



PUBLIC DISCLOSURE

April 03, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First FS & LA
Charter Number: 705957

903 Jackson Ave
Pascagoula, MS 39567-4346

Office of the Comptroller of the Currency

3850 N. Causeway Boulevard
Suite 1330
Metairie, LA 70002

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 major factors that support this rating include:

- First Federal Savings and Loan Association's (FFSLA or bank) average loan-to-deposit (LTD) ratio of 118 percent for the evaluation period is more than reasonable considering the bank's size, competition, and financial condition.
- The substantial majority of FFSLA's loans (by dollar and number) were made within its Jackson County, MS assessment area (AA).
- The geographic distribution of FFSLA's home mortgage loans reflects satisfactory distribution throughout its AA.
- FFSLA's home mortgage loan pattern reflects satisfactory distribution among borrowers of different income levels, particularly among low-income borrowers.
- FFSLA did not receive any CRA-related complaints over the evaluation period.

Loan-to-Deposit Ratio

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

The 13 quarters that have elapsed since the last CRA examination of FFSLA has resulted in an average LTD of 118.1 percent. The bank's average LTD ratio for this examination is lower than its 129.0 percent average for the 2020 CRA examination. However, each quarter over the current assessment period has been over 100 percent, with a quarterly high of 132.0 percent recorded December 31, 2019, and a quarterly low of 108.4 percent recorded September 30, 2021. FFSLA's average loan-to-deposit ratio compared favorably to all banks and/or thrifts with locations in the Jackson County, MS AA. The following table illustrates the comparison:

Loan-to-Deposit Ratios of Competitors Operating in Jackson County, MS AA		
Institution	Assets (000s) as of 12/31/22	Average LTD Ratio (%)
FFSLA	\$342,021	118.07
Hancock Whitney Bank	\$35,158,162	76.12
Cadence Bank	\$48,668,073	74.88
Regions Bank	\$154,203,000	69.49
Century Bank	\$459,754	69.14
Community Bank of MS	\$4,608,467	67.60
The First Bank	\$6,463,617	67.47
Woodforest NB	\$9,145,613	65.67
Wells Fargo Bank, NA	\$1,717,531,000	60.27
Merchants and Marine Bank	\$687,181	59.73
Citizens Bank of Philadelphia	\$1,323,586	55.56
Peoples Bank – Biloxi	\$861,302	40.45

Source: FFIEC Uniform Bank Performance Reports

Lending in Assessment Area

A substantial majority of FFSLA's loans are originated inside its AA.

Over the CRA evaluation period, FFSLA originated 917 mortgage-related loans totaling \$173.1 million. Of these volumes, 686 or 74.8 percent of the number of loans and \$122.6 million or 70.8 percent of the loan's proceeds were made within the bank's AA. 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.

The table below illustrates FFSLA's distribution of loans and proceeds within and outside its assessment area over the assessment period:

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										
2019	197	76.1	62	23.9	259	31,928	73.7	11,383	26.3	43,311
2020	253	74.2	88	25.8	341	45,429	68.2	21,185	31.8	66,614
2021	236	74.4	81	25.6	317	45,204	71.6	17,947	28.4	63,151
Subtotal	686	74.8	231	25.2	917	122,562	70.8	50,514	29.2	173,076
Source: Bank Data Due to rounding, totals may not equal 100.0%										

Description of Institution

First Federal Savings and Loan Association (FFSLA or bank) is a federally chartered thrift institution headquartered in Pascagoula, MS, the county seat and principal city of Jackson County, MS. FFSLA (established 1955) is the youngest of the two active banks headquartered in Jackson County. FFSLA is a mutually owned thrift and as such, has no corporate or significant shareholders. As of December 31, 2022, FFSLA held assets of \$342.0 million.

