PUBLIC DISCLOSURE

December 8, 2025

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

Anchor D Bank
RSSD# 327556

222 West Main Street
Texhoma, Oklahoma 73949

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

TABLE OF CONTENTS

INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

Anchor D 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 areas (AAs) credit needs.
- A majority of the bank's loans are originated inside the AAs.
- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects an excellent distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses and farms 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. 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. Lending performance was assessed within the bank's two AAs. The Oklahoma Panhandle AA and Texas Panhandle AA were each assessed using a full-scope review**.** Examiners reviewed the following data:

- The bank's 17-quarter average NLTD ratio;
- A statistical sample of loans originated between a review period of January 1, 2024 through December 31, 2024:
  - 97 small business loans selected from a universe of 184 loans.
  - 110 small farm loans selected from a universe of 240 loans; and,
  - 108 motor vehicle loans selected from a universe of 230 loans.

The bank's small farm lending was given greater weight in the analysis as this product remains a primary focus of the bank's strategy. Additionally, greater consideration was given to the volume of loan originations rather than the dollar amount, as it is more representative of the number of individuals and entities served. Lastly, in determining the overall institution rating, the bank's performance in the state of Oklahoma received greater weight than the state of Texas based on the overall distribution of total loans, deposits, and banking offices located within each respective state.

DESCRIPTION OF INSTITUTION

Anchor D Bank is a community bank headquartered in Texhoma, Oklahoma. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Texhoma Bancshares, Inc.
- The bank has total assets of $366.6 million as of June 30, 2025.
- In addition to its main office in Texhoma, the bank operates three additional full-service offices located in Goodwell and Guymon, Oklahoma, as well as a full-service office in Spearman, Texas.
- In total, the bank operates five cash-only automated teller machines (ATMs): one onsite ATM at the Guymon, Oklahoma branch and four standalone ATMs in Oklahoma.
- As shown in the table below, the bank's primary business focus is agricultural lending.

Table 1

Composition of Loan Portfolio as of June 30, 2025		
Loan Type	**$(000)**	**%**
Construction and Land Development	3,322	1.5
Farmland	35,768	16.4
1- to 4-Family Residential Real Estate	28,710	13.2
Multifamily Residential Real Estate	2,226	1.0
Nonfarm Nonresidential Real Estate	29,349	13.5
Agricultural	46,074	21.1
Commercial and Industrial	33,939	15.6
Consumer	7,157	3.3
Other	31,449	14.4
Gross Loans	**217,994**	**100.0**
Note: Percentages may not total 100.0 percent due to rounding.		

The bank was rated Satisfactory under the CRA at its September 27, 2021, 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 CRITERIA[1]

This performance evaluation first discusses the bank's overall performance, followed by an in-depth evaluation of performance in the state of Oklahoma/Oklahoma Panhandle AA and in the state of Texas/Texas Panhandle AA.

---

[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, multistate metropolitan areas, and assessment areas.

The bank's overall lending test performance is Satisfactory. This conclusion is based on a reasonable NLTD ratio, a majority of loans originated within the bank's AAs, a reasonable distribution of loans throughout the bank's Oklahoma Panhandle AA, as well as an excellent distribution of loans to individuals of different income levels and to businesses and farms of different revenue sizes. In determining the overall conclusion, equal weight was given to each of the performance criteria listed.

A review of three-year average CRA aggregate lending data for the most recent three years (2021, 2022, and 2023), as reported by the originating financial institutions in the AA, was referenced for additional perspective to gauge credit demand for small business and small farm credit. While not a direct comparison to the bank's performance, as the bank is not a CRA reporter, the aggregate loan data provides a relevant proxy to understand area lending performance considering local conditions and competition that may impact financial institutions originating loans in the AA.

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. Similarly situated institutions were selected based on asset size and loan portfolio composition. The bank's NLTD ratio is reasonable. The bank's 17-quarter NLTD ratio of 68.7 percent is comparable to the similarly situated institutions with ratios ranging from 40.5 percent to 86.0 percent.

Table 2

Comparative NLTD Ratios June 30, 2021 – June 30, 2025			
Institution	**Location**	**Asset Size $(000)**	**NLTD Ratio (%)**
			17-Quarter Average
Anchor D Bank	Texhoma, Oklahoma	366,593	68.7
Similarly Situated Institutions			
First State Bank	Stratford, Texas	348,182	56.4
Heritage Bank	Wood River, Nebraska	589,422	40.5
Heritage Bank of the Ozarks	Lebanon, Missouri	391,728	83.1
High Plains Bank	Okeene, Oklahoma	203,755	86.0
Panhandle First Bank	Guymon, Oklahoma	541,024	77.7

