



## **PUBLIC DISCLOSURE**

December 10, 2018

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

First National Bank  
Charter Number 16579

341 Military Street South  
Bull Mountain Streets  
Hamilton, AL 35570

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Birmingham Field Office  
3595 Grandview Parkway  
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Birmingham, AL 35243

**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, nor should it 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

**This institution is rated Outstanding.  
The Lending Test is rated Outstanding.**

The primary factors supporting the overall rating are as follows:

- The level and trend of First National Bank's (FNB or Bank) loan-to-deposit ratio is reasonable given its size, financial condition, and assessment area (AA) credit needs.
- The Bank originated a substantial majority of its loans inside its AAs.
- The distribution of loans to borrowers of different income levels is excellent.
- The geographic distribution of loans is excellent.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** 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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity 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 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, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing).

**Home Mortgage Loans:** Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

**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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/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. 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 it and half below it.

**Metropolitan Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

**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.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**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.

**Rated Area:** A rated area is a state or multi-state metropolitan 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 area, the institution will receive a rating for the multi-state metropolitan 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 One 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.

## Description of Institution

First National Bank (FNB or Bank) was established in 1976 and is headquartered in Hamilton, Alabama, within Marion County, Alabama. The Bank has eight full service branches, including the main branch. There have been no branch openings or closings since the prior CRA performance evaluation on April 11, 2016. FNB is wholly owned by Marion County Bancshares, Inc., a single bank holding company, and has two wholly owned subsidiaries: FNB Mortgage Services, Inc. and FNB Financial Services, Inc. FNB's community reinvestment performance is not impacted by the holding company or either subsidiary. There are no legal or financial impediments to FNB's ability to meet the credit needs in its AAs.

FNB offers non-complex loan and deposit products, including 1-4 family mortgages, business loans, and demand, checking, and savings accounts. Additional information regarding FNB's products and services is available in the Bank's Public File, which is available upon request.

At September 30, 2018, FNB reported total assets of \$278 million, and net loans and leases of \$114 million, or 41 percent of total assets. Tier 1 capital totaled \$48.5 million, and the tier 1 leverage ratio was 17.19 percent. The Bank's primary loan product is home mortgage loans. The following table provides details of the Bank's loan composition as of September 30, 2018.

<i>Loan Type</i>	<i>Percentage of Portfolio</i>	<i>Percentage of Capital</i>
<i>1-4 Family Mortgages</i>	<i>29.14%</i>	<i>67.05%</i>
<i>Loans to Individuals</i>	<i>21.63%</i>	<i>49.85%</i>
<i>Commercial &amp; Industrial</i>	<i>12.64%</i>	<i>29.14%</i>
<i>Commercial Real Estate</i>	<i>17.11%</i>	<i>39.44%</i>
<i>Construction &amp; Development</i>	<i>6.58%</i>	<i>15.15%</i>
<i>Multifamily</i>	<i>0.02%</i>	<i>0.04%</i>

*Source: September 30, 2018 Call Report*

There were no merger or acquisition activities nor were there any legal or financial circumstances that affected the bank's operations during the CRA evaluation period. FNB received an "Outstanding" rating on its prior CRA performance evaluation, dated April 11, 2016.

FNB has two designated Assessment Areas (AA): the one county Metropolitan Statistical Area (MSA) of Walker County, Alabama, and the non-MSA geography consisting of Marion, Winston, Lamar, and Fayette counties in Alabama. The Bank's AAs meet regulatory guidelines and do not arbitrarily exclude low- or moderate- income areas.

### **Marion, Winston, Lamar, and Fayette County AA**

This AA is comprised of 25 census tracts within Lamar, Fayette, Winston, Franklin, and Marion counties, a non-MSA AA. Of the 25 census tracts, the AA contains zero low-income, four moderate-income, 20 middle-income, and one upper-income. FNB's main office and five other branches are located within this AA. The 2015 total population for this AA is 85,546. Please refer to table A.1 in Appendix B for AA demographic information.

In 2016, the Federal Financial Institutions Examination Council (FFIEC) designated all of the AA's 20 middle-income census tracts as distressed or underserved middle-income

nonmetropolitan tracts. In 2017, the FFIEC no longer considered the Winston and Marion County census tracts distressed; however, the Marion County census tracts were still considered underserved.

The AA, located in northwest Alabama, is a rural community. Elevated unemployment rates, coupled with declining population, continued to impact this AA during the evaluation period. The unemployment rate, per the Alabama Department of Labor, for Fayette, Lamar, and Marion County were 3.6 percent, 3.6 percent, and 4.1 percent, respectively, at December 2018. Comparatively, the national unemployment rate 3.9 percent. Manufacturing and production accounts for approximately 22 percent of total AA occupations. Major employers include Hyster-Yale Materials Handling Group, Door Components, 3M Company, and Showa Best Glove. The second largest industry in this area is transportation, representing approximately 11 percent of total occupations.

