detail regarding how the areas were weighted in arriving at the respective ratings.

### **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

## State Rating

### State of Mississippi

**CRA rating for the State of Mississippi:** Satisfactory.

**The Lending Test is rated: Satisfactory.**

**The Community Development Test is rated: Satisfactory.**

The major factors that support this rating include:

- The geographic distribution of loans reflects reasonable distribution throughout the AAs.
- The distribution of loans to farms and businesses of different sizes is reasonable.
- CD lending reflects adequate responsiveness to the needs of the bank's AAs.
- CD investments reflect adequate responsiveness to the needs of the bank's AAs.
- CD services reflect adequate responsiveness to the needs of the bank's AAs.

### Description of Institution's Operations in Mississippi

The bank operates five branches in two AAs in the state of Mississippi. The bank's primary focus overall is agricultural lending, although they offer a variety of loan and deposit products to meet the needs of the community. Due to differences in the primary products in each AA, we analyzed different loan products for each AA. In the Coahoma County AA, we reviewed agricultural and small business loans including 1-4 family real estate. In the Lafayette County AA, we reviewed C&D loans and small business loans including 1-4 family real estate.

#### Coahoma County AA

Coahoma County is located in the delta region of Mississippi, and the county seat is Clarksdale. According to the 2010 Census, the total population of the AA was 26,151. The AA includes seven census tracts (CTs). 2010 census data showed no low income CTs, six moderate income CTs, no middle income CTs, and one upper income CT. Based on changes to census tracts in 2017, currently there are no low income CTs, four moderate income CTs, two middle income CTs, and one upper income CT. The AA is appropriate given the bank's branch system; includes only whole CTs; and does not arbitrarily exclude any low or moderate income CTs.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: FNB of Clarksdale Coahoma</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	7	0.0	57.1	28.6	14.3	0.0
Population by Geography	25,254	0.0	61.4	23.6	15.0	0.0
Housing Units by Geography	10,747	0.0	62.9	22.1	15.0	0.0
Owner-Occupied Units by Geography	4,884	0.0	54.0	28.0	18.1	0.0
Occupied Rental Units by Geography	4,476	0.0	71.7	17.1	11.2	0.0
Vacant Units by Geography	1,387	0.0	66.1	17.4	16.4	0.0
Businesses by Geography	1,499	0.0	63.8	22.6	13.5	0.0
Farms by Geography	218	0.0	28.0	67.0	5.0	0.0
Family Distribution by Income Level	6,248	34.7	16.2	16.9	32.3	0.0
Household Distribution by Income Level	9,360	33.9	14.5	16.3	35.2	0.0
Median Family Income Non-MSAs - MS		\$43,702	Median Housing Value			\$63,002
			Median Gross Rent			\$527
			Families Below Poverty Level			29.1%
<i>Source: 2015 ACS Census and 2018 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Economic conditions in the AA are depressed with 34.80 percent of households below the poverty level. Other income demographic data indicates 14.04 percent of individuals are retired and 32.47 percent receive Social Security benefits. The unemployment rate for Coahoma County is 7.80 percent. This indicates that many residents have fixed and/or limited incomes, reducing lending opportunities and demand for consumer credit within the AA. In addition, 15.40 percent of the population of the AA is over the age of 65. This demographic group generally does not have a high demand for credit.

Major industries in the county include agriculture, services, and retail trade. Agriculture remains a significant portion of the local economy, making up 11.72 percent of businesses within the AA. The retail or services industry makes up an additional 43.02 percent of businesses within the AA.

Banking competition within the AA is moderate. There are currently six banks operating in FNBC's primary AA: two locally based community banks; one Alabama based community bank (CB&S Bank); one Arkansas based community bank with operations throughout Arkansas and Mississippi (Southern Bancorp Bank); one Texas based community bank (Woodforest National Bank); and one regional bank (Regions Bank.) Although competition is moderate, FNBC has the majority of the county's deposit market share at 54.59 percent.

