PUBLIC DISCLOSURE

July 7, 2025

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

WestStar Bank
RSSD # 1447639
500 North Mesa Street
El Paso, Texas 79901

Federal Reserve Bank of Dallas
2200 North Pearl Street
Dallas, Texas 75201

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

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INSTITUTION RATING

INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING: WestStar Bank is rated **Outstanding.**

The following table indicates the Community Reinvestment Act (CRA) performance level of WestStar Bank (WestStar or bank) with respect to the lending, investment, and service tests.

WestStar Bank			
Performance Levels	**Performance Tests**		
	Lending Test*	**Investment Test**	**Service Test**
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Non-Compliance			
* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.			

SUMMARY OF MAJOR FACTORS SUPPORTING RATING

Major factors supporting the institution's rating include:

Lending Test:
- Lending activity reflects an excellent responsiveness and record of serving the credit needs of the assessment areas (AAs), including low- and moderate-income (LMI) individuals, LMI areas, and very small businesses.
- A substantial majority of loans are made in the bank's AAs.
- The geographic distribution of loans reflects excellent penetration throughout the AAs.
- WestStar's distribution of loans among individuals of different income levels, including LMI individuals, and businesses and farms of different revenue sizes is good.
- The bank is a leader in making community development (CD) loans.
- WestStar makes use of innovative and/or flexible lending practices in serving AAs' needs.

Investment Test:
- The bank has an excellent level of qualified CD investments and grants, particularly those not routinely provided by private investors, and is often in a leadership position.
- WestStar makes occasional use of innovative and/or complex investments to support CD initiatives.
- The bank exhibits excellent responsiveness to credit and CD needs.

Service Test:
- Delivery systems are readily accessible to individuals of different income levels throughout the bank's AAs.
- The record of opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and/or LMI individuals.
- The bank's services do not vary in a way that inconveniences the bank's AAs, particularly LMI geographies and/or LMI individuals.
- WestStar is a leader in providing CD services.

INSTITUTION

DESCRIPTION OF THE INSTITUTION

WestStar, a financial institution headquartered in El Paso, Texas has the following characteristics:

- The bank is a wholly owned subsidiary of WestStar Bank Holding Company, Inc., a one-bank holding company headquartered in El Paso, Texas.
- As of December 31, 2024, WestStar reported total assets of $3.2 billion and gross loans of $2.3 billion.
- WestStar delineates two AAs that remain unchanged since the prior evaluation dated March 20,2023: El Paso County, TX Metropolitan AA and Las Cruces, NM Metropolitan Statistical Area (MSA) AA.
- The bank operates 14 branch offices and 15 deposit-taking automated teller machines (ATMs) throughout its AAs. Thirteen branches are in the state of Texas, and one is located in the state of New Mexico.
- Since the previous CRA performance evaluation, WestStar closed a branch and opened another one in the El Paso County, TX Metropolitan AA.
- The bank offers traditional deposit and loan products to meet the needs of the communities it serves.
    - WestStar is predominately a commercial lender, with commercial loans representing 89.9 percent of its loan portfolio as of December 31, 2024.
    - Commercial loans are made for a variety of business purposes, including industrial and commercial construction, equipment, inventories, accounts receivable, and acquisition financing.
    - While WestStar offers residential real estate and agricultural loans, these account for a very small percentage of its loan portfolio.
    - The bank originates a high number of consumer loans; however, these account for less than one percent of the total loan portfolio and are not considered a strategic priority.
- WestStar's ability to meet various credit needs of the communities it serves has not been hampered by its capacity to lend, financial condition and size, product offerings, prior performance, legal impediments, or other factors.

Table 1 below reflects WestStar's loan portfolio mix as of December 31, 2024.

Table 1

Composition of Loan Portfolio as of December 31, 2024		
Loan Type	**$(000)**	**Percent (%)**
Agricultural	59	2.5
Commercial	2,064	89.9
Consumer	1	0.1
Residential Real Estate	46	2.0
Other	127	5.5
Gross Loans	**2,297**	**100.0**

Note: Percentages may not total 100.0 percent due to rounding.

The Federal Reserve Bank of Dallas rated WestStar's CRA performance as **Outstanding** at the previous performance evaluation dated March 20, 2023. The bank received an *Outstanding* rating under the lending test, an *Outstanding* rating under the investment test, and a *High Satisfactory* rating under the service test.

SCOPE OF EVALUATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFEIC's) *Interagency Examination Procedures for Large Institutions* to evaluate WestStar's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy, and market competition, as well as the demographic and economic characteristics of the AAs and their credit needs.

To conduct the evaluation, examiners relied on the following bank data:
- 2023 Home Mortgage Disclosure Act (HMDA),
- 2022 and 2023 CRA-reported small business and small farm lending data, and
- CD loans, investments, and services extended from March 20, 2023, through December 31, 2024, including prior period CD investments.

While the review considered small business and HMDA data, conclusions regarding lending performance are largely based on the bank's small business lending. In 2022, WestStar's residential real estate loan volume did not meet the minimum number of originations to report lending under the HMDA[1]; therefore, 2022 HMDA data was not considered for this evaluation. In 2023, the bank originated a sufficient number of HMDA loans to require reporting; however, when analyzed by AA, there were too few loans to conduct a reasonable analysis. In addition, WestStar originated a very small number of small farm loans; as such, these did not materially contribute to the overall conclusions.

As shown in Table 2, full-scope reviews were conducted for both of the bank's delineated AAs.

Table 2

Assessment Area Delineation and Scope of Review		
Assessment Area Name	**Assessment Area Description**	**Scope of Review Received**
Texas		
El Paso County, TX Metropolitan	El Paso County Part of the El Paso, TX MSA	Full-Scope
New Mexico		
Las Cruces NM MSA	Doña Ana County Entire Las, Cruces NM MSA	Full-Scope

Evaluation Analysis

The evaluation of the bank's lending record in the individual AAs includes the use of, and comparison to, demographic characteristics. The primary sources for the demographic information are 2016-2020 U.S. Census Bureau's American Community Survey (ACS) data, 2020 U.S. Census data, as well as Dun & Bradstreet (D&B) data for 2022 and 2023. Demographic characteristics of a particular AA are useful in analyzing the bank's record of lending, as they provide a means of estimating loan demand and identifying lending opportunities. To understand small businesses, examiners relied on D&B data, which consists of self-reported data of revenue size and geographical location by businesses entities. The demographic data should not be construed as defining an expected level of lending in a particular area or to a particular group of borrowers; rather, the information is used to understand the bank's performance in the context of available data. Lastly, examiners conducted

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[1] Institutions originating less than 25 HMDA-reportable loans in each of the two preceding calendar years are not required to report HMDA loans.

interviews with two representatives of community organizations that promote economic development in the bank's AAs to better understand the credit needs, opportunities, and challenges of the areas.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank's overall lending test performance is **Outstanding**. Lending performance in Texas is rated as Outstanding, while the lending test for the state of New Mexico is rated as High Satisfactory. When drawing overall conclusions, greater weight was given to WestStar's performance in Texas, as the bank's operations in this state represent 98.0 percent of total deposits and 93.0 percent of the loans reviewed. Moreover, 92.9 percent of total branches are located in Texas.

Regarding the geographic and borrower distribution analyses, home mortgage and small farm products were not evaluated due to insufficient volume for a meaningful analysis.

Lending Activity

This performance criterion evaluates the bank's lending volume considering the relevant performance context.

WestStar's overall lending levels reflect excellent responsiveness to the credit needs of WestStar's AAs, considering the bank's resources, business strategy, loan demand, and competition in the AA. In alignment with its commercial focus, WestStar originated a significant volume of small business loans during the review period. As such, the bank's small business lending carried more weight when assessing the bank's overall CRA performance.

The bank's overall loan volumes since the prior evaluation reflect a decline, particularly in its small business lending portfolio. However, factors outside of the bank's control contributed to this decline. The prior evaluation included loans originated under the Small Business Administration's (SBA's) Paycheck Protection Program (PPP) in response to the COVID-19 pandemic. This program was sunset by the SBA, and PPP loans are no longer reflected in the bank's loan portfolio. Additionally, interest rates have increased since the prior examination, slowing small business loan demand and limiting WestStar's opportunity to lend. However, considering performance context such as WestStar's strategy, loan demand, and significant national competition in the AA, the bank's overall lending performance reflects excellent responsiveness to the credit needs of its AAs. Table 3 summarizes the bank's lending activity from January 1, 2022 through December 31, 2023.

Table 3

Summary of Lending Activity January 1, 2022 through December 31, 2023				
Loan Type	#	%	$(000)	%
Home Purchase	10	1.2	2,431	1.0
Refinancing	2	0.2	570	0.2
Home Improvement	3	0.4	267	0.1
Multifamily	5	0.6	7,621	3.0
Total HMDA	**20**	**2.3**	**10,889**	**4.3**
Total Small Business	**826**	**96.6**	**242,880**	**95.0**
Total Small Farm	**9**	**1.1**	**1,760**	**0.7**
Total LOANS	**855**	**100.0**	**255,529**	**100.0**
Note: Discrepancies are possible in dollar amount totals due to rounding.				

WestStar makes use of innovative and/or flexible lending programs to serve AA credit needs, including LMI borrowers. The bank participates in industry-recognized, government-guaranteed lending programs, displaying flexibility in serving the credit needs of its communities.

Assessment Area Concentration

This performance criterion evaluates the volume and percentage of HMDA and CRA-reported loans extended inside and outside of the bank's delineated AAs. As depicted in Table 4, WestStar extends a substantial majority of total loans within its delineated AAs, demonstrating a strong commitment to meeting the credit needs of its AAs. Additionally, the bank's home mortgage and small business loans are made in proximity to branch locations within the delineated AAs.

Table 4

Lending Inside and Outside of the Assessment Areas								
Loan Type	Inside Assessment Areas				Outside Assessment Areas			
	#	%	$(000)	%	#	%	$(000)	%
Home Purchase	10	100.0	2,431	100.0	0	0.0	0	0.0
Refinancing	2	100.0	570	100.0	0	0.0	0	0.0
Home Improvement	3	100.0	267	100.0	0	0.0	0	0.0
Multi-Family Housing	5	100.0	7,621	100.0	0	0.0	0	0.0
Total HMDA	**20**	**100.0**	**10,889**	**100.0**	**0**	**0.0**	**0**	**0.0**
Total Small Business	**826**	**94.6**	**242,880**	**93.0**	**47**	**5.4**	**18,167**	**7.0**
Total Small Farm	**9**	**81.8**	**1,760**	**81.5**	**2**	**18.2**	**400**	**18.5**
TOTAL LOANS	**855**	**94.6**	**255,529**	**93.2**	**49**	**5.4**	**18,567**	**6.8**
Note: Discrepancies are possible in dollar amount totals due to rounding.								

The remaining loan distribution analyses discussed in this performance evaluation will consider only those loans originated within the bank's AAs. A detailed discussion of the facts and data supporting the overall conclusions for the geographic and borrower distribution and CD lending are presented in the Conclusions with Respect to Performance Criteria section for each AA.

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of lending within its AAs by income level of census tracts with consideration given to the dispersion of loans throughout the AAs. The overall geographic distribution of lending reflects excellent penetration among the different census tracts and dispersion throughout its AAs, which is consistent with the geographic distribution of lending in the state of Texas while the bank's geographic distribution of lending in New Mexico reflects adequate penetration.

A detailed discussion of the facts and data supporting the overall conclusions are presented in the Conclusions with Respect to Performance Criteria section for each AA.

Lending to Businesses of Different Revenue Sizes

This performance criterion evaluates the bank's lending to businesses of different revenue sizes. The bank's overall lending reflects good penetration among businesses of different revenue sizes. This rating is consistent in both the states of Texas and New Mexico.

A detailed discussion of the facts and data supporting the overall conclusions are presented in the Conclusions with Respect to Performance Criteria section for each AA.

Community Development Lending

This performance criterion evaluates the bank's level of CD lending. Overall, WestStar is a leader in making CD loans, which is consistent with the level of CD lending in the state of Texas while it makes a relatively high level of CD loans in the state of New Mexico. As noted in Table 5, the bank originated 82 CD loans during the evaluation period, totaling $343.7 million. Since the previous evaluation, WestStar's CD lending decreased by 34.9 percent. The decline is primarily attributed to the cessation of the PPP in May 2021, in which Weststar was heavily involved. Despite the decline, the bank strategically focused its CD lending on revitalizing and stabilizing its AAs. A significant subset of loans was responsive to revitalization and stabilization needs. These loans helped meet critical credit needs in the bank's AAs, particularly to retain businesses and foster permanent job creation in the El Paso County, TX Metropolitan AA, which contains designated empowerment and opportunity zones[2]. In addition to the CD loans originated within the AAs, WestStar made six loans totaling $63.8 million, benefiting broader state-wide or regional areas.

