



## **PUBLIC DISCLOSURE**

July 25, 2019

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

**Stroud National Bank**  
Charter Number 12095

300 West Main Street  
Stroud, OK 74079

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, 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 Community Reinvestment Act (CRA) Rating

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

**The lending test is rated: Satisfactory**

The primary factors that support this rating include:

- The loan-to-deposit ratio (LTD) is reasonable and reflects a willingness to lend within the bank's assessment area (AA) communities.
- A substantial majority of the loan originations are inside the AA, reflecting the bank's commitment to lend inside its AA.
- Lending to borrowers with different income levels and businesses of different sizes reflects reasonable penetration and a commitment to lend to low- and moderate-income (LMI) individuals and businesses of different sizes.
- Lending across geographies with different income levels reflects a reasonable distribution across LMI geographies.
- There have been no complaints related to Stroud National Bank's (SNB) CRA performance since the prior Public Evaluation was issued.

### Loan-to-Deposit Ratio

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

SNB's average LTD ratio is reasonable given its size, financial condition, local banking competition, and credit needs of the AAs and meets the standard for satisfactory performance. The LTD ratio measures the extent to which the bank has returned the deposits it has received to the community in the form of loans. The average of such ratios for each quarter-end of the evaluation period was used to determine the performance in this area. The LTD ratio averaged 71.9 percent over the 20 quarters since the previous CRA evaluation, with a quarterly low of 69.08 percent and high of 76.08 percent. The surrounding counties contain four other institutions which are similar in size to SNB and, over the same period, the average LTD ratio of these institutions was 79.2 percent. SNB's ratio is more than reasonable when compared to the four similarly situated institutions and reflects satisfactory efforts to meet the credit needs of the community.

### Lending in Assessment Area

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

The bank originated and purchased 84.5 percent of total loans inside its AAs during the evaluation period. This analysis is performed at the bank level rather than the AA level.

During the evaluation period, SNB originated a substantial majority of its residential and commercial business loans inside the AAs. Of the 194 home mortgage loans the bank originated during the assessment period, totaling \$16.5 million, 84.5 percent by number and 80.4 percent by dollar volume were made inside the AAs. Of the 91 sampled business loans from the assessment period, totaling \$5.1 million, 90.1 percent by number and 94.4 percent by dollar were made inside the bank's AAs. SNB's lending in its AAs is outstanding and exceeds the standard for satisfactory performance.

The following table quantifies the proportion of the Bank's lending that was inside the AAs.

<b>Table D - Lending Inside and Outside of the AA</b>										
<b>Loan Category</b>	<b>Number of Loans</b>					<b>Dollar Amount of Loans \$(000s)</b>				
	<b>Inside</b>		<b>Outside</b>		<b>Total</b>	<b>Inside</b>		<b>Outside</b>		<b>Total</b>
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>	<b>\$(000s)</b>
<b>Home Mortgage</b>										
2016	49	81.7	11	18.3	60	3,858	67.3	1,875	32.7	5,733
2017 - 2018	115	85.9	19	14.1	134	9,485	87.3	1,373	12.7	10,858
<b>Subtotals</b>	<b>164</b>	<b>84.5</b>	<b>30</b>	<b>15.5</b>	<b>194</b>	<b>13,343</b>	<b>80.4</b>	<b>3,248</b>	<b>19.6</b>	<b>16,591</b>
<b>Business Loans</b>										
2016	41	89.1	5	10.9	46	2,445	93.2	178	6.8	2,623
2017 - 2018	41	91.1	4	8.9	45	2,433	95.7	109	4.3	2,543
<b>Subtotals</b>	<b>82</b>	<b>90.1</b>	<b>9</b>	<b>9.9</b>	<b>91</b>	<b>4,878</b>	<b>94.4</b>	<b>287</b>	<b>5.6</b>	<b>5,166</b>
<b>Totals</b>	<b>246</b>	<b>86.3</b>	<b>39</b>	<b>13.7</b>	<b>285</b>	<b>18,221</b>	<b>83.7</b>	<b>3,535</b>	<b>16.3</b>	<b>21,757</b>
<i>Source: Evaluation Period: 1/1/2016 - 12/31/2018 Bank Data. Due to rounding, totals may not equal 100.0</i>										

