

PUBLIC DISCLOSURE

September 16, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank of Texas
RSSD # 925653
306 West Wall, Suite 100
Midland, Texas 79701

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

The institution is rated: **Satisfactory**.

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

The Community Development Test is rated: **Satisfactory**.

The Community Reinvestment Act (CRA) performance of the Bank of Texas (BOT or bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria under the Lending Test and Community Development (CD) Test.

- BOT's 12-quarter average net loan-to-deposit ratio (NLTD) is more than reasonable given the bank's asset size and financial condition, as well as the credit needs of the delineated assessment areas (AAs).
- A substantial majority of the bank's loans are originated inside the AAs.
- An excellent distribution of loans occurs throughout the bank's delineated AAs.
- Lending reflects a reasonable distribution among businesses of different sizes.
- CD activity reflects adequate responsiveness to the needs of the 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. Examiners considered CRA performance context, including the bank's asset size, financial condition, business strategy, and market competition, as well as AA credit needs and demographic and economic characteristics. Performance was assessed within the bank's three delineated AAs: El Paso Metropolitan, Midland Metropolitan, and Kent-Dickens-Stonewall Nonmetropolitan. A full-scope review was conducted for the El Paso Metropolitan and Midland Metropolitan AAs, which account for approximately 86.0 percent of the bank's total lending activity (by number of loans), 75.0 percent of total deposits, and 66.7 percent of total branches. The Kent-Dickens-Stonewall Nonmetropolitan AA was assessed using a limited scope review.

To evaluate BOT's CRA performance, examiners reviewed the following data:

- The bank's 12-quarter average NLTD ratio, as well as the NLTD ratio for three similarly situated financial institutions.
- A statistically derived sample of 90 small business loans selected from a universe of 162 loans originated or renewed between January 1, 2023, and December 31, 2023.
- Qualified CD activities extended from August 9, 2021, to September 16, 2024; and
- Information provided by two members of the communities served by the bank to further assess the credit and CD needs as well as the economic conditions of the AAs receiving full-scope review.

Given that neither the bank nor the Federal Reserve Bank of Dallas (Reserve Bank) received any CRA-related complaints since the previous evaluation, this performance criterion was not evaluated.

DESCRIPTION OF THE INSTITUTION

BOT, an intrastate bank headquartered in Midland, Texas, has the following characteristics.

- The bank is a wholly owned subsidiary of Tall City Bancshares, Inc, Midland, Texas, a single bank holding company.
- As of March 31, 2024, BOT has total assets of \$534.5 million.
- BOT operates three full-service branches, one in each AA. Two branches are in moderate-income census tracts, and one is in an upper census tract.
- The significant majority of the bank's lending occurs within the El Paso Metropolitan AA, while deposits are primarily sourced from the Midland Metropolitan AA. This is primarily attributed to the bank's clientele in the Midland Metropolitan AA consisting of high-net-worth individuals involved in the oil and gas industry who have low demand for BOT's credit products.
- As shown in Table 1, the bank's primary focus is commercial lending, which represents 89.3 percent of the total loan portfolio as of March 31, 2024.

Table 1

Composition of Loan Portfolio as of March 31, 2024		
Loan Type	\$(000)	%
Residential Real Estate	13,142	3.1
Agricultural	32,421	7.6
Commercial	382,894	89.3
Consumer	574	0.1
Gross Loans	429,031	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

The Reserve Bank rated BOT's CRA performance as **Satisfactory** at the previous performance evaluation dated August 9, 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 the performance in the El Paso Metropolitan and Midland Metropolitan AAs, which received a full-scope review, and a brief discussion of performance in the Kent-Dickens-Stonewall Nonmetropolitan AA, which received a limited-scope review.

BOT's overall performance under the Lending Test is **Outstanding**. This rating is based on a more than reasonable average NLTD ratio, a substantial majority of loans originated within the delineated AAs, excellent 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 assessment area concentration only apply to the overall performance; therefore, these criteria are not evaluated when discussing the bank's performance in the individual AAs.

