



## **PUBLIC DISCLOSURE**

August 1, 2022

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

The First National Bank of Grayson  
Charter Number: 12982

200 S. Carol Malone Boulevard  
Grayson, Kentucky 41143

Office of the Comptroller of the Currency  
Roanoke Office  
4419 Pheasant Ridge Road, Suite 300  
Roanoke, Virginia 24014

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

## Table of Contents

Overall CRA Rating.....	1
Description of Institution.....	2
Scope of the Evaluation.....	3
Discriminatory or Other Illegal Credit Practices Review.....	5
State Rating.....	6
State of Kentucky.....	6
Appendix A: Scope of Examination .....	A-1
Appendix B: Summary of MMSA and State Ratings.....	B-1
Appendix C: Definitions and Common Abbreviations.....	C-1
Appendix D: Tables of Performance Data.....	D-1

## Overall CRA Rating

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

The lending test is rated **Satisfactory**.

The major factors that support this rating include:

- The Lending Test rating is based on the ratings of the state of Kentucky.
- The bank's loan-to-deposit (LTD) ratio is reasonable considering the bank's size, financial condition, and credit needs in its assessment areas (AAs).
- A majority of the bank's loans were originated or purchased inside the bank's AAs.
- The bank exhibits excellent geographic distribution of loans in the bank's AAs.
- The bank exhibits reasonable distribution of loans to individuals of different income levels, given the product lines offered by the bank.

### Loan-to-Deposit Ratio

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

The LTD ratio is calculated on a bank wide basis covering the quarters as of March 31, 2019, through March 31, 2022. The bank's average quarterly LTD ratio for 13 consecutive quarters is 65.15 percent. This is below the average quarterly LTD ratio of 69.84 percent for similar asset-sized institutions during the same time period. The bank's average quarterly LTD ratios ranged from a low of 56.56 percent to a high of 73.88 percent. The average quarterly LTD ratio of The First National Bank of Grayson (FNB Grayson or bank) compares favorably with other Kentucky institutions of similar asset size. The LTD ratios of the similar asset-sized institutions ranged from an average quarterly low of 52.37 percent to a quarterly high of 92.26 percent.

We considered that FNB Grayson's lending volume and LTD ratio were impacted by the COVID-19 pandemic. In 2020, the bank had an increase in deposit account balances as consumers received federal pandemic-related financial support. This, along with loan payoffs and decreased loan demand, resulted in a declining LTD ratio. A similar LTD ratio decline was observed in the similar asset-sized institutions during the evaluation period.

### Lending in Assessment Area

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

The bank originated and purchased 84.1 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Loans inside the AAs are factored into the overall lending gap analysis of the geographic distribution of lending by income level of geography.

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		
	#	%	#	%		\$	%	\$	%	
<b>Home Mortgage</b>										
<b>2019</b>	193	88.1	26	11.9	219	16,662	88.9	2,070	11.1	18,732
<b>2020</b>	250	83.1	51	16.9	301	28,012	70.6	11,662	29.4	39,674
<b>2021</b>	193	81.4	44	18.6	237	25,701	70.3	10,880	29.7	36,580
<b>Total</b>	<b>636</b>	<b>84.0</b>	<b>121</b>	<b>16.0</b>	<b>757</b>	<b>70,374</b>	<b>74.1</b>	<b>24,612</b>	<b>25.9</b>	<b>94,986</b>

Source: Bank Data for evaluation period: 1/01/2019 – 12/31/2021  
Due to rounding, totals may not equal 100.00%.

## Description of Institution

The FNB Grayson was established in 1902 and is a wholly owned subsidiary of First Grayson Bancorp Inc., a one-bank holding company located in Grayson, Kentucky. FNB Grayson is an intrastate community bank headquartered in Grayson, Kentucky that serves the counties of Boyd, Carter, Elliot, Morgan, and Rowan. FNB Grayson has a main office and seven branches.

The main office is located in a middle-income census tract (CT) in Carter County. The Grayson, Olive Hill, and Willard Branches are located in middle-income CTs in Carter County. The Sandy Hook Branch is located in a moderate-income CT in Elliot County. The West Liberty Branch is located in a middle-income CT in Morgan County. The Morehead Branch is located in an upper-income CT in Rowan County. FNB Grayson closed the Rush Branch on April 20, 2021, and opened the Cannonsburg Branch on April 22, 2021. The Cannonsburg Branch is located in a middle-income CT in Boyd County.

