



**PUBLIC DISCLOSURE**

April 8, 2019

**COMMUNITY REINVESTMENT ACT  
PERFORMANCE EVALUATION**

First National Bank of Alvin  
Charter Number 14905

1600 East Highway 6, Alvin, TX 77511

Office of the Comptroller of the Currency

1301 McKinney Street, Suite 1410, Houston, TX 77010-3031

**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 Needs to Improve**

**The lending test is rated: Needs to Improve**

First National Bank of Alvin has a less than satisfactory record of meeting community credit needs. The major factors that were considered in the CRA rating are as follows:

- The loan-to-deposit (LTD) ratio is less than reasonable given the bank's size, financial condition and assessment area (AA) credit needs.
- The majority of consumer lending originated in the bank's AA.
- The borrower distribution of consumer loans by income level reflects reasonable distribution of borrowers of different income levels.
- The geographic distribution of consumer loans reflects poor distribution among families and households of different income levels.
- The bank has not received any CRA-related complaints since the previous evaluation.



## Description of Institution

First National Bank of Alvin (FNB Alvin) is a single-state community bank headquartered in Alvin, Texas with a second branch located in Manvel, Texas. The bank’s holding company, Coastal Bancshares, Inc., Pearland, Texas, also owns the affiliated Pearland State Bank, Pearland, Texas. The bank has one AA which is comprised of 84 census tracts (CTs) located in Brazoria and Galveston Counties. The last CRA evaluation dated February 3, 2014 resulted in an overall satisfactory rating.

The bank is a full service institution that offers a variety of deposit and credit services. Products include checking and savings accounts, certificate of deposits, money market accounts, personal and consumer loans, and commercial and small business loans. Loan products advertised on the bank’s website include auto, personal, and mortgage/real estate. Commercial loans are not advertised on the website but the bank does originate them. Other services include safe deposit boxes, gift cards, cashier’s checks, and money orders.

Banking hours and services are the same at both locations. Lobby hours are 9:00 a.m. to 4:00 p.m. Monday through Thursday and 9:00 a.m. to 6:00 p.m. on Friday. Motor bank hours are 7:30 a.m. to 5:00 p.m. Monday through Friday and 8:00 a.m. to 12:30 p.m. on Saturday. There is one automated teller machine at each location which do not take deposits. Online banking, telephone banking, and bill pay is also available. There were no branch openings or closings during the evaluation period.

FNB Alvin reported total assets of \$140 million and tier 1 capital of \$17 million, as of December 31, 2018. During the same period, net loans and leases totaled \$21 million or 16 percent of assets. Though loans were projected to increase approximately 7 percent in 2017, the loan portfolio actually decreased due to pay downs. Over the one year period from 2017 to 2018, there was an overall 7 percent decrease in net loans and leases, with a substantial reduction in commercial and individual loans, decreasing 41 percent and 36 percent, respectively. Investment securities of \$103 million account for 75 percent of assets. Over the same one year period, total deposits increased 3 percent to \$124 million, with 70 percent of the deposits in checking accounts.

For this evaluation we concluded the primary loan product is consumer loans. This loan type represents a consistent majority of the loan products by number during the evaluation period. The volume of loans represented by the bank’s other loan products, including business and home mortgage loans, during the evaluation period was not sufficient to conduct a meaningful analysis.

### Loan Products

Loan Category	2016		2017		2018	
	#	\$(000)	#	\$(000)	#	\$(000)
Business	24	4,363	12	1,731	5	6,020
Home Mortgage	10	1,603	4	385	3	535
Consumer	171	845	94	326	94	299

Source: Bank records, origination balance (2016, 2017, 2018)

There are no legal, financial, or other factors impeding the bank’s ability to help meet the credit needs of its AA.

## **Scope of the Evaluation**

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

This evaluation includes a full-scope review of FNB Alvin's CRA activities within its AA, using small bank evaluation procedures, which includes the lending test. The lending test evaluates the bank's record of meeting the credit needs of the AA through its lending activities. The evaluation period for the lending test is January 1, 2016 through December 31, 2018. A sample of 90 consumer loans originated during the evaluation was selected and reviewed.

### **Data Integrity**

FNB Alvin is not required to collect and report loans under the Home Mortgage disclosure Act (HMDA) for years 2017 and 2018. HMDA data was reported for year 2016; however, HMDA loans are not included in this evaluation. No prior data integrity testing was performed.