Lending performance in the El Paso Metropolitan AA was given the greatest weight in determining overall performance conclusions, as 86.0 percent of the bank's loans were originated in this AA, whereas only 13.0 percent of total loans were extended in the Midland Metropolitan AA. In addition, more consideration was given to the volume of loan originations than the dollar amount, as this represents the number of businesses served.

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank's average NLTD ratio to determine the reasonableness of extending credit in light of performance context, such as capacity to lend, availability of lending opportunities, and demographic and economic factors present in the AAs. Moreover, BOT's performance is compared to similarly situated institutions insured by the Federal Deposit Insurance Corporation (FDIC). Examiners considered asset size, activity in the delineated AAs, and loan portfolio composition when selecting similarly situated institutions.

The bank's 12-quarter NLTD ratio of 103.4 percent is more than reasonable. BOT's 12-quarter average NLTD ratio is higher than that of the similarly situated banks shown in the table below, which range from 38.6 percent to 73.4 percent. The bank's NLTD was substantially higher than that of similarly situated banks in each of the 12 quarters, highlighting the bank's commitment to lending.

Table 2

Comparative Net Loan-to-Deposit Ratios April 1, 2021 – March 31, 2024			
Institution	Location	Asset Size \$(000)	12-Quarter Average NLTD Ratio (%)
Bank of Texas	Midland, Texas	452,245	103.4
Similar Situated Institutions	Fort Stockton, Texas	317,309	38.6
	Odessa, Texas	664,238	73.4
	Farmington, New Mexico	506,908	73.0

Assessment Area Concentration

This performance criterion evaluates the percentage of the bank's lending extended inside and outside of the delineated AAs. As shown in Table 3, BOT originated a substantial majority of loans, by number and dollar, inside its AAs. This reflects favorably upon the bank's commitment to meeting the credit needs within the AAs.

Table 3

Lending Inside and Outside of the Assessment Areas								
Loan Type	Inside Assessment Areas				Outside Assessment Areas			
	#	%	\$000s	%	#	%	\$000s	%
Small Business	78	86.7	30,909	93.7	12	13.3	2,066	6.3
Total Loans	78	86.7	30,909	93.7	12	13.3	2,066	6.3

The remaining analysis is based on the loans extended inside the bank's AAs.

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of small business lending by income level of census tract and dispersion of loans throughout the AAs in light of performance context such as strategic focus, lending opportunities, and geographic characteristics. BOT's overall geographic distribution of loans reflects excellent distribution among census tracts of different income levels, with no conspicuous gaps or anomalies noted in the bank's lending.

Lending to Businesses of Different Revenue Sizes

This performance criterion evaluates the bank's lending to businesses of different revenue sizes. BOT's lending reflects an overall reasonable distribution among businesses of different revenue sizes.

COMMUNITY DEVELOPMENT TEST

The CD Test evaluates the bank's responsiveness to the CD needs of its delineated AAs through qualified loans, investments, and services, considering BOT's capacity and the need and availability of such opportunities in the delineated AAs. Greatest weight was assigned to the bank's CD performance in the El Paso Metropolitan AA when evaluating the overall CD Test performance.

BOT's overall CD performance demonstrates adequate responsiveness to the needs of the delineated AAs. The bank applied a majority of its resources to revitalize and stabilize low- and moderate-income (LMI) communities through government initiatives and other activities in accordance with a designated opportunity zone².

Table 4 outlines the bank's qualified CD activity since the previous evaluation.

