

PUBLIC DISCLOSURE

March 10, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Bank & Trust, SSB
RSSD # 623454
1200 Veterans Boulevard
Del Rio, Texas 78840

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

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

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

This Institution is rated: **Satisfactory.**

The Lending Test is rated: **Satisfactory.**

The Community Development (CD) Test is rated: **Satisfactory.**

The Bank & Trust, SSB (Bank & Trust or the bank) is rated **Satisfactory**. This rating is based on the following conclusions with respect to the performance criteria under the Lending and CD Tests:

- The bank's 13-quarter average net loan-to-deposit ratio (NLTD) is reasonable given the bank's asset size, financial condition, and the credit needs of the assessment areas (AAs).
- A majority of the bank's loans are originated inside the AAs.
- A reasonable distribution of loans occurs throughout the bank's AAs.
- Lending reflects a reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor the Federal Reserve Bank of Dallas (Reserve Bank) received any CRA-related complaints since the previous evaluation.
- CD activity reflects adequate responsiveness to CD needs of its AAs.

SCOPE OF THE EVALUATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Intermediate Small Institutions* to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy and market competition, as well as AA demographic and economic characteristics, and credit needs. Performance was assessed within the bank's three AAs. The bank's Del Rio Nonmetropolitan AA was assessed using a full scope review, while the San Angelo Metropolitan and Kerr County Nonmetropolitan AAs were assessed using a limited scope review. Examiners reviewed the following data:

- The bank's 13-quarter average NLTD ratio ending September 30, 2024;
- A statistically derived sample of 87 small business loans selected from a universe of 153 loans originated or renewed between January 1, 2023, and December 31, 2023;
- The universe of residential real estate lending activity reported by the bank on its 2023 Home Mortgage Disclosure Act (HMDA) Loan/Application Register, which totaled 156 loans;
- CD loans, qualified investments, and CD services from October 5, 2021 through March 10, 2025; and,
- Information provided by two members of the communities served by the bank to further assess the credit and CD needs of the AAs, focusing primarily on housing and small business needs in the bank's Del Rio Nonmetropolitan AA.

DESCRIPTION OF THE INSTITUTION

Bank and Trust, SSB is an intrastate community bank headquartered in Del Rio, Texas. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Westex Bancorp, Del Rio, Texas.
- As of September 30, 2024, the bank has total assets of \$530.9 million.
- The bank operates seven full-service locations in south central Texas with an automatic teller machine (ATM) at each location. Since the previous evaluation, the bank opened two branches: the Kerrville branch, located in Kerr County (2022) and the Boerne branch, which previously operated as an LPO, located Kendall County (2024).
- As shown in Table 1, Bank and Trust is primarily a Residential Real Estate lender, with these loans comprising the majority of the bank's loan portfolio. Commercial lending is a smaller but still material part of the bank's loan portfolio.

Table 1

Composition of Loan Portfolio as of September 30, 2024		
Loan Type	\$(000)	(%)
Agricultural	23,969	6.7
Commercial	119,129	33.5
Consumer	10,606	3.0
Residential Real Estate	193,673	54.5
Other	7,780	2.2
Gross Loans	355,157	100.0
Note: Percentages may not total 100.0 percent due to rounding.		

The Reserve Bank rated Bank & Trust's CRA performance as Satisfactory at its previous performance evaluation, dated October 4, 2021. 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 TESTS¹

LENDING TEST

This performance evaluation first discusses the bank's overall performance, followed by an in-depth evaluation of performance in the Del Rio Metropolitan AA (full scope review); and a brief discussion of performance in the San Angelo Nonmetropolitan and Kerr County Nonmetropolitan AAs (limited scope review).

Bank & Trust's overall performance under the Lending Test is satisfactory. This rating is based on a reasonable average NLTD ratio, a majority of loans originated within the delineated AAs, reasonable geographic distribution of loans, and reasonable distribution of loans among businesses with different revenue sizes. Each of the performance criteria considered under this test are discussed below.

¹ The NLTD ratio and percentage of loans and other lending-related activity in the AA only apply to the institution overall. No discussion of these performance criteria applies to sections of the performance evaluation related to the AA.

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank's average NLTD ratio to determine the reasonableness of lending in comparison to similarly situated institutions insured by the FDIC and in light of performance context, such as the bank's capacity to lend, the availability of lending opportunities, and the demographic and economic factors present in the AA. The similarly situated institutions were selected based on asset size, presence within the bank's delineated AAs, and loan portfolio mix.

Bank & Trust's 13-quarter NLTD ratio is reasonable. Throughout the review period, the bank's NLTD ratio ranged between 53.0 and 73.0 percent with an average of 62.9, which is comparable to the NLTD ratios of the selected similarly situated institutions.

Table 2

Comparative Net Loan to Deposit Ratios July 1, 2021 – September 30, 2024			
Institution	Location	Asset Size \$(000)	13 Quarter Average NLTD Ratio (%)
Bank & Trust, SSB	Del Rio, TX	530,889	62.9
Similarly Situated Institutions			
Comparator Banks	Sonora, TX	627,966	71.8
	San Angelo, TX	407,619	61.4
	Ballinger, TX	259,591	62.4

Assessment Area Concentration

This performance criterion evaluates the percentage of lending inside and outside of the bank's delineated AAs. As shown in Table 3, the bank originated the majority of loans, by number and dollar, inside its AAs, including 80.1 percent of HMDA-reportable loans, and 82.8 percent of small business loans. This performance reflects favorably upon the bank's commitment to meet the credit needs within the AAs.

Table 3

Lending Inside and Outside of the AAs Assessment Area: All								
Loan Type	Inside				Outside			
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%
Home Purchase - Conventional	88	81.5	27,069	80.8	20	18.5	6,440	19.2
Home Improvement	9	64.3	784	61.4	5	35.7	492	38.6
Multi-Family Housing	5	55.6	1,275	31.0	4	44.4	2,840	69.0
Other Purpose Closed-End	6	100.0	555	100.0	0	0.0	0	0.0
Refinancing	17	89.5	2,742	85.7	2	10.5	458	14.3
Total HMDA	125	80.1	32,425	76.0	31	19.9	10,230	24.0
Total Small Business	72	82.8	7,014	80.8	15	17.2	1,669	19.2
Total Loans	197	81.1	39,439	76.8	46	18.9	11,899	23.2
Note: Percentages may not total 100.0 percent due to rounding. Affiliate loans not included								

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of home mortgage and small business 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.

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

This performance criterion evaluates the bank's lending to borrowers of different income levels and businesses of different revenue sizes. The bank's lending has an overall reasonable distribution among individuals of different income levels and businesses of different sizes.

Response to Complaints

Neither the bank nor the Reserve Bank received any CRA-related complaints during the review period for this evaluation.

COMMUNITY DEVELOPMENT TEST

The CD Test evaluates the bank's responsiveness to the CD needs of its AAs through CD loans, qualified investments, and CD services, considering the bank's capacity and the need and availability of such opportunities in the bank's AAs. Bank & Trust's overall performance under the CD Test is satisfactory. The bank's performance demonstrates adequate responsiveness to the CD needs of the AA given the opportunities available and the bank's resources. Bank & Trust originated five qualified CD loans, one fewer than at the previous evaluation. These loans primarily supported economic development by financing small businesses; however, one loan for \$1.5 million was made for the purchase and renovation of a multifamily housing facility under a land use restriction agreement, requiring 17 units be set aside for LMI residents.

