



## **PUBLIC DISCLOSURE**

August 28, 2023

# **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

First Federal Savings and Loan Association  
Charter Number: 706517

655 Main Street  
Hazard, Kentucky 41701

Office of the Comptroller of the Currency

10200 Forest Green Blvd  
Suite 501  
Louisville, KY 40223

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

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## Overall CRA Rating

**Institution's CRA rating: Satisfactory**

**The lending test rating: Satisfactory**

The major factors that support these ratings include:

- The loan-to-deposit (LTD) ratio was more than reasonable given First Federal Savings and Loan Association's (First Federal or bank) size, financial condition, and credit needs of the assessment area (AA).
- A majority of First Federal's loans were originated within its AA.
- The distribution of loans to borrowers of different income levels was excellent.
- The geographic distribution of home mortgage loans throughout the AA was reasonable.
- There were no complaints received during the evaluation period.

## Loan-to-Deposit Ratio

Considering the bank's size and financial condition, and the credit needs of its AA, the bank's loan-to-deposit ratio was more than reasonable. First Federal's quarterly LTD ratio averaged 161.3 percent during the 20 quarters since the previous evaluation, with a quarterly high of 179.8 percent and a quarterly low of 147.7 percent. First Federal's average LTD ratio was more than reasonable compared to similarly situated banks with average LTD ratios for the same period between 57.9 percent and 86.4 percent.

## Lending in the Assessment Area

A majority of the bank's loans are inside its AA. Management originated and purchased 52.5 percent by volume and 13.0 percent by dollar of the bank's total loans inside the bank's AAs during the evaluation period. First Federal purchased four large dollar loans from its sister bank in 2022 which totaled \$9.42 million of the \$9.82 million outside the AA. Examiners based the assessment on the number of loans more than the volume as loan sizes vary. 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.

| <b>Lending Inside and Outside of the Assessment Area</b> |                 |             |           |             |           |                                 |             |               |             |                |
|--|-----------------|-------------|-----------|-------------|-----------|---------------------------------|-------------|---------------|-------------|----------------|
| Loan Category  | Number of Loans |             |           |             | Total #   | Dollar Amount of Loans \$(000s) |             |               |             | Total \$(000s) |
|  | Inside          |             | Outside   |             |           | Inside                          |             | Outside       |             |                |
|  | #               | %           | #         | %           |           | \$                              | %           | \$            | %           |                |
| Home Mortgage 2020-2021                                  | 10              | 50.0        | 10        | 50.0        | 20        | 420                             | 28.0        | 1,081         | 72.0        | 1,501          |
| Home Mortgage 2022                                       | 11              | 55.0        | 9         | 45.0        | 20        | 1,209                           | 11.0        | 9,820         | 89.0        | 11,030         |
| <b>Total</b>   | <b>21</b>       | <b>52.5</b> | <b>19</b> | <b>47.5</b> | <b>40</b> | <b>1,629</b>                    | <b>13.0</b> | <b>10,901</b> | <b>87.0</b> | <b>12,531</b>  |

Source: Random sample of home mortgage loans from bank records that were originated and purchased between January 1, 2020 and December 31, 2022. Totals may reflect negligible variances due to rounding.

## Description of the Institution

First Federal is an intrastate, stock savings association headquartered in Hazard, Kentucky. It is a wholly-owned subsidiary of Kentucky First Federal Bancorp (KFFB) which is itself majority owned by First Federal Mutual Holding Company (58.0 percent), a federally chartered mutual holding company. KFFB is a multi-thrift holding company headquartered in Frankfort, Kentucky. KFFB is a publicly traded holding company. As of December 31, 2022, First Federal had \$81 million in total assets with \$72 million in loans, \$45 million in deposits, and \$19 million in tier 1 capital.

According to the call report as of December 31, 2022, First Federal's net loans represented 87.8 percent of average assets. The composition of loans included loans secured by one- to four-family residential real estate (78.4 percent), loans secured by commercial real estate (11.1 percent), loans secured by multi-family (five or more) residential properties (8.8 percent), loans to individuals (1.1 percent), and municipal and other loans (0.1 percent)

First Federal designated a single AA which consists entirely of Perry County, Kentucky. The AA is in a nonmetropolitan area located in eastern Kentucky. The largest city in the AA is Hazard, Kentucky.

