



## **PUBLIC DISCLOSURE**

February 24, 2020

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

First Savings & Loan Association  
Charter Number 705224

206 West Center Street  
Mebane, NC 27302-2443

Office of the Comptroller of the Currency

212 South Tryon Street  
Suite 700  
Charlotte, NC 28281

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

**Table of Content**

**OVERALL CRA RATING ..... 1**

**DESCRIPTION OF INSTITUTION ..... 2**

**SCOPE OF THE EVALUATION..... 3**

**DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW ..... 3**

**STATE RATING ..... 4**

    STATE OF NORTH CAROLINA .....4

**LENDING TEST..... 7**

**APPENDIX A: SCOPE OF EXAMINATION..... A-1**

**APPENDIX B: SUMMARY OF MMSA AND STATE RATINGS ..... B-1**

**APPENDIX C: DEFINITIONS AND COMMON ABBREVIATIONS ..... C-1**

**APPENDIX D: TABLES OF PERFORMANCE DATA ..... D-1**

## **Overall CRA Rating**

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

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

The major factors that support this rating include:

- The Lending Test rating is based on the bank's performance in the state of North Carolina.
- The bank's quarterly average loan-to-deposit (LTD) ratio is reasonable based on the bank's size, financial condition and credit needs of the AA.
- A substantial majority of the bank's loans are inside its assessment area (AA).
- The bank exhibits an excellent geographic distribution of loans in the AA.
- The bank's distribution of loans represents a reasonable penetration among borrowers of different income levels in the AA.
- There are no consumer complaints regarding the bank's CRA performance.

### **Loan-to-Deposit Ratio**

Considering the bank's size, financial condition, and credit needs of the AA, the bank's loan-to-deposit (LTD) ratio is reasonable.

We assessed the institution's quarterly loan-to-deposit (LTD) ratios since the preceding CRA evaluation. The bank's quarterly LTD during the past 20 quarters from March 31, 2014 through December 31, 2018 was 71.53 percent, ranging from a quarterly low of 61.64 percent and a quarterly high of 86.03 percent. In comparison, over the same 20 quarters, the quarterly average LTD ratio among similarly sized financial institutions in North Carolina was 92.58 percent, ranging from a quarterly low of 81.55 percent and a quarterly high of 112.45 percent.

The LTD ratio is calculated on a bank-wide basis and reflects an improving trend over the 20-quarter period. The institution experienced a significant increase in loan demand beginning 2017, driven by growth in Mebane and nearby cities. The growth contributed to the increasing LTD ratio over the past several quarters.

### **Lending in Assessment Area**

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

The bank originated 82.2 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. During the evaluation period, the bank originated 135 home mortgage loans total and 111 loans inside the bank's AA.

The bank had an increase in loan demand in eastern Guilford County, which is outside of the bank's AA. This consisted of larger dollar amount loans, which caused a decline in the percentage by dollar amount of loans originated inside of the AA.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%	\$	%	\$	%		
Home Mortgage										
2016	34	87.2	5	12.8	39	4,092	81.7	914	18.3	5,006
2017	39	83.0	8	17.0	47	5,430	81.2	1,258	18.8	6,688
2018	38	77.6	11	22.4	49	5,957	69.5	2,615	30.5	8,572
<b>Total</b>	<b>111</b>	<b>82.2</b>	<b>24</b>	<b>17.8</b>	<b>135</b>	<b>15,479</b>	<b>76.4</b>	<b>4,787</b>	<b>23.6</b>	<b>20,266</b>

## Description of Institution

First Savings and Loan Association (FS&LA) is a single branch, federally chartered, mutual savings association headquartered in Mebane, North Carolina. The bank opened for business in 1909, and currently offers conventional residential mortgages, construction-to-permanent loans, investor-owned residential real estate loans, and refinances. FS&LA also offers deposit products including certificates of deposits (CDs) and passbook savings accounts.

FS&LA operates as a traditional savings association, concentrating on originating home mortgages. As of December 31, 2019, the institution had total assets of \$55.9 million and Tier One Capital of \$12.5 million. Net loans and leases represented 61 percent of total assets, which is comprised solely of residential real estate loans. The bank has identified 1-4 family home mortgages as their primary product, which is consistent with FS&LA's strategy.

Our review consisted of one AA, Alamance County, North Carolina, which is part of the Burlington Metropolitan Statistical Area (MSA). The MSA consists solely of Alamance County.

The bank did not have any branches or deposit-taking ATMs outside of the state. The bank also extends credit in the counties of Orange, southern and central Caswell, and eastern Guilford.