## Description of Institution

SNB is a \$78 million rural community bank located in Stroud, Oklahoma, and a subsidiary of Stroud Bancorp, Inc., a one-bank holding company. SNB is the primary asset of the holding company and there are no other subsidiaries or affiliates. SNB serves Lincoln County and Payne County through the main banking location at 300 W. Main, Stroud, Oklahoma, which is in a middle-income census tract. The main office has a drive-thru and automated teller machine (ATM). SNB also has two full service branches, both in middle-income census tracts, and each with a drive-thru and ATM, at 215 Second Street, Wellston, Oklahoma, and 830 N. Main Street, Perkins, Oklahoma. All locations offer full service banking. SNB offers a diverse line of loan and deposit services during reasonable hours, Monday through Saturday. SNB also offers banking services by telephone and online banking. SNB's primary lending strategy is focused on serving commercial, agricultural, and consumer customers in these communities and the surrounding areas within Lincoln and Payne counties. There was no merger or acquisition activity during the evaluation period.

As of December 31, 2018, SNB reported total loans of \$45.8 million or 57 percent of average assets, and total deposits of \$65 million. SNB's tier 1 capital, an important measure of a bank's financial strength, totaled \$8.8 million resulting in a tier 1 leverage ratio of 11.88 percent, relative to the peer group at 10.71 percent. The loan portfolio is comprised of the following: 36.9 percent 1-4 family residential, 32.6 percent commercial, 21.8 percent agriculture, and 8.6 percent consumer.

Based on the June 30, 2018 Federal Deposit Insurance Corporation Deposit Market Share Report, the bank's presence in the combined AAs is moderate at 3.05 percent. Several much larger state chartered commercial banks with main offices and statewide branching networks and one larger federally chartered bank compete in the AAs. Smaller state-chartered and other types of financial institutions also compete for business and market share.

A CRA Performance Evaluation (PE) was last prepared May 8, 2014, with a "Satisfactory" rating assigned. There are no known legal, financial, or other factors impeding the bank's ability to meet the credit needs in the AAs.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This PE is an assessment of SNB's ability to meet the credit needs of the community in which it operates. We reviewed SNB's performance using the Small Bank CRA examination procedures, evaluating the bank's record of meeting the credit needs of its two AAs: Lincoln County and Payne County in Oklahoma. Examination procedures were based solely on the lending test. The evaluation period includes the full calendar years of 2016, 2017, and 2018. Based on discussions with bank management and internally generated loan origination reports, SNB's primary lending products reviewed included 1-4 family residential originated loans and business loans.

The assessment includes a review of demographic and economic data about the bank's AAs and information about local economic conditions, the institution's business strategies, financial condition, capacity, and ability to lend in its community. The review also included gathering information from other institutions serving the same or similar AAs and reviewing information from a recent community contact. Specific data included in the assessment includes data reported by the institution on its Home Mortgage Disclosure Act (HMDA) Loan Application Register (LAR) about 1-4 family residential loans and data gathered from the institutions files about small business loans originated during the assessment period.

The evaluation period for the lending test was January 1, 2016 through December 31, 2018. This PE is based on 2010 U.S. Census data and the updated 2015 American Community Survey (ACS) demographic information. We analyzed 2016 data separately from the combined years of 2017 and 2018 due to the 2015 ACS U.S. census that applies to the data beginning in 2017. The 2010 U.S. Census applies to 2016. Comparative data was different for each year due to the census change and the change of the income level of some census tracts (CT), also referred to as geographies.

The accuracy of the data reported in the bank's 2016, 2017, and 2018 HMDA LARs was reviewed and found reliable for this assessment. In May 2019, a data integrity examination was completed by reviewing a statistical sample of residential home mortgage loan records from the bank's HMDA LAR. This was to verify the accuracy of data available to the public in accordance with HMDA regulations.