During the review period, the bank made one investment totaling approximately \$4.4 million for the revitalization and stabilization of LMI and underserved portions of the communities it serves. This investment met a CD need in the bank's AAs. As a result, positive consideration was given to investments made by Bank & Trust supporting community services in the broader statewide or regional area that includes the bank's AAs. The bank made 20 qualified CD investments totaling \$8.7 million in the broader statewide or regional area. Overall, the number of investments made by Bank & Trust was comparable to the bank's activity at the previous evaluation, while the dollar amount of total CD investments increased by 24.5%.

Additionally, CD services provided by the bank in its delineated AAs was comparable to those provided at the previous evaluation. The bank's CD services focused primarily on economic development through supporting small businesses, though activities supporting community services targeted to LMI individuals also made up a significant portion of the bank's qualified CD services.

Table 4

Community Development Activity Assessment Area: All									
CD Purpose	CD Loans		Qualified Investments						CD Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	#
Affordable Housing	1	1,463	0	0	0	0	0	0	1
Community Services	0	0	20	8,638	19	46	39	8,684	6
Economic Development	4	9,206	0	0	6	8	6	8	7
Revitalization and Stabilization	0	0	1	4,385	9	59	10	4,444	0
Totals	5	10,668	21	13,023	34	113	55	13,136	14
Note: Dollar value totals may not sum due to rounding.									

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

DEL RIO NONMETROPOLITAN ASSESSMENT AREA (Full Scope Review)

DESCRIPTION OF THE INSTITUTIONS OPERATIONS IN THE DEL RIO NONMETROPOLITAN ASSESSMENT AREA

The Del Rio Nonmetropolitan AA consists of the entirety of Kinney, Schleicher, Sutton, and Val Verde Counties, which are contiguous nonmetropolitan counties in southern Texas (see Appendix A for an AA map).

- Bank & Trust has not changed the delineation of this AA since the previous evaluation.
- According to the 2023 FFIEC data, the AA is comprised of 17 census tracts: five moderate-income tracts, nine middle-income tracts, two upper-income census tracts, and one tract with an unknown-income level. Since the previous evaluation, the Census Bureau added four additional census tracts within the AA, slightly increasing the percentage of tracts designated as moderate-income.
- In 2023, the FFIEC designated Kinney, Schleicher, and Sutton Counties as underserved². In addition, the FFIEC designated Sutton County as distressed³ due to unemployment. In 2024, the FFIEC added Val Verde County to the list of distressed counties due to unemployment and poverty. Furthermore, Kinney County was additionally designated as distressed due to poverty.
- The bank operates four locations, including its main office, in the AA. The main office is located in a moderate-income census tract, while the three branches are all in middle-income tracts, with two in distressed and/or underserved middle-income census tracts.
- According to the June 30, 2024, FDIC Deposit Market Share Report, the bank had a 39.4 percent market share, ranking first out of eight FDIC-insured depository institutions operating in the AA. Texas Community Bank and The First National Bank of Sonora were the next market leaders, with market shares of 21.4 percent and 12.0 percent, respectively.
- In 2023, 98 HMDA-reporting institutions purchased or originated a total of 767 home mortgage loans in the AA. Bank & Trust ranked third, originating 62 reportable loans (8.1 percent). Fairway Independent Mortgage Corporation, and Flagstar Bank, National Association (NA), led all reporting institutions with market shares of 17.1 percent and 8.2 percent, respectively.
- A representative of a local small business development center and a member of the local government were contacted for additional context related to the AA. Both contacts mentioned the large immigrant population in the area and the unique credit needs of individuals new to or unfamiliar with the United States' banking system. According to the contacts, many immigrants are unbanked and in need of education related to the acquisition and utilization of credit. This is especially true for small business ownership.

² A nonmetropolitan middle-income 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.

³ A nonmetropolitan middle-income 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 five percent or more over the five-year period preceding the most recent census.

Table 5

Population Change			
Assessment Area: Del Rio Nonmetropolitan			
Area	2015 Population	2020 Population	Percent Change
Del Rio Nonmetropolitan	59,747	56,538	-5.4
Kinney County, TX	3,577	3,129	-12.5
Schleicher County, TX	3,224	2,451	-24.0
Sutton County, TX	3,966	3,372	-15.0
Val Verde County, TX	48,980	47,586	-2.8
NonMSA Texas	3,060,473	3,051,458	-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			

- As reflected in Table 5, the AA experienced a notable decrease in population between 2015 and 2020, in stark contrast to the 9.8 percent growth in the statewide population.
- Kinney, Schleicher, and Sutton Counties, with populations below 4,000 individuals in 2015, each experienced population loss of more than 10.0 percent. These counties are each designated as underserved nonmetropolitan middle-income geographies, meeting established criteria that indicate that the area's population is sufficiently small, thin, and distant from a population center as to likely cause difficulty financing the fixed costs or meeting essential community needs.
- The city of Del Rio, the county seat of Val Verde County and the largest city in the AA, had a population of 34,673 according to 2020 census data, making up 61.3 percent of the AA total population.

Table 6

Median Family Income Change			
Assessment Area: Del Rio Nonmetropolitan			
Area	2015 Median Family Income (\$)	2020 Median Family Income (\$)	Percent Change
Del Rio Nonmetropolitan	56,956	56,514	-0.8
Kinney County, TX	55,043	61,650	12.0
Schleicher County, TX	73,364	65,948	-10.1
Sutton County, TX	60,904	67,721	11.2
Val Verde County, TX	53,475	55,550	3.9
NonMSA Texas	57,030	61,785	8.3
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.			

- The median family income (MFI) for the Del Rio AA is below the MFI for the state of Texas, with the disparity between the income levels growing from approximately 16.9 percent in 2015 to approximately 25.7 percent in 2020.
- Val Verde County, which contains the significant majority of the AA's population, reported the lowest MFI during the review period, below the MFI for statewide Nonmetropolitan counties. This indicates that wages within the AA's population center are low compared to similar geographies in the state.

- During the review period, 2,289 families in the AA (15.7 percent) were below the poverty line in 2020, with 86.3 percent of families below poverty living in Val Verde County. This aligns with the FFIEC's designation of Val Verde and Kinney Counties as distressed due to poverty.

Table 7

Housing Cost Burden Rates Assessment Area: Del Rio Nonmetropolitan						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Del Rio Nonmetropolitan	66.0	24.8	31.1	45.6	16.1	16.2
Kinney County, TX	20.9	0.0	9.1	11.8	0.0	3.9
Schleicher County, TX	80.0	0.0	32.6	52.6	19.4	17.3
Sutton County, TX	30.4	21.4	13.9	33.3	29.6	14.4
Val Verde County, TX	69.9	25.3	33.2	49.1	14.9	17.1
NonMSA Texas	66.2	38.4	36.9	49.9	21.8	16.3
Texas	79.4	49.8	43.5	59.0	32.7	19.4

Note: Cost Burden is housing cost that equals 30 percent or more of household income
Source: U.S. Department of Housing and Urban Development (HUD), 2017-2021 Comprehensive Housing Affordability Strategy

- As illustrated in Table 7, housing cost burden within the AA for LMI renters is greater than those of homeowners, indicating that it is generally more economical for LMI families to purchase a home rather than rent. However, other factors, such as downpayment requirements, serve as an entry barrier for homeownership.
- Kinney, Schleicher, and Sutton Counties reflect limited rental markets, with a low volume of rental units in each county (365, 228, and 409 rental units, respectively, in the counties.) In each of these counties, rental units are outnumbered by vacant units.

