



## **PUBLIC DISCLOSURE**

December 9, 2019

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

Van Wert Federal Savings Bank  
Charter Number 703551

976 South Shannon Street  
Van Wert, OH 45891-2243

Office of the Comptroller of the Currency

655 Metro Place South, Suite 625  
Dublin, OH 43017

**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:

- The Lending Test rating is based on the State of Ohio rating, which is Satisfactory. The bank exhibits a reasonable distribution of loans to individuals of different income levels. The bank's geographic distribution of loans is excellent.
- Additionally, the bank's performance relative to the activities considered at the bank-wide level is overall reasonable. These include:
  - The bank's loan-to-deposit (LTD) ratio is reasonable.
  - A substantial majority of the bank's loans are inside the assessment area (AA).

### 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 reasonable.

Van Wert Federal Savings Bank (Van Wert FSB or bank) had an average LTD ratio of 68.3 percent, calculated over the 26-quarter period from the second quarter of 2013 through the third quarter of 2019. Starting in the fourth quarter of 2017, Van Wert FSB's LTD ratio began consistent improvement, increasing from 65.6 percent to 74.6 percent as of the third quarter of 2019.

Although the average LTD has improved, it was weaker than the 82.2 percent average LTD ratio maintained by its peer group during this same time period. The peer group was comprised of four operationally similar banks and thrifts with less than \$1 billion in assets that operate in either Van Wert county or a nearby county.

### Lending in Assessment Area

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

The bank originated and purchased 92.5 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

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	37	92.5	3	7.5	40	3,245	87.1	480	12.9	3,725
Total	37	92.5	3	7.5	40	3,245	87.1	480	12.9	3,725

Source: 01/01/2016 – 12/31/2018 Loan sample.

## Description of Institution

Van Wert FSB is a federally chartered mutual association headquartered in Van Wert, Ohio. Van Wert FSB does not have a holding company. Since its inception in 1889, the bank continues to serve Van Wert County, Ohio, which is in a non-metropolitan statistical area (Non-MSA AA). Van Wert County, in its entirety, is Van Wert FSB's one and only AA in the State of Ohio. Van Wert County is in northwestern Ohio, approximately 30 miles east of Fort Wayne, Indiana. Van Wert FSB's only office is in Van Wert, Ohio, in a middle-income census tract (CT). The bank has a drive-up facility and one onsite automated teller machine (ATM). The bank offers both online and mobile banking. There was no merger or acquisition activity that affected the scope of the bank's operations during the evaluation period.

Van Wert FSB serves its community with traditional financial products and services. In addition to traditional mortgage products, the bank participates in the Federal Home Loan Bank's Welcome Home Grant Program, which is designed to remove down-payment and closing cost obstacles for low- and moderate-income (LMI) individuals. During the evaluation period of 2016 – 2018, the bank closed 34 Welcome Home loans. The bank also has a "first-time homebuyer" program with low down payment and closing cost options. There is no income requirement to participate in this loan product. The bank originated 68 loans during the evaluation period under the first-time homebuyer program.

As of September 30, 2019, the bank had \$116.4 million in total assets and \$25 million in tier 1 capital. The bank's net loans and leases totaled \$67.8 million, or 58.3 percent of total assets. The bank's loan portfolio, as of the September 30, 2019 Call Report, is comprised of approximately 81.4 percent in residential real estate (including home equity lines of credit), 11.3 percent in commercial and commercial real estate, 6.0 percent in farm, and 1.3 percent in consumer loans. The bank's primary lending focus is residential real estate lending (home mortgage).

There are no financial, legal, or the other factors that impede Van Wert FSB's ability to help meet the credit needs of its AA. The bank's previous CRA rating was Outstanding as of the CRA Performance Evaluation (PE) dated November 12, 2013.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We conducted a full-scope CRA evaluation to assess the bank's record of meeting the credit needs of its entire community, including LMI areas. We used the small savings association CRA evaluation procedures to assess the bank's performance. Based on discussions with bank management and the number and dollar volume of loan origination data supplied by the bank, residential real estate (home mortgage) loans are the bank's primary lending product and was evaluated under the Lending Test. We analyzed lending activity in full-year increments during the evaluation period, January 1, 2016 to December 31, 2018. We completed transaction testing on a random sample of home mortgage loans originated during the evaluation period in the Non-MSA AA. For the Lending Test, we selected 20 home mortgage loans originated in 2016 and 20 home mortgage loans originated in 2017 – 2018.

