



PUBLIC DISCLOSURE

February 22, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Huntington Federal Savings Bank
Charter Number 700470

1049 5th Ave
Huntington, West Virginia 25701-2202

Office of the Comptroller of the Currency

4419 Pheasant Ridge Road, Suite 300
Roanoke, Virginia 24014

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

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Overall CRA Rating

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

The lending test is rated: Satisfactory.

The community development test is rated: Satisfactory.

The major factors that support this rating include:

- The Lending Test rating is based on Huntington Federal Savings Bank's (HFSB or bank) record of performance in meeting the credit needs of the assessment area (AA) during the evaluation period through its lending activities.
- Considering the bank's size, financial condition, and credit needs of the AA, the bank's loan-to-deposit (LTD) ratio is reasonable.
- A substantial majority of the bank's loans are inside the bank's AA.
- The overall geographic distribution of loans reflects reasonable dispersion in low- and moderate-income census tracts.
- The overall borrower distribution of loans by income level of the borrower reflects reasonable penetration of borrowers of different income levels.
- The Community Development (CD) Test rating is based on HFSB's record of performance in meeting the needs of the AA during the evaluation period through its community development activities.
- Overall, the institution exhibits reasonable responsiveness to the needs of its delineated AA through its community development activities.

Loan-to-Deposit Ratio

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

The institution's LTD ratio meets the standards for satisfactory performance. The bank's quarterly average LTD ratio for the fifteen consecutive quarters (March 31, 2018, to September 30, 2021) since the previous CRA Examination is 50.04 percent. The bank's quarterly average LTD ratios ranged from a quarterly high of 55.67 percent at September 30, 2021, to a quarterly low of 47.57 percent at March 31, 2018. This is below the quarterly average net LTD ratio of 80.29 percent for local competitor banks in the AA during the same period. However, the difference is reasonable considering the bank's performance context. The LTD for competitor banks ranged from an average high of 94.96 percent, to an average low of 50.85 percent over the same period.

HFSB does not have similarly situated local competitor banks in the AA to which we can compare its performance. The bank's largest competitors in the Huntington MA and their respective average quarterly LTD ratios were City National Bank of West Virginia, with 83.85 percent; Truist Bank with 80.63 percent; Putnam County Bank with 63.76 percent; and JP Morgan Chase Bank, National Association with 50.85 percent. These banks collectively hold 51.82 percent of the deposit market share in the Huntington AA. These competitors have substantially greater resources and lending limits and offer banking services that HFSB does not provide.

Lending in Assessment Area

A substantial majority of the bank's loans are inside its assessment area (AA).

The bank originated and purchased 97.6 percent of its total loans 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. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of the census tract.

Table D - Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2018	272	97.5	7	2.5	279	37,819	95.6	1,723	4.4	39,542
2019	214	98.2	4	1.8	218	31,583	98.2	572	1.8	32,155
2020	301	97.4	8	2.6	309	44,967	95.5	2,140	4.5	47,107
Subtotal	787	97.6	19	2.4	806	114,370	96.3	4,435	3.7	118,804
Total	787	97.6	19	2.4	806	114,370	96.3	4,435	3.7	118,804

Source: Bank Data Due to rounding, totals may not equal 100.0%

Description of Institution

Huntington Federal Savings Bank (HFSB or bank) was established in 1929 as a federally chartered, mutual thrift institution headquartered in Huntington, West Virginia. HFSB had total assets of \$553 million as of December 31, 2020. HFSB is an intrastate institution with five office locations and five automated teller machines (ATMs) serving three counties in West Virginia (Cabell, Putnam, and Wayne), and seven census tracts (CTs) in southern Lawrence County, Ohio. HFSB's main office and two branches are located in Cabell County with one additional branch each in Wayne and Putnam County.

The main office is located in a low-income geography in Cabell County. The Huntington Mall branch is located in an upper-income geography and the East Hills branch is located in a middle-income geography in Cabell County. The Camden Road branch is located in a moderate-income geography in Wayne County. The Putnam Village branch is located in an upper-income geography in Putnam County. The bank did not open any new branches or close any existing branches.

