PUBLIC DISCLOSURE

March 17, 2025

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

Union State Bank
RSSD# 227151

127 South Summit Street
Arkansas City, Kansas 67005

Federal Reserve Bank of Kansas City
1 Memorial Drive
Kansas City, Missouri 64198

NOTE: This document is an evaluation of this bank'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 bank. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

This institution is rated: ***Satisfactory***
The Lending Test is rated: ***Satisfactory***
The Community Development Test is rated: ***Satisfactory***

Union State Bank (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria under the Lending and Community Development (CD) Tests.

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated inside the bank's AAs.
- A poor distribution of loans occurs throughout the bank's AAs.
- Lending reflects a reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor the Federal Reserve Bank of Kansas City (Reserve Bank) received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation.
- CD activity reflects adequate responsiveness to the CD needs of the bank's AAs.

SCOPE OF EXAMINATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Intermediate Small Institutions* to evaluate the bank'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 AA demographic and economic characteristics, and credit needs.

Performance was assessed using the full-scope review procedures for each of the bank's three AAs, including the Wichita Metropolitan AA and Cowley County AA in Kansas; and the Northeast Oklahoma AA in Oklahoma. Examiners reviewed the following data:

- The bank's 17-quarter average NLTD ratio;
- The universe of 132 outstanding small business loans originated between January 1, 2023 and December 31, 2023;
- The universe of 452 home mortgage loans reported on the bank's Home Mortgage Disclosure Act Loan/Application Registers between January 1, 2022 and December 31, 2023; and
- CD loans, qualified investments, and CD services from January 1, 2021 to December 31, 2024.

In addition, available aggregate data for the most recent three years (2021, 2022, and 2023) was referenced for additional perspective to gauge credit demand within the bank's AAs. Predominant weight in the overall ratings was placed on the bank's performance in the Wichita Metropolitan AA, as a significant number of loans and percentage of deposits originate from this AA. In addition, small business lending garnered more weight over home mortgage lending due to the bank's strategic focus and loan portfolio concentrations.

DESCRIPTION OF INSTITUTION

Union State Bank is a community bank headquartered in Arkansas City, Kansas. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Docking Bancshares, Arkansas City, Kansas.
- The bank has total assets of $702.8 million as of September 30, 2024.
- The bank operates ten branches in the state of Kansas. In addition, the bank operates a branch and a loan/deposit production office in the state of Oklahoma.
- The bank also operates nine full-service and two cash-only automated teller machines (ATMs) in Kansas, and one full-service ATM in Oklahoma.
- As shown in the table below, the bank's primary business focus is commercial and residential real estate lending.

Table 1

Composition of Loan Portfolio as of September 30, 2024		
Loan Type	**$(000)**	**%**
Construction and Land Development	70,627	16.6
Farmland	25,164	5.9
1- to 4-Family Residential Real Estate	134,102	31.6
Multifamily Residential Real Estate	6,189	1.5
Nonfarm Nonresidential Real Estate	111,317	26.2
Agricultural	9,166	2.2
Commercial and Industrial	48,083	11.3
Consumer	12,476	2.9
Other	7,338	1.7
Gross Loans	**424,462**	**100.0**
Note: Percentages may not total 100.0 percent due to rounding.		

The bank was rated Satisfactory under the CRA at its November 30, 2020 performance evaluation. There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS[1]

This performance evaluation first discusses the bank's overall performance, followed by an in-depth evaluation of performance in the state of Kansas, the Wichita Metropolitan and Cowley County AAs and concludes with an in-depth evaluation of the state of Oklahoma and the Northeast Oklahoma AA.

LENDING TEST

The bank's overall lending test performance is Satisfactory.

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank's average NLTD ratio to determine the reasonableness of lending in light of performance context, such as the bank's capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AAs, and in comparison to similarly situated Federal Deposit Insurance Corporation (FDIC)-insured institutions. The similarly situated institutions were selected based on asset size, product offerings, market share, and location.

The bank's NLTD ratio is reasonable. The bank's 17-quarter average NLTD ratio, at 71.0 percent, is below the range of similarly situated institutions with ratios ranging from 78.2 percent to 98.7 percent. Although the bank's ratio is below that of the four similarly situated banks, it remains reasonable based on the bank's presence in a highly competitive market consisting of approximately 61 institutions operating from 213 offices throughout the bank's three AAs.

Table 2

Comparative NLTD Ratios September 30, 2020 – September 30, 2024			
Institution	Location	Asset Size $(000)	NLTD Ratio (%) 17 Quarter Average
Union State Bank	Arkansas City, KS	702,830	71.0
Similarly Situated Institutions			
Southwest National Bank	Wichita, KS	547,902	98.7
Legacy Bank	Colwich, KS	758,743	79.4
United Bank & Trust Company	Marysville, KS	887,117	86.6
Bennington State Bank	Salina, KS	973,143	78.2

[1] The net loan-to-deposit ratio and percentage of loans and other lending-related activity in the assessment area only apply to the institution overall. No discussion of these performance criteria applies to sections of the performance evaluation related to states and assessment areas.

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AAs. The bank originated a majority of loans, by number and dollar, inside the AAs.

Table 3

Lending Inside and Outside the Assessment Areas								
Loan Type	Inside				Outside			
	#	#%	$(000)	$%	#	#%	$(000)	$%
Home Improvement	27	87.1	2,240	78.0	4	12.9	633	22.0
Home Purchase - Conventional	220	76.4	36,039	66.9	68	23.6	17.826	33.1
Multifamily Housing	17	68.0	17,431	71.0	8	32.0	7,120	29.0
Other Purpose Closed-End	4	66.7	329	69.4	2	33.3	145	30.6
Refinancing	77	75.5	10,401	57.4	25	24.5	7,726	42.6
Total Home Mortgage related	**345**	**76.3**	**66,441**	**66.5**	**107**	**23.7**	**33,450**	**33.5**
Total Small Business	**92**	**69.7**	**14,057**	**64.8**	**40**	**30.3**	**7,625**	**35.2**
Total Loans	**437**	**74.8**	**80,497**	**66.2**	**147**	**25.2**	**41,075**	**33.8**
Note: Percentages may not total 100.0 percent due to rounding.								

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 bank's overall geographic distribution of loans reflects poor distribution among the different census tracts. The overall conclusion was influenced primarily by the bank's performance in the state of Kansas, which has an overall poor geographic distribution of loans. The conclusion regarding the bank's performance in the state of Oklahoma is reasonable.

Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes

This performance criterion evaluates the bank's lending to borrowers of different income levels and businesses of different revenue sizes. The bank's lending has an overall reasonable penetration among individuals of different income levels and businesses of different sizes. The conclusions for the states of Kansas and Oklahoma are consistent with the overall conclusion.

COMMUNITY DEVELOPMENT TEST

The CD test evaluates the bank's responsiveness to CD needs of its AAs through CD loans, qualified investments, and CD services, considering the bank's capacity and the need and availability of such opportunities in the bank's AAs.

The bank's overall CD test performance is Satisfactory and demonstrates adequate responsiveness. The rating is primarily driven by the bank's performance in the state of Kansas, which is Satisfactory. Performance in the state of Oklahoma is also Satisfactory. Refer to the table below for an itemized summary of the bank's activities.

TABLE 4

Community Development Activity – All									
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	$(000)	#	$(000)	#	$(000)	#	$(000)	#
Affordable Housing	1	1,104	0	0	5	6	5	6	7
Community Services	1	300	3	731	53	49	57	781	108
Economic Development	6	618	0	0	1	2	1	2	1
Revitalization and Stabilization	23	5,641	1	279	5	33	6	312	6
Outside AAs	0	0	0	0	1	0	1	0	0
Totals	**31**	**7,664**	**4**	**1,010**	**65**	**91**	**69**	**1,101**	**122**

Note: Dollar amount may not total due to rounding.
Activities included in this table have a purpose, mandate, or function, or are to an organization with a purpose, mandate, or function of serving one or more of the bank's assessment areas.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Compliance with the substantive provisions of antidiscrimination and other consumer protection laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act, were considered as part of this CRA evaluation. No evidence of a pattern or practice of discrimination on a prohibited basis or of other illegal credit practices inconsistent with helping to meet community credit needs was identified.

STATE OF KANSAS

CRA rating for Kansas: ***Satisfactory***
The Lending Test is rated: ***Satisfactory***
The Community Development Test is rated: ***Satisfactory***

This rating is based on the following conclusions with respect to the performance criteria under the Lending and CD Tests:

- A poor distribution of loans occurs throughout the bank's AAs.
- Lending reflects a reasonable distribution among individuals of different income levels, including LMI, and businesses of different sizes.
- CD activity reflects adequate responsiveness to the CD needs of the bank's AAs.

SCOPE OF EXAMINATION

The scope of the review for the state of Kansas was consistent with the overall scope for the institution. Full-scope reviews were conducted for the Wichita Metropolitan and Cowley County AAs. More weight was assigned to the Wichita Metropolitan AA as it comprised the majority of the bank's lending volume within the state and a significant percentage of deposits.

For the evaluation period, the lending test included a total of 329 home mortgage loans and 73 small business loans, which represents 92.0 percent of the overall bank-wide lending volume. Of note, home mortgage-related lending for refinance, home improvement, and multifamily were not evaluated individually for either Kansas AAs as product volume was insufficient to conduct a meaningful analysis.

