



PUBLIC DISCLOSURE

September 30, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Heritage Bank
RSSD# 3120897

3024 Southwest Wanamaker Road
Topeka, Kansas 66614

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.

TABLE OF CONTENTS

Institution's Community Reinvestment Act Rating	2
Scope of Examination	2
Description of Institution	3
Description of Assessment Area	4
Conclusions With Respect to Performance Criteria	6
Fair Lending or Other Illegal Credit Practices Review	11
Appendix A – Map of the Assessment Area	12
Appendix B – Demographic Information	13
Appendix C – Additional Lending Tables.....	17
Appendix D – Glossary.....	18

INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

Heritage Bank (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria:

- 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 AA.
- A reasonable distribution of loans occurs throughout the bank's AA.
- 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.

SCOPE OF EXAMINATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for 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 within the bank's Topeka Metropolitan AA using a full-scope review. Examiners reviewed the following data:

- The bank's 15-quarter average NLTD ratio,
- A statistical sample of 66 small business loans selected from a universe of 97 loans originated between January 1, 2023, and December 31, 2023; and
- A statistical sample of 48 home mortgage loans selected from a universe of 63 loans originated between November 17, 2020, and December 31, 2023.

In addition, available aggregate data for the most recent three years (2020, 2021, and 2022) was referenced for additional perspective to gauge credit demand within the bank's AA. For this evaluation, the bank's small business lending was given greater weight in the analysis given the number of loan originations and the bank's loan portfolio composition. Furthermore, greater consideration was given to the volume of loan originations rather than the dollar amount, as it is considered more representative of the number of entities served.

While the evaluation assessed home mortgage lending over a four-year period between 2020 and 2023, loan data was assessed for two separate time periods for the geographic and borrower distribution analyses based on changes to American Community Survey (ACS) data during the evaluation period. Loan data for 2020 and 2021 were combined and evaluated aggregately, as was loan data for 2022 and 2023. All loans from the sample were reviewed, however, greater emphasis was placed on the more recent lending from 2022 to 2023 given the greater volume of lending during this period.

DESCRIPTION OF INSTITUTION

Heritage Bank is a community bank headquartered in Topeka, Kansas. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Heritage Bancshares, Inc., which is also located in Topeka, Kansas.
- The bank has total assets of \$120.4 million as of March 31, 2024.
- The bank operates from a single location in Topeka, Kansas. The location has one automated teller machine on site.
- 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 March 31, 2024		
Loan Type	\$(000)	%
Construction and Land Development	13,242	13.5
Farmland	3,537	3.6
1- to 4-Family Residential Real Estate	27,701	28.3
Multifamily Residential Real Estate	5,565	5.7
Nonfarm Nonresidential Real Estate	30,377	31.0
Agricultural	0	0.0
Commercial and Industrial	15,544	15.9
Consumer	1,864	1.9
Other	72	0.1
Gross Loans	97,902	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

The bank was rated Satisfactory under the CRA at its November 16, 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.

DESCRIPTION OF ASSESSMENT AREA

The bank's Topeka Metropolitan AA consists of the entirety of Shawnee County (see Appendix A for an AA map and Appendix B for additional demographic data).

- The AA delineation remains unchanged since the prior evaluation.
- The AA is comprised of 46 census tracts 4 low-, 11 moderate-, 22 middle-, and 9 upper-income census tracts. Since the previous evaluation, the AA increased by a total of three census tracts, which includes a decrease of one low-, and two upper-income census tracts, and an increase of one moderate-, and five middle-income census tracts.
- According to the June 30, 2023, FDIC Summary of Deposits Market Share Reports, the bank has a market share of 1.8 percent, ranking 13th out of 19 institutions operating from 61 offices in the AA.
- A member of the community was interviewed to ascertain relevant area credit needs, the responsiveness of area banks in meeting those credit needs, and local economic conditions. The community member represents an organization with knowledge of the community and business development needs of the area.

