

## **PUBLIC DISCLOSURE**

July 17, 2023

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

Florida Capital Bank, National Association  
**Charter Number 20214**

10151 Deerwood Park Boulevard  
Building 100, Suite 200  
Jacksonville, Florida 32256

Office of the Comptroller of the Currency

4042 Park Oaks Boulevard, Suite 240  
Tampa, Florida 33610

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.....	2
Description of Institution.....	3
Scope of the Evaluation.....	4
Discriminatory or Other Illegal Credit Practices Review.....	5
State of Florida Rating.....	5
Community Development Test.....	11
Appendix A: Scope of Examination.....	14
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 community development test is rated: Satisfactory.**

The major factors that support this rating include:

- The Lending Test rating is based on the reasonable distribution of home mortgage loans in low- and moderate-income (LMI) geographies and to borrowers of different income/revenue levels.
- The Community Development (CD) Test rating is based on the bank’s adequate responsiveness to CD needs in the assessment areas (AAs) through CD lending, investments, and services.
- The bank’s loan-to-deposit (LTD) ratio is more than reasonable.

### Loan-to-Deposit Ratio

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

The bank’s quarterly average LTD ratio since the preceding CRA evaluation (12 quarters beginning with the first quarter of 2020) is 93.30 percent, ranging from a high of 114.98 percent in the third quarter of 2020 to a low of 72.42 percent in the first quarter of 2022. For the same period, Florida Capital Bank’s N.A. (FCB) quarterly average ratio of 93.30 percent is higher than the ratio of three similarly situated banks operating in the bank’s AA. The quarterly average high LTD ratio for these three banks was 86.57 percent and the low was 51.35 percent.

The quarterly average LTD ratio for each similarly situated bank located in the AA is depicted in the table below:

<b>Loan-to-Deposit Ratios</b>		
<b>Institution</b>	<b>Total Assets \$ (000’s) (As of 3/1/2020)</b>	<b>Average LTD Ratio (%)</b>
<i>Florida Capital Bank, N.A.</i>	<i>457,959</i>	<i>93.30</i>
Axiom Bank	673,161	86.57
First National Bank of Pasco	299,561	70.20
Winter Park National Bank	717,750	51.35

Source: Consolidated Reports of Condition and Income from January 2020 to December 2022.

## Lending in Assessment Area

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

The bank originated and purchased 6.5 percent of its total loans by number and 5.8 percent by dollar amount inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA level. These percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria. While the bank has designated geographies in Florida as their AAs, it is a substantial mortgage banking operation with a non-traditional business model. The bank serves the national market through branches and non-branch delivery methods, including an online platform. The bank's primary source for bank's primary source of funding is non-local wholesale deposits and borrowings, so lending and deposits are correlated. The low level of lending in the AAs is mitigated by the banks nationwide lending and funding strategies.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2020	259	5.8	4,244	94.2	4,503	74,582	5.1	1,388,419	94.9	1,463,001
2021	218	7.8	2,579	92.2	2,797	73,715	6.8	1,016,850	93.2	1,090,565
<b>Total</b>	<b>477</b>	<b>6.5</b>	<b>6,823</b>	<b>93.5</b>	<b>7,300</b>	<b>148,297</b>	<b>5.8</b>	<b>2,405,269</b>	<b>94.2</b>	<b>2,553,566</b>

*Source: Bank Data; Due to rounding, totals may not equal 100.0%*

## Description of Institution

FCB is an intrastate, nationally chartered commercial bank headquartered in Jacksonville, Florida, with \$444 million in reported total assets as of December 31, 2022. The bank is wholly owned by Florida Capital Group, Inc., a one-bank holding company also headquartered in Jacksonville, Florida. The bank has one subsidiary, a real estate holding company, which was not included in the scope of this CRA performance evaluation, and the bank does not have any affiliates. The bank was initially chartered in 1985 in Tarpon Springs, Florida. The current ownership group purchased the bank in 2004, changed its name to its current name, and moved the headquarters to Jacksonville.