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

Loan Type	Inside				Outside			
	#	#%	$(000)	$%	#	#%	$(000)	$%
Motor Vehicle	94	87.0	1,180	82.9	14	13.0	243	17.1
Small Business	70	72.2	6,105	61.5	27	27.8	3,817	38.5
Small Farm	79	71.8	8,461	70.5	31	28.2	3,546	29.5
Total Loans	**243**	**77.1**	**15,746**	**67.4**	**72**	**22.9**	**7,606**	**32.6**
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 reasonable distribution among the different census tracts and dispersion throughout the AAs. This conclusion was derived from a reasonable geographic distribution in the state of Oklahoma. An analysis of the geographic distribution of lending in the state of Texas was not performed, as the bank's only AA within the state was comprised entirely of middle-income census tracts. In this instance, a meaningful analysis of geographic distribution cannot be conducted, as there are no low-, moderate-, or upper-income census tracts in the AA for comparative purposes.

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

This performance criterion evaluates the bank's lending to borrowers of different income levels and businesses and farms of different revenue sizes. The bank's lending has an overall excellent distribution among individuals of different income levels and businesses and farms of different sizes. This conclusion aligns with the performance noted in both the state of Oklahoma and the state of Texas.

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.

STATE OF OKLAHOMA / OKLAHOMA PANHANDLE AA
NONMETROPOLITAN AREA
(Full-Scope Review)

COMMUNITY INVESTMENT ACT RATING FOR OKLAHOMA: Satisfactory

This rating is based on the following conclusions with respect to the performance criteria:

- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects an excellent distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses and farms of different sizes.

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 bank's Oklahoma Panhandle AA, which is the only AA within the state; as such, the state performance conclusion mirrors the performance within the AA. The evaluation of lending within the AA included 44 small business, 51 small farm, and 71 motor vehicle loans, originated between January 1, 2024 and December 31, 2024.

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

The bank's Oklahoma Panhandle AA is comprised of Cimarron and Texas counties in their entireties. (see Appendix B for an AA map and Appendix C for additional demographic data).

- The AA has changed since the prior evaluation; previously, the AA was comprised of Cimarron and Texas Counties in Oklahoma, as well as Hansford and Sherman Counties in Texas. In February 2021, the bank converted its loan production office in Spearman, Texas to a full-service branch. As a result, the bank now delineates separate AAs in Oklahoma and Texas.
- The AA is comprised of eight census tracts, including one moderate-, four middle- and three-upper income census tracts. At the previous examination, the Oklahoma portion of the AA was comprised of seven census tracts, including six middle- and one upper-income census tracts.
- The AA contains the bank's main office as well as full-service branches in Goodwell, Oklahoma and Guymon, Oklahoma.
- In total, the bank operates five cash-only ATMs: one onsite cash-only ATM at the Guymon branch and four standalone cash-only ATMs.

- According to the June 30, 2025, FDIC Deposit Market Share Report, the bank held a deposit market share of 31.1 percent, which ranks 1st out of 5 FDIC-insured depository institutions operating from 9 offices within the AA.
- To further augment the CRA evaluation, one interview with a member of the community was conducted to ascertain the credit needs of the communities, the responsiveness of the area banks in meeting those credit needs, and the local economic conditions. The community member represented an educational organization that serves the AA.

Table 4

Population Change			
Assessment Area: Oklahoma Panhandle			
Area	2015 Population	2020 Population	Percent Change
Oklahoma Panhandle	23,929	23,680	(1.0)
Cimarron County, OK	2,341	2,296	(1.9)
Texas County, OK	21,588	21,384	(0.9)
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			

- According to the 2023 American Community Survey (ACS) five-year estimate data, the AA population is 23,127.
- The city of Guymon is the largest population center in the AA with a population of 12,596. Guymon accounts for 60.3 percent of Texas County's population and 54.5 percent of the AA population.
- The community member noted the Guymon area would benefit from having another local community bank that operates within the city. The community member named Anchor D Bank as particularly attentive to providing the banking options and level of service the community needs.

Table 5

	Median Family Income Change		
	Assessment Area: Oklahoma Panhandle		
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Oklahoma Panhandle	59,360	62,069	4.6
Cimarron County, OK	61,457	58,534	(4.8)
Texas County, OK	60,462	63,046	4.3
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.*			

- According to ACS five-year estimate data, the average median household income for Cimarron and Texas counties is $58,240.
- The percentage of families in the AA living at or below the poverty level, at 15.9 percent, is above other nonmetropolitan areas at 13.5 percent and the state of Oklahoma at 11.3 percent.

Table 6

	Housing Cost Burden					
	Assessment Area: Oklahoma Panhandle					
	Cost Burden – Renters			Cost Burden – Owners		
Area	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Oklahoma Panhandle	76.8	38.6	31.2	64.4	26.7	20.8
Cimarron County, OK	34.3	10.0	9.1	41.7	8.7	9.8
Texas County, OK	78.9	41.6	32.9	66.8	30.4	22.4
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: *U.S. Department of Housing and Urban Development (HUD), 2017-2021 Comprehensive Housing Affordability Strategy*						

- The median housing value in the AA of $109,474 is below the state of Oklahoma at $142,400 but aligned with other nonmetropolitan areas at $110,370.
- At 55 years, the median age of housing stock in the AA is above the state of Oklahoma at 41 years and other nonmetropolitan areas at 39 years.