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN KANSAS

The bank delineates 2 of its 3 AAs and operates 10 of its 11 branches in the state of Kansas. The bank's operations in the Cowley County AA include six branches, five full-service ATMs, and two cash dispensing ATMs. The operations in the Wichita Metropolitan AA include four branches and four full-service ATMs. Detailed descriptions of the bank's operations in each AA are provided in the analysis.

To further augment the CRA performance evaluation, one interview was conducted with a community member in the bank's AA; in addition, examiners referenced two previously conducted interviews to ascertain the credit needs of the communities, the responsiveness of area banks in meeting those credit needs, and perspectives on local economic conditions. The community members represented an economic development agency, a business association, and a local government entity.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KANSAS

LENDING TEST

The bank's overall lending test performance in the state of Kansas is Satisfactory. The lending test conclusions in the Wichita Metropolitan and Cowley County AAs are reasonable, which is consistent with the overall state rating.

Geographic Distribution of Loans

The bank's overall geographic distribution of loans within Kansas reflects poor distribution among the different census tracts and dispersion throughout the AAs. This rating is driven by the bank's poor conclusion in the Wichita Metropolitan AA. The conclusion in the Cowley County AA is reasonable.

Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes

The bank's overall borrower distribution of loans within Kansas reflects reasonable distribution among individuals of different income levels and businesses of different sizes. This performance is consistent with the reasonable conclusions noted in the Wichita Metropolitan and Cowley County AAs.

COMMUNITY DEVELOPMENT TEST

The bank's overall CD test performance in the state of Kansas is Satisfactory and demonstrates adequate responsiveness. The bank's CD performance in the Wichita Metropolitan and Cowley County AAs is consistent with the overall state rating.

Table 5

Community Development Activity State of Kansas										
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	$(000)	#	$(000)	#	$(000)	#	$(000)	#
Affordable Housing	1	1,104	0	0	5	6	5	6	7
Community Services	1	300	3	731	51	48	54	779	107
Economic Development	1	252	0	0	1	2	1	2	1
Revitalization and Stabilization	22	5,604	1	279	5	33	6	312	6
Totals	**25**	**7,261**	**4**	**1,010**	**62**	**89**	**66**	**1,100**	**121**

Note: Dollar amount may not total due to rounding.
Activities included in this table have a purpose, mandate, or function, or are to an organization with a purpose, mandate, or function of serving one or more of the bank's assessment areas.

WICHITA METROPOLITAN ASSESSMENT AREA
METROPOLITAN AREA
(Full-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE WICHITA METROPOLITAN AA

The bank's AA consists of the entireties of Sedgwick and Harvey Counties, which are part of the Wichita, Kansas Metropolitan Statistical Area (Wichita MSA). See Appendix B for an AA map and Appendix C for additional demographic data.

- Changes have occurred in the delineation and composition of the bank's Wichita Metropolitan AA since the previous performance evaluation. In January 2020, the bank added Harvey County in its entirety to the AA following the acquisition of Midland National Bank.
- The AA is comprised of 8 low-, 42 moderate-, 56 middle-, 34 upper-, and 2 unknown-income census tracts. Previously, the AA was only comprised of Sedgwick County and included 15 low-, 36 moderate-, 34 middle-, and 39 upper-income census tracts.
- The bank operates four branches and maintains four full-service ATMs, one at each location.
- The bank closed one branch located in Newton, Kansas in July 2021, noting proximity to its other two branches in the city. Both Newton branches are in middle-income census tracts, while both Wichita branches are in upper-income census tracts.
- According to the June 30, 2024 FDIC Deposit Market Share Report, the bank ranked 13th out of 41 FDIC-insured depository institutions operating from 171 locations in the AA, with a total deposit market share of 1.1 percent.
- To further augment the CRA evaluation, two interviews with a community member that were previously conducted in the AA were referenced to ascertain the credit needs of the community, the responsiveness of area banks in meeting those credit needs, and perspective on local economic conditions. The community members represented an economic development organization and a business association.

Table 6

Population Change Assessment Area: Wichita Metropolitan			
Area	**2015 Population**	**2020 Population**	**Percent Change**
Wichita Metropolitan	541,364	557,848	3.0
Harvey County, KS	34,835	34,024	(2.3)
Sedgwick County, KS	506,529	523,824	3.4
Wichita, KS MSA	631,094	647,610	2.6
Kansas	2,892,987	2,937,880	1.6
Source: 2020 U.S. Census Bureau Decennial Census 2011-2015 U.S. Census Bureau: American Community Survey			

- The AA's population comprises 86.1 percent of the Wichita MSA's population.
- Most of the population resides within Sedgwick County with 523,824 residents, or 93.9 percent of the AA's population, and 17.8 percent of the state of Kansas population.

Table 7

Median Family Income Change Assessment Area: Wichita Metropolitan			
Area	**2015 Median Family Income**	**2020 Median Family Income**	**Percent Change**
Wichita Metropolitan	69,367	72,755	4.9
Harvey County, KS	71,430	69,739	(2.4)
Sedgwick County, KS	69,683	73,508	5.5
Wichita, KS MSA	70,287	74,120	5.5
Kansas	72,535	77,620	7.0
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.			

- Based on 2020 American Community Survey (ACS) data, the percent of families living below the poverty level was 9.0 percent, which was relatively consistent with the Wichita, KS MSA at 8.7 percent and the state of Kansas at 7.6 percent.

Table 8

Housing Cost Burden Assessment Area: Wichita Metropolitan						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Wichita Metropolitan	78.5	27.3	39.0	57.2	28.6	15.3
Harvey County, KS	78.2	17.2	32.9	54.7	26.0	13.9
Sedgwick County, KS	78.5	27.8	39.3	57.4	28.8	15.4
Wichita, KS MSA	77.5	27.4	38.9	56.0	28.2	15.2
Kansas	75.7	29.8	38.2	58.1	26.8	15.3

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

- The median housing value in the AA at $145,219 is comparable to the Wichita MSA at $144,240, while both were below the state of Kansas at $157,600.
- Of the total housing units in the AA, approximately 56.7 percent of the units are owner-occupied; 33.6 percent are rental units; and 9.7 percent are vacant.

Table 9

Unemployment Rates Assessment Area: Wichita Metropolitan					
Area	2019	2020	2021	2022	2023
Wichita Metropolitan	3.4	8.5	4.6	3.1	2.9
Harvey County, KS	2.9	5.3	3.0	2.5	2.9
Sedgwick County, KS	3.5	8.7	4.7	3.1	2.9
Wichita, KS MSA	3.4	8.3	4.5	3.0	2.9
Kansas	3.2	5.8	3.3	2.6	2.7

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Major employers in the area include Newton School District, NMC Health, BNSF, Unruh Fab, Inc., as well as employers in manufacturing, health care and social assistance.
- A community member mentioned that the economy has improved since the pandemic and not many layoffs have occurred. Further, the area continues to be reliant upon the area's aircraft industry.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE WICHITA METROPOLITAN AA

LENDING TEST

The bank's performance under the lending test for the Wichita Metropolitan AA is reasonable. The geographic distribution is poor, while the borrower distribution of loans among individuals of different income levels and businesses of different sizes is reasonable.

Geographic Distribution of Loans

The bank's geographic distribution of loans reflects poor distribution among the different census tracts throughout the AA. The geographic distribution of small business lending was poor, while the geographic distribution of home mortgage lending was reasonable. For home mortgage lending, total home mortgage lending and home purchase loans were evaluated individually due to product volume, while refinance, home improvement and multifamily loans were not evaluated separately.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. The bank did not originate any loans in 2023 in low-income census tracts and was below the aggregate figures by number and dollar volume, and the demographic figure, which represents the percentage of owner-occupied units in each census tract income category. However, the bank's lending in the moderate-income census tracts was comparable to the aggregate figures by number and dollar volume, and the demographic figure. An analysis of dispersion revealed conspicuous gaps or lapses in the AA that included LMI census tracts. However, these gaps are reasonable and did not impact the overall conclusion given the considerable amount of competition from other financial institutions in the AA.

The bank's lending performance in 2022 was consistent with the performance in 2023.

Home Purchase Lending

The geographic distribution of home purchase lending is reasonable. The bank did not originate any loans in 2023 in low-income census tracts; however, the bank's performance in moderate-income census tracts was comparable to the aggregate figure and the demographic figure. An analysis of dispersion revealed conspicuous gaps or lapses in the AA that included LMI census tracts. However, these gaps are reasonable and did not impact the overall conclusion given the considerable amount of competition from other financial institutions in the AA.

The bank's lending performance in 2022 was consistent with the performance in 2023.