Table 4

Community Development Activity Assessment Area: All									
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	#
Affordable Housing	0	0	0	0	0	0	0	0	0
Community Services	0	0	0	0	17	24	17	24	15
Economic Development	0	0	0	0	0	0	0	0	1
Revitalization and Stabilization	11	14,422	0	0	0	0	0	0	0
Totals	11	14,422	0	0	17	24	17	24	16

² The Opportunity Zones Program is a private equity tax incentive program designed to spur investment in the county's low-income urban and rural communities. Investors can receive a series of tax benefits through qualified opportunity funds, which are investment vehicles that deploy capital to designated opportunity zones.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

EL PASO METROPOLITAN ASSESSMENT AREA (Full-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE EL PASO METROPOLITAN ASSESSMENT AREA

The El Paso Metropolitan AA consists of the entirety of El Paso County in south Texas, along the Mexican border. This county in conjunction with Hudspeth County, which is excluded from the AA, make up the El Paso, Texas Metropolitan Statistical Area (MSA). Refer to Appendix A for an AA map and Appendix B for additional demographic data.

- According to the 2023 FFIEC data, the AA is comprised of 188 census tracts: one unknown-income, ten low-income, 59 moderate-income, 64 middle-income, and 54 upper-income geographies. Since the previous evaluation, 27 additional census tracts have been delineated; however, the percent of census tracts designated as LMI decreased.
- BOT operates one branch in a moderate-income census tract near the far western border of the AA that is responsible for 86.0 percent of the bank's lending.
- The FDIC Market Share Report as of June 30, 2023, indicates that the bank had a 2.2 percent market share, ranking 11th out of 16 FDIC-insured depository institutions operating in the AA. Wells Fargo Bank, N.A. leads the market at 23.5 percent, followed by WestStar Bank and JPMorgan Chase Bank, N.A., with market shares of 21.2 percent and 17.2 percent, respectively.
- Approximately 17.0 percent of the bank's total deposits comes from the AA.
- A representative from an organization that services small businesses in the AA noted the need for small business lending and financial literacy programs. Many small businesses in the AA, largely start-ups, are struggling to access crucial funding, which hinders growth and sustainability.

Table 5

Population Change Assessment Area: El Paso Metropolitan			
Area	2015 Population	2020 Population	Percent Change
El Paso Metropolitan	831,095	865,657	4.2
El Paso, TX MSA	834,425	868,859	4.1
Texas	26,538,614	29,145,505	9.8
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

- As depicted in Table 5, the AA experienced slower population growth than the state of Texas, which exceeded the AA's growth by 5.6 percent.
- El Paso, the largest Texas city along the Mexican border, makes up 78.4 percent of the AA population.
- While El Paso is the sixth largest metropolitan city in Texas, factors such as lower paying wages and the effects of the COVID-19 pandemic contributed to the slow population growth.

Table 6

Median Family Income Change Assessment Area: El Paso Metropolitan			
Area	2015 Median Family Income (\$)	2020 Median Family Income (\$)	Percent Change (%)
El Paso Metropolitan	50,363	54,013	7.2
El Paso, TX MSA	50,295	53,920	7.2
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) in the AA is lower than the median for the state of Texas. Given the growth rate of the AA's MFI is below that of the state, the gap between the statewide MFI and that of El Paso County continues to expand.
- The AA has 16 opportunity zones, which contain approximately 6.0 percent of the total population.
- The AA has approximately 198,164 families, of which 39.8 percent are classified as LMI. The percent of LMI families in the AA is similar to the statewide figure, at 39.6 percent.
- Census data shows 16.9 percent of the AA families live below the poverty level, which is higher than the state average of 10.9 percent.

Table 7

Housing Cost Burden Assessment Area: El Paso Metropolitan						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low- Income	Moderate- Income	All Renters	Low- Income	Moderate- Income	All Owners
El Paso Metropolitan	73.0	50.3	43.6	58.6	34.4	22.2
El Paso, TX MSA	72.9	50.2	43.6	58.4	34.3	22.2
Texas	78.3	44.6	42.7	57.3	31.0	19.0
Source: U.S. Department of Housing and Urban Development (HUD), 2016-2020 Comprehensive Housing Affordability Strategy						
Note: Cost burden is housing cost that equals 30 percent or more of household income.						