FCB operates four traditional banking offices, one in each of its four AAs. The bank does not operate any Automated Teller Machines (ATMs) or offer safe deposit boxes. The lobby hours of operation are Monday through Friday 9:00 AM to 4:00 PM. Through these offices, the bank offers a variety of loan and deposit products and services, which include the following: personal checking and savings accounts, residential mortgages, personal loans and lines of credit, online banking, debit and credit cards, bank by mail, remote deposit capture, wire transfers, business deposit accounts, account analysis, mobile banking, express branch (courier service), treasury and cash management, business loans, and certificates of deposit. The bank is a member of the Presto network, which provides FCB customers with free access to ATMs throughout the state of Florida via Publix supermarket locations.

The following are FCB's four assessment areas:

- MSA 27260 – Jacksonville, FL;
- MSA 23540 – Alachua County, FL (Gainesville);
- MSA 36740 – Orlando/Kissimmee/Sanford, FL (Orlando); and,
- MSA 45300 – Tampa/St. Petersburg/Clearwater, FL (Tampa).

Beyond the scope of traditional banking activities, FCB operates a nationwide residential mortgage operation, which is the bank's primary strategic focus. FCB originates or purchases residential mortgages of all types. The mortgage banking operation is the bank's primary focus and primary source of earnings. Mortgages are originated via three primary channels including broker/correspondents, retail, and from its' warehouse operations through an Early Purchase Program. Residential mortgage originations are primarily made through an extensive network of residential third-party originators (TPOs). FCB had retail loan production offices (LPOs) in CA, MD, and PA. The majority of the residential mortgages originated or purchased by the bank are sold to secondary market participants. These loans are typically funded by wholesale deposits or other borrowings and not by traditional core deposits gathered in the four AAs. The bank also provides financing to small businesses primarily through its government guaranteed lending program including Small Business Administration (SBA) loans and the United States Department of Agriculture (USDA) loans, which are underwritten and serviced in accordance with their respective guidelines. The guaranteed portions of these loans are often sold on the secondary market.

As of December 31, 2022, total loans amounted to \$343 million, representing 77 percent of total assets. The loan portfolio consists of 49.55 percent consumer loans and 37.79 percent of commercial real estate loans..

The bank did not have any financial, legal, or other factors that impeded the bank's ability to meet the credit needs of the communities it serves during the period covered in this Performance Evaluation. The preceding CRA evaluation dated June 29, 2020, indicated the bank received a "Satisfactory" rating.

The COVID-19 Pandemic occurred during our review period, there was a need for small business loans from local banks since local businesses needed working capital loans to maintain their businesses due to the impact of COVID-19. The bank participated in the Paycheck Protection Program in order to support relief efforts to local businesses. The Pandemic also impacted the bank's ability to make contacts face to face with the majority of employees working remotely.

## **Scope of the Evaluation**

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

We evaluated the performance of FCB using the Intermediate Small Bank performance criteria including the lending test and community development (CD) test. The lending test analysis focused on home mortgage loans and small business loans, which are the bank's primary loan products. The table in Appendix A identifies the time period covered in this evaluation and loan products considered. Notably, the lending test covered only 2020 and 2021 as 2022 aggregate data was not available. The CD test focused on lending, investments, and services within the bank's AAs. The table also reflects the AAs 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".

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

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the “Scope” section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

## **Ratings**

The bank’s overall rating is a blend of the state ratings. FCB has four AAs and two primary loan products that received consideration. The most weight was applied to the full scope AAs, specifically the Jacksonville and Orlando AAs. Additionally, more weight was applied to the bank’s mortgage lending as mortgage lending volume exceeded business lending volume. Additionally, the bank is a participant in the nationwide SBA lending referral program. The level of business lending did not lower the overall bank’s assessment under the lending test. The state rating is based on performance in all bank AAs. Refer to the “Scope” section under each state for details regarding how the areas were weighted in arriving at the respective ratings.

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

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank’s or federal savings association’s (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank’s lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution’s next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## State Rating

### State of Florida

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

**The Lending Test is rated:** Satisfactory

**The Community Development Test is rated:** Satisfactory

The major factors that support this rating include:

- The geographic distribution of home mortgage loans exhibits a reasonable distribution of loans in LMI geographies.
- The bank exhibits a reasonable distribution of mortgage loans to individuals of different income levels.
- The responsiveness to CD needs is satisfactory considering the mix of CD lending, investments, and services in the AAs.

