



## **PUBLIC DISCLOSURE**

July 8, 2019

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

The Famers National Bank  
Charter Number 12456

5290 Scottsville Road  
Bowling Green, Kentucky 42103

Office of the Comptroller of the Currency

10200 Forest Green Boulevard  
Suite 501  
Louisville, Kentucky 40223

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

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# Overall CRA Rating

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

**The lending test is rated: Satisfactory**

The Farmers National Bank (FNB or Bank) has a satisfactory record of meeting the credit needs of its community. The major factors that support this rating include:

- The Bank’s loan-to-deposit (LTD) ratio is reasonable.
- A substantial majority of FNB’s loans are within its Assessment Area (AA).
- FNB’s record of lending to borrowers of different incomes and to businesses of different sizes reflects reasonable distribution.
- The geographic distribution of loans is reasonable, including within the low- and moderate-income census tracts within the AA.

## Loan-to-Deposit Ratio

Considering the Bank’s size, financial condition, and credit needs of the AA, the Bank’s LTD ratio is reasonable.

The Bank’s average LTD ratio across the 20 quarters since the prior evaluation is 79.16 percent. The Bank’s LTD ratio has increased significantly since the prior evaluation; however, it lags the LTD ratio of two similarly situated institutions in the AA. Those two institutions’ quarterly LTD ratios averaged 93 and 91 percent over the same 20 quarters. FNB’s LTD ratio is impacted by the volume of loans originated and sold by the Bank. Over the evaluation period, FNB originated and sold 321 home mortgage loans totaling \$49.6 million. The LTD analysis is performed at the Bank, rather than the AA level.

## Lending in Assessment Area

A substantial majority of the Bank’s loans are inside its AA.

The Bank originated and purchased 87.8 percent of its total loans inside the Bank’s AA during the evaluation period. This analysis is performed at the Bank, rather than the AA level. This reflects strong performance in helping meet the credit needs of the communities within the Bank’s AA.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	320	87.4	46	12.6	366	47.1	89.4	5.6	10.6	52.7
Small Business	19	95	1	5	20	6.1	52.1	5.6	47.9	11.7
<b>Total</b>	<b>339</b>	<b>87.8</b>	<b>47</b>	<b>12.2</b>	<b>386</b>	<b>53.2</b>	<b>82.6</b>	<b>11.2</b>	<b>17.4</b>	<b>64.4</b>

## **Description of Institution**

FNB is full-service, intrastate community bank headquartered in Scottsville, Kentucky. The Bank is wholly owned by FNB Financial Corporation, a single-bank holding company also located in Scottsville, Kentucky. The Bank has not opened or closed any branches or made any significant changes to its corporate structure since the prior CRA evaluation.

The Bank operates five locations throughout Allen and Warren Counties in Kentucky. Full service automated teller machines (ATM) are available at each location. The Bank offers a wide-range of traditional commercial and retail loan and deposit products. Primary business loan products include those secured by commercial real estate, working capital lines of credit, and other business purpose loans. Retail products include 1-4 family residential real estate loans and construction loans, among others. The Bank also participates in the Federal Home Loan Bank's *Welcome Home* program for qualified, first-time home buyers. The Bank offers a wide variety of deposit products for both commercial and retail purposes. These include business checking as well as demand, savings, and time deposit accounts. FNB also provides online and mobile banking services.

As of December 31, 2018, the Bank had \$251.4 million in total assets, \$202.1 million in deposits, and tier 1 capital of \$39.2 million. At \$176.9 million, net loans represented 70.4 percent of total assets. Commercial real estate, multifamily, commercial/industrial, and construction/development loans comprised 67.9 percent of the loan portfolio at year-end 2018. At 29.6 percent, loans secured by 1-4 family home mortgages also represented a significant portion of FNB's loan portfolio. The Bank originates a significant number of home mortgage loans which it sells on the secondary market. As indicated earlier, the Bank sold 321 home mortgage loans totaling \$49.6 million during the evaluation period.