- As illustrated in Table 7, housing costs within the AA for low-income renters is significantly greater than to low-income homeowners, indicating that it is more economical for low-income families to purchase a home than to rent. However, other factors, such as downpayment requirements, serve as an entry barrier for homeownership.
- According to the 2023 FFIEC data, the median gross rent in the AA of \$855 is below the state of Texas' at \$1,082. As shown in Table 7, the housing cost burden is higher in the AA than statewide, except for low-income renters.
- Of the housing units within the AA, 57.0 percent are owner occupied, 34.5 percent are rental, and 8.5 percent are vacant.
- The median age of the AA housing stock is 40 years, and the median housing value is \$126,530.

Table 8

Unemployment Rates					
Assessment Area: El Paso Metropolitan					
Area	2019	2020	2021	2022	2023
El Paso Metropolitan	3.8	8.3	6.2	4.3	4.4
El Paso, TX MSA	3.8	8.3	6.2	4.3	4.4
Texas	3.5	7.7	5.6	3.9	3.9
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>					

- As shown in Table 8, the unemployment rates within the AA have been consistently above the state of Texas' unemployment rates.
- In 2020, AA unemployment more than doubled primarily due to the COVID-19 pandemic. Since then, the unemployment rates have decreased steadily, almost reaching pre-pandemic levels in 2023.
- Major industries in the AA include government, healthcare and social assistance, retail trade, transportation and warehousing, and accommodation and food service.
- Fort Bliss is the largest employer and economic driver in the AA; the military base is noted as Texas' third highest military contributor to the state, adding \$27.9 billion to the Texas economy and over 126,000 jobs. Other notable employers in the AA include El Paso Independent School District, Socorro Independent School District, and the City of El Paso.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE EL PASO METROPOLITAN ASSESSMENT AREA

LENDING TEST

BOT's lending performance in the El Paso Metropolitan AA is excellent, as the geographic distribution of lending and lending to businesses of different revenue sizes reflect excellent distribution.

Geographic Distribution of Loans

The bank's geographic distribution of small business lending in the AA is excellent. During the review period, BOT originated 53.7 percent of its small business loans to businesses located in LMI census tracts within the AA, exceeding the 39.1 percent of the AA businesses located in these tracts.

Table 9

Distribution of 2023 Small Business Lending by Income Level of Geography					
Assessment Area: El Paso Metropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	8	11.9	3,842	14.2	5.0
Moderate	28	41.8	12,723	47.0	34.1
Middle	8	11.9	2,087	7.7	26.1
Upper	23	34.3	8,418	31.1	34.2
Unknown	0	0.0	0	0.0	0.5
Total	67	100.0	27,070	100.0	100.0
<i>Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Lending to Businesses of Different Revenue Sizes

The bank's lending has an excellent distribution among businesses of different revenue sizes. The majority of BOT's small business loans was extended to businesses with annual revenues of \$1 million or less.

The borrower distribution of small business lending is excellent. During this review period, 64.2 percent of the small business loans were originated to businesses with annual revenues of \$1 million or less. BOT focus on small business lending is noteworthy considering the bank's small footprint in the market. Small businesses struggle to secure loans and financing through traditional banking. As noted by a community contact, these challenges require business owners to seek assistance from micro lenders. BOT's ability to evenly distribute loans throughout the AA shows its willingness to support the community the bank serves.

While BOT is not a reporter of CRA small business loan data and its performance is not directly compared to the performance of aggregate CRA-small business data reporting institutions, this data point provides context related to loan demand. During the review period, data related to aggregate lenders reflected 49.7 percent of reported small business loans originated to businesses with annual revenues of \$1 million or less. The bank's lending among businesses with revenues of \$1 million or less surpasses this demand level, reflecting favorably upon BOT's lending to small businesses in the AA.