Given the significant volume of CD lending with respect to WestStar's lending, deposits, branching presence, and the availability and opportunity of such loans throughout the bank's AAs, this performance resulted in a positive impact to the overall Lending Test rating. Specific details regarding the CD lending can be found in the Conclusions with Respect to Performance Tests section for each AA.

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[2] Opportunity zones are geographically defined areas designated by the U.S. Department of the Treasury to attract investment and promote economic development in distressed communities. Empowerment zones are geographically defined areas designated by the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture (USDA) to address economic hardship. These zones are characterized by high poverty and unemployment rates and are targeted for revitalization through tax incentives and grants for businesses operating within their boundaries.

Table 5

Community Development Lending Assessment Area: All		
Purpose	**#**	**$(000)**
Affordable Housing	3	5,567
Community Services	8	12,947
Economic Development	6	22,491
Revitalization and Stabilization	65	302,739
Total	**82**	**343,744**
Note: *Discrepancies possible in dollar amount totals due to rounding.*		

INVESTMENT TEST

The bank's overall investment test rating is **Outstanding**. The state rating for Texas is consistent with the overall rating, while the state rating for New Mexico is Low Satisfactory.

This performance criterion evaluates the bank's level of qualifying investments, grants, and donations made since the prior evaluation that have a primary purpose of CD. WestStar has an excellent level of CD investments, grants, and donations and is often in a leadership position. While the bank makes occasional use of innovative and/or complex investments, it exhibits excellent responsiveness to the credit and CD needs of its AAs. Since the prior evaluation, WestStar increased CD investments by 17.3 percent, demonstrating a solid commitment to meeting community needs. Community contacts indicated a significant need for affordable housing in the AAs. WestStar's investments target this need through pools of mortgage-backed securities (MBS) comprised of home loans to LMI individuals and families. Other investments include municipal bonds benefiting schools serving LMI students, and debt and equity investments to finance affordable housing properties for LMI individuals and to attract and retain small businesses.

In addition to CD investments, WestStar made a significant volume of CD donations throughout its AAs. Donations were particularly responsive to nonprofit and area agencies that provide community services targeted to LMI individuals and families, including financial literacy training. Other donations supported organizations providing economic development through job creation and retention, particularly for LMI individuals or in LMI geographies. The bank's CD donations are considered particularly responsive as community contacts identified workforce development, job retention, and financial literacy as significant needs throughout WestStar's AAs.

Table 6 illustrates the bank's overall level of CD investments. Specific details regarding investments, grants, and donations can be found in the Conclusions with Respect to Performance Tests section for each AA.

Table 6

Community Development Purpose	Prior Period Investments[1]		Current Investments[2]		Donations		Total	
	#	$(000)	#	$(000)	#	$(000)	#	$(000)
Affordable Housing	6	35,860	1	1,000	7	19	14	36,879
Community Services	2	2,257	0	0	158	657	160	2,914
Economic Development	0	0	1	1,000	47	551	48	1,551
Revitalization and Stabilization	0	0	0	0	3	2	3	2
Total	8	38,117	2	2,000	215	1,229	225	41,346

Investments, Grants, and Donations — Assessment Area: All

1 Book value of investment
2 Original market value of investment
Note: Discrepancies are possible in dollar amount totals due to rounding.

SERVICE TEST

The bank's overall service test rating is **Outstanding**. The state rating for Texas is Outstanding, while the state rating for New Mexico is Low Satisfactory. Specific details of the service performance are presented in the respective AA sections of this report.

Retail Services

This performance criterion evaluates the bank's level of delivery systems provided in each geography classification. WestStar's delivery systems are readily accessible to the geographies and individuals of different income levels in the AAs. Banking services and hours of operations do not vary in a way that inconveniences the AAs, particularly LMI geographies and/or individuals.

WestStar's branch locations and deposit-taking ATMs are readily accessible to the bank's various geographies and to individuals of different income levels in each AA. Of the bank's 14 branches, four (28.6 percent) are located in moderate-income census tracts, seven (50.0 percent) are located in middle-income census tracts, and three (21.4 percent) are located in upper-income census tracts. As shown in Table 7, WestStar's branch network reasonably aligns with the distribution of census tracts, households, and businesses throughout its AAs. Moreover, the bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in LMI areas or to LMI individuals. Since the previous evaluation, WestStar closed one full-service branch in an upper-income tract and opened a full-service branch in a middle-income tract, both were located in the El Paso County, TX Metropolitan AA. The branch closure did not adversely impact the bank's service delivery systems, particularly to LMI areas and/or individuals.

Table 7, below, illustrates the distribution of banking offices and deposit-taking ATMs by income level of geographies, as well as numbers of branch openings/closings during the evaluation period.

Table 7

Branch and Deposit-Taking ATM Locations Assessment Area: All									
Tract Income	Census Tracts		% of Households	% of Businesses	Branches		Deposit-Taking ATMs	
	#	%			#	%	#	%
Low	14	5.6	4.3	4.8	0	0.0	0	0.0
Moderate	79	31.7	29.2	33.4	4	28.6	5	33.3
Middle	78	31.3	31.5	26.8	7	50.0	7	46.7
Upper	72	28.9	33.9	33.8	3	21.4	3	20.0
Unknown	6	2.4	1.2	1.2	0	0.0	0	0.0
Total	249	100.0	100.0	100.0	14	100.0	15	100.0
Changes in Branch Locations									
Tract Income	Low	Moderate	Middle	Upper	Unknown		Total	
Openings (#)	0	0	1	0	0		1	
Closings (#)	0	0	0	(1)	0		(1)	
Net Change	0	0	1	(1)	0		0	

Community Development Services

This performance criterion evaluates the bank's level of CD services. Overall, WestStar is a leader in providing CD services throughout its AAs. The volume of qualified CD services provided by the bank has increased by 18.6 since the previous evaluation.

During the review period, bank representatives provided 816 CD services totaling 11,003 hours to 120 organizations with a significant portion of services provided to well-known local organizations that provide varying levels of community services to LMI individuals and families in the bank's AAs. The 18.6 percent increase in the number of activities since the previous evaluation is attributable to the bank's strategic commitment to serving the LMI individuals and communities in which WestStar operates. Bank employees engaged in a variety of efforts to serve their communities including serving on the board of directors for organizations serving LMI individuals, providing financial expertise, and financial literacy to LMI students and small business owners. Noteworthy examples of the bank's community services are as follows:

- In 2023, WestStar became the only community bank in El Paso to participate in the Federal Home Loan Bank's (FHLB) Supplemental Needs Assistance Program (SNAP). Through the program, the bank partnered with Rebuilding Together El Paso (RTEP), a nonprofit organization serving low-income homeowners by providing no-cost safety and health related home repairs and improvements. A bank employee supported the FHLB and RTEP partnership by providing financial and legal expertise to aid with the review of project submissions and approvals. As a result of the partnership, seven homes of LMI individuals were renovated.
- WestStar employees provided financial education to LMI students and individuals and provided technical assistance to small business owners.
- Bank employees devoted over 4,000 hours collectively to serving on the boards of directors for various organizations that provide affordable housing, social services, and financial education to LMI individuals and families.

Table 8

Community Development Services Assessment Area: All		
Purpose	**#**	**Hours**
Affordable Housing	0	0
Community Services	739	9,839
Economic Development	44	1,034
Revitalization and Stabilization	33	130
Total	**816**	**11,003**

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified. The bank is in compliance with the substantive provisions of the anti-discrimination laws and regulations. Established policies and procedures are designed to ensure ongoing compliance with applicable laws and regulations.

STATE OF TEXAS

CRA RATING FOR TEXAS: **Outstanding**
    The lending test is rated: Outstanding.
    The investment test is rated: Outstanding.
    The service test is rated: Outstanding.

Major factors supporting the institution's rating include:

Lending Test:
- Lending activity reflects excellent responsiveness and record of serving the credit needs of its AA, including low-income individuals, low-income areas, and very small businesses.
- The geographic distribution of loans reflects excellent penetration throughout the sole AA in the state of Texas.
- The bank's distribution of loans among businesses of different revenue sizes is good.
- The bank is a leader in making CD loans.
- WestStar makes use of innovative and/or flexible lending practices in serving the AA's needs.

Investment Test:
- The bank has an excellent level of qualified CD investments and grants, particularly those not routinely provided by private investors, and is often in a leadership position.
- WestStar makes occasional use of innovative and/or complex investments to support CD initiatives.
- The bank exhibits excellent responsiveness to credit and CD needs.

Service Test:
- Delivery systems are readily accessible to individuals of different income levels throughout the bank's AA.
- Services do not vary in a way that inconveniences the AA, particularly LMI geographies and/or LMI individuals.
- WestStar is a leader in providing CD services.

SCOPE OF THE EVALUATION

The scope of the review for the state of Texas is consistent with the overall scope for the institution, including evaluations under the lending, investment, and service tests. The review period and products evaluated for this state are also unchanged from the scope discussed in the Institution section of this report.

The bank designates the El Paso County, TX Metropolitan AA, as its single AA in the state of Texas. As such, the El Paso County, TX Metropolitan AA was reviewed using full-scope evaluation procedures. Accordingly, the statewide rating is based on the CRA performance within this AA and any other investment or services that are provided on a broader, statewide basis.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN TEXAS

The bank is headquartered in El Paso, Texas, where it conducts a substantial majority of its activity. WestStar delineates one of its two AAs and operates 13 of its 14 total branches in the state of Texas. As of June 30, 2024, the bank held $2.7 billion in deposits in the state, representing approximately 97.8 percent of its total deposits. According to the June 30, 2024, Federal Deposit Insurance Corporation (FDIC) Summary of Deposits report, WestStar had a deposit market share of 0.2 percent and ranked 47th out of 475 FDIC-insured financial institutions across the state.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions with respect to WestStar's performance in the state of Texas are based on the bank's performance in the only delineated AA within the state. See the El Paso County, TX Metropolitan AA section below for information on WestStar's CRA performance in the state of Texas.

EL PASO COUNTY, TX METROPOLITAN ASSESSMENT AREA
(Full-Scope Review)

DESCRIPTION OF OPERATIONS IN EL PASO COUNTY, TX METROPOLITAN ASSESSMENT AREA

- The bank's El Paso County, TX Metropolitan AA is comprised of El Paso County, which is part of the El Paso, TX MSA. The MSA also includes Hudspeth County; however, this county is not included in the bank's delineated AA. Refer to Appendix A for an AA map and Appendix B for additional demographic data.
- There have been no changes to the delineation of the AA since the previous evaluation.
- The AA is comprised of 188 census tracts, of which 5.3 percent are designated as low-income, 31.4 percent are moderate-income, 34.0 percent are middle-income, 28.7 percent are upper-income, and 0.5 percent are designated as unknown-income.
- The bank operates 13 full-service branches in the AA, including four branches in moderate-income, six in middle-income, and three in upper-income census tracts.
- According to the June 30, 2024, FDIC Market Share Report, the bank held 23.8 percent of the deposit market share, ranking 1st out of 16 FDIC-insured depository institutions operating in the AA. Other market leaders include Wells Fargo Bank, JPMorgan Chase Bank, and Bank of America. Moreover, 97.8 percent of WestStar's total deposits come from the El Paso County Metropolitan AA, whereas the El Paso County deposits for other deposit market leaders represent less than 0.2 percent each. This indicates that WestStar is not only a deposit leader, but that its success is highly connected to the AA.
- WestStar is primarily a commercial bank and small business loans play a critical role in the bank's strategy. Among institutions reporting CRA small business loans, WestStar ranked 10th out of 105 CRA reporters with 367 CRA small business and small farm loans.
- While the bank originates HMDA loans, HMDA is not a significant product for the bank. In 2024, WestStar ranked 69th out of 339 HMDA reporters in the AA with 16 HMDA originations and/or purchases.
- A community contact noted that housing availability, workforce development, and access to capital for small business owners are needs within the AA.

