

PUBLIC DISCLOSURE

October 15, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Signature Bank of Arkansas
RSSD #3350724**

**3878 North Crossover Road
Fayetteville, Arkansas 72703**

Federal Reserve Bank of St. Louis

**P.O. Box 442
St. Louis, Missouri 63166-0442**

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

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INSTITUTION'S CRA RATING: This institution is rated SATISFACTORY.

The Lending Test is rated:

Satisfactory

The Community Development Test is rated:

Satisfactory

Signature Bank of Arkansas meets the criteria for a Satisfactory rating based on the evaluation of the bank's lending and community development activities. The factors supporting the institution's rating include:

- The loan-to-deposit (LTD) ratio is more than reasonable given the institution's size, financial condition, and credit needs of the assessment areas.
- A substantial majority of loans and other lending-related activities are in the assessment areas.
- Geographic distribution of loans reflects a reasonable dispersion throughout the assessment areas.
- Distribution of loans to borrowers reflects poor penetration among individuals of different income levels (including low- and moderate-income (LMI)) and businesses of different revenue sizes.
- There were no CRA-related complaints filed against the bank since the previous CRA evaluation.
- The bank's overall community development performance demonstrates adequate responsiveness to the community development needs of its assessment areas, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas. The bank has responded to these needs through community development loans, qualified investments, and community development services.

SCOPE OF EXAMINATION

The bank's CRA performance was reviewed using the Federal Financial Institutions Examination Council's (FFIEC) Intermediate Small Bank Procedures. The Intermediate Small Bank Examination Procedures entail two performance tests: the Lending Test and the Community Development Test. Bank performance under these tests is rated at the institution level.

The bank maintains operations in four delineated assessment areas within the state of Arkansas. The primary assessment area is the Fayetteville assessment area, which is a portion of the larger Fayetteville-Springdale-Rogers, Arkansas metropolitan statistical area (MSA) and is comprised of Benton and Washington counties. The Monroe County assessment area is located within the eastern nonMSA portion of Arkansas. This assessment area was expanded during the review period to include Monroe County in its entirety. The Boone County assessment area was delineated in July 2021, is located within the Northwest nonMSA portion of Arkansas, and comprises Boone County in its entirety. Lastly, the Jonesboro assessment area is a portion of the larger Jonesboro, Arkansas MSA and comprises Craighead County in its entirety. This assessment area was delineated in 2022 as a result of a branch opening. This CRA evaluation is based on a review of 2022 lending data; therefore, due to the timing of the opening and lack of applicable data, the Jonesboro assessment area was not included in the Lending Test analysis. However, the bank's eligible community development activities from this assessment area were evaluated and considered within the Community Development Test at the institution level.

The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each assessment area completed as part of this evaluation. Deposit information in the following table, as well as deposit information throughout this evaluation, is taken from the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report data as of June 30, 2024.

Assessment Area	Offices		Deposits		Review Procedures
	#	%	\$ (000s)	%	
Fayetteville	6	60%	\$808,095	79.3%	Full Scope
Monroe County	2	20%	\$130,113	12.8%	Limited Scope
Boone County	1	10%	\$34,959	3.4%	Limited Scope
Jonesboro	1	10%	\$45,389	4.5%	Not Reviewed
TOTAL¹	10	100%	\$1,018,556	100%	1 – Full Scope

In light of branch structure, loan and deposit activity, and the bank's CRA evaluation history, CRA performance in the Fayetteville assessment area was given primary consideration, as it contains the majority of the bank's loan and deposit activity.

Furthermore, residential real estate loans reported under the Home Mortgage Disclosure Act (HMDA) and small business loans were used to evaluate the bank's lending performance, as these loan categories are considered the bank's core business lines based on lending volume and the

¹ Note: In this table and others throughout this document, percentages may not total 100% due to rounding.

bank's stated business strategy. Therefore, the loan activity represented by these credit products is deemed indicative of the bank's overall lending performance. However, as the bank has a particular emphasis on home mortgage lending, performance based on the HMDA loan category carried the most significance toward the bank's overall performance conclusions. The following table details the performance criterion and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	March 31, 2021 – June 30, 2024
Assessment Area Concentration	January 1, 2022 – December 31, 2022
Geographic Distribution of Loans	
Loan Distribution by Borrower's Profile	
Response to Written CRA Complaints	January 11, 2021 – October 14, 2024
Community Development Activities	January 11, 2021 – October 14, 2024

Lending Test analyses often entail comparisons of bank performance to assessment area demographics and the performance of other lenders, based on HMDA and CRA aggregate lending data. Unless otherwise noted, assessment area demographics are based on 2020 American Community Survey (ACS) data, and certain business demographics are based on 2022 Dun & Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an assessment area. Aggregate lending datasets are also updated annually and are, therefore, expected to predict more relevant comparisons.

In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating within the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from \$917.8 million to \$1.1 billion as of June 30, 2024.

As part of the Community Development Test, the bank's performance was evaluated using the following criteria, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas:

- The number and dollar amount of community development loans.
- The number and dollar amount of qualified investments and grants.
- The extent to which the bank provides community development services.

The review included community development activities initiated from the date of the bank's previous CRA evaluation to this review date. In addition, investments made prior to the date of the previous CRA evaluation, but still outstanding as of this review date, were also considered.

To augment this evaluation, one community contact interview was conducted with a member of the local community in order to ascertain specific credit needs, opportunities, and local market conditions within the Fayetteville assessment area. Information from this interview also assisted in evaluating the bank's responsiveness to identified community credit needs and community

development opportunities. Key details from the community contact interview are included in the *Description of Assessment Area* section for the Fayetteville assessment area.

DESCRIPTION OF INSTITUTION

Signature Bank is a full-service retail bank offering both consumer and commercial loan and deposit products. The bank is wholly owned by White River Bancshares Company, a single-bank holding company; the bank and its holding company are both headquartered in Fayetteville, Arkansas. The bank's branch network consists of ten branches including the main office and the Bank of Brinkley and Banco Si-branded branches. Seven branches, including the main office, have full-service ATMs and drive-up accessibility. During the review period, the bank opened four new branches; two Banco Si branches opened September 2022 and June 2024, respectively, in the Fayetteville assessment area to serve the Hispanic and Latino population. One branch in Boone County opened July 2021, establishing the Northwest nonMSA assessment area, and one branch in Craighead County opened February 2022, establishing the Jonesboro assessment area.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credit needs of its customers, and the bank appeared capable of meeting the credit needs of its assessment areas based on its available resources and financial products. As of June 30, 2024, the bank reported total assets of \$1.2 billion. As of the same date, loans and leases outstanding were \$995.8 million (82.3 percent of total assets), and deposits totaled \$1.0 billion. The bank's loan portfolio composition by credit category is displayed in the following table.