FFSLA serves its community from a main office and five (5) branches, located in the Mississippi cities/towns of Pascagoula (1), Moss Point (1), Gautier (1), Ocean Springs (1), Hurley (1), and Vancleave (1), all of which are located in Jackson County. All locations offer full services, including drive-up facilities and proprietary Automated Teller Machines (ATMs). FFSLA's business hours do not offer a competitive advantage in the market, but the bank does operate with extended hours on Fridays, which are similar to those of the majority of local competitors. Deposit product offerings are traditional in nature including savings, checking, Certificates of Deposit, and Individual Retirement Accounts, among others. FFSLA offers telephone and Internet banking, along with mobile banking platforms as alternative delivery channels. FFSLA has neither opened nor closed a branch since its previous CRA examination (April 13, 2020).

FFSLA's primary business focus is the origination of residential real estate products. As mandated by 12 USC 1467a(m), a federal savings association is required to be a qualified thrift lender (QTL). Under this law, a QTL is required to hold at least 65 percent of its assets in mortgage-related products (i.e., mortgage loans and/or mortgage-related securities). This designation allows the institution to operate under somewhat less restrictive rules as compared to a commercial bank and to borrow directly from the Federal Home Loan Bank (FHLB). The ability to borrow from the FHLB allows better management of interest rate risk as residential mortgages are often held for long periods of time without rate adjustments. Without such tools, financial institutions would be reluctant to lend funds at fixed rates for long terms.

FFSLA offers a variety of residential loan products including fixed- and adjustable-rate mortgages, construction loans, closed-end home equity loans, and home equity lines of credit (HELOCs), among others. Most mortgage loans are originated for the bank's portfolio, but it does originate loans for sale in the secondary market through the FHLB's Mortgage Partnership Finance Program. This program allows for more competitive pricing for long-term mortgages with servicing retained by the local institution. FFSLA generally does not make commercial loans and consumer loans are limited.

FFSLA has been designated as a Community Development Financial Institution (CDFI) by the U.S. Treasury Department. This designation allows banks to apply for grants and create programs specifically to aid in economic and community development in low-income and distressed geographies. Since 2020, FFSLA has received \$2 million in grants which have been used to support mortgage lending for first-time home buyers and flexible underwriting for other home mortgage products.

There has been no change in the bank's focus regarding loan products since its previous CRA examination. FFSLA's loan mix based on its December 31, 2022 Call Report is as follows:

FFSLA Loans by Type – December 31, 2023 Call Report		
Loan Category	\$ (000)	%
Closed-End 1-4 Family RE – 1 ST Lien Loans	269,174	97.57
HELOCS	3,123	1.13
Other Construction/Land Development Loans 1-4 Family RE – 2nd Lien Loans	1,975	0.72
Closed-End 1-4 Family RE – 2 nd Lien Loans	1,775	0.64
Other Consumer Loans	775	0.28
Owner-Occupied Nonfarm Nonresidential Loans	266	0.10
1-4 Family RE Construction Loans	177	0.06
Other Nonfarm Nonresidential Loans	61	0.02
Total*	275,871	100.00%
*Reflective of deduction of \$1.45 million of unearned income		

In response to the Coronavirus Aid, Relief, and Economic Security Act or CARES Act of 2020, FFSLA participated in the U.S. Small Business Administration’s Paycheck Protection Program (PPP). These loans were designed to provide a direct incentive for small businesses to keep their workers on payroll during the COVID pandemic. The bank originated 39 PPP loans totaling approximately \$358,000 between 2020 and 2021. Participation in this program was not a major component of the bank’s lending over the evaluation period.

As of December 31, 2022, no legal, financial, or regulatory impediments have been identified that would impact the bank’s ability to help meet the credit needs of its AA. Per the Federal Deposit Insurance Corporation’s (FDIC) Market Share Reports for Jackson County, MS as of June 30, 2022, FFSLA’s deposit market share of 9.10 percent ranked it 5th out of the 12 banks/thrifts with a banking facility in the county. FFSLA received a “Satisfactory” rating at its 2020 CRA examination.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The assessment of FFSLA’s CRA performance was conducted using the Interagency Small Bank CRA Procedures, dated July 2007.