The bank operates one office in Hazard, Kentucky. An automated teller machine is also available at the bank's location. Traditional loan products offered include loans secured by one- to four-family, multifamily, and commercial real estate. The bank also purchases a high volume of loans that are originated by their sister bank, First Federal Savings Bank of Kentucky headquartered in Frankfort, Kentucky. Deposit offerings include passbook savings, certificates of deposit, and individual retirement accounts. The bank does not offer traditional checking accounts.

There were no legal or financial circumstances that impacted First Federal's ability to meet the credit needs of its community. However, the COVID-19 pandemic, beginning in 2020, impacted the local economy, including unemployment. The last CRA evaluation was performed on March 11, 2019. First Federal received a satisfactory rating.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The Office of the Comptroller of the Currency (OCC) evaluated First Federal's CRA performance under the OCC's Small Bank procedures encompassing the lending test only. The lending test evaluated the bank's record of meeting the credit needs of its AA through its lending activities from January 1, 2020, through December 31, 2022.

Examiners used call report data as of December 31, 2022, to determine First Federal's quarterly LTD ratio. Based on an analysis of lending activity during the evaluation period, home mortgage loans were selected as the primary loan product. Conclusions regarding the bank's lending performance were based on a random sample of home mortgage loans originated during this period.

For analysis purposes, examiners compared the bank's lending performance with demographic data from the 2015 American Community Survey (ACS) United States (U.S.) Census for the 2020-2021 loan originations and purchases and the 2020 U.S. Census for the 2022 loan originations and purchases. The

census tract (CT) designations changed between the two data sources, in which two CTs were added, in 2022 compared to 2020-2021.

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

The bank's only AA received a full-scope review. Refer to *Appendix A: Scope of the Examination* for a list of products reviewed within the AA.

### **Ratings**

The bank's overall rating is based on the state of Kentucky rating. The state rating is based on the full-scope review of First Federal's single AA. In assessing performance, examiners placed more weight on the distribution by borrower income levels than the geographic distribution of loans. This was due to no low-income and two moderate-income CTs in 2020-2021, and no low-income and four moderate-income in 2022.

### **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 Kentucky

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

#### The lending test rating: Satisfactory

The major factors that support these ratings include:

- The distribution of loans to borrowers of different income levels was excellent.
- The geographic distribution of home mortgage loans throughout the AA was reasonable.
- There were no complaints received during the evaluation period.

### Description of Institution's Operations in Kentucky

First Federal has one AA in the state of Kentucky. The AA includes the entirety of Perry County. First Federal's AA meets the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income CTs. The AA is in a nonmetropolitan area located in eastern Kentucky. The largest city in the AA is Hazard, Kentucky.

The total population of the AA was 28,154. In 2020 and 2021, the AA consisted of eight CTs with zero low-income tracts, two moderate-income tracts, five middle-income tracts, and one upper-income tract. In 2022, the CT's changed due to the new 2020 U.S. Census data and added two more CTs for a total of 10. There are zero low-income tracts, four moderate-income tracts, four middle-income tracts, and two upper-income tracts. All middle-income tracts in the AA were designated as *distressed* and *underserved* by the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation (FDIC) and the OCC in 2020, 2021 and 2022. Annual designations of *distressed* or *underserved* nonmetropolitan middle-income geographies are determined based on rates of poverty, unemployment, and population loss or population size, density, and dispersion.

First Federal has moderate competition within the AA. As of June 30, 2022, there were five financial institutions operating 12 banking offices in the AA, including First Federal. Competition in the AA included several local community banks, some regional banks, and no branches of large banks. The June 30, 2022, FDIC Deposit Market Share Report shows First Federal ranked fourth in market share at 6.7 percent. First Federal's major competitors in the AA were People's Bank and Trust Company of Hazard (37.5 percent market share), Community Trust Bank, Inc. (26.8 percent market share), and 1<sup>st</sup> Trust Bank, Inc. (23.3 percent market share). First Federal operated one full-service location in the AA.

