



Office of the  
Comptroller of the Currency  
Washington, DC 20219

# INTERMEDIATE SMALL BANK

## PUBLIC DISCLOSURE

January 04, 2016

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Central National Bank & Trust Company of Enid  
Charter Number 12044

324 West Broadway, Enid, OK 73701

Office of the Comptroller of the Currency

8282 South Memorial Drive Suite 300, Tulsa, OK 74133

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

## **INSTITUTION'S CRA RATING**

**This institution is rated: Satisfactory**

**The Lending Test is rated: Satisfactory.**

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

The following factors support the overall rating:

- A majority of the loans were originated inside the bank's assessment areas.
- The bank's loan-to-deposit ratio is reasonable, and commensurate with other financial institutions doing business inside the assessment areas.
- The penetration of loans to individuals and businesses of different income levels is reasonable and meets the standard for satisfactory performance.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas, and meets the standard for satisfactory performance.
- Community Development lending is satisfactory and indicates adequate responsiveness to the needs of the bank's assessment areas.
- The bank's amount of qualified Community Development investments and services indicates adequate responsiveness within its assessment areas.

### ***Data Integrity***

We commenced a Data Integrity examination at Central National Bank & Trust Company of Enid, Oklahoma (CNB&T Enid) on September 21, 2015. We completed this review to evaluate the bank's system of internal controls for collecting, verifying, and reporting data reported on the Home Mortgage Disclosure Act Loan Application Register (HMDA LAR), and to assess the bank's processes for identifying and recording the bank's qualified Community Development activities.

We sampled HMDA reportable loans originated in 2013, 2014, and year-to-date June 30, 2015. The review concluded that data the bank is required to collect and report to regulatory agencies, under the Community Reinvestment Act (CRA) and Home Mortgage Disclosure Act (HMDA), is materially accurate. Internal controls over the system to collect and report HMDA data are effective.

## ***Scope of Examination***

This Intermediate Small Bank 2016 CRA Performance Evaluation commenced January 4, 2016. The analysis is based on 2010 United States (U.S.) Census demographic information. Conclusions regarding the Lending Test are based on residential mortgage loans originated in 2013, 2014, and year-to-date June 30, 2015, and samples of business and agricultural loans originated during the same period. Conclusions regarding the Community Development Test are based on the bank's community development activities from the date of the last performance evaluation, February 11, 2013, through January 4, 2016. However, all community development loans presented for this performance evaluation were originated or renewed prior to June 30, 2015.

As described below in the "Description of Assessment Areas" section of this report, the overall Institution rating reflects the combined ratings of the bank's full scope assessment areas, weighted in light of the bank's performance context, including the relative scope of the deposit base and the importance of operations in these assessment areas. The full-scope assessment areas include the partial Tulsa MSA assessment area (Tulsa MS AA) and the combined Oklahoma Non-MSA assessment areas (Non-MSA AAs) as of June 30, 2015. The Non-MSA AAs include all of Garfield County and Woodward County, and portions of Kay County and Washington County.

In the overall Institution Rating, performance in the Oklahoma Non-MSA AAs received more weight than performance in the partial Tulsa MSA AA. CNB&T Enid has a very small presence in the Tulsa MSA, with only a 0.04 percent market share of total Tulsa MSA deposits. The Tulsa market accounts for only 2 percent of the bank's total deposits and 29 percent of its loans. As of June 30, 2015, the Oklahoma Non-MSA AAs accounted for 98 percent of the dollar amount of total deposits, 71 percent of total loans, and seven (88 percent) of the bank's eight banking centers. Within the Oklahoma Non-MSA AAs, Garfield County received more weight than Woodward, Washington, and Kay Counties. Garfield County accounted for 73 percent of the total dollar volume of the bank's deposits and three banking centers. This compares to 25 percent of the dollar amount of deposits in the remaining three counties.

Three community contacts were evaluated for the consideration of community needs in CNB&T Enid's assessment areas, including one community contact in Garfield County, one in Kay County, and one in the Tulsa MSA. The comments made by these professionals are summarized in the "Description of Assessment Areas" section of this report.

### ***Description of Institution***

Central National Bank & Trust (CNB&T Enid) is a \$584 million financial institution headquartered in Enid, Oklahoma, which is located in north central Oklahoma. As of June 30, 2015, CNB&T Enid had loans of \$423 million, or 72 percent of total assets. The bank is a subsidiary of Central Service Corporation, a three-entity holding company headquartered in Enid, Oklahoma. Subsidiaries of the holding company include Central National Bank & Trust Co. (wholly owned), CSC Capital Corp (wholly owned/inactive), and Central Service Capital Trust I (an unconsolidated subsidiary established to issue trust preferred securities). CNB&T Enid also has three wholly owned subsidiaries, including CSC Insurance Agency, Central Registration Co. of Enid, and CSC Enid Properties. These subsidiaries were not considered in the evaluation.

The bank operates eight full-service banking centers within the State of Oklahoma. The Main Bank and two branches are located in Enid, with branches located in Woodward, Mooreland, Blackwell, Bartlesville, and Tulsa. All branches, except the Tulsa branch, offer drive-in banking. Bank lobby hours are provided Monday through Friday at all locations, with five locations offering extended hours on Fridays or Saturdays. No branches have been opened or closed since the previous CRA evaluation.

The bank also operates 17 ATM locations, six of which accept deposits and are included in the current assessment areas. Each banking location has an ATM, with an additional eight ATMs in the Enid area and one additional ATM in Blackwell. The bank also owns an additional 24 ATMs on university campuses in ten different states. These ATMs are directly related to the bank's prepaid card line of business and have been placed on the campuses for the convenience of the prepaid card customers. None of the university ATMs takes deposits.

The following tables provide complete information on CNB&T Enid's branches and Oklahoma ATM locations.