Our analysis of the bank’s CRA performance is based primarily on the distribution by income and geography (the Lending Test) of its primary loan product, one- to four- family residential real estate mortgages (i.e., home mortgage loans) in its Jackson County, MS AA. All home mortgage loans originated by FFSLA and captured on Home Mortgage Disclosure Act Loan Application Register (HMDA-LAR) reports from January 1, 2019 and December 31, 2021 were utilized to determine these distributions. Evaluation of the bank’s lending to small businesses and farms in the AA was not

performed as FFSLA is not engaged in commercial lending. A separate data integrity review was conducted prior to the commencement of this activity.

For analysis purposes, the OCC compared the bank's lending performance with demographic data from the 2015 American Community Survey (ACS) U.S. Census data. Please refer to the table in appendix A for more information on the scope of the review.

A community leader in the bank's AA was consulted to obtain feedback on the area's demographics, perceived credit needs, and financial institution responsiveness to identified needs.

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 assessment areas 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.

Ratings

FFSLA's overall rating is based solely on its performance in the state of Mississippi. In turn, the State rating is based on the rating for the single AA in which the bank's lending activities are concentrated. We performed a full scope review of the bank's lending performance in its Jackson County, MS AA, utilizing its primary loan product of home mortgage loans.

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 Mississippi

CRA rating for the State of Mississippi: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The geographic distribution of the bank's loans within low- and moderate-income census tracts of its AA exhibits reasonable dispersion.
- The distribution of the bank's loans to AA borrowers of different income categories, including those considered low- and moderate-income, reflects reasonable dispersion.

Description of Institution's Operations in Mississippi

Jackson County AA

FFSLA designated Jackson County, MS as its sole AA. Major population centers in the county include Pascagoula, Moss Point, Ocean Springs, and Gautier. Jackson County is part of the Gulfport-Biloxi, MS Metropolitan Statistical Area (MSA), which includes the Gulf Coast and adjacent Mississippi counties of Hancock, Harrison, Jackson, Stone, and George. Due to the bank's limited branch network, level of competition, and the geographical size of the area, management concluded that FFSLA could not reasonably serve the entire MSA. Jackson County, MS was designated as the bank's AA as it was considered small enough to be adequately served by its existing branch network (all contained within the county). The designated AA meets regulatory requirements and does not arbitrarily exclude any low- or moderate-income areas.

FFSLA's AA consists of 29 census tracts, of which one (1) is designated as a low-income tract and five (5) are designated as moderate-income tracts. A total of thirteen (13) CTs are designated as middle-income tracts, while nine (9) are designated as upper-income tracts. One census tract was not categorized by income. The low-income CT is located in Pascagoula as are two of the moderate-income CTs of the AA. Three of the moderate-income CTs are located in Moss Point. None of the area's CTs have been designated by the FFIEC as being distressed or underserved.

Table A illustrates select demographic data from FFSLA's Jackson County, MS AA:

Table A – Demographic Information of the Assessment Area						
Assessment Area: Jackson County AA 2021						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	29	3.4	17.2	44.8	31.0	3.4
Population by Geography	140,676	3.5	13.7	39.2	43.6	0.0
Housing Units by Geography	60,889	3.9	15.1	40.2	40.9	0.0
Owner-Occupied Units by Geography	35,474	2.0	12.4	39.6	45.9	0.0
Occupied Rental Units by Geography	14,768	8.1	19.7	38.4	33.7	0.0
Vacant Units by Geography	10,647	4.2	17.4	44.6	33.9	0.0
Businesses by Geography	8,451	4.2	10.3	38.9	46.6	0.0
Farms by Geography	201	1.0	6.5	41.3	51.2	0.0
Family Distribution by Income Level	34,023	18.2	16.0	20.0	45.9	0.0
Household Distribution by Income Level	50,242	21.6	15.4	17.7	45.3	0.0
Median Family Income MSA - 25060 Gulfport-Biloxi, MS MSA		\$52,608	Median Housing Value			\$124,281
			Median Gross Rent			\$819
			Families Below Poverty Level			15.25%

Source: 2015 ACS and 2020 D&B Data
Due to rounding, totals may not equal 100.0%
 (*) The NA category consists of geographies that have not been assigned an income classification.