Table 9

Population Change Assessment Area: El Paso County, TX Metropolitan			
Area	2015 Population	2020 Population	Percent Change
El Paso County, TX Metropolitan	831,095	865,657	4.2
El Paso, TX MSA	834,425	868,859	4.1
Texas	26,538,614	29,145,505	9.8
Source: 2020 U.S. Census Bureau Decennial Census 2011-2015 U.S. Census Bureau American Community Survey			

- As reflected in Table 9, the AA experienced slower population growth than the state of Texas, which grew by more than double the AA's growth percentage.
- A community contact attributed the slow AA population growth to lack of employment opportunities in the AA.
- Despite the slower growth rate, El Paso is the largest Texas city along the Mexico-Texas border.

Table 10

Median Family Income Change			
Assessment Area: El Paso County, TX Metropolitan			
Area	**2015 Median Family Income ($)**	**2020 Median Family Income ($)**	**Percent Change**
El Paso County, TX Metropolitan	50,363	54,013	7.2
El Paso, TX MSA	50,295	53,920	7.2
Texas	68,523	76,073	11.0
Source: *2011-2015 U.S. Census Bureau: American Community Survey*			
	2016-2020 U.S. Census Bureau: American Community Survey		
Note: *Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.*			

- As indicated in Table 10, the AA's median family income (MFI) increased at a slower rate than the MFI for the state of Texas; however, the AA's MFI increased at a rate commensurate to the El Paso, TX MSA's MFI.
- According to ACS data, approximately 198,164 families reside in the AA. By family income, 39.7 percent of families are considered LMI.
- According to 2023 FFIEC Census Data, 16.9 percent of families live below the poverty level, which is higher than the statewide percentage of 10.9 percent.
- This data indicates there are more impoverished families in the AA than other parts of the state. Furthermore, MFI in the AA, while increasing, has increased at a slower rate than other parts of the state. Community contacts confirmed these observations, noting there is significant need for economic development in the form of access to capital for small business owners and higher paying jobs in the AA.

Table 11

Housing Cost Burden						
Assessment Area: El Paso County, TX Metropolitan						
Area	**Cost Burden - Renters**			**Cost Burden - Owners**		
	Low-Income	**Moderate-Income**	**All Renters**	**Low-Income**	**Moderate-Income**	**All Owners**
El Paso County, TX Metropolitan	75.4	53.7	44.5	60.1	34.9	22.6
El Paso, TX MSA	75.3	53.6	44.5	60.0	34.8	22.6
Texas	79.4	49.8	43.5	59.0	32.7	19.4
Cost burden is housing cost that equals 30 percent or more of household income.						
Source: U.S. Department of Housing and Urban Development (HUD), 2017-2021 Comprehensive Housing Affordability Strategy						

- As illustrated in Table 11, housing costs within the AA for low-income renters are a substantially greater burden than the burden on renters or homeowners at any other level, indicating that it is more economical for low-income families to purchase a home rather than rent. However, rising interest rates, down payment requirements, and income verification requirements remain barriers for many LMI families seeking homeownership.
- Overall, the cost burden for homeowners and renters in the AA is comparable to the housing cost burden for homeowners and renters statewide in Texas.
- The AA housing stock is aging, with a median housing age of 40 years. The AA median housing value is $126,530, which is commensurate with the state's median housing value, at $126,206.
- A community contact noted that affordable housing throughout the AA is limited, resulting in the rise of homelessness. In addition, certain neighborhoods near the Mexico border lack basic infrastructure and services such as potable water, sewage systems, and paved roads.

Table 12

Unemployment Rates Assessment Area: El Paso County, TX Metropolitan					
Area	2019	2020	2021	2022	2023
El Paso County, TX Metropolitan	3.8	8.3	6.2	4.3	4.4
El Paso, TX MSA	3.8	8.3	6.2	4.3	4.4
Texas	3.5	7.7	5.6	3.9	3.9
Source: Bureau of Labor Statistics: Local Area Unemployment Statistics					

- As shown in Table 12, unemployment rates in the AA trend slightly above the statewide rates.
- Unemployment rates significantly increased in 2020 due to the COVID-19 pandemic, as many businesses laid off their employees given the statewide stay-at-home and social distancing mandates. In 2021, the AA unemployment rate stabilized but was slightly above pre-pandemic levels.
- Major employment industries within the AA include government, healthcare and social services, retail trade, and accommodation and food services.
- Fort Bliss is the largest employer and economic driver in the AA; the military base is noted as Texas's third highest military contributor to the state, adding $27.9 billion to the Texas economy and over 126,000 jobs.
- A community contact also stated that there are limited high-wage employment opportunities in the AA.

The following table details selected characteristics of the AA.

Table 13

2023 Combined Demographics								
Assessment Area: El Paso County, TX Metropolitan								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	10	5.3	6,255	3.2	3,020	48.3	43,438	21.9
Moderate	59	31.4	54,376	27.4	14,336	26.4	35,369	17.8
Middle	64	34.0	65,514	33.1	10,592	16.2	36,688	18.5
Upper	54	28.7	72,019	36.3	5,578	7.7	82,669	41.7
Unknown	1	0.5	0	0.0	0	0.0	0	0.0
Total AA	188	100.0	198,164	100.0	33,526	16.9	198,164	100.0

	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	13,814	2,299	1.3	16.6	9,097	65.9	2,418	17.5
Moderate	87,455	43,059	25.3	49.2	35,951	41.1	8,445	9.7
Middle	95,235	54,472	32.0	57.2	33,652	35.3	7,111	7.5
Upper	102,563	70,603	41.4	68.8	24,529	23.9	7,431	7.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	299,067	170,433	100.0	57.0	103,229	34.5	25,405	8.5

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1,371	5.0	1,201	4.7	162	8.9	8	4.7
Moderate	9,325	34.1	8,417	33.2	844	46.4	64	37.2
Middle	7,147	26.1	6,695	26.4	421	23.1	31	18.0
Upper	9,359	34.2	8,936	35.3	357	19.6	66	38.4
Unknown	131	0.5	92	0.4	36	2.0	3	1.7
Total AA	27,333	100.0	25,341	100.0	1,820	100.0	172	100.0
Percentage of Total Businesses:			92.7		6.7		0.6	

	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	4	2.8	4	2.9	0	0.0	0	0.0
Moderate	54	37.5	51	37.0	3	50.0	0	0.0
Middle	37	25.7	35	25.4	2	33.3	0	0.0
Upper	48	33.3	48	34.8	0	0.0	0	0.0
Unknown	1	0.7	0	0.0	1	16.7	0	0.0
Total AA	144	100.0	138	100.0	6	100.0	0	0.0
Percentage of Total Farms:			95.8		4.2		0.0	

Source: 2023 FFIEC Census Data
    2023 Dun & Bradstreet Data
    2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

WestStar's lending performance in the El Paso County, TX Metropolitan AA is excellent. For this evaluation, the bank's performance is based on its small business lending as that is a strategic focus and no other product had sufficient volume for a meaningful analysis to be conducted.

Details of the bank's mortgage and small business lending and data regarding aggregate lending performance can be found in Appendix C.

Lending Activity

The bank's lending activity in the El Paso County, TX Metropolitan AA reflects excellent responsiveness and makes use of innovative and/or flexible lending practices through its participation in government-guaranteed programs.

WestStar originated 777 small business loans between January 1, 2022, and December 31, 2023. The volume of small business lending decreased since the previous evaluation, primarily due to the cessation of the PPP in May 2021 coupled with a rising interest rate environment, which decreases loan demand. However, loan origination volumes are consistent with the credit needs of the AA and align with safe and sound lending practices.

As previously mentioned, WestStar is primarily a commercial lender and strategically applies its resources to meet the credit needs of small businesses in the AA. While the bank offers HMDA-reportable and small farm loans, these are not a strategic priority and represent a very small percentage of lending during the review period. Large national banks and local credit unions dominate the home lending market in the AA, offering products, services, and rates with which WestStar cannot reasonably compete. Given the very low volume of HMDA-reportable loans and small farm loans, and the bank's strategic focus, these products did not produce a meaningful analysis. Conclusions drawn reflect the bank's small business lending performance.

Table 14

Summary Of Lending Activity January 1, 2022-December 31, 2023 Assessment Area: El Paso County, TX Metropolitan				
Loan Type	#	%	$(000)	%
Home Purchase	6	0.8	1,294	0.5
Refinancing	2	0.3	570	0.2
Home Improvement	3	0.4	267	0.1
Multifamily	5	0.6	7,621	3.2
Total HMDA	**16**	**2.1**	**9,752**	**4.1**
Total Small Business	**777**	**97.7**	**225,454**	**95.6**
Total Small Farm	**2**	**0.3**	**600**	**0.3**
TOTAL LOANS	**795**	**100.0**	**235,806**	**100.0**
Note: Discrepancies in total amounts possible due to rounding				

Geographic Distribution of Loans

For this analysis, the geographic distribution of small business lending was compared to available demographic information. Performance context and aggregate lending data were taken into consideration. Considering all of these factors, the bank's geographic distribution of loans reflects excellent penetration among geographies of different income levels throughout the AA.

The bank's loan dispersion among geographies of different income levels did not reveal any notable gaps.

Small Business Lending

WestStar's geographic distribution of small business loans reflects excellent penetration throughout the AA. As shown in Table 15, the bank's small business lending among LMI census tracts in 2022 exceeded both aggregate data and the percentage of businesses located in such geographies (demographic).

In 2023, the bank's lending among low-income census tracts remained significantly above aggregate data and above the demographic figure. Notably, WestStar's small business lending in moderate-income census tracts exceeded aggregate CRA-reporters and the demographic figure by more than 10.0 percent.

The bank's performance demonstrates an intentional effort to meet the credit needs of small businesses operating in LMI census tracts. These efforts also address needs for small business loans within the AA to help small businesses retain and create jobs, as identified by a community contact. WestStar's small business lending among LMI geographies and strategic focus on commercial lending reflects favorably on the bank's responsiveness to the credit needs of small businesses in the El Paso County, TX Metropolitan AA.

Table 15

Distribution of 2022 and 2023 Small Business Lending By Income Level of Geography Assessment Area: El Paso County, TX Metropolitan												
	Bank And Aggregate Loans By Year											Total Businesses %
Geographic Income Level	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%	
Low	28	6.8	4.2	9,844	8.8	5.2	30	8.2	4.1	10,211	9.0	5.0	5.0
Moderate	153	37.1	31.2	40,469	36.2	34.0	163	44.7	30.8	45,644	40.2	33.0	34.1
Middle	78	18.9	26.4	23,275	20.8	24.6	59	16.2	26.4	20,166	17.8	24.3	26.1
Upper	151	36.7	37.4	37,645	33.6	35.4	113	31.0	38.1	37,550	33.1	36.3	34.2
Unknown	2	0.5	0.4	650	0.6	0.5	0	0.0	0.3	0	0.0	1.2	0.5
Total	412	100.0	100.0	111,883	100.0	100.0	365	100.0	100.0	113,571	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Lending to Businesses of Different Revenue Sizes

The bank's distribution of lending to borrowers reflects good penetration among businesses of different revenue sizes.

Small Business Lending

Considering the bank's performance when compared to aggregate lending data, WestStar's borrower distribution of small business loans by revenue size of businesses is good. Of total businesses operating in the AA, 92.7 percent earn revenues of $1 million or less (demographic). However, the demographic figure is not presumed to be representative of loan demand. Also, a community contact noted that local small business owners distrust financial institutions, limiting loan demand. Further, performance of aggregate CRA-reporters presents a more accurate reflection of loan demand in the AA. By that measure, the bank's 2022 loan distribution to businesses with revenues of $1 million or less is comparable to aggregate CRA-reporter's performance, indicating that WestStar's lending closely aligned with small business credit needs and loan demands.

The 2023 distribution of loans to businesses with revenues of $1 million or less was below aggregate data, but not unreasonably lower, indicating that WestStar's small business lending is well aligned with credit needs given the competition in the AA. However, a closer analysis provides insight into the bank's targeted efforts to meet not only credit needs, but economic needs of the AA. Another way to look at the distribution of loans to small businesses is by loan amount. Small businesses are more likely to request small dollar loans. By this measure, 64.3 percent and 60.0 percent of WestStar's small business loans in 2022 and 2023 respectively, were made for amounts of $250,000 or less. Community contacts noted small dollar loans as a specific need for small businesses in the AA. WestStar's small business lending by revenue size of business demonstrates the bank's understanding of AA economic and credit needs, and WestStar's targeted and strategic approach to meeting those needs.