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

The bank's one AA, a geography (FNB Alvin Brazoria-Galveston) located in the Houston-The Woodlands-Sugarland metropolitan statistical area (MSA), received a full-scope review. There are no limited-scope areas.

### **Ratings**

The overall rating will be based solely on performance within the AA comprised of Brazoria and Galveston Counties. During the evaluation period there was only one low-income CT. This low-income CT is located more than 15 miles away from FNB Alvin branches, represents a very small portion of the population in the bank's AA, and is served by several other banks in the area. Therefore, greater weight was placed on the bank's performance in moderate-income geographies given the greater opportunities in such areas, as suggested by the demographic data.

### **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 (or any affiliate whose loans have been considered as part of the institution's lending performance) 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.

**DESCRIPTION OF ASSESSMENT AREA**

FNB Alvin changed its AA following the last evaluation to include 50 contiguous CTs in Brazoria County and 34 CTs in Galveston County. Brazoria and Galveston Counties are part of the Houston-The Woodlands-Sugar Land MSA located in the Gulf Coast region of Texas. Demographic data resulting from the 2015 American Community Survey (ACS), effective January 1, 2017, resulted in the change of one moderate-income CT. As a result of the change, of the 84 CTs in the AA, one (1.2 percent) is designated as low-oncome, 14 (16.7 percent) are designated as moderate-income, 39 (46.4 percent) as middle-income, and 30 (35.7 percent) as upper-income.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: FNB Alvin Brazoria-Galveston 2016</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	84	1.2	17.9	40.5	40.5	0.0
Population by Geography	510,076	0.4	12.3	34.3	53.0	0.0
Housing Units by Geography	190,092	0.5	13.6	35.1	50.8	0.0
Owner-Occupied Units by Geography	129,701	0.2	10.2	33.7	55.8	0.0
Occupied Rental Units by Geography	40,820	1.1	19.5	37.7	41.7	0.0
Vacant Units by Geography	19,571	1.4	23.5	38.7	36.5	0.0
Businesses by Geography	30,472	0.2	10.9	28.2	60.7	0.0
Farms by Geography	812	0.2	7.5	45.7	46.6	0.0
Family Distribution by Income Level	128,160	16.5	14.0	18.2	51.3	0.0
Household Distribution by Income Level	170,521	18.9	13.5	16.6	51.0	0.0
Median Family Income MSA - 26420 Houston-The Woodlands-Sugar Land, TX MSA		\$63,898	Median Housing Value			\$142,703
			Median Gross Rent			\$866
			Families Below Poverty Level			7.5%

Source: 2010 U.S. Census and 2016 D&B Data  
Due to rounding, totals may not equal 100.0  
(\* ) The NA category consists of geographies that have not been assigned an income classification.



**Table A – Demographic Information of the Assessment Area**  
**Assessment Area: FNB Alvin Brazoria-Galveston 2017-2018**

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	84	1.2	16.7	46.4	35.7	0.0
Population by Geography	544,374	1.1	9.0	40.1	49.9	0.0
Housing Units by Geography	208,230	1.0	10.6	40.3	48.1	0.0
Owner-Occupied Units by Geography	136,266	0.5	8.3	38.3	52.8	0.0
Occupied Rental Units by Geography	52,699	2.2	12.7	41.7	43.4	0.0
Vacant Units by Geography	19,265	1.4	20.8	50.0	27.9	0.0
Businesses by Geography	34,605	0.9	8.2	32.9	58.0	0.0
Farms by Geography	873	0.3	5.8	51.1	42.7	0.0
Family Distribution by Income Level	137,863	16.6	14.4	17.9	51.2	0.0
Household Distribution by Income Level	188,965	19.2	13.8	16.6	50.5	0.0
Median Family Income MSA - 26420 Houston-The Woodlands-Sugar Land, TX MSA		\$69,373	Median Housing Value			\$154,039
			Median Gross Rent			\$981
			Families Below Poverty Level			7.8%

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.

## Brazoria County

The county seat is Angleton and its largest city is Pearland. According to the U.S. Census Bureau, Brazoria County has an estimated population of 370,000 as of July 2018, and 9 percent have incomes below the poverty level. The U.S. Census Bureau also reports an approximate 72 percent owner-occupied housing unit rate in 2017 with 3,138 new building permits. The median household income in 2017 was \$76,400. The Department of Housing and Urban Development (HUD) reports average home sales prices of \$239,500 during the 12 months ending March 2018.