The United States Office of Housing and Urban Development (HUD) updates median family income for MSA and non-MSA families each year. In 2021, HUD’s median MSA family income for the state of Mississippi was \$60,000. Income classification categories are reflected in Table B:

Table B – Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Gulfport-Biloxi, MS MSA Median Family Income (25060)				
2021 (\$60,000)	<\$30,000	\$30,000 to <\$48,000	\$48,000 to <\$72,000	≥\$72,000

Source: FFIEC

Employment and Economic Factors

The economy of the Jackson County, MS AA is diversified, with manufacturing, healthcare, retail, education, and construction as major economic drivers. Major employers in the AA include Ingalls Shipbuilding (manufacturing), Chevron USA (manufacturing/petrochemicals), Singing River Health System (healthcare), Pascagoula Public School District and Jackson County Public School District (education), and Omega Protein (manufacturing/food supplements). Ingalls Shipbuilding is the largest

employer in the state of Mississippi with over 11,000 associates. Other significant regional employment sectors include tourism/gaming and government/military operations.

According to the Mississippi Department of Employment Security, the unemployment rate for Jackson County, MS was 3.4 percent as of February 2023. This unemployment percentage was slightly higher than the 3.2 percent posted for the state of Mississippi for the same period, but lower than the 3.9 percent posted for the United States. Over the evaluation period, the unemployment rate for Jackson County ranged from a high of 20.0 percent (April 2020) to a low of 3.4 percent (February 2023). It is noted that the highest unemployment levels for the AA were experienced between April 2020 and July 2020 (10.0 percent) which coincided with the highest periods of stress placed on the economy as a result of the worldwide COVID-19 pandemic.

Competition in AA

FFSLA's competition is strong as 11 other banks/thrifts operate within its Jackson County AA. FFSLA is the smallest bank operating in the AA but has the second highest number of banking facilities (6). With the exception of Merchants and Marine Bank (M&M), all of FFSLA's competitors are headquartered outside of the bank's AA. The majority of FFSLA's competitors are over \$1 billion in asset size and have either national or regional exposure. FFSLA's deposit market share of 9.1 percent ranked fifth of all banks operating in the AA, well behind Hancock Whitney Bank (headquartered in nearby Gulfport, MS) and M&M. While management considers M&M as a primary competitor due to its location, FFSLA has no similarly situated competitor in its AA.

Other competitors exist in the AA as well for both deposits and loans, including credit unions and banks which have a presence in adjacent areas of Jackson County. Mortgage companies and other non-deposit taking entities provide additional competition for home mortgage loans. Aggregate HMDA-LAR data for the Gulfport-Biloxi MSA reflected that an average of 373 lenders took applications for home mortgage loans in the area between 2019 and 2021.

Community Contact

To aid in the identification of community needs and opportunities in the Jackson County AA, we conducted an interview with a local realtor. The contact reflected affordable housing and insurance relief as primary community needs, offering that flood and all perils insurance had both increased upwards of 40 percent and 300 percent, respectively over the past year. The increase in insurance premiums provided a hindrance to home ownership for many area residents. The contact used \$150,000 as the price point for an affordable home in the AA, saying that homes below this level often were not suitable for immediate occupation, requiring significant repairs. The contact was complimentary of FFSLA's actions to address area housing needs as well as its involvement in the AA's overall community development.

Scope of Evaluation in Mississippi

In the state of Mississippi, FFSLA only serves the Jackson County, MS AA. The OCC performed a full-scope evaluation of the bank's only AA using Interagency Small Bank CRA Procedures. As previously noted, FFSLA's primary loan product is home mortgage loans. The overall CRA rating will be based on the results of the Lending Test for this product in the bank's Jackson County, MS AA.

Lending Test

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Jackson County, MS AA is good.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the State of Mississippi.

Home Mortgage Loans

Refer to Table O in the state of Mississippi 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 overall geographic distribution of loans in FFSLA's AA reflects a reasonable dispersion in low-and moderate-income CTs. The bank's AA contains only one low-income CT (located in the city of Pascagoula) with its lending in this tract comprising 1.5 percent of its lending over the evaluation period. This percentage is equal to the aggregate percent of lending in the low-income CT.