Table 8

Unemployment Rates Assessment Area: Del Rio Nonmetropolitan					
Area	2019	2020	2021	2022	2023
Del Rio Nonmetropolitan	3.3	8.2	5.9	4.6	5.3
Kinney County, TX	3.5	6.0	5.6	4.8	4.6
Schleicher County, TX	2.8	7.0	5.5	3.6	3.5
Sutton County, TX	3.8	9.8	8.1	5.7	5.8
Val Verde County, TX	3.3	8.3	5.9	4.6	5.5
NonMSA Texas	3.7	7.3	6.0	4.3	4.2
Texas	3.5	7.7	5.6	3.9	3.9

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Unemployment rates in the AA were similar to the statewide rate in 2019 before raising above the statewide rate in 2020. This increase in unemployment is primarily attributed to the COVID-19 pandemic and the impact of measures taken to combat the virus.
- While the statewide unemployment rate returned to near pre-pandemic levels in 2022, employment in the AA has yet to fully recover.
- Major employers include Laughlin Air Force Base, Howmet Aerospace, Muller Textiles and the City of Del Rio.

- During the evaluation period, Sutton County and Val Verde County were designated as distressed nonmetropolitan-middle income census tracts on the basis of unemployment, indicating that the unemployment rate for the counties were at least 1.5 times the national average.

Table 9

Home Mortgage Loan Trends					
Assessment Area: Del Rio Nonmetropolitan					
Area	2019	2020	2021	2022	2023
Del Rio Nonmetropolitan 2023	649	903	1,111	766	578
Kinney County, TX	41	49	54	40	48
Schleicher County, TX	13	18	15	12	6
Sutton County, TX	38	34	39	25	23
Val Verde County, TX	557	802	1,003	689	501
NonMSA Texas	39,659	57,561	62,827	45,109	32,984
Texas	592,278	976,795	1,008,080	592,209	418,730
<i>Source: FFIEC Home Mortgage Disclosure Act Aggregate Data</i>					

- As reflected in Table 9, home mortgage lending in the Del Rio AA was at a five year low in 2023.
- The decrease in home mortgage originations reflects statewide trends and are attributed to changes in mortgage rates across the period. Rates were at their lowest in late 2020 and 2021, before reaching 20-year highs in late 2022 and 2023.
- Two counties within the AA, Schleicher and Sutton Counties, received fewer than 25 total home mortgage loans in 2023, highlighting the limited demand for home mortgages in these geographies.

Table 10 below details selected characteristics of the AA.

Table 10

2023 Combined Demographics Assessment Area: Del Rio Nonmetropolitan								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	3,855	26.4
Moderate-income	5	29.4	5,010	34.3	939	18.7	2,552	17.5
Middle-income	9	52.9	7,740	53.0	1,195	15.4	2,937	20.1
Upper-income	2	11.8	1,841	12.6	155	8.4	5,247	36.0
Unknown-income	1	5.9	0	0.0	0	0.0	0	0.0
Total Assessment Area	17	100.0	14,591	100.0	2,289	15.7	14,591	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	7,604	4,104	30.6	54.0	2,582	34.0	918	12.1
Middle-income	14,526	7,512	56.0	51.7	3,626	25.0	3,388	23.3
Upper-income	2,553	1,798	13.4	70.4	559	21.9	196	7.7
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	24,683	13,414	100.0	54.3	6,767	27.4	4,502	18.2
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	500	31.3	460	31.3	35	33.0	5	20.0
Middle-income	833	52.1	755	51.4	60	56.6	18	72.0
Upper-income	265	16.6	252	17.2	11	10.4	2	8.0
Unknown-income	1	0.1	1	0.1	0	0.0	0	0.0
Total Assessment Area	1,599	100.0	1,468	100.0	106	100.0	25	100.0
Percentage of Total Businesses:				91.8			6.6	1.6
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	8	7.4	7	6.5	1	100.0	0	0.0
Middle-income	91	84.3	91	85.0	0	0.0	0	0.0
Upper-income	9	8.3	9	8.4	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	108	100.0	107	100.0	1	100.0	0	0.0
Percentage of Total Farms:				99.1			0.9	0.0
Source: 2023 FFIEC Census Data 2023 D&B Information 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE DEL RIO NONMETROPOLITAN ASSESSMENT AREA

LENDING TEST

The bank's lending performance in the Del Rio AA is reasonable. The distribution of loans reflects reasonable penetration among borrowers of different income levels and businesses of different sizes. Furthermore, the geographic distribution of loans reflects reasonable penetration throughout the AA.

Geographic Distribution of Loans

Overall, the bank's geographic distribution of loans in this assessment area reflects reasonable penetration throughout these LMI census tracts, based on reasonable lending performance for the bank's HMDA-reportable and small business lending.

Residential Real Estate (HMDA-reportable) Lending

The geographic distribution of Bank & Trust's HMDA-reportable lending is reasonable. As previously stated, the Del Rio AA contains no low-income census tracts, resulting in this criterion focusing primarily on the bank's performance in moderate-income geographies. In 2023, Bank & Trust originated 21.0 percent of its total HMDA-reportable loans to borrowers in moderate-income census tracts in the AA; this is below the percentage of owner-occupied units located in these tracts and the performance of aggregate lenders. However, HMDA-reportable loans were made in each of the five moderate-income census tracts, reflecting favorably on the dispersion of the bank's loans across the AA.

In 2023, 198 home mortgage loans were originated by HMDA-reporting institutions in moderate-income census tracts within the AA, with Bank & Trust accounting for approximately 6.6 percent of these loans. The bank originated three of its five total home improvement loans in moderate-income census tracts and one of its three other purpose lines of credit in moderate-income census tracts, highlighting the bank's willingness to lend despite low demand for certain HMDA-reportable loan products in the AA. Further, the bank originated five of its 23 total HMDA-reportable loans in Sutton County, a distressed and underserved nonmetropolitan middle-income geography, in 2023.