Table 7

Unemployment Rates Assessment Area: Oklahoma Panhandle					
Area	2020	2021	2022	2023	2024
Oklahoma Panhandle	2.1	1.8	1.6	1.8	2.0
Cimarron County, OK	2.3	2.1	1.5	2.0	2.3
Texas County, OK	2.1	1.7	1.6	1.8	1.9
NonMSA Oklahoma	6.2	4.1	3.3	3.4	3.5
Oklahoma	6.3	4.0	3.0	3.2	3.3
Source: Bureau of Labor Statistics: Local Area Unemployment Statistics					

- The largest employers in the AA include Seaboard Foods, the City of Guymon, Panhandle Telephone Cooperative, Inc., and Memorial Hospital of Texas County.
- Primary industries within Cimarron County include agriculture, forestry, fishing and hunting, retail trade, and construction. The primary industries within Texas County include manufacturing, retail trade, and educational services.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN THE STATE OF OKLAHOMA / OKLAHOMA PANHANDLE ASSESSMENT AREA

The bank's overall lending test performance is satisfactory. This conclusion was based on a reasonable distribution of loans among geographies of different income levels, as well as a reasonable distribution among businesses of different sizes and an excellent distribution of loans among farms of different sizes and individuals of different income levels.

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 distribution of small business, small farm, and motor vehicle lending reflects reasonable penetration.

Small Business Lending

The geographic distribution of small business lending is reasonable. The concentration of small business lending in the AA's only moderate-income tract was comparable to the percentage of businesses operating in such tracts.

Additionally, an analysis of the dispersion of lending among the geographies of different income levels was conducted and did not reveal conspicuous gaps or lapses in lending.

Table 8

Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
Low	0	0.0	0	0.0	0.0
Moderate	1	2.3	500	28.9	2.3
Middle	26	59.1	540	31.3	65.6
Upper	17	38.6	688	39.8	32.0
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	44	100.0	1,728	100.0	100.0

Distribution of 2024 Small Business Lending By Income Level of Geography
Assessment Area: Oklahoma Panhandle

Source: 2024 FFIEC Census Data
          2024 Dun & Bradstreet Data
          2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

<u>Small Farm Lending</u>

The geographic distribution of small farm lending is reasonable. Overall, the bank's distribution of small farm loans generally aligns with the demographic makeup of the AA's census tracts. The bank did not originate a small farm loan in the AA's only moderate-income tract, which is located in the southeastern portion of Guymon. However, according to demographic data, less than one percent of farming operations are located in the moderate-income census tract, which represents very limited lending opportunity.

Additionally, an analysis of the dispersion of lending among the geographies of different income levels was conducted and did not reveal conspicuous gaps or lapses in lending.

Table 9

Geographic Income Level	Bank Loans				Total Farms %
	#	#%	$(000)	$%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0.8
Middle	32	62.7	2,504	52.9	55.5
Upper	19	37.3	2,231	47.1	43.7
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	51	100.0	4,735	100.0	100.0

Title row: Distribution of 2024 Small Farm Lending By Income Level of Geography — Assessment Area: Oklahoma Panhandle

Source: 2024 FFIEC Census Data
2024 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey

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

Motor Vehicle Lending

The geographic distribution of motor vehicle lending is reasonable. The bank did not originate a motor vehicle loan in the moderate-income census tract. Lending opportunity is limited given the AA's only moderate-income census tract contains a relatively small portion of the overall population within the tract. The bank's overall distribution of motor vehicle lending generally aligns with the demographics of the AA.

An analysis of the dispersion of lending among the geographies of different income levels was conducted. A conspicuous gap was identified but does not include any LMI tracts and does not impact the conclusion.

Table 10

Geographic Income Level	Bank Loans				Households %
	#	#%	$(000)	$%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	7.2
Middle	39	54.9	462	52.7	52.8
Upper	32	45.1	414	47.2	40.0
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	1	0.1	
Total	71	100.0	877	100.0	100.0

Distribution of 2024 Motor Vehicle Lending By Income Level of Geography
Assessment Area: Oklahoma Panhandle

Source: 2024 FFIEC Census 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 and Farms of Different Sizes

The bank's lending has an excellent distribution among individuals of different income levels and businesses and farms of different sizes. The distribution of small farm and motor vehicle lending reflects excellent penetration, while lending to small businesses reflects reasonable penetration levels.