FNB faces a moderate level of competition within this AA, with fifteen institutions the market. FNB's market share, based on the number of branches, equals approximately 16.67 percent, tied for first with one other institution. However, based on total deposits, FNB's market share declines to 13.02 percent, ranking third out of 15. AA community contacts identified home loans, small business loans, and small farm loans as AA credit needs.

### **Walker County AA**

The Walker County AA is located within the Birmingham-Hoover MSA (13820). This AA consists of eighteen census tracts, consisting of zero low-income, 10 moderate-income, and eight are middle-income. The Bank has two branches located in this AA. Per 2015 United States census information, the total population for this AA is 65,923. Please refer to table A.2 in Appendix B for AA demographic information.

The Walker County AA is a mostly rural area, which has faced a slower recovery from the 2008 recession than much of the nation. Elevated unemployment rates continued to impact this AA during the evaluation period. At December 2018, the Walker County unemployment rate was 3.8 percent, compared to the national unemployment rate of 3.9 percent. Education and healthcare/social assistance are the two biggest industries in Walker County. Major employers for the AA include Walker County Board of Education and Walker Baptist Medical Center.

FNB faces significant competition within this AA, with ten institutions serving the market. FNB's market share, based on the number of branches, equals approximately 10.53 percent. However, based on total deposits, FNB's market share declines to 5.37 percent. An AA community contact identified small business loans and new business mentoring services as AA credit needs.

## **Scope of the Evaluation**

This Performance Evaluation is an assessment of FNB's ability to meet the credit needs of its AAs. We evaluated FNB using the Small Bank evaluation procedures, which includes a lending test. We utilized Home Mortgage Disclosure Act (HMDA) data to evaluate the Bank's CRA performance.

This performance evaluation starts from the Bank's previous CRA examination date, covering the period from April 11, 2016 through December 10, 2018. FNB's primary loan product over the evaluation period was home loans. To evaluate performance under the lending test, we reviewed home mortgage loans originated between January 1, 2016 and December 31, 2017. Due to updated data with the American Community Survey, we evaluated the 2017 lending activities separately from the 2016 lending activities.

### **Data Integrity**

FNB files HMDA data. We conducted a HMDA data integrity review in October 2018 and concluded unreliable data based on error rates in excess of 5 percent for one key reporting field. FNB re-submitted 2016 and 2017 HMDA data, and we concluded the re-filed data was accurate and reliable. We utilized corrected 2016 and 2017 HMDA data in this evaluation.

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

We performed a full-scope review of both the Marion, Winston, Lamar, and Fayette County AA and the Walker County AA. Because the Marion, Winston, Lamar, and Fayette County AA is not located within a MSA and the Walker County AA is in a MSA, we assessed the AAs separately, except for the loan-to-deposit and lending inside assessment area lending tests.

### **Ratings**

The Bank's overall rating is Outstanding. Throughout the evaluation, we gave greater weight to the Marion, Winston, Lamar, and Fayette County AA, as that is where the Bank conducts the majority of its business.

## **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 assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution 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.

## Conclusions with Respect to Performance Tests

### LENDING TEST

The Bank's performance is outstanding based on the results of the lending test. FNB's lending activities reflect excellent performance throughout the AAs. The lending test was based on 1-4 family mortgages originated from January 1, 2016 through December 31, 2017.

#### Loan-to-Deposit Ratio

FNB's loan-to-deposit (LTD) ratio is reasonable given its size, financial condition, and the credit needs of its AAs. FNB's quarterly LTD averaged 49.07 percent over the 11 quarters since the prior CRA examination, with a quarterly high of 51.08 percent and a quarterly low of 44.59 percent. FNB's LTD ratio is in line with the 49.09 percent average of six similarly situated institutions. Based on the low loan demand within the AAs, the LTD ratio is reasonable.

#### Lending in Assessment Area

FNB originated a substantial majority of home loans within its AAs. FNB originated approximately 96 percent of the number of home loans, and approximately 88 percent of the dollar amount of home loans, within the AAs. The following table below details the Bank's lending within the AAs during the evaluation period.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2016	89	95.7	4	4.3	93	6,034	83.7	1,173	16.3	7,207
2017	83	96.5	3	3.5	86	5,831	93.1	429	6.9	6,260
Subtotal	172	96.1	7	3.9	179	11,865	88.1	1,602	11.9	13,467
<i>Source: Evaluation Period: 1/1/2016 - 12/31/2017 Bank Data Due to rounding, totals may not equal 100.0</i>										

#### Lending to Borrowers of Different Incomes

Please refer to Table P in appendix C for the facts and data used to evaluate the borrower distribution of the Bank's loan originations and purchases.