Table 10

Distribution of 2023 Small Business Lending by Revenue Size of Businesses					
Assessment Area: El Paso Metropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	43	64.2	17,568	64.9	92.7
Over \$1 Million	16	23.9	6,075	22.4	6.7
Revenue Unknown	8	11.9	3,428	12.7	0.6
Total	67	100.0	27,070	100.0	100.0
By Loan Size					
\$100,000 or Less	8	11.9	433	1.6	
\$100,001 - \$250,000	20	29.9	3,707	13.7	
\$250,001 - \$1 Million	39	58.2	22,931	84.7	
Total	67	100.0	27,070	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	6	14.0	360	2.0	
\$100,001 - \$250,000	10	23.3	1,801	10.3	
\$250,001 - \$1 Million	27	62.8	15,407	87.7	
Total	43	100.0	17,568	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 El Paso Metropolitan AA. BOT extended more than \$14 million in loans related to revitalization and stabilization efforts to attract new or retain existing businesses and residents in LMI geographies in the AA. While the bank made no qualified CD investments during the review period, 11 donations totaling approximately \$23,000 were made to organizations providing community services targeted specifically to LMI individuals and families. Additionally, BOT employees provided 188 hours of CD qualified services to three local organizations. These employees served as board members to organizations centered around community service and economic development.

Table 11 outlines the bank's total qualified CD activity within the AA.

Table 11

Community Development Activity Assessment Area: El Paso Metropolitan									
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	#
Affordable Housing	0	0	0	0	0	0	0	0	0
Community Services	0	0	0	0	11	23	11	23	5
Economic Development	0	0	0	0	0	0	0	0	1
Revitalization and Stabilization	11	14,422	0	0	0	0	0	0	0
Total	11	14,422	0	0	11	23	11	23	6

MIDLAND METROPOLITAN ASSESSMENT AREA (Full-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE MIDLAND METROPOLITAN ASSESSMENT AREA

The Midland Metropolitan AA consists of the entirety of Midland County in west Texas, which makes up Midland, TX MSA in conjunction with Martin County. The AA delineation does not include Martin County. Refer to Appendix A for an AA map and Appendix B for additional demographic data.

- According to the 2023 FFIEC data, the AA is comprised of 37 census tracts: two low-income, seven moderate-income, 14 middle-income, 12 upper-income, and two unknown-income geographies. Since the previous evaluation, 10 additional census tracts have been delineated, with the number of LMI tracts growing by three.
- BOT operates one branch within the AA, located in a moderate-income census tract that is contiguous with both low-income census tracts in the AA.
- According to the FDIC Deposit Market Share Report as of June 30, 2023, the bank has a 3.9 percent market share, ranking eighth out of 16 FDIC-insured depository institutions operating in the AA. Frost Bank led the market with a 17.2 percent of the market share, followed by Community National Bank and Wells Fargo Bank, N.A., with market shares of 17.0 percent and 12.2 percent, respectively.
- Approximately 83 percent of BOT's total deposits come from this AA.
- A representative from an economic development organization noted two major needs for small businesses: workforce availability and retail space. Midland has experienced significant economic growth, largely due to its oil and gas industry. This growth can present challenges with respect to the labor market's ability to find skilled workers, leading to overall shortage to the workforce. The contact also noted a shortage in retail space, impacting restaurants, medical service providers, and warehouses.

Table 12

Population Change Assessment Area: Midland Metropolitan			
Area	2015 Population	2020 Population	Percent Change
Midland Metropolitan	151,290	169,983	12.4
Midland, TX MSA	156,542	175,220	11.9
Texas	26,538,614	29,145,505	9.8
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

- As illustrated in Table 12, the AA population grew significantly between 2015 and 2020, exceeding the state of Texas' growth rate by 2.6 percent. However, the Midland, TX MSA is ranked 19th out of 25 MSAs in the state of Texas by population. Despite the high growth rate, the numeric population growth remained relatively low.
- According to 2020 Census data, the city of Midland, TX has 132,720 residents, representing approximately 78.1 percent of the AA's total population.