Small Business Lending

The borrower distribution of small business lending is reasonable. The distribution of lending to businesses with revenues of $1 million or less (small businesses) was comparable to the percentage of small businesses operating in the AA (demographic). Additionally, approximately 97.7 percent of loans were in amounts of $100,000 or less, which is indicative of increments routinely requested by smaller business entities and further demonstrates the bank's responsiveness to AA credit needs.

Table 11

Distribution of 2024 Small Business Lending By Revenue Size of Businesses Assessment Area: Oklahoma Panhandle					
	Bank Loans				Total
	#	#%	$(000)	$%	Businesses %
By Revenue					
$1 Million or Less	39	88.6	1,016	58.8	87.0
Over $1 Million	5	11.4	712	41.2	9.5
Revenue Unknown	0	0.0	0	0.0	3.5
Total	44	100.0	1,728	100.0	100.0
By Loan Size					
$100,000 or Less	43	97.7	1,228	71.1	
$100,001 - $250,000	0	0.0	0	0.0	
$250,001 - $1 Million	1	2.3	500	28.9	
Total	44	100.0	1,728	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	39	100.0	1,016	100.0	
$100,001 - $250,000	0	0.0	0	0.0	
$250,001 - $1 Million	0	0.0	0	0.0	
Total	39	100.0	1,016	100.0	

Source: *2024 FFIEC Census Data*
        2024 Dun & Bradstreet Data
        2016-2020 U.S. Census Bureau: American Community Survey
Note: *Percentages may not total 100.0 percent due to rounding.*					

Small Farm Lending

The borrower distribution of small farm lending is excellent. The distribution of loans to farms with revenues of $1 million or less (small farms) was comparable to the percentage of small farms operating in the AA (demographic). However, 49 of 50 loans, or 98.0 percent of the bank's loans with known revenues, were originated to small farms and demonstrated excellent responsiveness to small farm credit needs. To further understand area credit demand, three-year average CRA aggregate data, as submitted by CRA reporters in the AA, was reviewed. According to the data, 41.9 percent of loans over the three-year period were extended to small farms, which indicates the bank's willingness to lend to small farms and further supports the bank's excellent performance.

Table 12

Distribution of 2024 Small Farm Lending By Revenue Size of Farms					
Assessment Area: Oklahoma Panhandle					
	Bank Loans				Total Farms %
	#	#%	$(000)	$%	
By Revenue					
$1 Million or Less	49	96.1	4,405	93.0	89.1
Over $1 Million	1	2.0	300	6.3	10.9
Revenue Unknown	1	2.0	30	0.6	0.0
Total	51	100.0	4,735	100.0	100.0
By Loan Size					
$100,000 or Less	38	74.5	1,305	27.6	
$100,001 - $250,000	8	15.7	1,445	30.5	
$250,001 - $500,000	5	9.8	1,985	41.9	
Total	51	100.0	4,735	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	37	75.5	1,275	28.9	
$100,001 - $250,000	8	16.3	1,445	32.8	
$250,001 - $500,000	4	8.2	1,685	38.3	
Total	49	100.0	4,405	100.0	

Source: *2024 FFIEC Census Data*
      2024 Dun & Bradstreet Data
      2016-2020 U.S. Census Bureau: American Community Survey
Note: *Percentages may not total 100.0 percent due to rounding.*

Motor Vehicle Lending

The borrower distribution of motor vehicle lending is excellent. The distribution of motor vehicle loans to low-income borrowers was above the percentage of low-income households by household income (demographic figure). Lending to moderate-income borrowers was also above the demographic figure. Approximately 60.6 percent of all motor vehicle lending was originated to LMI borrowers, which outperformed the demographic figure.

Table 13

Distribution of 2024 Motor Vehicle Lending By Borrower Income Level Assessment Area: Oklahoma Panhandle					
Borrower Income Level	**Bank Loans**				**Households by Household Income %**
	#	**#%**	**$(000)**	**$%**	
Low	21	29.6	160	18.2	18.9
Moderate	22	31.0	265	30.2	17.1
Middle	16	22.5	207	23.6	18.5
Upper	12	16.9	245	27.9	45.5
Unknown	0	0.0	0	0.0	0.0
Total	71	100.0	877	100.0	100.0
Source: 2024 FFIEC Census Data					
2016-2020 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

STATE OF TEXAS / TEXAS PANHANDLE AA
NONMETROPOLITAN AREA
(Full-Scope Review)

COMMUNITY INVESTMENT ACT RATING FOR TEXAS: Outstanding

This rating is based on the following conclusions with respect to the performance criteria:

- Lending reflects an excellent distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses and farms of different sizes.

SCOPE OF EXAMINATION

The scope of the review for the state of Texas was consistent with the overall scope for the institution. A full-scope review was conducted for the bank's Texas Panhandle AA, which comprises the only AA within the state and, as such, the state performance conclusion mirrors the performance within the AA. Further, an analysis of the geographic distribution of lending was not considered meaningful as the AA is comprised entirely of middle-income census tracts.