HFSB offers a variety of deposit and loan products to meet consumer, mortgage, and business banking needs. Banking services are standard, with the addition of 24-hour telephone banking, on-line banking and bill payment services, and mobile banking. HFSB operates five full-service offices with traditional business hours. Each full-service office offers traditional deposit and loan products and services. Drive-up banking window facilities are available at the main office and three branches, and anytime ATM service is available at all locations. HFSB's website

(<http://www.huntingtonfederal.com>) contains detailed information regarding products and services for both consumers and businesses, bank locations, and hours of operation.

Table 1 below lists HFSB's branch locations, geographic income classification, and hours of operation as of December 31, 2020.

Huntington FSB Branch Locations*				
Branch (City)	County	Geographic Income Level	Lobby Hours	Drive thru and Walk-up Hours
Main Office (Huntington)	Cabell	Low	Mon-Thurs 9AM to 3PM Fri 9AM to 5PM Sat Closed	Mon-Fri 8AM to 6PM Sat 8AM to 3PM
East Hills (Huntington)	Cabell	Middle	Mon-Thurs 9AM to 4PM Fri 9AM to 6PM Sat Closed	Mon-Thurs 9AM to 4PM Fri 9AM to 6PM Sat 8AM to Noon
Camden Road (Huntington)	Wayne	Moderate	Mon-Thurs 9AM to 4PM Fri 9AM to 6 PM Sat Closed	Mon-Thurs 9AM to 4PM Fri 9AM to 6 PM Sat 8AM to Noon
Huntington Mall (Barboursville)	Cabell	Upper	Mon-Thurs 9AM to 4PM Fri 9AM to 6PM Sat Closed	Mon-Thurs 9AM to 4PM Fri 9AM to 6PM Sat 8AM to Noon
Putnam Village (Teays)	Putnam	Upper	Mon-Thurs 9AM to 4PM Fri 9AM to 6PM Sat Closed	Mon-Thurs 9AM to 4PM Fri 9AM to 6PM Sat 8AM to Noon

*Data obtained from HFSB's branch hours of operation listed at the Bank's website: www.huntingtonbank.com.

HFSB's primary focus is on retail banking and attracts deposits from the public through its branch network. HFSB uses these funds for the origination of mortgage loans secured by one- to four-family residential real estate and, to a lesser extent, mortgage loans secured by nonresidential and multifamily real estate.

As of December 31, 2020, Tier 1 Capital was \$91.5 million. HFSB's gross loans as of December 31, 2020, totaled \$232 million, or 41.93 percent of total assets. Total deposits were \$461 million or 83.34 percent of total assets. Table 2 below depicts the loan portfolio by loan product as of December 31, 2020.

Table 2 – Distribution of Loan Portfolio*		
TYPE OF LOAN	Balance Outstanding (000's)	% of Total Loans
1-4 Family Residential	199,344	85.96
Multi-family Residential	17,251	7.44
Non –Farm/Non-Residential	12,210	5.26
Construction & Land Development	1,897	0.82
Loans to Individuals	1,489	0.64
Commercial and Industrial	0	0.00
Other	20	0.01
Total Gross Loans	232,211	100.13
Less unearned income on loans	(309)	(0.13)
Total loans held for investment	231,902	100.00

*Data obtained from Consolidated Reports of Condition and Income for a bank with Domestic Offices Only – FFIEC 041 as of December 31, 2020.

There are no legal, financial, or other factors impeding HFSB's ability to help meet the credit needs in its AA. HFSB received a "Satisfactory" rating on its January 7, 2019, CRA Performance Evaluation.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated HFSB using the Intermediate Small Bank examination procedures, which includes a lending and CD test. The lending test evaluates the institution's record of meeting the credit needs of its AA through its lending activities. The CD test evaluates the institution's responsiveness to CD needs in its AA through CD lending, services, and qualified investments. The evaluation period under the Lending Test and the CD Test covers the institution's performance from January 1, 2018, through December 31, 2020. As the institution's business strategy and lending products did not significantly change since the prior evaluation, we concluded that this period was representative of the bank's performance.