We consulted one community contact in the AA to better understand the general credit and community development needs as well as local economic conditions. The contact stated the area has a vast array of community development needs, including affordable housing, small business, and transportation. The contact indicated the area experienced severe economic impact causing the loss of healthcare facilities and grocery stores. The area is considered a food desert after losing grocery stores Kroger and Piggly Wiggly, leaving only Walmart.

Lafayette County AA

Lafayette County is located in Mississippi with the city of Oxford as the county seat. According to the 2010 census, the total population of the AA was 47,251. The 2018 census estimated a population of 54,793. Lafayette County includes 10 CTs. In 2016, there were no low income CTs, one moderate income CT, one middle income CT (which is designated as distressed), and eight upper income CTs. Updated CT data for 2017 and 2018 reflects no low and moderate income CTs, two middle income CTs (all of which are designated as distressed), six upper income CTs, and one unknown income CT. The AA is appropriate given the bank's branch system; includes only whole CTs; and does not arbitrarily exclude any low or moderate income CTs.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: FNB of Clarksdale Lafayette</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	10	0.0	0.0	30.0	60.0	10.0
Population by Geography	51,169	0.0	0.0	26.1	61.2	12.7
Housing Units by Geography	23,524	0.0	0.0	30.5	65.4	4.1
Owner-Occupied Units by Geography	10,351	0.0	0.0	29.7	69.8	0.5
Occupied Rental Units by Geography	6,983	0.0	0.0	26.1	66.0	7.9
Vacant Units by Geography	6,190	0.0	0.0	36.8	57.3	5.9
Businesses by Geography	3,040	0.0	0.0	31.3	63.3	5.3
Farms by Geography	86	0.0	0.0	27.9	68.6	3.5
Family Distribution by Income Level	10,343	15.6	9.7	16.3	58.3	0.0
Household Distribution by Income Level	17,334	24.9	10.8	11.8	52.5	0.0
Median Family Income Non-MSAs - MS		\$43,702	Median Housing Value			\$171,722
			Median Gross Rent			\$822
			Families Below Poverty Level			12.6%
<i>Source: 2015 ACS Census and 2018 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(* The NA category consists of geographies that have not been assigned an income classification.</i>						

Lafayette County's local economy is robust with growth largely driven by the University of Mississippi. Major employers in Lafayette County are primarily situated in education, medial, and manufacturing services and include the University of Mississippi, Olin Corporation, North Mississippi Regional Medical Center, and Baptist Memorial Hospital. A majority of Lafayette County residents are between the ages of 20 and 29.

Economic conditions in the AA reflect 25.3 percent of the population below the poverty level. Other income demographic data indicates that the median household income is \$47,899 and 4,310 residents are receiving supplemental nutrition assistance program benefits. As of December 31, 2018, the unemployment rate for Lafayette County was 3.70 percent.

Banking competition within the Lafayette County AA is high. There are currently 13 banks operating in Lafayette County: seven Mississippi based community banks; two community banks based out of Louisiana and Texas (Origin Bank and Woodforest National Bank); and four regional banks (Regions Bank, BancorpSouth, Renasant Bank, and Trustmark National Bank). Due to the high level of competition, FNBC has a small amount of deposit market share at 2.69 percent.

We consulted one community contact in the AA to better understand the general credit and community development needs as well as local economic conditions. The contact stated that the area has very strong economic conditions with significant growth in 2016. General banking and credit needs include affordable housing.

## **Scope of Evaluation in Mississippi**

Both Coahoma County AA and Lafayette County AA received full-scope reviews. No limited-scope reviews were conducted. Non-MSA AAs within the same state were not combined for this review due to the inconsistency in income demographics. Refer to the table in appendix A for a list of all AAs under review.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN Mississippi**

### **LENDING TEST**

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

Based on a full-scope review, the bank's performance in Mississippi is reasonable.

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

The bank exhibits reasonable geographic distribution of loans in the state. Overall, the geographic distribution of small loans to businesses, including 1-4 family real estate, and small farms is reasonable given performance context.