Table 16

	\n												

Distribution of 2022 and 2023 Small Business Lending By Revenue Size of Businesses Assessment Area: El Paso County, TX Metropolitan												Total Businesses %
	Bank And Aggregate Loans By Year											
	2022						2023					
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%
By Revenue												
$1 Million or Less	205	49.8	50.6	48,726	43.6	33.4	167	45.8	49.7	41,013	36.1	31.4	92.7
Over $1 Million	176	42.7		57,097	51.0		177	48.5		67,022	59.0		6.7
Revenue Unknown	31	7.5		6,060	5.4		21	5.8		5,536	4.9		0.6
Total	412	100.0		111,883	100.0		365	100.0		113,571	100.0		100.0
By Loan Size												
$100,000 or Less	162	39.3	95.8	9,599	8.6	48.6	128	35.1	95.8	8,286	7.3	48.9	
$100,001 - $250,000	103	25.0	2.6	19,323	17.3	17.0	91	24.9	2.6	17,883	15.7	16.6	
$250,001 - $1 Million	147	35.7	1.6	82,961	74.1	34.4	146	40.0	1.7	87,402	77.0	34.6	
Total	412	100.0	100.0	111,883	100.0	100.0	365	100.0	100.0	113,571	100.0	100.0	
By Loan Size and Revenues $1 Million or Less												
$100,000 or Less	96	46.8		5,370	11.0		81	48.5		4,800	11.7		
$100,001 - $250,000	52	25.4		9,923	20.4		41	24.6		8,184	20.0		
$250,001 - $1 Million	57	27.8		33,433	68.6		45	26.9		28,029	68.3		
Total	205	100.0		48,726	100.0		167	100.0		41,013	100.0		

Source: 2023 FFIEC Census Data
　　2023 Dun & Bradstreet Data
　　2016-2020 U.S. Census Bureau: American Community Survey
Note:　Percentages may not total 100.0 percent due to rounding.

Community Development Lending

The bank is a leader in making CD loans in the AA. WestStar originated 72 qualified CD loans totaling approximately $240.9 million in the AA. CD lending in the El Paso County, TX Metropolitan AA represents 87.8 percent of the bank's total CD volume by number of loans and 70.1 percent of the total dollar amount of CD loan originations. The number of loans and dollar amount of WestStar's CD lending activity in the AA declined significantly since the previous evaluation, which is attributable to the cessation of the PPP in May 2021.

WestStar strategically partnered with the city of El Paso to originate loans in designated empowerment and opportunity zones. The bank extended 57 CD loans to revitalize and stabilize designated areas of the AA. These efforts helped to retain businesses and foster permanent job creation. Thus, WestStar's CD lending reflects favorably on the bank's efforts to meet the credit needs of the AA. Additional examples of CD loans that were considered responsive to AA credit needs include:

- A $20 million dollar loan to provide working capital to a local business headquartered in an LMI area within the AA. This loan contributed to the retention and improvement of jobs for LMI individuals.
- A $1.3 million dollar loan to refinance an affordable housing project that provides rental units to LMI families at an affordable rate.
- Three lines of credit totaling $36 million to help retain existing businesses and residents in moderate-income tracts within the AA.

Table 17

Community Development Lending Assessment Area: El Paso County, TX Metropolitan		
Purpose	#	$(000)
Affordable Housing	1	1,268
Community Services	8	12,947
Economic Development	6	22,491
Revitalization and Stabilization	57	204,184
Total	72	240,889
Note: Discrepancies in dollar volume totals is possible due to rounding.		

INVESTMENT TEST

The bank's performance under the investment test in the El Paso County, TX Metropolitan AA is excellent. WestStar has an excellent level of qualified CD investments and grants, particularly those not routinely provided by private investors, and is often in a leadership position. The bank makes occasional use of innovative and/or complex investments, not routinely provided by private investors, and exhibits excellent responsiveness to credit and CD needs of the AA. While the bank's CD investments and donations by number remained consistent with the figures noted at the previous evaluation, its CD investments and donations by dollar volume increased by 21.7 percent. This increase is attributed to WestStar's strategic effort to identify and respond to the community and credit needs. The bank's investments primarily focused on affordable housing through CRA-targeted MBS, specifically with Government National Mortgage Association (GNMA) securities, and in a municipal bond to school districts located in El Paso County. A smaller yet significant portion of WestStar's investments extended in the AA were in the form of debt and equity investments to finance affordable housing properties for LMI individuals and to attract and retain small businesses. In addition to investment activities, the bank made several particularly responsive donations to nonprofit organizations and area agencies that provide community services targeted to LMI individuals and families, as well as organizations that support economic development and affordable housing needs.

Table 18 illustrates the breakdown of WestStar's CD investments and donations within the AA, including prior period investments that remain on the bank's ledger, current period investments purchased during the current evaluation period, and CD donations made since the previous evaluation. Examples of CD investment and donation activities include:
- A one-million-dollar equity investment in a community impact bond to finance multifamily properties in the AA that benefit low-income individuals.
- Five investments totaling $34.9 million in MBS targeted to LMI borrowers.
- A $50,000 donation to support an economic development organization with a mission to spur workforce development, economic opportunity, and attract and retain businesses in the Borderplex region.

Table 18

Investments, Grants, and Donations Assessment Area: El Paso County, TX Metropolitan								
Community Development Purpose	Prior Period Investments[1]		Current Investments[2]		Donations		Total	
	#	$(000)	#	$(000)	#	$(000)	#	$(000)
Affordable Housing	5	34,970	1	1,000	7	19	13	35,989
Community Services	2	2,257	0	0	145	630	147	2,887
Economic Development	0	0	1	1,000	43	535	44	1,535
Revitalization and Stabilization	0	0	0	0	3	2	3	2
Total	7	37,227	2	2,000	198	1,185	207	40,413

1 Book value of investment
2 Original market value of investment
Note: Discrepancies in dollar amount totals possible due to rounding

SERVICE TEST

WestStar's performance under the service test is excellent.

Retail Services

The bank's delivery systems are readily accessible to geographies and individuals of different income levels in its AA. Banking services and hours of operations do not vary in a way that inconveniences the AA, particularly in LMI geographies or to LMI individuals.

WestStar's branch locations and deposit-taking ATMs are accessible to the bank's various geographies and to individuals of different income levels in each AA. The distribution of WestStar's branch offices and deposit-taking ATMs are generally located in moderate-income and middle-income census tracts. The bank operates 13 branches and 14 deposit-taking ATMs in its AAs, of which four branches or 30.8 percent are located in moderate-income census tracts. Moreover, WestStar's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in LMI areas or to LMI individuals. Since the previous evaluation, the bank closed one full-service branch in an upper-income tract and opened a full-service branch in a middle-income tract in the El Paso County, TX Metropolitan AA. Given the closed branch was located in an upper-income geography and there were no changes in service offerings or operational accessibility, the branch closure did not adversely impact WestStar's service-delivery systems, particularly to LMI areas or individuals.

Refer to Table 19 below for the distribution of banking offices and deposit-taking ATMs by income level of geographies in the AA.

Table 19

Tract Income	Census Tracts		% of Households	% of Businesses	Branches		Deposit-Taking ATMs	
	#	%			#	%	#	%
Low	10	5.3	4.2	2.8	0	0.0	0	0.0
Moderate	59	31.4	28.9	37.5	4	30.8	5	35.7
Middle	64	34.0	32.2	25.7	6	46.2	6	42.9
Upper	54	28.7	34.8	33.3	3	23.1	3	21.4
Unknown	1	0.5	0.0	0.7	0	0.0	0	0.0
Total	**188**	**100.0**	**100.0**	**100.0**	**13**	**100.0**	**14**	**100.0**

Branch and Deposit-Taking ATM Locations — El Paso County, TX Metropolitan

Changes in Branch Locations

Tract Income	Low	Moderate	Middle	Upper	Unknown	Total
Openings (#)	0	0	1	0	0	1
Closings (#)	0	0	0	1	(0)	(1)
Net Change	**0**	**0**	**1**	**1**	**(0)**	**(0)**

Community Development Services

The bank is a leader in providing CD services in the El Paso County, TX Metropolitan AA. Bank representatives provided 772 CD services, totaling 9,410 hours, to 110 unique organizations within the AA. The bank increased the number of CD services extended in the AA by 47.0 percent since the previous evaluation. The bank provided a variety of qualified CD services to a large number of organizations within the AA, including serving as a board member for organizations that specifically target their services to LMI individuals and geographies, as well as providing financial literacy training to LMI individuals.

Examples of services performed by bank employees include:
- An employee serving on the board of directors for an economic development organization that supports small business owners and aspiring entrepreneurs by actively educating, advocating, and providing funding for small businesses in the AA.
- Bank employee provides over 300 hours in technical services by serving as a board president for an organization that promotes economic development for regional small businesses.
- As previously noted, WestStar is the only community bank to provide support for the FHLB and RTEP partnership in which a bank employee provided financial and legal expertise to aid with review of project submissions and approvals. As a result of the partnership, seven homes for LMI individuals were renovated.

Table 20 shows the number of hours by type of involvement.

Table 20

Community Development Services Assessment Area: El Paso County, TX Metropolitan		
Purpose	#	Hours
Affordable Housing	0	0
Community Services	706	8,496
Economic Development	33	784
Revitalization and Stabilization	33	130
Total	**772**	**9,410**

STATE OF NEW MEXICO

CRA RATING FOR NEW MEXICO: **Satisfactory**
    The lending test is rated: High Satisfactory.
    The investment test is rated: Low Satisfactory.
    The service test is rated: Low Satisfactory.

Major factors supporting the institution's rating include:

Lending Test:
- Lending activity reflects good responsiveness and record of serving the credit needs of its AA, including low-income individuals, low-income areas, and very small businesses.
- The geographic distribution of loans reflects adequate penetration throughout the sole AA in the state of New Mexico.
- WestStar's distribution of loans among businesses of different revenue sizes is good.
- The bank makes a relatively high level of CD loans.
- WestStar makes limited use of innovative and/or flexible lending practices in serving the AA's needs.

Investment Test:
- The bank has an adequate level of qualified CD investments and grants and is rarely in a leadership position.
- WestStar makes occasional use of innovative and/or complex investments to support CD initiatives.
- The bank exhibits good responsiveness to credit and CD needs.

Service Test:
- Delivery systems are reasonably accessible to WestStar's geographies and individuals of different income levels throughout its AA.
- Services do not vary in a way that inconveniences the AA, particularly LMI geographies and/or LMI individuals.
- The bank provides an adequate level of CD services.

SCOPE OF THE EVALUATION

The scope of the review for the state of New Mexico is consistent with the overall scope for the institution, including evaluations under the lending, investment, and service tests. The review period and products evaluated for this state are also unchanged from the scope discussed in the Institution section of this report.

The bank designates the Las Cruces, NM MSA as its single AA in the state of New Mexico. As such, the Las Cruces, NM MSA AA was reviewed using full-scope evaluation procedures. Accordingly, the statewide rating is based on the CRA performance within this AA and any other investments or services that are provided on a broader, statewide basis.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NEW MEXICO

WestStar delineates one of its two AAs and operates one of its 14 total branches in the state of New Mexico. As of June 30, 2024, the bank held $2.7 million in deposits in the state, representing approximately one percent of its total deposits. According to the June 30, 2024, FDIC Summary of Deposits report, WestStar had a deposit market share of 0.1 percent and ranked 52 out of 54 FDIC-insured financial institutions across the state.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW MEXICO

Conclusions with respect to WestStar's performance in the state of New Mexico are based on the bank's performance in the only delineated AA within the state. See the Las Cruces, NM MSA AA section below for information on WestStar's CRA performance in the state of New Mexico.