The bank's primary loan product, based on originations during the evaluation period, is residential mortgages. HFSB originated 787 mortgage loans during the evaluation period. We excluded business loans and small loans to farms because HFSB made a minimal number of these loans. Demographic information was extracted from the 2015 ACS Census data, and peer data was taken from the 2020 aggregate HMDA information for HMDA reporting financial institutions that reported lending activity within the AA.

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 metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope.

Refer to the "Scope" section 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.

A full-scope review was completed for HFSB's one AA, which includes the counties of Cabell, Putnam, and Wayne in West Virginia, and seven census tracts in Lawrence County, Ohio. The AA is located in the Huntington-Ashland, WV-KY-OH MSA (25860).

Ratings

The bank's overall rating is based on performance in the bank's one AA within the Huntington-Ashland, WV-KY-OH MMSA. 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) or 195.28(c), respectively, in determining a national banks or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

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

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

Multistate Metropolitan Statistical Area Rating

Huntington-Ashland, WV-KY-OH MSA

CRA rating for the Huntington-Ashland, WV-KY-OH MSA¹: Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors that support this rating include:

- The bank exhibits reasonable geographic distribution of loans in the MMSA.
- The bank exhibits reasonable distribution of loans to individuals of different income levels.
- Based on a full-scope review, the bank exhibits reasonable responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

Description of Institution's Operations in Huntington-Ashland, WV-KY-OH MSA

HFSB originated 787 loans by count and \$114.3 million by dollar volume in the AA during the evaluation period. This represented 97.8 percent by count and 96.3 percent by total dollar volume of total loans originated during the evaluation period. Competition for mortgage loans is strong and includes local commercial and savings banks, branches of larger regional and nationwide banks, and national mortgage lenders. Based on the most recent 2020 Peer Mortgage Data, there were 209 lending institutions within the AA competing for mortgage applications. HFSB ranked fifth, with a market share of 4.55 percent by count and a 3.84 percent by total dollar amount. The top four lenders, with combined market share of 26.03 percent by count and 24.60 percent by total dollar amount, are City National Bank of West Virginia, Quicken Loans, LLC, Movement Mortgage, LLC, and Primelending, A PlainsCapital.

A significant level of competition exists within the AA. A review of the June 30, 2020, Federal Deposit Insurance Corporation (FDIC) Summary of Deposits Market Share Report for Cabell, Putnam, and Wayne County, West Virginia and southern Lawrence County, Ohio within the Huntington Metropolitan Area (MA), indicated there are 67 offices, representing 20 FDIC-insured institutions varying in asset size. HFSB ranked fifth with a deposit market share of 9.96 percent. The top institutions and their respective deposit market share percentages were Truist Bank with 14.62 percent; JP Morgan Chase, National Association with 13.31 percent; City National Bank of West Virginia with 12.52 percent; and Putnam County Bank with 11.37 percent.

¹ *[This rating reflects performance within the MMSA. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.]*

Table A – Demographic Information of the Assessment Area						
Assessment Area: Huntington-Ashland, WV-KY-OH MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	57	8.8	19.3	43.9	26.3	1.8
Population by Geography	228,631	5.2	12.7	53.4	27.5	1.2
Housing Units by Geography	103,986	6.7	13.5	52.7	26.6	0.6
Owner-Occupied Units by Geography	64,661	2.7	11.3	54.9	31.0	0.0
Occupied Rental Units by Geography	26,273	13.8	16.6	47.9	19.8	1.9
Vacant Units by Geography	13,052	11.7	18.1	51.1	18.6	0.6
Businesses by Geography	12,370	11.6	8.9	46.2	32.7	0.7
Farms by Geography	357	3.9	6.7	54.3	35.0	0.0
Family Distribution by Income Level	58,595	21.6	16.1	20.0	42.3	0.0
Household Distribution by Income Level	90,934	26.4	14.9	15.8	42.9	0.0
Median Family Income MSA - 26580 Huntington-Ashland, WV-KY-OH MSA		\$54,584	Median Housing Value			\$114,433
			Median Gross Rent			\$655
			Families Below Poverty Level			12.7%
<i>Source: 2015 ACS and 2020 D&B Data</i>						
<i>Due to rounding, totals may not equal 100.0%</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