Table 10

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography
Assessment Area: Wichita Metropolitan

Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans													
Low	0	0.0	1.4	0	0.0	0.8	0	0.0	1.7	0	0.0	0.9	1.9
Moderate	15	19.0	20.5	1,087	8.0	12.4	19	25.7	20.6	1,923	14.1	12.9	20.1
Middle	39	49.4	42.2	5,057	37.1	36.9	38	51.4	43.1	6,190	45.4	38.7	44.4
Upper	25	31.6	35.7	7,503	55.0	49.8	17	23.0	34.5	5,533	40.5	47.5	33.4
Unknown	0	0.0	0.2	0	0.0	0.1	0	0.0	0.1	0	0.0	0.1	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	79	100.0	100.0	13,646	100.0	100.0	74	100.0	100.0	13,646	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	1.2	0	0.0	0.9	0	0.0	2.0	0	0.0	1.2	1.9
Moderate	7	30.4	19.0	490	15.8	12.7	4	22.2	20.0	321	11.7	15.5	20.1
Middle	12	52.2	43.9	1,976	63.8	39.1	12	66.7	45.8	1,296	47.4	41.2	44.4
Upper	4	17.4	35.7	631	20.4	47.2	2	11.1	32.0	1,115	40.8	42.0	33.4
Unknown	0	0.0	0.2	0	0.0	0.2	0	0.0	0.1	0	0.0	0.1	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	23	100.0	100.0	3,096	100.0	100.0	18	100.0	100.0	2,731	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.9	0	0.0	0.7	0	0.0	3.4	0	0.0	0.8	1.9
Moderate	0	0.0	13.4	0	0.0	9.0	3	37.5	16.1	332	71.3	13.2	20.1
Middle	5	55.6	42.4	423	47.5	38.0	5	62.5	40.5	134	28.9	35.8	44.4
Upper	4	44.4	43.3	468	52.6	52.3	0	0.0	39.9	0	0.0	50.2	33.4
Unknown	0	0.0	0.1	0	0.0	0.0	0	0.0	0.1	0	0.0	0.0	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	9	100.0	100.0	890	100.0	100.0	8	100.0	100.0	465	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	1	10.0	5.3	329	3.5	0.7	0	0.0	2.8	0	0.0	6.7	4.0
Moderate	5	50.0	44.3	2,520	26.7	27.7	0	0.0	40.4	0	0.0	26.8	34.4
Middle	3	30.0	32.3	6,342	67.1	30.6	3	75.0	33.7	2,823	38.5	27.1	36.1
Upper	1	10.0	16.3	254	2.7	32.0	1	25.0	20.2	4,505	61.5	30.8	20.7
Unknown	0	0.0	1.7	0	0.0	8.9	0	0.0	2.8	0	0.0	8.7	4.8
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	10	100.0	100.0	9,445	100.0	100.0	4	100.0	100.0	7,328	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	1	0.8	1.4	329	1.2	0.8	0	0.0	1.9	0	0.0	1.6	1.9
Moderate	27	21.8	19.8	4,096	15.0	14.7	26	24.8	20.2	2,575	10.6	14.7	20.1
Middle	62	50.0	42.4	14,064	51.4	36.3	59	56.2	43.4	10,507	43.4	37.6	44.4
Upper	34	27.4	36.2	8,857	32.4	46.7	20	19.0	34.4	11,153	46.0	45.1	33.4
Unknown	0	0.0	0.2	0	0.0	1.5	0	0.0	0.2	0	0.0	1.0	0.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	124	100.0	100.0	27,345	100.0	100.0	105	100.0	100.0	24,234	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.
Due to limited volume in the Other Purpose LOC, Other Purpose Closed/Exempt, and Purpose Not Applicable product categories, these categories are not displayed individually but are included in the total HMDA section of the table.

Small Business Lending

The geographic distribution of small business lending is poor. The bank's small business lending in low- and moderate-income census tracts was below the demographic figures which represent the percentage of businesses located in each census tract income category. In addition, an analysis of dispersion revealed conspicuous gaps or lapses in the AA that included LMI census tracts, which also supports the poor conclusion.

Table 11

Distribution of 2023 Small Business Lending By Income Level of Geography Assessment Area: Wichita Metropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
Low	0	0.0	0	0.0	2.7
Moderate	6	12.5	814	9.5	23.3
Middle	28	58.3	5,272	61.4	37.7
Upper	14	29.2	2,507	29.2	33.0
Unknown	0	0.0	0	0.0	3.3
Tract-Unk	0	0.0	0	0.0	
Total	48	100.0	8,593	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 Borrowers of Different Income Levels and to Businesses of Different Sizes

The bank's lending has a reasonable distribution among individuals of different income levels and businesses of different sizes. The borrower distribution of small business lending was reasonable, while the borrower distribution of home mortgage lending was poor. For home mortgage lending, total home mortgage lending and home purchases were evaluated individually due to product volume, while refinance and home improvement loans were not evaluated separately.

Home Mortgage Lending

The borrower distribution of home mortgage lending is poor. The bank's lending in 2023 to low-income borrowers was comparable to the aggregate figures for both number and dollar volume, but below the demographic figure, which represents the percentage of families by family income in each designated income category. The bank's lending to moderate-income borrowers was below the aggregate figures both by number and dollar volume and below the demographic figure.

The bank's lending performance in 2022 was consistent with the performance in 2023.

Home Purchase Lending

The borrower distribution of home purchase lending is poor. The bank's lending in 2023 to low-income borrowers was comparable to the aggregate figures for both number and dollar volume, but below the demographic figure. The bank's lending to moderate-income borrowers was below the aggregate figures by both number and dollar volume, and below the demographic figure.

The bank's lending performance in 2022 was consistent with the performance in 2023.

Table 12

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level Assessment Area: Wichita Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans													
Low	13	16.5	9.9	1,307	9.6	5.5	7	9.5	7.5	629	4.6	3.7	20.0
Moderate	5	6.3	21.9	750	5.5	17.0	5	6.8	19.4	620	4.5	14.2	18.8
Middle	11	13.9	19.5	1,575	11.5	19.7	10	13.5	19.7	1,724	12.6	18.9	21.4
Upper	18	22.8	25.0	4,649	34.1	36.6	20	27.0	27.6	4,412	32.3	38.6	39.8
Unknown	32	40.5	23.7	5,367	39.3	21.1	32	43.2	25.8	6,262	45.9	24.7	0.0
Total	79	100.0	100.0	13,646	100.0	100.0	74	100.0	100.0	13,646	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	11.6	0	0.0	7.4	1	5.6	8.6	47	1.7	4.7	20.0
Moderate	5	21.7	22.5	761	24.6	17.8	2	11.1	19.8	110	4.0	14.6	18.8
Middle	3	13.0	20.4	447	14.4	19.8	2	11.1	19.7	154	5.6	17.8	21.4
Upper	5	21.7	25.4	1,095	35.4	34.8	5	27.8	30.3	1,604	58.7	36.5	39.8
Unknown	10	43.5	20.1	793	25.6	20.2	8	44.4	21.5	817	29.9	26.4	0.0
Total	23	100.0	100.0	3,096	100.0	100.0	18	100.0	100.0	2,731	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	9.4	0	0.0	5.6	1	12.5	7.3	43	9.1	4.4	20.0
Moderate	2	22.2	18.9	73	8.2	14.1	1	12.5	17.3	7	1.5	11.3	18.8
Middle	1	11.1	21.9	176	19.8	18.3	2	25.0	23.3	64	13.8	18.2	21.4
Upper	3	33.3	43.5	405	45.5	51.9	1	12.5	42.1	120	25.8	53.5	39.8
Unknown	3	33.3	6.3	237	26.6	10.1	3	37.5	10.0	233	50.0	12.6	0.0
Total	9	100.0	100.0	890	100.0	100.0	8	100.0	100.0	465	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	13	11.4	10.2	1,307	7.3	5.8	9	8.9	7.7	719	4.3	3.8	20.0
Moderate	13	11.4	21.5	1,748	9.8	16.9	8	7.9	19.2	737	4.4	14.1	18.8
Middle	17	14.9	19.8	2,300	12.9	19.5	15	14.9	20.2	2,004	11.9	18.8	21.4
Upper	26	22.8	26.8	6,149	34.4	36.8	26	25.7	29.6	6,136	36.3	38.8	39.8
Unknown	45	39.5	21.8	6,396	35.7	20.9	43	42.6	23.2	7,311	43.2	24.4	0.0
Total	114	100.0	100.0	17,900	100.0	100.0	101	100.0	100.0	16,906	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.
Due to limited volume in the Other Purpose LOC, Other Purpose Closed/Exempt, and Purpose Not Applicable product categories, these categories are not displayed individually but are included in the total HMDA section of the table.

Small Business Lending

The borrower distribution of small business lending is reasonable**.** The bank's lending to businesses with revenues of $1 million or less was below the demographic figure, which represents the percentage of businesses in the AA by revenue size. While the bank does not report CRA data, a review of 2021 - 2023 aggregate small business lending data reported by all CRA filers in the AA revealed that 52.2 percent of aggregate lending by number volume and 33.3 percent by dollar volume was made to small businesses during the review period. The aggregate lending data is not a direct comparison to the bank's performance; however, the lower average aggregate lending levels reflect an overall lower credit demand from small businesses in the AA. In addition, 75.0 percent of the loans originated were in amounts of $100,000 or less. Typically, small businesses do not have the need or the capacity to borrow large amounts, and as such, smaller loan amounts are used as a proxy to estimate the support of smaller businesses.