### Description of Institution’s Operations in Florida

FCB operates in four AAs in the State of Florida as described in the Description of the Institution and the Scope of Evaluation sections of this performance evaluation (PE). The AAs meets the legal requirements of the CRA and do not arbitrarily exclude any LMI geographies. The bank has one branch in each of the four assessment areas including Jacksonville, Orlando, Tampa, and Gainesville. According to FDIC market share data as of June 30 2022, FCB had less than 1 percent of the deposit market share in all of the AAs. FCB’s primary business focus during the review period was the nationwide mortgage banking operation in addition to small business lending via the government guaranteed lending program. The bank’s AAs are highly competitive including local community banks, regional banks, and some of the United States’ largest banks that have a nationwide footprint as well as credit unions and nonbank financial entities that compete for residential and business loans.

Community credit needs in the full-scope AAs were determined by reviewing housing and demographic information, other CRA PEs from other banks operating in the AAs, and reviewing community contacts with organizations that service the full scope AAs. A total of eight community contacts were made. The most critical needs identified from the contacts were affordable housing and small business lending.

### Jacksonville AA

Table A – Demographic Information of the Assessment Area: Jacksonville 2021						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	215	9.3	27.4	32.6	29.3	1.4

<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 the MMSA.

Population by Geography	1,101,168	6.5	25.0	35.8	32.7	0.0
Housing Units by Geography	488,397	7.3	25.0	34.4	33.2	0.0
Owner-Occupied Units by Geography	259,840	4.5	20.4	35.5	39.7	0.0
Occupied Rental Units by Geography	157,302	9.7	31.9	34.8	23.6	0.0
Vacant Units by Geography	71,255	12.6	26.9	29.5	31.0	0.0
Businesses by Geography	212,861	5.1	22.1	30.7	42.0	0.0
Farms by Geography	4,860	4.5	21.9	37.4	36.2	0.0
Family Distribution by Income Level	264,961	22.7	17.0	19.5	40.7	0.0
Household Distribution by Income Level	417,142	24.7	16.8	17.2	41.3	0.0
Median Family Income MSA - 27260 Jacksonville, FL MSA		\$64,042	Median Housing Value			\$173,962
			Median Gross Rent			\$980
			Families Below Poverty Level			11.9%

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.

## Orlando AA

**Table A – Demographic Information of the Assessment Area: Florida Cap Orlando 2021**

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	293	4.1	27.3	32.4	35.8	0.3
Population by Geography	1,666,385	2.8	25.6	33.3	38.3	0.0
Housing Units by Geography	685,887	3.0	25.9	34.0	37.0	0.0
Owner-Occupied Units by Geography	341,812	1.1	18.3	33.6	47.0	0.0
Occupied Rental Units by Geography	244,767	5.5	35.6	34.1	24.8	0.0
Vacant Units by Geography	99,308	3.6	28.5	35.1	32.8	0.0
Businesses by Geography	382,295	1.6	23.5	32.4	42.6	0.0
Farms by Geography	6,819	1.5	23.2	34.9	40.3	0.0
Family Distribution by Income Level	381,133	21.1	17.0	18.6	43.3	0.0
Household Distribution by Income Level	586,579	22.6	16.5	17.8	43.1	0.0
Median Family Income MSA - 36740 Orlando-Kissimmee-Sanford, FL MSA		\$57,304	Median Housing Value			\$173,015
			Median Gross Rent			\$1,065
			Families Below Poverty Level			12.2%

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.