HFSB's AA is comprised of Cabell, Putnam, and Wayne County in West Virginia; and seven adjacent census tracts in Lawrence County, Ohio. These counties in West Virginia and census tracts in Ohio are part of the Huntington-Ashland, WV-KY-OH MSA 26580. The Huntington MA also includes the additional nine census tracts in Lawrence County; however, HFSB does not include these nine CTs in the AA as the bank does not originate any loans in this area of Lawrence County. The AA consists of 57 census tracts, of which there are 5 low-income census tracts, 11 moderate-income census tracts, 25 middle-income census tracts, 15 upper-income census tracts, and one that has not been assigned an income classification. The bank has not made any changes to the AA since the previous evaluation. According to the 2015 ACS U.S. Census, the total population for AA was 228,631 and the distribution of families by income level was 21.58 percent low-income, 16.13 percent moderate-income, 19.95 percent middle-income, and 42.34 percent upper income.

Employment and Economic Factors

According to the Bureau of Labor Statistics, the non-seasonally adjusted unemployment rates for Cabell, Putnam, and Wayne County in West Virginia were 6.7, 5.8, and 7.2 percent, respectively, as of December 31, 2020. The unemployment rate for the state of West Virginia was 6.7 percent as of the same date. Lawrence County in Ohio was 4.8 percent as of December 31, 2020, with the state average unemployment rate of 5.6 percent. The national unemployment rate was 6.7 percent as of December 31, 2020. Unemployment rates for the state of West Virginia and the state of Ohio

have decreased from a high of 15.6 percent and 16.4 percent, respectively in April 2020. The high rate in unemployment throughout 2020 was associated with the coronavirus pandemic. The national unemployment rates declined from a high of 14.7 percent as of April 2020.

According to Moody's Analytics (Moody's), the Huntington-Ashland, WV-KY-OH MSA is expected to fully recover by mid-2022, encouraged by private services, including gains in logistics. Healthcare will remain pivotal, but coal's potential downfall combined with poor demographics and few high-wage jobs will be difficult to overcome. The five largest employers in the MSA are King's Daughters Medical Center, Cabell Huntington Hospital, St. Mary's Medical Center, Marshall University, and Marathon Petroleum.

Housing

The Huntington MA provides limited opportunity to lend to LMI geographies within the AA. There are only five low-income geographies and 11 moderate-income geographies located within the 57 census tracts. The majority of the census tracts, 58.89 percent, are in middle- and upper-income geographies. Housing units within the LMI geographies remain low compared to middle- and upper-income geographies. There are 89,320 total housing units in the AA, of which 61.87 percent are owner-occupied, 25.88 percent are rental-occupied, and 12.26 percent are vacant housing units. Housing units in low- or moderate- income geographies represent 15.1 percent and 14.8 percent of total housing units in the AA, compared to 38.7 percent in middle-income geographies and 31.2 percent in upper-income geographies.

Home ownership in LMI geographies may be difficult due to high median housing prices compared to median family income, and high household poverty rates. According to the 2015 ACS US Census, the median house value was \$114,433 and is relatively high for LMI households in the AA. The median family income was \$54,584, which would result in a low-income household annual income of below \$27,292, and a moderate-income household annual income between \$27,292 and \$43,662. These income levels could make it difficult to afford housing at the median housing value in this AA for LMI borrowers. Households below the poverty line make up 46.3 percent of households in low-income geographies and 32.54 percent of households in moderate-income geographies.