Table 11A

Distribution of 2023 Home Mortgage Lending by Income Level of Geography Assessment Area: Del Rio Nonmetropolitan							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Home Purchase Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	8	17.0	24.9	1,390	9.1	22.5	30.6
Middle	28	59.6	45.1	11,335	74.2	38.9	56.0
Upper	11	23.4	30.0	2,541	16.6	38.6	13.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	47	100.0	100.0	15,266	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	20.0	33.3	175	23.2	33.2	30.6
Middle	4	80.0	47.6	578	76.8	46.5	56.0
Upper	0	0.0	19.0	0	0.0	20.3	13.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	5	100.0	100.0	753	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	3	50.0	16.7	415	58.9	8.4	30.6
Middle	1	16.7	50.0	70	9.9	59.2	56.0
Upper	2	33.3	33.3	220	31.2	32.5	13.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	6	100.0	100.0	705	100.0	100.0	100.0
	Multifamily Loans						Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	55.1
Middle	1	50.0	100.0	245	71.0	100.0	37.4
Upper	1	50.0	0.0	100	29.0	0.0	7.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	2	100.0	100.0	345	100.0	100.0	100.0
	Total Home Mortgage Loans						Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	13	21.0	26.2	2,066	12.0	23.5	30.6
Middle	34	54.8	45.5	12,228	70.9	40.2	56.0
Upper	15	24.2	28.2	2,953	17.1	36.3	13.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	62	100.0	100.0	17,247	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

Table 11B

Distribution of 2023 Home Mortgage Lending by Income Level of Geography							
Assessment Area: Del Rio Nonmetropolitan							
Geographic Income Level	Bank and Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Other Purpose LOC							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	75.0	0	0.0	71.2	30.6
Middle	0	0.0	0.0	0	0.0	0.0	56.0
Upper	0	0.0	25.0	0	0.0	28.8	13.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	50.0	40.0	86	48.3	52.5	30.6
Middle	0	0.0	53.3	0	0.0	43.4	56.0
Upper	1	50.0	6.7	92	51.7	4.1	13.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	2	100.0	100.0	178	100.0	100.0	100.0
Purpose Not Applicable							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	42.9	0	0.0	52.7	30.6
Middle	0	0.0	57.1	0	0.0	47.3	56.0
Upper	0	0.0	0.0	0	0.0	0.0	13.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Source: 2023 FFIEC Census Data							
2016 – 2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

Small Business Lending

The geographic distribution of small business lending is reasonable. During the review period, the bank's level of lending in moderate-income census tracts was consistent with the percentage of total businesses operating in these tracts. Bank & Trust originated small business loans in 60.0 percent of moderate-income census tracts in the Del Rio Nonmetropolitan AA in 2023. Further, the bank originated five loans to businesses operating in distressed or underserved nonmetropolitan middle-income census tracts in the AA, which reflects favorably on the geographic distribution of the bank's small business lending in the Del Rio Nonmetropolitan AA.

Table 12

Distribution of 2023 Small Business Lending by Income Level of Geography Assessment Area: Del Rio Nonmetropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	11	30.6	1,560	37.0	31.3
Middle	19	52.8	2,019	47.9	52.1
Upper	6	16.7	638	15.1	16.6
Unknown	0	0.0	0	0.0	0.1
Total	36	100.0	4,217	100.0	100.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016 – 2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.					

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

Overall, Bank & Trust's distribution of loans among individuals of different income levels and businesses of different sizes is reasonable. While the bank's HMDA-reportable loan distribution by borrower income level is poor, lending to businesses of different revenue sizes is reasonable. In drawing conclusions regarding the bank's performance, HMDA-reportable and small business loans were considered equally considered. Despite the bank's HMDA-reportable lending being poor, the overall distribution is considered reasonable given the bank's performance lending to low-income borrowers was similar to aggregate HMDA reporters.

Residential Real Estate (HMDA-reportable) Lending

The distribution of HMDA-reportable lending to borrowers of different income levels is poor. As displayed in Table 13A, the bank's percentage of lending to low-income borrowers is consistent with 2023 aggregate HMDA-reportable lending, but far below the percentage of AA families classified as low-income (demographic). The demographic indicates potential loan demand; however, aggregate HMDA-reportable lending reflects more realistic expectations that factor in market challenges such as ability to repay and other safe and sound lending practices. Among moderate-income borrowers, Bank & Trust's level of lending was below both aggregate lending and the demographic figure. The majority (68.3 percent) of the bank's HMDA-reportable loans were made to upper-income families, even though upper-income families only account for 36.0 percent of the population. A community contact recognized that the area has a high immigrant population with unique credit needs. The bank's performance, relative to other HMDA lenders, indicates room for improvement among moderate-income borrowers.

Table 13A

Distribution of 2023 Home Mortgage Lending by Borrower Income Level Assessment Area: Del Rio Nonmetropolitan							
Borrower Income Level	Bank and Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	1	2.1	1.5	32	0.2	0.7	26.4
Moderate	1	2.1	11.6	52	0.3	7.2	17.5
Middle	3	6.4	24.9	406	2.7	21.6	20.1
Upper	36	76.6	40.0	7,573	49.6	48.7	36.0
Unknown	6	12.8	22.1	7,203	47.2	21.8	0.0
Total	47	100.0	100.0	15,266	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	4.8	0	0.0	2.7	26.4
Moderate	2	40.0	14.3	180	23.9	8.6	17.5
Middle	1	20.0	28.6	200	26.6	27.4	20.1
Upper	2	40.0	42.9	373	49.5	50.5	36.0
Unknown	0	0.0	9.5	0	0.0	10.9	0.0
Total	5	100.0	100.0	753	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	8.3	0	0.0	4.8	26.4
Moderate	1	16.7	25.0	85	12.1	18.9	17.5
Middle	3	50.0	16.7	270	38.3	28.8	20.1
Upper	2	33.3	50.0	350	49.6	47.4	36.0
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	6	100.0	100.0	705	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	1	1.7	1.8	32	0.2	0.8	26.4
Moderate	4	6.7	12.5	317	1.9	7.6	17.5
Middle	8	13.3	24.7	962	5.7	22.2	20.1
Upper	41	68.3	40.3	8,388	49.6	48.7	36.0
Unknown	6	10.0	20.6	7,203	42.6	20.7	0.0
Total	60	100.0	100.0	16,902	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016 – 2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.							

Table 13B

Distribution of 2023 Home Mortgage Lending by Borrower Income Level							
Assessment Area: Del Rio Nonmetropolitan							
Borrower Income Level	Bank and Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC							
Low	0	0.0	0.0	0	0.0	0.0	26.4
Moderate	0	0.0	0.0	0	0.0	0.0	17.5
Middle	0	0.0	0.0	0	0.0	0.0	20.1
Upper	0	0.0	100.0	0	0.0	100.0	36.0
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt							
Low	0	0.0	0.0	0	0.0	0.0	26.4
Moderate	0	0.0	33.3	0	0.0	29.7	17.5
Middle	1	50.0	26.7	86	48.3	39.5	20.1
Upper	1	50.0	40.0	92	51.7	30.9	36.0
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	2	100.0	100.0	178	100.0	100.0	100.0
Purpose Not Applicable							
Low	0	0.0	0.0	0	0.0	0.0	26.4
Moderate	0	0.0	14.3	0	0.0	16.3	17.5
Middle	0	0.0	0.0	0	0.0	0.0	20.1
Upper	0	0.0	0.0	0	0.0	0.0	36.0
Unknown	0	0.0	85.7	0	0.0	83.7	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Source: 2023 FFIEC Census Data							
2016 – 2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

Small Business Lending

The distribution of small business lending among businesses of different revenue sizes is reasonable. Table 14 shows the distribution of 2023 small business loans by loan amount and business revenue size compared to Dun & Bradstreet data.

Bank & Trust originated two-thirds of its small business loans in the AA to businesses with revenues of \$1 million or less. This is below the demographic figure, as Dunn & Bradstreet data estimates that 91.8 percent of AA businesses had annual revenues of \$1 million or less. However, additional context is necessary to fully understand small business loan demand. In 2023, aggregate reporters of CRA small business lending data originated 51.1 percent of reported small business loans to businesses with revenues of \$1 million or less. While Bank & Trust is not a reporter of CRA small business loan data, and the bank's performance is not compared directly to that of reporting institutions, aggregate lending data may serve as a proxy for loan demand. Considering this context, the bank's small business lending reflects reasonable distribution among businesses of different revenue sizes.