The bank received an "Outstanding" rating during the prior CRA evaluation dated January 5, 2015. There are no known legal, financial, or other factors impeding FS&LA's ability to help meet the credit needs of its AAs.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

We evaluated First S&LA's CRA performance in its AA of Alamance County, North Carolina. We assessed the bank's CRA performance from January 1, 2016 through December 31, 2018. Lending data from the prior three years indicate that 1-4 family residential mortgages remain the banks primary lending product.

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

We performed a full-scope review of the bank's AA in Alamance County. In reviewing the bank's lending activity, it was determined that Alamance County AA serves as the bank's only branch location and the majority of the banks' products and services serve the customers within this county.

Please refer to Appendix A, Scope of Examination, for a list of full-scope AAs.

### **Ratings**

The bank's overall rating is based upon the bank's performance in the full-scope AA. The institution only has one rating area, Alamance County in the state of North Carolina.

Refer to the "Scope" section under the State 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 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 performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## **State Rating**

### **State of North Carolina**

#### **CRA rating for the State of North Carolina: Outstanding**

#### **The Lending Test is rated: Outstanding**

The major factors that support this rating include:

- A substantial majority of the bank's loans are inside its assessment area (AA).
- The bank's quarterly average loan-to-deposit (LTD) ratio is reasonable based on the bank's size, financial condition and credit needs of the AA.
- The bank exhibits excellent geographic distribution of loans in the AA.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels, given the product lines offered by the bank.

### **Description of Institution's Operations in State of North Carolina**

FS&LA operates as a traditional savings association with a single branch located in the AA. The bank has identified the Alamance County, NC as its AA, which is part of the Burlington, NC Metropolitan Statistical Area (MSA).

The Alamance County AA is comprised of 36 census tracts, of which, there are no low-income census tracts, nine are moderate-income census tracts, 17 are middle-income census tracts, and 10 are upper-income census tracts. The AA consists of entire cities and counties and does not arbitrarily exclude low- or moderate-income tracts. The population of the AA is approximately 155.3 thousand and families below poverty level increased during the evaluation period from 12.12 percent to 14.4 percent. According to the Bureau of Labor Statistics, the unemployment rate for the AA as of December 2019 was 3.2 percent, slightly below the 3.7 percent unemployment rate for the state of North Carolina. The major employers in Alamance County are the Alamance-Burlington School System, Laboratory Corp. of America, Alamance Regional Medical Center, Elon University, Alamance County Government, the City of Burlington, and Wal-Mart Stores.

FS&LA continues to face strong competition from large, regional, and community banks in the AA. Through June 30, 2019, the Federal Deposit Insurance Corporation (FDIC) reported 16 financial institutions, with 38 offices in Alamance County. Combined, these banks hold approximately \$2.2 billion in deposits. FS&LA's market share was 1.99 percent.

As part of our evaluation, we conducted community contact interviews with three local community organizations to gain insight regarding the economic and housing needs in the institution's assessment area. Our first contact provides services to assist with financial stability, income and employment. The contact expressed a need for affordable housing in areas where the jobs are based. The contact also expressed the need to increase minimum wage to afford housing. Opportunities for local institutions to assist include volunteering for the Volunteer Income Tax Assistance (VITA) program.

Our second contact provides housing for the elderly and low-income families. The contact expressed a need for grants to help fund projects such as landscaping for public housing units, and bonds for affordable housing financing. The contact also referenced a program which helps clients obtain affordable mortgage rates. The contact expressed positive and negative perceptions of the local financial institution industry. The contact expressed that financial institutions appear anxious to participate in events and fundraisers; however, they do not reach out to community groups to find out how they can assist low-income families. The contact expressed that institutions could improve by developing a better understanding of the needs of low-income families.

Our third contact provides support and resources for businesses and current and relocating residents to the area, as well as the general public. The contact expressed that Alamance County has been steadily growing; however, most occupations of the citizens of Alamance County are outside the county due to Alamance being between Greensboro and Wake County. The contact expressed a positive view of the local financial institutions' community involvement, stating they help greatly with the organization through events, donations and sponsorships.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: 2016 Alamance County, NC MSA</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)	36	0.0	19.4	47.2	33.3	0.0
Population by Geography	151,131	0.0	21.9	47.9	30.2	0.0
Housing Units by Geography	65,170	0.0	22.4	48.1	29.5	0.0
Owner-Occupied Units by Geography	40,155	0.0	17.1	48.3	34.6	0.0
Occupied Rental Units by Geography	18,845	0.0	31.7	47.3	21.1	0.0
Vacant Units by Geography	6,170	0.0	28.6	49.3	22.1	0.0
Businesses by Geography	7,958	0.0	18.6	51.3	30.1	0.0
Farms by Geography	278	0.0	7.9	62.2	29.9	0.0
Family Distribution by Income Level	39,987	21.3	17.0	20.7	41.0	0.0
Household Distribution by Income Level	59,000	24.4	16.9	17.7	40.9	0.0
Median Family Income MSA - 15500 Burlington, NC MSA		\$52,806	Median Housing Value			\$138,406
			Median Gross Rent			\$715
			Families Below Poverty Level			12.1%
<i>Source: 2010 U.S. Census and 2016 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>						