### Selection of Areas for Full-Scope Review

Refer to the "Scope" section under the State Rating for detail regarding how full-scope AAs were selected. Refer to Appendix A, Scope of Examination, for a list of full-scope AAs.

SNB has designated two AAs consisting of all whole CTs within Lincoln County and all whole CTs within Payne County. Lincoln County makes up a portion of the Oklahoma City Metropolitan Statistical Area (MSA). It is allowable for the bank to designate only part of the MSA as an AA, given its size and location relative to the MSA. The Lincoln County AA comprises seven CTs in aggregate, consisting of one moderate-income CT and six middle income CTs. The Payne County non-MSA AA comprises 17 CTs consisting of one low-income CT, 13 middle income CTs, and three upper-income CTs. The combined AA is composed of 24 CTs. This assessment includes a full-scope review of the bank's performance in both AAs. Please refer to the table in Appendix A for more information.

## **Ratings**

The bank's overall rating is based primarily on performance in both AAs. The majority of the bank's home mortgage and small business lending are transacted through the Stroud main branch and the Wellston, Oklahoma branch, both of which serve the Lincoln County AA. The LTD analysis considers the bank wide LTD ratio, and the analysis of lending inside and outside the AA is based on performance in both AAs.

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

Pursuant to 12 CFR 25.28(c), in determining a national bank's 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 Oklahoma

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

#### The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The LTD is reasonable and reflects a willingness to lend within the bank's AA communities.
- A substantial majority of loan originations are inside the AAs, reflecting the bank's commitment to lend inside its AAs.
- Lending to borrowers with different income levels and businesses of different sizes reflects reasonable penetration and a commitment to lend to LMI individuals and businesses of different sizes.
- Lending across geographies with different income levels reflects a reasonable distribution across LMI geographies.
- There have been no complaints related to SNB's CRA performance since the prior PE was issued.

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

SNB operates only in Oklahoma, in the AAs described below. Refer to the description of institution section above for details.

#### Lincoln County and Payne County AAs

Table A – Demographic Information of the AA						
AAs: Lincoln County and Payne County – Combined						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	24	8.3	25.0	50.0	16.7	0.0
Population by Geography	113,927	8.2	21.0	50.6	20.2	0.0
Housing Units by Geography	49,922	5.8	23.0	52.1	19.1	0.0
Owner-Occupied Units by Geography	25,372	0.3	17.9	61.2	20.5	0.0
Occupied Rental Units by Geography	18,023	12.0	30.6	39.4	18.1	0.0
Vacant Units by Geography	6,527	10.2	21.5	51.7	16.6	0.0
Businesses by Geography	5,921	9.2	24.1	46.7	20.0	0.0
Farms by Geography	324	2.8	12.7	63.6	21.0	0.0
Family Distribution by Income Level	25,973	21.4	19.3	20.2	39.1	0.0
Household Distribution by Income Level	43,395	30.1	15.3	17.5	37.1	0.0
Median Family Income MSA - 36420 Oklahoma City, OK MSA		\$64,058	Median Housing Value			\$123,973
Median Family Income Non-MSAs OK		\$51,698	Median Gross Rent			\$746
			Families Below Poverty Level			13.4%

Source: 2015 ACS Census and 2018 D&B Data

Due to rounding, totals may not equal 100.0

(\*) The NA category consists of geographies that have not been assigned an income classification.



## Scope of Evaluation in Oklahoma

This PE is an assessment of SNB's ability to meet the credit needs of the community in which it operates. We completed a review of SNB's performance using the Small Bank CRA examination procedures, which evaluates the bank's record of meeting the credit needs of its two AAs: Lincoln County and Payne County in Oklahoma. Examination procedures were based solely on the lending test and the evaluation period includes the full calendar years of 2016, 2017, and 2018.

## LENDING TEST

The bank's performance under the lending test in Oklahoma is rated satisfactory. Based on full-scope review, the bank's lending performance in the state of Oklahoma is reasonable.