Table 14

Table 11

Distribution of 2023 Small Business Lending by Revenue Size of Businesses					
Assessment Area: Del Rio Nonmetropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	24	66.7	2,117	50.2	91.8
Over \$1 Million	9	25.0	1,906	45.2	6.6
Revenue Unknown	3	8.3	195	4.6	1.6
Total	36	100.0	4,217	100.0	100.0
By Loan Size					
\$100,000 or Less	25	69.4	898	21.3	
\$100,001 - \$250,000	6	16.7	1,055	25.0	
\$250,001 - \$1 Million	5	13.9	2,265	53.7	
Total	36	100.0	4,217	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or Less	19	79.2	710	33.5	
\$100,001 - \$250,000	3	12.5	525	24.8	
\$250,001 - \$1 Million	2	8.3	882	41.7	
Total	24	100.0	2,117	100.0	
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016 – 2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.					

COMMUNITY DEVELOPMENT TEST

The bank's CD performance demonstrates adequate responsiveness to the needs of the Del Rio Nonmetropolitan AA. The dollar amount of qualified CD lending in the AA increased significantly, more than doubling since the previous evaluation due to two large SBA 504 loans made by the bank during the review period. These loans made up approximately 82.8 percent of the bank's total CD lending in the Del Rio Nonmetropolitan AA. SBA 504 loans provide long-term, fixed rate financing for major fixed assets that promote business growth and job creation. Given the AA's decreasing population and elevated unemployment rates, these loans adequately meet community needs and reflect favorably on the bank's performance.

The bank made one qualified CD investment in the AA during the review period. This large investment provided more than \$4.3 million for the revitalization of critical infrastructure in LMI and underserved geographies in the bank's AA. This includes utilities repair, replacement, and relocation, as well as renovation of county-owned facilities. As the financial institution with the largest deposit market share in the AA, the bank's significant investment in the community reflects favorably on the bank's responsiveness to community needs.

During the review period, Bank & Trust provided eight qualified CD services in the Del Rio Nonmetropolitan AA totaling 684 hours. This represents a 38.5 percent decrease in the number CD services in the AA and a decrease of 17.0 percent in the hours provided. Services provided primarily focused on economic development by supporting small businesses, either directly, or through targeted efforts of intermediaries such as a chamber of commerce.

Table 15

Community Development Activity Assessment Area: Del Rio Nonmetropolitan									
CD Purpose	CD Loans		Qualified Investments						CD Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	#
Affordable Housing	0	0	0	0	0	0	0	0	0
Community Services	0	0	0	0	15	36	15	36	3
Economic Development	3	3,843	0	0	6	8	6	8	5
Revitalization and Stabilization	0	0	1	4,385	9	59	10	4,444	0
Totals	3	3,843	1	4,385	30	103	31	4,488	8

SAN ANGELO METROPOLITAN ASSESSMENT AREA
(Limited Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS in the San Angelo Metropolitan Assessment Area

The San Angelo Metropolitan AA consists of the entirety of Tom Green County, in central Texas. Tom Green County, along with Irion and Sterling Counties, which are excluded from the AA, make up the San Angelo, TX Metropolitan Statistical Area (MSA). (see Appendix A for an AA map and Appendix B for additional demographic data).

- Bank & Trust has not changed the delineation of this AA since the previous evaluation.
- According to the 2023 FFIEC data, the AA is comprised of 27 census tracts: two low-income tracts, six moderate-income tracts, nine middle-income tracts, nine upper-income census tracts, and one tract with an unknown-income level. Since the previous evaluation, the US Census Bureau redrew the census tracts in the AA and added two additional census tracts; however, due to the re-classification of census tracts, the percentage of tracts designated as LMI has decreased.
- According to the 2020 US Census, there are 27,500 families in the AA. Of those, 19.2 percent are low-, 18.5 percent are moderate-, 21.2 percent are middle-, and 41.1 percent are upper-income.
- The bank operates one branch office in the AA, which is located within an upper-income census tract in the city of San Angelo.
- According to the June 30, 2024, FDIC Deposit Market Share Report, the bank had a 2.7 percent market share, ranking ninth out of 16 FDIC-insured depository institutions operating in the AA. First Financial Bank and Wells Fargo Bank, NA, lead the market, with market shares of 31.9 percent and 15.2 percent, respectively.
- In 2023, 198 HMDA-reporting institutions purchased or originated a total of 2,234 home mortgage loans in the AA. Bank & Trust ranked 14th, originating 48 reportable loans (2.1 percent). Mortgage Financial Services, LLC and Amerihome Mortgage Company, led reporting institutions with market shares of 9.8 percent and 7.9 percent, respectively.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

The institution's lending and community development performance in the AA is consistent with the institution's performance overall.

KERR COUNTY NONMETROPOLITAN ASSESSMENT AREA
(Limited Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE KERR COUNTY NONMETROPOLITAN ASSESSMENT AREA

The Kerr County Nonmetropolitan AA consists of the entirety of nonmetropolitan Kerr County, in southern central Texas. (see Appendix A for an AA map and Appendix B for additional demographic data).

- The Kerr County AA is a new AA since the previous evaluation. The bank first delineated the AA in 2022 when the Kerrville, TX branch opened.
- According to the 2023 FFIEC data, the AA is comprised of 14 census tracts: two moderate-income tracts, six middle-income tracts, and six upper-income census tracts.
- According to the 2020 US Census, there are 14,712 families in the AA. Of those, 17.6 percent are low-, 17.8 percent are moderate-, 19.0 percent are middle-, and 45.6 percent are upper-income.
- The bank operates one branch office in the AA, which is located within a moderate-income census tract in the city of Kerrville. This branch opened September 9, 2022.
- According to the June 30, 2024, FDIC Deposit Market Share Report, the bank had a 1.1 percent market share of deposits, ranking 11th out of 13 FDIC-insured depository institutions operating in the AA. Security State Bank & Trust and Wells Fargo Bank, NA, were the market leaders, with market shares of 19.7 percent and 19.2 percent, respectively.
- In 2023, 164 HMDA-reporting institutions purchased or originated a total of 786 home mortgage loans in the AA. Bank & Trust ranked 10th, originating 15 reportable loans (1.9 percent). Randolph-Brooks Federal Credit Union and Security State Bank & Trust led all reporting institutions with market shares of 7.1 percent and 4.8 percent, respectively.