Table 2

Population Change Assessment Area: Topeka Metropolitan			
Area	2015 Population	2020 Population	Percent Change
Topeka Metropolitan	178,792	178,909	0.1
Topeka, KS MSA	234,167	233,152	(0.4)
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			

- As noted in Table 2, the Topeka Metropolitan AA represents 6.1 percent of the entire state of Kansas' population.
- The AA is primarily urban in nature with the city of Topeka, Kansas at its center. Less populated rural areas are located north, west, and south of the city.

Table 3

Median Family Income Change Assessment Area: Topeka Metropolitan			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Topeka Metropolitan	70,874	75,612	6.7
Topeka, KS MSA	71,000	75,758	6.7
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.			

- The AA and the state of Kansas have seen a stable median family income (MFI) increase, as MFI increased 6.7 percent and 7.0 percent respectively.
- The AA has a comparable amount of LMI families at 37.0 percent, to the state of Kansas at 36.0 percent.

Table 4

Housing Cost Burden Assessment Area: Topeka Metropolitan						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Topeka Metropolitan	77.8	31.2	40.7	59.8	21.3	13.8
Topeka, KS MSA	75.1	28.4	39.1	60.2	22.5	14.6
Kansas	73.6	27.8	38.2	57.4	24.8	15.4
Cost Burden is housing cost that equals 30 percent or more of household income.						
Source: U.S. Department of Housing and Urban Development (HUD), 2016-2020 Comprehensive Housing Affordability Strategy						

- The percentage of rental units in the AA's low-income census tracts is significantly higher than the percent of owner-occupied units. Rental units located in low-income census tracts represent 49.0 percent of housing compared to owner-occupied units, at 33.1 percent, and vacant units at 17.9 percent.
- The median housing value in the AA is lower than the median housing value for the state of Kansas, at \$135,054 to \$157,600 respectively.

Table 5

Unemployment Rates					
Assessment Area: Topeka Metropolitan					
Area	2018	2019	2020	2021	2022
Topeka Metropolitan	3.5	3.4	5.8	3.2	2.7
Topeka, KS MSA	3.5	3.4	5.6	3.1	2.7
Kansas	3.4	3.3	5.8	3.3	2.7
<i>Source: Bureau of Labor Statistics: Local Area Unemployment Statistics</i>					

- During the evaluation period, unemployment rates in the AA remained consistent with the statewide figures for Kansas. A slight increase was noted in 2020 as a result of the Coronavirus Disease 2019 pandemic.
- The community member stated that major industries in the AA include government, warehouse, and the healthcare industries.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank's overall lending test performance is Satisfactory. This conclusion was reached based on a reasonable NLTD ratio, a majority of loans originated within the bank's AA, a reasonable geographic distribution of loans, and a reasonable borrower distribution of loans. Additionally, performance context was considered when evaluating the bank's lending performance.

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank's average NLTD ratio to determine the reasonableness of lending considering 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, loan portfolio composition, market conditions, and geographic proximity.

The bank's NLTD ratio is reasonable. The bank's 15-quarter average NLTD ratio fell within the range of four similarly situated institutions with ratios ranging from 52.0 percent to 89.4 percent.

Table 6

Comparative NLTD Ratios September 30, 2020 – March 31, 2024			
Institution	Location	Asset Size \$(000)	NLTD Ratio (%)
			15 Quarter Average
Heritage Bank	Topeka, KS	120,359	86.4
Similarly Situated Institutions			
Fidelity State Bank & Trust	Topeka, KS	158,491	52.0
Stockgrowers Bank	Maple Hill, KS	110,190	81.3
Community Bank	Topeka, KS	159,068	89.4
Alliance Bank	Topeka, KS	148,904	72.6

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. As illustrated on Table 7, the bank originated a majority of loans, by number and dollar, inside the AA.