<b>Central National Bank &amp; Trust's Branch Locations</b>		
<b>Location</b>	<b>Address</b>	<b>City</b>
Enid Broadway Office (Main Bank)	324 W. Broadway	Enid, OK
Enid Willow Office	2219 W. Willow	Enid, OK
Enid 30th Street Office	301 S. 30th	Enid, OK
Tulsa Office	4880 S. Lewis, Suite 101	Tulsa, OK
Blackwell Office	102 N. Main	Blackwell, OK
Mooreland Office	127 S. Main	Mooreland, OK
Woodward Office	2727 Williams Ave.	Woodward, OK
Bartlesville Office	1415 SE Washington Blvd.	Bartlesville, OK

<b>Central National Bank &amp; Trust's ATM Locations</b>		
<b>Location</b>	<b>Address</b>	<b>City</b>
Broadway Office	324 W. Broadway	Enid, OK
East Broadway	1115 E. Broadway	Enid, OK
Enid Event Center	301 S. Independence	Enid, OK
Convention Hall	301 S. Independence	Enid, OK
St. Mary's Regional Medical Center	305 S. 5th	Enid, OK
30th Street Office Drive-Up ATM	301 S. 30th	Enid, OK
Oakwood Mall Food Court	4125 W. Garriott	Enid, OK
Holdings Drive-Up ATM	215 N. Oakwood	Enid, OK
Jumbo Foods West	2311 W. Willow	Enid, OK
Jumbo Foods East	221 S. 30th	Enid, OK
Willow Office Drive-Up ATM	2219 W. Willow	Enid, OK
UPS Store Drive-Up ATM	2504 W. Owen K. Garriott	Enid, OK
Tulsa Office	4880 S. Lewis	Tulsa, OK
Blackwell Main	102 N. Main	Blackwell, OK
United Supermarket Drive-Up ATM	1221 W. Doolin	Blackwell, OK
Woodward Office	2727 Williams Ave.	Woodward, OK
Bartlesville Office	1415 SE Washington Blvd.	Bartlesville, OK

CNB&T Enid plans to move the branch/office in Tulsa from its current location at 4880 S. Lewis to a location just north of the 91<sup>st</sup> and Yale intersection. The anticipated date of the relocation is near the end of April 2016.

The bank's strategic focus in the Tulsa market is primarily commercial/business lending, while the Non-MSA markets in Garfield, Woodward, Kay, and Washington counties are focused on a mix of commercial and agricultural lending. CNB&T Enid participates in the HUD MAP Lending Program, which provides for accelerated processing of HUD loans for rehabilitating multi-family properties.

The bank has also focused on expanding its Heavy Equipment Lending line of business, providing loans to purchase tractors, trailers, and other forms of heavy equipment for the transportation industry. In addition, the bank participates in the SBA 7(a) and SBA 504 loan programs.

In all of the bank’s assessment areas, CNB&T Enid meets its community development responsibility primarily through commercial/business lending that provides multifamily affordable housing, job creation and retention, and that supports critical community services. Bank officers and employees serve in numerous leadership positions in organizations that primarily serve low- and moderate-income persons or that promote the development of jobs for low- and moderate-income workers.

CNB&T Enid offers a full range of retail and commercial deposit and loan products at all locations. The bank also has a Financial Services (including Trust) Department in the Main Bank in Enid, but it will serve any customer at any location. The bank also offers Internet Banking and free Bill-Pay products. Remote Deposit Capture (RDC) is available for qualifying business customers, and Mobile RDC is available for mobile banking users. CNB&T Enid also has an extensive prepaid card line of business, which is targeted to unbanked and underbanked individuals.

As of June 30, 2015, CNB&T Enid’s total assets were \$584 million, of which \$423 million, or 72 percent, comprised various types of loans. CNB&T Enid has five market areas. The loan product mix for Garfield, Woodward, Kay, and Washington Counties is significantly different from the Tulsa market. Therefore, a separate primary loan product analysis was performed for the partial Tulsa MSA AA. The primary loan product analysis for the Oklahoma Non-MSA AAs was performed using the bank’s total loan portfolio. The overall bank’s loan portfolio mix consists of the following:

<b>CNBT Bank-wide Primary Lending Product Analysis (as of 6/30/2015)</b>		
<b>Loan Category</b>	<b>\$ (000)</b>	<b>%</b>
<b>Total Business Loans*</b>	<b>\$ 210,804</b>	<b>49.82%</b>
<b>Agricultural Loans</b>	<b>\$ 112,592</b>	<b>26.61%</b>
<b>Residential Real Estate Loans**</b>	<b>\$ 70,683</b>	<b>16.70%</b>
Consumer/Individual Loans	\$ 26,953	6.37%
Other Loans	\$ 2,097	0.50%
<b>Total</b>	<b>\$ 423,129</b>	<b>100.00%</b>
*Business Loans exclude "Multifamily RE," which are included in the HMDA LAR		
**Residential Real Estate includes "Multifamily RE" properties		

In the Oklahoma Non-MSA AAs, the 2016 CRA performance evaluation will be made on the basis of lending patterns for Business Loans, Agriculture (Ag) Loans, and HMDA Residential Real Estate Lending originated during the evaluation period.

The Tulsa market has a different loan portfolio mix than the bank’s other markets. Of all loans originated in CNB&T Enid’s Tulsa branch during the evaluation period, approximately 83 percent were business loans, while residential real estate accounted for 17 percent. However, during the evaluation period, only nine HMDA-reportable loans were made by the Tulsa branch, primarily multi-family real estate properties. Since insufficient HMDA loans were made in the partial Tulsa MSA AA to perform a meaningful analysis, HMDA residential real estate lending will not be assessed in the partial Tulsa MSA AA.

Additionally, since no agricultural loans were originated at this branch, farm loans will not be assessed in this assessment area. The primary product analysis for the Tulsa branch is shown in the following table:

<b>CNBT Tulsa Branch Primary Loan Product Analysis (as of 6/30/2015)</b>		
<b>Loan Category</b>	<b>\$ (000)</b>	<b>%</b>
<b>Business Loans*</b>	<b>\$ 100,364</b>	<b>82.68%</b>
Residential Real Estate Loans**	\$ 20,906	17.22%
Agricultural Loans	\$ -	0.00%
Consumer/Individual Loans	\$ 123	0.10%
<b>Total</b>	<b>\$ 121,393</b>	<b>100.00%</b>
*Business Loans exclude "Multifamily RE," which are included in the HMDA LAR		
**Residential Real Estate includes "Multifamily RE" properties.		

In the partial Tulsa MSA AA, the 2016 CRA performance evaluation will be made only based on lending patterns for Business Loans originated during the evaluation period.

There are no legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in its AAs. CNB&T Enid is involved in and provides support to meet the community’s financial needs. The bank received an overall rating of “**Satisfactory**” at the last CRA evaluation dated February 11, 2013.

