



PUBLIC DISCLOSURE

May 13, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The First National Bank of Ava
Charter Number 10911

304 West Main Street
Ava, IL 62907

Office of the Comptroller of the Currency
500 North Broadway, Suite 1700
St. Louis, MO 63102

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

Table of Contents

OVERALL CRA RATING	1
SCOPE OF THE EVALUATION	2
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	3
STATE RATING	4
STATE OF ILLINOIS.....	4
APPENDIX A: SCOPE OF EXAMINATION	A-1
APPENDIX B: SUMMARY OF MMSA AND STATE RATINGS	B-1
APPENDIX C: DEFINITIONS AND COMMON ABBREVIATIONS	C-1
APPENDIX D: TABLES OF PERFORMANCE DATA	D-1

Overall CRA Rating

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

The Lending Test is rated: Satisfactory

The Lending Test rating is based on The First National Bank of Ava's (FNB or bank), performance in the state of Illinois. The major factors that support this rating include:

- FNB's loan-to-deposit ratio (LTD) is reasonable given the bank's size, financial condition, and level of local competition.
- A majority of the bank's loans are inside its assessment area (AA).
- The bank has a reasonable distribution of loans to individuals of different income levels and businesses and farms of different sizes throughout its AA.
- The bank has a reasonable distribution of loans across geographies of different income levels throughout its AA.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's loan-to-deposit ratio is reasonable.

FNB's quarterly average LTD ratio since the last CRA evaluation was 65.8 percent. This is comparable to the ratios of four other community banks of similar size and location whose quarterly averages ranged from 64.7 percent to 74.0 percent for the same period. FNB's LTD ratio is near one and lower than two of these banks with assets between \$80.9 million and \$227.4 million.

Lending in Assessment Area

A majority of FNB's loans are inside its AA.

The bank originated and purchased 58.1 percent of its total loans by number and 56.4 percent by dollar inside the bank's AA during the evaluation period. This ratio is a bank-wide calculation, and not calculated by individual rating area or AA. The lending activity outside the bank's AA is largely concentrated in the greater Carbondale-Marion MSA. The table below illustrates the number and dollar volume of loans that FNB originated inside and outside its AA.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	106	56.7	81	43.3	187	5,856	53.8	5,027	46.2	10,883
Business	11	55.0	9	45.0	20	850	53.0	753	47.0	1,603
Farm	15	75.0	5	25.0	20	985	86.4	155	13.6	1,140
Total	132	58.1	95	41.9	227	7,691	56.4	5,935	43.6	13,626

Source: Evaluation Period: 1/1/2016 - 12/31/2018 Bank Data
Due to rounding, totals may not equal 100.0

Description of Institution

FNB is an intrastate bank with one office located in Ava, Illinois, a small rural town in southern Illinois. This office is located in a middle-income census tract (CT 101). FNB has two cash-dispensing automated teller machines (ATMs): one at the main office and one at the Scuttle Inn at Pyramid Oaks in Percy, Illinois. Management has neither opened nor closed any branches or ATMs since the prior evaluation.

FNB is wholly owned by Headquarters Holding Company, Inc., a one-bank holding company located in Ava, Illinois. FNB's assets represent substantially all of the holding company's assets. There have been no changes in the bank's corporate structure since the last CRA evaluation. FNB has no affiliates or subsidiaries, nor has there been any merger or acquisition activity during the evaluation period.

FNB offers a full range of loan and deposit products and services to its customers. The bank is primarily a home mortgage, agricultural, and commercial lender. As of December 31, 2018, FNB had total assets of \$62.3 million, total deposits of \$53.5 million, net loans of \$34.9 million, and Tier 1 Capital of \$8.4 million. Net loans represent 56.1 percent of total assets. The outstanding loan portfolio consists of farm loans (38.2 percent), home mortgage loans (37.7 percent), business loans (15.8 percent), individual loans (6.9 percent), and other loans (1.5 percent).

There are no legal, financial, or other factors impeding FNB's ability to help meet the credit needs of the AA it serves. FNB was rated "Satisfactory" at its last CRA evaluation dated May 12, 2014.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation of FNB assesses its record of meeting the credit needs of the communities in which it operates. We evaluated FNB under the Small Bank performance criteria, which consists of a Lending Test. The Lending Test evaluates FNB's record of helping to meet the credit needs of its AA through its lending activities.