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

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

#### *Home Mortgage Loans*

Refer to Table O in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The bank exhibits excellent geographic distribution of loans in the AAs. More weight was given to Lincoln County as the bank originated more loans in this AA. Additionally, more weight was given to moderate-income performance due to the no or low level of low-income CTs.

The geographic distribution of home mortgage loans reflects excellent distribution throughout the AAs. During the evaluation period, there were no low-income CTs in Lincoln County and 0.1 percent low-income CTs in Payne County. More weight was given to Lincoln County as the bank originated more loans in this county.

#### **Lincoln County**

In 2016, the bank had no penetration in low-income CTs compared to non-low-income CTs. In moderate-income CTs, the bank's performance exceeded both the demographic and aggregate data and is considered excellent performance.

In 2017-2018, the bank had no penetration in low-income CTs compared to non-low-income CTs and excellent penetration in moderate-income CTs. In moderate-income CTs, the bank's performance exceeded both the demographic and aggregate data and is considered excellent performance.

#### **Payne County**

In 2016, the bank had no penetration in low-income CTs compared to 0.1 percent in low-income demographics and 0 percent aggregate data. In moderate-income CTs, the bank had no penetration in moderate-income CTs compared to 0 percent demographic and aggregate data. This is considered adequate performance.

In 2017-2018, the bank had no loan penetration in low-income CTs compared to 0.6 percent demographics and 1.0 percent aggregate. Considering the low percentages of demographic and aggregate data, this is considered adequate performance. In moderate-income CTs, the bank's performance of 10.7 percent was lower than the demographics of 22.0 percent and aggregate data of 25.1 percent. This is considered poor performance.

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

Refer to Table Q in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination and purchase of small loans to businesses. The geographic distribution of small business loans to businesses reflects reasonable distribution throughout the AAs.

### **Lincoln County**

In 2016, the bank had no loans in low-income geographies compared to no small businesses located in low-income geographies. For moderate-income geographies, the bank's lending was near the percent of small businesses located in moderate-income geographies and exceeded the aggregate lending to small businesses in moderate-income geographies.

For 2017-2018, the bank had no loans in low-income geographies compared to no small businesses located in low-income geographies. For moderate-income geographies, the bank's lending exceeded the percent of small businesses located in moderate-income geographies and exceeded the aggregate lending to small businesses in moderate-income geographies.

### **Payne County**

In 2016, the bank had no loans in low-income geographies compared to 3.8 percent demographics and 0.5 percent aggregate. Considering the low percentages of demographic and aggregate data, this is considered adequate performance. The bank had no loans in moderate-income geographies compared to no small businesses located in moderate-income geographies which is also considered adequate performance.

For 2017-2018, lending in low-income geographies reflects poor distribution with no loans to small businesses located in low-income geographies compared to 12.3 percent demographics and 8.1 percent aggregate. For moderate-income geographies, the bank exhibited very poor distribution with no loans to small businesses located in moderate-income geographies compared to 28.9 demographics and 26.2 percent aggregate.

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

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

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

Refer to Table P in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The bank exhibits reasonable borrower penetration of home mortgage loans in the AAs. More weight was given to Lincoln County as the bank originated more loans in this AA. Additionally, more weight

was given to moderate-income performance. When considering the context of low-income borrowers' ability to qualify for lending, this is appropriate.

### **Lincoln County**

In 2016, lending to low-income borrowers reflects very poor distribution. The bank's performance to low-income borrowers was significantly lower than the percentage of low-income families and lower than aggregate. Lending to moderate-income borrowers reflects reasonable distribution. The bank's performance is near to both the percentage of moderate-income families and aggregate.

In 2017-2018, lending to low-income borrowers reflects reasonable distribution. The bank's performance to low-income borrowers was lower than the percentage of low-income families and equal to aggregate. Lending to moderate-income borrowers reflects excellent distribution. The bank's performance exceeds both the percentage of moderate-income families and aggregate.