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: 2017-2018 Alamance County, NC MSA</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)	36	0.0	25.0	47.2	27.8	0.0
Population by Geography	155,258	0.0	28.9	46.0	25.0	0.0
Housing Units by Geography	67,804	0.0	28.9	45.7	25.3	0.0
Owner-Occupied Units by Geography	40,273	0.0	22.9	47.8	29.3	0.0
Occupied Rental Units by Geography	21,272	0.0	39.2	41.8	19.0	0.0
Vacant Units by Geography	6,259	0.0	33.1	45.5	21.3	0.0
Businesses by Geography	8,026	0.0	25.7	46.9	27.4	0.0
Farms by Geography	293	0.0	13.3	50.9	35.8	0.0
Family Distribution by Income Level	40,938	21.8	17.8	18.3	42.1	0.0
Household Distribution by Income Level	61,545	23.8	17.2	17.3	41.8	0.0
Median Family Income MSA - 15500 Burlington, NC MSA		\$53,234	Median Housing Value			\$139,707
			Median Gross Rent			\$764
			Families Below Poverty Level			14.4%
<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>						

## Scope of Evaluation in North Carolina

We performed a full-scope evaluation on the Alamance County AA using the small bank Community Reinvestment Act (CRA) examination procedures. Based on the bank's strategy and the loans originated during the evaluation period, we determined that home mortgages are the bank's primary loan product.

The evaluation period for home mortgages is January 1, 2016 through December 31, 2018. The evaluation period for the loan-to-deposit ratio is January 1, 2014 through December 31, 2018. No area of review was weighted more heavily when concluding on overall performance in the state.

## **LENDING TEST**

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

### **Conclusions for Alamance County Receiving a Full-Scope Review**

Based on a full-scope review, the bank's performance in Alamance County is excellent.

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

The bank exhibits excellent geographic distribution of loans in the AA. There were no conspicuous gaps identified in the bank's AA. Based on the 2010 U.S. Census data and the 2015 American Community Survey (ACS) Census data, there are no low-income census tracts in the AA.

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

Refer to Table O in the state of North Carolina 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.

During the 2016 evaluation period, the distribution of home mortgage loans in the moderate-income census tracts exceeds the percentage of owner-occupied housing units in the moderate-income census tracts. The distribution of home mortgage loans in the moderate-income census tracts significantly exceeds aggregate lending in the moderate-income census tract.

During the 2017-2018 evaluation period, the distribution of home mortgage loans in the moderate-income census tracts exceeds the percentage of owner-occupied housing units in the moderate-income census tracts. The distribution of home mortgage loans in the moderate-income census tracts significantly exceeds aggregate lending in the moderate-income census tracts. The bank's distribution of home mortgage loans in the middle-income census tracts is near the percentage owner-occupied housing units in the middle-income census tracts. The bank's distribution of home mortgage loans to middle-income census tracts is slightly below aggregate lending in the middle-income census tracts.

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

The bank exhibits a 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 state of North Carolina 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.

During 2016 evaluation period, the banks distribution of home mortgage loans to low-income borrowers significantly exceeded aggregate lending. The banks distribution of home mortgage loans was below the percentage of low-income families. The banks distribution of home mortgage loans to moderate- and middle-income borrowers was below the percentage of moderate-and middle-income families. The banks distribution of home mortgage loans to moderate- and middle-income borrowers is below aggregate lending. The bank does not have a minimum dollar amount for loans, thus increasing the number of loans to low-income borrowers where other lenders may not extend credit to these same borrowers.

During the 2017-2018 evaluation period, the banks distribution of home mortgage loans to low- and moderate-income borrowers was below the percentage of low- and moderate-income families in the AA. The banks distribution of home mortgage loans to low-income borrowers was slightly above aggregate lending. The banks distribution of home mortgage loans to moderate-income borrowers was slightly below the aggregate lending.