Table 7

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%
Residential Loans	41	85.4	7,753	74.1	7	14.6	2,711	25.9
Small Business	54	81.8	7,468	62.9	12	18.2	4,407	37.1
Total Loans	95	83.3	15,222	68.1	19	16.7	7,118	31.9

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 AA by income level of census tracts with consideration given to the dispersion of loans throughout the AA. The bank's geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion throughout the AA. While some gaps or lapses in lending were identified within the AAs, this was explained by performance context as described within the individual sections below.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. The distribution of home mortgage lending in the low-income census tracts is below the demographic figure, which represents the percentage of owner-occupied units, and comparable in the moderate-income census tracts. Three-year aggregate lending data from institutions required to report Home Mortgage Disclosure Act (HMDA) data was referenced to augment the evaluation and reflected lending in the bank's AA at 2.6 percent by number

in low-income census tracts and 15.6 percent by number in the moderate-income census tracts. While these figures are not direct comparators, as the bank does not report HMDA lending data, these figures indicate limited demand for home mortgage lending in the AA's low-income census tracts.

While the bank did not originate any loans in low-income census tracts, these census tracts are primarily located near downtown Topeka and have limited lending opportunity. The percentage of rental units in low-income census tracts are significantly higher than the percent of owner-occupied units. Rental units for low-income census tracts in the AA is 49.0 percent compared to owner-occupied units, at 33.1 percent, and vacant units at 17.9 percent. Furthermore, the bank is not located near the majority of LMI census tracts in the AA, which contain other lending institutions in the immediate area. The distribution of home mortgage lending in 2020-2021 was consistent with 2022-2023 lending patterns.

An evaluation of the bank's loan dispersion of home mortgage loans among geographies of different income levels was conducted. While there were some conspicuous gaps or lapses in lending, this did not impact the overall conclusion. Considering the bank's distance to LMI census tracts, as well as more closely situated lending competition in the AA's LMI census tracts, the bank's performance is reasonable.

Table 8

Distribution of 2022 and 2023 Residential Lending By Income Level of Geography Assessment Area: Topeka Metropolitan									
Geographic Income Level	Bank Loans By Year								Owner Occupied Units %
	2022				2023				
	#	#%	\$(000)	%	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0	4.1
Moderate	1	12.5	59	4.1	2	11.8	896	24.5	16.2
Middle	3	37.5	164	11.3	8	47.1	1,423	38.9	47.4
Upper	4	50.0	1,225	84.6	7	41.2	1,337	36.6	32.3
Unknown	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	
Total	8	100.0	1,448	100.0	17	100.0	3,655	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. As illustrated in Table 9, the bank's lending was below the demographic figure, which represents the percentage of total businesses operating in each respective census tract, for both low- and moderate-income census tracts. The distance between the bank's office and the LMI

census tracts in the AA, coupled with the amount of banking competition in the Topeka Metropolitan AA attributed to the bank's low lending levels.

Three-year aggregate lending data from institutions required to report CRA small business data was referenced to augment the evaluation and reflected lending in the bank's AA at 8.7 percent by number in low-income census tracts and 19.5 percent by number in moderate-income census tracts. While these figures are not direct comparators, as the bank does not report CRA small business lending data, these figures are relevant as a proxy to ascertain demand for credit.

An evaluation of the bank's loan dispersion of small business loans among geographies of different income levels was conducted. While there were some conspicuous gaps or lapses in lending, they did not impact the overall conclusion. Considering the bank's distance to LMI census tracts, as well as more closely situated lending competition in the AA's LMI census tracts, the bank's performance is reasonable.

Table 9

Distribution of 2023 Small Business Lending By Income Level of Geography					
Assessment Area: Topeka Metropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	6.7
Moderate	9	16.7	1,617	21.7	26.9
Middle	22	40.7	3,608	48.3	41.8
Upper	23	42.6	2,243	30.0	24.6
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	54	100.0	7,468	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

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 a reasonable distribution among individuals of different income levels and businesses of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. Bank lending is comparable to the demographic figure, which represents the percentage of families by income level, for both low- and moderate-income borrowers.

The borrower distribution of 2020-2021 home mortgage lending is consistent with 2022-2023 lending patterns.