## Scope of Evaluation in Florida

This PE is an assessment of FCB’s ability to meet the credit needs of the AAs. We conducted a full-scope review of the Jacksonville AA and the Orlando AA. The full scope AAs were selected due to



these two AAs accounting for the significant majority of lending and deposit activity. Combined, these two AAs account for 90 percent of bank deposits and 84 percent of loans originated during the evaluation period. A limited scope review was completed on the Tampa and Gainesville AAs. Ratings are primarily based on the results in the full-scope assessment area with consideration of performance in the limited-scope area. Refer to the tables in appendix A for more information.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FLORIDA**

### **LENDING TEST**

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

#### **Conclusions for Areas Receiving Full-Scope Reviews**

Based on a full- and limited-scope reviews, the bank's lending performance in the state of Florida is reasonable.

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

The bank exhibits reasonable geographic distribution of loans in the state.

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

Refer to Table O in the state of Florida 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.

##### **Jacksonville AA**

Overall, the geographic distribution of home mortgage loans in the Jacksonville AA reflects reasonable distribution of loans in the LMI geographies. The bank's mortgage lending in low-income geographies was lower than the percentage of owner-occupied housing in these geographies but is near the aggregate lending comparator. Lending opportunities in these geographies are limited with only 4.5 percent of owner-occupied housing located in low-income census tracts. The bank's mortgage lending in moderate income geographies was lower than owner-occupied housing but near to aggregate lending comparator.

##### **Orlando AA**

In the Orlando AA, the bank originated 21.8 percent of all home mortgage loans originated in Florida in 2020-2021. Overall, the geographic distribution of home mortgage loans in the Orlando AA reflects reasonable distribution of loans in the LMI geographies. The bank did not report any mortgage lending in low-income geographies. The level of owner-occupied housing and aggregate lending in the low-income geographies is also low with only 1.1 percent of owner-occupied housing located in low-income census tracts. The bank's mortgage lending in moderate income geographies was lower than owner-occupied housing but near to aggregate lending comparator.

### ***Lending Gap Analysis***

We evaluated the lending distributions in the bank's AA to determine if any unexplained conspicuous gaps existed. There were no unexplained conspicuous gaps identified after reviewing the bank's performance context.

### ***Small Loans to Businesses***

Refer to Table Q in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

### **Jacksonville AA**

Overall, the geographic distribution of small business loans in the Jacksonville AA reflects poor distribution of loans to business located in LMI geographies. The bank's business lending to moderate-income geographies was significantly lower than businesses and aggregate lending in those areas. The bank's business lending to low-income geographies was slightly lower than businesses and aggregate lending in those areas. Given the bank's focus on nationwide residential lending programs, this level of lending does not overall lower the bank's assessment under the lending test.

### **Orlando AA**

Overall, the geographic distribution of small business loans in the Orlando AA reflects reasonable distribution of loans to business located in LMI geographies. For low-income geographies, the level of loan originated to small businesses is slightly below the percentage of businesses located in that geography and meets the aggregate comparator. For moderate-income geographies, the level of loans originated to small business is below the percentage of businesses located in that geography but near the aggregate comparator.

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

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

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

Refer to Table P in the state of Florida 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.

### **Jacksonville AA**

Mortgage lending in the Jacksonville AA represent reasonable distribution of borrowers of different income levels. Home mortgage loans to LMI borrowers amounted to 18.7 percent of all home mortgage loans originated in this AA during that period. FCB's lending to low-income borrowers which was lower than the percentage of low-income families in the AA, but exceeded the aggregate comparator. Lending to moderate-income families is lower than the percentage of low income and moderate-income families in the AA, but meets the aggregate comparator.

## **Orlando AA**

Mortgage lending in the Orlando AA represent reasonable distribution of borrowers of different income levels. Home mortgage loans in Orlando LMI borrowers amounted to 11.5 percent of all home mortgage loans originated in this AA during that period. While bank did not report any mortgage lending to low-income borrowers, was below the number of low-income families, the aggregate comparator was only 3.6 percent.. Lending to moderate-income borrowers is lower than the percentage of moderate-income families, but is near the aggregate comparator.

### ***Small Loans to Businesses***

Refer to Table R in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

## **Jacksonville AA**

Overall, FCB's small business lending activities in the Jacksonville AA reflects poor distribution to businesses of different sizes. Small business loans to businesses with less than \$1 million in revenues was 4 percent of all bank business loans originated. This is significantly lower than the aggregate comparator and the percentage of businesses in the AA with annual revenues less than \$1 million. Given the bank's focus on nationwide residential lending programs, this level of lending does not overall lower the bank's assessment under the lending test.