### ***Description of Assessment Areas***

#### **Oklahoma Non-MSA Assessment Areas**

The Oklahoma Non-MSA AAs consist of 31 census tracts in four Oklahoma counties, including Garfield County where the Main Bank is located, Woodward County, and portions of Kay County and Washington County.

The Main Bank and two branches are located in Garfield County. The county has no low-income census tracts, two moderate-income tracts, seven middle-income tracts, and three upper-income tracts. The Main Bank is in located in a moderate-income census tract; the Willow Office is located in an upper-income census tract; and the 30<sup>th</sup> Street Office is in a middle-income census tract.

The Non-MSA AAs include three census tracts in Kay County, which all are middle-income. The bank’s Blackwell branch is located in a Kay County middle-income tract. All five of the census tracts in Woodward County are included in the Non-MSA AAs, which includes three middle-income tracts and two upper-income tracts. The Woodward and Mooreland branches are located in this county. The Woodward branch is in a middle-income census tract, and the Mooreland branch is in an upper-income census tract.

Eleven census tracts in Washington County are also included in the Non-MSA AAs, of which three tracts are moderate-income, three tracts are middle-income, and five tracts are upper-income. The Bartlesville branch is located in an upper-income census tract in Washington County.

The following table describes major demographic and economic characteristics of the Oklahoma Non-MSA AAs, based on 2010 U.S. Census data:

<b>Demographic and Economic Characteristics of Oklahoma Non-MSA AA</b>	
<b>Population</b>	
Number of Families	36,054
Number of Households	54,304
<b>Geographies</b>	
Number of Census Tracts	31
% of Low-Income Census Tracts	0.00%
% of Moderate-Income Census Tracts	16.13%
% of Middle-Income Census Tracts	51.61%
% of Upper-Income Census Tracts	32.26%
<b>Median Family Income (MFI)</b>	
2010 MFI for AA	\$55,537
2015 HUD-Adjusted MFI	\$52,700
<b>Economic Indicators</b>	
Unemployment Rate	3.23%
2010 Median Housing Value	\$87,819
% of Households Below Poverty Level	13.60%
<i>Source: 2010 Census data</i>	

According to the 2010 U.S. Census Data, the Oklahoma Non-MSA AAs has a population of 137,103 persons. Although there are no low-income census tracts, there are low- and moderate-income families in the Non-MSA AAs. Of the 36,054 families, approximately 18 percent are low-income families and 17 percent moderate-income families. The AA includes 61,555 housing units and 38.3 thousand, or 62 percent, are owner-occupied. Households below the poverty level are 13.6 percent, and households that receive public assistance total 2.85 percent.

The economy in the Oklahoma Non-MSA AAs has remained relatively stable despite recent declines in the oil & gas industry. The most significant job sectors in Garfield County include agriculture, oil & gas, and manufacturing. Garfield County is also home to Vance Air Force Base, which creates almost 600 civilian jobs in Enid. The Kay County portion of the AA has historically relied on jobs created by the oil industry. With the recent decline in oil prices, many of the jobs have ceased to exist. However, recently several new construction projects have provided jobs. The most significant industries in the Woodward County portion of the AAs are agriculture and oil & gas. Recently, the Woodward area has seen a large increase in wind energy projects. Historically, the most significant industry in Washington County was the oil business due to the large presence of ConocoPhillips in Bartlesville.

With the decline in the oil industry and the movement of much of ConocoPhillips workforce out-of-state, Wal-Mart has become one of the largest employers in the Bartlesville, providing approximately 700 jobs.

The community credit needs and business opportunities in the Oklahoma Non-MSA AAs are also served by several other national and state chartered banks. Competition within the area is significant, particularly in Garfield County, where there are 14 banks serving the area. The primary competitor in Garfield County is Security National Bank of Enid. Community contacts within the AAs stated that affordable housing is a critical need in these areas. Small business financing is also very important.

Subsequent to this performance evaluation, in January 2016, the bank will expand its non-MSA AAs to include all of Washington County. The bank has experienced loan growth in the Dewey and Copan areas of the county that were not included in the previous AA. The expanded AA will added two census tracts in the northern portion of Washington County. Both census tracts are middle-income.

### **Partial Tulsa MSA Assessment Area**

The Partial Tulsa MSA AA (Tulsa AA) consists of 107 census tracts in Tulsa County generally bounded on the north by Highway 412, on the east by the Tulsa County line, on the south by the Creek Turnpike, and on the west by the Arkansas River. Of the 107 census tracts in the bank's Tulsa AA, four tracts are low-income, 32 tracts are moderate-income, 33 tracts are middle-income, and 38 tracts are upper-income. The current Tulsa branch is located in a middle-income census tract in Midtown Tulsa.

The following table describes major demographic and economic characteristics of the Tulsa AA, based on 2010 U.S. Census data:

<b>Demographic and Economic Characteristics of Tulsa Partial MSA AA</b>	
<b>Population</b>	
Number of Families	87,220
Number of Households	149,583
<b>Geographies</b>	
Number of Census Tracts	107
% of Low-Income Census Tracts	3.74%
% of Moderate-Income Census Tracts	29.91%
% of Middle-Income Census Tracts	30.84%
% of Upper-Income Census Tracts	35.51%
<b>Median Family Income (MFI)</b>	
2010 MFI for AA	\$66,311
2015 HUD-Adjusted MFI	\$61,400
<b>Economic Indicators</b>	
Unemployment Rate	3.64%
2010 Median Housing Value	\$140,803
% of Households Below Poverty Level	12.95%
<i>Source: 2010 Census data</i>	

According to the 2010 U.S. Census Data, the Tulsa AA has a population of 356,675 persons. There are four low-income census tracts and 32 moderate-income census tracts in the Tulsa AA. Of the 87,220 families, 19 percent are low-income families and 17 percent moderate-income families. The AA consists of 165,154 housing units and 87 thousand, or 53 percent, are owner-occupied. Households below the poverty level are 13 percent, and households that receive public assistance total 2.7 percent.

The economy in Tulsa remains strong, and unemployment rates remain below statewide and national averages. Key industry sectors in Tulsa include aerospace, energy, healthcare, technology, manufacturing, and transportation. Hospitals, casinos, and public school systems provide a large number of jobs in the Tulsa AA.