- A local contact indicated that population dynamics are impacted by the area's dependence on the oil and gas industry. The AA attracts a significant number of transient workers who come for short-term contracts.

Table 13

Median Family Income Change Assessment Area: Midland Metropolitan			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Midland Metropolitan	90,079	98,374	9.2
Midland, TX MSA	89,916	97,494	8.4
Texas	68,523	76,073	11.0
<i>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.</i>			

- The MFI in the AA is notably higher than of the state of Texas.
- While the AA's MFI grew at a lower rate than the statewide MFI, the increase of the MFI by dollar amount between 2015 and 2020 remained higher, as the AA MFI grew by \$7,665 and the statewide MFI increased by \$7,550.
- The AA has approximately 39,642 families, of which 38.9 percent are classified as LMI. According to the 2023 FFIEC data, 8.0 percent of the families in the AA live below poverty level, which is lower than the state of Texas, at 10.9 percent. The AA is comprised primarily of high-net-worth individuals involved in the oil and gas industry.
- Midland is the fifth largest economy in the state and ranks third in Texas in high income households.

Table 14

Housing Cost Burden Assessment Area: Midland Metropolitan						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Midland Metropolitan	81.3	42.2	39.0	48.4	30.8	17.1
Midland, TX MSA	80.2	41.1	38.4	48.2	30.1	17.1
Texas	78.3	44.6	42.7	57.3	31.0	19.0
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2016-2020 Comprehensive Housing Affordability Strategy Note: Cost burden is housing cost that equals 30 percent or more of household income</i>						

- As displayed in Table 14, a significantly higher portion of low-income renters spend 30 percent or more of their household income on housing than low-income homeowners do. Though the gap is closest among moderate-income households, the burden of housing cost on LMI renters is higher than that on LMI owners.
- The burden of housing cost on LMI households in the AA is below the statewide average, with the exception of low-income renters. This indicates that many LMI households may find favorable living opportunities in the AA compared to state of Texas as a whole.
- Of the housing units within the AA, 62.0 percent are owner occupied, 30.9 percent are rental, and 7.1 percent are vacant.
- According to 2023 FFIEC data, the median gross rent is \$1,244.

- The median age of housing stock in the AA is 42 years, and the median housing value is \$233,187.

Table 15

Unemployment Rates					
Assessment Area: Midland Metropolitan					
Area	2019	2020	2021	2022	2023
Midland Metropolitan	2.1	8.1	5.5	2.9	2.5
Midland, TX MSA	2.1	8.0	5.5	2.9	2.5
Texas	3.5	7.7	5.6	3.9	3.9
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>					

- As shown in Table 15, unemployment in the AA declined in 2022 after facing an increase due to the COVID-19 pandemic in 2020 and 2021. Although the AA unemployment rate has not reached pre-pandemic levels, it has stabilized and remains lower than the state of Texas.
- Midland is part of the oil and gas producing area known as the Permian Basin, which accounts for nearly 40 percent of the oil production and 15 percent of the natural gas production in the United States. As a result, the oil and gas industry are a vital part of the community.
- The top employer in the AA includes Midland Independent School District, Warren Equipment, Midland Memorial Hospital, and Dawson Geophysical.

CONCLUSION WITH RESPECT TO PERFORMANCE TESTS IN THE MIDLAND METROPOLITAN ASSESSMENT AREA

LENDING TEST

BOT's lending performance in the Midland Metropolitan AA is excellent, supported by an excellent geographic distribution of lending and reasonable distribution of loans among businesses of different revenue sizes. The AA accounted for 13.0 percent of the total bank's lending volume.

Geographic Distribution of Loans

The bank's geographic distribution of loans reflects excellent distribution among census tracts of different income levels and dispersion throughout the AA. BOT's small business lending to businesses in LMI geography outperformed the demographic figure, accounting for half of the AA small business lending.