The Bank has designated the entirety of Allen and Warren Counties in Kentucky as its AA for CRA purposes. These counties are the two southernmost of the four county Bowling Green metropolitan statistical area (MSA). All of the Bank's locations are in Allen and Warren Counties. FNB's AA aligns with municipal boundaries and does not arbitrarily exclude any low- or moderate-income (LMI) census tracts (CT), nor does it reflect illegal discrimination.

Competition within the Bank's AA is strong. There are 20 financial institutions operating 61 offices in Allen and Warren counties, including the five FNB offices. The 61 offices include branches of large national banks, regional institutions, credit unions, and community banks. Based on June 30, 2018 FDIC deposit market share data, FNB ranks seventh in AA deposit market share at 7.31 percent. The other 19 institutions in the AA have deposit market shares ranging from 17.49 percent to 0.05 percent.

There are no legal or financial circumstances that impact the Bank's ability to meet the credit needs of its community. The Office of the Comptroller of the Currency (OCC) performed the last CRA evaluation beginning September 29, 2014. The Bank received a Satisfactory rating.

## **Scope of the Evaluation**

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

We evaluated FNB's CRA performance using the OCC's Small Bank CRA Procedures. These procedures assess an institution's record of meeting credit needs through its lending activities. FNB's

CRA evaluation period covers January 1, 2016 through December 31, 2018. Conclusions are based on the Bank's primary lending products over the evaluation period, business and home mortgage loans.

To assess performance, we used all data for residential real estate loans originated or purchased between January 1, 2016 and December 31, 2018. To assess business lending performance, we reviewed a random sample of 40 business loans covering the same period. Due to changes in census data effective in 2017, we evaluated the Bank's 2017 and 2018 lending performance separately from FNB's 2016 lending performance. For 2016, the Lending Test analysis is based on the Bank's performance in relation to comparative data from the 2010 U.S. Census. We used the comparative demographic data from the American Community Survey (ACS) U.S. Census to help assess lending performance for 2017-2018. We also used data from the FDIC deposit market share report as of June 30, 2018.

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

FNB has one AA, Allen and Warren Counties, that are located within the same MSA in the State of Kentucky. This AA was selected for a full-scope review. Refer to *Appendix A: Scope of Examination*, for a review of the full-scope AA.

### **Ratings**

FNB's overall rating is based on the full-scope review of performance within the Bank's single AA. When assessing overall performance, we reviewed both small business and home mortgage lending; however, more weight was placed on lending to small businesses as commercial loans represent the largest portion of FNB's loan portfolio.

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

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

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

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

## **State Rating**

### **State of Kentucky**

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

**The Lending Test is rated:** Satisfactory

The major factors that support this rating include:

- FNB's LTD ratio is reasonable.
- A substantial majority of FNB's loans are within its AA.
- FNB's lending to borrowers of different incomes and to businesses of different sizes reflects reasonable distribution.
- The geographic distribution of loans is reasonable, including within the low- and moderate-income census tracts within the AA.

### **Description of Institution's Operations in Kentucky**

As previously described, the Bank has one AA, encompassing both Allen and Warren counties, in the Bowling Green, Kentucky MSA. A description of the institution and its operations in Kentucky can be found under *Description of Institution* and *Scope of Evaluation* on pages 3 and 4.

Based on a local community contact, the most pressing needs of the AA include affordable housing, nutritious food, public transportation, and educational opportunities.