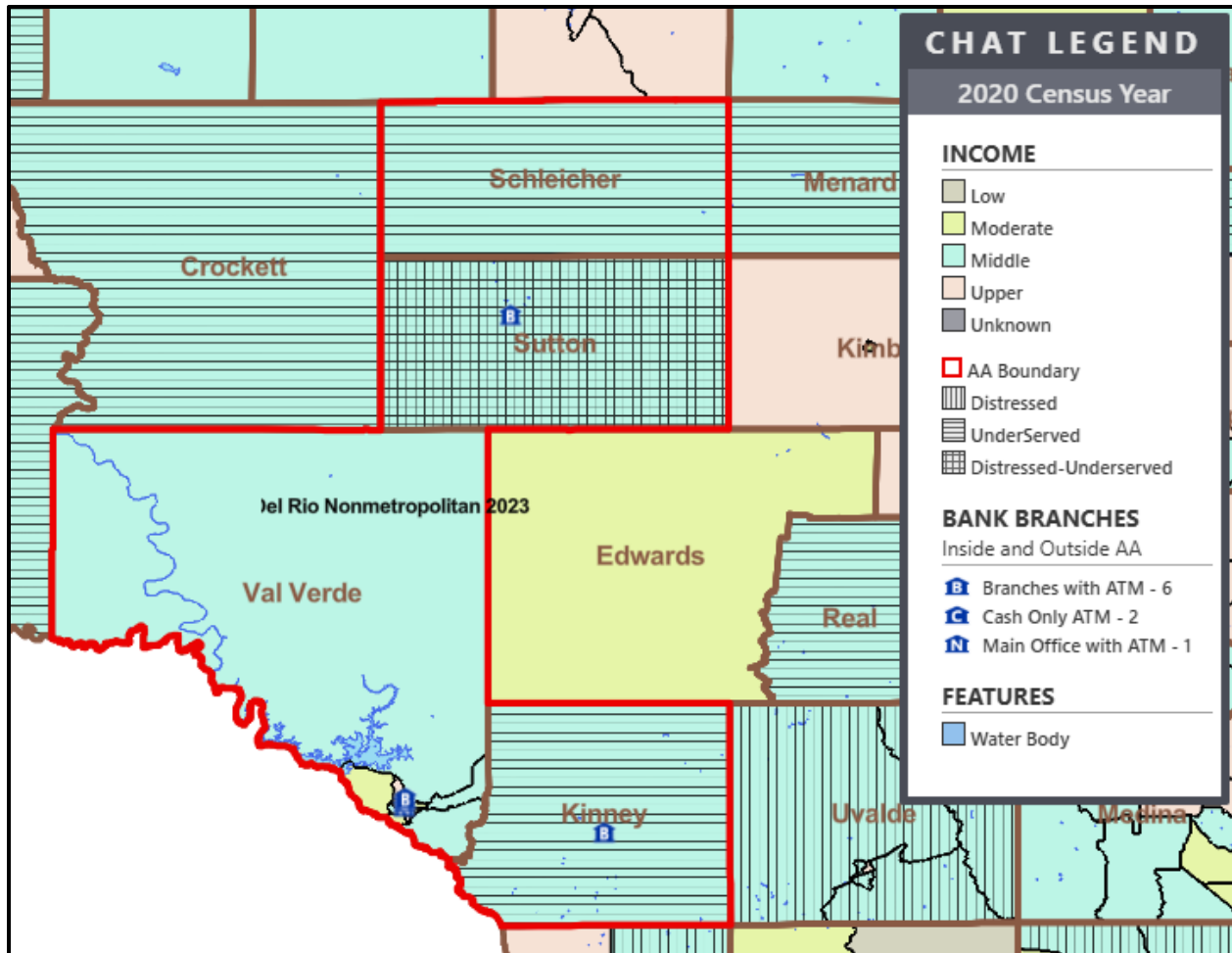
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

The institution's lending performance in the AA is consistent with the institution's lending performance overall.

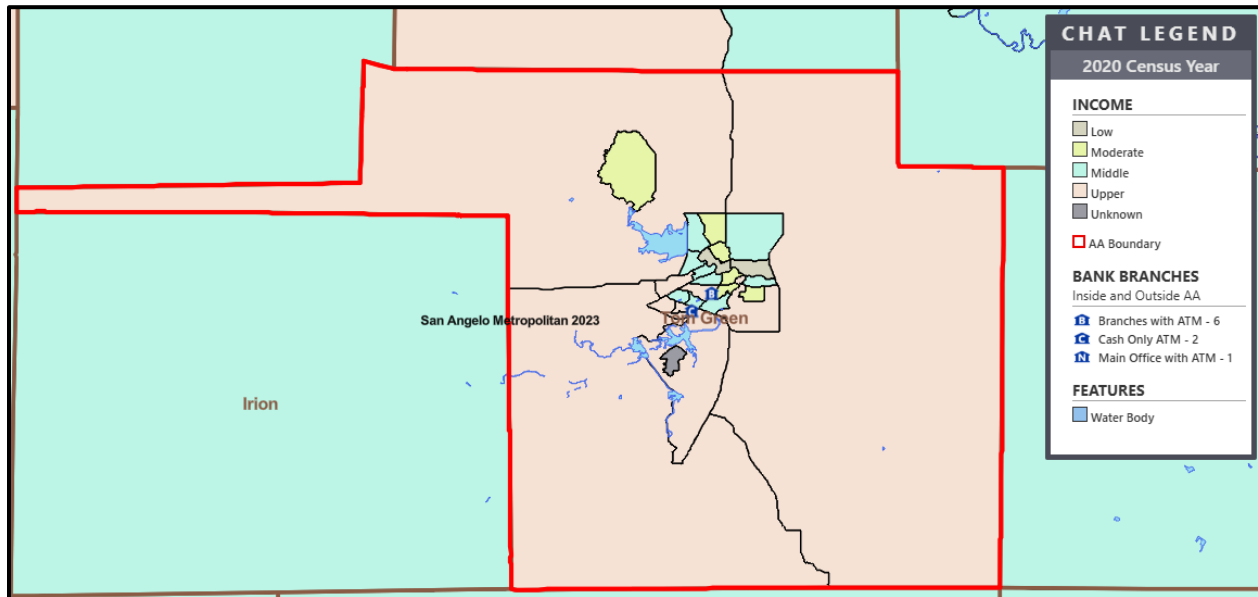
The institution's community development performance in the AA is below the institution's community development performance for the institution; however, it does not change the rating for the institution.