LAS CRUCES NM, METROPOLITAN STATISTICAL AREA ASSESSMENT AREA
(Full-Scope Review)

DESCRIPTION OF OPERATIONS IN LAS CRUCES NM, METROPOLITAN STATISTICAL AREA ASSESSMENT AREA

- The bank's Las Cruces NM, MSA AA is comprised of Doña Ana County, which represents the entire Las Cruces, NM MSA. Refer to Appendix A for an AA map and Appendix B for additional demographic data.
- There have been no changes to the delineation of the AA since the previous evaluation.
- The AA is comprised of 61 census tracts, of which 6.6 percent are designated as low-income, 32.8 percent are moderate-income, 23.0 percent are middle-income, 29.5 percent are upper-income, and 8.2 percent are designated as unknown-income.
- WestStar's sole full-service branch in the AA is located in a middle-income census tract.
- According to the June 30, 2024, FDIC Summary of Deposit report, the bank held 1.9 percent of the deposit market share, ranking 13th out of 17 FDIC-insured depository institutions operating in the AA.
- In 2023, WestStar ranked 53rd out of 232 HMDA reporters in the AA with 4 HMDA originations and/or purchases, and 15th out of 67 CRA reporters with 32 CRA-reportable small business and small farm loans.
- A community contact noted housing availability, workforce development, and access to capital for small business owners as needs within the AA.

Table 21

Population Change Assessment Area: Las Cruces NM, MSA			
Area	2015 Population	2020 Population	Percent Change
Las Cruces NM MSA	213,963	219,561	2.6
New Mexico	2,084,117	2,117,522	1.6
Source: 2020 U.S. Census Bureau Decennial Census 2011-2015 U.S. Census Bureau: American Community Survey			

- As reflected in Table 21, the AA experienced more rapid population growth than the state of New Mexico, although both the state and the AA grew at a slow rate.
- A community contact noted that in the last three years Doña Ana County has experienced regional population decline, as many of the local college students graduating from New Mexico State University do not seek permanent employment opportunities in the area and in turn seek employment opportunities in Phoenix or Texas cities such as Dallas, Houston, or Austin. The contact attributed the population decline to the lack of high-wage employment opportunities in the AA.

Table 22

	Median Family Income Change Assessment Area: Las Cruces NM, MSA		
Area	2015 Median Family Income ($)	2020 Median Family Income ($)	Percent Change
Las Cruces NM MSA	49,214	51,928	5.5
New Mexico	60,145	62,611	4.1
Source: 2011-2015 U.S. Census Bureau: American Community Survey 2016-2020 U.S. Census Bureau: American Community Survey Note: Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.			

- According to ACS data, approximately 52,075 families reside in the AA. By family income, 40.8 percent of families are considered LMI families.
- As indicated in Table 22, between 2015 and 2020, the AA's MFI increased at a slightly higher rate than the MFI of the state of New Mexico.
- According to 2023 FFIEC Census Data, 20.7 percent of families live below the poverty level, which is higher than the statewide percentage of 14.2 percent.

Table 23

	Housing Cost Burden Assessment Area: Las Cruces NM, MSA					
	Cost Burden - Renters			Cost Burden - Owners		
Area	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Las Cruces NM MSA	74.4	47.1	47.3	51.7	29.1	18.2
New Mexico	72.7	48.5	41.4	53.7	31.0	19.2
Cost burden is housing cost that equals 30 percent or more of household income. Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy						

- As illustrated in Table 23, housing costs within the AA for low-income renters pose a substantially greater burden than those for renters or homeowners at any other level, indicating that it is more economical for low-income families to purchase a home rather than rent. However, rising interest rates, limited employment opportunities with high wages, and poor credit remain barriers for many LMI individuals and families seeking homeownership.
- Overall, the housing cost burden in the AA is similar to the housing cost burden in the rest of New Mexico.
- A community contact noted that there are limited affordable housing units in the AA, particularly rental properties with affordable rates.
- There are 51,316 housing units in the AA. Of those, 57.7 percent are owner-occupied, 31.6 percent are rental units, and 10.7 percent are vacant.
- The AA housing stock is aging, with a median housing age of 39 years. The AA median housing value is $153,632, which is slightly below the state's median housing value, at $175,700. Therefore, it is relatively more affordable to own a home in the AA compared to other areas within the state.
- The limited availability of affordable rental units and the lower value of homes confirms the need for affordable housing programs that assist LMI families in purchasing a home. Programs with downpayment assistance, down payment flexibility, or consumer beneficial interest rates would be particularly responsive to LMI credit needs.

Table 24

Unemployment Rates Assessment Area: Las Cruces NM, MSA					
Area	2019	2020	2021	2022	2023
Las Cruces NM MSA	5.8	7.8	6.9	4.4	4.3
New Mexico	5.0	7.9	7.1	4.1	3.8
Source: Bureau of Labor Statistics: Local Area Unemployment Statistics					

- As shown in Table 24, the unemployment rates in the AA are comparable to the statewide rates between 2019 and 2023.
- Unemployment rates significantly increased in 2020 due to the COVID-19 pandemic, as many businesses laid off their employees given the statewide stay-at-home and social distancing mandates. In 2022, the AA unemployment rate stabilized and fell below pre-pandemic levels; however, AA unemployment remains higher than the state unemployment figure.
- Major employment industries within the AA include healthcare and social services, retail trade, and accommodation and food services.
- Major employers in the AA include New Mexico State University, local hospitals, and municipalities.
- A community contact stated that there are limited high-wage employment opportunities in the AA and identified workforce development and retention as significant challenges within the AA, noting that many college graduates leave the AA and state to pursue employment elsewhere.

The following table details selected characteristics of the AA.

Table 25

2023 Combined Demographics								
Assessment Area: Las Cruces, NM MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	4	6.6	2,392	4.6	1,109	46.4	13,396	25.7
Moderate	20	32.8	14,954	28.7	4,670	31.2	7,874	15.1
Middle	14	23.0	15,387	29.5	2,898	18.8	9,325	17.9
Upper	18	29.5	16,428	31.5	1,520	9.3	21,480	41.2
Unknown	5	8.2	2,914	5.6	572	19.6	0	0.0
Total AA	**61**	**100.0**	**52,075**	**100.0**	**10,769**	**20.7**	**52,075**	**100.0**
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied		Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	4,330	1,448	2.8	33.4	2,312	53.4	570	13.2
Moderate	27,237	13,419	26.1	49.3	10,510	38.6	3,308	12.1
Middle	25,306	15,923	31.0	62.9	7,031	27.8	2,352	9.3
Upper	27,246	17,268	33.7	63.4	7,224	26.5	2,754	10.1
Unknown	4,818	3,258	6.3	67.6	1,028	21.3	532	11.0
Total AA	**88,937**	**51,316**	**100.0**	**57.7**	**28,105**	**31.6**	**9,516**	**10.7**
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = $1 Million		Over $1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low	250	4.1	224	4.0	24	5.9	2	3.5
Moderate	1,838	30.0	1,688	29.8	137	33.7	13	22.8
Middle	1,803	29.5	1,655	29.3	131	32.3	17	29.8
Upper	1,957	32.0	1,834	32.4	99	24.4	24	42.1
Unknown	273	4.5	257	4.5	15	3.7	1	1.8
Total AA	**6,121**	**100.0**	**5,658**	**100.0**	**406**	**100.0**	**57**	**100.0**
Percentage of Total Businesses:			**92.4**		**6.6**			**0.9**
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = $1 Million		Over $1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low	1	0.5	1	0.6	0	0.0	0	0.0
Moderate	50	25.1	44	24.4	6	31.6	0	0.0
Middle	31	15.6	26	14.4	5	26.3	0	0.0
Upper	91	45.7	86	47.8	5	26.3	0	0.0
Unknown	26	13.1	23	12.8	3	15.8	0	0.0
Total AA	**199**	**100.0**	**180**	**100.0**	**19**	**100.0**	**0**	**0.0**
Percentage of Total Farms:			**90.5**		**9.5**			**0.0**

Source: 2023 FFIEC Census Data
   2023 Dun & Bradstreet Data
   2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank's lending test performance in the Las Cruces NM, MSA AA is good. This evaluation considered small business lending, as no other product had sufficient volume for a meaningful analysis.

Details of WestStar's mortgage lending and data regarding aggregate lending performance can be found in Appendix C.

Lending Activity

The bank's lending activity in the Las Cruces NM, MSA AA reflects a good record of serving the credit needs of very small businesses. WestStar employed limited use of innovative and/or flexible lending practices through its participation in numerous industry-recognized and government-guaranteed programs.

The bank originated four home mortgages, 49 small business loans, and seven small farm loans between January 1, 2022, and December 31, 2023. Loan products and origination volumes are consistent with the general credit needs of the AA and align with WestStar's strategic focus on commercial lending. As previously noted, the minimal volume of small farm and HMDA-reportable loans prevents examiners from conducting a meaningful analysis; hence, they had minimal impact on the bank's CRA performance.

Table 26

Summary Of Lending Activity January 1, 2022 through December 31, 2023 Assessment Area: Las Cruces NM, MSA				
Loan Type	#	%	$(000)	%
Home Purchase	4	6.7	1,137	6.1
Refinancing	0	0.0	0	0.0
Home Improvement	0	0.0	0	0.0
Multifamily	0	0.0	0	0.0
Total HMDA	**4**	**6.7**	**1,137**	**6.1**
Total Small Business	**49**	**81.7**	**17,426**	**93.9**
Total Small Farm	**7**	**11.7**	**0**	**0.0**
TOTAL LOANS	**60**	**100.0**	**18,563**	**100.0**
Note: Discrepancies in total amounts possible due to rounding				

Geographic Distribution of Loans

For this analysis, the geographic distribution of small business lending was compared to available demographic information. Performance context and aggregate lending data were taken into consideration. Considering all of these factors, the bank's geographic distribution of loans reflects adequate penetration among geographies of different income levels throughout the AA.

The bank's loan dispersion among geographies of different income levels did not reveal any notable gaps.

Small Business Lending

WestStar's geographic distribution of small business loans reflects adequate penetration throughout the AA. The bank did not originate any small business loans among low-income census tracts in 2022 or 2023. However, according to D&B data, only 4.1 percent of total businesses are located in low-income census tracts, representing limited opportunities to extend credit in these tracts. Nevertheless, lending by aggregate CRA-reporters closely matched the demographic, indicating demand and opportunity.

In 2022, the bank's performance among moderate-income census tracts fell significantly below aggregate data and the demographic figure. However, in 2023, WestStar's small business lending among moderate-income census tracts significantly outperformed aggregate data and the demographic figure, outpacing aggregate data and the demographic figure by more than 10 percent.

Table 27

Distribution of 2022 and 2023 Small Business Lending By Income Level of Geography Assessment Area: Las Cruces, NM MSA												
	Bank And Aggregate Loans By Year											Total Businesses %
Geographic Income Level	2022					2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%	
Low	0	0.0	4.1	0	0.0	2.9	0	0.0	4.8	0	0.0	4.6	4.1
Moderate	4	18.2	26.6	2,204	26.2	29.8	11	40.7	27.3	2,852	31.7	25.6	30.0
Middle	8	36.4	28.4	1,808	21.5	23.9	8	29.6	28.9	2,690	29.9	27.0	29.5
Upper	9	40.9	33.0	3,405	40.5	37.1	7	25.9	32.2	3,217	35.7	38.4	32.0
Unknown	1	4.5	5.7	1,000	11.9	4.4	1	3.7	5.9	250	2.8	4.0	4.5
Total	22	100.0	100.0	8,417	100.0	100.0	27	100.0	100.0	9,009	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey												
Note: Percentages may not total 100.0 percent due to rounding.												

Lending to Businesses of Different Revenue Sizes

The bank's distribution of lending reflects good penetration among businesses of different revenue sizes.

Small Business Lending

WestStar's borrower distribution of small business lending by revenue size of businesses is good. The bank originated a higher percentage of loans to businesses with revenues of $1 million or less than aggregate CRA-reporters in both 2022 and 2023, demonstrating a commitment to meet credit needs of small businesses. While WestStar's lending fell significantly below the demographic (92.7 percent of businesses in the AA that reported revenues of $1 million or less), this is not presumed to be representative of loan demand, given that aggregate CRA-reporters also fell significantly below.

When considering lending performance by dollar amount, the bank originated a significant portion of loans in amounts less than $250,0000, which is particularly noteworthy as a community contact noted a need in the area for small dollar lending. Furthermore, when compared to aggregate CRA-reporters, WestStar originated significantly more loans between $100,000 and $250,000.

The mid-sized loans are more likely to benefit small businesses with higher paid employees, addressing community contacts noted need for higher paying job creation and retention.