### **Payne County**

In 2016, lending to low-income borrowers reflects poor penetration. The bank's performance to low-income borrowers was lower than the percentage of low-income families and exceeds the aggregate. Lending to moderate-income borrowers reflects very poor distribution with no penetration of loans.

In 2017-2018, the bank's performance to low-income borrowers is very poor as the bank had no loans to low-income families compared to 19.9 percent of low-income families. Lending to moderate-income borrowers reflects excellent distribution as the bank's percentage of loans exceeds both the percentage of loans to moderate-income families and aggregate. Overall, this represents reasonable penetration.

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

Refer to Table R of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses. The borrower distribution of loans to small businesses reflects excellent distribution throughout the AAs.

### **Lincoln County**

The borrower penetration of business loans in the AA is excellent. By number of loans made in 2016, the bank's percentage of lending to small businesses in the AA exceeded the percentage of reporting AA small businesses with gross annual revenues of less than \$1 million and the aggregate distribution of loans to those businesses.

For 2017-2018, the bank's percentage of lending to AA small businesses exceeded the percentage of reporting small businesses with gross annual revenues of less than \$1 million and the aggregate distribution of loans to small businesses in the AA.

### **Payne County**

In 2016, the bank's percentage of lending to small businesses in the AA exceeded the percentage of reporting AA small businesses with gross annual revenues of less than \$1 million and the aggregate distribution of loans to those businesses.

For 2017-2018, the bank's percentage of lending to AA small businesses exceeded the percentage of reporting small businesses with gross annual revenues of less than \$1 million and the aggregate distribution of loans to small businesses in the AA.

## **Responses to Complaints**

The Bank has not received any written complaints during the assessment period related to its performance in meeting the community credit needs of its AAs.

## Appendix A: Scope of Examination

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The following table identifies the period covered in this evaluation 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>Period Reviewed</b>	Lending Test 1/1/2016 to 12/31/2018	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Stroud National Bank	Home Mortgage loans and Small Business loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A		
<b>List of AAs and Type of Examination</b>		
<b>AA</b>	<b>Type of Exam</b>	<b>Other Information</b>
Lincoln County Payne County	Full Scope Full Scope	Lincoln County AA is composed of 7 CTs and makes up a portion of the Oklahoma City MSA. The Payne County non-MSA has 17 CTs.

## Appendix B: Summary of State Ratings

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RATINGS      Stroud National Bank	
Overall Bank:	Lending Test Rating
Stroud National Bank	Satisfactory
State:	
Oklahoma	Satisfactory

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Table O: AA Distribution of Home Mortgage Loans by Income Category of the Geography															2016	
AAs:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Lincoln County	34	2,640	69.4	827	0.0	0.0	0.0	11.9	20.6	9.9	88.1	79.4	90.1	0.0	0.0	0.0
Payne County	15	1,218	30.6	1,624	0.1	0.0	0.0	0.0	0.0	0.0	74.5	100.0	64.5	25.4	0.0	35.5
Total	49	3,858	100.0	2,451	0.1	0.0	0.0	4.7	14.3	3.3	79.8	85.7	73.1	15.4	0.0	23.5

Table O: AA Distribution of Home Mortgage Loans by Income Category of the Geography															2017-2018		
AAs:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Lincoln County	87	6,785	37.8	874	0.0	0.0	0.0	12.0	19.5	10.0	88.0	80.5	90.0	0.0	0.0	0.0	
Payne County	28	2,700	12.2	1,594	0.6	0.0	1.0	22.0	10.7	25.1	43.1	75.0	30.1	34.3	14.3	43.8	
Total	115	9,485	50.0	2,468	0.3	0.0	0.6	17.9	17.4	19.7	61.2	79.1	51.3	20.5	3.5	28.3	

Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data, "--" data not available.