Full-service banking is provided at the main office and at each branch, which includes drive-through and lobby services. Extended banking hours are available during the business week and on Saturday at each location, except the Grayson Branch. Automated Teller Machines (ATMs) are located at the main office and at each branch. Three additional stand-alone ATMs are located at two gas stations/convenience stores and at a local university within the bank's AAs. The ATMs located at the Olive Hill and Morehead branches accept cash deposits. FNB Grayson offers checking accounts, savings accounts, CDs, and loans which are all indicative of a small community bank. The bank's internet website, <https://fnbgrayson.com>, provides detailed information on products and services for both consumers and businesses, bank locations, and hours of operation for each office. The bank's website also allows digital loan applications.

According to the bank's strategic plan and conversations with bank management, residential mortgage loans remain the bank's primary loan product. There are no variances in the bank's business strategies or product offerings across the AA.

FNB Grayson reported total assets of \$332.1 million, \$175.1 million in gross loans, \$294.3 million in total deposits, and tier 1 capital of \$36.3 million, as of December 31, 2021. Deposits represent 88.61 percent of total assets. Loans as a percentage of total assets are 52.71 percent. The table below indicates the dollar amount outstanding along with the percentage of total loans of each loan category.

<b>Table 1: Distribution of Loan Portfolio*</b>		
<b>TYPE OF LOAN:</b>	<b>Balance Outstanding (\$000s)</b>	<b>% OF TOTAL LOANS</b>
1-4 Family Residential Real Estate	71,585	40.89
Non-Farm/Non-Residential Real Estate	39,738	22.70
Loans to Individuals	29,007	16.57
Construction & Land Development	13,539	7.73
Commercial and Industrial	12,651	7.23
Loans secured by farmland/Ag Prod	5,005	2.86
Multi-family Residential Real Estate	2,831	1.62
Other loans	788	0.45
Less unearned income on loans	(75)	(0.05)
	<b>175,069</b>	<b>100.00</b>

\*Source: Schedule RC-C Part I – Loans and Leases as reported in the Consolidated Report of Condition and Income as of December 31, 2021.

During 2020 and 2021, FNB Grayson originated loans under the Paycheck Protection Program (PPP). This program was implemented by the U.S. Small Business Administration (SBA), and is a low-cost, qualifying forgivable loan program for small businesses to help cover payroll costs, interest on mortgages, rent, and utilities during the COVID-19 pandemic. In calendar year 2020, the bank originated 100 PPP loans totaling approximately \$6.4 million. In calendar year 2021, the bank originated 297 PPP loans totaling approximately \$4.8 million.

There are no financial, legal constraints, or other conditions that would hinder the bank’s ability to help meet the credit needs of its AA. A satisfactory CRA rating was assigned during the prior CRA performance evaluation dated July 8, 2019.

## **Scope of the Evaluation**

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

FNB Grayson was evaluated using Small Bank CRA procedures. This Performance Evaluation assesses the bank’s performance under the Lending Test for the period January 1, 2019, through December 31, 2021. We selected home mortgage loans as the primary loan product based on total loans originated during the evaluation period and discussions with bank management. The bank is a Home Mortgage Disclosure Act (HMDA) reporter; therefore, all home mortgage loans reported on the bank’s 2019, 2020, and 2021 HMDA Loan Application Registers (LARs) were considered.

Small loans to businesses, small farm loans, and multi-family loans were not a primary loan product for this evaluation period because the bank originated a minimal number of these loans. Therefore, we did not complete a loan sample of these products for analysis.

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

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan

statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA), are combined, and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the “Scope” section under each State Rating for details regarding how full-scope AAs were selected. Refer to Appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

## **Ratings**

The bank’s overall rating is a blend of the state ratings, and where applicable, multistate ratings.

The state ratings are based on performance in all bank AAs. Refer to the “Scope” section under each state Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR 25.28(c) 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 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.

## State Rating

### State of Kentucky

**CRA rating for the State of Kentucky<sup>1</sup>:** Satisfactory

**The Lending Test is rated:** Satisfactory

The major factors that support this rating include:

- The geographic distribution of loans is excellent.
- The distribution of loans to borrowers of different income levels is reasonable.