Table 13

Distribution of 2023 Small Business Lending By Revenue Size of Businesses Assessment Area: Wichita Metropolitan					
	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
By Revenue					
$1 Million or Less	28	58.3	3,036	35.3	89.1
Over $1 Million	18	37.5	5,052	58.8	10.2
Revenue Unknown	2	4.2	505	5.9	0.7
Total	48	100.0	8,593	100.0	100.0
By Loan Size					
$100,000 or Less	27	56.3	1,083	12.6	
$100,001 - $250,000	11	22.9	2,145	25.0	
$250,001 - $1 Million	10	20.8	5,365	62.4	
Total	48	100.0	8,593	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	21	75.0	832	27.4	
$100,001 - $250,000	4	14.3	788	26.0	
$250,001 - $1 Million	3	10.7	1,416	46.6	
Total	28	100.0	3,036	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 TEST

The bank's CD performance demonstrates adequate responsiveness.

- The bank originated 15 CD loans during the evaluation period. Of the 15 loans, 11 were originated under the Small Business Administration's (SBA) Paycheck Protection Program (PPP), which was a Coronavirus Disease 2019 pandemic (pandemic)-related lending program designed to assist small businesses maintain their workforce during the pandemic.
- The bank also originated one CD loan for community services for a behavioral health and drug rehabilitation center primarily serving LMI individuals and one CD loan for affordable housing that financed an apartment complex that offers below market rents to its residents.

- The bank made 31 donations for several different community services during the evaluation period totaling $28,900.
- Additionally, the bank provided 24 CD services to the AA, with several related to financial literacy, obtaining financial security, and affordable housing programs.

Table 14

Community Development Activity Assessment Area: Wichita Metropolitan									
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	$(000)	#	$(000)	#	$(000)	#	$(000)	#
Affordable Housing	1	1,104	0	0	0	0	0	0	3
Community Services	1	300	1	502	31	29	32	531	20
Economic Development	1	252	0	0	0	0	0	0	1
Revitalization and Stabilization	12	2,563	0	0	0	0	0	0	0
Totals	**15**	**4,219**	**1**	**502**	**31**	**29**	**32**	**531**	**24**

Note: Dollar amount may not total due to rounding.
Activities included in this table have a purpose, mandate, or function, or are to an organization with a purpose, mandate, or function of serving one or more of the bank's assessment areas.

COWLEY COUNTY ASSESSMENT AREA
NONMETROPOLITAN AREA
(Full-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE COWLEY COUNTY AA

The bank's AA consists of the entirety of Cowley County, Kansas. See Appendix B for an AA map and Appendix C for additional demographic data.

- No changes have occurred to the delineation of the Cowley County AA since the previous performance evaluation.
- The AA is comprised of three moderate-, six middle-, and two upper-income census tracts, which represents a change from the previous performance evaluation, where the AA was comprised of two moderate-, eight middle-, and one upper-income census tract(s).
- The bank operates six branches in the AA. In addition, the bank also operates five full-service and two cash-only ATMs.
- The bank closed a drive-through branch in Winfield, Kansas in July 2024, noting decreased branch traffic and proximity to its other two branches in the city. The bank continues to provide ATM services to its customers at this location.
- According to the June 30, 2024 FDIC Deposit Market Share Report, the bank ranked 2nd of 7 FDIC-insured depository institutions operating from 20 locations in the AA, with a total deposit market share of 34.6 percent.
- To further augment the CRA performance evaluation, an interview with a member of the community was conducted to ascertain the credit needs of the community, the responsiveness of area banks in meeting those credit needs, and perspectives on local economic conditions. The community member represented an area economic development organization.

Table 15

Population Change Assessment Area: Cowley County			
Area	**2015 Population**	**2020 Population**	**Percent Change**
Cowley County	36,079	34,549	(4.2)
NonMSA Kansas	922,403	892,006	(3.3)
Kansas	2,892,987	2,937,880	1.6
Source: 2020 U.S. Census Bureau Decennial Census *2011-2015 U.S. Census Bureau: American Community Survey*			

- Cowley County's population is approximately 1.2 percent of the state of Kansas population of 2,937,880 and 3.9 percent of the NonMSA Kansas population.
- According to the 2023 ACS data for Cowley County, Kansas, the population was 34,487, reflecting a slight decrease from the 2020 ACS data.

Table 16

Median Family Income Change Assessment Area: Cowley County			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Cowley County	59,547	60,888	2.3
NonMSA Kansas	62,527	65,467	4.7
Kansas	72,535	77,620	7.0

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.

- Based on 2020 ACS data, the percent of families living below the poverty level was 10.4 percent, which is higher than the state of Kansas at 7.6 percent and the NonMSA counties at 8.4 percent.

Table 17

Housing Cost Burden Assessment Area: Cowley County						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Cowley County	70.2	18.2	33.8	50.8	18.6	14.6
NonMSA Kansas	68.1	23.0	34.6	53.8	22.2	14.8
Kansas	75.7	29.8	38.2	58.1	26.8	15.3

Cost Burden is housing cost that equals 30 percent or more of household income.
Source: HUD, 2017-2021 Comprehensive Housing Affordability Strategy

- The median housing value in the AA at $88,569 is below the median housing value for the state of Kansas at $157,600 and also lower than other NonMSA counties at $103,478.
- Of the total housing units in the AA, approximately 58.2 percent of the units are owner-occupied; 26.9 percent are rental units; and 14.9 percent are vacant.

Table 18

Unemployment Rates Assessment Area: Cowley County					
Area	2019	2020	2021	2022	2023
Cowley County	3.3	6.5	3.6	2.9	3.0
NonMSA Kansas	3.1	4.5	2.8	2.4	2.5
Kansas	3.2	5.8	3.3	2.6	2.7

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Major industries in the AA include government, retail trade, professional and technical services, and healthcare and social assistance.

- According to a community member, the median hourly wage at present is $19.23 per hour, which is above average for the area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE COWLEY COUNTY AA

LENDING TEST

The bank's performance under the lending test in the Cowley County AA is reasonable.

Geographic Distribution of Loans

The bank's geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion of loans throughout the AA. For home mortgage lending, total home mortgage lending and home purchase loans were evaluated individually due to product volume, while refinance, home improvement and multifamily loans were not evaluated separately.

Home Mortgage Loans

The geographic distribution of home mortgage lending is reasonable. The distribution of 2023 home mortgage lending in moderate-income census tracts was comparable to the aggregate figures by number and dollar volume and the demographic figure. An analysis of dispersion did not reveal any conspicuous gaps or lapses in the AA. The AA does not contain any low-income tracts.

The bank's lending performance in 2022 was consistent with the performance in 2023.

Home Purchase Lending

The geographic distribution of home purchase lending is reasonable. The distribution of 2023 home purchase lending in moderate-income census tracts was comparable to aggregate figures by both number and dollar volume and the demographic figure. An analysis of dispersion did not reveal any conspicuous gaps or lapses in the AA. The AA does not contain any low-income tracts.

The bank's lending performance in 2022 was consistent with the performance in 2023.

Table 19

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: Cowley County													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	8	26.7	24.2	905	23.7	22.7	7	25.0	23.7	765	23.1	20.0	20.4
Middle	15	50.0	56.4	1,340	35.2	49.7	14	50.0	55.5	1,746	52.6	51.3	57.1
Upper	7	23.3	19.4	1,566	41.1	27.5	7	25.0	20.8	809	24.4	28.6	22.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	30	100.0	100.0	3,811	100.0	100.0	28	100.0	100.0	3,319	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	7	35.0	17.7	470	17.9	13.9	4	36.4	13.2	285	26.3	9.2	20.4
Middle	11	55.0	50.7	1,669	63.6	42.8	3	27.3	62.3	386	35.5	60.5	57.1
Upper	2	10.0	31.5	483	18.4	43.2	4	36.4	24.6	415	38.2	30.3	22.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	20	100.0	100.0	2,623	100.0	100.0	11	100.0	100.0	1,086	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	2	33.3	19.6	84	34.9	16.8	1	50.0	26.5	30	18.8	20.3	20.4
Middle	3	50.0	43.1	128	52.9	38.6	1	50.0	58.8	130	81.3	60.7	57.1
Upper	1	16.7	37.3	30	12.4	44.6	0	0.0	14.7	0	0.0	19.0	22.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	6	100.0	100.0	242	100.0	100.0	2	100.0	100.0	160	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	30.8	0	0.0	35.8	0	0.0	42.9	0	0.0	42.5	49.5
Middle	2	100.0	61.5	487	100.1	60.6	1	100.0	42.9	170	100.0	40.3	50.5
Upper	0	0.0	7.7	0	0.0	3.6	0	0.0	14.3	0	0.0	17.2	0.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	2	100.0	100.0	487	100.0	100.0	1	100.0	100.0	170	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	17	29.3	21.8	1,460	20.4	20.8	12	28.6	21.4	1,081	22.8	18.8	20.4
Middle	31	53.4	54.2	3,625	50.6	48.1	19	45.2	57.9	2,432	51.4	53.1	57.1
Upper	10	17.2	24.0	2,079	29.0	31.1	11	26.2	20.7	1,223	25.8	28.2	22.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	58	100.0	100.0	7,164	100.0	100.0	42	100.0	100.0	4,735	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.

Small Business Lending

The geographic distribution of small business lending is reasonable. The bank's small business lending in moderate-income census tracts was comparable to the demographic figure. An analysis of lending dispersion was conducted and revealed no conspicuous gaps or lapses. The AA does not contain any low-income tracts.