Table 10

Distribution of 2022 and 2023 Residential Lending By Borrower Income Level									
Assessment Area: Topeka Metropolitan									
Borrower Income Level	Bank Loans By Year								Families by Family Income %
	2022				2023				
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%	
Low	2	25.0	164	11.3	3	17.6	402	11.0	18.6
Moderate	1	12.5	29	2.0	3	17.6	345	9.4	18.4
Middle	1	12.5	340	23.5	6	35.3	1,815	49.7	23.7
Upper	4	50.0	916	63.3	4	23.5	803	22.0	39.3
Unknown	0	0.0	0	0.0	1	5.9	290	7.9	0.0
Total	8	100.0	1,448	100.0	17	100.0	3,655	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 borrower distribution of small business lending is reasonable. The bank's lending to businesses with gross annual revenues of \$1 million or less was below the demographic figure, which represents the percentage of total business in the AA by revenue size. The three-year average aggregate lending data from institutions required to report CRA small data was referenced to augment the evaluation and reflected lending to businesses with gross annual revenue of \$1 million or less at 43.0 percent by number in the bank's AA. While these figures are not direct comparators, as the bank does not report CRA small business lending data, they are useful as a proxy to ascertain demand for credit.

Additionally, 80.7 percent of loans to businesses to businesses with gross annual revenues of \$1 million or less were in amounts of \$250,000 or less, which are amounts typically associated with the credit demands of smaller business entities and further demonstrates the bank's willingness to meet the needs of small businesses.

Table 11

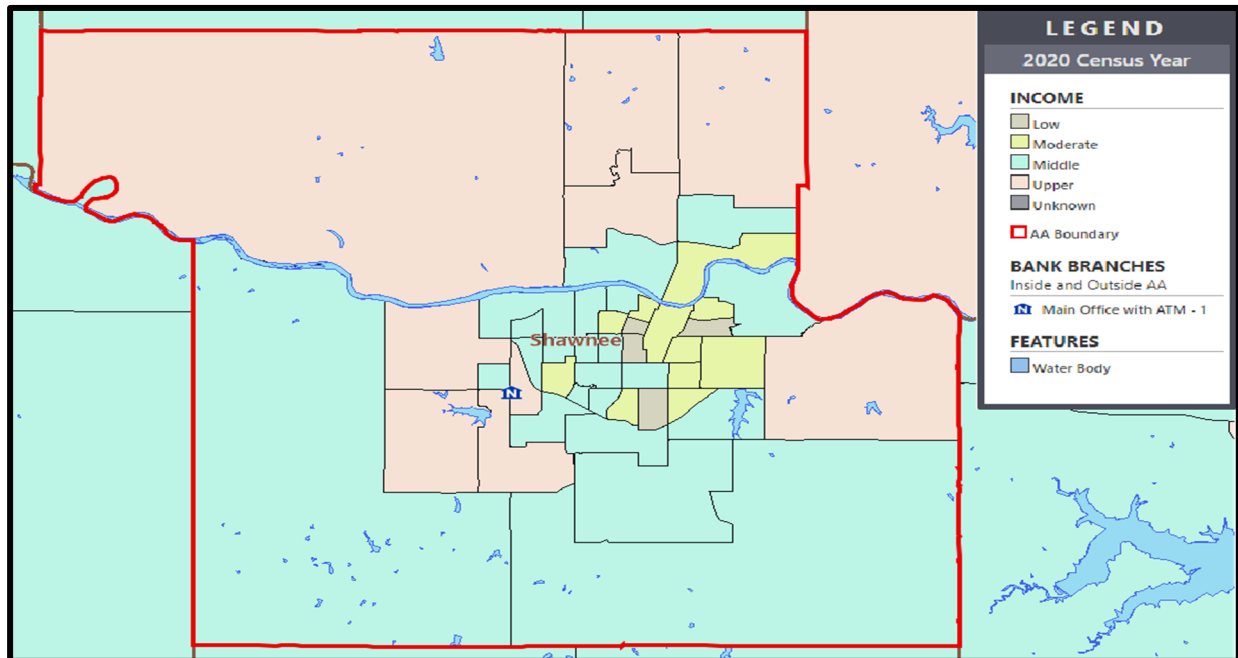
Distribution of 2023 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Topeka Metropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
By Revenue					
\$1 Million or Less	31	57.4	5,133	68.7	88.1
Over \$1 Million	20	37.0	1,991	26.7	10.5
Revenue Unknown	3	5.6	345	4.6	1.4
Total	54	100.0	7,468	100.0	100.0
By Loan Size					
\$100,000 or Less	34	63.0	1,726	23.1	
\$100,001 - \$250,000	12	22.2	1,876	25.1	
\$250,001 - \$1 Million	8	14.8	3,867	51.8	
Total	54	100.0	7,468	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	15	48.4	765	14.9	
\$100,001 - \$250,000	10	32.3	1,476	28.8	
\$250,001 - \$1 Million	6	19.4	2,892	56.3	
Total	31	100.0	5,133	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.					