Table 28

	\#2022 Bank		Agg	\$2022 Bank		Agg	\#2023 Bank		Agg	\$2023 Bank		Agg	Total Businesses %
Distribution of 2022 and 2023 Small Business Lending By Revenue Size of Businesses Assessment Area: Las Cruces, NM MSA													
	\#	#%	#%	$(000)	$%	$%	\#	#%	#%	$(000)	$%	$%	
By Revenue													
$1 Million or Less	13	59.1	56.6	4,692	55.7	35.9	17	63.0	58.6	7,163	79.5	39.6	92.4
Over $1 Million	7	31.8		3,339	39.7		7	25.9		1,536	17.0		6.6
Revenue Unknown	2	9.1		386	4.6		3	11.1		310	3.4		0.9
Total	22	100.0		8,417	100.0		27	100.0		9,009	100.0		100.0
By Loan Size													
$100,000 or Less	8	36.4	96.7	448	5.3	54.2	6	22.2	96.7	436	4.8	52.3	
$100,001 - $250,000	3	13.6	2.0	700	8.3	14.8	10	37.0	1.9	2,118	23.5	12.9	
$250,001 - $1 Million	11	50.0	1.3	7,269	86.4	31.0	11	40.7	1.4	6,455	71.7	34.8	
Total	22	100.0	100.0	8,417	100.0	100.0	27	100.0	100.0	9,009	100.0	100.0	
By Loan Size and Revenues $1 Million or Less													
$100,000 or Less	6	46.2		298	6.4		3	17.6		221	3.1		
$100,001 - $250,000	0	0.0		0	0.0		4	23.5		850	11.9		
$250,001 - $1 Million	7	53.8		4,394	93.6		10	58.8		6,092	85.0		
Total	13	100.0		4,692	100.0		17	100.0		7,163	100.0		

Source: 2023 FFIEC Census Data
2023 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Community Development Lending

WestStar makes a relatively high level of CD loans in the AA. The bank originated $101.4 million in CD loans within the AA. Since the previous evaluation, WestStar's CD lending in the AA increased by 171.0 percent by dollar volume. The significant increase in CD lending by dollar volume reflects favorably on the bank's responsiveness in meeting credit needs of the AA. The majority of WestStar's CD loans extended in the AA revitalized and stabilized LMI geographies, which helped retain businesses and foster permanent job creation in the AA. As previously noted, community contacts identified the need for workforce development and job creation opportunities. Furthermore, local governments also recognize this need and responded by creating over seven opportunity zones in the AA. In addition to the CD loans originated within the bank's single New Mexico AA, WestStar made six loans totaling $63.8 million, benefiting broader state-wide or regional areas.

Examples of the bank's CD lending activities that were considered responsive to AA credit needs include:

- A $29.4 million-dollar loan for business expansion to a business operating in the AA that will foster job creation and retention.
- A $1.5 million dollar loan to an affordable housing agency to fund the construction of single-family rental housing units targeted to LMI households.

Table 29

Community Development Lending Assessment Area: Las Cruces, NM MSA		
Purpose	**#**	**$(000)**
Affordable Housing	2	4,300
Community Services	0	0
Economic Development	0	0
Revitalization and Stabilization	7	97,071
Total	**9**	**101,371**
Note: Discrepancies in dollar volume totals is possible due to rounding.		

INVESTMENT TEST

The bank's performance under the investment test in the Las Cruces, NM MSA AA is adequate. WestStar has an adequate level of qualified CD investments and grants, particularly those not routinely provided by private investors and is rarely in a leadership position. In addition, the bank makes occasional use of innovative and/or complex investments, particularly those not routinely provided by private investors, and exhibits good responsiveness to the CD needs of the AA.

WestStar's single investment focused on affordable housing through a pool of CRA-targeted MBS. A community contact noted a significant need for affordable housing in the AA. Thus, the bank's strategic effort to meet the critical affordable housing need in the region reflects favorably on WestStar. Additionally, the bank's donation activity was particularly responsive to nonprofits and area agencies that provide community services targeted to LMI individuals and families, as well as organizations that provide services in support of economic development needs.

Table 30 illustrates the breakdown of WestStar's CD investments and donations within the AA, including prior period investments that remain on the bank's ledger and CD donations made since the previous evaluation. Examples of CD investment and donation activities include:
- An $889,000 investment in a pool of CRA-targeted MBS targeted to LMI borrowers.
- A $10,000 donation to support an economic development organization with a mission that provides local businesses and those considering relocating and expanding with the information, tools, and resources for success in the New Mexico Borderplex Region.
- A $2,000 donation to a regional chamber of commerce to support activities that promote economic development such as providing technical assistance and resources to small businesses.

Table 30

Investments, Grants, and Donations Assessment Area: Las Cruces, NM MSA						
Community Development Purpose	**Prior Period Investments[1]**		**Donations**		**Total**	
	#	**$(000)**	**#**	**$(000)**	**#**	**$(000)**
Affordable Housing	1	890	0	0	1	890
Community Services	0	0	11	24	11	24
Economic Development	0	0	3	14	3	14
Revitalization and Stabilization	0	0	0	0	0	0
Total	**1**	**890**	**14**	**38**	**15**	**928**
1 Book value of investment						
2 Original market value of investment						
Note: Discrepancies in dollar amount totals possible due to rounding						

SERVICE TEST

WestStar's performance in the Las Cruces, NM MSA AA under the service test is adequate.

Retail Services

The bank's delivery systems are reasonably accessible to WestStar's geographies and individuals of different income levels in its AA. Banking services and hours of operations do not vary in a way that inconveniences the AA, particularly in LMI geographies and/or LMI individuals. The bank has not opened or closed any branches within the AA since the previous evaluation, thus LMI areas or individuals are not adversely impacted by the bank's service-delivery systems.

WestStar's sole branch location and deposit-taking ATM are accessible to various geographies and to individuals of different income levels in the AA. The branch is located in a middle-income census tract. Though the bank's branch is in a middle-income census tract, it is in close proximity to several moderate-income census tracts and all but one of the AA's low-income census tracts. Additionally, the only low-income census tract in the AA that is not in proximity to WestStar's Las Cruces Branch is reasonably served by the bank's branches located in the El Paso, TX Metropolitan AA, as the contiguous AAs are only separated by the Texas-New Mexico border.

Refer to Table 31 below for the distribution of banking offices and deposit-taking ATMs by income level of geographies in the AA.

Table 31

Branch and Deposit-Taking ATM Locations Las Cruces, NM MSA								
Tract Income	Census Tracts		% of Households	% of Businesses	Branches		Deposit-Taking ATMs	
	#	%			#	%	#	%
Low	4	6.6	4.7	4.0	0	0.0	0	0.0
Moderate	20	32.8	30.1	30.0	0	0.0	0	0.0
Middle	14	22.9	29.0	29.5	1	100.0	1	100.0
Upper	18	29.5	30.8	32.0	0	0.0	0	0.0
Unknown	5	8.2	5.4	4.5	0	0.0	0	0.0
Total	**61**	**100.0**	**100.0**	**100.0**	**1**	**100.0**	**1**	**100.0**
Changes in Branch Locations								
Tract Income	Low	Moderate	Middle	Upper	Unknown		Total	
Openings (#)	0	0	0	0	0		0	
Closings (#)	0	0	0	0	(0)		(0)	
Net Change	**0**	**0**	**0**	**0**	**(0)**		**(0)**	

Community Development Services

WestStar provides an adequate level of CD services in the Las Cruces, NM MSA AA. Bank representatives provided 23 CD services, totaling 282 hours, to three unique organizations within the AA. This level of activity is considered adequate given the bank's limited footprint within the AA. Bank employees serve on boards of directors for organizations that specifically target their services to LMI individuals and geographies, as well as provide financial literacy training to LMI individuals.

Examples of services performed by bank employees include:
- An employee served on the board of directors for an economic development organization that promotes business expansion and workforce development within the AA.
- A bank employee provided over 80 hours in technical services by serving as a board member for a nonprofit organization with a mission of providing community services and affordable housing for homeless families and individuals.
- Several employees provided more than 90 hours of qualified services (budgeting and marketing) to a nonprofit organization serving LMI individuals and communities.

Table 32 shows the number of hours by type of involvement.

Table 32

Community Development Services Assessment Area: Las Cruces, NM MSA		
Purpose	#	Hours
Affordable Housing	0	0
Community Services	22	250
Economic Development	1	32
Revitalization and Stabilization	0	0
Total	**23**	**282**

APPENDIX A – MAPS OF THE ASSESSMENT AREAS

El Paso County, TX Metropolitan AA
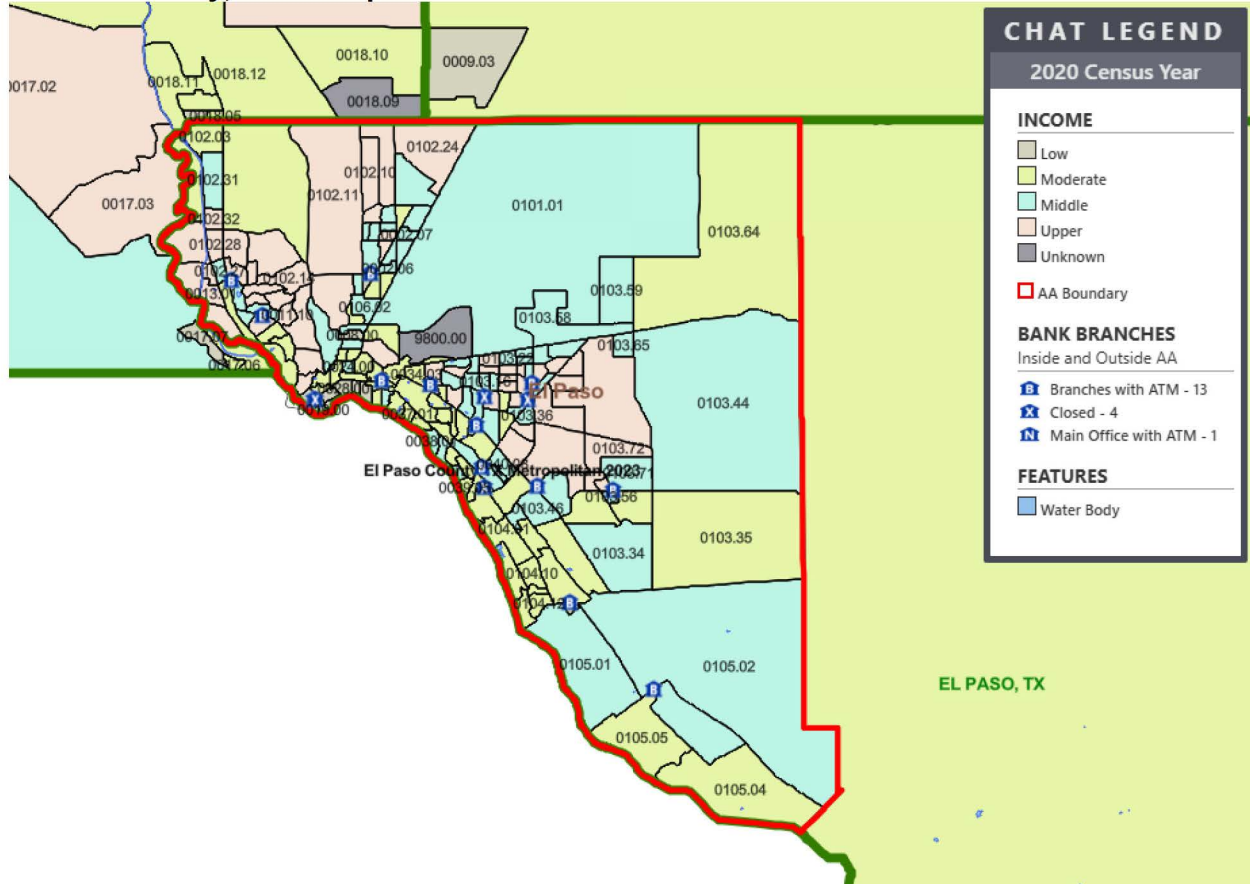
LAS CRUCES, NM MSA AA
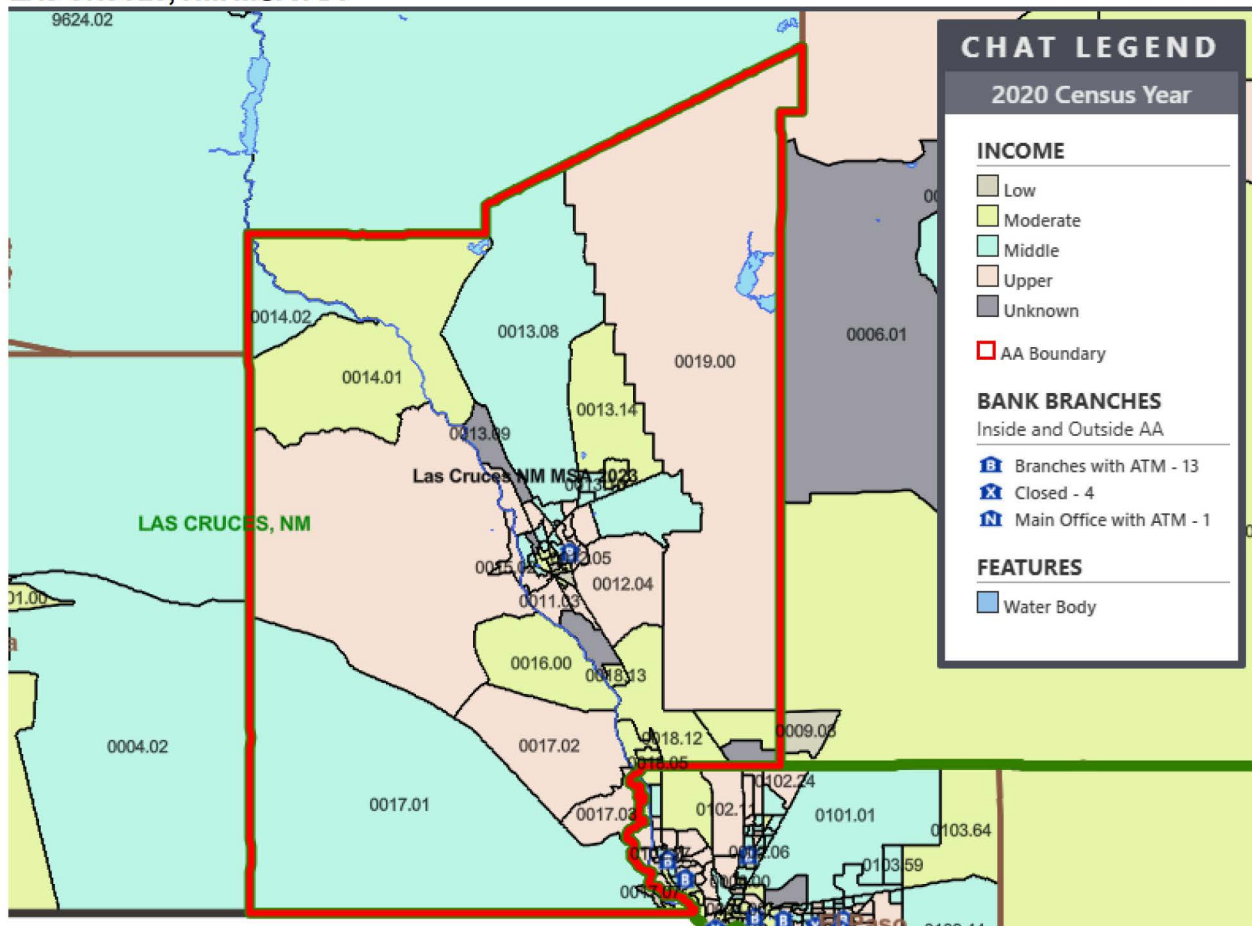
APPENDIX B – FULL-SCOPE ASSESSMENT AREA DEMOGRAPHICS TABLES