Economic conditions for the AA prior to the COVID-19 pandemic were moderately worse than the state of Kentucky, with 6.0 percent unemployment. The state of Kentucky was at 4.1 percent going into the pandemic. At the peak of the pandemic in April 2020, the unemployment rate in the AA was 15.8 percent compared to the state of Kentucky of 16.7 percent. The annual average unemployment rate for 2020 improved significantly for the AA and the state. On average, the unemployment rates for the AA were above the state of Kentucky's unemployment rates for the evaluation period.

| Unemployment Rate | 2020 | 2021 | 2022 |
|-------------------|------|------|------|
| Kentucky          | 6.5  | 4.4  | 3.9  |
| Perry             | 8.7  | 5.8  | 5.0  |

Approximately 23.0 percent of households in Perry County live below the poverty level, this is above the national average of 12.0 percent. The median household income was \$43,931 which was 26.0 percent less than the state average and 42.0 percent less than the national average. Only 18.1 percent of households in Perry County earn more than the national average.

The major industries in the AA include office and administrative support, sales, and healthcare. Perry County is in an area where the coal industry has suffered for years with other industries struggling to enter the area with geographical limitations being on the western edge of the Appalachian Mountains.

A community contact located in the AA identified a significant need for affordable housing for low- and moderate-income families. Local banks in the area are active participants through funding loans to support the organization directly, providing general banking services, and providing funding to support the activities in which the organization provides.

The following tables show demographic information covering First Federal's AA for 2020-2021 and 2022 separate.

### Perry County Non-MSA

| <b>Table A – Demographic Information of the Assessment Area</b> |          |                   |                              |                      |                     |                   |
|---|----------|-------------------|------------------------------|----------------------|---------------------|-------------------|
| <b>Assessment Area: Perry County Non-MSA 2020-2021</b>          |          |                   |                              |                      |                     |                   |
| <b>Demographic Characteristics</b>                              | <b>#</b> | <b>Low % of #</b> | <b>Moderate % of #</b>       | <b>Middle % of #</b> | <b>Upper % of #</b> | <b>NA* % of #</b> |
| Geographies (Census Tracts)                                     | 8        | 0.0               | 25.0                         | 62.5                 | 12.5                | 0.0               |
| Population by Geography   | 28,041   | 0.0               | 27.5                         | 60.7                 | 11.8                | 0.0               |
| Housing Units by Geography                                      | 12,775   | 0.0               | 25.2                         | 65.4                 | 9.4                 | 0.0               |
| Owner-Occupied Units by Geography                               | 7,981    | 0.0               | 23.9                         | 65.3                 | 10.8                | 0.0               |
| Occupied Rental Units by Geography                              | 3,099    | 0.0               | 30.4                         | 64.2                 | 5.5                 | 0.0               |
| Vacant Units by Geography                                       | 1,695    | 0.0               | 22.4                         | 67.8                 | 9.9                 | 0.0               |
| Businesses by Geography   | 1,730    | 0.0               | 34.2                         | 60.8                 | 5.1                 | 0.0               |
| Farms by Geography  | 25       | 0.0               | 32.0                         | 64.0                 | 4.0                 | 0.0               |
| Family Distribution by Income Level                             | 7,809    | 27.5              | 16.2                         | 17.0                 | 39.3                | 0.0               |
| Household Distribution by Income Level                          | 11,080   | 28.6              | 16.7                         | 13.3                 | 41.4                | 0.0               |
| Median Family Income Non-MSAs - KY                              |          | \$45,986          | Median Housing Value         |                      |                     | \$70,072          |
|   |          |                   | Median Gross Rent            |                      |                     | \$530             |
|   |          |                   | Families Below Poverty Level |                      |                     | 21.9%             |

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.