FNB has one AA, which is part of the Carbondale-Marion MSA located in Jackson County, Illinois. The AA received a full-scope review. The evaluation period was from May 13, 2014 through December 31, 2018. We based our conclusions regarding the bank's lending performance on FNB's primary loan products: home mortgage loans, farm loans, and commercial loans.

To evaluate lending performance, we reviewed the bank submitted Home Mortgage Disclosure Act (HMDA) data from 2016, 2017, and 2018 for home mortgage loans. Additionally, we selected a random sample of business and farm loans originated during the same period (20 loans originated during in 2016 and 20 loans originated during the period of 2017-2018).

We completed two separate analyses of the bank's lending performance. For FNB's performance in 2016, we used the comparators of demographic data from the 2010 United States (U.S.) Census and 2016 HMDA peer aggregate data. For the lending performance in 2017-2018, we used the comparators of demographic data from the 2015 American Community Survey (ACS) U.S. Census and 2018 HMDA

peer aggregate Data. The 2015 ACS provided an update to median family income, changing the income designation of some CTs in the AA in 2017.

Selection of Areas for Full-Scope Review

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

Ratings

FNB’s overall rating is based solely on its performance in the state of Illinois. The state of Illinois rating is derived from the bank’s performance under the CRA Small Bank Lending Test as well as related performance context information from the bank’s Carbondale-Marion MSA. With the exception of the bank’s LTD ratio (based on the bank’s entire lending portfolio), all weight for performance under the CRA Small Bank Lending Test was based on the bank’s lending performance in relation to its primary products of home mortgage loans, farm loans, and business loans.

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 Illinois

CRA rating for the State of Illinois: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- FNB's loan-to-deposit ratio (LTD) is reasonable given the bank's size, financial condition, and level of local competition.
- A majority of the bank's loans are inside its assessment area (AA).
- The bank has a reasonable distribution of loans to individuals of different income levels and businesses and farms of different sizes throughout its AA.
- The bank has a reasonable distribution of loans across geographies of different income levels throughout its AA.

Description of Institution's Operations in Illinois

FNB's AA includes CTs 101, 103, and 104 in the northwestern portion of Jackson County, Illinois. This is classified as part of the Carbondale-Marion MSA #16060. According to the 2015 ACS data, CT 101 (location of the main office), is identified as middle-income, CT 103 is identified as moderate-income, and CT 104 is identified as upper-income. Prior to the 2015 ACS, the same three CTs were all middle-income. Although FNB's AA represents only a portion of Jackson County, it is reasonable due to the bank's size and its only office being located in the small rural town of Ava, Illinois. A majority of Jackson County is generally rural. The AA meets regulatory requirements and does not arbitrarily exclude any low- and moderate-income geographies.

FNB's primary business focus is on home mortgage lending, small business lending, and small farm lending. The bank has no branches outside its location in Ava, Illinois.

Bank competition is considerable. As of June 30, 2018, 11 financial institutions operate 25 offices in Jackson County. FNB ranks eighth with a 5.9 percent deposit market share totaling \$54.2 million.

Community Contacts

We reviewed two community contacts, one conducted in March 2019 and a prior conducted in 2016. Both contacts identified similar unmet community development needs in FNB's AA. These include providing community financial education workshops as well as financing programs targeted to low-income borrowers and those with insufficient collateral. Neither contact was aware of any discriminatory behavior by any area financial institutions.

Carbondale-Marion MSA (Jackson County)

Table A – Demographic Information of the Assessment Area						
2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	3	0.0	0.0	100.0	0.0	0.0
Population by Geography	11,281	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	4,679	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	3,481	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	787	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	411	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	485	0.0	0.0	100.0	0.0	0.0
Farms by Geography	82	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	3,008	15.9	15.5	28.7	40.0	0.0
Household Distribution by Income Level	4,268	16.2	12.5	20.2	51.1	0.0
Median Family Income MSA - 16060 Carbondale-Marion, IL MSA		\$50,689	Median Housing Value			\$86,535
			Median Gross Rent			\$589
			Families Below Poverty Level			8.6%
<i>Source: 2010 U.S. Census and 2016 D&B Data</i>						
<i>Due to rounding, totals may not equal 100.0</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
2017-2018						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	3	0.0	33.3	33.3	33.3	0.0
Population by Geography	10,609	0.0	25.3	31.3	43.4	0.0
Housing Units by Geography	5,157	0.0	27.4	29.1	43.5	0.0
Owner-Occupied Units by Geography	3,668	0.0	25.5	31.8	42.7	0.0
Occupied Rental Units by Geography	878	0.0	33.6	17.9	48.5	0.0
Vacant Units by Geography	611	0.0	30.0	29.5	40.6	0.0
Businesses by Geography	500	0.0	22.6	31.6	45.8	0.0
Farms by Geography	82	0.0	42.7	40.2	17.1	0.0
Family Distribution by Income Level	3,049	18.8	19.9	18.5	42.8	0.0
Household Distribution by Income Level	4,546	18.5	14.5	18.4	48.7	0.0
Median Family Income MSA - 16060 Carbondale-Marion, IL MSA		\$56,287	Median Housing Value			\$103,817
			Median Gross Rent			\$570
			Families Below Poverty Level			8.6%
<i>Source: 2015 ACS Census and 2018 D&B Data</i>						
<i>Due to rounding, totals may not equal 100.0</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The 2010 U.S. Census recorded three CTs (all middle-income) in the AA. According to the 2010 census data, the area population was 11,281.