## Allen & Warren Counties

**Table A – Demographic Information of the Assessment Area**

Assessment Area: Allen & Warren Counties – 2017-2018

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	30	6.7	20.0	36.7	33.3	3.3
Population by Geography	139,305	5.8	18.8	33.6	40.1	1.8
Housing Units by Geography	58,456	5.6	19.5	36.3	36.7	1.9
Owner-Occupied Units by Geography	31,800	2.3	12.4	39.2	45.9	0.3
Occupied Rental Units by Geography	21,361	10.7	29.5	31.3	24.3	4.1
Vacant Units by Geography	5,295	4.5	22.0	39.4	32.1	2.1
Businesses by Geography	8,906	6.6	18.5	34.2	35.9	4.9
Farms by Geography	482	1.2	8.3	42.3	47.1	1.0
Family Distribution by Income Level	35,020	19.9	17.2	19.8	43.1	0.0
Household Distribution by Income Level	53,161	24.4	14.0	17.6	43.9	0.0
Median Family Income Non-MSAs - GA		\$55,109	Median Housing Value			\$135,071
			Median Gross Rent			\$687
			Families Below Poverty Level			13.1%

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.

Allen and Warren counties in south-central Kentucky comprise the Bank’s sole AA. The AA consists of all 30 CTs in the two southernmost counties in the Bowling Green, Kentucky MSA. Of these, two are categorized as low- and six as moderate-income tracts. Prior to 2017, there were four low- and two moderate-income CTs in the Bank’s AA. Additional changes were reflected in increases to the number of middle- and upper-income tracts. The 2015 ACS Survey showed increasing median family incomes and housing values. Both Allen and Warren counties had unemployment rates for 2016-2018 that were on par or below the statewide unemployment rates of 5.1, 4.9, and 4.3 percent for the same period. This is reflective of continued growth in the local market.

### Scope of Evaluation in Kentucky

The Bank operates solely in the state of Kentucky. We conducted a full-scope review of the Bank’s activities in its single-state AA as depicted in *Appendix A: Scope of Examination*.

### LENDING TEST

The Bank’s performance under the Lending Test in Kentucky is rated Satisfactory.

Based on a full-scope review, the Bank’s lending performance in the state of Kentucky is Satisfactory.

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

The Bank exhibits reasonable geographic distribution of loans in the AA.

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

Refer to Table Q of *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the geographic distribution of the Bank's originations and purchases of small loans to businesses. Our sample found satisfactory dispersion of business loans across geographies in the Bank's AA.

In 2016, FNB originated 10 percent of its small businesses loans to borrowers located in low-income tracts. That percentage is on par with both the demographic and aggregate comparators. Small loans to businesses originated in moderate income tracts far exceeded the demographic and aggregate comparators. While the Bank did not originate small business loans in low-income CTs in 2017-2018, FNB's percentage of loans to small businesses in moderate-income tracts greatly exceeded the demographic and aggregate comparators.

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

Refer to Table O of *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations and purchases. Our analysis found reasonable dispersion of home mortgage loans across geographies in the Bank's AA.

During the evaluation period, the Bank's home mortgage loan originations in low- and moderate-income CTs compared favorably or were on par with both the demographic and aggregate comparators.

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

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

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

Refer to Table R of *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the borrower distribution of the Bank's originations and purchases of small loans to businesses. The results of our sample indicated reasonable penetration across businesses of different revenue sizes.

In 2016, the Bank's percentage of loans originated to businesses with revenues of \$1 million or less was on par with the demographic comparator, and exceeded the aggregate by a considerable amount. In 2017-2018, the Bank's percentage of loans to businesses with revenues of \$1 million or less was below the demographic comparator, but compared favorably to the aggregate.

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

Refer to Table P of *Appendix D: Tables of Performance Data* for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations and purchases. Our analysis found reasonable penetration across low- and moderate-income borrowers.

In 2016, the Bank's percentage of home mortgage loans made to low income borrowers was less than the demographic comparator, but significantly higher than the percentage of home mortgage loans originated and purchased by all reporting lenders to low-income borrowers. FNB's home mortgage loans originated to moderate income borrowers exceeded both the demographic and aggregate comparators in 2016.

In 2017-2018, FNB's percentage of home mortgage loans to low-income borrowers was below the percentage of low-income families in the AA, but again exceeded the aggregate. The Bank's percentage of home mortgage loans to moderate-income borrowers in 2017-2018 fell short of both the demographic and aggregate comparators, but nonetheless represents reasonable performance over the evaluation period.