TABLE B-1

2022 Combined Demographics								
Assessment Area: El Paso County, TX Metropolitan								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	10	5.3	6,255	3.2	3,020	48.3	43,438	21.9
Moderate	59	31.4	54,376	27.4	14,336	26.4	35,369	17.8
Middle	64	34.0	65,514	33.1	10,592	16.2	36,688	18.5
Upper	54	28.7	72,019	36.3	5,578	7.7	82,669	41.7
Unknown	1	0.5	0	0.0	0	0.0	0	0.0
Total AA	188	100.0	198,164	100.0	33,526	16.9	198,164	100.0

	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	13,814	2,299	1.3	16.6	9,097	65.9	2,418	17.5
Moderate	87,455	43,059	25.3	49.2	35,951	41.1	8,445	9.7
Middle	95,235	54,472	32.0	57.2	33,652	35.3	7,111	7.5
Upper	102,563	70,603	41.4	68.8	24,529	23.9	7,431	7.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	299,067	170,433	100.0	57.0	103,229	34.5	25,405	8.5

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1,386	4.8	1,216	4.6	160	8.7	10	5.0
Moderate	9,641	33.7	8,710	32.8	859	46.9	72	36.0
Middle	7,511	26.3	7,048	26.5	425	23.2	38	19.0
Upper	9,936	34.7	9,504	35.8	355	19.4	77	38.5
Unknown	128	0.4	91	0.3	34	1.9	3	1.5
Total AA	28,602	100.0	26,569	100.0	1,833	100.0	200	100.0
Percentage of Total Businesses:				92.9		6.4		0.7

	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	3	2.0	3	2.1	0	0.0	0	0.0
Moderate	55	37.4	52	36.9	3	50.0	0	0.0
Middle	38	25.9	36	25.5	2	33.3	0	0.0
Upper	50	34.0	50	35.5	0	0.0	0	0.0
Unknown	1	0.7	0	0.0	1	16.7	0	0.0
Total AA	147	100.0	141	100.0	6	100.0	0	0.0
Percentage of Total Farms:				95.9		4.1		0.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

TABLE B-2

2022 Combined Demographics Assessment Area: Las Cruces, NM MSA									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	4	6.6	2,392	4.6	1,109	46.4	13,396	25.7
Moderate	20	32.8	14,954	28.7	4,670	31.2	7,874	15.1
Middle	14	23.0	15,387	29.5	2,898	18.8	9,325	17.9
Upper	18	29.5	16,428	31.5	1,520	9.3	21,480	41.2
Unknown	5	8.2	2,914	5.6	572	19.6	0	0.0
Total AA	61	100.0	52,075	100.0	10,769	20.7	52,075	100.0

	Housing Units by Tract	Housing Type by Tract					
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	4,330	1,448	2.8	33.4	2,312	53.4	570	13.2
Moderate	27,237	13,419	26.1	49.3	10,510	38.6	3,308	12.1
Middle	25,306	15,923	31.0	62.9	7,031	27.8	2,352	9.3
Upper	27,246	17,268	33.7	63.4	7,224	26.5	2,754	10.1
Unknown	4,818	3,258	6.3	67.6	1,028	21.3	532	11.0
Total AA	88,937	51,316	100.0	57.7	28,105	31.6	9,516	10.7

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	270	4.3	243	4.2	25	6.0	2	3.6
Moderate	1,850	29.8	1,703	29.7	134	32.4	13	23.6
Middle	1,819	29.3	1,666	29.0	137	33.1	16	29.1
Upper	1,985	32.0	1,860	32.4	102	24.6	23	41.8
Unknown	284	4.6	267	4.7	16	3.9	1	1.8
Total AA	6,208	100.0	5,739	100.0	414	100.0	55	100.0
Percentage of Total Businesses:			92.4		6.7		0.9	

	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2	1.0	2	1.1	0	0.0	0	0.0
Moderate	50	25.1	44	24.3	6	33.3	0	0.0
Middle	29	14.6	25	13.8	4	22.2	0	0.0
Upper	91	45.7	86	47.5	5	27.8	0	0.0
Unknown	27	13.6	24	13.3	3	16.7	0	0.0
Total AA	199	100.0	181	100.0	18	100.0	0	0.0
Percentage of Total Farms:			91.0		9.0		0.0	

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

APPENDIX C – FULL-SCOPE ASSESSMENT AREAS LENDING TABLES

Table C-1A

Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	
Distribution of 2023 Home Mortgage Lending By Income Level of Geography							
Assessment Area: El Paso County TX Metropolitan							
Home Purchase Loans							
Low	0	0.0	0.7	0	0.0	0.6	1.3
Moderate	2	33.3	20.5	390	30.1	18.2	25.3
Middle	1	16.7	28.9	135	10.4	25.2	32.0
Upper	3	50.0	49.9	769	59.4	56.0	41.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	6	100.0	100.0	1,294	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	1.0	0	0.0	0.8	1.3
Moderate	1	50.0	20.0	140	24.6	16.3	25.3
Middle	0	0.0	29.6	0	0.0	24.4	32.0
Upper	1	50.0	49.4	430	75.4	58.6	41.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	2	100.0	100.0	570	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	1.8	0	0.0	2.3	1.3
Moderate	0	0.0	15.7	0	0.0	15.1	25.3
Middle	2	66.7	27.9	100	37.5	25.1	32.0
Upper	1	33.3	54.6	167	62.5	57.5	41.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	3	100.0	100.0	267	100.0	100.0	100.0
Multifamily Loans							**Multi-family Units %**
Low	2	40.0	26.7	1,456	19.1	1.4	14.3
Moderate	1	20.0	46.7	4,000	52.5	46.4	35.5
Middle	1	20.0	10.0	1,800	23.6	22.2	28.3
Upper	1	20.0	16.7	365	4.8	29.9	22.0
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	5	100.0	100.0	7,621	100.0	100.0	100.0
Total Home Mortgage Loans							**Owner Occupied Units %**
Low	2	12.5	0.9	1,456	14.9	0.7	1.3
Moderate	4	25.0	20.1	4,530	46.5	19.2	25.3
Middle	4	25.0	28.8	2,035	20.9	25.0	32.0
Upper	6	37.5	50.3	1,731	17.8	55.2	41.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	16	100.0	100.0	9,752	100.0	100.0	100.0

Source: 2023 FFIEC Census Data
   2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-1B

Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	
Distribution of 2023 Home Mortgage Lending By Income Level of Geography							
Assessment Area: El Paso County TX Metropolitan							
Other Purpose LOC							
Low	0	0.0	2.5	0	0.0	3.0	1.3
Moderate	0	0.0	13.6	0	0.0	11.2	25.3
Middle	0	0.0	13.6	0	0.0	10.7	32.0
Upper	0	0.0	70.4	0	0.0	75.1	41.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt							
Low	0	0.0	0.8	0	0.0	1.0	1.3
Moderate	0	0.0	16.0	0	0.0	14.7	25.3
Middle	0	0.0	23.5	0	0.0	19.0	32.0
Upper	0	0.0	59.7	0	0.0	65.3	41.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable							
Low	0	0.0	0.0	0	0.0	0.0	1.3
Moderate	0	0.0	17.7	0	0.0	15.2	25.3
Middle	0	0.0	34.5	0	0.0	26.3	32.0
Upper	0	0.0	47.7	0	0.0	58.5	41.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2023 FFIEC Census Data

       2016-2020 U.S. Census Bureau: American Community Survey

Note: Percentages may not total 100.0 percent due to rounding.

Table C-2A

Distribution of 2023 Home Mortgage Lending By Borrower Income Level Assessment Area: El Paso County TX Metropolitan							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans							
Low	0	0.0	0.4	0	0.0	0.1	21.9
Moderate	0	0.0	4.9	0	0.0	2.9	17.8
Middle	0	0.0	19.7	0	0.0	15.8	18.5
Upper	2	33.3	48.8	313	24.2	56.1	41.7
Unknown	4	66.7	26.2	981	75.8	25.1	0.0
Total	6	100.0	100.0	1,294	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	3.6	0	0.0	1.8	21.9
Moderate	0	0.0	11.6	0	0.0	7.4	17.8
Middle	0	0.0	22.4	0	0.0	17.7	18.5
Upper	1	50.0	50.6	140	24.6	56.5	41.7
Unknown	1	50.0	11.8	430	75.4	16.7	0.0
Total	2	100.0	100.0	570	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	2.7	0	0.0	1.7	21.9
Moderate	1	33.3	12.2	30	11.2	10.5	17.8
Middle	0	0.0	23.9	0	0.0	20.6	18.5
Upper	2	66.7	61.2	237	88.8	67.1	41.7
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	3	100.0	100.0	267	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0.0	1.0	0	0.0	0.3	21.9
Moderate	1	9.1	6.2	30	1.4	3.5	17.8
Middle	0	0.0	19.9	0	0.0	15.9	18.5
Upper	5	45.5	49.2	690	32.4	56.0	41.7
Unknown	5	45.5	23.6	1,411	66.2	24.2	0.0
Total	11	100.0	100.0	2,131	100.0	100.0	100.0

Source: 2023 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.
Multifamily loans are not included in the borrower distribution analysis.