For analysis purposes, we compared the bank's lending performance with demographic data from the 2010 U.S. Census and the 2015 American Community Survey (ACS) U.S. Census. The income designation of two CTs in the Non-MSA AA changed in 2017, based upon the 2015 ACS U.S. Census

data. Due to changes in demographic information during the evaluation period, we used the 2010 U.S. Census data for analysis and comparison purposes for loans originated and purchased in 2016 and the 2015 ACS U.S. Census data for loans originated and purchased in 2017 and 2018. We reviewed the 2016 loan data separately from the 2017 and 2018 loan data. Refer to the table in appendix A for more information on the scope of the review.

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

In each state where the bank has an office, one or more of the AAs within that state was selected for a full-scope review. For purposes of this evaluation, Van Wert FSB has one AA in the State of Ohio, and we completed a full-scope review of this AA (the Non-MSA AA). A community profile for the Non-MSA AA is provided in the “Description of Institution’s Operations in Ohio” in the State of Ohio section of this evaluation. Refer to the “Scope” section under the State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full-scope AAs.

### **Ratings**

The bank’s overall rating is based on the State of Ohio rating. Van Wert FSB only operates in the State of Ohio. The State of Ohio rating is based on the performance in the bank’s only AA, the Non-MSA AA. We completed a full-scope review of the Non-MSA AA. Refer to the “Scope” under the State Rating section for more details.

### **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 bank has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this bank engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the bank’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 Ohio

#### CRA rating for the State of Ohio: Satisfactory

#### The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits a reasonable distribution of loans to individuals of different income levels.
- The bank's geographic distribution of loans is excellent.
- The bank's loan-to-deposit (LTD) ratio is reasonable.
- A substantial majority of the bank's loans are inside the AA.

#### Description of Institution's Operations in Ohio

The bank's only AA (Non-MSA AA) includes Van Wert County, Ohio, in its entirety. The bank operates in and primarily lends within this county. Bank management selected the AA based on their targeted lending area and office location. The bank operates one office and one ATM in the Non-MSA AA. Van Wert City is the county seat and largest city in Van Wert County. The AA is contiguous, meets the requirements of the regulation, and does not arbitrarily exclude any LMI areas.

There are nine CTs in this AA. The underlying demographics changed in 2017 due to the 2015 ACS U.S. Census. As of the 2010 U.S. Census data, the Non-MSA AA included two moderate-income CTs (206 and 207). As of the 2015 ACS U.S. Census, CTs 206 and 207 changed to middle-income. There were no other changes. As of the 2015 ACS U.S. Census, all CTs are middle- and upper-income.

The bank's primary business focus is home mortgage lending. Based on the number of loans originated and purchased during the evaluation period, residential real estate (including home equity lines of credit) accounted for 62.9 percent, commercial and commercial real estate accounted for 8.0 percent, farms accounted for 2.8 percent, and consumer loans accounted for 26.3 percent. Based on the dollar amount of loans originated and purchased during the evaluation period, residential real estate accounted for 70.6 percent, commercial and commercial real estate accounted for 14.3 percent, farms accounted for 11.2 percent, and consumer loans accounted for 3.9 percent.

As part of this CRA evaluation, we reviewed information provided from an interview with a representative from a community action organization. The organization indicated they have a familiar relationship with most of the banks in the service area. The community contact believes that all banks in the area are relatively responsive, supportive, and willing to extend credit if needed. Identified needs include operating fund donations, volunteers to serve as board members for community service organizations, affordable housing, and emergency services for a growing homeless population. In general, local financial institutions are adequately meeting the credit and community development needs of the community.

Refer to the community profile for the State of Ohio Non-MSA AA below for detailed demographics and other performance context information for the bank's only AA. We completed a full-scope review of this AA.

Non-MSA AA

Economic conditions in the Non-MSA AA are overall stable. As of the October 2019 Office of Workforce Development/Bureau of Labor Market Information statistics data, Van Wert County has an unemployment rate (not seasonally adjusted) of 3.4 percent, which is lower than the statewide Ohio unemployment rate of 3.9 percent and commensurate with the nationwide rate of 3.3 percent. Primary industries include manufacturing and agriculture. Large employers in the Non-MSA AA include Eaton Corporation, Federal-Mogul Corporation (Tenneco), Cooper Farms, Van Wert County Hospital, Van Wert County government, and the Van Wert City School District.