### **Responses to Complaints**

The Bank received no written complaints related to its CRA performance during the evaluation period.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed:</b>	Lending Test: January 1, 2016 to December 31, 2018	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
The Farmers National Bank Scottsville, Kentucky	Small Loans to Businesses Residential Real Estate Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Not applicable	Not applicable	Not applicable
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
Kentucky --Allen County & Warren County within the Bowling Green MSA	Full-scope	

## Appendix B: Summary of MMSA and State Ratings

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<b>RATINGS</b>	<b>THE FARMERS NATIONAL BANK</b>
Overall Bank:	Lending Test Rating
The Farmers National Bank	Satisfactory
State:	
Kentucky	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/assessment area.

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

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

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

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with

the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

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

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

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

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

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

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

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

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

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

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

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an

employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

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

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

**Rating Area:** A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

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

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2016
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000)	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Farmers NB AA - 2016	125	16,937	100.0	4,621	3.2	4.0	2.9	6.2	10.4	5.2	51.7	57.6	44.3	38.8	28.0	47.6	0.0	0.0	0.0

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 O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2017-2018
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000)	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Farmers NB AA - 2017/2018	195	30,173	100.0	4,368	2.3	5.1	2.8	12.4	11.8	12.0	39.2	40.5	34.3	45.9	41.5	50.4	0.3	1.0	0.5

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: Assessment Area 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		
Assessment Area:	#	\$ (000)	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Farmers NB AA - 2016	125	16,937	100.0	4,621	21.1	11.2	5.7	16.0	22.4	16.1	19.6	20.0	18.9	43.3	35.2	36.1	0.0	11.2	23.2

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: Assessment Area 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			Not Available-Income Borrowers		
Assessment Area:	#	\$ (000)	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Farmers NB AA - 2017	195	30,173	100.0	4,368	19.9	10.8	6.0	17.2	12.8	18.2	19.8	12.3	19.8	43.1	36.4	34.0	0.0	27.7	22.0
<b>Total</b>	<b>195</b>	<b>30,173</b>	<b>100.0</b>	<b>4,368</b>	<b>19.9</b>	<b>10.8</b>	<b>6.0</b>	<b>17.2</b>	<b>12.8</b>	<b>18.2</b>	<b>19.8</b>	<b>12.3</b>	<b>19.8</b>	<b>43.1</b>	<b>36.4</b>	<b>34.0</b>	<b>0.0</b>	<b>27.7</b>	<b>22.0</b>

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: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2016
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Farmers NB AA - 2016	20	7500	100	2,308	11.8	10	9.1	4.3	20	2.6	49.8	30	44.6	34.0	40	43.7	0.0	0.0	0.0

Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2017-2018
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Farmers NB AA - 2017/2018	20	5500	100	2,315	6.6	0	6.0	18.5	30	18.1	34.2	20	31.4	35.9	50	41.1	4.9	0.0	3.4

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

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2016</b>
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>				<b>Businesses with Revenues &lt;= 1MM</b>			<b>Businesses with Revenues &gt; 1MM</b>		<b>Businesses with Revenues Not Available</b>	
	<b>#</b>	<b>\$ (000)</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>
Farmers NB AA - 2016	20	7,500	100	2,308	81.0	80	50.1	5.5	20	13.5	0
<i>Source: 2016 D&amp;B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available.            Due to rounding, totals may not equal 100.0</i>											

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2017-2018</b>
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>				<b>Businesses with Revenues &lt;= 1MM</b>			<b>Businesses with Revenues &gt; 1MM</b>		<b>Businesses with Revenues Not Available</b>	
	<b>#</b>	<b>\$ (000)</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>
Farmers NB AA – 2017/2018	20	5,500	100	2,315	81.0	60	50.4	5.5	40	13.5	0
<i>Source: 2018 D&amp;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</i>											