The evaluation of lending in the AA included 26 small business, 28 small farm, and 23 motor vehicle loans originated between January 1, 2024 and December 31, 2024.

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE STATE OF TEXAS/ TEXAS PANHANDLE AA

The bank's Texas Panhandle AA consists of Hansford and Sherman counties in their entireties (see Appendix B for an AA map and Appendix C for additional demographic data).

- The Texas Panhandle AA was delineated following the prior CRA evaluation. The 2021 conversion of the loan production office in Spearman, Texas to a full-service branch necessitated the separate delineation of the Oklahoma and Texas geographies. The bank operates one branch in the AA and no ATMs.
- The AA is comprised entirely of three middle-income census tracts. The census tract composition remains unchanged since the prior examination.
- As of the June 30, 2025, FDIC Deposit Market Share Report, the bank held a deposit market share of 12.8 percent, which ranks 4th out of 6 FDIC-insured depository institutions operating from 6 offices within the AA.
- To further augment the CRA evaluation, one interview with a member of the community was conducted to ascertain the credit needs of the communities,

the responsiveness of the area banks in meeting those credit needs, as the local economic conditions of the AA. The community member represented the municipal government.

Table 14

Population Change			
Assessment Area: Texas Panhandle			
Area	2015 Population	2020 Population	Percent Change
Texas Panhandle	8,625	8,067	(6.5)
Hansford County, TX	5,559	5,285	(4.9)
Sherman County, TX	3,066	2,782	(9.3)
NonMSA Texas	2,903,260	2,895,576	(0.3)
Texas	26,538,614	29,145,505	9.8
Source: *2020 U.S. Census Bureau Decennial Census*			
2011-2015 U.S. Census Bureau: American Community Survey			

- The AA population is 7,616 according to 2023 ACS five-year estimate data.
- The city of Spearman is the major population center within the AA, with a population of 2,809. Spearman accounts for 54.2 percent of Hansford County's population and 36.9 percent of the AA population.

Table 15

Median Family Income Change			
Assessment Area: Texas Panhandle			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Texas Panhandle	61,747	63,531	2.9
Hansford County, TX	58,996	66,513	12.7
Sherman County, TX	65,555	62,188	(5.1)
NonMSA Texas	57,219	61,809	8.0
Texas	68,523	76,073	11.0
Source: *2011-2015 U.S. Census Bureau: American Community Survey*			
2016-2020 U.S. Census Bureau: American Community Survey			
Note: *Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.*			

- According to ACS five-year estimate data, the average median household income for Hansford and Sherman counties is $71,233.
- At 9.5 percent, the percentage of families in the AA living at or below the poverty level is below other nonmetropolitan areas and the state of Texas, at 12.3 and 10.9 percent, respectively.

Table 16

Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Texas Panhandle	72.3	13.3	31.0	42.2	39.7	20.5
Hansford County, TX	70.7	14.8	39.8	37.2	35.6	20.1
Sherman County, TX	83.3	8.9	13.8	53.0	46.4	21.4
NonMSA Texas	66.4	38.0	37.0	49.8	21.3	16.1
Texas	79.4	49.8	43.5	59.0	32.7	19.4

Housing Cost Burden
Assessment Area: Texas Panhandle

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 AA median housing value of $99,820 for the AA is below other nonmetropolitan areas at $115,769 and the state of Texas at $187,200. At 59 years, the median age of housing stock in the AA is well above the state of Texas and nonmetropolitan areas at 33 and 35 years, respectively.
- The AA's housing affordability ratio[2] of 30.4 percent is below nonmetropolitan areas at 38.2 percent and the state of Texas at 44.7 percent.

Table 17

Area	2020	2021	2022	2023	2024
Texas Panhandle	3.5	3.2	2.7	2.9	3.1
Hansford County, TX	4.1	3.6	2.8	3.0	3.3
Sherman County, TX	2.7	2.7	2.4	2.7	2.8
NonMSA Texas	7.3	6.0	4.3	4.2	4.3
Texas	7.7	5.6	3.9	4.0	4.1

Unemployment Rates
Assessment Area: Texas Panhandle

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Primary industries within the AA include agriculture, forestry, fishing and hunting, educational services, manufacturing, and retail trade.
- The community member mentioned that economic conditions in the Spearman area are fair, with local small businesses facing a downturn in conditions. Particularly, retail businesses are experiencing a greater degree of economic pressure.

---

[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.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN THE STATE OF TEXAS / TEXAS PANHANDLE AA

The lending test performance in the Texas Panhandle AA is excellent. The conclusion is derived from an excellent borrower distribution, as no geographic distribution was conducted due to the AA's composition of only middle-income census tracts and would not provide a meaningful analysis.