#### ***Small Loans to Businesses***

Refer to table Q of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of loans to small businesses by income category for 2017-2018 reflects reasonable distribution in both AAs. FNBC's lending in moderate income tracts within Coahoma County is slightly lower than the aggregate percentage of small businesses located within the tract. There were no low-income tracts in either Coahoma or Lafayette County and no moderate-income tracts in Lafayette County in 2017-2018. As such, the distribution of loans to small businesses are skewed towards the middle- and upper-income tracts.

#### ***Small Loans to Farms***

Refer to table S of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to farms.

There are no low-income tracts and five moderate-income tracts in the Coahoma County AA. The bank's dispersion of loans to small farms in the Coahoma County AA is reasonable and meets the standard for satisfactory performance. The bank's percentage of loans was somewhat lower than the percentage of aggregate distribution in these geographies. Many smaller farms qualify for financing through government guaranteed lending programs or through the Farm Credit System at very competitive terms. Examiners did not analyze small loans to farms within the Lafayette County AA given it is not a primary product in that AA.

More weight was given on the geographic distribution of loans in the Coahoma County AA as there are no low or moderate-income tracts in the Lafayette County AA.

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

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

#### ***Small Loans to Businesses***

Refer to table R of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The borrower distribution of small loans to businesses within both the Coahoma County and Lafayette County AAs reflects reasonable distribution in 2017-2018. FNBC's percent of loans to businesses with revenues less than \$1 million is near the percent of identified small businesses in the Coahoma County AA for 2017-2018 and somewhat near the percentage of identified small businesses in the Lafayette County AA for the same time.

#### ***Small Loans to Farms***

Refer to table T of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to farms.

Based on the data in table T, the borrower distribution of small farm loans in the AA reflects excellent distribution and meets the standard for outstanding performance. In 2017 and 2018, the bank's percentage of loans to small farms exceeded the aggregate percentage of lending in the AA.

More weight was given to the distribution of loans to farms in Coahoma County as Lafayette County has significantly less opportunities to originate farm loans.

### **Responses to Complaints**

FNBC received no CRA related complaints during the evaluation period.

## **COMMUNITY DEVELOPMENT TEST**

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

Based on a full-scope the review, the bank exhibits adequate responsiveness to CD needs in the AAs through CD loans, qualified investments, and services, as appropriate, considering the bank's capacity and the need and availability of such opportunities in the bank's AAs.

### **Number and Amount of Community Development Loans**

The bank's level of CD lending demonstrates satisfactory responsiveness to the CD needs within its AAs.

#### Coahoma County AA

During the evaluation period, the bank originated or renewed seven CD loans totaling \$761 thousand in the Coahoma County AA. These loans included four loans and one commitment totaling \$710 thousand for community services and two loans totaling \$51 thousand to revitalize and stabilize designated areas within the AA.

Significant loans include a \$522 thousand commitment to the Coahoma County Utility District #2 Water System for improvement to rural water systems within the AA. Notably, FNBC bid on a \$4.95 million bond issue for the Coahoma County School District. The school district chose a larger institution offering longer terms.

#### Lafayette County AA

During the evaluation period, the bank originated or renewed two CD loans totaling \$180 thousand in the Lafayette County AA. Loan proceeds from both transactions financed affordable housing in the AA. Notably, CD lending in this AA increased from no CD loan originations at the prior evaluation.

### **Number and Amount of Qualified Investments**

The bank's level of CD qualified investments and donations demonstrates adequate responsiveness to the needs of its AAs given performance context.

FNBC committed \$1 million, of which \$776 thousand is funded, to Pharos Capital Group, LLC. Pharos Capital invests in medical and assisted living facilities within the bank's AAs. In addition, Pharos Capital focuses on undercapitalized business in underserved regions. FNBC funded \$347 thousand to a small business investment company (SBIC) program, Caltius Partners. This entity invests in qualifying businesses throughout a broader region that includes the bank's AAs. There are a limited number of qualified investments available, and it is often difficult for small community banks to compete with the large nationwide and regional banks in the AAs.

The bank made 39 donations totaling \$43 thousand to qualified organizations in the Coahoma County AA and two donations totaling \$3 thousand to qualified organizations in the Lafayette County AA.