The community credit needs and business opportunities in the Tulsa area are also served by several other national and state chartered banks. Competition from these other financial institutions is strong. There are 58 banks or other financial institutions operating in the Tulsa MSA. Bank of Oklahoma, followed by Bank of America, have the largest deposit market shares. CNB&T Enid has only one Tulsa banking office and is ranked 56<sup>th</sup> in deposit market share, banking only 0.04 percent of the Tulsa MSA reported deposits. Community contacts indicated that there is a need for small business and minority business loans, as well as a need for greater financial education for young people in the area.

Subsequent to this performance evaluation, in January 2016, the bank will expand its partial Tulsa MSA AA due to the planned relocation of the Tulsa branch to an area in South Tulsa. The new Tulsa AA will move the southern boundary to the Arkansas River and will add nine additional census tracts.

Eight of these census tracts will be upper-income tracts, and one will be middle-income. The other Tulsa AA boundaries will remain the same.

### ***Conclusions with Respect to Performance Tests***

The bank's performance under the Lending Test bank-wide is rated "**Satisfactory.**" Based on our sample of lending during the evaluation period, including loans made in 2013, 2014, and year-to-date June 30, 2015, CNB&T Enid meets the standard for satisfactory performance for lending within its assessment areas. CNB&T Enid's quarterly average LTD ratio is commensurate with similarly situated institutions and meets the standard of satisfactory performance.

The bank's strengths include lending to small businesses and small farms. The distribution of loans to businesses and farms with revenues of less than \$1 million was reasonable, and the penetration of loans to individuals and businesses of different income levels is reasonable. The geographic distribution of loans, to the extent applicable, reflects a reasonable dispersion throughout the assessment areas, and meets the standard for satisfactory performance. Community Development (CD) lending indicates adequate responsive-ness to the needs of the bank's assessment areas.

### ***Fair Lending or Other Illegal Credit Practices Review***

Pursuant to 12 CFR 25.82(c), or 12 CFR 195.28(c), in determining a national bank's (bank) or Federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## ***LENDING TEST***

### **Loan-to-Deposit Ratio**

CNB&T Enid's quarterly average loan-to-deposit (LTD) ratio since the last CRA performance evaluation is 78.01 percent, which is reasonable, and is commensurate with the average LTD ratios of similarly situated banks. The ratio meets the standard for satisfactory performance. The LTD ratio is the quarterly average from March 31, 2013 to June 30, 2015. See the following table.

Loan-to-Deposit Ratios		
Institution	Total Assets as of 6/30/2015 (000's)	Average LTD Ratio
Stock Exchange Bank, Woodward, OK	\$281,203	32.09%
Security National Bank, Enid, OK	\$329,276	56.21%
<b>Central National Bank &amp; Trust, Enid, OK</b>	<b>\$583,658</b>	<b>78.01%</b>
Valley National Bank, Tulsa, OK	\$422,387	82.15%
Grand Bank, Tulsa, OK	\$258,219	93.99%
Central Bank of Oklahoma, Tulsa, OK	\$650,257	100.80%

*Source: Institution Reports of Condition from March 31, 2013 to June 30, 2015*

During the evaluation period, CNB&T Enid also referred 64 mortgage customers to outside third parties. These loans often offer the customer more favorable terms including longer term fixed rates and lower interest rates than the bank can provide for a similar product. In 2013, CNB&T Enid referred 37 customers to outside mortgage companies resulting in approximately \$5 million in mortgage loans originated. In 2014, they referred another 20 customers resulting \$3.3 million in mortgage loans, and in the first 6 months of 2015, seven customers were referred resulting in approximately \$892 thousand in loans.

### Lending in Assessment Area

Based on our sample of lending during the evaluation period, January 2013 through June 30, 2015, CNB&T Enid meets the standard for satisfactory performance for lending within its assessment areas. Our bank-wide analysis of 453 loans included 212 HMDA residential real estate loans. We also randomly selected 120 business loans and 121 agricultural loans. Based upon the combined loan samples, the majority of loans, in terms of number of loans, were originated inside CNB&T Enid's assessment areas. However, the dollar volume of loans originated within the assessment area was only 39 percent of the total dollar volume of loans sampled.

Table 1 - Lending in the Assessment Areas - Bankwide										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase	41	56.94	31	43.06	72	3,585	23.83	11,459	76.17	15,044
Home Improvement	88	92.63	7	7.37	95	704	79.55	181	20.45	885
Refinancing	32	71.11	13	28.89	45	5,818	50.04	5,808	49.96	11,626
<b>HMDA Loan Totals</b>	<b>161</b>	<b>75.94</b>	<b>51</b>	<b>24.06</b>	<b>212</b>	<b>10,107</b>	<b>36.68</b>	<b>17,448</b>	<b>63.32</b>	<b>27,555</b>
Business Loans	57	47.50	63	52.50	120	12,575	39.73	19,076	60.27	31,651
Agricultural Loans	60	49.59	61	50.41	121	7,274	41.10	10,424	58.90	17,698
<b>Total Loans</b>	<b>278</b>	<b>61.37</b>	<b>175</b>	<b>38.63</b>	<b>453</b>	<b>29,956</b>	<b>38.95</b>	<b>46,948</b>	<b>61.05</b>	<b>76,904</b>

*Source: Data reported for HMDA Loans and Business & Ag Loans samples 2013, 2014, and YTD 6/30/15.*

During the evaluation period, CNB&T Enid also referred 64 mortgage customers to outside third parties. See details above in the Loan-to-Deposit Ratio section.

## Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

### Oklahoma Non-MSA Assessment Areas

Based on our sample, CNB&T Enid meets the standard for satisfactory performance with respect to lending to borrowers of different incomes and businesses of different sizes. The penetration of loans to small businesses is reasonable. A small business is defined by the CRA regulation as a business with annual revenues of less than \$1 million. The following table reflects the results of our commercial/business loan sampling:

<b>Table 2A - Borrower Distribution of Loans to Businesses in Okla Non-MSA AAs</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unknown	Total
% of AA Businesses	76.15	4.87	18.98	100%
% of Bank Loans in AA by #	82.93	17.07		100%
% of Bank Loans in AA by \$	62.27	37.73		100%

*Source: Business Loans sample 2013, 2014, and YTD 6/30/15; Dunn and Bradstreet data.*

The borrower distribution of business loans in the Non-MSA AAs is reasonable and meets the standard. By number of loans made, the bank's percentage of lending to AA small businesses is excellent and exceeds the percentage of reporting AA small businesses with gross annual revenues of less than \$1 million dollars. In terms of loan dollars originated in the AA, the bank's percentage is reasonable and is not significantly lower than the percentage of non-MSA small businesses. The distribution of sampled AA loans to businesses by loan size follows. As indicated, all of the randomly selected business loans were originated in amounts of less than \$1 million, and 88 percent of these loans were in amounts of less than \$100 thousand.