According to the 2015 ACS Census, the total number of CTs remained the same. The 2015 ACS Census recorded three CTs in the AA, consisting of one (33.3 percent) moderate-income tract, one (33.3 percent) middle-income tract, and one (33.3 percent) upper-income tract. The population was slightly down from the 2010 census at 10,609, with 2,684 or 25.3 percent residing in the moderate-income census tract.

The distribution of families by income level was 18.8 percent low-income, 19.9 percent moderate-income, 18.5 percent middle-income, and 42.8 percent upper-income. The percentage of households in the AA living below the poverty level was 8.6 percent. The 2018 FFIEC adjusted median family income for the AA was \$61,600, up from \$55,400 in 2016. Low-income families earned annual income of \$30,800 or less, and moderate-income families earned annual income of \$30,800 to \$49,280.

Table B – Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Carbondale-Marion, IL MSA Median Family Income (16060)				
2016 (\$55,400)	<\$27,700	\$27,700 to <\$44,320	\$44,320 to <\$66,480	≥\$66,480
2017 (\$60,800)	<\$30,400	\$30,400 to <\$48,640	\$48,640 to <\$72,960	≥\$72,960
2018 (\$61,600)	<\$30,800	\$30,800 to <\$49,280	\$49,280 to <\$73,920	≥\$73,920
<i>Source: FFIEC Due to rounding, totals may not equal 100.0</i>				

Employment Factors

According to the U.S. Department of Labor, Bureau of Labor Statistics (BLS) report, the unemployment rate in Jackson County as of December 2016 and 2018 was 5.0 percent and 4.9 percent, respectively, compared to 5.8 percent and 4.3 percent, respectively, for Illinois.

Unemployment Rates 2016-2018			
Area	2016	2017	2018
Jackson County	5.0%	4.3%	4.9%
State of Illinois	5.8%	4.9%	4.3%
National	4.7%	4.1%	3.9%
<i>Source: U.S. Department of Labor; Bureau of Labor Statistics</i>			

Housing Characteristics

The 2010 U.S. Census reported total housing units of 4,679 in the AA. Of the total number of housing units, 3,481 or 74.4 percent were owner occupied, 787 or 16.8 percent were renter occupied and 411 or 8.8 percent were vacant. There were no housing units located in low- or moderate-income CTs. The 2010 U.S. Census indicates that the weighted average median housing value was \$86,535 and the weighted average monthly gross rent was \$589.

The 2015 ACS Census reported total housing units of 5,157 in the AA. Of the total number of housing units, 3,668 or 71.1 percent were owner occupied, 878 or 17 percent were renter occupied and 611 or

11.9 percent were vacant. Of all owner occupied units, 934 or 25.5 percent were located in moderate-income CTs. Of all occupied rental units, 295 or 33.6 percent were located in moderate-income CTs. Of all vacant units, 183 or 30 percent were located in moderate-income CTs. Additionally, 1,076 or 26 percent of all single family (1-4 units) homes and 61 or 46 percent of multifamily housing units were located in moderate-income CTs. The 2015 ACS Census indicates that the weighted average median housing value was \$103,817 and the weighted average monthly gross rent was \$570.