Competition in the AA is strong with national banks, state banks, and branches of larger financial institutions. According to the Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report as of June 30, 2019, Van Wert FSB has the second highest deposit market share out of eight financial institutions with \$90.7 million in total deposits representing a market share of 17.7 percent. Financial institutions with significant deposit market share in Van Wert County include The Citizens National Bank of Bluffton, Van Wert FSB, First Financial Bank, and First Federal Savings and Loan Association of Van Wert. According to internal bank reports, the bank closed 109 purchase and refinance home mortgage loans in 2018, with 97 of them originated inside Van Wert County. As of the 2015 ACS U.S. Census data, the 2017 peer mortgage data (HMDA data) shows Citizens National Bank with the highest home mortgage originations in Van Wert County at 99 loans, representing a lending market share of 18.3 percent. The second highest financial institution with significant lending market share originated 51 loans in the AA. Van Wert FSB's lending market share is commensurate with the top home mortgage lenders in the Non-MSA AA. Primary home mortgage lenders in the Non-MSA AA as of the 2017 peer mortgage data include Citizens National Bank, Superior Credit Union, Inc., First Federal Bank of the Midwest, and Wells Fargo Bank, N.A.

According to 2010 U.S. Census data, the median housing value in the Non-MSA AA was \$89,589. Based on the 2016 median family income of \$55,400, low-income families make less than \$27,700 and moderate-income families make less than \$44,320. Overall median housing values are approximately 2.0 to 3.2 times the annual income of LMI families in the AA. The housing costs relative to income may have a limiting effect on mortgage demand among some LMI families. There are 12,651 total housing units in the AA, of which 75.1 percent are owner-occupied and 15.6 percent are rental occupied units. Approximately 6.1 percent of the families and 8.9 percent of the households live below the poverty level.

According to 2015 ACS U.S. Census data, the median housing value in the Non-MSA AA was \$97,464. Based on the 2017 median family income of \$57,600, low-income families make less than \$28,800 and moderate-income families make less than \$46,080. Overall median housing values are approximately 2.1 to 3.4 times the annual income of LMI families in the AA. Based on the 2018 median family income of \$61,400, low-income families make less than \$30,700 and moderate-income families make less than \$49,120. Overall median housing values are approximately 2.0 to 3.2 times the annual income of LMI families in the AA. The housing costs relative to income may have a limiting effect on mortgage demand among some LMI families. There are 12,672 total housing units in the AA, of which 67.8 percent are owner-occupied and 21.8 percent are rental occupied units. Approximately 9.1 percent of the families and 11.7 percent of the households live below the poverty level.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Non-MSA AA (Van Wert County, Ohio) - 2016</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)	9	0.0	22.2	66.7	11.1	0.0
Population by Geography	28,744	0.0	12.4	71.9	15.7	0.0
Housing Units by Geography	12,651	0.0	13.6	71.8	14.6	0.0
Owner-Occupied Units by Geography	9,494	0.0	9.7	73.8	16.5	0.0
Occupied Rental Units by Geography	1,978	0.0	28.7	63.3	8.0	0.0
Vacant Units by Geography	1,179	0.0	19.7	70.4	9.9	0.0
Businesses by Geography	1,425	0.0	15.4	69.1	15.4	0.0
Farms by Geography	250	0.0	3.6	70.8	25.6	0.0
Family Distribution by Income Level	7,984	13.0	20.7	28.7	37.6	0.0
Household Distribution by Income Level	11,472	18.4	18.8	23.0	39.8	0.0
Median Family Income Non-MSAs – OH		\$52,573	Median Housing Value			\$89,589
			Median Gross Rent			\$560
			Families Below Poverty Level			6.1%

*Source: 2010 U.S. Census and 2016 Dun & Bradstreet (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.*

<b>Table B – Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>OH NA Median Family Income</b>				
2016 (\$55,400)	<\$27,700	\$27,700 to <\$44,320	\$44,320 to <\$66,480	≥\$66,480