Distribution of Total Loans as of June 30, 2024		
Credit Category	Amount \$ (000s)	Percentage of Total Loans
Commercial Real Estate	\$311,204	31.3%
1–4 Family Residential	\$310,368	31.2%
Commercial and Industrial	\$149,481	15.0%
Construction and Development	\$142,449	14.3%
Multifamily Residential	\$51,098	5.1%
Farmland	\$13,697	1.4%
Loans to Individuals	\$9,821	1.0%
Farm Loans	\$7,634	0.8%
TOTAL	\$995,752	100%

As indicated by the table above, a significant portion of the bank's lending resources is directed to commercial loans and loans secured by 1–4 family residential properties. The bank also originates and subsequently sells loans related to residential real estate. As these loans are sold on the secondary market shortly after origination, this activity would not be captured in the table.

The bank received a Satisfactory rating at its previous CRA evaluation conducted by the FDIC on January 11, 2021.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank meets the standards for a satisfactory Lending Test rating under the intermediate small bank procedures, which evaluate bank performance under the following five criteria, as applicable.

Loan-to-Deposit (LTD) Ratio

One indication of the bank's overall level of lending activity is its LTD ratio. The table below displays the bank's average LTD ratio in comparison to those of regional peers. The average LTD ratio represents a 14-quarter average, dating back to the bank's last CRA evaluation.

LTD Ratio Analysis			
Name	Headquarters	Asset Size \$ (000s) as of June 30, 2024	Average LTD Ratio
Signature Bank	Fayetteville, Arkansas	\$1,210,630	95.0%
Regional Banks	Springdale, Arkansas	\$1,077,679	91.1%
	Rogers, Arkansas	\$917,805	86.9%
	Grove, Oklahoma	\$919,917	84.5%

Based on data from the above table, the bank's level of lending is above that of other banks in the region. During the review period, the LTD ratio experienced a fluctuating trend but maintained a 14-quarter average of 95.0 percent, which is above its three regional peers. Therefore, compared to data from regional banks, the bank's average LTD ratio is more than reasonable given the bank's size, financial condition, and credit needs of its assessment areas.

Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank's assessment areas.

Lending Inside and Outside the Assessment Areas January 1, 2022 through December 31, 2022								
Loan Type	Inside				Outside			
	#	# %	\$ (000s)	\$ %	#	# %	\$ (000s)	\$ %
HMDA	366	91.0	118,582	91.4	36	9.0	11,197	8.6
Small Business	94	83.2	16,159	90.7	19	16.8	1,650	9.3
TOTAL LOANS	460	89.3	134,741	91.3	55	10.7	12,847	8.7

A substantial majority of loans and other lending-related activities were made in the bank's assessment areas. As shown above, 89.3 percent of the total loans were made inside the assessment areas, accounting for 91.3 percent of the dollar volume of total loans.

Geographic and Borrower Distribution

As displayed in the following table, the bank's overall distribution of lending by income level of census tract reflects reasonable penetration throughout the full-scope assessment area.

Full-Scope Assessment Area	Geographic Distribution of Loans
Fayetteville	Reasonable

Limited-Scope Assessment Areas	Geographic Distribution of Loans
Monroe County	Consistent
Boone County	Consistent

Overall, performance by borrower's income/revenue profile is poor based on the analyses of lending in the bank's full-scope assessment area, as displayed in the following table.

Full-Scope Assessment Area	Loan Distribution by Borrower's Profile
Fayetteville	Poor

Limited-Scope Assessment Areas	Loan Distribution by Borrower's Profile
Monroe County	Below
Boone County	Consistent

Responses to Complaints

No CRA-related complaints were filed against the bank during this review period (January 11, 2021 through October 14, 2024).

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test is rated satisfactory. Considering the bank's capacity and the need and availability of such opportunities for community development, the bank demonstrates adequate responsiveness to the community development needs of the full-scope assessment area through a mix of qualifying community development loans, investments, donations, and services.

Full-Scope Assessment Area	Community Development Test Performance Conclusions
Fayetteville	Adequate

Limited-Scope Assessment Areas	Community Development Test Performance Conclusions
Monroe County	Below
Boone County	Below

During the review period, the bank made 35 qualifying loans in its assessment areas totaling approximately \$48.2 million. Of those loans, 14 were to purchase and/or revitalize 1–4 family and multifamily housing, and 11 were for economic development. The remaining nine community development loans were made to businesses and organizations in the bank’s assessment areas, including affordable housing loans and one community service loan. Lastly, these totals include three qualified loans for \$6.3 million in the bank’s newly designated Jonesboro assessment area.

The bank also made community development investments and donations in its assessment areas totaling \$3.3 million. This amount included new qualified investments totaling \$2.0 million, continuing investments made in a prior review period totaling \$1.3 million, and 19 donations totaling \$70,686. Qualified investments included municipal bonds issued by qualifying school districts for community services. Furthermore, the 19 donations were to 19 separate organizations having a community development purpose. During the review period, 10 bank staff members used financial expertise to provide service activities to 17 different community development organizations within the bank’s assessment areas. Service activities included delivering financial support to organizations with a focus on making affordable housing available to low-income residents in the assessment areas. Additionally, these totals include service activities to one qualifying organization that provides affordable housing in the Jonesboro assessment area.

In addition to adequately meeting the community development needs of its assessment areas, the bank had community development loans, investments, donations, and services outside its assessment areas but still within the broader statewide or regional areas. The bank made 4 community development loans totaling \$5.6 million, 44 current and prior investments totaling \$10.9 million, and 2 donations totaling \$6,300. Lastly, one employee used financial expertise to provide service activities to a community development organization outside the assessment areas.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Based on findings from the Consumer Affairs examination, including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements, conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

FAYETTEVILLE-SPRINGDALE-ROGERS, ARKANSAS METROPOLITAN STATISTICAL AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE FAYETTEVILLE ASSESSMENT AREA

Bank Structure

The bank operates six of its ten offices (60.0 percent) in this assessment area, including its bilingual Banco Si branches. At the previous evaluation, this assessment area contained 14 LMI census tracts. Following the 2020 ACS, this increased to 31 LMI tracts within the assessment area. Moreover, the bank opened two Banco Si branches in this assessment area during the review period to better serve the Hispanic and Latino population. One of the Banco Si branches is located in a moderate-income census tract. Based on its branch network and other service delivery systems, the bank is well positioned to deliver financial services to substantially all of the assessment area.

General Demographics

The assessment area comprises Benton and Washington counties, which make up two of the three counties in the Fayetteville-Springdale-Rogers, Arkansas MSA. Based on the 2020 ACS data, the assessment area population was 530,204. Of the 38 FDIC-insured depository institutions with a branch presence in this assessment area, the bank ranked fourth in deposit market share, encompassing 4.6 percent of total deposit dollars.

Credit needs in the assessment area include a mix of consumer and business loan products. Other particular credit needs in the assessment area, as noted primarily from the community contact, include affordable housing options and first-time home buyer assistance programs. The contact stated that recent population growth throughout the assessment area has caused a shortage in housing. The limited available housing stock has caused housing prices to increase and become unaffordable for many LMI residents.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown-	TOTAL
Census Tracts	7	24	51	28	1	111
	6.3%	21.6%	45.9%	25.2%	0.9%	100%
Family Population	4,664	25,307	57,601	41,088	224	128,884
	3.6%	19.6%	44.7%	31.9%	0.2%	100%

As shown above, 27.9 percent of the census tracts in the assessment area are LMI geographies, and 23.2 percent of the family population resides in these tracts. All seven of the low-income census tracts are located in Washington County, while the moderate-income census tracts are located in Washington and Benton counties.