Distribution of loans to borrowers of different income levels in the AA is reasonable given the poverty level, high level of competition, and small market share. According to the 2015 ACS Census data, 14.4 percent of families residing within the AA have income below the poverty level. Borrowers below the poverty level are likely unable to afford the traditional products offered by the bank. Based on 2015 ACS Census data, the median family income (MFI) in the AA is \$52,324. The U.S. Federal Housing Finance Agency reports an increase in housing prices in Burlington, NC MSA. In July 2016, the median listing price of homes in the MSA was \$177,650 and increased to \$246,380 by the fourth quarter of 2018. In the first quarter of 2016, the House Pricing Index (HPI) for the MSA was 138.74. The 4<sup>th</sup> quarter of 2018 reflects an increase in the HPI to 165.43. The index measures the price increase of housing using sales price and appraisal data. As of the fourth quarter of 2018, the HPI for the nation was reported as 265.43.

While the real estate climate in Alamance County remains strong, the bank faces considerable competition from large and regional financial institutions who offer a wider range of products in the AA. FS&LA's deposits represent only 1.99 percent of all market deposits in the AA and ranked 12th out of 16 institutions in the AA.

### **Responses to Complaints**

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

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed:</b>	January 1, 2016 to December 31, 2018	
<b>Bank Products Reviewed:</b>	Home Mortgages	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>North Carolina</b>		
Burlington, North Carolina MSA	Full-scope	Alamance County

## Appendix B: Summary of State Ratings

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RATINGS: First Savings & Loan Association	
Overall Bank:	Lending Test Rating
First S&LA	Outstanding
MMSA or State:	
North Carolina	Outstanding

## Appendix C: Definitions and Common Abbreviations

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

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

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/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 multistate metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan statistical area.

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

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

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2016
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
2016 Alamance Cty NC MSA	34	4,092	100.0	4,797	0.0	0.0	0.0	17.1	20.6	11.6	48.3	44.1	50.8	34.6	35.3	37.6	0.0	0.0	0.0
<b>Total</b>	<b>34</b>	<b>4,092</b>	<b>100.0</b>	<b>4,797</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>17.1</b>	<b>20.6</b>	<b>11.6</b>	<b>48.3</b>	<b>44.1</b>	<b>50.8</b>	<b>34.6</b>	<b>35.3</b>	<b>37.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

*Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0*

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2017-2018
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
Alamance Cty NC MSA	77	11,387	100.0	4,924	0.0	0.0	0.0	22.9	27.3	19.9	47.8	45.5	50.0	29.3	27.3	30.0	0.0	0.0	0.0
<b>Total</b>	<b>77</b>	<b>11,387</b>	<b>100.0</b>	<b>4,924</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>22.9</b>	<b>27.3</b>	<b>19.9</b>	<b>47.8</b>	<b>45.5</b>	<b>50.0</b>	<b>29.3</b>	<b>27.3</b>	<b>30.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																				<b>2016</b>
<b>Total Home Mortgage Loans</b>					<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>			
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
2016 Alamance Cty NC MSA	34	4,092	100.0	4,797	21.3	11.8	4.7	17.0	5.9	14.9	20.7	8.8	20.8	41.0	55.9	40.9	0.0	17.6	18.7	
<b>Total</b>	<b>34</b>	<b>4,092</b>	<b>100.0</b>	<b>4,797</b>	<b>21.3</b>	<b>11.8</b>	<b>4.7</b>	<b>17.0</b>	<b>5.9</b>	<b>14.9</b>	<b>20.7</b>	<b>8.8</b>	<b>20.8</b>	<b>41.0</b>	<b>55.9</b>	<b>40.9</b>	<b>0.0</b>	<b>17.6</b>	<b>18.7</b>	

*Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																				<b>2017-2018</b>
<b>Total Home Mortgage Loans</b>					<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>			
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
Alamance Cty NC MSA	77	11,387	100.0	4,924	21.8	5.2	4.3	17.8	10.4	15.3	18.3	19.5	23.0	42.1	54.5	43.3	0.0	10.4	14.1	
<b>Total</b>	<b>77</b>	<b>11,387</b>	<b>100.0</b>	<b>4,924</b>	<b>21.8</b>	<b>5.2</b>	<b>4.3</b>	<b>17.8</b>	<b>10.4</b>	<b>15.3</b>	<b>18.3</b>	<b>19.5</b>	<b>23.0</b>	<b>42.1</b>	<b>54.5</b>	<b>43.3</b>	<b>0.0</b>	<b>10.4</b>	<b>14.1</b>	

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