*Source FFIEC*

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Non-MSA AA (Van Wert County, Ohio) – 2017 - 2018</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)	9	0.0	0.0	88.9	11.1	0.0
Population by Geography	28,576	0.0	0.0	84.3	15.7	0.0
Housing Units by Geography	12,672	0.0	0.0	85.3	14.7	0.0
Owner-Occupied Units by Geography	8,594	0.0	0.0	82.2	17.8	0.0
Occupied Rental Units by Geography	2,761	0.0	0.0	92.4	7.6	0.0
Vacant Units by Geography	1,317	0.0	0.0	90.8	9.2	0.0
Businesses by Geography	1,460	0.0	0.0	84.5	15.5	0.0
Farms by Geography	230	0.0	0.0	76.5	23.5	0.0
Family Distribution by Income Level	7,851	16.5	18.1	23.9	41.5	0.0
Household Distribution by Income Level	11,355	19.1	18.0	18.8	44.0	0.0



Median Family Income Non-MSAs - OH	\$56,217	Median Housing Value	\$97,464
		Median Gross Rent	\$642
		Families Below Poverty Level	9.1%
<i>Source: 2015 ACS Census and 2018 D&amp;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.</i>			

<b>Table B – Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>OH NA Median Family Income</b>				
2017 (\$57,600)	<\$28,800	\$28,800 to <\$46,080	\$46,080 to <\$69,120	≥\$69,120
2018 (\$61,400)	<\$30,700	\$30,700 to <\$49,120	\$49,120 to <\$73,680	≥\$73,680
<i>Source FFIEC</i>				

### Scope of Evaluation in Ohio

We conducted a full-scope review of the Non-MSA AA, which is the bank’s only AA, to assess Van Wert FSB’s record of meeting the credit needs of its entire community, including LMI areas. The bank’s Non-MSA AA includes Van Wert County, Ohio, in its entirety, and data in this AA was analyzed and presented as one AA for purposes of this evaluation. Home mortgage loans are the bank’s primary lending product. The review included an evaluation of a random sample of home mortgage loans originated in 2016, 2017, and 2018. For the Lending Test, we selected 20 home mortgage loans originated in 2016 and 20 home mortgage loans originated in 2017 – 2018. Refer to the Scope of the Evaluation section for more details.

### LENDING TEST

The bank’s performance under the Lending Test in Ohio is rated Satisfactory.

Based on a full-scope review, the bank’s lending performance in the State of Ohio is reasonable.

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

The bank exhibits excellent geographic distribution of loans in the Non-MSA AA.

#### *Home Mortgage Loans*

Refer to Table O in the state of Ohio 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.

Van Wert FSB’s overall distribution of loans by geographic income level is excellent.

The geographic distribution of mortgage loans during the 2016 evaluation period reflected an excellent distribution. Based on our sampling of 2016 home mortgage loan production, the percentage of the

bank's home mortgage loans in moderate-income CTs exceeded both aggregate and demographic data. Three mortgage loans were located in the two moderate-income CTs during the 2016 evaluation period.

The 2015 American Community Survey (ACS) completed by the U.S. Census Bureau resulted in the re-designation of CT income categories, resulting in no low- or moderate- income CTs during the 2017/2018 evaluation period. The modest shift in median family income levels in the two CTs is not reflective of a dramatic shift in economic conditions in the area. This lack of low- or and moderate-income CTs prevented a meaningful geographic income analysis of home mortgage activity during the 2017/2018 evaluation period. We did observe four home mortgage loans in our 2017/2018 evaluation period sample that were secured by properties in one of the formerly moderate-income CTs. This shows that the lending to these CTs did not decrease and would have been higher had the designations not changed.

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

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

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

Refer to Table P in the State of Ohio 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.

Van Wert FSB's overall distribution of loans by borrower income category is reasonable.

Based on our sampling of 2016 home mortgage loan production, the percentage of the bank's home mortgage loans made to low-income borrowers was 8 percent below the percentage of low-income families. The percentage of the bank's home mortgage loans to low-income borrowers was near to the percentage of home mortgage loans of other home mortgage lenders (aggregate HMDA data) for the AA. The percentage of bank loans to moderate-income borrowers almost equaled the corresponding percentage of moderate-income families in the AA. The percentage of the bank's home mortgage loans to moderate-income borrowers was below the aggregate percentage of home mortgage loans.