Based on 2020 ACS data, the median family income for the assessment area was \$76,381. At the same time, the median family income for the state of Arkansas was \$62,067. More recently, the FFIEC estimates the 2022 median family income for the state of Arkansas to be \$60,200. The following table displays population percentages of assessment area families by income level compared to the state of Arkansas family population.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Assessment Area	26,285	23,401	26,210	52,988	128,884
	20.4%	18.2%	20.3%	41.1%	100%
Arkansas	165,087	136,380	155,142	313,502	770,111
	21.4%	17.7%	20.2%	40.7%	100%

As shown in the table above, 38.6 percent of the families within the assessment area were considered LMI, which is slightly lower than the LMI family percentage of 39.1 percent in the state of Arkansas. Additionally, the percentage of families living below the poverty level in the assessment area (8.4 percent) is below the 11.8 percent level in the state of Arkansas. Considering these factors, the assessment area appears slightly more affluent than the state of Arkansas.

Housing Demographics

Based on housing values, income levels, and rental costs, housing in the assessment area appears to be slightly more affordable than the state overall.

Housing Cost Burden						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	70.6%	23.7%	32.9%	52.0%	22.3%	13.1%
Arkansas	68.6%	31.4%	36.6%	51.0%	24.2%	14.9%
<i>Cost burden is housing cost that equals 30 percent or more of household income.</i>						

According to the table above, the assessment area renters are slightly less house cost burdened compared to LMI renters in the state as a whole. However, a significant portion of LMI renters in both the assessment area and the state of Arkansas are burdened with high housing costs. This is further supported by the community contact, who stated that rental cost has increased in the assessment area and surrounding counties due to high housing demand coupled with low housing stock. The table also shows that homeowners in the assessment area are similarly cost burdened when compared to homeowners throughout the state. This aligns with the information provided by

the community contact, who stated housing costs are increasing throughout the entire assessment area and nearby counties.

Industry and Employment Demographics

The assessment area supports a diverse business community, including a strong small business sector. According to the U.S. Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages data, there are 224,111 paid non-governmental employees in the assessment area. By percentage of employees, the three largest job categories in the assessment area are healthcare and social assistance (12.8 percent), retail trade (12.0 percent), and accommodation and food services (11.5 percent). The table below details unemployment data from the BLS (not seasonally adjusted) for the assessment area and the state of Arkansas.

Unemployment Levels				
Dataset	Time Period (Annual Average)			
	2020	2021	2022	2023
Assessment Area	4.6%	2.9%	2.3%	2.4%
Arkansas	6.2%	4.0%	3.2%	3.3%

As shown in the table above, unemployment levels in the assessment were lower than the state of Arkansas. Unemployment rates for both the assessment area and state experienced a downward trend following the 2020 COVID-19 pandemic and have since remained stable.

Community Contact Information

Information from one community contact was used to help shape the performance context in which the bank's activities in this assessment area were evaluated. The community contact interview was with an individual specializing in economic and workforce development in the assessment area. The community contact described the assessment area as flourishing, with a rapidly growing economy. The contact stated that large employers such as Walmart and Tyson Foods are headquartered in the area and attract younger, affluent families. Due to the rapid population growth in the assessment area, the contact stated that housing demand has rapidly increased, causing a shortage in housing stock and rises in the cost of available housing. Further, the increased demand for housing coupled with limited stock has caused an increase in rental rates around the area. The contact stated that as housing prices continue to increase, affordable housing programs such as down payment assistance and first-time home buyer programs would greatly benefit the area and LMI residents.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE FAYETTEVILLE ASSESSMENT AREA

LENDING TEST

The bank's overall geographic distribution of loans reflects reasonable penetration throughout the Fayetteville assessment area. Furthermore, the overall distribution of loans by borrower's income/revenue profile reflects poor penetration among borrowers of different income levels and businesses of different revenue sizes.

Geographic Distribution of Loans

As noted previously, the assessment area includes 7 low-income and 24 moderate-income census tracts, representing 27.9 percent of all assessment area census tracts. Overall, the bank's geographic distribution of loans in this assessment area reflects reasonable penetration throughout these LMI census tracts, based on loan categories reviewed. As previously stated, performance in the HMDA loan category carried the most significance in the overall performance conclusion .

The following table displays the geographic distribution of 2022 HMDA loans compared to owner-occupied housing demographics and aggregate performance for the assessment area.

Geographic Distribution of HMDA Loans Assessment Area: Fayetteville								
Product Type	Tract Income Levels	2022						
		Count			Dollars			Owner- Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	5	2.3%	1.5%	\$1,445	2.1%	1.2%	1.3%
	Moderate	20	9.4%	12.2%	\$5,022	7.2%	9.3%	16.5%
	Middle	106	49.8%	45.6%	\$33,358	47.6%	42.7%	47.1%
	Upper	79	37.1%	40.5%	\$28,705	41.0%	46.6%	34.9%
	Unknown	3	1.4%	0.2%	\$1,536	2.2%	0.3%	0.2%
	TOTAL	213	100.0%	100.0%	\$70,066	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	1.2%	\$0	0.0%	0.8%	1.3%
	Moderate	11	13.6%	14.3%	\$3,202	12.4%	10.7%	16.5%
	Middle	32	39.5%	47.3%	\$10,210	39.6%	45.4%	47.1%
	Upper	35	43.2%	36.7%	\$11,091	43.0%	42.6%	34.9%
	Unknown	3	3.7%	0.4%	\$1,273	4.9%	0.5%	0.2%
	TOTAL	81	100.0%	100.0%	\$25,776	100.0%	100.0%	100.0%

Home Improvement	Low	0	0.0%	0.9%	\$0	0.0%	0.7%	1.3%
	Moderate	2	25.0%	12.6%	\$108	9.7%	10.0%	16.5%
	Middle	4	50.0%	45.3%	\$641	57.8%	45.7%	47.1%
	Upper	2	25.0%	40.9%	\$360	32.5%	43.0%	34.9%
	Unknown	0	0.0%	0.3%	\$0	0.0%	0.5%	0.2%
	TOTAL	8	100.0%	100.0%	\$1,109	100.0%	100.0%	100.0%
Multifamily	Low	1	16.7%	13.6%	\$1,093	13.9%	11.9%	19.1%
	Moderate	2	33.3%	26.5%	\$600	7.6%	10.1%	23.4%
	Middle	2	33.3%	36.4%	\$4,431	56.4%	42.5%	34.3%
	Upper	1	16.7%	20.5%	\$1,735	22.1%	34.8%	20.6%
	Unknown	0	0.0%	3.0%	\$0	0.0%	0.8%	2.6%
	TOTAL	6	100.0%	100.0%	\$7,859	100.0%	100.0%	100.0%
HMDA TOTALS	Low	6	1.9%	1.4%	\$2,538	2.4%	1.9%	1.3%
	Moderate	35	11.4%	12.8%	\$8,932	8.5%	9.6%	16.5%
	Middle	144	46.8%	46.1%	\$48,640	46.4%	43.2%	47.1%
	Upper	117	38.0%	39.4%	\$41,891	40.0%	45.0%	34.9%
	Unknown	6	1.9%	0.3%	\$2,809	2.7%	0.4%	0.2%
	TOTAL	308	100.0%	100.0%	\$104,810	100.0%	100.0%	100.0%