Table 20

Distribution of 2023 Small Business Lending By Income Level of Geography Assessment Area: Cowley County					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
Low	0	0.0	0	0.0	0.0
Moderate	7	28.0	1,449	46.8	39.5
Middle	14	56.0	1,369	44.3	44.9
Upper	4	16.0	275	8.9	15.6
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	25	100.0	3,093	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 Borrowers of Different Income Levels and to Businesses of Different Sizes

The bank's lending has a reasonable distribution among individuals of different income levels and businesses of different sizes. For home mortgage lending, total home mortgage lending and home purchases were evaluated individually due to product volume, while refinance and home improvement loans were not evaluated separately.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. The bank's lending to low-income borrowers was comparable to the aggregate figures for number and dollar volume, however, the bank's lending to low-income borrowers was below the demographic. The bank's lending to moderate-income borrowers was comparable to aggregate figures by number and dollar volume and to the demographic figure.

The bank's lending performance in 2022 was consistent with 2023 performance.

Home Purchase Lending

The borrower distribution of home purchase lending is reasonable. The bank's lending to low-income borrowers was below the aggregate figures for number and dollar volume and below the demographic figure. The bank's lending to moderate-income borrowers was comparable to the aggregate figures for number and dollar volume and comparable to the demographic figure.

The bank's lending performance in 2022 was consistent with the performance in 2023.

Table 21

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level Assessment Area: Cowley County													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans													
Low	3	10.0	10.5	232	6.1	6.4	1	3.6	7.9	62	1.9	4.8	19.2
Moderate	7	23.3	21.1	729	19.1	16.9	7	25.0	22.4	553	16.7	17.9	21.6
Middle	1	3.3	21.5	80	2.1	22.7	12	42.9	25.5	1,251	37.7	24.3	21.6
Upper	13	43.3	21.9	2,418	63.5	31.0	6	21.4	23.2	1,190	35.9	32.3	37.6
Unknown	6	20.0	25.0	351	9.2	23.0	2	7.1	21.1	264	7.9	20.7	0.0
Total	30	100.0	100.0	3,811	100.0	100.0	28	100.0	100.0	3,319	100.0	100.0	100.0
Refinance Loans													
Low	2	10.0	5.9	188	7.2	2.0	2	18.2	11.4	147	13.5	6.9	19.2
Moderate	1	5.0	15.3	32	1.2	10.5	2	18.2	20.2	251	23.1	18.2	21.6
Middle	7	35.0	21.7	779	29.7	16.7	2	18.2	18.4	232	21.4	24.3	21.6
Upper	7	35.0	40.4	1,179	44.9	53.2	4	36.4	32.5	436	40.1	35.7	37.6
Unknown	3	15.0	16.7	446	17.0	17.5	1	9.1	17.5	21	1.9	14.9	0.0
Total	20	100.0	100.0	2,623	100.0	100.0	11	100.0	100.0	1,086	100.0	100.0	100.0
Home Improvement Loans													
Low	1	16.7	5.9	30	12.4	7.4	0	0.0	2.9	0	0.0	1.3	19.2
Moderate	0	0.0	17.6	0	0.0	9.0	0	0.0	11.8	0	0.0	6.5	21.6
Middle	0	0.0	21.6	0	0.0	24.8	0	0.0	32.4	0	0.0	32.1	21.6
Upper	1	16.7	47.1	70	28.9	52.6	2	100.0	47.1	160	100.0	53.3	37.6
Unknown	4	66.7	7.8	142	58.8	6.2	0	0.0	5.9	0	0.0	6.7	0.0
Total	6	100.0	100.0	242	100.0	100.0	2	100.0	100.0	160	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	6	10.7	8.9	450	6.7	5.2	3	7.3	8.5	208	4.6	5.1	19.2
Moderate	8	14.3	18.9	761	11.4	14.8	9	22.0	21.3	804	17.6	17.5	21.6
Middle	8	14.3	21.1	859	12.9	21.0	14	34.1	24.4	1,483	32.5	24.4	21.6
Upper	21	37.5	29.0	3,667	54.9	37.4	12	29.3	26.4	1,786	39.1	33.4	37.6
Unknown	13	23.2	22.1	939	14.1	21.5	3	7.3	19.3	284	6.2	19.6	0.0
Total	56	100.0	100.0	6,677	100.0	100.0	41	100.0	100.0	4,565	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.

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank's lending to businesses with revenues of $1 million or less was comparable to the demographic figure. In addition, 84.2 percent of loans to small businesses were in amounts of $100,000 or less, which is indicative of loan amounts typically needed to support smaller business needs.

Table 22

Distribution of 2023 Small Business Lending By Revenue Size of Businesses Assessment Area: Cowley County					
	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
By Revenue					
$1 Million or Less	19	76.0	1,490	48.2	89.9
Over $1 Million	5	20.0	1,577	51.0	8.0
Revenue Unknown	1	4.0	25	0.8	2.1
Total	25	100.0	3,093	100.0	100.0
By Loan Size					
$100,000 or Less	18	72.0	826	26.7	
$100,001 - $250,000	2	8.0	378	12.2	
$250,001 - $1 Million	5	20.0	1,890	61.1	
Total	25	100.0	3,093	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	16	84.2	735	49.3	
$100,001 - $250,000	1	5.3	177	11.9	
$250,001 - $1 Million	2	10.5	578	38.8	
Total	19	100.0	1,490	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 TEST

The bank's CD performance demonstrates adequate responsiveness.

- The bank originated ten CD loans which were qualified under the revitalization and stabilization CD purpose and consisted of PPP loans made to businesses in a moderate-income tract in response to the pandemic.
- Of the $60,550 made in donations, $19,500 related to community services while $32,550 related to organizations focused on revitalization and stabilization efforts within the AA.
- Finally, the bank provided 97 CD services to the AA that were primarily focused on providing financial literacy curriculum to schools that contain a majority of students who qualify for free or reduced lunch programs.

Table 23

Community Development Activity Assessment Area: Cowley County										
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	$(000)	#	$(000)	#	$(000)	#	$(000)	#
Affordable Housing	0	0	0	0	5	6	5	6	4
Community Services	0	0	2	229	20	20	22	249	87
Economic Development	0	0	0	0	1	2	1	2	0
Revitalization and Stabilization	10	3,041	1	279	5	33	6	312	6
Totals	**10**	**3,041**	**3**	**508**	**31**	**61**	**34**	**569**	**97**

Note: Dollar amount may not total due to rounding.
Activities included in this table have a purpose, mandate, or function, or are to an organization with a purpose, mandate, or function of serving one or more of the bank's assessment areas.

STATE OF OKLAHOMA / NORTHEAST OKLAHOMA AA

CRA rating for Oklahoma: ***Satisfactory***
The Lending Test is rated: ***Satisfactory***
The Community Development Test is rated: ***Satisfactory***

This rating is based on the following conclusions with respect to the performance criteria under the Lending and CD Tests:

- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects a reasonable distribution among individuals of different income levels, including LMI, and businesses of different sizes.
- CD activity reflects adequate responsiveness to the CD needs of the bank's AA.

SCOPE OF EXAMINATION

The scope of the review for the state of Oklahoma was consistent with the overall scope for the institution. A full-scope review was conducted for the Northeast Oklahoma AA. The bank's statewide performance is discussed concurrently with the assessment of its lending record for the Northeast Oklahoma AA, as this is the sole AA for the state. Given the small scale of operations in the state of Oklahoma, and the limited loan volume, the bank's performance in the state of Oklahoma received less weight in the overall rating. Additionally, home mortgage lending was evaluated collectively due to insufficient volumes to conduct a meaningful analysis at the product level.

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN OKLAHOMA

The bank delineates one of its three AAs and operates 1 of its 11 branches in the state of Oklahoma. In addition, the bank operates a loan production office in Edmond, Oklahoma, which is not part of the Northeast Oklahoma AA. A detailed description of the bank's operations in the Northeast Oklahoma AA is provided in the section that follows.

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE STATE OF OKLAHOMA/NORTHEAST OKLAHOMA AA

The bank's AA consists of Washington and Nowata Counties in their entireties. See Appendix B for an AA map and Appendix C for additional demographic data.

- No changes to this AA delineation have been made since the prior evaluation.
- The AA is comprised of 18 census tracts, including 4 moderate-, 10 middle- and 4 upper-income census tracts. The income designation of census tracts in the AA changed since the previous evaluation due to the 2020 ACS. At the previous examination, the AA consisted of one low-, two moderate-, nine middle-, and five upper-income census tracts.
- This AA includes one branch in Bartlesville, Oklahoma.
- According to the June 30, 2024 FDIC Deposit Market Share Report, the bank had a deposit market share of 1.9 percent, ranking 10th of 13 FDIC-insured institutions operating in the AA out of 22 banking offices.
- One interview was conducted with a community member within the bank's AA to ascertain the credit needs of the community, the responsiveness of area banks in meeting those credit needs, and the local economic conditions. The community member represented an economic development organization that serves the local area.

Table 24

Population Change Assessment Area: Northeast Oklahoma			
Area	**2015 Population**	**2020 Population**	**Percent Change**
Northeast Oklahoma	62,315	61,775	(0.9)
Nowata County, OK	10,555	9,320	(11.7)
Washington County, OK	51,760	52,455	1.3
NonMSA Oklahoma	1,333,350	1,289,548	(3.3)
Oklahoma	3,849,733	3,959,353	2.8

Source: 2020 U.S. Census Bureau Decennial Census
2011-2015 U.S. Census Bureau: American Community Survey

- The AA's population comprises approximately 4.8 percent of the NonMSA Oklahoma counties and 1.6 percent of the state of Oklahoma.
- From 2015 to 2020, the population in the AA decreased, driven by population loss in Nowata County. However, the state of Oklahoma and Washington County reflected slight growth.