| Table A – Demographic Information of the Assessment Area   |        |            |                              |               |              |            |
|--|--------|------------|------------------------------|---------------|--------------|------------|
| Assessment Area: Perry County Non-MSA 2022   |        |            |                              |               |              |            |
| Demographic Characteristics  | #      | Low % of # | Moderate % of #              | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts)  | 10     | 0.0        | 40.0                         | 40.0          | 20.0         | 0.0        |
| Population by Geography  | 28,473 | 0.0        | 38.1                         | 44.1          | 17.8         | 0.0        |
| Housing Units by Geography   | 13,025 | 0.0        | 37.1                         | 44.3          | 18.5         | 0.0        |
| Owner-Occupied Units by Geography  | 8,783  | 0.0        | 38.7                         | 45.7          | 15.5         | 0.0        |
| Occupied Rental Units by Geography   | 2,551  | 0.0        | 37.4                         | 39.2          | 23.4         | 0.0        |
| Vacant Units by Geography  | 1,691  | 0.0        | 28.5                         | 44.6          | 26.9         | 0.0        |
| Businesses by Geography  | 1,850  | 0.0        | 21.3                         | 33.3          | 45.4         | 0.0        |
| Farms by Geography   | 27     | 0.0        | 33.3                         | 44.4          | 22.2         | 0.0        |
| Family Distribution by Income Level  | 7,833  | 26.7       | 16.4                         | 18.0          | 38.8         | 0.0        |
| Household Distribution by Income Level   | 11,334 | 26.4       | 20.0                         | 13.6          | 40.0         | 0.0        |
| Median Family Income Non-MSAs - KY   |        | \$54,327   | Median Housing Value         |               |              | \$80,864   |
|  |        |            | Median Gross Rent            |               |              | \$642      |
|  |        |            | Families Below Poverty Level |               |              | 17.9%      |
| <i>Source: 2020 U.S. Census and 2022 D&amp;B Data</i><br><i>Due to rounding, totals may not equal 100.0%</i><br><i>(*) The NA category consists of geographies that have not been assigned an income classification.</i> |        |            |                              |               |              |            |

## Conclusions With Respect to Performance Tests in Kentucky

### Lending Test

The bank’s performance under the lending test in Kentucky is **Satisfactory**.

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

The bank exhibits reasonable geographic distribution of loans.

### Home Mortgage Loans

Refer to Table O in *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the geographic distribution of the bank’s home mortgage loan originations and purchases.

### 2020-2021

Lending to geographies of different income levels in the AA reflected reasonable distribution. The bank originated or purchased 10 percent of home mortgage loans in moderate-income CTs, below both the demographic comparator and the aggregate data. There were no low-income CTs in this AA. All the middle-income CTs were designated as *distressed* and *underserved* where 85.0 percent of loans were originated.



## **2022**

Lending to geographies of different income levels in the AA reflected poor distribution. The bank did not originate and purchase any loans in low- or moderate-income CTs in 2022. First Federal originated 45.0 percent of loans in *distressed* and *underserved* middle-income CTs.

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

The bank exhibits an excellent 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 *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

## **2020-2021**

The overall distribution of home mortgage loans to borrowers of different income levels in the AA is excellent. The bank originated 10.0 percent of loans to low-income borrowers in the AA, exceeding the aggregate comparator but below the demographic comparator. The bank originated 35.0 percent of loans to moderate-income borrowers in the AA, significantly exceeding both the demographic and aggregate comparators.

## **2022**

The overall distribution of home mortgage loans to borrower of different income levels in the AA is excellent. The bank originated 15.0 percent of loans to low-income borrowers in the AA, exceeding the aggregate comparator but below the demographic comparator. The bank originated 20.0 percent of loans to moderate-income borrowers in the AA, exceeding both the demographic and aggregate comparators.

### **Responses to Complaints**

First Federal did not receive any written complaints regarding its CRA performance during the evaluation period.

**Appendix A: Scope of Examination**

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

|   |                                |                          |
|---|--------------------------------|--------------------------|
| <b>Time Period Reviewed:</b>                            | <b>01/01/2020 – 12/31/2022</b> |                          |
| <b>Bank Products Reviewed:</b>                          | Home mortgage loans            |                          |
| <b>Affiliate(s)</b>                                     | <b>Affiliate Relationship</b>  | <b>Products Reviewed</b> |
| N/A   |                                |                          |
| <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>Kentucky</b>   |                                |                          |
| <b>Perry County Non-MSA</b>                             | <b>Full-Scope</b>              |                          |

## Appendix B: Summary of MMSA and State Ratings

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| RATINGS   |                     |
|---|---------------------|
| Overall Bank:                                     | Lending Test Rating |
| <b>First Federal Savings and Loan Association</b> | <b>Satisfactory</b> |
| <b>MMSA or State:</b>                             |                     |
| <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.