The analysis of HMDA loans revealed excellent lending performance to borrowers residing in low-income geographies. The bank's total penetration of lending in low-income census tracts by number of loans (1.9 percent) is above both the aggregate lending level and percentage of owner-occupied housing units in low-income census tracts (1.4 and 1.3 percent, respectively). The bank's total penetration of moderate-income census tracts by number of loans (11.4 percent) is in line with the aggregate (12.8 percent) and slightly below the demographic (16.5 percent), reflecting reasonable performance. Combined, the bank's geographic distribution of HMDA loans in LMI geographies is reasonable.

Second, the bank's geographic distribution of small business loans was reviewed. The following table displays 2022 small business loan activity by geography income level compared to the location of businesses throughout the bank's assessment area and 2022 small business aggregate data.

Geographic Distribution of Small Business Loans Assessment Area: Fayetteville							
Tract Income Levels	2022						
	Count			Dollars			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	
Low	1	1.4%	2.8%	\$500	3.7%	4.2%	3.5%
Moderate	16	22.2%	17.1%	\$2,238	16.6%	18.0%	19.7%
Middle	34	47.2%	42.1%	\$6,203	46.0%	42.5%	41.0%
Upper	20	27.8%	35.0%	\$3,608	26.7%	32.2%	32.8%
Unknown	1	1.4%	3.0%	\$947	7.0%	3.0%	3.0%
TOTAL	72	100.0%	100.0%	\$13,496	100.0%	100.0%	100.0%

The bank's level of lending in low-income census tracts (1.4 percent) is comparable to the estimated percentage of businesses operating inside these census tracts (3.5 percent) and 2022 aggregate lending levels in low-income census tracts (2.8 percent). Therefore, the bank's performance in low-income areas is reasonable. The bank's percentage of loans in moderate-income census tracts (22.2 percent) exceeds the percentage of small businesses in moderate-income census tracts (19.7 percent) and the 2022 aggregate lending percentage (17.1 percent), representing excellent performance. When combined, the bank's overall geographic distribution of small business loans is reasonable.

Lastly, an analysis of the loan dispersion throughout the assessment area identified no conspicuous lending gaps in the LMI areas. This information supports the conclusion that the bank's overall geographic distribution of loans is reasonable.

Loan Distribution by Borrower's Profile

Overall, the bank's loan distribution by borrower's profile is poor, based on performance from both loan categories reviewed. While the bank's HMDA loan distribution by borrower's profile is poor and performance under the small business category is reasonable, greater significance is placed on performance in the HMDA loan category given the bank's emphasis on HMDA lending.

Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC (\$83,700 for the Fayetteville MSA as of 2022). The following table shows the distribution of HMDA-reported loans by borrower income level in comparison to family population income demographics for the assessment area. Additionally, 2022 aggregate data for the assessment area is displayed.

Borrower Distribution of HMDA Loans Assessment Area: Fayetteville								
Product Type	Borrower Income Levels	2022						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	3	1.4%	3.9%	\$781	1.1%	1.9%	20.4%
	Moderate	15	7.0%	13.3%	\$2,916	4.2%	9.3%	18.2%
	Middle	21	9.9%	20.8%	\$5,164	7.4%	17.9%	20.3%
	Upper	101	47.4%	41.5%	\$40,936	58.4%	50.8%	41.1%
	Unknown	73	34.3%	20.5%	\$20,269	28.9%	20.1%	0.0%
	TOTAL	213	100.0%	100.0%	\$70,066	100.0%	100.0%	100.0%
Refinance	Low	6	7.4%	9.7%	\$981	3.8%	4.9%	20.4%
	Moderate	4	4.9%	17.7%	\$614	2.4%	12.2%	18.2%
	Middle	8	9.9%	20.6%	\$1,946	7.5%	17.5%	20.3%
	Upper	43	53.1%	37.0%	\$15,184	58.9%	48.4%	41.1%
	Unknown	20	24.7%	15.0%	\$7,051	27.4%	17.0%	0.0%
	TOTAL	81	100.0%	100.0%	\$25,776	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	5.8%	\$0	0.0%	2.7%	20.4%
	Moderate	2	25.0%	11.3%	\$50	4.5%	7.2%	18.2%
	Middle	1	12.5%	18.1%	\$13	1.2%	14.3%	20.3%
	Upper	3	37.5%	52.4%	\$455	41.0%	61.1%	41.1%
	Unknown	2	25.0%	12.4%	\$591	53.3%	14.7%	0.0%
	TOTAL	8	100.0%	100.0%	\$1,109	100.0%	100.0%	100.0%

Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Moderate	0	0.0%	2.3%	\$0	0.0%	0.4%	N/A
	Middle	0	0.0%	0.8%	\$0	0.0%	0.1%	N/A
	Upper	0	0.0%	1.5%	\$0	0.0%	0.4%	N/A
	Unknown	6	100.0%	95.5%	\$7,859	100.0%	99.1%	N/A
	TOTAL	6	100.0%	100.0%	\$7,859	100.0%	100.0%	N/A
HMDA TOTALS	Low	9	2.9%	5.7%	\$1,762	1.7%	2.5%	20.4%
	Moderate	21	6.8%	14.3%	\$3,580	3.4%	9.1%	18.2%
	Middle	30	9.7%	20.4%	\$7,123	6.8%	16.2%	20.3%
	Upper	147	47.7%	41.1%	\$56,575	54.0%	46.6%	41.1%
	Unknown	101	32.8%	18.5%	\$35,770	34.1%	25.5%	0.0%
	TOTAL	308	100.0%	100.0%	\$104,810	100.0%	100.0%	100.0%

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (2.9 percent) is substantially below the low-income family population figure (20.4 percent) and below the 2022 aggregate lending level to low-income borrowers (5.7 percent), reflecting poor performance. The bank's level of lending to moderate-income borrowers (6.8 percent) is below the moderate-income family population percentage (18.2 percent) and the 2022 aggregate lending level (14.3 percent), reflecting poor performance. Although the bank is lending below the aggregate and demographic to LMI borrowers, since the previous examination, a concerted effort was made to increase the bank's lending to this demographic within the assessment area. These efforts included opening two Spanish-speaking branches and offering financial literacy courses to individuals within the area. As a result, the bank has nearly doubled its lending to LMI borrowers. Nevertheless, the bank's performance in making home mortgage loans to individuals of different income levels is poor overall.