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

The bank's lending has an excellent distribution among individuals of different income levels and businesses and farms of different sizes. The bank's distribution of small farm and motor vehicle lending is excellent and the distribution of small business loans is reasonable.

Small Business Lending

The borrower distribution of small business lending is reasonable. The distribution of loans to small businesses was comparable to the percentage of businesses with $1 million or less in revenue. Additionally, 88.2 percent of loans originated to businesses with revenues of $1 million or less were in amounts of $100,000 or less, which indicates the bank's willingness to lend to small businesses and further supports the reasonable conclusion.

Table 18

Distribution of 2024 Small Business Lending By Revenue Size of Businesses Assessment Area: Texas Panhandle					
	Bank Loans				Total
	#	#%	$(000)	$%	Businesses %
By Revenue					
$1 Million or Less	17	65.4	878	20.1	86.5
Over $1 Million	9	34.6	3,499	79.9	10.2
Revenue Unknown	0	0.0	0	0.0	3.3
Total	26	100.0	4,377	100.0	100.0
By Loan Size					
$100,000 or Less	16	61.5	468	10.7	
$100,001 - $250,000	6	23.1	998	22.8	
$250,001 - $1 Million	4	15.4	2,911	66.5	
Total	26	100.0	4,377	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	15	88.2	408	46.5	
$100,001 - $250,000	1	5.9	170	19.4	
$250,001 - $1 Million	1	5.9	300	34.2	
Total	17	100.0	878	100.0	
Source: *2024 FFIEC Census Data* *2024 Dun & Bradstreet Data* *2016-2020 U.S. Census Bureau: American Community Survey* *Note:* *Percentages may not total 100.0 percent due to rounding.*					

Small Farm Lending

The borrower distribution of small farm lending is excellent. The concentration of lending to small farms was comparable to the percentage of small farms operating in the AA (demographic figure). To further understand area credit demand, three-year average CRA aggregate data, as submitted by CRA reporters in the AA, was reviewed. According to the data, 42.8 percent of loans were extended to farms with revenues of $1 million or less, which indicates the bank's willingness to lend to small farms and further supports the bank's excellent performance.

Table 19

Distribution of 2024 Small Farm Lending By Revenue Size of Farms Assessment Area: Texas Panhandle					
	Bank Loans				Total Farms %
	#	#%	$(000)	$%	
By Revenue					
$1 Million or Less	25	89.3	3,266	87.7	93.3
Over $1 Million	3	10.7	460	12.3	6.7
Revenue Unknown	0	0.0	0	0.0	0.0
Total	28	100.0	3,726	100.0	100.0
By Loan Size					
$100,000 or Less	16	57.1	644	17.3	
$100,001 - $250,000	6	21.4	943	25.3	
$250,001 - $500,000	6	21.4	2,139	57.4	
Total	28	100.0	3,726	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	14	56.0	504	15.4	
$100,001 - $250,000	6	24.0	943	28.9	
$250,001 - $500,000	5	20.0	1,819	55.7	
Total	25	100.0	3,266	100.0	
Source: 2024 FFIEC Census Data 2024 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.					

Motor Vehicle Lending

The borrower distribution of motor vehicle lending is excellent. The bank's lending to low-income borrowers was above the percentage of low-income households by household income in the AA (demographic figure). Lending to moderate-income borrowers was comparable to the demographic figure. When evaluating overall lending among LMI borrowers, the concentration of loans at 60.9 percent by number was above the demographic figure and demonstrates excellent responsiveness to the needs of LMI borrowers.

Table 20

Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	$(000)	$%	
Distribution of 2024 Motor Vehicle Lending By Borrower Income Level					
Assessment Area: Texas Panhandle					
Low	8	34.8	48	15.8	18.0
Moderate	6	26.1	41	13.5	22.4
Middle	7	30.4	162	53.5	17.2
Upper	2	8.7	52	17.2	42.3
Unknown	0	0.0	0	0.0	0.0
Total	23	100.0	303	100.0	100.0

Source: 2024 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

APPENDIX A – SCOPE OF EXAMINATION TABLE

Table A-1

SCOPE OF EXAMINATION			
FINANCIAL INSTITUTION **Anchor D Bank** Texhoma, Oklahoma	**PRODUCTS/SERVICES REVIEWED** • Small Business • Small Farm • Motor Vehicle		

TIME PERIODS REVIEWED	
Small Business:	January 1, 2024 to December 31, 2024
Small Farm:	January 1, 2024 to December 31, 2024
Motor Vehicle:	January 1, 2024 to December 31, 2024

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

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAM	BRANCHES VISITED	OTHER INFORMATION
Oklahoma Oklahoma Panhandle	Full Review	N/A	
Texas Texas Panhandle	Full Review	N/A	