### Description of Institution's Operations in Kentucky

FNB Grayson has two AAs within the state of Kentucky rating area. These AAs are the Huntington-Ashland, WV-KY-OH MSA AA, and the Kentucky non-MSA AA. Refer to Appendix A, for the geographies that make up the AAs. All AAs for the state of Kentucky meet the requirements of the CRA regulation and did not arbitrarily exclude any low- or moderate-income CTs.

As stated under the "Description of Institution", full-service banking is provided at the main office and at each branch, which includes drive through and lobby services. FNB Grayson offers a variety of deposit products to meet consumer and commercial banking needs. The automated Telephone Banking system is available to all customers 24 hours a day, and offers a full array of services including the ability to retrieve balances and transfer funds. Personal computer banking services are also offered (currently at no charge) to all FNB Grayson customers. The bank's Internet Banking system allows customers to retrieve balances, transfer funds, print statements, e-mail the bank, access account histories, view check images, and utilize bill payment services. FNB Grayson also offers mobile banking and merchant remote deposit capture. The bank's website at <https://fnbgrayson.com>, provides detailed information of all products and services for consumers and businesses.

The Huntington-Ashland, WV-KY-OH MSA AA consisted of twenty contiguous CTs in Boyd and Carter counties. The AA has one low-, five moderate-, eleven middle-, and three upper-income CTs per the 2015 American Community Survey (ACS) data.

The FDIC Summary of Deposits Report as of June 30, 2021, listed five offices located in the Huntington-Ashland, WV-KY-OH MSA AA during the evaluation period, with total deposits of \$221.8 million, in the AA, or 78.0 percent of total bank deposits. Total home mortgage loans originated in the AA were 370 loans, or 61.1 percent of the total home mortgage loan originations for the bank during the evaluation period.

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<sup>1</sup> This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within a MMSA.



## Huntington-Ashland, WV-KY-OH MSA AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Huntington-Ashland WV-KY-OH MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	20	5.0	25.0	55.0	15.0	0.0
Population by Geography	76,243	5.3	13.2	66.2	15.4	0.0
Housing Units by Geography	34,002	5.5	14.9	63.8	15.8	0.0
Owner-Occupied Units by Geography	21,797	3.1	11.4	68.2	17.3	0.0
Occupied Rental Units by Geography	8,073	12.1	21.8	52.1	13.9	0.0
Vacant Units by Geography	4,132	4.8	19.8	63.4	12.0	0.0
Businesses by Geography	5,219	3.3	28.5	56.5	11.6	0.0
Farms by Geography	135	3.7	14.1	73.3	8.9	0.0
Family Distribution by Income Level	20,437	21.3	18.4	19.9	40.5	0.0
Household Distribution by Income Level	29,870	24.3	15.3	17.8	42.6	0.0
Median Family Income MSA - 26580 Huntington-Ashland, WV-KY-OH MSA		\$54,584	Median Housing Value			\$91,058
			Median Gross Rent			\$588
			Families Below Poverty Level			14.7%

Source: 2015 ACS and 2021 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.

Competition for mortgage loans is strong and includes local commercial and savings banks, branches of larger regional and nationwide banks, and national mortgage lenders. Based on the most recent 2021 Peer Mortgage Data, there were 148 lending institutions within the AA competing for mortgage applications. The top four lenders, with combined market share of 26.55 percent by count, and 27.73 percent by total dollar amount, are City National Bank of West Virginia, Rocket Mortgage, Desco Federal Credit Union, and First Option Mortgage, LLC. FNB Grayson ranked fifth with market share of 4.80 percent.

A review of the June 30, 2021, Federal Deposit Insurance Corporation (FDIC) Summary of Deposits Market Share Report for Boyd and Carter County, Kentucky within the Huntington-Ashland, WV-KY-OH MSA indicated there are 27 offices, representing nine FDIC-insured institutions varying in asset size. FNB Grayson ranked second with a deposit market share of 14.28 percent. City National Bank of West Virginia ranked first with a deposit market share of 18.42 percent.