Next, small business loans were reviewed to determine the bank's lending levels to businesses of different sizes. The following table shows the distribution of 2022 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Small Business Loans by Revenue and Loan Size Assessment Area: Fayetteville								
Business Revenue and Loan Size		2022						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	35	48.6%	51.5%	\$6,137	45.5%	41.3%	91.7%
	Over \$1 Million/Unknown	37	51.4%	48.5%	\$7,359	54.5%	58.7%	8.3%
	TOTAL	72	100.0%	100.0%	\$13,496	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	41	56.9%	90.3%	\$2,106	15.6%	33.9%	
	\$100,001–\$250,000	14	19.4%	5.1%	\$2,458	18.2%	18.0%	
	\$250,001–\$1 Million	17	23.6%	4.6%	\$8,932	66.2%	48.1%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	72	100.0%	100.0%	\$13,496	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	22	62.9%		\$1,081	17.6%		
	\$100,001–\$250,000	7	20.0%		\$1,153	18.8%		
	\$250,001–\$1 Million	6	17.1%		\$3,903	63.6%		
	Over \$1 Million	0	0.0%		\$0	0.0%		
	TOTAL	35	100.0%		\$6,137	100.0%		

The bank's level of lending to small businesses is reasonable. The bank originated almost half of its small business loans (48.6 percent) to businesses with revenues of \$1 million or less. In comparison, assessment area demographics estimate that 91.7 percent of businesses in the assessment area had annual revenues of \$1 million or less, and the 2022 aggregate lending level to small businesses is 51.5 percent. Additionally, 56.9 percent of the bank's small business loans were originated in dollar amounts equal to or less than \$100,000, further evidencing the bank's willingness to meet the smaller dollar credit needs of small businesses.

COMMUNITY DEVELOPMENT TEST

The bank demonstrates adequate responsiveness to community development needs within the assessment area, considering the bank's capacity and the need and availability of such opportunities for community development. The bank addressed these needs through community development loans, qualified investments, and community development services.

During the review period, the bank extended 30 community loans totaling \$41.8 million in this assessment area. Eight of the community development loans were made to borrowers to purchase, refinance, and rehabilitate affordable housing units in LMI areas, a significant need noted by the community contact. The bank also made community development investments and donations in the assessment area totaling \$2.0 million. This amount includes 8 qualified investments totaling approximately \$2.0 million and 15 donations totaling \$57,500. Lastly, during the review period, 7 employees used financial expertise to provide service activities to 12 different community development organizations within the assessment area.

EASTERN ARKANSAS NONMETROPOLITAN STATISTICAL AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE MONROE COUNTY ASSESSMENT AREA

This assessment area includes the entirety of Monroe County and does not contain any low- or moderate-income census tracts. The bank operates two offices located in a middle-income census tract that was considered distressed during the review period due to poverty levels. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	428	182	337	817	1,764
	24.3%	10.3%	19.1%	46.3%	100%
Household Population	988	534	437	1,275	3,234
	30.6%	16.5%	13.5%	39.4%	100%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	0	0	1	2	0	3
	0.0%	0.0%	33.3%	66.7%	0.0%	100%
Family Population	0	0	726	1,038	0	1,764
	0.0%	0.0%	41.2%	58.8%	0.0%	100%
Household Population	0	0	1,465	1,769	0	3,234
	0.0%	0.0%	45.3%	54.7%	0.0%	100%
Business Institutions	0	0	158	97	0	255
	0.0%	0.0%	62.0%	38.0%	0.0%	100%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE MONROE COUNTY ASSESSMENT AREA

LENDING TEST

The bank's Lending Test performance in this assessment area is below the bank's Lending Test performance in the Fayetteville assessment area, which was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank's Lending Test performance in this assessment area, see the tables in *Appendix B*.

Lending Test Criteria	Performance
Geographic Distribution of Loans	Consistent
Distribution of Loans by Borrower's Profile	Below
OVERALL	BELOW

COMMUNITY DEVELOPMENT TEST

The bank's Community Development Test performance in this assessment area is below the bank's Community Development Test performance in the Fayetteville assessment area, which was reviewed using full-scope procedures.

During the review period, the bank made one community development loan totaling \$60,000 to fund a small farm partnership that will retain LMI jobs in the assessment area. The bank also made five investments totaling \$879,161. One of the investments made in the current review period was a municipal bond to revitalize an area identified as distressed due to poverty and population loss. Four of the investments were made to refund municipal bonds for a qualifying school for community services; of the four, two were in the current review period, and two were in the prior review period.

NORTHWEST ARKANSAS NONMETROPOLITAN STATISTICAL AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE BOONE COUNTY ASSESSMENT AREA

This assessment area includes the entirety of Boone County, and the bank operates one office in this assessment area, which was opened during the review period. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	1,659	1,634	2,145	4,646	10,084
	16.5%	16.2%	21.3%	46.1%	100%
Household Population	3,016	2,345	2,791	6,891	15,043
	20.1%	15.6%	18.6%	45.8%	100%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	0	1	3	3	0	7
	0.0%	14.3%	42.9%	42.9%	0.0%	100%
Family Population	0	769	5,092	4,223	0	10,084
	0.0%	7.6%	50.5%	41.9%	0.0%	100%
Household Population	0	1,838	7,026	6,179	0	15,043
	0.0%	12.2%	46.7%	41.1%	0.0%	100%
Business Institutions	0	388	532	744	0	1,664
	0.0%	23.3%	32.0%	44.7%	0.0%	100%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE BOONE COUNTY ASSESSMENT AREA

LENDING TEST

The bank's Lending Test performance in this assessment area is consistent with the bank's Lending Test performance in the Fayetteville assessment area, which was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank's Lending Test performance in this assessment area, see the tables in *Appendix B*.

Lending Test Criteria	Performance
Geographic Distribution of Loans	Consistent
Distribution of Loans by Borrower's Profile	Consistent
OVERALL	CONSISTENT