<b>Table 2C - Borrower Distribution of Loans to Businesses by Loan Size in Okla Non-MSA AAs</b>				
Loan Size (000's)	Number of Loans	Percent of Number	\$ Volume of Loans	% of Dollar Volume
\$0 - \$100,000	36	87.80	1,232,180	35.01
\$100,001 - \$250,000	3	7.32	592,664	16.84
\$250,001 - \$500,000	0	0.00	0	0.00
\$500,001 - \$1,000,000	2	4.88	1,695,096	48.16
Over \$1,000,000	0	0.00	0	0.00

*Source: Business Loans sample 2013, 2014, and YTD 6/30/15.*

The penetration of loans to small farms is also reasonable. A small farm is defined by the CRA regulation as a farm with annual revenues of less than \$1 million. The following table reflects the results of our agricultural loan sampling:

<b>Table 2A - Borrower Distribution of Loans to Farms in Okla Non-MSA AAs</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unknown	Total
% of AA Farms	98.88	0.56	0.56	100%
% of Bank Loans in AA by #	93.33	6.67		100%
% of Bank Loans in AA by \$	94.56	5.44		100%

Source: Ag Loans sample 2013, 2014, and YTD 6/30/15. Dunn and Bradstreet data.

The borrower distribution of farm loans in the Non-MSA AAs is reasonable and meets the standard. The bank’s percentage of lending to AA small farms both by number of loans and dollar volume is near to the percentage of reporting AA small farms with gross annual revenues of less than \$1 million. The distribution of sampled AA loans to farms by loan size follows. As indicated, 59 of the 60 randomly sampled agricultural loans were originated in amounts of less than \$1 million, with 68 percent of the loans in amounts of less than \$100 thousand.

<b>Table 2D - Borrower Distribution of Loans to Farms by Loan Size in Okla Non-MSA AAs</b>				
Loan Size (000’s)	Number of Loans	Percent of Number	\$ Volume of Loans	% of Dollar Volume
\$0 - \$100,000	41	68.33	1,416,233	19.47
\$100,001 - \$250,000	12	20.00	1,734,266	23.84
\$250,001 - \$500,000	6	10.00	2,123,239	29.19
Over \$500,000	1	1.67	2,000,000	27.50

Source: Ag Loans sample 2013, 2014, and YTD 6/30/15.

Overall, penetration of home mortgage lending to both low- and moderate-income borrowers in the Oklahoma Non-MSA AAs is reasonable and meets the standard. See the table below. While the percentage of loans made to low-income borrowers for home purchase and home mortgage refinancing is well below the percentage of assessment area families, the percentage of home improvement loans made to low-income borrowers is near to the ratio of AA families. Moreover, the percentage of total HMDA residential real estate loans made to low-income borrowers is reasonable.

Similarly, while the percentage of loans made to moderate-income borrowers for home purchase and home mortgage refinancing is well below the percentage of assessment area families, the percentage of home improvement loans made to moderate-income borrowers exceeds the ratio of AA families. Moreover, the percentage of total HMDA residential real loans made to moderate-income borrowers is also reasonable.

Taken together, HMDA residential real estate loans made to low- and moderate-income (LMI) borrowers (26.32%) is reasonable relative to the combined percentage of LMI AA families (34.54%).

According to 2010 Census data, approximately 49 percent of households in the AA are on a fixed income from Social Security or retirement benefits. In addition, approximately 26 percent of housing units in the AA are rental property, and 14 percent of AA households are living below the poverty level. The incentive and level of difficulty for these persons to qualify for home mortgage loans are factored into the overall rating.

Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of # of Loans	% of AA Families	% of # of Loans	% of AA Families	% of # of Loans	% of AA Families	% of # of Loans
Home Purchase	17.74	7.89	16.79	5.26	20.02	18.42	45.45	44.74
Home Improvement	17.74	15.91	16.79	19.32	20.02	18.18	45.45	34.09
Refinancing	17.74	7.69	16.79	7.69	20.02	11.54	45.45	26.92
<b>HMDA Resid RE Loans</b>	<b>17.74</b>	<b>12.50</b>	<b>16.79</b>	<b>13.82</b>	<b>20.02</b>	<b>17.11</b>	<b>45.45</b>	<b>35.53</b>

*Source: Data reported for HMDA Loans 2013, 2014, and YTD 6/30/15. U.S. Census data.*

*Income NA for 23.69% of home purchases, 12.50% of home improvement and 46.16% of refinanced loans.*

### Partial Tulsa MSA Assessment Area

As stated previously, CNB&T Enid has made no agricultural loans and very limited residential real estate loans in the Tulsa AA. The focus of our review in the partial Tulsa MSA AA (Tulsa AA) will be on loans to businesses.

The penetration of loans to Tulsa AA small businesses is reasonable. A small business is defined by the CRA regulation as a business with annual revenues of less than \$1 million. The following table reflects the results of our commercial/business loan sampling:

Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unknown	Total
% of AA Businesses	78.39	5.40	16.21	100%
% of Bank Loans in AA by #	60.00	40.00		100%
% of Bank Loans in AA by \$	46.58	53.42		100%

*Source: Business Loans sample 2013, 2014, and YTD 6/30/15; Dunn and Bradstreet data. Based on 20 loans IN the partial [Based on 20 INs, including the Tulsa AA IN-OUT Table sample of 16 INs + a supplemental sample of 4 Tulsa AA INs]*

The borrower distribution of loans to businesses in the Tulsa AA is reasonable and meets the standard. Both in terms of the number of loans made and the dollar amount of loans originated, the bank's percentages of lending to Tulsa AA small businesses is not significantly lower than the percentage of reporting Tulsa AA businesses with gross annual revenues of less than \$1 million. The distribution of sampled Tulsa AA loans to businesses by loan size follows. Of the 20 business loans sampled, 80 percent of the randomly selected business loans were originated in amounts of less than \$1 million, and 6 of the loans were in amounts of less than \$100 thousand.