FFSLA's lending in the moderate-income CTs of the AA (two in the city of Pascagoula and three in the city of Moss Point) at 5.7 percent is significantly lower than the percentage of owner-occupied housing units in these tracts (12.4 percent) but is higher than the 5.1 percent aggregate lending in these areas.

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 Mississippi 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.

The bank's distribution of residential real estate loans among individuals of different income levels in its AA reflects reasonable distribution.

At 5.2 percent, the percentage of home mortgage loans made to low-income borrowers was well below the percentage of low-income families in the AA (18.2 percent), but higher than the aggregate 3.3 percent made to low-income families made by other lenders.

FFSLA's lending to moderate-income borrowers at 8.2 percent was significantly lower than the percentage of moderate-income families in the AA (16.0 percent) and less than the aggregate 11.2 percent made to moderate-income families by other lenders.

Barriers to greater distribution among low- and moderate-income borrowers for home mortgage loans are as follows:

- High rate of poverty in the AA. Demographic information for Jackson County, MS reflected that 15.3 percent of the AA's households (approximately 8,000) live below the poverty level. The high degree of households with stressed incomes makes it difficult for them to qualify for conventional residential RE loans.
- Home affordability among low- and moderate-income borrowers. The monthly debt service on a loan for the median priced home in the AA of \$124,000 amortized over 30 years at a prevailing market interest rate of six (6) percent would yield a monthly payment of \$743. Using the upper annual income of a family considered low-income (\$30,000), the payment would comprise 30.0 percent of the applicant's gross monthly income. This payment would exceed the traditional housing expense ratio of 28.0 percent but be less than the typical maximum debt-to-income ratio of 45.0 percent. However, this calculation does not include other debts of the borrower, which when added, could easily exceed this ratio. In order to qualify for secondary market financing (whose criteria may be less stringent than that of local lenders), a down payment of at least five to ten (5 to 10) percent is typically needed. This down payment requirement would equal a maximum of approximately \$12,000, which is outside of the capabilities of many of the families in these income segments. In addition, other costs of home ownership, such as property taxes, upkeep, and the escalating costs of property and flood insurance can often put purchasing a home out of reach of many families.
- Limited volume of affordable housing stock. As noted, the weighted mean value of a home in the Jackson County, MS AA was approximately \$124,000. A search of the website Realtor.com (www.realtor.com) for homes priced at \$130,000 and below in the AA found only 40 available listings, many of which required significant reconditioning before they could be considered habitable.
- Number of competitors in AA for home mortgage loans. As noted above, FFSLA faces significant competition from other banks in Jackson County as well as credit unions and non-deposit taking entities for the area's home mortgage business.

Lending Gap Analysis

There were no unexplained conspicuous lending gaps identified during the evaluation period.

Responses to Complaints

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

Appendix A: Scope of Examination

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

Time Period Reviewed:	01/01/19 to 12/31/21	
Bank Products Reviewed:	Home Mortgage Loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Not Applicable	Not Applicable	Not Applicable
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Mississippi		
Jackson County AA	Full-Scope	None

Appendix B: Summary of MMSA and State Ratings

RATINGS		First Federal Savings & Loan Association, Pascagoula, MS
Overall Bank:		Lending Test Rating
First Federal Savings & Loan Association		Satisfactory
MMSA or State:		
Mississippi (Jackson County)		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 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 \$500,000) 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																			2019-21		
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		
Jackson County AA 2021	686	122,562	100.0	5,876	2.0	1.5	1.5	12.4	5.7	5.1	39.6	50.9	31.3	45.9	42.0	62.2	0.0	0.0	0.0		
Total	686	122,562	100.0	5,876	2.0	1.5	1.5	12.4	5.7	5.1	39.6	50.9	31.3	45.9	42.0	62.2	0.0	0.0	0.0		

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 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																			2019-21		
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		
Jackson County AA 2021	686	122,562	100.0	5,876	18.2	5.2	3.3	16.0	8.2	11.2	20.0	18.4	20.0	45.9	64.9	40.8	0.0	3.4	24.7		
Total	686	122,562	100.0	5,876	18.2	5.2	3.3	16.0	8.2	11.2	20.0	18.4	20.0	45.9	64.9	40.8	0.0	3.4	24.7		

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%