As noted earlier, the AA is primarily comprised of high-net-worth individuals involved in the oil and gas industry. The community contact identified the obstacles that startups often face, including the lack of credit history and the need of initial capital. Although BOT's footprint is small, the bank's lending is particularly responsive to the needs of the AA. As highlighted in Table 16, BOT extended 50.0 percent of its small business loans to businesses located in moderate-income census tracts, which doubles the demographic figure. The bank's performance reflects favorably on its commitment to serve the credit needs of the small businesses in the AA.

Table 16

Distribution of 2023 Small Business Lending by Income Level of Geography Assessment Area: Midland Metropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	4.5
Moderate	5	50.0	2,125	55.4	24.6
Middle	1	10.0	60	1.6	35.5
Upper	4	40.0	1,650	43.0	34.2
Unknown	0	0.0	0	0.0	1.2
Total	10	100.0	3,835	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 Businesses of Different Revenue Sizes

BOT's lending has a reasonable distribution among businesses of different revenue sizes. A majority of the loans originated by the bank in the AA was extended to small businesses.

The distribution of small business lending is reasonable. While the bank's performance falls below the demographic figure, BOT originated 60.0 percent of its small business loans to businesses with revenues of \$1 million or less within the AA. Although the bank's performance is below the demographic figure of 88.8 percent, its commitment to support small businesses is evident in the fact that the majority of loans are extended to small businesses.

Table 17

Distribution of 2023 Small Business Lending by Revenue Size of Businesses Assessment Area: Midland Metropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	6	60.0	2,485	64.8	88.8
Over \$1 Million	3	30.0	1,300	33.9	10.0
Revenue Unknown	1	10.0	50	1.3	1.2
Total	10	100.0	3,835	100.0	100.0
By Loan Size					
\$100,000 or Less	4	40.0	210	5.5	
\$100,001 - \$250,000	0	0.0	0	0.0	
\$250,001 - \$1 Million	6	60.0	3,625	94.5	
Total	10	100.0	3,835	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	2	33.3	110	4.4	
\$100,001 - \$250,000	0	0.0	0	0.0	
\$250,001 - \$1 Million	4	66.7	2,375	95.6	
Total	6	100.0	2,485	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 very poor responsiveness to CD needs of the AA. BOT did not conduct any CD activities during the review period for this evaluation nor did the bank conduct any qualifying activity in the AA during the previous evaluation.

CD needs and opportunities persist in the AA, as noted by community contacts. Specific CD needs include workforce development and debt financing for non-oil and gas small businesses. As a result, the lack of CD activities reflects negatively on the bank's responsiveness to the CD needs of the AA.

KENT-DICKENS-STONEWALL NONMETROPOLITAN ASSESSMENT AREA
(Limited-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE KENT-DICKENS-STONEWALL NONMETROPOLITAN ASSESSMENT AREA

- Kent-Dickens-Stonewall Nonmetropolitan AA consists of the entirety of Kent, Dickens, and Stonewall counties in the state of Texas. Refer to Appendix A for an AA map, Appendix C for detailed demographic data, and Appendix D for the AA lending performance tables.
- The AA is comprised of three census tracts: two middle-income and one upper-income.
- The AA population declined by 16.6 percent between 2015 and 2020.
- Dickens and Stonewall counties are designated as distressed and underserved middle-income rural areas experiencing population loss and unemployment.
- BOT operates one branch in the AA located in an upper-income census tract.
- According to the June 30, 2023, FDIC Market Share Report, the bank had a 17.3 percent market share, ranking third out of three FDIC-insured depository institutions.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE NONMETROPOLITAN ASSESSMENT AREA RECEIVING LIMITED-SCOPE REVIEW

Additional information regarding detailed demographic information and CRA lending for the nonmetropolitan limited-scope AA can be found in Appendix C and D. Table 18 discusses conclusions regarding the bank's performance in the AA.