APPENDIX A – MAPS OF THE ASSESSMENT AREAS

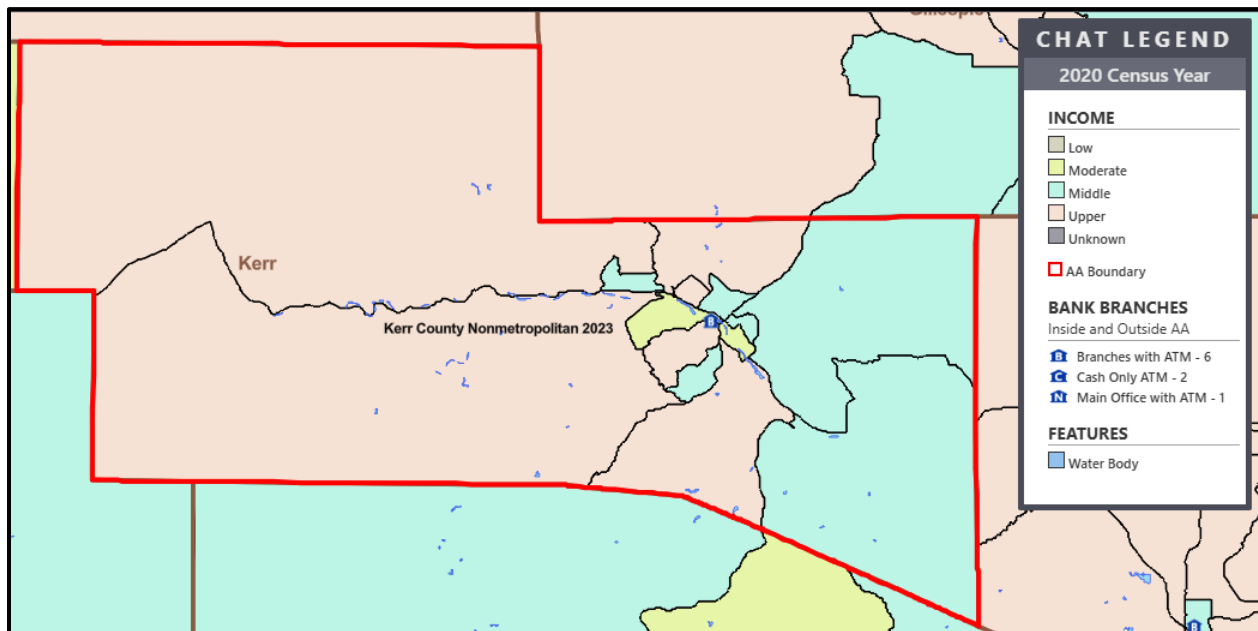
DEL RIO NONMETROPOLITAN ASSESSMENT AREA



SAN ANGELO METROPOLITAN ASSESSMENT AREA



KERR COUNTY NONMETROPOLITAN ASSESSMENT AREA



APPENDIX B – LIMITED-SCOPE ASSESSMENT AREAS DEMOGRAPHIC INFORMATION

SAN ANGELO METROPOLITAN ASSESSMENT AREA

Table B-1

2023 Combined Demographics Assessment Area: San Angelo Metropolitan								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	2	7.4	1,443	5.2	324	22.5	5,289	19.2
Moderate-income	6	22.2	4,258	15.5	460	10.8	5,089	18.5
Middle-income	9	33.3	10,089	36.7	927	9.2	5,824	21.2
Upper-income	9	33.3	11,710	42.6	533	4.6	11,298	41.1
Unknown-income	1	3.7	0	0.0	0	0.0	0	0.0
Total Assessment Area	27	100.0	27,500	100.0	2,244	8.2	27,500	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	2,998	1,195	4.2	39.9	1,200	40.0	603	20.1
Moderate-income	7,972	4,285	15.2	53.8	2,348	29.5	1,339	16.8
Middle-income	17,966	9,482	33.7	52.8	6,853	38.1	1,631	9.1
Upper-income	19,849	13,213	46.9	66.6	4,377	22.1	2,259	11.4
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	48,785	28,175	100.0	57.8	14,778	30.3	5,832	12.0
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	612	13.1	538	12.5	68	20.4	6	13.3
Moderate-income	638	13.6	570	13.2	58	17.4	10	22.2
Middle-income	1,408	30.1	1,307	30.4	94	28.1	7	15.6
Upper-income	2,008	42.9	1,875	43.6	111	33.2	22	48.9
Unknown-income	15	0.3	12	0.3	3	0.9	0	0.0
Total Assessment Area	4,681	100.0	4,302	100.0	334	100.0	45	100.0
	Percentage of Total Businesses:			91.9		7.1		1.0
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	16	6.9	15	6.7	0	0.0	1	100.0
Moderate-income	6	2.6	6	2.7	0	0.0	0	0.0
Middle-income	44	18.9	42	18.8	2	25.0	0	0.0
Upper-income	167	71.7	161	71.9	6	75.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	233	100.0	224	100.0	8	100.0	1	100.0
	Percentage of Total Farms:			96.1		3.4		0.4
Source: 2023 FFIEC Census Data 2023 D&B Information 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

KERR COUNTY NONMETROPOLITAN ASSESSMENT AREA

Table B-2

2023 Combined Demographics								
Assessment Area: Kerr County Nonmetropolitan								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,595	17.6
Moderate-income	2	14.3	1,825	12.4	457	25.0	2,620	17.8
Middle-income	6	42.9	5,997	40.8	545	9.1	2,789	19.0
Upper-income	6	42.9	6,890	46.8	296	4.3	6,708	45.6
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	14	100.0	14,712	100.0	1,298	8.8	14,712	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	3,146	1,358	9.3	43.2	1,651	52.5	137	4.4
Middle-income	10,100	5,788	39.8	57.3	3,041	30.1	1,271	12.6
Upper-income	11,550	7,415	50.9	64.2	2,025	17.5	2,110	18.3
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	24,796	14,561	100.0	58.7	6,717	27.1	3,518	14.2
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	487	16.9	445	16.6	35	21.6	7	18.9
Middle-income	1,096	38.1	1,011	37.8	71	43.8	14	37.8
Upper-income	1,293	45.0	1,221	45.6	56	34.6	16	43.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	2,876	100.0	2,677	100.0	162	100.0	37	100.0
	Percentage of Total Businesses:			93.1		5.6		1.3
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	6	5.4	6	5.5	0	0.0	0	0.0
Middle-income	31	27.9	31	28.2	0	0.0	0	0.0
Upper-income	74	66.7	73	66.4	1	100.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	111	100.0	110	100.0	1	100.0	0	0.0
	Percentage of Total Farms:			99.1		0.9		0.0
Source: 2023 FFIEC Census Data 2023 D&B Information 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX C – LIMITED SCOPE REVIEW ASSESSMENT AREA TABLES

SAN ANGELO METROPOLITAN ASSESSMENT AREA

Table C-1A

Distribution of 2023 Home Mortgage Lending By Income Level of Geography							
Assessment Area: San Angelo Metropolitan							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	0	0.0	2.9	0	0.0	1.5	4.2
Moderate	4	14.3	12.9	678	8.2	9.6	15.2
Middle	4	14.3	33.6	2,062	24.9	25.7	33.7
Upper	20	71.4	50.7	5,538	66.9	63.1	46.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	28	100.0	100.0	8,278	100.0	100.0	100.0
Refinance Loans							
Low	2	20.0	1.0	228	14.5	0.7	4.2
Moderate	3	30.0	14.0	335	21.4	13.3	15.2
Middle	3	30.0	34.2	476	30.3	21.5	33.7
Upper	2	20.0	50.8	530	33.8	64.4	46.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	10	100.0	100.0	1,569	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	3.8	0	0.0	1.8	4.2
Moderate	1	33.3	9.4	12	15.2	7.0	15.2
Middle	1	33.3	28.3	27	34.2	16.8	33.7
Upper	1	33.3	58.5	40	50.6	74.4	46.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	3	100.0	100.0	79	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	
Moderate	0	0.0	20.0	0	0.0	10.3	8.6
Middle	3	100.0	40.0	930	100.0	22.4	41.5
Upper	0	0.0	40.0	0	0.0	67.3	38.4
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	3	100.0	100.0	930	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	2	4.2	2.7	228	2.0	1.3	
Moderate	8	16.7	12.6	1,025	9.1	9.9	15.2
Middle	11	22.9	33.8	3,495	31.1	25.1	33.7
Upper	27	56.3	51.0	6,485	57.7	63.7	46.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	48	100.0	100.0	11,233	100.0	100.0	100.0
Source: 2023 FFIEC Census Data							
2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