Additional factors that may cause homeownership difficulties in LMI geographies include higher median age of housing within LMI geographies compared to middle- and upper- income geographies and a high percentage of renter occupied units in LMI geographies. Renter occupied units in low-income geographies total 52.30 percent of units while owner occupied units make up 25.64 percent of units within the low-income geographies. Moody's reported the homeownership rate is much lower than average. In response to the steady fall in the population for more than a decade, local government is incentivizing builders and first-time buyers with a cost reduction ordinance. However, Moody's stated that this is only a "Band-Aid", as more residents are needed to sustain growth in the metro area's housing stock.

Community Contact

A representative of the OCC performed a community contact with a local community service organization for an assessment of the local market area and the community development needs

that are most needed for low- and moderate-income families and at-risk community. The community contact was a non-profit organization that promotes and advances the health, education, and financial stability of people in the Huntington area. The organization serves Cabell, Lincoln, Mason, and Wayne counties in WV and Lawrence County in OH. The contact indicated that there are opportunities in the area for banks to participate in community development, credit-related projects, and financing programs. The organization is working to implement a financial literacy training program in an effort to reduce poverty in the area. Affordable housing financing is needed to provide affordable and adequate housing, especially for veterans, seniors, and LMI. The contact stated that the small, regional financial institutions in the assessment area are doing a good job of meeting the community's credit needs.

Scope of Evaluation in Huntington-Ashland, WV-KY-OH MSA

The rating for the Huntington MA is based on the full-scope review of the Huntington-Ashland, WV-KY-OH MSA AA. HFSB's branches and ATMs are located within the AA, and a significant portion of the bank's lending and CD activities are centered within the AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN HUNTINGTON-ASHLAND, WV-KY-OH MSA AA

HFSB's performance test conclusion is based on the full-scope review of the bank's AA.

LENDING TEST

The bank's performance under the Lending Test in the Huntington-Ashland, WV-KY-OH MSA AA is rated Satisfactory.

Based on a full-scope review, the bank's performance in the Huntington-Ashland, WV-KY-OH MSA AA is reasonable. The LTD is reasonable and a substantial majority of loans originated inside the bank's AA. The record of lending to borrowers of different income levels reflects reasonable distribution in the AA. The geographic distribution of loans reflects reasonable distribution in the AA.

HFSB originated a minimal number of small businesses, small farm, and consumer loans during the evaluation period; therefore, analysis of loans for these product types is not meaningful and has been omitted from the Public Evaluation.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of home mortgage loans in the MMSA.

Home Mortgage Loans

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

The analysis reflects lending in most tracts and is in line with peer lending. The AA includes 5 low-income CTs and 11 moderate-income CTs, which total 28 percent of the total CTs in HFSB's AA. We compared the bank's lending in low- and moderate-income CTs to aggregate HMDA loans in those CTs, as well as to the percent of owner-occupied housing units (OOHUs) in each income tract category. LMI tracts consist of a large number of rental and vacant units and have a lower volume of OOHUs.

The percent of loans originated in the low-income CTs exceeds the low-income aggregate peer lending data percentage and is near to the percentage of OOHUs, considering the performance context. The small number of low-income CTs in the AA generates few lending opportunities as evidenced by the low aggregate lending percentages. The level of lending in moderate-income CTs exceeds the aggregate peer lending data percentage and is within a reasonable range below the OOHU distribution, despite economic constraints in the AA.

Lending Gap Analysis

We reviewed summary reports and maps detailing HFSB's lending activity over the evaluation period for home mortgage loans to identify any gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

Refer to Table P in the "MMSA" 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.

We compared the bank's level of lending to the percent of families by income level category and to the percent of aggregate HMDA reportable loans. Lending to low-income families is well below the percent of families in the AA. However, the bank's lending exceeds the aggregate HMDA Peer Group lending considering its performance context. Lending to low-income families is limited due to demographic constraints in the AA. The median housing value was \$114,433 per the 2015 ACS US Census data. The median family income was \$54,584 for the AA, which means the maximum income for low-income families (as defined as less than 50.00 percent of the area median family income) is \$27,292. Therefore, low-income borrowers may have difficulty qualifying for home mortgages. Additionally, approximately 13 percent of the AA is below the poverty level and 5.20 percent are unemployed. Peer banks display similar difficulties with lending to low-income families.