Table C-2B

Distribution of 2023 Home Mortgage Lending By Borrower Income Level						
Assessment Area: El Paso County TX Metropolitan						
Borrower Income Level	Bank And Aggregate Loans					Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	
Other Purpose LOC							
Low	0	0.0	8.6	0	0.0	7.0	21.9
Moderate	0	0.0	8.6	0	0.0	7.4	17.8
Middle	0	0.0	7.4	0	0.0	6.8	18.5
Upper	0	0.0	72.8	0	0.0	75.6	41.7
Unknown	0	0.0	2.5	0	0.0	3.1	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt							
Low	0	0.0	3.4	0	0.0	2.2	21.9
Moderate	0	0.0	11.8	0	0.0	9.4	17.8
Middle	0	0.0	23.0	0	0.0	18.1	18.5
Upper	0	0.0	59.1	0	0.0	66.3	41.7
Unknown	0	0.0	2.8	0	0.0	4.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable							
Low	0	0.0	1.4	0	0.0	0.5	21.9
Moderate	0	0.0	0.5	0	0.0	0.3	17.8
Middle	0	0.0	0.0	0	0.0	0.0	18.5
Upper	0	0.0	0.0	0	0.0	0.0	41.7
Unknown	0	0.0	98.2	0	0.0	99.2	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2023 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-3A

Distribution of 2023 Home Mortgage Lending By Borrower Income Level Assessment Area: El Paso County TX Metropolitan						
Borrower Income Level	Bank And Aggregate Loans					Families by Family Income %
	Bank		Agg	Bank		Agg
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans						
Low	0	0.0	0.4	0	0.0	0.1	21.9
Moderate	0	0.0	4.9	0	0.0	2.9	17.8
Middle	0	0.0	19.7	0	0.0	15.8	18.5
Upper	2	33.3	48.8	313	24.2	56.1	41.7
Unknown	4	66.7	26.2	981	75.8	25.1	0.0
Total	6	100.0	100.0	1,294	100.0	100.0	100.0
Refinance Loans						
Low	0	0.0	3.6	0	0.0	1.8	21.9
Moderate	0	0.0	11.6	0	0.0	7.4	17.8
Middle	0	0.0	22.4	0	0.0	17.7	18.5
Upper	1	50.0	50.6	140	24.6	56.5	41.7
Unknown	1	50.0	11.8	430	75.4	16.7	0.0
Total	2	100.0	100.0	570	100.0	100.0	100.0
Home Improvement Loans						
Low	0	0.0	2.7	0	0.0	1.7	21.9
Moderate	1	33.3	12.2	30	11.2	10.5	17.8
Middle	0	0.0	23.9	0	0.0	20.6	18.5
Upper	2	66.7	61.2	237	88.8	67.1	41.7
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	3	100.0	100.0	267	100.0	100.0	100.0
Total Home Mortgage Loans						
Low	0	0.0	1.0	0	0.0	0.3	21.9
Moderate	1	9.1	6.2	30	1.4	3.5	17.8
Middle	0	0.0	19.9	0	0.0	15.9	18.5
Upper	5	45.5	49.2	690	32.4	56.0	41.7
Unknown	5	45.5	23.6	1,411	66.2	24.2	0.0
Total	11	100.0	100.0	2,131	100.0	100.0	100.0

Source: 2023 FFIEC Census Data
      2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.
      Multifamily loans are not included in the borrower distribution analysis.

Table C-3B

Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	
Distribution of 2023 Home Mortgage Lending By Borrower Income Level							
Assessment Area: El Paso County TX Metropolitan							
Other Purpose LOC							
Low	0	0.0	8.6	0	0.0	7.0	21.9
Moderate	0	0.0	8.6	0	0.0	7.4	17.8
Middle	0	0.0	7.4	0	0.0	6.8	18.5
Upper	0	0.0	72.8	0	0.0	75.6	41.7
Unknown	0	0.0	2.5	0	0.0	3.1	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt							
Low	0	0.0	3.4	0	0.0	2.2	21.9
Moderate	0	0.0	11.8	0	0.0	9.4	17.8
Middle	0	0.0	23.0	0	0.0	18.1	18.5
Upper	0	0.0	59.1	0	0.0	66.3	41.7
Unknown	0	0.0	2.8	0	0.0	4.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable							
Low	0	0.0	1.4	0	0.0	0.5	21.9
Moderate	0	0.0	0.5	0	0.0	0.3	17.8
Middle	0	0.0	0.0	0	0.0	0.0	18.5
Upper	0	0.0	0.0	0	0.0	0.0	41.7
Unknown	0	0.0	98.2	0	0.0	99.2	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2023 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-4A

Distribution of 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: Las Cruces NM MSA						
Geographic Income Level	**Bank And Aggregate Loans**					**Owner Occupied Units %**
	Bank		**Agg**	**Bank**		**Agg**	
	#	**#%**	**#%**	**$(000)**	**$%**	**$%**	
Home Purchase Loans							
Low	0	0.0	0.9	0	0.0	0.6	2.8
Moderate	1	25.0	15.6	224	19.7	11.2	26.1
Middle	1	25.0	48.4	643	56.6	47.9	31.0
Upper	2	50.0	32.1	270	23.7	37.8	33.7
Unknown	0	0.0	3.0	0	0.0	2.5	6.3
Total	4	100.0	100.0	1,137	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	1.2	0	0.0	0.9	2.8
Moderate	0	0.0	14.4	0	0.0	10.8	26.1
Middle	0	0.0	36.8	0	0.0	32.6	31.0
Upper	0	0.0	41.2	0	0.0	49.2	33.7
Unknown	0	0.0	6.4	0	0.0	6.4	6.3
Total	0	0.0	100.0	0	0.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	1.8	0	0.0	2.7	2.8
Moderate	0	0.0	15.2	0	0.0	16.2	26.1
Middle	0	0.0	28.0	0	0.0	22.0	31.0
Upper	0	0.0	52.4	0	0.0	57.7	33.7
Unknown	0	0.0	2.4	0	0.0	1.3	6.3
Total	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans							**Multi-family Units %**
Low	0	0.0	10.0	0	0.0	3.1	11.9
Moderate	0	0.0	50.0	0	0.0	65.4	30.3
Middle	0	0.0	20.0	0	0.0	22.5	21.6
Upper	0	0.0	20.0	0	0.0	9.0	34.9
Unknown	0	0.0	0.0	0	0.0	0.0	1.3
Total	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans							**Owner Occupied Units %**
Low	0	0.0	1.0	0	0.0	0.7	2.8
Moderate	1	25.0	15.3	224	19.7	12.2	26.1
Middle	1	25.0	45.1	643	56.6	44.5	31.0
Upper	2	50.0	34.9	270	23.7	39.5	33.7
Unknown	0	0.0	3.7	0	0.0	3.1	6.3
Total	4	100.0	100.0	1,137	100.0	100.0	100.0

Source: 2023 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-4B

Distribution of 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: Las Cruces NM MSA						
Geographic Income Level	**Bank And Aggregate Loans**					**Owner Occupied Units %**
	Bank		**Agg**	**Bank**		**Agg**	
	#	**#%**	**#%**	**$(000)**	**$%**	**$%**	
Other Purpose LOC						
Low	0	0.0	1.2	0	0.0	0.3	2.8
Moderate	0	0.0	11.1	0	0.0	6.4	26.1
Middle	0	0.0	39.5	0	0.0	28.2	31.0
Upper	0	0.0	42.0	0	0.0	58.8	33.7
Unknown	0	0.0	6.2	0	0.0	6.3	6.3
Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt						
Low	0	0.0	0.0	0	0.0	0.0	2.8
Moderate	0	0.0	14.6	0	0.0	17.0	26.1
Middle	0	0.0	33.0	0	0.0	27.2	31.0
Upper	0	0.0	46.6	0	0.0	51.3	33.7
Unknown	0	0.0	5.8	0	0.0	4.4	6.3
Total	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable						
Low	0	0.0	7.1	0	0.0	4.0	2.8
Moderate	0	0.0	0.0	0	0.0	0.0	26.1
Middle	0	0.0	64.3	0	0.0	69.7	31.0
Upper	0	0.0	21.4	0	0.0	20.1	33.7
Unknown	0	0.0	7.1	0	0.0	6.2	6.3
Total	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2023 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-5A

	Bank And Aggregate Loans						Families by Family Income %
Borrower Income Level	**Bank**		**Agg**	**Bank**		**Agg**	
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans							
Low	0	0.0	1.1	0	0.0	0.4	25.7
Moderate	0	0.0	7.0	0	0.0	3.6	15.1
Middle	0	0.0	19.7	0	0.0	13.8	17.9
Upper	2	50.0	52.3	394	34.7	60.2	41.2
Unknown	2	50.0	19.8	743	65.3	22.0	0.0
Total	4	100.0	100.0	1,137	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	2.7	0	0.0	1.1	25.7
Moderate	0	0.0	9.1	0	0.0	5.4	15.1
Middle	0	0.0	17.7	0	0.0	13.8	17.9
Upper	0	0.0	56.8	0	0.0	61.2	41.2
Unknown	0	0.0	13.6	0	0.0	18.5	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	2.4	0	0.0	1.6	25.7
Moderate	0	0.0	7.3	0	0.0	8.0	15.1
Middle	0	0.0	20.7	0	0.0	15.4	17.9
Upper	0	0.0	64.6	0	0.0	69.5	41.2
Unknown	0	0.0	4.9	0	0.0	5.5	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0.0	1.5	0	0.0	0.6	25.7
Moderate	0	0.0	7.2	0	0.0	3.9	15.1
Middle	0	0.0	19.4	0	0.0	13.9	17.9
Upper	2	50.0	53.9	394	34.7	60.5	41.2
Unknown	2	50.0	17.8	743	65.3	21.1	0.0
Total	4	100.0	100.0	1,137	100.0	100.0	100.0

Source: 2023 FFIEC Census Data
 2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.
 Multifamily loans are not included in the borrower distribution analysis.

Table C-5B

Distribution of 2023 Home Mortgage Lending By Borrower Income Level						
Assessment Area: Las Cruces NM MSA						
Borrower Income Level	Bank And Aggregate Loans					Families by Family Income %
	Bank		Agg	Bank		Agg
	#	#%	#%	$(000)	$%	$%
Other Purpose LOC						
Low	0	0.0	4.9	0	0.0	7.3	25.7
Moderate	0	0.0	7.4	0	0.0	7.6	15.1
Middle	0	0.0	23.5	0	0.0	17.0	17.9
Upper	0	0.0	59.3	0	0.0	64.8	41.2
Unknown	0	0.0	4.9	0	0.0	3.3	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt						
Low	0	0.0	2.9	0	0.0	2.4	25.7
Moderate	0	0.0	2.9	0	0.0	2.0	15.1
Middle	0	0.0	19.4	0	0.0	19.8	17.9
Upper	0	0.0	68.0	0	0.0	69.0	41.2
Unknown	0	0.0	6.8	0	0.0	6.9	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable						
Low	0	0.0	0.0	0	0.0	0.0	25.7
Moderate	0	0.0	0.0	0	0.0	0.0	15.1
Middle	0	0.0	0.0	0	0.0	0.0	17.9
Upper	0	0.0	0.0	0	0.0	0.0	41.2
Unknown	0	0.0	100.0	0	0.0	100.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2023 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

APPENDIX D – GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small, relatively permanent statistical subdivision of a county. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts average about 4,000 inhabitants, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to the population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All Agencies have adopted the following language:
1. Affordable housing (including multi-family rental housing) for low- or moderate-income individuals.
2. Community services targeted to low- or moderate-income individuals.
3. Activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less.
4. Activities that revitalize or stabilize –
    a. Low- or moderate-income geographies.
    b. Designated disaster areas.
    c. Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
        i. Rates of poverty, unemployment, and population loss.
        ii. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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, home equity 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).

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 do 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 income of the applicants; the amount of loan requested; and the disposition of the application (for example, approved, denied, or withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancing of home improvement and home purchase loans.

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.

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

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 metropolitan area/assessment area.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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.

Rated area: A rated area is a state or multistate metropolitan 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 multistate metropolitan area, the institution will receive a rating for the multistate metropolitan 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) and the Thrift Financial Reporting (TFR) 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the 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.

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