COMMUNITY DEVELOPMENT TEST

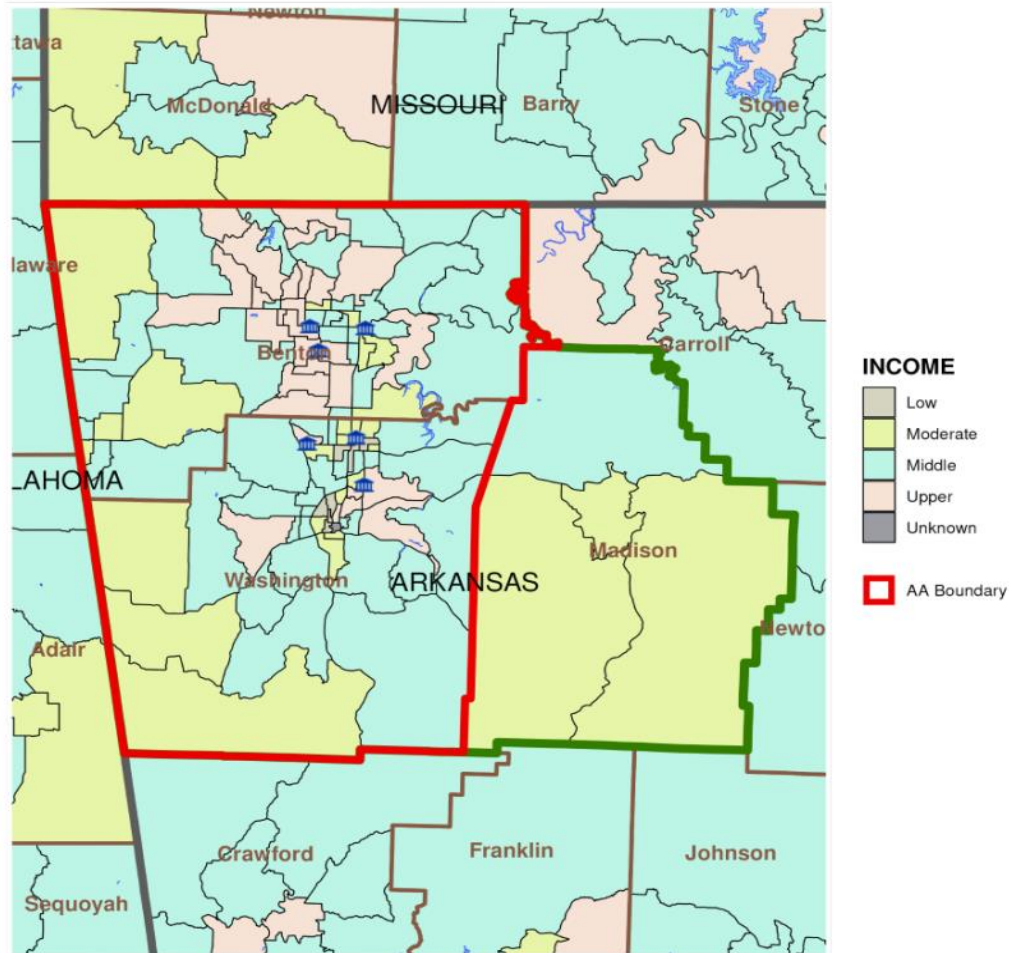
The bank's Community Development Test performance in this assessment area is below the bank's Community Development Test performance in the Fayetteville assessment area, which was reviewed using full-scope procedures.

During the review period, the bank made one community development loan totaling \$135,000 that provided affordable multifamily housing in an LMI area. Additionally, the bank made one investment in the current period totaling \$385,000 to refund municipal bonds for a qualifying school for community services and three donations totaling \$4,686.