Table 2C - Borrower Distribution of Loans to Businesses by Loan Size in the partial Tulsa MSA AA				
Loan Size (000's)	Number of Loans	Percent of Number	\$ Volume of Loans	% of Dollar Volume
\$0 - \$100,000	6	30.00	190,000	1.98
\$100,001 - \$250,000	6	30.00	977,622	10.20
\$250,001 - \$500,000	3	15.00	1,200,000	12.52
\$500,001 - \$1,000,000	2	10.00	1,267,000	13.22
Over \$1,000,000	3	15.00	5,950,000	62.08

Source: Business Loans sample 2013, 2014, and YTD 6/30/15. Based on 20 loans IN the partial Tulsa MSA AA: [Based on 20 INs, including the Tulsa AA IN-OUT Table sample of 16 INs + a supplemental sample of 4 Tulsa AA INs]

## Geographic Distribution of Loans

### Oklahoma Non-MSA Assessment Area

The overall geographic distribution of loans to businesses and home mortgage borrowers indicates reasonable dispersion. There are no low-income census tracts and five moderate-income census tracts in the Oklahoma Non-MSA AAs.

The table below illustrates that the dispersion of business loans in the Non-MSA AAs is reasonable and meets the standard. The bank's percentage of the bank's loans made to businesses in moderate-income census tracts is near to the percentage of Non-MSA AAs businesses that are located in moderate-income census tracts.

Table 3A - Geographic Distribution of Loans to Businesses in Okla Non-MSA AAs								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans	% of AA Businesses	% of # of Loans
Business Loans	0.00	0.00	17.55	16.33	50.38	46.94	32.07	36.73

Source: Business Loans sample 2013, 2014, and YTD 6/30/15. U.S. Census data.

The overall geographic dispersion of home mortgage loans in the Non-MSA AAs is excellent and exceeds the standard. See the table below. There are no low-income geographies in these AAs. The bank's percentage of home purchase and refinance loans exceeds the corresponding percentage of AA owner-occupied housing in moderate-income tracts and indicates excellent dispersion for these types of loans. The percentage of home improvement loans made by the bank in moderate-income tracts is very near the percentage of AA owner-occupied housing in moderate-income tracts and indicates reasonable (and almost excellent) dispersion for home improvement loans.

Moreover, the percentage of total HMDA residential real loans made to borrowers located in moderate-income census tracts is excellent and exceeds the standard.

Table 3 - Geographic Distribution of Residential Real Estate Loans in Okla Non-MSA AAs								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchasing	0.00	0.00	10.33	10.53	47.13	52.63	42.54	36.84
Home Improvement	0.00	0.00	10.33	10.23	47.13	65.91	42.54	23.86
Refinancing	0.00	0.00	10.33	15.38	47.13	61.54	42.54	23.08
<b>HMDA Resid RE Loans</b>	<b>0.00</b>	<b>0.00</b>	<b>10.33</b>	<b>11.18</b>	<b>47.13</b>	<b>61.84</b>	<b>42.54</b>	<b>26.97</b>

Source: Data reported for HMDA Loans 2013, 2014, and YTD 6/30/15. U.S. Census data.

The geographic distribution of loans to farms in the Non-MSA AA was not performed because the analysis would not be meaningful. There are no low-income census tracts in the Non-MSA AA, and all five of the moderate-income census tracts are in urban areas (two tracts in the City of Enid and three tracts in City of Bartlesville).

Partial Tulsa MSA Assessment Area

The geographic distribution of loans to businesses in the partial Tulsa MSA AA (Tulsa AA) indicates very poor dispersion of loans in the four AA low-income census tracts. The geographic distribution of loans to businesses in the Tulsa AA also indicates very poor dispersion in the 32 moderate-income census tracts. The four low-income census tracts and 32 moderate-income census tracts together comprise 30 percent of the bank's Tulsa AA. There were no loans in our sample made to borrowers in the low-income or moderate-income Tulsa AA census tracts.

Table 3A - Geographic Distribution of Loans to Businesses in the partial Tulsa MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA	% of # of Loans	% of AA	% of # of Loans	% of AA	% of # of Loans	% of AA	% of # of Loans
Business Loans	3.99	0.00	26.00	0.00	28.60	20.00	41.41	80.00

*Source: Business Loans sample 2013, 2014, and YTD 6/30/15. U.S. Census data.  
 [Based on 20 INs, including the Tulsa AA IN-OUT Table sample of 16 INs + a supplemental sample of 4 Tulsa AA INs]*

The table above illustrates that the overall geographic dispersion of business loans in the Tulsa AA by tract income-level is very poor and does not meet the standard for satisfactory performance. The CNB&T Enid Tulsa branch is located in middle-income census tract in close proximity to several moderate-income census tracts. However, there is significant competition in the bank’s Tulsa AA, and with the majority of bank’s Tulsa AA businesses located in middle- and upper-income tracts, competition for business loans in LMI census tracts is a mitigating factor in the dispersion of loans to businesses in these geographies.

**Responses to Complaints**

CNB&T Enid received no CRA-related complaints during the evaluation period.

**COMMUNITY DEVELOPMENT TEST**

The bank’s overall performance under the Community Development Test is rated **“Satisfactory.”**

CNB&T Enid’s community development performance demonstrates adequate responsiveness to the community development needs of its assessment areas, including the Oklahoma Non-MSA AAs and its partial Tulsa MSA AA.

The Community Development evaluation period is based on community development activities from February 11, 2013 to January 4, 2016. However, all community development loans presented for this performance evaluation were originated or renewed prior to June 30, 2015. During the Community Development Test evaluation period, the bank originated or renewed 28 community development loans totaling \$18,161,750, made two qualified school bond investments totaling \$965 thousand, donated \$102,580 to qualified organizations, and provided qualified officer and employee services to 36 different organizations that primarily serve low- and moderate-income persons or that promote the development of jobs for low- and moderate-income workers.

These activities are discussed more thoroughly in the Community Development sections that follow.

## ***Conclusions for the Oklahoma Non-MSA Assessment Areas***

### **CD Loans, Qualified Investments, and CD Services Test**

The bank's performance in the Oklahoma Non-MSA assessment areas (AAs) under the Community Development Test is rated "**Satisfactory.**"

CNB&T Enid's community development performance demonstrates adequate responsiveness to the community development needs of its Oklahoma Non-MSA AAs that include all of Garfield and Woodward counties and portions of Kay and Washington counties.