Due to rounding, totals may not equal 100.0

Table P: AA Distribution of Home Mortgage Loans by Income Category of the Borrower																			2016
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
AA:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Lincoln County	34	2,640	69.4	827	24.2	2.9	9.6	21.1	20.6	21.6	23.3	26.5	23.1	31.3	50.0	30.5	0.0	0.0	15.2
Payne County	15	1,218	30.6	1,624	18.1	6.7	2.0	16.7	0.0	8.9	18.4	13.3	17.1	46.8	73.3	50.9	0.0	6.7	21.1
Total	49	3,858	100.0	2,451	20.4	4.1	4.6	18.3	14.3	13.2	20.2	22.4	19.1	41.1	57.1	44.0	0.0	2.0	19.1
Source: 2010 U.S Census; 01/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0																			

Table P: AA Distribution of Home Mortgage Loans by Income Category of the Borrower															2017- 2018		
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			
AA:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Lincoln County	87	6,785	37.8	874	24.2	10.3	10.3	22.2	23.0	20.8	22.6	21.8	24.6	31.0	41.4	30.2	
Payne County	28	2,700	12.2	1,594	19.9	0.0	1.9	17.6	25.0	9.6	18.8	10.7	14.5	43.8	64.3	54.2	
Total	115	9,485	50.0	2,468	21.4	7.8	4.9	19.3	23.5	13.6	20.2	19.1	18.1	39.1	47.0	45.7	
Source: 2015 ACS Census 01/01/2017 - 12/31/2018 Bank Data, 2017 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0																	

**Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography 2016**

AA:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Lincoln County	21	734	100	465	0.0	0.0	0.0	10.0	9.6	6.7	90.0	90.4	93.3	0.0	0.0	0.0
Payne County	20	1,710	100	1,004	3.8	0.0	0.5	0.0	0.0	0.0	75.4	95.0	76.3	20.8	5.0	23.2
<b>Total</b>	<b>41</b>	<b>2,444</b>	<b>100</b>	<b>1,469</b>	<b>2.8</b>	<b>0.0</b>	<b>0.3</b>	<b>2.6</b>	<b>9.6</b>	<b>2.1</b>	<b>79.2</b>	<b>85.4</b>	<b>81.7</b>	<b>15.4</b>	<b>5.0</b>	<b>15.9</b>

**Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography 2017-2018**

AA:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Lincoln County	21	959	100	511	0.0	0.0	0.0	10.1	33.3	7.6	89.9	66.7	92.4	0.0	0.0	0.0
Payne County	20	1,474	100	1,091	12.3	0.0	8.1	28.9	0.0	26.2	32.0	95.0	32.9	26.8	5.0	32.8
<b>Total</b>	<b>41</b>	<b>2,433</b>	<b>100</b>	<b>1,602</b>	<b>9.2</b>	<b>0.0</b>	<b>5.5</b>	<b>24.1</b>	<b>33.3</b>	<b>20.3</b>	<b>46.7</b>	<b>61.7</b>	<b>51.9</b>	<b>20.0</b>	<b>5.0</b>	<b>22.3</b>

Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data "--" data not available.  
Due to rounding, totals may not equal 100.0

Table R: AA Distribution of Loans to Small Businesses by Gross Annual Revenues								2016	
AA:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans
Lincoln County	21	734	100	465	81.8	90.4	57.0	6.3	9.6
Payne County	20	1,710	100	1,004	78.7	80.0	44.7	5.4	20.0
<b>Total</b>	<b>41</b>	<b>2,444</b>	<b>100</b>	<b>1,469</b>	<b>79.5</b>	<b>85.3</b>	<b>48.6</b>	<b>5.6</b>	<b>14.7</b>
Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0									

Table R: AA Distribution of Loans to Small Businesses by Gross Annual Revenues								2017-2018	
AA:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans
Lincoln County	21	959	100	511	80.5	86.0	52.6	6.1	14.0
Payne County	20	1,474	100	1,091	78.3	85.0	44.9	5.4	15.0
<b>Total</b>	<b>41</b>	<b>2,433</b>	<b>100</b>	<b>1,602</b>	<b>78.8</b>	<b>85.3</b>	<b>47.4</b>	<b>5.6</b>	<b>14.7</b>
Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0									