## **Orlando AA**

Overall, FCB's small business lending activities in the Orlando AA reflects poor distribution to businesses of different sizes. Small business loans to businesses with less than \$1 million in revenues was 13.3 percent of all bank business loans originated. This is significantly lower than the aggregate comparator and the percentage of businesses in the AA with annual revenues less than \$1 million. Given the bank's focus on nationwide residential lending programs, this level of lending does not overall lower the bank's assessment under the lending test.

## **Responses to Complaints**

There were no consumer complaints relating to the bank's CRA performance during the review period.

## **Conclusions for Areas Receiving Limited Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Tampa AA is consistent with the bank's overall performance under the Lending Test in the full scope areas. The bank's performance under the Lending Test in the Gainesville AA is weaker than the bank's overall performance under the Lending Test in the full scope areas.

### ***Home Mortgages***

Refer to Table O in the state of Florida 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. Refer to Table P in the state of Florida 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.

#### **Gainesville AA**

Mortgage lending reflects poor distribution of loans to borrowers located in LMI geographies. The bank did not report any mortgages in LMI geographies.

Mortgage lending demonstrates reasonable distribution of borrowers of different income levels. Home mortgage loans in Gainesville to low-income borrowers for 2020-2021 were 28.6 percent of all home mortgage loans originated during that period, which exceeds the percentage of low-income families and is significantly higher than the aggregate comparator. The bank did not make any loans to moderate income families in this geography.

#### **Tampa AA**

The geographic distribution of home mortgage loans reflects reasonable distribution of loans in the LMI geographies. Home mortgage loans in Tampa low-income areas for 2020-2021 were 2.8 percent of all home mortgage loans originated during that period. This exceeds the aggregate comparator and meets the percentage of low-income families. Home mortgage loans in moderate-income areas were 8.5 percent of all home mortgage loans originated during that period. This is lower than the aggregate comparator and the percentage of moderate-income families.

Mortgage lending represents reasonable distribution of borrowers of different income levels. Mortgage lending to moderate-income borrowers amounted to 21.1 percent, which exceeded the aggregate comparator and moderate-income families in the AA. The bank did not report any mortgage loans to low-income borrowers.

### ***Small Loans to Businesses***

Refer to Table Q in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses. Refer to Table R in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

#### **Gainesville AA**

The geographic distribution of small business loans in the Tampa AA reflects poor distribution of loans to businesses located in LMI geographies. FCB did not originate any small loans to businesses with less than \$1 million in revenues or in LMI areas during the evaluation period.

#### **Tampa AA**

The geographic distribution of small business loans in the Tampa AA reflects poor distribution of loans to businesses located in LMI geographies. FCB's percentage of loans originated to businesses located in

LMI geographies is significantly lower than the percentage of businesses located in those geographies and lower than the aggregate comparators in these markets.

FCB’s small business lending activities reflects poor distribution to businesses of different sizes. FCB’s percentage of loans to businesses with less than \$1 million in annual revenue is 1.3 percent and is significantly lower than the percentage of businesses in the AA with annual revenues less than \$1 million and aggregate comparators in the AA.

**COMMUNITY DEVELOPMENT TEST**

The bank’s performance under the Community Development Test in the state of Florida is rated Satisfactory.

**Conclusions for Areas Receiving Full-Scope Review**

Based on the full scope reviews, the bank exhibits reasonable responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, as appropriate, considering the bank’s capacity and the need and availability of such opportunities for community development in the Jacksonville and Orlando AAs.

**Number and Amount of Community Development Loans**

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank’s level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000’s)	% of Total \$
Jacksonville	15	75	702	9.9
Orlando	2	10	4,880	68.5
Gainesville	1	5	690	9.7
Tampa	2	10	850	11.9
Total	20	100	7,122	100

**Jacksonville AA**

All 15 community development loans were to a non-profit that builds homes for LMI individuals in the AA.