APPENDIX A – MAPS OF ASSESSMENT AREAS

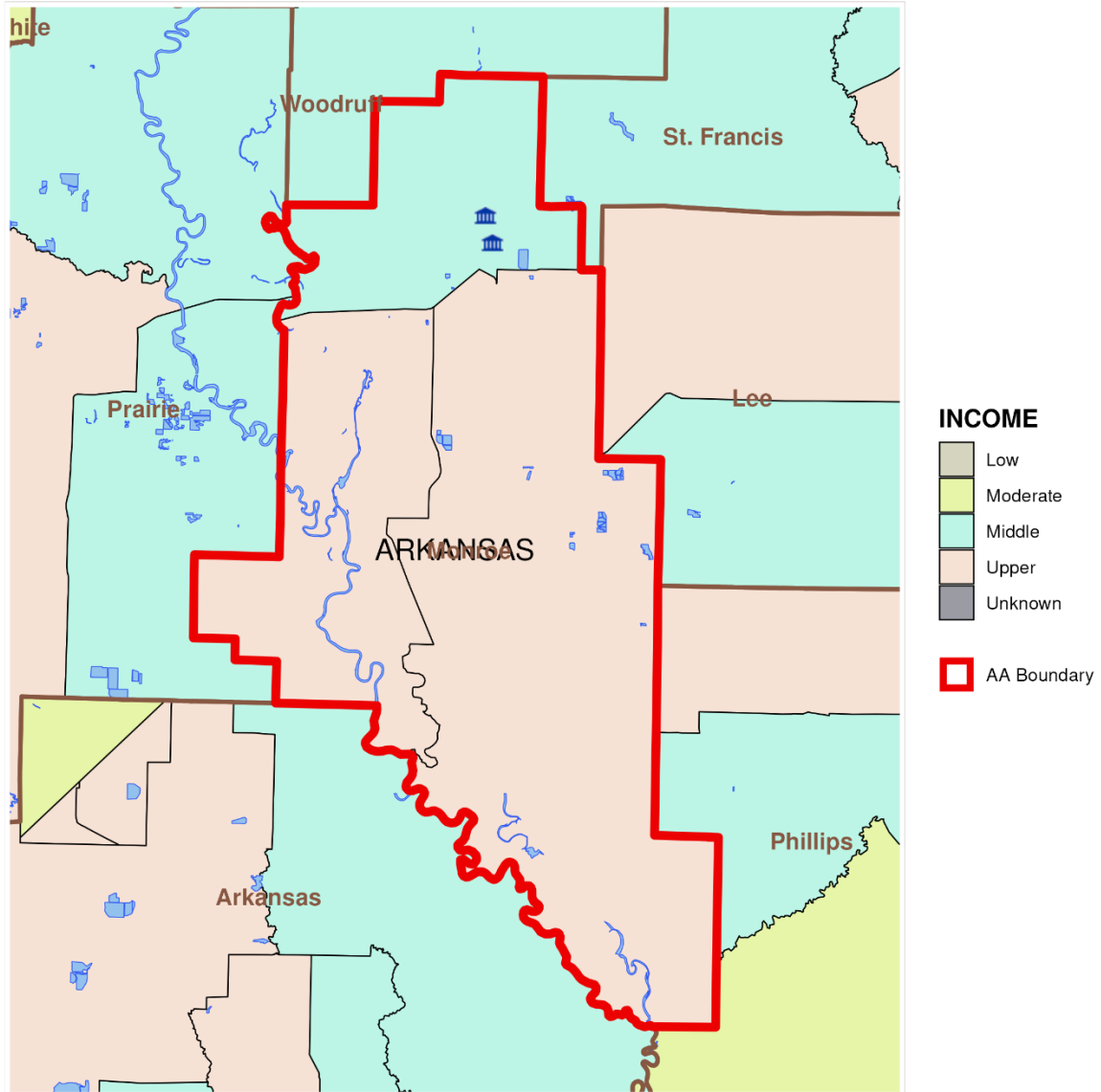
Signature Bank of Arkansas

Fayetteville, AR Partial MSA AA 2022 - Tract Income



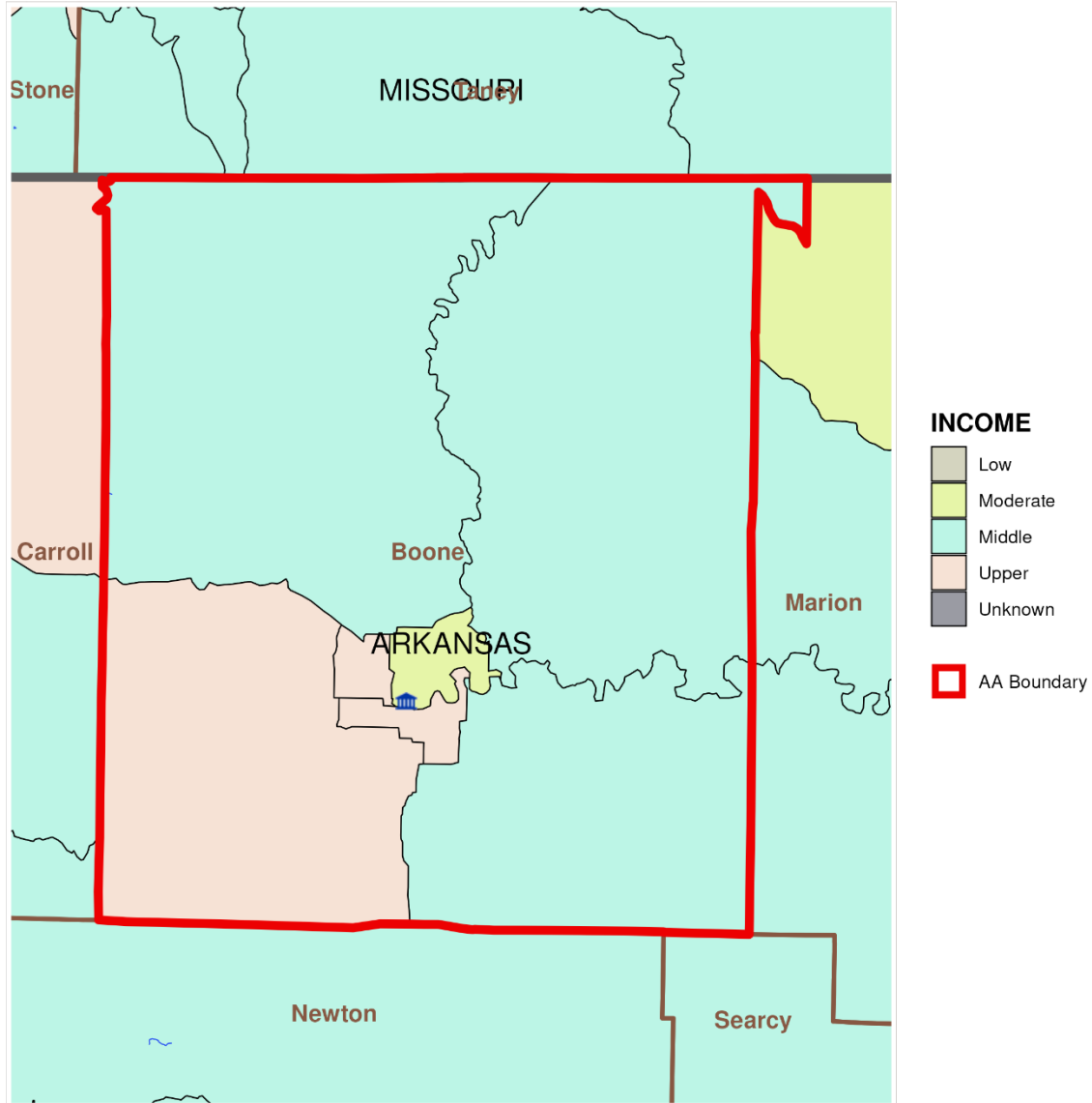
Signature Bank of Arkansas

East Central Arkansas NonMSA AA 2022 - Tract Income



Signature Bank of Arkansas

Northwest Arkansas NonMSA AA 2022 - Tract Income



**APPENDIX B – LENDING PERFORMANCE TABLES FOR LIMITED-SCOPE
REVIEW ASSESSMENT AREAS**

Monroe County Assessment Area

Geographic Distribution of HMDA Loans Assessment Area: Monroe County								
Product Type	Tract Income Levels	2022						
		Count			Dollars			Owner- Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	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	0	0.0%	58.0%	\$0	0.0%	65.0%	42.2%
	Upper	0	0.0%	42.0%	\$0	0.0%	35.0%	57.8%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Refinance	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	0	0.0%	30.8%	\$0	0.0%	19.8%	42.2%
	Upper	0	0.0%	69.2%	\$0	0.0%	80.2%	57.8%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Home Improvement	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	0	0.0%	33.3%	\$0	0.0%	32.3%	42.2%
	Upper	0	0.0%	66.7%	\$0	0.0%	67.7%	57.8%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	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	0	0.0%	0.0%	\$0	0.0%	0.0%	48.4%
	Upper	0	0.0%	100.0%	\$0	0.0%	100.0%	51.6%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	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	0	0.0%	50.7%	\$0	0.0%	53.5%	42.2%
	Upper	0	0.0%	49.3%	\$0	0.0%	46.5%	57.8%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%

Geographic Distribution of Small Business Loans Assessment Area: Monroe County							
Tract Income Levels	2022						
	Count			Dollars			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	
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	1	50.0%	60.0%	\$10	40.0%	55.9%	62.0%
Upper	1	50.0%	37.7%	\$15	60.0%	42.7%	38.0%
Unknown	0	0.0%	2.3%	\$0	0.0%	1.3%	0.0%
TOTAL	2	100.0%	100.0%	\$25	100.0%	100.0%	100.0%

Borrower Distribution of HMDA Loans Assessment Area: Monroe County								
Product Type	Borrower Income Levels	2022						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0%	10.0%	\$0	0.0%	6.2%	24.3%
	Moderate	0	0.0%	20.0%	\$0	0.0%	21.1%	10.3%
	Middle	0	0.0%	18.0%	\$0	0.0%	19.0%	19.1%
	Upper	0	0.0%	24.0%	\$0	0.0%	24.3%	46.3%
	Unknown	0	0.0%	28.0%	\$0	0.0%	29.3%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Refinance	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	24.3%
	Moderate	0	0.0%	38.5%	\$0	0.0%	25.9%	10.3%
	Middle	0	0.0%	15.4%	\$0	0.0%	6.7%	19.1%
	Upper	0	0.0%	30.8%	\$0	0.0%	24.9%	46.3%
	Unknown	0	0.0%	15.4%	\$0	0.0%	42.4%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	24.3%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	10.3%
	Middle	0	0.0%	33.3%	\$0	0.0%	53.8%	19.1%
	Upper	0	0.0%	33.3%	\$0	0.0%	14.0%	46.3%
	Unknown	0	0.0%	33.3%	\$0	0.0%	32.3%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Unknown	0	0.0%	100.0%	\$0	0.0%	100.0%	N/A
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	N/A
HMDA TOTALS	Low	0	0.0%	7.2%	\$0	0.0%	4.6%	24.3%
	Moderate	0	0.0%	21.7%	\$0	0.0%	20.8%	10.3%
	Middle	0	0.0%	17.4%	\$0	0.0%	16.2%	19.1%
	Upper	0	0.0%	24.6%	\$0	0.0%	23.2%	46.3%
	Unknown	0	0.0%	29.0%	\$0	0.0%	35.1%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%