Table 25

Median Family Income Change Assessment Area: Northeast Oklahoma			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Northeast Oklahoma	63,343	65,723	3.8
Nowata County, OK	52,436	51,630	(1.5)
Washington County, OK	65,381	68,582	4.9
NonMSA Oklahoma	56,258	58,565	4.1
Oklahoma	63,401	67,511	6.5

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.

- Based on 2020 ACS data, the percent of families living below the poverty level was 11.0 percent, which was relatively consistent with the state of Oklahoma and the NonMSA Oklahoma counties at 11.3 percent and 13.5 percent, respectively.

Table 26

Housing Cost Burden Assessment Area: Northeast Oklahoma						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Northeast Oklahoma	67.6	33.5	39.4	50.5	22.0	15.4
Nowata County, OK	58.8	34.4	36.5	50.0	24.8	17.7
Washington County, OK	69.3	33.3	39.9	50.6	21.4	15.0
NonMSA Oklahoma	66.5	30.6	35.0	48.2	22.2	14.9
Oklahoma	72.5	35.3	37.9	52.2	26.2	15.4

Cost Burden is housing cost that equals 30 percent or more of household income.
Source: HUD, 2017-2021 Comprehensive Housing Affordability Strategy

- The median housing value in the AA of $121,448 is below the state of Oklahoma at $142,400 and above the NonMSA Oklahoma areas at $110,370.
- The AA housing affordability ratio[2] of 43.4 percent was higher than the state of Oklahoma and NonMSA Oklahoma counties at 37.8 percent and 42.2 percent, respectively.

2 The housing affordability ratio is calculated by dividing the median household income by the median housing value. A lower ratio reflects less affordable housing.

Table 27

Unemployment Rates Assessment Area: Northeast Oklahoma					
Area	**2019**	**2020**	**2021**	**2022**	**2023**
Northeast Oklahoma	3.3	5.9	3.9	3.2	3.3
Nowata County, OK	3.3	5.4	3.7	2.9	3.0
Washington County, OK	3.3	6.0	4.0	3.3	3.4
NonMSA Oklahoma	3.4	6.1	4.0	3.2	3.4
Oklahoma	3.1	6.3	4.0	3.1	3.2
Source: Bureau of Labor Statistics: Local Area Unemployment Statistics					

- A community member stated that the largest employers in the AA are Phillips 66 / Conoco Phillips and noted that AA employment is heavily reliant on fossil fuels.
- Walmart, Jane Phillips Medical Center, Bartlesville Public Schools, and the City of Bartlesville are also major employers in the area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE NORTHEAST OKLAHOMA AA

LENDING TEST

The bank's performance under the lending test in the state of Oklahoma is Satisfactory. The bank's lending test performance is driven by reasonable performance in the Northeast Oklahoma AA. The bank's geographic distribution of loans is reasonable. The bank's lending among individuals of different income levels and businesses of different revenue sizes is reasonable.

Geographic Distribution of Loans

The bank's geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion throughout the AA. The geographic distribution of small business lending was reasonable, while the geographic distribution of home mortgage lending was poor. For home mortgage lending, total home mortgage lending was evaluated individually due to product volume, while home purchase, refinance, home improvement and multifamily loans were not evaluated separately.

Home Mortgage Lending

The geographic distribution of home mortgage lending is poor. The bank's lending in 2023 in moderate-income census tracts was below the aggregate data, both by number and dollar volume, and also below the demographic. An analysis of dispersion revealed conspicuous gaps or lapses in the AA which is not explained by performance context and further supports a poor conclusion.

The bank's lending in 2022 was consistent with the performance in 2023.

Table 28

Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: Northeast Oklahoma													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%	
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	11.7	0	0.0	12.8	0	0.0	11.1	0	0.0	6.7	12.5
Middle	5	50.0	52.0	857	48.4	47.3	4	66.7	59.5	871	73.1	59.7	57.4
Upper	5	50.0	36.2	912	51.6	39.8	2	33.3	29.4	321	27.0	33.5	30.1
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	10	100.0	100.0	1,768	100.0	100.0	6	100.0	100.0	1,192	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.

Small Business Lending

The geographic distribution of small business lending is reasonable. The bank's lending in moderate-income census tracts was comparable to the demographic figure. An analysis of lending dispersion was conducted and revealed no conspicuous gaps or lapses.

Table 29

Distribution of 2023 Small Business Lending By Income Level of Geography Assessment Area: Northeast Oklahoma					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
Low	0	0.0	0	0.0	0.0
Moderate	6	31.6	467	19.7	29.3
Middle	8	42.1	521	22.0	39.7
Upper	5	26.3	1,382	58.3	31.0
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	19	100.0	2,371	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 Borrowers of Different Income Levels and to Businesses of Different Sizes

The bank's lending has a reasonable distribution among individuals of different income levels and businesses of different sizes. For home mortgage lending, total home mortgage lending was evaluated individually due to product volume, while home purchase, refinance, and home improvement loans were not evaluated separately.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. While no loans in 2023 were made to low-income borrowers, lending to moderate-income borrowers was above the aggregate figure by number volume and comparable by dollar volume. The bank's performance for moderate-income borrowers was also above the demographic figure.

The bank's performance in 2022 was consistent with the 2023 performance.

Table 30

Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level Assessment Area: Northeast Oklahoma													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%	
Total Home Mortgage Loans													
Low	1	10.0	6.1	71	4.0	2.7	0	0.0	6.4	0	0.0	3.2	18.3
Moderate	2	20.0	14.1	178	10.0	10.3	2	33.3	15.1	175	14.7	10.1	16.6
Middle	0	0.0	18.3	0	0.0	16.3	0	0.0	18.6	0	0.0	15.8	18.3
Upper	6	60.0	37.7	1,420	80.3	47.5	3	50.0	34.9	821	68.9	45.4	46.8
Unknown	1	10.0	23.8	100	5.7	23.2	1	16.7	25.0	197	16.5	25.5	0.0
Total	10	100.0	100.0	1,768	100.0	100.0	6	100.0	100.0	1,192	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.

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank's lending to businesses with revenues of $1 million or less was comparable to the demographic figure. In addition, 73.3 percent of the loans originated to small businesses were in loan amounts of $100,000 or less, which is indicative of loan amounts typically needed to support smaller businesses and further supports a reasonable rating.

Table 31

Distribution of 2023 Small Business Lending By Revenue Size of Businesses Assessment Area: Northeast Oklahoma					
	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
By Revenue					
$1 Million or Less	15	78.9	1,213	51.2	92.1
Over $1 Million	3	15.8	1,118	47.2	6.8
Revenue Unknown	1	5.3	40	1.7	1.2
Total	19	100.0	2,371	100.0	100.0
By Loan Size					
$100,000 or Less	14	73.7	514	21.7	
$100,001 - $250,000	3	15.8	597	25.2	
$250,001 - $1 Million	2	10.5	1,260	53.1	
Total	19	100.0	2,371	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	11	73.3	336	27.7	
$100,001 - $250,000	3	20.0	597	49.2	
$250,001 - $1 Million	1	6.7	280	23.1	
Total	15	100.0	1,213	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 TEST

The bank's CD performance is Satisfactory.

- The bank made two qualified CD donations inside the AA for $650 representing community services serving LMI children in the area and one donation outside the AA for $400 representing an organization that provides medical services to children from economically disadvantaged homes.

- The bank originated six CD loans inside the AA totaling $403,352 for purposes of economic development and revitalization and stabilization. An example includes:
  - A commercial real estate loan in the amount of $43,000 to make improvements to an investment property where rents cater to LMI renters.

Table 32

Community Development Activity Assessment Area: State of Oklahoma / Northeast Oklahoma AA										
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	$(000)	#	$(000)	#	$(000)	#	$(000)	#
Affordable Housing	0	0	0	0	0	0	0	0	0
Community Services	0	0	0	0	2	1	2	1	1
Economic Development	5	366	0	0	0	0	0	0	0
Revitalization and Stabilization	1	37	0	0	0	0	0	0	0
Outside AA	0	0	0	0	1	0	1	0	0
Totals	**6**	**403**	**0**	**0**	**3**	**1**	**3**	**1**	**1**

Note: Dollar amount may not total due to rounding.
Activities included in this table have a purpose, mandate, or function, or are to an organization with a purpose, mandate, or function of serving one or more of the bank's assessment areas.