The city of Alvin, TX is located 25 miles southeast of Houston, TX in northeast Brazoria County and has approximately 24,000 residents according to the 2010 U.S. Census. The Economic Development Alliance for Brazoria County reports the largest employer in Brazoria County is Alvin Independent School District (ISD) with approximately 3,650 employees. Other major employers in the county include The Dow Chemical Company, Pearland ISD, Texas Department of Criminal Justice, and Wood Group (formerly The Infinity Group). The unemployment rate in Brazoria County was 4.2 percent as of December 2018, as reported by the U.S. Bureau of Labor Statistics (BLS).

According to the Federal Deposit Insurance Corporation (FDIC) Market Share Report, dated June 30, 2018, competition for financial services in the AA is strong with 28 lenders operating 77 banking offices. Significant competitors include large international banks such as Wells Fargo, JP Morgan Chase, and Bank of America with approximately 54 percent in total of the market share. FNB Alvin has a 2.3 percent market share in the county.



## **Galveston County**

The county seat is the city of Galveston. According to the U.S. Census Bureau, Galveston County has an estimated population of 338,000 as of July 2018, and 12 percent have incomes below the poverty level. The U.S. Census Bureau also reports an approximate 66 percent owner-occupied housing unit rate in 2017 with 2,129 new building permits. The median household income in 2017 was \$65,702. HUD reports average home sales prices of \$259,600 during the 12 months ending March 2018.

Galveston County is the 17th largest county in the state of Texas. It has a diverse and robust economic base that includes petrochemical, maritime, and a strong cruise and land based tourism presence. Other industries include healthcare and support services for offshore oil and gas. The largest city in the county is League City, TX with an estimated population of 84,000 according to the 2010 U.S. Census. Major employers in Galveston are University of Texas Medical Branch, Landry's, Inc., Galveston County, and Galveston ISD. The unemployment rate in Galveston County was 4.3 percent as of December 2018, as reported by the BLS.

According to the FDIC Market Share Report, dated June 30, 2018, competition for financial services in Galveston County is strong with 21 lenders operating 74 banking offices. Significant competitors include JP Morgan Chase, Texas First Bank, and The Moody National Bank with approximately 40 percent in total of the market share. FNB Alvin does not have a branch in Galveston County.

## **Community Contact**

We conducted a community contact to determine general banking and credit needs, as well as opportunities for local financial institutions to meet these needs. We spoke to a representative who is the director of a small business development center in the AA. The organization provides a variety of services to assist small business owners with obtaining funding. These services include business consulting and planning, seminars, and market and industry research. Our contact stated that the economic condition is in a strong developmental cycle, with significant growth in the population. This in turn is fueling small business expansion and start-ups. The organization feels that the community banks are welcoming to the small business and work directly with the organization by referring businesses that need assistance with the application process. Overall, our contact stated that the local banks are meeting the needs of the community.

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

### **LENDING TEST**

The bank's performance under the Lending Test in the FNB Alvin Brazoria-Galveston AA Needs to Improve.



Based on a full-scope review, lending volumes are not reasonable given the bank's size, financial condition, and AA credit needs. While the bank made a substantial majority of its loans in the AA and the distribution of loans to individuals of different income levels is reasonable, the LTD ratio is less than reasonable and the geographic distribution of loans in the AA is poor.

## Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD ratio is less than reasonable and needs to improve. The LTD ratio averaged 19.10 percent for the previous 20 quarters since the last CRA evaluation, which is a decrease from 24 percent at the prior evaluation. We identified no internal or external factors prohibiting the bank from lending. FNB Alvin has sufficient resources and capacity to lend.

In the period from the last evaluation the bank's LTD ratio reflects a declining trend ranging from a high of 19.29 percent at March 31, 2014 to a low of 17.14 percent at December 31, 2018. Given its lending related activities, and particularly the bank's capacity with respect to its deposits, the overall level of the bank's average LTD ratio reflects a less than reasonable performance. As seen in the table below, FNB Alvin's ratio is below similarly situated institutions located in its AA.

Institution	Total Assets (\$000)	Average LTD Ratio (%)
FNB Alvin, NA	140,292	19.10
First State Bank of Texas	190,333	53.87
Pearland State Bank	187,178	22.93
Texas Advantage Community Bank, NA	108,357	75.63

Source: Call Report Data as of 12/31/2018; Call Report Data (previous 20 quarters 3/31/2014 - 12/31/2018)

## Lending in Assessment Area

A substantial majority of the bank's consumer loans originated during the evaluation period were inside the bank's AA. Based on our sampling of 90 consumer loans, the bank originated 89 percent and 85 percent of the loans in its AA, by number and dollar amount, respectively. This analysis is performed at the bank, rather than the AA level.