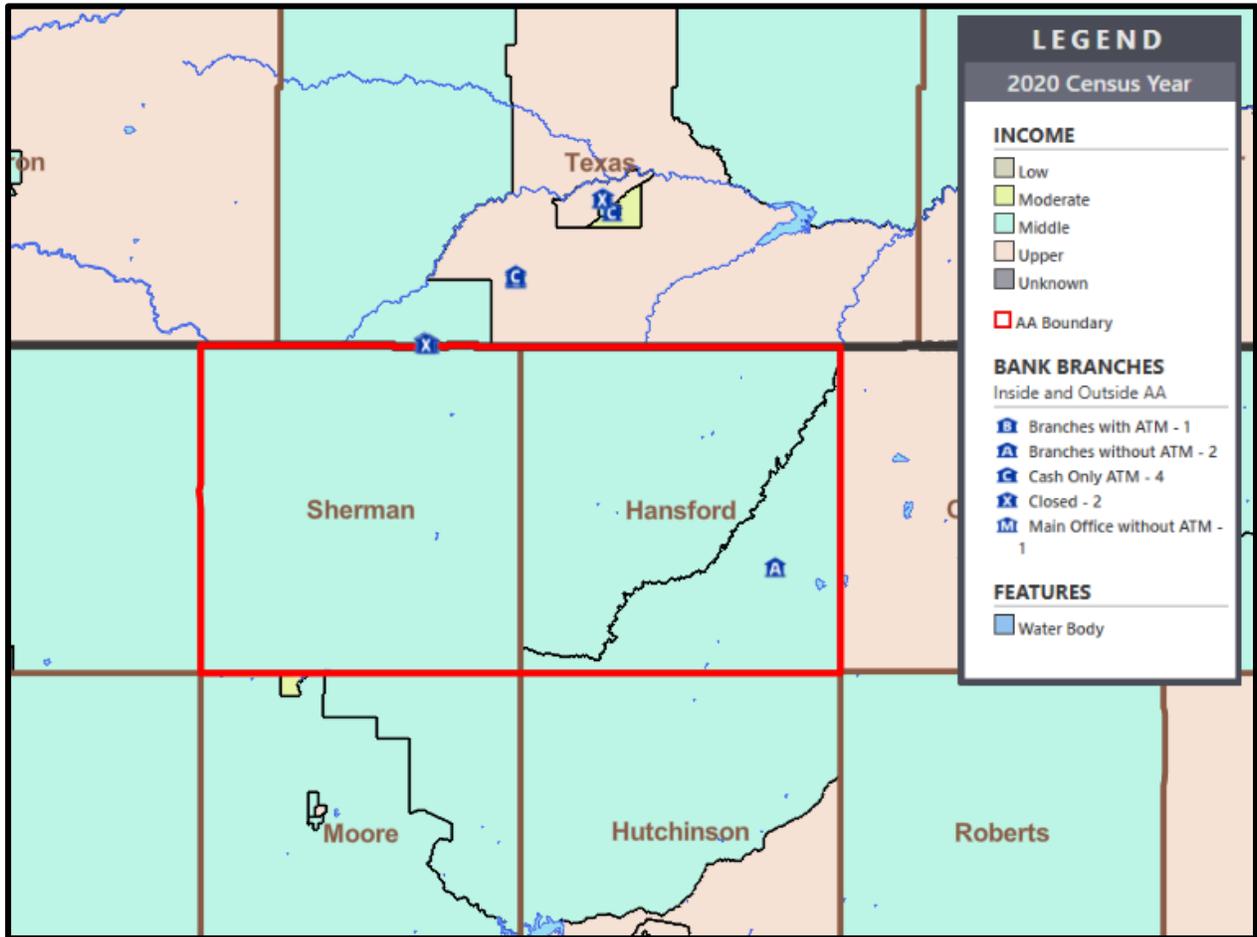# APPENDIX B – MAPS OF THE ASSESSMENT AREAS