The percent of home mortgages made to moderate-income borrowers exceeds the percentage of aggregate lending data and the percent of those families in the moderate-income geographies in the AA.

Responses to Complaints

There were no CRA complaints received by the bank or the agency since the previous evaluation regarding performance in meeting the credit needs of HFSB’s AA.

Community Development Test

The bank’s performance under the Community Development Test in the Huntington-Ashland, WV-KY-OH MSA AA is rated Satisfactory.

Based on a full-scope review, the bank exhibits reasonable responsiveness to community development needs in the MMSA through community development loans, qualified investments, and community development services, as appropriate, considering the bank’s capacity and the need and availability of such opportunities for community development in the bank’s assessment area(s).

Number and Amount of Community Development Loans

Refer to the Community Development Loan table below for the facts and data used to evaluate the bank’s level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000’s)	% of Total \$
Huntington-Ashland WV-KY-OH MSA	8	72.7%	390	16.62%
Broader Statewide/Regional Area	3	27.3%	1,957	83.38%
TOTAL	11	100.0%	2,347	100.0%

The bank continues to participate in the Cabell-Huntington-Wayne Housing Consortium Program managed by the City of Huntington. This program targets LMI first time homebuyers. Federal HOME funds provide down payment assistance after qualified participants complete a home purchase and maintenance program. HFSB provides the first mortgage loan utilizing flexible underwriting criteria. During the review period, HFSB granted eight loans with a total amount of \$390 thousand under this program.

The bank originated the following three loans for the total amount of \$1.957 million in the broader statewide or regional area that has a purpose, mandate, or function to directly benefit the MSA. This community service organization is located within the Huntington-Ashland, WV-KY-OH MSA.

1. A loan for \$997 thousand to purchase property located adjacent to a moderate-income CT to house the women’s health services to LMI families provided by a non-profit organization in the AA.

2. A loan for \$625 thousand to renovate the building located adjacent to a moderate-income CT to expand the women’s health services to LMI families provided by a non-profit organization in the area.
3. A loan for \$335 thousand to fund improvements to renovate retail office building for eight suites (currently configured as three) adjacent to a moderate-income CT to provide sufficient space for women’s health services provided by a non-profit organization in the area.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Huntington-Ashland WV-KY-OH MSA	1	211	0	0	1	20.0%	211	17.54%	1	63
Outside AA	0	0	4	992	4	80.0%	992	82.46%	0	0
TOTAL	1	211	4	992	5	100.0%	1,203	100.0%	1	63

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

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

The Qualified Investment Table, shown above, sets forth the information and data used to evaluate the bank’s level of qualified CD investments. These tables include all CD investment, including prior period investments that remain outstanding as of the examination date.

HFSB, along with seven other local institutions, supports a letter of credit (LOC) used to fund a \$3.5 million tax-free bond issue for a local community service organization. The bond consolidated existing debt and funded expansion of the organization’s facilities adjoining an LMI neighborhood. The expanded facilities are located in a former high school converted into 42 residential units for low-income seniors. The bond also funded expansion of recreation, day care and other services that benefit LMI individuals, families, and geographies. The LOC is renewed annually by JP Morgan Chase Bank. HFSB’s commitment is \$274 thousand annually for the evaluation period. The outstanding balance as of the evaluation date was \$211,111.

HFSB provided \$176,500 in grants and donations to community service organizations in the bank’s AA. The significant dollar amounts were given to the following organizations for the purpose of providing affordable housing and/or services to low- and moderate-income families and support economic development and revitalization/stabilization in the bank’s AA.

- A grant for \$59,500 to support the organization’s four focus areas for LMI families – health, education, financial stability, and basic needs. Services provided by community service organization include meals for hungry people, career/job readiness support, and access to behavioral health services.
- A grant of \$50,000 to an Area Development Council, whose mission is to attract new employers to Cabell and Wayne Counties in West Virginia, to retain existing employers, and to help employers expand their businesses.