Opportunities for qualified community development loans and investments are limited in these Non-MSA AAs. The largest town in the Non-MSA AAs is Enid, OK (where the bank is headquartered), which has a population of 49,379 persons. This is followed by Bartlesville, with a population of 35,750. The town of Woodward has only 12,051 residents, Blackwell 7,092 residents, and Mooreland just 1,190 residents. There are no low-income census tracts in the Non-MSA AAs, and only five moderate-income tracts.

During the Community Development Test evaluation period, in the Non-MSA AAs, the bank originated or renewed 21 community development loans totaling \$5.26 million, made two qualified school bond investments for \$965 thousand, donated over \$78 thousand to qualified organizations, and provided qualified officer and employee services to 50 different qualified organizations.

Bank officers and employees have served and continue to serve in leadership positions in numerous community development organizations in the Non-MSA AAs. These organizations are primarily involved in providing community services to low- and moderate-income persons. These activities are described in the Non-MSA AAs Community Development Services section below.

### **Number and Amount of Community Development Loans**

The bank's level of community development lending demonstrates adequate responsiveness to the needs of its Oklahoma Non-MSA AAs.

Qualifying community development loans are those that meet the definition of community development, as defined in the CRA regulation. This includes activities that promote affordable housing, community services, economic development and revitalization and stabilization that benefits low- and moderate-income individuals and geographies. Activities are considered to promote economic development if they support permanent job creation, retention, and/or improvement for low- and moderate-income persons.

Qualified community development activities that help revitalize or stabilize a community are activities that attract new businesses or persons to a community or are activities that help retain existing businesses or persons in a community. Qualified activities, may include, for example, providing financing to help retain businesses in an area that employ low- and moderate-income persons; or providing financing to attract a new employer that will create permanent job opportunities for low- and moderate-income persons.

During the review period, February 11, 2013 through January 4, 2016, CNB&T Enid originated 21 community development loans, totaling \$5.26 million, of qualified community development lending in its Non-MSA AAs. Key lending in the Non-MSA AAs included loans allowing the borrower to acquire multifamily affordable housing, to finance revitalization and stabilization projects, and to finance community service operations.

These loans included:

CNB&T Enid refinanced a \$1.5 million operating line of credit for a large pharmacy in downtown Enid, OK. This business provides numerous jobs, serves the pharmacy needs of the community and downtown areas, and is consistent with the Enid Main Street District revitalization plan.

The bank provided \$742 thousand of credit to finance opening a medical heart health clinic in Enid, OK. The clinic primarily serves the medical needs of the elderly in the City and in northwest Oklahoma. Because many medical specialists have left the Enid area, the availability of these medical services is especially critical for the elderly population of the region.

The bank extended two loans, totaling \$650 thousand, to a borrower that provided funding to purchase two different apartment complexes in Enid, OK. Both properties qualify as affordable housing and provide stable lodging for low- and moderate-income families.

The bank provided \$250 thousand of financing to purchase and renovate a commercial downtown building in Enid, OK. This undertaking was part of the Enid Main Street District commercial building rehabilitation project. The building is in a moderate-income census tract and was built in 1910 to house a jeweler still on the premises. The borrower will convert adjacent unoccupied space to units suitable for law offices. This project allowed the existing tenant to continue operations in this historical building.

The bank also provided \$200 thousand of financing to purchase and renovate a different commercial downtown building in Enid, OK. This undertaking was also part of the Enid Main Street District commercial building rehabilitation project. The building is in a moderate-income census tract and is located in the downtown historical district. The property now houses a non-profit thrift and gift store that supports individuals with disabilities.

CNB&T Enid provided a total of \$558 thousand to fund three loans to a rural school district in Woodland County. The proceeds were used meet the transportation needs of the district, including acquiring a school bus and several other vehicles to be used in the agricultural program, to make school improvements, and to upgrade the lighting in the stadium. The majority of the students are the children of low- and moderate-income families based upon eligibility for the federal free and reduced lunch program.

The bank originated and later refinanced debt totaling \$289 thousand for a Woodward County company that operates a drug rehabilitation and mental health ranch facility focused on assisting school age girls.

The bank provided \$550 thousand of financing for the purchase and revitalization of commercial building space in the Bartlesville downtown historical area, which is in a moderate-income census tract. The renovated property provides commercial space to operate new businesses and will lead to new jobs for Washington County residents.

### **Number and Amount of Qualified Investments**

Qualifying investments are bond or equity investments, deposits, membership shares, or grants that have as their primary purpose community development, as defined in the CRA regulation.

The level of qualified community development investments in the Oklahoma Non-MSA AAs is adequate. The bank made two qualified investments through the purchase of tax-exempt municipal bonds issued by local public school systems. More than 50% of the student populations in both school districts qualify for the federal free or reduced-price lunch program.

These investments include:

A \$500 thousand Garfield County ISD bond benefitting the Enid Public Schools (and)

A \$450 thousand Washington County ISD bond benefitting the Bartlesville Public Schools.

The bank also donated \$78,040 to qualified organizations in the Oklahoma Non-MSA AAs during the review period.

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

The level of qualified community development services in the Oklahoma Non-MSA AAs is excellent. Bank officers and employees have served in 50 leadership positions in Oklahoma Non-MSA AAs organizations that promote economic development in the AA, provide community services to low- and moderate-income (LMI) families in the AA, or revitalize & stabilize areas within the AA. They provide technical and financial expertise to these organizations.

Four employees also taught financial literacy courses in the local schools. In nineteen different Garfield County schools, three bank employees provided financial literacy training to girls in third to seventh grades; 60 percent of the students were from low- and moderate-income families. A bank officer from the Blackwell branch also taught in the Blackwell Jr. and Sr. High School a class in Basic Personal Finance. The students in Blackwell are predominantly LMI students.

The following are examples of some of the key qualifying community development services:

- **Chambers of Commerce (Enid, Blackwell, Braman, Bartlesville, and Woodward)**  
Several senior officers and employees serve as board members, members, and ambassadors for these five area Chambers. Each organization promotes business and economic development in their respective communities.
- **United Way (Enid, Blackwell, Bartlesville, and Woodward)**  
Several senior officers and employees serve as board members, members, and volunteers for the United Way chapters in these four areas. The United Way chapters in these areas focus on identifying the needs of underserved groups and persons, including LMI individuals, and providing monetary assistance.
- **CDSA - Community Solutions Enid**  
Two senior officers of the bank serve on the board of directors. CDSA programs include housing and prescription assistance for LMI persons, job training, youth programs, and emergency assistance including family shelters for those in need.
- **Enid Regional Development Alliance**  
A senior officer is a member of this organization, which promotes economic development projects and provides information on the economic needs of the Garfield County area.