### Employment and Economic Factors

According to the Bureau of Labor Statistics, the unemployment rate in the Huntington-Ashland, WV-KY-OH MSA AA reported an annual average of 5.0 percent for Year 2019, 8.1 percent for Year 2020, and 5.2 percent for Year 2021. The state of Kentucky unemployment rates were below the AA's unemployment rates, reporting an annual average of 4.1 percent in Year 2019, 6.4 percent in Year 2020, and 4.7 percent in Year 2021. The national average annual unemployment rates were comparable to those of the AA at 3.7 percent, 8.1 percent, and 5.4 percent for the same time period.

At the peak of the COVID-19 pandemic in April 2020, the AA's unemployment rate was 16.3 percent, and remained above 6.0 percent through September of that year. At the end of 2020, the AA's unemployment rate of 6.0 percent was somewhat higher than the state of Kentucky's rate of 4.7 percent.

Moody's Analytics Report as of August 2021, reported that Kentucky's recovery is starting to lose traction. Second-quarter 2021 job losses in professional/business services erased the healthy gains achieved early in the year, and the public sector has cratered in recent months. Meanwhile, strong housing market metrics mirror those of the nation, with price appreciation at decade highs. Rural areas in Kentucky were already struggling to keep pace long before the pandemic struck, and now face a longer road back. Barring strong investment from higher-value-added industries, rural counties will struggle to reverse course and will experience continued out-migration in the years ahead. The largest industries in Boyd and Carter County, Kentucky are Health Care and Social Assistance, Educational Services, Manufacturing, and Retail Trade. The top employers in the AA are Cabell-Huntington Hospital, Inc., St. Mary's Medical Center, Inc., Catlettsburg Refining LLC, Toyota Motor Manufacturing West Virginia, and the Huntington Veterans Administration Medical Center.

## **Housing**

There is one low-income CT and five moderate-income CTs in the Huntington-Ashland, WV-KY-OH MSA AA. The one low-income CT and four moderate-income CTs are in Boyd County; and one moderate-income CT is in Carter County. The 2015 ACS U.S. Census data reported single family homes make up most of the housing stock in the AA, with 74.16 percent of the homes consisting of one-unit, detached dwellings. Mobile homes account for 18.75 percent of the housing stock, and 7.0 percent were multi-family housing. The median housing value in the Huntington-Ashland, WV-KY-OH MSA AA was \$91,058 for the evaluation period and the median gross rent was \$588 per month.

## **Community Contact**

As part of our evaluation, we reviewed one community contact performed by the FDIC for a financial institution in Carter County, Kentucky. The contact was a representative of a for-profit organization that provides real estate appraisal and sales services in the AA. The contact stated that the housing list inventory is low. Homeowners are reluctant to list their home for sell for fear that they will be homeless if their current home sells quickly and they do not have another home ready to purchase. The contact commented that people from other states, such as California, Florida, and northeastern states are looking to purchase homes, vacant land, or farms in the eastern Kentucky area. The contact stated that the local banks are helpful to provide financing. However, the contact stated a lot of home applicants need 100 percent financing through government-sponsored programs, which are not offered through the local banks.

## **Scope of Evaluation in Kentucky**

The Huntington-Ashland, WV-KY-OH MSA AA will receive a full-scope review. The AA accounts for 78.0 percent of total bank deposits, and 62.5 percent of total bank branches. The bank's primary loan product during the evaluation period was home mortgage loans. Home mortgage loans received equal weighting for the geographic and borrower distribution analysis. Refer to the table in Appendix A for a list of all AAs under review.

## **Lending Test**

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

## **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank's performance in the Huntington-Ashland, WV-KY-OH MSA AA is reasonable.

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

The bank exhibits excellent geographic distribution of loans in the State.

## **Home Mortgage Loans**

Refer to Table O in the state of Kentucky 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.

### **Huntington-Ashland, WV-KY-OH MSA AA**

The geographic distribution of home mortgage loans is excellent. The percentage of loans in low-income geographies exceeded the percentage of owner-occupied housing units and was near the aggregate percentage of all reporting lenders. The percentage of loans to borrowers in moderate-income geographies exceeded the percentage of owner-occupied housing units and the aggregate percentage of all reporting lenders.

## **Lending Gap Analysis**

The OCC evaluated the lending distribution in the Huntington-Ashland, WV-KY-OH MSA AA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FNB Grayson's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

## **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 Kentucky 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.