Economic Conditions

Considered a “bedroom” community; most of the local residents of Ava, Illinois commute to nearby larger cities for employment. The top five employers in the Carbondale-Marion MSA are Southern Illinois University, Community Health Systems Inc., UnitedHealth Group, Nissan North America, and Optum Inc. The top five employment sectors in the Carbondale-Marion MSA are Government, Education and Health Services, Retail Trade, Leisure and Hospitality Services, and Manufacturing. According to Moody’s Analytics, *Illinois’ budget resolution lifts a cloud from Carbondale-Marion, but the rebound will be short-lived. Government employment will stabilize, but declining enrollment at SIU will have lasting ill consequences. Though CRB’s aging population bodes well for healthcare, out-migration spells trouble for consumer industries, and persistent brain drain is a big concern.*

Scope of Evaluation in Illinois

We performed a full-scope of the bank's only AA. Refer to Appendix A for more information.

LENDING TEST

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

Based on a full-scope review, the bank's performance in the state of Illinois is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits a reasonable geographic distribution of loans in the AA. Our review scope included home mortgage, business, and farm lending. There were no low- or moderate-income CTs during the 2016 evaluation period; therefore, an analysis of geographic distribution would not have been meaningful. Additionally, the bank did not have any low-income CTs during the 2017-2018 evaluation period.

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 geographic distribution of home mortgage loans in the AA is reasonable. During the 2017-2018 evaluation period, FNB originated 15.1 percent of its home mortgage loans in the only moderate-income CT (CT 103) located in the AA. This falls within a reasonable range below the percentage of owner-occupied housing units located within the CT (25.5 percent) and a reasonable range below the aggregate level of lending in the same CT (21.2 percent). When conducting our analysis of the bank's performance in CT 103, we considered that the southwestern portion of the CT is in a flood prone area located near the Mississippi river and the remainder of the CT is mostly rural and sparsely populated. Competition was strong in 2017 for the limited home mortgage opportunities in the CT. Based on 2017 peer mortgage data, 20 lenders competed for 37 mortgage loans.

Business Loans

Refer to Table Q in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of business loans.

The geographic distribution of loans to businesses in the AA is reasonable. During the 2017- 2018 evaluation period, FNB originated 25 percent of its business loans in the moderate-income CT. This exceeds the percentage of businesses located in the moderate-income CT (22.6 percent) and is within reasonable range of the aggregate level of lending in the same CT (27.7 percent).

Farm Loans

Refer to Table S Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to farms.

During the 2017-2018 evaluation period, the bank's geographic distribution of lending (25 percent) fell below both the percentage of farms located in the moderate-income CT (42.7 percent) and the aggregate level of lending in the same CT (36 percent). The bank's geographic distribution of loans to farms is reasonable when considering the relatively small number of farms (35) located in the AA's single moderate-income CT and the number and location of competing institutions (14).

Lending Gap Analysis

We reviewed summary reports and maps and analyzed FNB's home mortgage, small business, and small farm lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

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 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 distribution of home mortgage loans in the AA is reasonable. During the 2017-2018 evaluation period, FNB originated 15.1 percent of its home mortgage loans to low-income borrowers and 24.5 percent to moderate-income borrowers. The percentage of loans to low-income borrowers was significantly above aggregate lending to low-income borrowers (5.3 percent) and within a reasonable range below the percentage of low-income families in the AA (18.8 percent). FNB's 2017 through 2018 performance is an improvement from 2016 where 11.3 percent of loans were originated to low-income borrowers and only 5.7 percent were originated to moderate-income borrowers. The percentage of loans to low- and moderate-income borrowers in 2016 is reasonable considering vacant and rental units account for 26 percent of all housing and given the competitive market environment in which the bank operates.

Loans to Small Businesses

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

The distribution of loans to small businesses is excellent. During the 2017-2018 evaluation period, 95 percent of business loans were to businesses with revenues less than or equal to \$1 million. FNB's borrower distribution of small business loans in 2016 was not inconsistent with the performance in 2017 through 2018.

Loans to Small Farms

Refer to Table T in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of loans to small farms.

The distribution of loans to small farms in the AA is excellent. During the 2017-2018 evaluation period, 100 percent of farms in the AA had gross annual revenues less than or equal to \$1 million. FNB originated 90 percent of its loans to farms in this category. This is more than reasonable given the bank's lending to small farms significantly exceeds the aggregate percentage of lending to small farms (28 percent). Five percent (down from 15 percent in 2016) of loans to farms sampled during the period did not include gross annual revenues of the borrowers. This is a result of regulatory guidance (Banking Bulletin 1993-18), which allows the bank to identify and exempt a portion of their small- and medium-sized business and farm loan portfolios, within certain limits. Lending performance in 2016 was not inconsistent with the performance during 2017 through 2018.

Responses to Complaints

During the evaluation period, FNB did not receive any complaints in regards to its CRA performance within the AA.