- **Junior Welfare League Enid**

Two senior officers are members of this organization, which focuses on meeting the needs of young women through the operation of a resale shop. The shop provides operating funds used to make qualified donations.

- **Blackwell Regional Hospital Governing Board**

A senior officer serves as Chairman of the Board and provides guidance and technical assistance to the management of the small rural hospital serving the citizens of Kay County.

- **Mooreland Education Foundation**

A senior officer serves as a director and provides technical assistance and leadership to the board of this organization. The organization promotes and supports the Mooreland school system in which approximately 52% of the students are from LMI families.

- **Woodward Main Street Board of Directors**

An employee serves as Vice Chairman for this organization and provides leadership and technical assistance to the organization. The organization promotes revitalization and development in Woodward's Main Street and downtown area.

## ***Conclusions for the Partial Tulsa MSA Assessment Area***

### **CD Loans, Qualified Investments, and CD Services Test**

The bank's performance in the partial Tulsa MSA assessment area (AA) under the Community Development Test is rated "**Outstanding.**"

In light of the bank's very limited deposit market share in the Tulsa MSA, The bank's community development performance in this AA demonstrates excellent responsiveness to the community development needs of the partial Tulsa MSA AA (Tulsa AA).

Opportunities for qualified community development loans are sufficient in the Tulsa AA; however, opportunities for qualified investments by a bank of this size are somewhat limited. The bank's Tulsa AA comprises much of the central portion of Tulsa County. The Tulsa branch is located in a middle-income census tract at 48<sup>th</sup> & Lewis Avenue about not far from the AA's western border. The Tulsa AA is composed of 104 census tracts and includes only four low-income census tracts, 32 moderate-income census tracts and 71 middle or upper-income census tracts. Consequently, local qualified bond investment opportunities benefitting low- and moderate-income geographies in its Tulsa AA are limited.

The relatively few opportunities of this type, for example qualified school bonds, are quickly taken by larger banks in the very competitive Tulsa MSA banking environment.

During the Community Development Test evaluation period, in its Tulsa AA, the bank originated seven (7) community development loans totaling \$12.9 million but made no qualified bond or equity investments. It did donate \$24,540 to qualified organizations and provided officer and employee services to four different qualified organizations.

Tulsa bank officers and employees have served in leadership positions in community development organizations in the Tulsa AA. These organizations are primarily involved in providing community services to low- and moderate-income persons and are described in the Tulsa AA Community Development Services section below.

### **Number and Amount of Community Development Loans**

The bank's level of community development lending demonstrates excellent responsiveness to the needs of its partial Tulsa MSA AA.

Qualifying community development loans are those that meet the definition of community development, as defined in the CRA regulation. This includes activities that promote affordable housing, community services, economic development and revitalization and stabilization that benefits low- and moderate-income individuals and geographies. Activities are considered to promote economic development if they support permanent job creation, retention, and/or improvement for low- and moderate-income persons. Qualified community development activities that help revitalize or stabilize a community are activities that attract new businesses or persons to a community or are activities that help retain existing businesses or persons in a community. Qualified activities, may include, for example, providing financing to help retain businesses in an area that employ low- and moderate-income persons; or providing financing to attract a new employer that will create permanent job opportunities for low- and moderate-income persons.

During the review period, February 11, 2013 through January 4, 2016, CNB&T Enid originated seven community development loans totaling \$12.9 million, of qualified community development lending in its Tulsa AA. Key lending in the Tulsa AA included loans to acquire or refinance commercial properties.

These loans include:

CNB&T Enid extended \$3.04 million of funding for the purchase and renovation an older hotel property in east Tulsa. The project not only improved the appeal of the property, which benefitted the business neighborhood, it retained approximately 14 jobs held by low- and moderate income workers.

The bank also extended a \$2.95 million credit to redevelop a downtown Tulsa property into mixed use, multifamily and retail space. The project was part of the revitalization of downtown Tulsa and eligible for federal & state historic preservation tax credits.

The bank extended \$2.4 million of funding for the purchase and renovation of another older hotel property in east Tulsa. The project helped revitalize the area by improving the appeal of the property and retained approximately 14 jobs held by low- and moderate income workers.

CNB&T Enid extended \$1.89 million to a borrower to build a larger manufacturing facility in Broken Arrow, OK. The credit was made in accordance with SBA 504 guarantee rules that mandate job creation. The financed plant expansion created approximately 13 new LMI jobs.

The bank extended a \$1.66 million credit to refinance an apartment complex located in a moderate-income census tract in east Tulsa. This multifamily property qualifies as affordable housing because it primarily serves HUD Section 8 low-income families.

### **Number and Amount of Qualified Investments**

Qualifying investments are bond and equity investments, deposits, membership shares, or grants that have as their primary purpose community development, as defined in the CRA regulation.

The level of qualified community development investments in the Tulsa AA is poor. No qualified bond or equity investments were made during the review period. However, the bank did donate \$24,540 to qualified organizations.

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

The level of qualified community development services in the Tulsa AA is adequate. Bank officers have served in four leadership positions that either provide community services to low- and moderate-income families or promote economic development in the AA. They provided technical or financial expertise to these organizations. The following are the four qualifying community development services in the Tulsa AA:

- **The Forge**

A senior officer serves as a Selection Committee Member for this organization, which is an umbrella organization of the Tulsa regional Chamber of Commerce. The organization provides an incubator program for entrepreneurs designed to accelerate the development and success of start-up and existing small businesses in Tulsa.

- **Soldier's Wish**

A senior officer serves as Treasurer providing technical assistance for this organization whose mission is to identify and meet the needs of American veterans.

- **Tulsa Area United Way**

The President of the bank serves as a member and volunteer to this organization. The United Way helps to identify the needs of underserved persons or groups, and provides them monetary assistance.

- **Tulsa Area Chamber of Commerce**

The President of the bank serves as an ambassador to promote the vision of the Tulsa Area Chamber of Commerce. The organization promotes economic development and the creation of jobs for LMI workers.