Map B-1

Oklahoma Panhandle
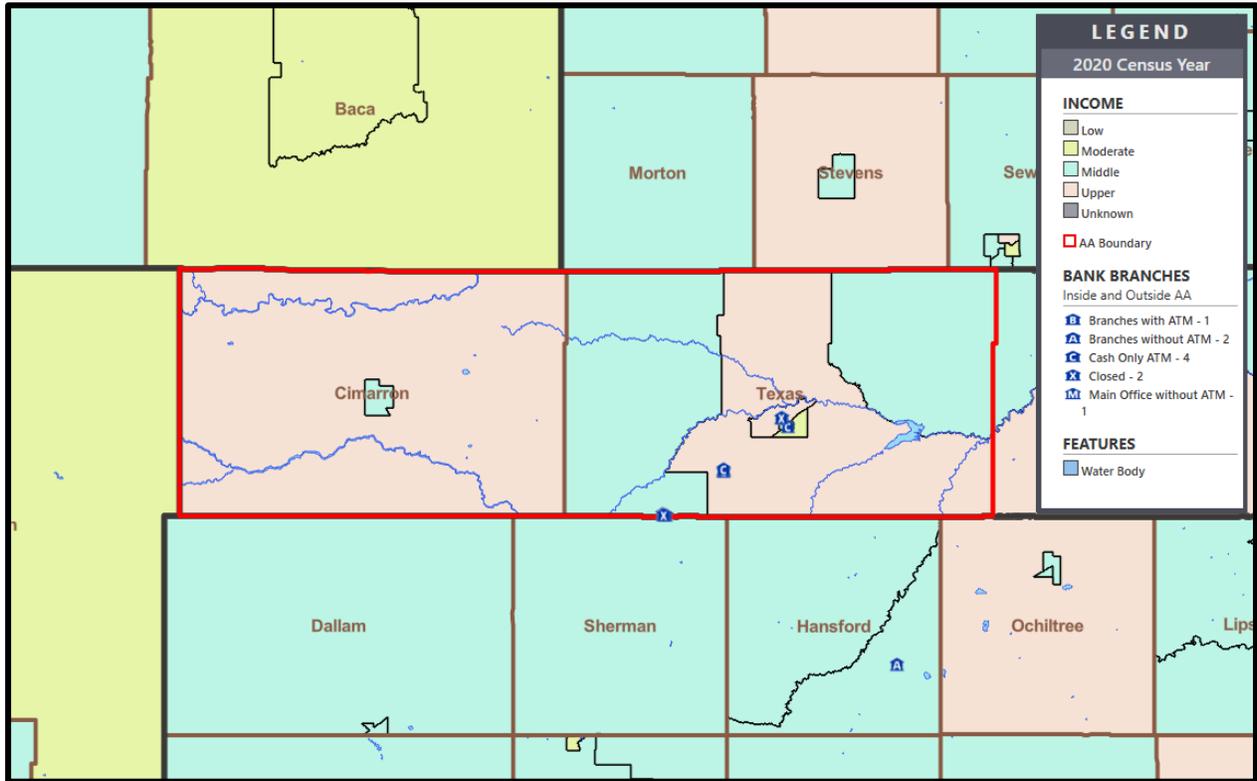
Map B-2

Texas Panhandle

APPENDIX C – DEMOGRAPHIC INFORMATION

Table C-1

2024 Oklahoma Panhandle 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	998	19.3	
Moderate	1	12.5	284	5.5	202	71.1	941	18.2	
Middle	4	50.0	2,744	53.1	435	15.9	1,130	21.9	
Upper	3	37.5	2,138	41.4	185	8.7	2,097	40.6	
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	
Total AA	8	100.0	5,166	100.0	822	15.9	5,166	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	816	212	4.1	26.0	346	42.4	258	31.6
Middle	4,996	2,688	51.4	53.8	1,383	27.7	925	18.5
Upper	4,041	2,325	44.5	57.5	759	18.8	957	23.7
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	9,853	5,225	100.0	53.0	2,488	25.3	2,140	21.7

	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	12	2.3	9	2.0	3	6.1	0	0.0
Middle	338	65.6	293	65.4	32	65.3	13	72.2
Upper	165	32.0	146	32.6	14	28.6	5	27.8
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	515	100.0	448	100.0	49	100.0	18	100.0
Percentage of Total Businesses:			87.0		9.5		3.5	

	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	1	0.8	1	0.9	0	0.0	0	0.0
Middle	66	55.5	61	57.5	5	38.5	0	0.0
Upper	52	43.7	44	41.5	8	61.5	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	119	100.0	106	100.0	13	100.0	0	0.0
Percentage of Total Farms:			89.1		10.9		0.0	

Source: 2024 FFIEC Census Data
2024 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

2024 Texas Panhandle 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	550	25.6
Moderate	0	0.0	0	0.0	0	0.0	306	14.2
Middle	3	100.0	2,149	100.0	205	9.5	345	16.1
Upper	0	0.0	0	0.0	0	0.0	948	44.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3	100.0	2,149	100.0	205	9.5	2,149	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	0	0	0.0	0.0	0	0.0	0	0.0
Middle	3,739	2,208	100.0	59.1	721	19.3	810	21.7
Upper	0	0	0.0	0.0	0	0.0	0	0.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	3,739	2,208	100.0	59.1	721	19.3	810	21.7

	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	0	0.0	0	0.0	0	0.0	0	0.0
Middle	275	100.0	238	100.0	28	100.0	9	100.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	275	100.0	238	100.0	28	100.0	9	100.0
Percentage of Total Businesses:			86.5		10.2		3.3	

	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	0	0.0	0	0.0	0	0.0	0	0.0
Middle	104	100.0	97	100.0	7	100.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	104	100.0	97	100.0	7	100.0	0	0.0
Percentage of Total Farms:			93.3		6.7		0.0	

Source: 2024 FFIEC Census Data
2024 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.