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

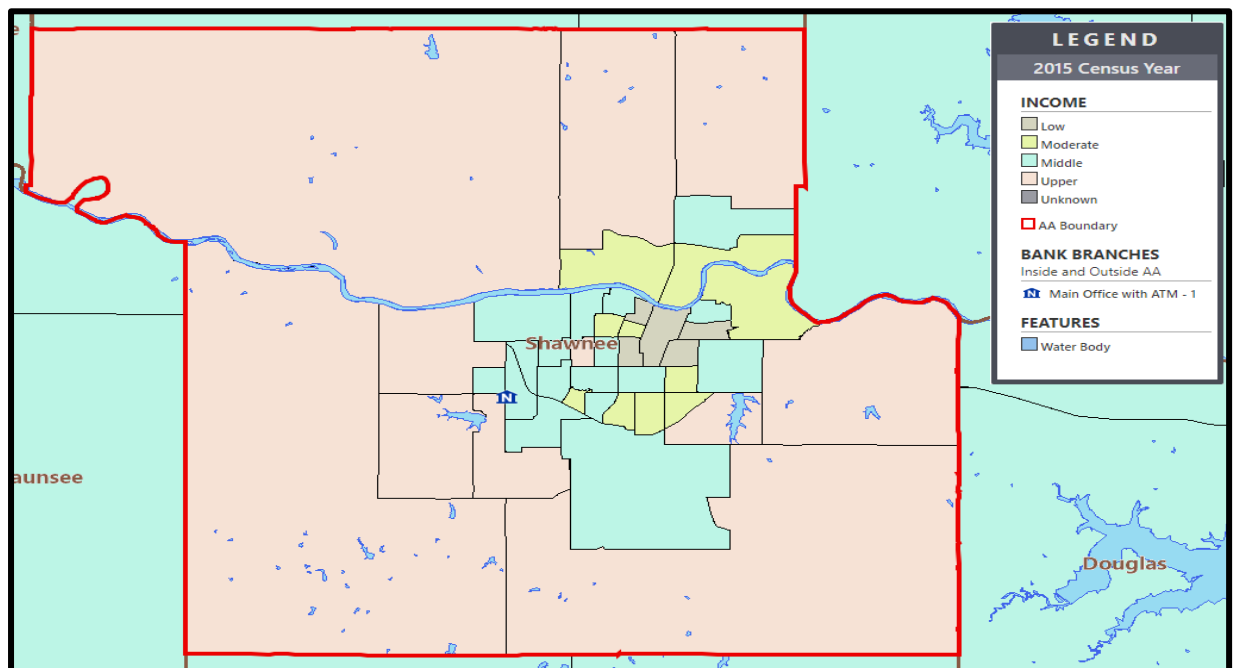
Compliance with the substantive provisions of antidiscrimination and other consumer protection laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act, was considered as part of this CRA evaluation. No evidence of a pattern or practice of discrimination on a prohibited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