**Orlando AA**

Loans were made to a community services organization and a grocery store located in a LMI area.

**Number and Amount of Qualified Investments**

**Jacksonville AA**

FCB made a total of nine contributions totaling \$31 thousand to organizations supporting community development and affordable housing for LMI in the Jacksonville AA. These organizations also provide early childhood care and education services to LMI individuals.

**Orlando AA**

FCB made two contributions totaling \$10 thousand to an organization supporting community development in the Orlando AA. This organization provides early childhood care and education services to LMI individuals.

The Community Development Investments Table, shown below, sets forth the information and data used to evaluate the bank’s level of CD Investments in each AA.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Jacksonville	14	10	9	31	9	50	31	56	0	0
Orlando	2	2	2	10	2	11	10	18	0	0
Gainesville	0	0	2	4.5	2	11	4	8	0	0
Tampa	3	3.6	3	5.5	3	17	5	10	0	0
All	0	0	2	5	2	11	5	8	0	0
Total	19	15.6	18	55	18	100	55	100	0	0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

**Extent to Which the Bank Provides Community Development Services**

CD services included Workforce Readiness activities for LMI individuals, working in partnership with Career Source of North East Florida, and the Jacksonville Urban League. These partnerships provide job readiness skills and training including job seminars and webinars. Other services included providing technical banking assistance, financial education on savings and budgeting to students in ROTC programs, and collection of school supplies for students in LMI communities.

**Conclusions for Areas Receiving Limited Scope Reviews**

Based on the limited-scope reviews, the bank’s performance under the CD Test in the Gainesville and Tampa AAs is weaker than the bank’s overall performance under the CD Test in the full scope areas.

**Gainesville AA**

FCB made two contributions totaling \$4.5 thousand to organizations supporting housing for LMI individuals and community development in the Gainesville AA. In addition, one CD loan was made to a vocational training program facility in a moderate-income area. There were no community development activities recorded for this AA during the assessment period.

**Tampa AA**

FCB made three contributions totaling \$5.5 thousand to organizations supporting community development in the Tampa AA. In addition, the bank made two home mortgage loans to LMI families in the AA. There were no community development activities recorded for this AA during the assessment 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 MSA(s) and non-MSA(s) 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>		01/01/2020 to 12/31/2021
<b>Bank Products Reviewed:</b>		Home Mortgage and Small Business Loans  Community Development Loans, Investments, and Services (01/01/2020 to 12/31/2022)
<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>MMSA(s)</b>		
<b>Florida</b>		
MSA 27260 – Jacksonville	Full-Scope	Duval and St. Johns Counties
MSA 23540 - Gainesville	Limited-Scope	Alachua County
MSA 36740 - Orlando	Full-Scope	Orlando/Kissimmee/Sanford
MSA 45300 - Tampa	Limited-Scope	Tampa/St. Petersburg/Clearwater



## Appendix B: Summary of MMSA and State Ratings

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RATINGS Florida Capital Bank NA			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
Florida Capital Bank	Satisfactory	Satisfactory	Satisfactory
MMSA or State:			
Florida	Satisfactory	Satisfactory	Satisfactory

(\*) The Lending Test and Community Development Test carry equal weight in the overall rating.

## 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.

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Charter Number: 20214

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020-21		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Florida Cap Gainesville 2021	7	1,541	1.5	10,855	2.4	0.0	2.6	14.9	0.0	9.8	37.5	28.6	38.6	44.6	71.4	47.9	0.6	0.0	1.0		
Florida Cap Jacksonville 2021	295	92,501	61.8	81,440	4.5	0.7	2.0	20.4	11.2	14.7	35.5	26.1	32.9	39.7	62.0	50.4	0.0	0.0	0.0		
Florida Cap Orlando 2021	104	31,670	21.8	94,338	1.1	0.0	0.7	18.3	13.5	14.1	33.6	33.7	34.0	47.0	52.9	51.2	0.0	0.0	0.0		
Florida Cap Tampa 2021	71	22,585	14.9	136,738	2.5	2.8	2.5	16.0	8.5	13.7	39.5	28.2	36.3	42.0	60.6	47.4	0.1	0.0	0.1		
<b>Total</b>	<b>477</b>	<b>148,297</b>	<b>100.0</b>	<b>323,371</b>	<b>2.5</b>	<b>0.8</b>	<b>1.9</b>	<b>17.5</b>	<b>11.1</b>	<b>13.9</b>	<b>36.9</b>	<b>28.1</b>	<b>34.9</b>	<b>43.0</b>	<b>60.0</b>	<b>49.3</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>		

Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020-21		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Florida Cap Gainesville 2021	7	1,541	1.5	10,855	23.4	28.6	4.1	15.4	0.0	13.1	18.2	28.6	20.0	43.0	42.9	47.5	0.0	0.0	15.3		
Florida Cap Jacksonville 2021	295	92,501	61.8	81,440	22.7	5.1	4.5	17.0	13.6	13.8	19.5	16.9	19.1	40.7	57.3	40.9	0.0	7.1	21.8		
Florida Cap Orlando 2021	104	31,670	21.8	94,338	21.1	0.0	3.6	17.0	11.5	12.5	18.6	33.7	18.9	43.3	54.8	47.7	0.0	0.0	17.2		
Florida Cap Tampa 2021	71	22,585	14.9	136,738	21.2	0.0	4.0	17.0	21.1	14.2	18.4	28.2	19.4	43.4	46.5	44.3	0.0	4.2	18.1		
<b>Total</b>	<b>477</b>	<b>148,297</b>	<b>100.0</b>	<b>323,371</b>	<b>21.6</b>	<b>3.6</b>	<b>4.0</b>	<b>16.9</b>	<b>14.0</b>	<b>13.5</b>	<b>18.7</b>	<b>22.4</b>	<b>19.2</b>	<b>42.8</b>	<b>54.9</b>	<b>44.5</b>	<b>0.0</b>	<b>5.0</b>	<b>18.7</b>		

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Charter Number: 20214

Source: 2015 ACS ; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** 2020-21

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Florida Cap Gainesville 2021	0	0	0	6,639	7.1	0	7.7	17.4	0	16.0	35.3	0	34.8	39.1	0	40.8	1.1	0	0.7
Florida Cap Jacksonville 2021	21	10,216	28.0	39,970	5.1	1.3	5.0	22.1	5.3	21.4	30.7	4.0	29.2	42.0	18.6	44.4	0.0	0	0.0
Florida Cap Orlando 2021	49	20,805	65.3	79,738	1.6	1.3	1.6	23.5	16.0	22.3	32.4	32.0	33.2	42.6	16.0	43.0	0.0	0	0.0
Florida Cap Tampa 2021	5	4,486	6.6	92,095	5.0	0	5.4	17.9	2.6	18.5	33.7	2.6	34.3	43.1	2.6	41.5	0.3	0	0.3
<b>Total</b>	<b>75</b>	<b>35,507</b>	<b>100</b>	<b>218,442</b>	<b>3.9</b>	<b>--</b>	<b>4.0</b>	<b>20.7</b>	<b>--</b>	<b>20.3</b>	<b>32.7</b>	<b>--</b>	<b>33.0</b>	<b>42.5</b>	<b>--</b>	<b>42.5</b>	<b>0.2</b>	<b>--</b>	<b>0.1</b>

Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** 2020-21

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Florida Cap Gainesville 2021	0	0	0	6,639	90.4	0	43.9	2.5	0	7.1	0
Florida Cap Jacksonville 2021	21	10,216	28.0	39,970	92.1	4.0	43.1	2.3	13.3	5.6	9.33
Florida Cap Orlando 2021	49	20,805	65.3	79,738	93.1	13.3	44.9	2.0	34.6	20.0	33
Florida Cap Tampa 2021	5	4,486	6.6	92,095	92.7	1.3	45.8	2.3	4.0	5.0	4.0
<b>Total</b>	<b>75</b>	<b>35,507</b>	<b>100</b>	<b>218,442</b>	<b>92.7</b>	<b>--</b>	<b>44.9</b>	<b>2.2</b>	<b>--</b>	<b>5.1</b>	<b>--</b>

Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.