- A grant of \$15,000 to the Public Library to fund Re-routing Paths for Homeless, an innovative program to meet the Home4Good goal of Prevention and Diversion.
- \$5,000 to a non-profit organization to fund the building of homes for LMI families in the AA.
- \$3,000 to an organization that provides services to address sexual violence, stalking and dating violence.
- \$2,000 to an organization which enhances lives of adults/children with disabilities. The organization's primary focus is helping children as over 95 percent of the caseload is children.
- \$1,000 to aid the organization to provide food to LMI families in the AA.

HFSB also made donations totaling \$14,400 to support various other charitable and non-profit organizations within the bank's AA.

Outside the AA

In 2019, the bank purchased four certificates of deposit in one minority-owned financial institution, and three low-income credit unions, all are located outside the bank's AA. These CD investments qualify for CRA credit as such activities need not only benefit the bank's AA or the broader statewide or regional area(s) that includes the bank's AA, according to 12 CFR 25.21(f).

Extent to Which the Bank Provides Community Development Services

During the evaluation period, six bank employees provided financial and technical expertise and leadership services to qualifying CD organizations, listed below, serving the AA. The following are the CD services provided by HFSB employees.

- A bank officer provided 50 hours per year of financial and operational expertise through membership in community service organizations that provide child welfare services, temporary housing assistance to LMI families, and promotes economic development in the Huntington area.
- A bank officer spent 22 hours during the evaluation period presenting at Senior Centers in the AA, concerning how to protect senior citizens from identity theft and telephone scams.
- A bank officer provided 20 hours per year of financial and operational expertise as a board member on a community service organization that provides mentorship to at-risk children of LMI families. This bank officer also organized and assisted with fundraising programs, including soliciting and arranging investments for the organization.
- A bank officer provided 16 hours of financial expertise as a board member on community service organizations that provide food, clothing, and temporary housing assistance to LMI families in the Huntington area and promote economic development in the AA.
- Two bank officers provided financial and technical expertise to partner with FHLB Pittsburgh's Home4 Good Grant program that supports projects, programs, and activities that lead to stable housing for those who are homeless or at risk of becoming homeless. HFSB's participation as co-applicant resulted in FHLB Pittsburgh awarding funds totaling \$137,240 to three community service organizations in the bank's AA.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	(01/01/2018 to 12/31/2020)	
Bank Products Reviewed:	Home mortgage loans Community development loans, qualified investments, and community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	Not applicable	Not applicable
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
MMSA(s)		
Huntington-Ashland, WV-KY-OH MSA 26580	Full-scope	The entire counties of Cabell, Putnam, and Wayne in the state of West Virginia. 7 whole census tracts in Lawrence County, Ohio that are adjacent to the counties in West Virginia – 510.01; 510.02; 511; 512; 513; 514.01; 514.02.

Appendix B: Summary of MMSA and State Ratings

RATINGS HUNTINGTON FEDERAL SAVINGS BANK			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
Huntington Federal Savings Bank	Satisfactory	Satisfactory	Satisfactory
MMSA or State:			
Huntington-Ashland, WV-KY-OH MSA	Satisfactory	Satisfactory	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent

outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rating Area: A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2018-20	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
HFSB Huntington-Ashland MMSA	787	114,370	100.0	6,622	2.7	2.4	1.4	11.3	8.1	4.8	54.9	57.8	52.7	31.0	29.6	41.1	0.0	2.0	0.1	
Total	787	114,370	100.0	6,622	2.7	2.4	1.4	11.3	8.1	4.8	54.9	57.8	52.7	31.0	29.6	41.1	0.0	2.0	0.1	

*Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2018-20	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
HFSB Huntington-Ashland MMSA	787	114,370	100.0	6,622	21.6	6.2	4.6	16.1	12.3	14.6	20.0	17.0	19.9	42.3	52.9	45.8	0.0	11.6	15.0	
Total	787	114,370	100.0	6,622	21.6	6.2	4.6	16.1	12.3	14.6	20.0	17.0	19.9	42.3	52.9	45.8	0.0	11.6	15.0	

*Source: 2015 ACS Census ; 01/01/2018 - 12/31/2020 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

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