Appendix A: Scope of Examination

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”.

Time Period Reviewed:	5/13/2014 to 12/31/2018	
Bank Products Reviewed:	Home Mortgage, Small Business, Small Farm	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Not Applicable	Not Applicable	Not Applicable
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Illinois		
Carbondale-Marion MSA	Full-scope	AA consists of CT 101, 103, and 104 in Jackson County Illinois.

Appendix B: Summary of MMSA and State Ratings

RATINGS: The First National Bank of Ava	
Overall Bank:	Lending Test Rating:
The First National Bank of Ava	Satisfactory
State:	Lending Test Rating:
Illinois	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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 30th 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 S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-,

and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

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

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		
	#	\$	% 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
Carbondale-Marion MSA	53	2,809	100.0	256	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	53	2,809	100.0	256	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	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																			2017-18
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Carbondale-Marion MSA	53	3,047	100.0	189	0.0	0.0	0.0	25.5	15.1	21.2	31.8	71.7	36.5	42.7	13.2	42.3	0.0	0.0	0.0
Total	53	3,047	100.0	189	0.0	0.0	0.0	25.5	15.1	21.2	31.8	71.7	36.5	42.7	13.2	42.3	0.0	0.0	0.0

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data, 2018 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**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Carbondale-Marion MSA	53	2,809	100.0	256	15.9	11.3	7.0	15.5	5.7	10.2	28.7	30.2	24.2	40.0	50.9	52.0	0.0	1.9	6.6
Total	53	2,809	100.0	256	15.9	11.3	7.0	15.5	5.7	10.2	28.7	30.2	24.2	40.0	50.9	52.0	0.0	1.9	6.6

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 **2017-18**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Carbondale-Marion MSA	53	3,047	311.8	189	18.8	15.1	5.3	19.9	24.5	20.1	18.5	20.8	22.8	42.8	37.7	44.4	0.0	1.9	7.4
Total	53	3,047	311.8	189	18.8	15.1	5.3	19.9	24.5	20.1	18.5	20.8	22.8	42.8	37.7	44.4	0.0	1.9	7.4

Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data, 2018 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		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Carbondale-Marion MSA	20	757	100.0	125	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	20	757	100.0	125	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	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 **2017-18**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Carbondale-Marion MSA	20	1,204	100.0	112	0.0	0.0	0.0	22.6	25.0	27.7	31.6	40.0	20.5	45.8	35.0	51.8	0.0	0.0	0.0
Total	20	1,204	100.0	112	0.0	0.0	0.0	22.6	25.0	27.7	31.6	40.0	20.5	45.8	35.0	51.8	0.0	0.0	0.0

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: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2016
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Carbondale-Marion MSA	20	757	100.0	125	80.2	100.0	53.6	4.5	0.0	15.3	0.0
Total	20	757	100.0	125	80.2	100.0	53.6	4.5	0.0	15.3	0.0
<i>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</i>											

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2017-18
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Carbondale-Marion MSA	20	1,204	100.0	112	77.6	95.0	58.9	5.4	0.0	17.0	5.0
Total	20	1,204	100.0	112	77.6	95.0	58.9	5.4	0.0	17.0	5.0
<i>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</i>											

Table S: Assessment Area Distribution of Loans to Farms by Income Category of the Geography **2016**

Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Carbondale-Marion MSA	20	2,172	100.0	25	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	20	2,172	100.0	25	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	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 S: Assessment Area Distribution of Loans to Farms by Income Category of the Geography **2017-18**

Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Carbondale-Marion MSA	20	2,461	100.0	25	0.0	0.0	0.0	42.7	25.0	36.0	40.2	55.0	52.0	17.1	20.0	12.0	0.0	0.0	0.0
Total	20	2,461	100.0	25	0.0	0.0	0.0	42.7	25.0	36.0	40.2	55.0	52.0	17.1	20.0	12.0	0.0	0.0	0.0

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 T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues											2016
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Carbondale-Marion MSA	20	2,172	100.0	25	98.8	85.0	36.0	1.2	0.0	0.0	15.0
Total	20	2,172	100.0	25	98.8	85.0	36.0	1.2	0.0	0.0	15.0

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 T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues											2017-18
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Carbondale-Marion MSA	20	2,461	100.0	25	100.0	90.0	28.0	0.0	5.0	0.0	5.0
Total	20	2,461	100.0	25	100.0	90.0	28.0	0.0	5.0	0.0	5.0

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