APPENDIX A – MAP OF THE ASSESSMENT AREA

Map A-1
2022 – 2023



Map A-2
2020 – 2021



APPENDIX B – DEMOGRAPHIC INFORMATION

Table B-1

2023 Topeka Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	4	8.7	2,602	5.7	507	19.5	8,430	18.6
Moderate	11	23.9	9,153	20.2	1,165	12.7	8,365	18.4
Middle	22	47.8	20,218	44.6	1,361	6.7	10,748	23.7
Upper	9	19.6	13,366	29.5	358	2.7	17,796	39.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	46	100.0	45,339	100.0	3,391	7.5	45,339	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	6,001	1,988	4.1	33.1	2,938	49.0	1,075	17.9
Moderate	18,071	7,824	16.2	43.3	7,827	43.3	2,420	13.4
Middle	36,614	22,940	47.4	62.7	10,846	29.6	2,828	7.7
Upper	19,440	15,611	32.3	80.3	2,988	15.4	841	4.3
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	80,126	48,363	100.0	60.4	24,599	30.7	7,164	8.9
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	407	6.7	341	6.3	64	10.0	2	2.3
Moderate	1,642	26.9	1,367	25.4	219	34.3	56	63.6
Middle	2,552	41.8	2,286	42.5	247	38.7	19	21.6
Upper	1,498	24.6	1,379	25.7	108	16.9	11	12.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6,099	100.0	5,373	100.0	638	100.0	88	100.0
Percentage of Total Businesses:				88.1		10.5		1.4
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1	1.0	1	1.0	0	0.0	0	0.0
Moderate	5	4.9	5	4.9	0	0.0	0	0.0
Middle	48	47.1	48	47.1	0	0.0	0	0.0
Upper	48	47.1	48	47.1	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	102	100.0	102	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 B-2

2022 Topeka Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	4	8.7	2,602	5.7	507	19.5	8,430	18.6
Moderate	11	23.9	9,153	20.2	1,165	12.7	8,365	18.4
Middle	22	47.8	20,218	44.6	1,361	6.7	10,748	23.7
Upper	9	19.6	13,366	29.5	358	2.7	17,796	39.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	46	100.0	45,339	100.0	3,391	7.5	45,339	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	6,001	1,988	4.1	33.1	2,938	49.0	1,075	17.9
Moderate	18,071	7,824	16.2	43.3	7,827	43.3	2,420	13.4
Middle	36,614	22,940	47.4	62.7	10,846	29.6	2,828	7.7
Upper	19,440	15,611	32.3	80.3	2,988	15.4	841	4.3
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	80,126	48,363	100.0	60.4	24,599	30.7	7,164	8.9
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	418	6.7	354	6.4	62	9.6	2	2.3
Moderate	1,653	26.5	1,372	24.9	224	34.6	57	64.8
Middle	2,633	42.2	2,365	43.0	250	38.6	18	20.5
Upper	1,530	24.5	1,408	25.6	111	17.2	11	12.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6,234	100.0	5,499	100.0	647	100.0	88	100.0
Percentage of Total Businesses:				88.2		10.4		1.4
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1	1.0	1	1.0	0	0.0	0	0.0
Moderate	6	5.8	6	5.8	0	0.0	0	0.0
Middle	48	46.2	48	46.2	0	0.0	0	0.0
Upper	49	47.1	49	47.1	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	104	100.0	104	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.								