Based on our sampling of 2017/2018 home mortgage loan production, the percentage of the bank's home mortgage loans made to low-income borrowers was 16.5 percent below the percentage of low-income families. The percentage of the bank's home mortgage loans to low-income borrowers was well below the percentage of home mortgage loans of other home mortgage lenders for the AA. The percentage of bank loans to moderate-income borrowers exceeded the corresponding percentage of moderate-income families in the AA by 11.9 percent. The percentage of the bank's home mortgage loans to moderate-income borrowers was near the aggregate percentage of home mortgage loans.

We noted that the 6.1 percent poverty rate in 2016 and 9.1 percent poverty rate in 2017/2018 may limit lending opportunities. The significant poverty rate is an obstacle to home mortgage lending in the low-income category, as residents of limited income may encounter difficulty meeting credit underwriting standards. Additionally, the median housing price of \$97,464 relative to the median family income can create an obstacle to home mortgage lending.

## **Responses to Complaints**

Van Wert FSB has not received any complaints about its CRA performance in helping to meet the AA's credit needs 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>	01/01/2016 – 12/31/2018	
<b>Bank Products Reviewed:</b>	Home mortgage loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<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>State of Ohio</b>		
Van Wert County, Ohio Non-MSA	Full-Scope	The AA includes Van Wert County, Ohio, in its entirety.

## Appendix B: Summary of State Ratings

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<b>RATINGS: VAN WERT FEDERAL SAVINGS BANK</b>	
<b>Overall Bank:</b>	<b>Lending Test Rating</b>
Van Wert Federal Savings Bank	Satisfactory
<b>State:</b>	
Ohio	Satisfactory

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/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 (MSA):** 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

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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.

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (in 000s)	% 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
Non-MSA AA	20	1,579	100.0	570	0.0	0.0	0.0	9.7	15.0	12.1	73.8	60.0	70.5	16.5	25.0	17.4	0.0	0.0	0.0
<b>Total</b>	<b>20</b>	<b>1,579</b>	<b>100.0</b>	<b>570</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>9.7</b>	<b>15.0</b>	<b>12.1</b>	<b>73.8</b>	<b>60.0</b>	<b>70.5</b>	<b>16.5</b>	<b>25.0</b>	<b>17.4</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.  
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		
	#	\$ (in 000s)	% 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
Non-MSA AA	20	2,139	100.0	535	0.0	0.0	0.0	0.0	0.0	0.0	82.2	80.0	84.9	17.8	20.0	15.1	0.0	0.0	0.0
<b>Total</b>	<b>20</b>	<b>2,139</b>	<b>100.0</b>	<b>535</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>82.2</b>	<b>80.0</b>	<b>84.9</b>	<b>17.8</b>	<b>20.0</b>	<b>15.1</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.  
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>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$ (in 000s)	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Non-MSA AA	20	1,579	100.0	570	13.0	5.0	5.3	20.7	20.0	28.1	28.7	35.0	22.5	37.6	40.0	27.7	0.0	0.0	16.5	
<b>Total</b>	<b>20</b>	<b>1,579</b>	<b>100.0</b>	<b>570</b>	<b>13.0</b>	<b>5.0</b>	<b>5.3</b>	<b>20.7</b>	<b>20.0</b>	<b>28.1</b>	<b>28.7</b>	<b>35.0</b>	<b>22.5</b>	<b>37.6</b>	<b>40.0</b>	<b>27.7</b>	<b>0.0</b>	<b>0.0</b>	<b>16.5</b>	

*Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data.  
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>2017-18</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$ (in 000s)	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Non-MSA AA	20	2,139	100.0	535	16.5	0.0	9.5	18.1	30.0	29.0	23.9	35.0	26.2	41.5	35.0	23.0	0.0	0.0	12.3	
<b>Total</b>	<b>20</b>	<b>2,139</b>	<b>100.0</b>	<b>535</b>	<b>16.5</b>	<b>0.0</b>	<b>9.5</b>	<b>18.1</b>	<b>30.0</b>	<b>29.0</b>	<b>23.9</b>	<b>35.0</b>	<b>26.2</b>	<b>41.5</b>	<b>35.0</b>	<b>23.0</b>	<b>0.0</b>	<b>0.0</b>	<b>12.3</b>	

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