### **Extent to Which the Bank Provides Community Development Services**

The bank provides an adequate level of CD services with its AAs. A bank employee serves as bookkeeper for an organization that provides meals and services to low-income individuals and elderly in the community. In addition, several bank employees participated in a program to teach and promote financial literacy and money management skills at schools in the AA that primarily service LMI students.

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

<b>Time Period Reviewed</b>	Lending Test – January 1, 2017 through December 31, 2018 Community Development Test – September 30, 2016 through December 31, 2018	
<b>Bank Products Reviewed</b>	Small business, small farm, community development loans, qualified investments, and services	
<b>Affiliates</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Not Applicable	Not Applicable	Not Applicable
<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>Mississippi</b>		
Coahoma County	Full Scope	Entire county, all census tracts
Lafayette County	Full Scope	Entire county, all census tracts

## Appendix B: Summary of State Ratings

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RATINGS First National Bank of Clarksdale			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
First National Bank of Clarksdale	Satisfactory	Satisfactory	Satisfactory
State:			
Mississippi	Satisfactory	Satisfactory	Satisfactory

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

## 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 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/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.

**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 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

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas (MMSA), 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 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/AA. The table also presents aggregate peer data for the years the data is available.

**Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s AA.

**Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

**Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the

data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's AA.

- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/AA.

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>												<b>2017-18</b>	
Assessment Area:	Total Loans to Small Businesses (000s)			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available- Income Tracts	
	#	\$	% of Total	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Coahoma AA	40	2,277	36.7	0.0	0.0	63.8	30.0	22.6	52.5	13.5	17.5	0.0	0.0
Lafayette AA	69	12,607	63.3	0.0	0.0	0.0	0.0	31.3	10.1	63.3	88.41	5.3	1.45
<b>Total</b>	<b>109</b>	<b>14,884</b>	<b>100.0</b>	<b>0.0</b>	<b>0.0</b>	<b>21.1</b>	<b>11.0</b>	<b>28.5</b>	<b>25.7</b>	<b>46.9</b>	<b>62.4</b>	<b>3.6</b>	<b>0.9</b>

*Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2017-18</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Coahoma AA	40	2,277	15.2	227	78.7	70.0	39.2	5.3	7.5	16.0	22.5	
Lafayette AA	69	12,724	84.8	818	81.2	56.6	54.5	4.8	13.0	14.0	30.4	
<b>Total</b>	<b>109</b>	<b>15,000</b>	<b>100.0</b>	<b>1,045</b>	<b>80.3</b>	<b>61.5</b>	<b>51.2</b>	<b>5.0</b>	<b>11.0</b>	<b>14.7</b>	<b>27.5</b>	

*Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0*

<b>Table S: Assessment Area Distribution of Loans to Farms by Income Category of the Geography</b>												<b>2017-18</b>	
Assessment Area:	Total Loans to Farms			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available- Income Tracts	
	#	\$	% of Total	% Farms	% Bank Loans	% Farms	% Bank Loans	% Farms	% Bank Loans	% Farms	% Bank Loans	% Farms	% Bank Loans
Coahoma AA	37	16,057	100.0	0.0	0.00	28.0	8.1	67.0	91.9	5.0	0.0	0.0	0.0
Lafayette AA	0	0	0.0	0.0	0.0	0.0	0.0	27.9	0.0	68.6	0.0	3.5	0.0
<b>Total</b>	<b>37</b>	<b>16,057</b>	<b>100</b>	<b>0.0</b>	<b>0.0</b>	<b>20.1</b>	<b>8.1</b>	<b>55.9</b>	<b>91.9</b>	<b>23.0</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>

*Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0*

<b>Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues</b>											<b>2017-18</b>	
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans	
Coahoma AA	37	16,057	100	58	93.6	70.3	24.1	5.0	29.7	1.4	0.00	
Lafayette AA	0	0	0.0	21	94.2	0.0	61.9	2.3	0.0	3.5	0.0	
<b>Total</b>	<b>52</b>	<b>16,057</b>	<b>100</b>	<b>79</b>	<b>93.8</b>	<b>70.3</b>	<b>34.2</b>	<b>4.3</b>	<b>29.7</b>	<b>2.0</b>	<b>0.0</b>	

*Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0*