## **Huntington-Ashland, WV-KY-OH MSA AA**

In reaching a conclusion, we weighted low-, and moderate-income borrowers equally as the proportionate percentage of families living within these CTs.

The percentage of loans to low-income borrowers was below the percentage of low-income families and exceeded the aggregate percentage of all reporting lenders. The percentage of loans to moderate-income borrowers was near the percentage of moderate-income families and exceeded the aggregate percentage of all reporting lenders. The limited percentage of families and the strong lender competition in the AA makes it more difficult to lend to low- and moderate-income (LMI) families.

When assessing performance, examiners considered the affordability of housing for low-income borrowers in the AA due to demographic constraints. The median housing value for the AA was \$91,058, per the 2015 ACS U.S. Census data. The weighted average median family income was \$54,584 for the AA, which means the maximum income for low-income families (defined as less than 50.00 percent of the area median family income) is \$27,292. Hence, the cost of housing is approximately 3.0 times low-income earnings. Therefore, low-income borrowers may have difficulty qualifying for home mortgage loans. Additionally, approximately 14 percent of the households in the AA are below the poverty level.

### **Responses to Complaints**

FNB Grayson did not receive any complaints about its performance in helping to meet credit needs in the state of Kentucky during this evaluation period. This has a neutral impact on the bank's CRA evaluation.

### **Conclusions for Area Receiving a Limited Scope Review**

Based on a limited-scope review, the bank's performance under the Lending Test in the Kentucky non-MSA AA is consistent with the bank's overall performance under the Lending Test in the full scope area.

## 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>	<b>01/01/2019 – 12/31/2021</b>	
<b>Bank Products Reviewed:</b>	Home Mortgage Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None	None	Not applicable
<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 Kentucky:</b>		
Huntington-Ashland, WV-KY-OH MSA AA	Full scope	Boyd and Carter County in entirety in Kentucky
Kentucky non-MSA AA	Limited scope	Elliott, Morgan, and Rowan Counties in entirety in Kentucky

## Appendix B: Summary of MMSA and State Ratings

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RATINGS The First National Bank of Grayson	
Overall Bank:	Lending Test Rating
<b>The First National Bank of Grayson</b>	<b>Satisfactory</b>
State:	
<b>Kentucky</b>	<b>Satisfactory</b>

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

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

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

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

**Rating Area:** A rated area is a state or 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.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																				<b>2019-21</b>
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	
Huntington-Ashland WV-KY-OH MSA	370	34,405	58.2	2,456	3.1	1.1	3.7	11.4	11.6	9.1	68.2	85.9	63.1	17.3	1.4	24.1	0.0	0.0	0.0	
KY non-MSA AA	266	35,969	41.8	749	0.0	0.0	0.0	32.3	31.6	17.2	53.9	45.9	56.5	13.8	22.6	26.3	0.0	0.0	0.0	
<b>Total</b>	<b>636</b>	<b>70,374</b>	<b>100.0</b>	<b>3,205</b>	<b>2.1</b>	<b>0.6</b>	<b>2.8</b>	<b>18.4</b>	<b>20.0</b>	<b>11.0</b>	<b>63.4</b>	<b>69.2</b>	<b>61.6</b>	<b>16.1</b>	<b>10.2</b>	<b>24.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

*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%*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																				<b>2019-21</b>
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	
Huntington-Ashland WV-KY-OH MSA	370	34,405	58.2	2,456	21.3	15.4	7.4	18.4	17.6	16.7	19.9	18.4	18.4	40.5	47.0	34.1	0.0	1.6	23.5	
KY non-MSA AA	266	35,969	41.8	749	27.0	8.6	4.9	16.7	15.0	13.5	17.8	16.2	19.1	38.5	50.0	43.5	0.0	10.2	19.0	
<b>Total</b>	<b>636</b>	<b>70,374</b>	<b>100.0</b>	<b>3,205</b>	<b>23.2</b>	<b>12.6</b>	<b>6.8</b>	<b>17.8</b>	<b>16.5</b>	<b>15.9</b>	<b>19.2</b>	<b>17.5</b>	<b>18.5</b>	<b>39.8</b>	<b>48.3</b>	<b>36.3</b>	<b>0.0</b>	<b>5.2</b>	<b>22.4</b>	

*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%*