FNB's lending to borrowers of different incomes is excellent, which meets the standard for outstanding performance. FNB's lending to borrowers of different income within the Marion, Winston, Lamar, and Fayette County AA reflects excellent penetration of home loans to low-, moderate-, and middle- income borrowers. FNB's lending to borrowers of different incomes within the Walker County AA reflects reasonable penetration of homes to low- and moderate-

income borrowers. We gave more weight to performance in the Winston, Lamar, and Fayette County AA, as this AA is where the Bank conducts the majority of its business.

*Performance in the Marion, Winston, Lamar, and Fayette County AA*

The Bank's lending to borrowers of different incomes reflects excellent penetration among AA families of different income levels. In 2016, the percentage of home loans to low-income borrowers, at 7.2 percent, was significantly lower than the percentage of low-income families, at 22.2 percent, but above aggregate peer bank performance of 6 percent. Because 16 percent of AA families lived below the poverty level in 2016, this impeded the Bank's ability to make home loans to qualified low-income borrowers. FNB's percentage of home loans to moderate-income borrowers, at 23.2 percent, exceeded the percentage of moderate-income families, at 18 percent, and was above aggregate peer bank performance of 14.8 percent. In addition, lending to borrowers in underserved and distressed middle-income census tracts, at 20.3 percent, meets the percentage of middle-income families, at 21.3 percent.

In 2017, the percentage of home loans to low-income borrowers, at 2.9 percent, was significantly lower than the percentage of low-income families, at 21.32 percent, and below aggregate peer bank performance of 4.7 percent. FNB's percentage of home loans to moderate-income borrowers, at 12.9 percent, was also lower than the percentage of moderate-income families, at 20.8 percent, and below aggregate peer bank performance of 14 percent. Because 16 percent of AA families lived below the poverty level in 2017, this impeded the Bank's ability to make home loans to qualified low- and moderate-income borrowers. Lending to borrowers in underserved and distressed middle-income census tracts, at 22.9 percent, exceeded the percentage of middle-income families, at 20.5 percent.

*Performance in the Walker County AA*

The Bank's lending to borrowers of different incomes reflects reasonable penetration among AA families of different income levels. In 2016, the percentage of home loans to low-income borrowers, at 4.8 percent, was significantly lower than the percentage of low-income families, at 30.6 percent, and below aggregate peer bank performance of 11.5 percent. Because 17 percent of AA families lived below the poverty level in 2016, this impeded the Bank's ability to make home loans to qualified low-income borrowers. FNB's percentage of home loans to moderate-income borrowers, at 33.3 percent, exceeded the percentage of moderate-income families, at 20.9 percent, and above aggregate peer bank performance of 20.9 percent.

In 2017, the percentage of home loans to low-income borrowers, at 15.4 percent, was significantly lower than the percentage of low-income families, at 33 percent, but above aggregate peer bank performance of 10.7 percent. Because 17 percent of AA families lived below the poverty level in 2017, this impeded the Bank's ability to make home loans to qualified low- and moderate-income borrowers. FNB's percentage of home loans to moderate-income borrowers, at 30.8 percent, exceeded the percentage of moderate-income families, at 20.3 percent, and above aggregate peer bank performance of 22.4 percent.

## **Geographic Distribution of Loans**

Please refer to Table O in appendix C for the facts and data used to evaluate the geographic distribution of the Bank's loan originations and purchases.

FNB's lending to borrowers in moderate-income geographies within the AAs reflects excellent dispersion, which meets the standard for outstanding performance.

### *Performance in the Marion, Winston, Lamar, and Fayette County AA*

FNB's geographic distribution of loans reflects excellent dispersion within the AA. While there are no low-income census tracts in this AA, 2016 home loan originations to moderate-income geographies, at 21.7 percent, exceeded the percentage of moderate-income owner-occupied housing units of 4.7 percent. In 2017, home loan originations to moderate-income geographies, at 14.3 percent, was near to the percentage of moderate-income owner-occupied housing units of 16.8 percent. FNB's home loan originations in middle-income geographies also exceeded the percentage of owner-occupied housing units for middle-income tracts in 2017.

### *Performance in the Walker County AA*

FNB's geographic distribution of loans reflects excellent dispersion within the AA. While there are no low-income census tracts in this AA, 2016 home loan originations to moderate-income geographies, at 81 percent, exceeded the percentage of moderate-income owner-occupied housing units of 63.7 percent. In 2017, home loan originations to moderate-income geographies, at 76.9 percent, exceeded the percentage of moderate-income owner-occupied housing units of 53.8 percent.