**Table D - 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		
	#	%	#	%		\$	%	\$	%	
Consumer	80	88.9	10	11.1	90	283	84.5	52	15.5	335
<b>Total</b>	<b>80</b>	<b>88.9</b>	<b>10</b>	<b>11.1</b>	<b>90</b>	<b>283</b>	<b>84.5</b>	<b>52</b>	<b>15.5</b>	<b>335</b>

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



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

The bank exhibits poor geographic distribution of loans in the AA during the evaluation period.

### **Consumer Loans**

Refer to Table U in appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

In 2016 there was one low-income and 15 moderate-income CTs, and the years 2017 and 2018 included one low-income and 14 moderate-income CTs. Greater weight was placed on the bank's performance in moderate-income geographies given the greater opportunities in such areas as suggested by the demographic data.

During the evaluation period, there were no loans originated in the low-income CT and 15 loans were originated in the moderate-income CTs. The bank's percentage of consumer loans originated in low-income tracts is below the AA percentage of households located in low-income census tracts in years 2016, 2017 and 2018. In 2016, the percentage of consumer loans originated in moderate-income tracts is below the AA percentage of households located in moderate-income CTs, but exceeds the AA percentage in years 2017 and 2018.

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

The bank exhibits reasonable distribution of loans to consumers of different income levels during the evaluation period.

### **Consumer Loans**

Refer to Table V in appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The percentage of consumer loans to low-income borrowers exceeds the AA household percentage and loans to moderate-income borrowers is below but close to the AA household percentage for years 2016, 2017 and 2018.

## **Responses to Complaints**

FNB Alvin has not received any CRA related complaints 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>	01/01/2016 to 12/31/2018	
<b>Bank Products Reviewed:</b>	Consumer Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None	NA	
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>MMSA(s)</b>		Consumer Loans
Brazoria and Galveston County	Full-Scope	Whole county of Brazoria Partial county of Galveston

## Appendix B: Summary of MMSA and State Ratings

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RATINGS	First National Bank of Alvin
Overall Bank:	Lending Test Rating
First National Bank of Alvin	Needs to Improve
MMSA or State:	
FNB Alvin Brazoria-Galveston AA	Needs to Improve

## 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 (MSA):** 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 MSAs, 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/AA. 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 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/AA.

<b>Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography</b>														<b>2016</b>	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts			
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans		
FNB Alvin Brazoria- Galveston	27	99	100	0.5	0.0	12.4	3.7	34.7	74.0	52.4	22.22	0.0	0.0		

*Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data.  
Due to rounding, totals may not equal 100.0*

<b>Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography</b>														<b>2017-2018</b>	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts			
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans		
FNB Alvin Brazoria- Galveston	53	184	100	1.0	0.0	9.6	26.4	39.3	60.4	50.2	13.2	0.0	0.0		

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data.  
Due to rounding, totals may not equal 100.0*

<b>Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower</b>														<b>2016</b>
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
FNB Alvin Brazoria- Galveston	27	99	100	18.9	22.2	13.5	11.1	16.6	11.11	51.0	11.1	0.0	44.4	
<b>Total</b>	<b>27</b>	<b>99</b>	<b>100</b>	<b>18.9</b>	<b>22.2</b>	<b>13.5</b>	<b>11.1</b>	<b>16.6</b>	<b>11.11</b>	<b>51.0</b>	<b>11.1</b>	<b>0.0</b>	<b>44.4</b>	

Source: 2010 U.S. Census; 01/01/2016 - 12/31/2016 Bank Data.  
Due to rounding, totals may not equal 100.0

<b>Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower</b>														<b>2017-2018</b>
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
FNB Alvin Brazoria- Galveston	53	184	100	19.2	26.4	13.8	11.3	16.6	1.9	50.5	3.8	0.0	56.6	
<b>Total</b>	<b>53</b>	<b>184</b>	<b>100</b>	<b>19.2</b>	<b>26.4</b>	<b>13.8</b>	<b>11.3</b>	<b>16.6</b>	<b>1.9</b>	<b>50.5</b>	<b>3.8</b>	<b>0.0</b>	<b>56.6</b>	

Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data.  
Due to rounding, totals may not equal 100.0