Small Business Loans by Revenue and Loan Size Assessment Area: Monroe County								
Business Revenue and Loan Size		2022						
		Count			Dollars			Total
		Bank		Aggregate	Bank		Aggregate	Businesses
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	2	100.0%	49.7%	\$25	100.0%	34.2%	88.6%
	Over \$1 Million/ Unknown	0	0.0%	50.3%	\$0	0.0%	65.8%	11.4%
	TOTAL	2	100.0%	100.0%	\$25	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	2	100.0%	93.7%	\$25	100.0%	59.2%	
	\$100,001–\$250,000	0	0.0%	5.1%	\$0	0.0%	29.5%	
	\$250,001– \$1 Million	0	0.0%	1.1%	\$0	0.0%	11.3%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	2	100.0%	100.0%	\$25	100.0%	100.0%	
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	2	100.0%		\$25	100.0%	
		\$100,001–\$250,000	0	0.0%		\$0	0.0%	
		\$250,001– \$1 Million	0	0.0%		\$0	0.0%	
		Over \$1 Million	0	0.0%		\$0	0.0%	
		TOTAL	2	100.0%		\$25	100.0%	

Boone County Assessment Area

Geographic Distribution of HMDA Loans Assessment Area: Boone County								
Product Type	Tract Income Levels	2022						
		Count			Dollars			Owner- Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	2	16.7%	11.0%	\$200	10.2%	8.4%	8.1%
	Middle	3	25.0%	46.0%	\$708	36.1%	49.4%	53.7%
	Upper	7	58.3%	42.9%	\$1,054	53.7%	42.1%	38.2%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	12	100.0%	100.0%	\$1,962	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	3	33.3%	7.9%	\$405	43.0%	4.6%	8.1%
	Middle	2	22.2%	53.2%	\$186	19.7%	52.6%	53.7%
	Upper	4	44.4%	38.9%	\$351	37.3%	42.7%	38.2%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	9	100.0%	100.0%	\$942	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	7.9%	\$0	0.0%	4.4%	8.1%
	Middle	0	0.0%	46.1%	\$0	0.0%	56.0%	53.7%
	Upper	0	0.0%	46.1%	\$0	0.0%	39.6%	38.2%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	2	100.0%	71.4%	\$636	100.0%	72.0%	42.9%
	Middle	0	0.0%	28.6%	\$0	0.0%	28.0%	8.3%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	48.8%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	2	100.0%	100.0%	\$636	100.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	7	30.4%	10.1%	\$1,241	35.1%	7.7%	8.1%
	Middle	5	21.7%	48.5%	\$894	25.3%	50.6%	53.7%
	Upper	11	47.8%	41.4%	\$1,405	39.7%	41.7%	38.2%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	23	100.0%	100.0%	\$3,540	100.0%	100.0%	100.0%

Geographic Distribution of Small Business Loans Assessment Area: Boone County							
Tract Income Levels	2022						
	Count			Dollars			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	%
Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
Moderate	0	0.0%	16.8%	\$0	0.0%	28.8%	23.3%
Middle	9	60.0%	47.5%	\$409	28.9%	38.9%	32.0%
Upper	6	40.0%	35.0%	\$1,008	71.1%	32.2%	44.7%
Unknown	0	0.0%	0.7%	\$0	0.0%	0.1%	0.0%
TOTAL	15	100.0%	100.0%	\$1,417	100.0%	100.0%	100.0%

Borrower Distribution of HMDA Loans Assessment Area: Boone County								
Product Type	Borrower Income Levels	2022						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	1	8.3%	5.7%	\$102	5.2%	3.2%	16.5%
	Moderate	1	8.3%	17.1%	\$174	8.9%	12.8%	16.2%
	Middle	2	16.7%	21.3%	\$421	21.5%	19.4%	21.3%
	Upper	4	33.3%	36.2%	\$773	39.4%	45.9%	46.1%
	Unknown	4	33.3%	19.7%	\$492	25.1%	18.7%	0.0%
	TOTAL	12	100.0%	100.0%	\$1,962	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	8.2%	\$0	0.0%	4.1%	16.5%
	Moderate	0	0.0%	19.0%	\$0	0.0%	13.7%	16.2%
	Middle	2	22.2%	26.5%	\$92	9.8%	24.2%	21.3%
	Upper	0	0.0%	31.2%	\$0	0.0%	37.5%	46.1%
	Unknown	7	77.8%	15.1%	\$850	90.2%	20.6%	0.0%
	TOTAL	9	100.0%	100.0%	\$942	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	11.8%	\$0	0.0%	8.1%	16.5%
	Moderate	0	0.0%	18.4%	\$0	0.0%	13.4%	16.2%
	Middle	0	0.0%	11.8%	\$0	0.0%	6.3%	21.3%
	Upper	0	0.0%	38.2%	\$0	0.0%	51.5%	46.1%
	Unknown	0	0.0%	19.7%	\$0	0.0%	20.6%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Unknown	2	100.0%	100.0%	\$636	100.0%	100.0%	N/A
	TOTAL	2	100.0%	100.0%	\$636	100.0%	100.0%	N/A
HMDA TOTALS	Low	1	4.3%	7.5%	\$102	2.9%	3.7%	16.5%
	Moderate	1	4.3%	17.5%	\$174	4.9%	12.9%	16.2%
	Middle	4	17.4%	22.6%	\$513	14.5%	20.6%	21.3%
	Upper	4	17.4%	34.1%	\$773	21.8%	42.7%	46.1%
	Unknown	13	56.5%	18.3%	\$1,978	55.9%	20.0%	0.0%
	TOTAL	23	100.0%	100.0%	\$3,540	100.0%	100.0%	100.0%

Small Business Loans by Revenue and Loan Size Assessment Area: Boone County								
Business Revenue and Loan Size		2022						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	14	93.3%	55.7%	\$1,400	98.8%	46.5%	91.0%
	Over \$1 Million/Unknown	1	6.7%	44.3%	\$17	1.2%	53.5%	9.0%
	TOTAL	15	100.0%	100.0%	\$1,417	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	11	73.3%	90.7%	\$472	33.3%	34.5%	
	\$100,001–\$250,000	3	20.0%	5.0%	\$450	31.8%	16.7%	
	\$250,001–\$1 Million	1	6.7%	4.3%	\$495	34.9%	48.8%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	15	100.0%	100.0%	\$1,417	100.0%	100.0%	
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	10	71.4%		\$455	32.5%	
		\$100,001–\$250,000	3	21.4%		\$450	32.1%	
		\$250,001–\$1 Million	1	7.1%		\$495	35.4%	
		Over \$1 Million	0	0.0%		\$0	0.0%	
		TOTAL	14	100.0%		\$1,400	100.0%	

APPENDIX C – 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.

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

Census tract: A small subdivision of metropolitan and nonmetropolitan 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 on 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 contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: An activity associated with one of the following five descriptions: (1) affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; (4) activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and 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, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Demographics: The statistical characteristics of human populations (e.g., age, race, sex, and income) used especially to identify markets.

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the

following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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 under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders who do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and income of applicants; the amount of loan requested; and the disposition of the application (e.g., 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 refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual 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.

Median family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An 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. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an 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 statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were \$1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are secured either 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): That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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