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.



| <b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b> |    |                                   |              |           |                                   |              |           |                                   |              |           |                                   |              |           |                                   | <b>2020-2021</b> |           |     |
|---|----|-----------------------------------|--------------|-----------|-----------------------------------|--------------|-----------|-----------------------------------|--------------|-----------|-----------------------------------|--------------|-----------|-----------------------------------|------------------|-----------|-----|
| Total Home Mortgage Loans   |    | Low-Income Tracts                 |              |           | Moderate-Income Tracts            |              |           | Middle-Income Tracts              |              |           | Upper-Income Tracts               |              |           | Not Available-Income Tracts       |                  |           |     |
| #   | \$ | % 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 |     |
| Perry County Non-MSA  | 20 | 808                               | 0.0          | 0.0       | 0.0                               | 23.9         | 10.0      | 25.9                              | 65.3         | 85.0      | 64.4                              | 10.8         | 5.0       | 9.7                               | 0.0              | 0.0       | 0.0 |

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

| <b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b> |    |                                   |              |           |                                   |              |           |                                   |              |           |                                   |              |           |                                   | <b>2022</b>  |           |     |
|---|----|-----------------------------------|--------------|-----------|-----------------------------------|--------------|-----------|-----------------------------------|--------------|-----------|-----------------------------------|--------------|-----------|-----------------------------------|--------------|-----------|-----|
| Total Home Mortgage Loans   |    | Low-Income Tracts                 |              |           | Moderate-Income Tracts            |              |           | Middle-Income Tracts              |              |           | Upper-Income Tracts               |              |           | Not Available-Income Tracts       |              |           |     |
| #   | \$ | % 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 |     |
| Perry County  | 20 | 2,328                             | 0.0          | 0.0       | 0.0                               | 38.7         | 0.0       | 26.7                              | 45.7         | 45.0      | 50.4                              | 15.5         | 55.0      | 22.9                              | 0.0          | 0.0       | 0.0 |

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, 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.

| <b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b> |    |                      |              |           |                           |              |           |                         |              |           |                        |              |           |                                | <b>2020-2021</b> |           |      |
|--|----|----------------------|--------------|-----------|---------------------------|--------------|-----------|-------------------------|--------------|-----------|------------------------|--------------|-----------|--------------------------------|------------------|-----------|------|
| Total Home Mortgage Loans  |    | Low-Income Borrowers |              |           | Moderate-Income Borrowers |              |           | Middle-Income Borrowers |              |           | Upper-Income Borrowers |              |           | Not Available-Income Borrowers |                  |           |      |
| #  | \$ | % of Families        | % Bank Loans | Aggregate | % of Families             | % Bank Loans | Aggregate | % of Families           | % Bank Loans | Aggregate | % of Families          | % Bank Loans | Aggregate | % of Families                  | % Bank Loans     | Aggregate |      |
| Perry County No-MSA  | 20 | 808                  | 27.5         | 10.0      | 2.9                       | 16.2         | 35.0      | 13.3                    | 17.0         | 5.0       | 20.7                   | 39.3         | 45.0      | 44.7                           | 0.0              | 5.0       | 18.4 |

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

| <b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b> |    |                      |              |           |                           |              |           |                         |              |           |                        |              |           |                                | <b>2022</b>  |           |      |
|--|----|----------------------|--------------|-----------|---------------------------|--------------|-----------|-------------------------|--------------|-----------|------------------------|--------------|-----------|--------------------------------|--------------|-----------|------|
| Total Home Mortgage  |    | Low-Income Borrowers |              |           | Moderate-Income Borrowers |              |           | Middle-Income Borrowers |              |           | Upper-Income Borrowers |              |           | Not Available-Income Borrowers |              |           |      |
| #  | \$ | % of Families        | % Bank Loans | Aggregate | % of Families             | % Bank Loans | Aggregate | % of Families           | % Bank Loans | Aggregate | % of Families          | % Bank Loans | Aggregate | % of Families                  | % Bank Loans | Aggregate |      |
| Perry County Non-MSA   | 20 | 2,328                | 26.7         | 15.0      | 6.7                       | 16.4         | 20.0      | 18.8                    | 18.0         | 30.0      | 28.8                   | 38.8         | 35.0      | 32.9                           | 0.0          | 0.0       | 12.9 |

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data.  
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.