Table B-3

2021 Topeka Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	5	11.6	2,843	6.4	1,082	38.1	9,270	20.8
Moderate	10	23.3	7,609	17.0	1,658	21.8	7,684	17.2
Middle	17	39.5	17,221	38.6	1,626	9.4	9,724	21.8
Upper	11	25.6	16,981	38.0	322	1.9	17,976	40.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	43	100.0	44,654	100.0	4,688	10.5	44,654	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	7,169	2,100	4.6	29.3	3,619	50.5	1,450	20.2
Moderate	16,341	7,040	15.3	43.1	6,793	41.6	2,508	15.3
Middle	32,638	17,947	39.1	55.0	11,695	35.8	2,996	9.2
Upper	23,277	18,786	41.0	80.7	3,388	14.6	1,103	4.7
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	79,425	45,873	100.0	57.8	25,495	32.1	8,057	10.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	975	15.3	769	13.7	153	23.4	53	57.6
Moderate	1,236	19.4	1,069	19.0	163	25.0	4	4.3
Middle	2,528	39.7	2,260	40.2	251	38.4	17	18.5
Upper	1,630	25.6	1,526	27.1	86	13.2	18	19.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6,369	100.0	5,624	100.0	653	100.0	92	100.0
Percentage of Total Businesses:				88.3		10.3		1.4
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	2	1.8	2	1.8	0	0.0	0	0.0
Moderate	9	8.0	9	8.0	0	0.0	0	0.0
Middle	18	15.9	18	15.9	0	0.0	0	0.0
Upper	84	74.3	84	74.3	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	113	100.0	113	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table B-4

2020 Topeka Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	5	11.6	2,843	6.4	1,082	38.1	9,270	20.8
Moderate	10	23.3	7,609	17.0	1,658	21.8	7,684	17.2
Middle	17	39.5	17,221	38.6	1,626	9.4	9,724	21.8
Upper	11	25.6	16,981	38.0	322	1.9	17,976	40.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	43	100.0	44,654	100.0	4,688	10.5	44,654	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	7,169	2,100	4.6	29.3	3,619	50.5	1,450	20.2
Moderate	16,341	7,040	15.3	43.1	6,793	41.6	2,508	15.3
Middle	32,638	17,947	39.1	55.0	11,695	35.8	2,996	9.2
Upper	23,277	18,786	41.0	80.7	3,388	14.6	1,103	4.7
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	79,425	45,873	100.0	57.8	25,495	32.1	8,057	10.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	988	15.1	783	13.6	152	22.4	53	58.2
Moderate	1,276	19.5	1,102	19.1	169	24.9	5	5.5
Middle	2,588	39.6	2,304	40.0	269	39.6	15	16.5
Upper	1,679	25.7	1,571	27.3	90	13.2	18	19.8
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6,531	100.0	5,760	100.0	680	100.0	91	100.0
Percentage of Total Businesses:				88.2		10.4		1.4
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2	1.7	2	1.7	0	0.0	0	0.0
Moderate	8	6.8	8	6.8	0	0.0	0	0.0
Middle	19	16.2	19	16.2	0	0.0	0	0.0
Upper	88	75.2	88	75.2	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	117	100.0	117	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX C – ADDITIONAL LENDING TABLES

Table C-1

Distribution of 2020 and 2021 Residential Lending By Income Level of Geography Assessment Area: Topeka Metropolitan									
Geographic Income Level	Bank Loans By Year								Owner Occupied Units %
	2020				2021				
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	1	6.7	90	4.1	4.6
Moderate	0	0.0	0	0.0	1	6.7	50	2.3	15.3
Middle	1	100.0	434	100.0	7	46.7	1,052	47.5	39.1
Upper	0	0.0	0	0.0	6	40.0	1,024	46.2	41.0
Unknown	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	
Total	1	100.0	434	100.0	15	100.0	2,216	100.0	100.0
Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.									

Table C-2

Distribution of 2020 and 2021 Residential Lending By Borrower Income Level Assessment Area: Topeka Metropolitan									
Borrower Income Level	Bank Loans By Year								Families by Family Income %
	2020				2021				
	#	#%	\$(000)	%	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	2	13.3	185	8.3	20.8
Moderate	0	0.0	0	0.0	5	33.3	890	40.2	17.2
Middle	0	0.0	0	0.0	2	13.3	528	23.8	21.8
Upper	1	100.0	434	100.0	6	40.0	612	27.6	40.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Total	1	100.0	434	100.0	15	100.0	2,216	100.0	100.0
Source: 2021 FFIEC Census Data 2011-2015 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.