Table C-1B

Distribution of 2023 Home Mortgage Lending By Income Level of Geography Assessment Area: San Angelo Metropolitan							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Other Purpose LOC							
Low	0	0.0	0.0	0	0.0	0.0	4.2
Moderate	0	0.0	0.0	0	0.0	0.0	15.2
Middle	0	0.0	25.0	0	0.0	13.4	33.7
Upper	0	0.0	75.0	0	0.0	86.6	46.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt							
Low	0	0.0	1.9	0	0.0	1.0	4.2
Moderate	0	0.0	5.8	0	0.0	3.8	15.2
Middle	0	0.0	38.5	0	0.0	32.5	33.7
Upper	4	100.0	53.8	377	100.0	62.7	46.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	4	100.0	100.0	377	100.0	100.0	100.0
Purpose Not Applicable							
Low	0	0.0	0.0	0	0.0	0.0	4.2
Moderate	0	0.0	0.0	0	0.0	0.0	15.2
Middle	0	0.0	57.1	0	0.0	52.8	33.7
Upper	0	0.0	42.9	0	0.0	47.2	46.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

Table C-2

Distribution of 2023 Small Business Lending By Income Level of Geography Assessment Area: San Angelo Metropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	%	\$(000)	%	
Low	1	3.7	140	8.8	13.1
Moderate	0	0.0	0	0.0	13.6
Middle	9	33.3	763	48.0	30.1
Upper	17	63.0	687	43.2	42.9
Unknown	0	0.0	0	0.0	0.3
Total	27	100.0	1,590	100.0	100.0

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

Table C-3A

Distribution of 2023 Home Mortgage Lending By Borrower Income Level Assessment Area: San Angelo Metropolitan							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	0	0.0	2.5	0	0.0	1.1	19.2
Moderate	2	7.1	11.5	447	5.4	7.9	18.5
Middle	5	17.9	18.0	1,071	12.9	16.5	21.2
Upper	18	64.3	31.4	6,306	76.2	40.2	41.1
Unknown	3	10.7	36.6	454	5.5	34.2	0.0
Total	28	100.0	100.0	8,278	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	7.8	0	0.0	3.1	19.2
Moderate	1	10.0	17.1	50	3.2	9.3	18.5
Middle	0	0.0	17.6	0	0.0	11.7	21.2
Upper	2	20.0	36.8	530	33.8	43.5	41.1
Unknown	7	70.0	20.7	989	63.0	32.4	0.0
Total	10	100.0	100.0	1,569	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	11.3	0	0.0	5.9	19.2
Moderate	1	33.3	13.2	27	34.2	8.6	18.5
Middle	0	0.0	24.5	0	0.0	17.4	21.2
Upper	2	66.7	43.4	52	65.8	61.1	41.1
Unknown	0	0.0	7.5	0	0.0	7.0	0.0
Total	3	100.0	100.0	79	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0.0	3.2	0	0.0	1.3	19.2
Moderate	4	8.9	11.9	524	5.1	8.0	18.5
Middle	7	15.6	18.7	1,178	11.4	16.3	21.2
Upper	24	53.3	32.2	7,158	69.5	40.7	41.1
Unknown	10	22.2	34.0	1,443	14.0	33.7	0.0
Total	45	100.0	100.0	10,303	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.							

Table C-3B

Distribution of 2023 Home Mortgage Lending By Borrower Income Level Assessment Area: San Angelo Metropolitan							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Other Purpose LOC							
Low	0	0.0	0.0	0	0.0	0.0	19.2
Moderate	0	0.0	12.5	0	0.0	3.9	18.5
Middle	0	0.0	37.5	0	0.0	52.1	21.2
Upper	0	0.0	50.0	0	0.0	44.0	41.1
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt							
Low	0	0.0	5.8	0	0.0	4.2	19.2
Moderate	0	0.0	11.5	0	0.0	9.3	18.5
Middle	2	50.0	40.4	107	28.4	28.6	21.2
Upper	2	50.0	38.5	270	71.6	55.3	41.1
Unknown	0	0.0	3.8	0	0.0	2.6	0.0
Total	4	100.0	100.0	377	100.0	100.0	100.0
Purpose Not Applicable							
Low	0	0.0	0.0	0	0.0	0.0	19.2
Moderate	0	0.0	0.0	0	0.0	0.0	18.5
Middle	0	0.0	0.0	0	0.0	0.0	21.2
Upper	0	0.0	0.0	0	0.0	0.0	41.1
Unknown	0	0.0	100.0	0	0.0	100.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

Table C-4

Distribution of 2023 Small Business Lending by Revenue Size of Businesses					
Assessment Area: San Angelo Metropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	21	77.8	1,102	69.3	91.9
Over \$1 Million	6	22.2	488	30.7	7.1
Revenue Unknown	0	0.0	0	0.0	1.0
Total	27	100.0	1,590	100.0	100.0
By Loan Size					
\$100,000 or Less	23	85.2	878	55.2	
\$100,001 - \$250,000	4	14.8	712	44.8	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	27	100.0	1,590	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or Less	18	85.7	611	55.4	
\$100,001 - \$250,000	3	14.3	491	44.6	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	21	100.0	1,102	100.0	
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016 – 2020 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

KERR COUNTY NONMETROPOLITAN ASSESSMENT AREA

Table C-5

Distribution of 2023 Home Mortgage Lending by Income Level of Geography Assessment Area: Kerr County Nonmetropolitan							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	2	13.3	9.7	425	10.8	8.2	9.3
Middle	10	66.7	40.2	2,698	68.4	37.8	39.8
Upper	3	20.0	50.1	822	20.8	53.9	50.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	15	100.0	100.0	3,945	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

Table C-6

Distribution of 2023 Small Business Lending by Income Level of Geography Assessment Area: Kerr County Nonmetropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	1	11.1	31	2.6	16.9
Middle	3	33.3	277	22.9	38.1
Upper	5	55.6	899	74.5	45.0
Unknown	0	0.0	0	0.0	0.0
Total	9	100.0	1,207	100.0	100.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016 – 2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.					

Table C-7

Distribution of 2023 Home Mortgage Lending by Borrower Income Level Assessment Area: Kerr County Nonmetropolitan							
Borrower Income Level	Bank and Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Low	0	0.0	2.5	0	0.0	0.8	17.6
Moderate	2	13.3	9.0	145	3.7	4.7	17.8
Middle	1	6.7	22.0	259	6.6	15.5	19.0
Upper	10	66.7	47.9	2,919	74.0	59.0	45.6
Unknown	2	13.3	18.6	622	15.8	20.0	0.0
Total	15	100.0	100.0	3,945	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016 – 2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.							

Table C-8

Distribution of 2023 Small Business Lending by Revenue Size of Businesses					
Assessment Area: Kerr County Nonmetropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	7	77.8	1,116	92.5	93.1
Over \$1 Million	2	22.2	91	7.5	5.6
Revenue Unknown	0	0.0	0	0.0	1.3
Total	9	100.0	1,207	100.0	100.0
By Loan Size					
\$100,000 or Less	5	55.6	197	16.3	
\$100,001 - \$250,000	3	33.3	670	55.5	
\$250,001 - \$1 Million	1	11.1	340	28.2	
Total	9	100.0	1,207	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or Less	3	42.9	106	9.5	
\$100,001 - \$250,000	3	42.9	670	60.0	
\$250,001 - \$1 Million	1	14.3	340	30.5	
Total	7	100.0	1,116	100.0	
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016 – 2020 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

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.