## **Responses to Complaints**

There were no CRA-related complaints filed 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 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”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): (3/31/2016 to 12/31/2017) Investment and Service Tests and CD Loans: (04/11/2016 to 12/05/2018)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
First National Bank (FNB) Hamilton, Alabama	1-4 family mortgages	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Alabama Birmingham-Hoover #13820 Marion-Walker-Fayette-Lamar	Full-scope Full-scope	(Please refer to Appendix B)

## Appendix B: Community Profiles for Full-Scope Areas

Table A.1 – Demographic Information of the Assessment Area						
Assessment Area: FNB Hamilton Fayette-Lamar-Marion-Winston						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	25	0.0	16.0	80.0	4.0	0.0
Population by Geography	93,179	0.0	16.8	77.1	6.1	0.0
Housing Units by Geography	47,359	0.0	16.6	77.3	6.2	0.0
Owner-Occupied Units by Geography	28,633	0.0	16.8	77.6	5.6	0.0
Occupied Rental Units by Geography	9,643	0.0	18.9	72.3	8.8	0.0
Vacant Units by Geography	9,083	0.0	13.4	81.6	5.0	0.0
Businesses by Geography	3,880	0.0	18.8	72.4	8.8	0.0
Farms by Geography	180	0.0	17.2	76.7	6.1	0.0
Family Distribution by Income Level	26,975	21.4	21.0	20.4	37.2	0.0
Household Distribution by Income Level	38,276	25.7	16.3	18.5	39.4	0.0
Median Family Income Non-MSAs - AL		\$45,334	Median Housing Value			\$81,228
			Median Gross Rent			\$490
			Families Below Poverty Level			16.0%

Source: 2015 ACS Census and 2017 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.

Table A.2 – Demographic Information of the Assessment Area						
Assessment Area: FNB Hamilton MSA Walker						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	18	0.0	55.6	44.4	0.0	0.0
Population by Geography	65,923	0.0	55.2	44.8	0.0	0.0
Housing Units by Geography	30,673	0.0	55.9	44.1	0.0	0.0
Owner-Occupied Units by Geography	18,943	0.0	53.8	46.2	0.0	0.0
Occupied Rental Units by Geography	6,659	0.0	59.7	40.3	0.0	0.0
Vacant Units by Geography	5,071	0.0	58.6	41.4	0.0	0.0
Businesses by Geography	2,863	0.0	43.1	56.9	0.0	0.0
Farms by Geography	85	0.0	57.6	42.4	0.0	0.0
Family Distribution by Income Level	17,977	33.0	20.3	20.3	26.4	0.0
Household Distribution by Income Level	25,602	35.7	17.6	16.7	29.9	0.0
Median Family Income MSA- #13820		\$62,204	Median Housing Value			\$84,889
			Median Gross Rent			\$575
			Families Below Poverty Level			17.0%

Source: 2015 ACS Census and 2017 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.

## Appendix C: 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 areas 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 Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases; (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Deposit data is compiled by the FDIC and is available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems.

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 MA/assessment area. The table also presents aggregate peer data for the years the data is available

# SMALL BANK

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
FNB Hamilton Fayette-Franklin-Lamar-Marion-Winston	69	4,732	77.5	1,577	0.0	0.0	0.0	4.7	21.7	5.6	83.8	44.9	80.9	11.5	33.3	13.4	0.0	0.0	0.0
FNB Hamilton MSA Walker	21	1,380	23.6	1,159	0.0	0.0	0.0	63.7	81.0	61.3	36.3	19.0	38.7	0.0	0.0	0.0	0.0	0.0	0.0

*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*

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
FNB Hamilton Fayette-Franklin-Lamar-Marion-Winston	70	5,111	86.4	1,583	0.0	0.0	0.0	16.8	14.3	12.8	77.6	85.7	81.6	5.6	0.0	5.6	0.0	0.0	0.0
FNB Hamilton MSA Walker	13	720	15.7	1,169	0.0	0.0	0.0	53.8	76.9	46.0	46.2	23.1	54.0	0.0	0.0	0.0	0.0	0.0	0.0

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 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** **2016**

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
FNB Hamilton Fayette-Lamar-Marion-Winston	69	4,732	77.4	1,577	22.2	7.2	6.0	18.0	23.2	14.8	21.3	20.3	20.5	38.5	44.9	44.8	0.0	4.3	13.8
FNB Hamilton MSA Walker	21	1,380	22.6	1,159	30.6	4.8	11.5	20.9	33.3	20.9	20.4	28.6	24.2	28.1	33.3	28.2	0.0	0.0	15.3

*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 P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2017**

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
FNB Hamilton Fayette-Lamar-Marion-Winston	70	5,111	86.4	1,448	21.3	2.9	4.7	20.8	12.9	14.0	20.5	22.9	18.2	37.5	60.0	48.8	0.0	1.4	14.3
FNB Hamilton MSA Walker	13	720	15.7	1,169	33.0	15.4	10.7	20.3	30.8	22.4	20.3	38.5	22.6	26.4	15.4	30.8	0.0	0.0	13.5

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