APPENDIX A – SCOPE OF EXAMINATION TABLE

Table A-1

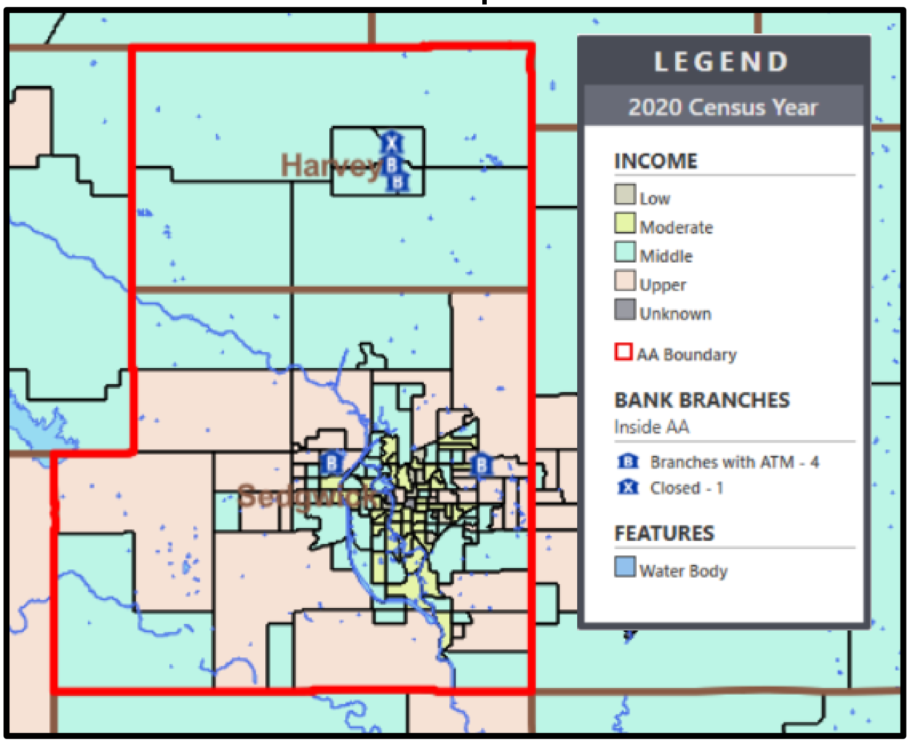
<table>
<tr><th colspan="4">SCOPE OF EXAMINATION</th></tr>
<tr><td colspan="2"><u>FINANCIAL INSTITUTION</u>
Union State Bank
Arkansas City, Kansas</td><td colspan="2"><u>PRODUCTS/SERVICES REVIEWED</u>
• Home mortgage loans
• Small business loans
• CD loans, qualified investments, donations, and services</td></tr>
<tr><td colspan="4"><u>TIME PERIODS REVIEWED</u>
<u>Home Mortgage Lending</u>: January 1, 2022 – December 31, 2023
<u>Small Business Lending</u>: January 1, 2023 – December 31, 2023
<u>CD Activities</u>: January 1, 2021 – December 31, 2024</td></tr>
</table>

LIST OF AFFILIATES CONSIDERED IN THIS EVALUATION		
AFFILIATES	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED
None		

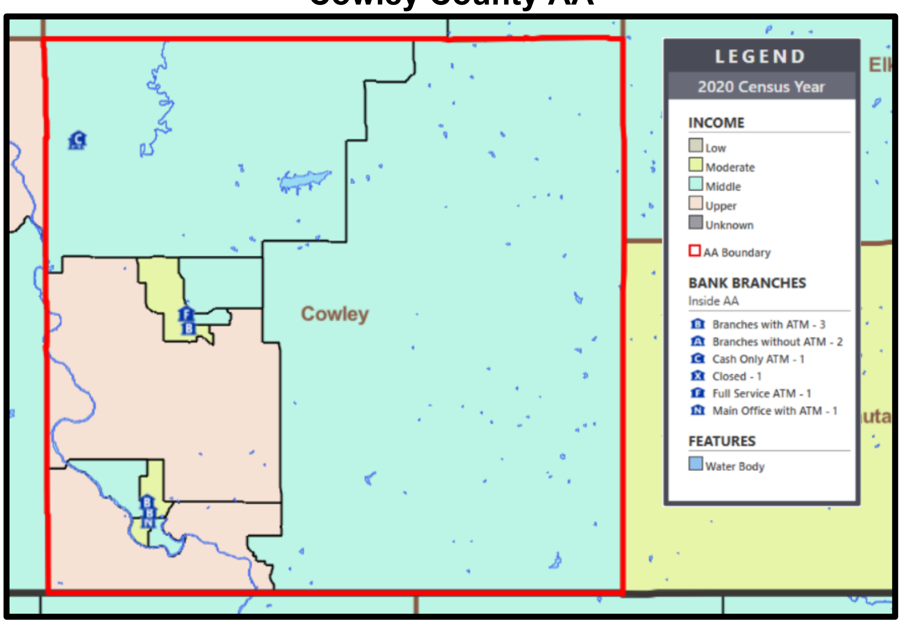
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAM	BRANCHES VISITED	OTHER INFORMATION
KANSAS Wichita Metropolitan Cowley County	Full-Scope Review Full-Scope Review	None	
OKLAHOMA Northeast Oklahoma	Full-Scope Review	None	

APPENDIX B – MAPS OF THE ASSESSMENT AREAS

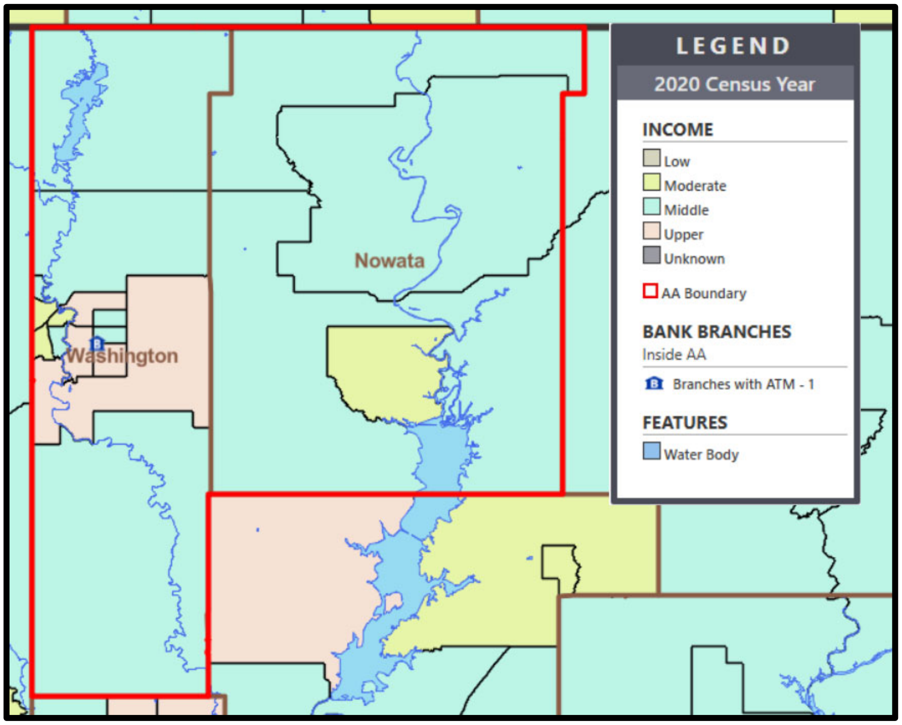
Map B-1
Wichita Metropolitan AA



Map B-2
Cowley County AA



Map B-3
Northeast Oklahoma AA



APPENDIX C – DEMOGRAPHIC INFORMATION

Wichita Metropolitan AA

Table C-1

2023 Wichita Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	8	5.6	4,447	3.3	1,641	36.9	27,126	20.0
Moderate	42	29.6	32,267	23.8	5,618	17.4	25,492	18.8
Middle	56	39.4	56,689	41.8	3,605	6.4	28,996	21.4
Upper	34	23.9	41,697	30.8	1,127	2.7	53,967	39.8
Unknown	2	1.4	481	0.4	185	38.5	0	0.0
Total AA	**142**	**100.0**	**135,581**	**100.0**	**12,176**	**9.0**	**135,581**	**100.0**
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	10,363	2,579	1.9	24.9	5,645	54.5	2,139	20.6
Moderate	68,090	26,791	20.1	39.3	31,830	46.7	9,469	13.9
Middle	94,254	59,296	44.4	62.9	27,989	29.7	6,969	7.4
Upper	60,254	44,656	33.4	74.1	11,944	19.8	3,654	6.1
Unknown	2,500	258	0.2	10.3	1,728	69.1	514	20.6
Total AA	**235,461**	**133,580**	**100.0**	**56.7**	**79,136**	**33.6**	**22,745**	**9.7**
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	527	2.7	471	2.7	56	2.8	0	0.0
Moderate	4,485	23.3	3,939	23.0	526	26.7	20	15.5
Middle	7,246	37.7	6,459	37.7	725	36.8	62	48.1
Upper	6,339	33.0	5,744	33.5	549	27.9	46	35.7
Unknown	630	3.3	517	3.0	112	5.7	1	0.8
Total AA	**19,227**	**100.0**	**17,130**	**100.0**	**1,968**	**100.0**	**129**	**100.0**
Percentage of Total Businesses:				**89.1**		**10.2**		**0.7**
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2	0.5	2	0.5	0	0.0	0	0.0
Moderate	20	4.6	20	4.6	0	0.0	0	0.0
Middle	237	54.4	234	54.3	3	60.0	0	0.0
Upper	174	39.9	172	39.9	2	40.0	0	0.0
Unknown	3	0.7	3	0.7	0	0.0	0	0.0
Total AA	**436**	**100.0**	**431**	**100.0**	**5**	**100.0**	**0**	**0.0**
Percentage of Total Farms:				**98.9**		**1.1**		**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.

Table C-2

2022 Wichita Metropolitan AA Demographics									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low	8	5.6	4,447	3.3	1,641	36.9	27,126	20.0	
Moderate	42	29.6	32,267	23.8	5,618	17.4	25,492	18.8	
Middle	56	39.4	56,689	41.8	3,605	6.4	28,996	21.4	
Upper	34	23.9	41,697	30.8	1,127	2.7	53,967	39.8	
Unknown	2	1.4	481	0.4	185	38.5	0	0.0	
Total AA	**142**	**100.0**	**135,581**	**100.0**	**12,176**	**9.0**	**135,581**	**100.0**	
	Housing Units by Tract	Housing Type by Tract							
		Owner-occupied			Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit	
Low	10,363	2,579	1.9	24.9	5,645	54.5	2,139	20.6	
Moderate	68,090	26,791	20.1	39.3	31,830	46.7	9,469	13.9	
Middle	94,254	59,296	44.4	62.9	27,989	29.7	6,969	7.4	
Upper	60,254	44,656	33.4	74.1	11,944	19.8	3,654	6.1	
Unknown	2,500	258	0.2	10.3	1,728	69.1	514	20.6	
Total AA	**235,461**	**133,580**	**100.0**	**56.7**	**79,136**	**33.6**	**22,745**	**9.7**	
	Total Businesses by Tract		Businesses by Tract & Revenue Size						
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%	
Low	534	2.7	475	2.7	59	3.0	0	0.0	
Moderate	4,495	22.8	3,949	22.5	525	26.3	21	15.7	
Middle	7,416	37.6	6,625	37.7	731	36.6	60	44.8	
Upper	6,564	33.3	5,946	33.8	567	28.4	51	38.1	
Unknown	697	3.5	580	3.3	115	5.8	2	1.5	
Total AA	**19,706**	**100.0**	**17,575**	**100.0**	**1,997**	**100.0**	**134**	**100.0**	
Percentage of Total Businesses:				**89.2**		**10.1**		**0.7**	
	Total Farms by Tract		Farms by Tract & Revenue Size						
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%	
Low	1	0.2	1	0.2	0	0.0	0	0.0	
Moderate	20	4.5	20	4.6	0	0.0	0	0.0	
Middle	238	54.0	236	54.0	2	50.0	0	0.0	
Upper	179	40.6	177	40.5	2	50.0	0	0.0	
Unknown	3	0.7	3	0.7	0	0.0	0	0.0	
Total AA	**441**	**100.0**	**437**	**100.0**	**4**	**100.0**	**0**	**0.0**	
Percentage of Total Farms:				**99.1**		**0.9**		**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.

Cowley County AA

Table C-3

2023 Cowley County AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,660	19.2
Moderate	3	27.3	1,865	21.5	281	15.1	1,872	21.6
Middle	6	54.5	4,968	57.4	578	11.6	1,867	21.6
Upper	2	18.2	1,824	21.1	40	2.2	3,258	37.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**11**	**100.0**	**8,657**	**100.0**	**899**	**10.4**	**8,657**	**100.0**
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	4,099	1,923	20.4	46.9	1,514	36.9	662	16.2
Middle	9,470	5,388	57.1	56.9	2,589	27.3	1,493	15.8
Upper	2,654	2,124	22.5	80.0	262	9.9	268	10.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	**16,223**	**9,435**	**100.0**	**58.2**	**4,365**	**26.9**	**2,423**	**14.9**
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	412	39.5	369	39.3	37	44.6	6	27.3
Middle	469	44.9	425	45.3	32	38.6	12	54.5
Upper	163	15.6	145	15.4	14	16.9	4	18.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**1,044**	**100.0**	**939**	**100.0**	**83**	**100.0**	**22**	**100.0**
Percentage of Total Businesses:				**89.9**		**8.0**		**2.1**
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	2	2.0	2	2.0	0	0.0	0	0.0
Middle	73	73.0	73	73.7	0	0.0	0	0.0
Upper	25	25.0	24	24.2	1	100.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**100**	**100.0**	**99**	**100.0**	**1**	**100.0**	**0**	**0.0**
Percentage of Total Farms:				**99.0**		**1.0**		**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.

Table C-4

2022 Cowley County AA Demographics

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,660	19.2
Moderate	3	27.3	1,865	21.5	281	15.1	1,872	21.6
Middle	6	54.5	4,968	57.4	578	11.6	1,867	21.6
Upper	2	18.2	1,824	21.1	40	2.2	3,258	37.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**11**	**100.0**	**8,657**	**100.0**	**899**	**10.4**	**8,657**	**100.0**

	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	4,099	1,923	20.4	46.9	1,514	36.9	662	16.2
Middle	9,470	5,388	57.1	56.9	2,589	27.3	1,493	15.8
Upper	2,654	2,124	22.5	80.0	262	9.9	268	10.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	**16,223**	**9,435**	**100.0**	**58.2**	**4,365**	**26.9**	**2,423**	**14.9**

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	417	39.2	373	38.9	38	45.8	6	27.3
Middle	477	44.9	433	45.2	32	38.6	12	54.5
Upper	169	15.9	152	15.9	13	15.7	4	18.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**1,063**	**100.0**	**958**	**100.0**	**83**	**100.0**	**22**	**100.0**
Percentage of Total Businesses:				**90.1**		**7.8**		**2.1**

	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	2	2.0	2	2.0	0	0.0	0	0.0
Middle	73	73.0	73	73.7	0	0.0	0	0.0
Upper	25	25.0	24	24.2	1	100.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**100**	**100.0**	**99**	**100.0**	**1**	**100.0**	**0**	**0.0**
Percentage of Total Farms:				**99.0**		**1.0**		**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.

Northeast Oklahoma AA

Table C-5

2023 Northeast Oklahoma AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	2,909	18.3
Moderate	4	22.2	2,560	16.1	579	22.6	2,625	16.6
Middle	10	55.6	8,914	56.2	975	10.9	2,904	18.3
Upper	4	22.2	4,382	27.6	186	4.2	7,418	46.8
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**18**	**100.0**	**15,856**	**100.0**	**1,740**	**11.0**	**15,856**	**100.0**
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	5,439	2,183	12.5	40.1	2,018	37.1	1,238	22.8
Middle	16,212	10,068	57.4	62.1	3,832	23.6	2,312	14.3
Upper	6,977	5,281	30.1	75.7	1,122	16.1	574	8.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	**28,628**	**17,532**	**100.0**	**61.2**	**6,972**	**24.4**	**4,124**	**14.4**
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	624	29.3	560	28.6	58	40.3	6	24.0
Middle	845	39.7	787	40.2	42	29.2	16	64.0
Upper	659	31.0	612	31.2	44	30.6	3	12.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**2,128**	**100.0**	**1,959**	**100.0**	**144**	**100.0**	**25**	**100.0**
Percentage of Total Businesses:				**92.1**		**6.8**		**1.2**
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	18	23.4	18	23.4	0	0.0	0	0.0
Middle	46	59.7	46	59.7	0	0.0	0	0.0
Upper	13	16.9	13	16.9	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**77**	**100.0**	**77**	**100.0**	**0**	**0.0**	**0**	**0.0**
Percentage of Total Farms:				**100.0**		**0.0**		**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.

Table C-6

2022 Northeast Oklahoma AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	2,909	18.3
Moderate	4	22.2	2,560	16.1	579	22.6	2,625	16.6
Middle	10	55.6	8,914	56.2	975	10.9	2,904	18.3
Upper	4	22.2	4,382	27.6	186	4.2	7,418	46.8
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**18**	**100.0**	**15,856**	**100.0**	**1,740**	**11.0**	**15,856**	**100.0**
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	5,439	2,183	12.5	40.1	2,018	37.1	1,238	22.8
Middle	16,212	10,068	57.4	62.1	3,832	23.6	2,312	14.3
Upper	6,977	5,281	30.1	75.7	1,122	16.1	574	8.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	**28,628**	**17,532**	**100.0**	**61.2**	**6,972**	**24.4**	**4,124**	**14.4**
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	640	28.7	576	28.0	58	40.0	6	25.0
Middle	889	39.9	830	40.3	44	30.3	15	62.5
Upper	698	31.3	652	31.7	43	29.7	3	12.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**2,227**	**100.0**	**2,058**	**100.0**	**145**	**100.0**	**24**	**100.0**
Percentage of Total Businesses:				**92.4**		**6.5**		**1.1**
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	18	21.4	18	21.4	0	0.0	0	0.0
Middle	49	58.3	49	58.3	0	0.0	0	0.0
Upper	17	20.2	17	20.2	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**84**	**100.0**	**84**	**100.0**	**0**	**0.0**	**0**	**0.0**
Percentage of Total Farms:				**100.0**		**0.0**		**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 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 subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet 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; or, activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income geographies.

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

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

Full-scope review: Performance is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that 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 the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and 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 refinancings 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.

Limited-scope review: Performance is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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.

Nonmetropolitan area (NonMSA): Any area that is not located within an MSA.

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. For these institutions, no state ratings will be received unless the bank also maintains deposit facilities outside of the multistate metropolitan area. CRA activity is captured in either a state rating or a multistate metropolitan area rating, but not both.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. 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 Consolidated Reports of Condition and Income (Call Report) instructions. 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 more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.