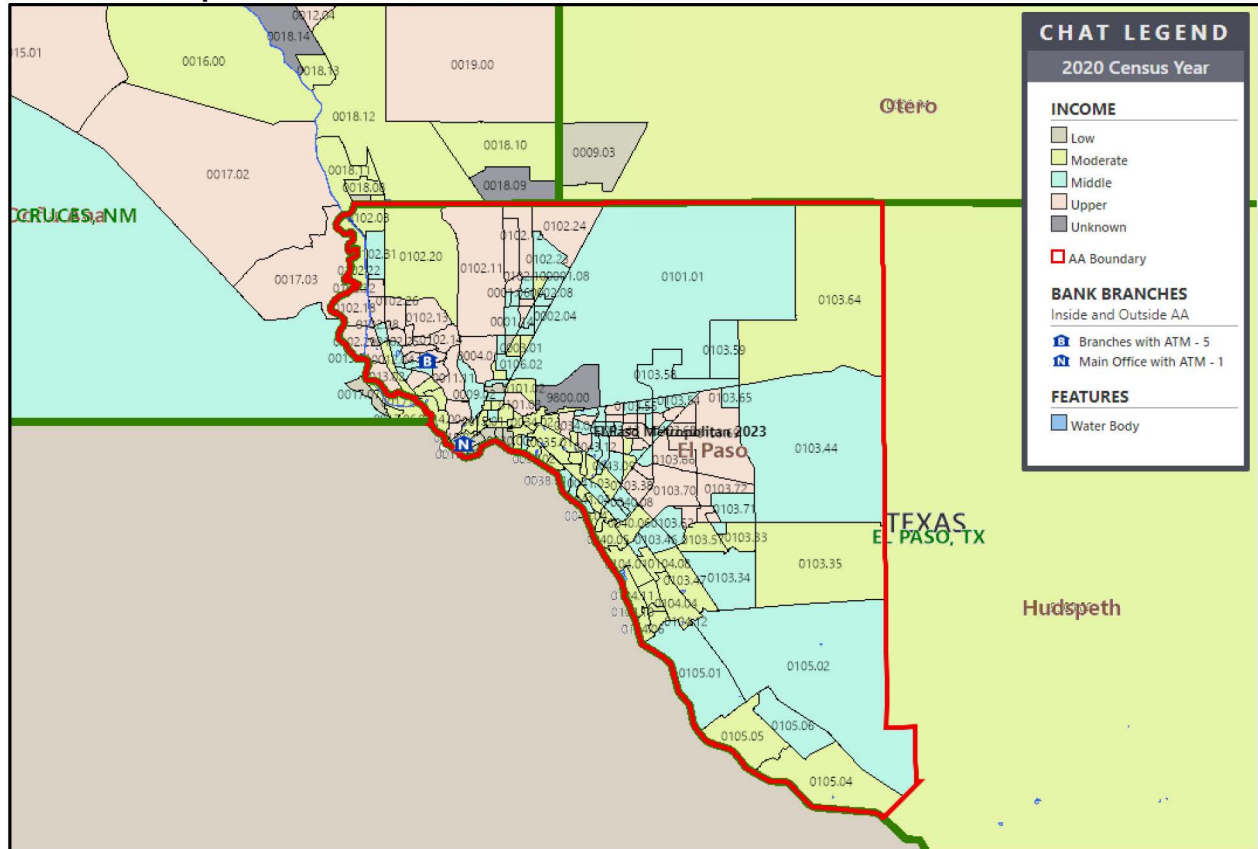
Table 18

Assessment Area	Lending Test	Community Development Test
Kent-Dickens-Stonewall Nonmetropolitan	Below	Below

BOT's lending and CD performance in the AA is below the overall performance; however, it does not impact the assessed rating given that the operations in the AA represent a small portion of the bank's lending and CD activities.

APPENDIX A – MAPS OF THE ASSESSMENT AREAS

El Paso Metropolitan Assessment Area



CHAT LEGEND
2020 Census Year

INCOME

- Low
- Moderate
- Middle
- Upper
- Unknown

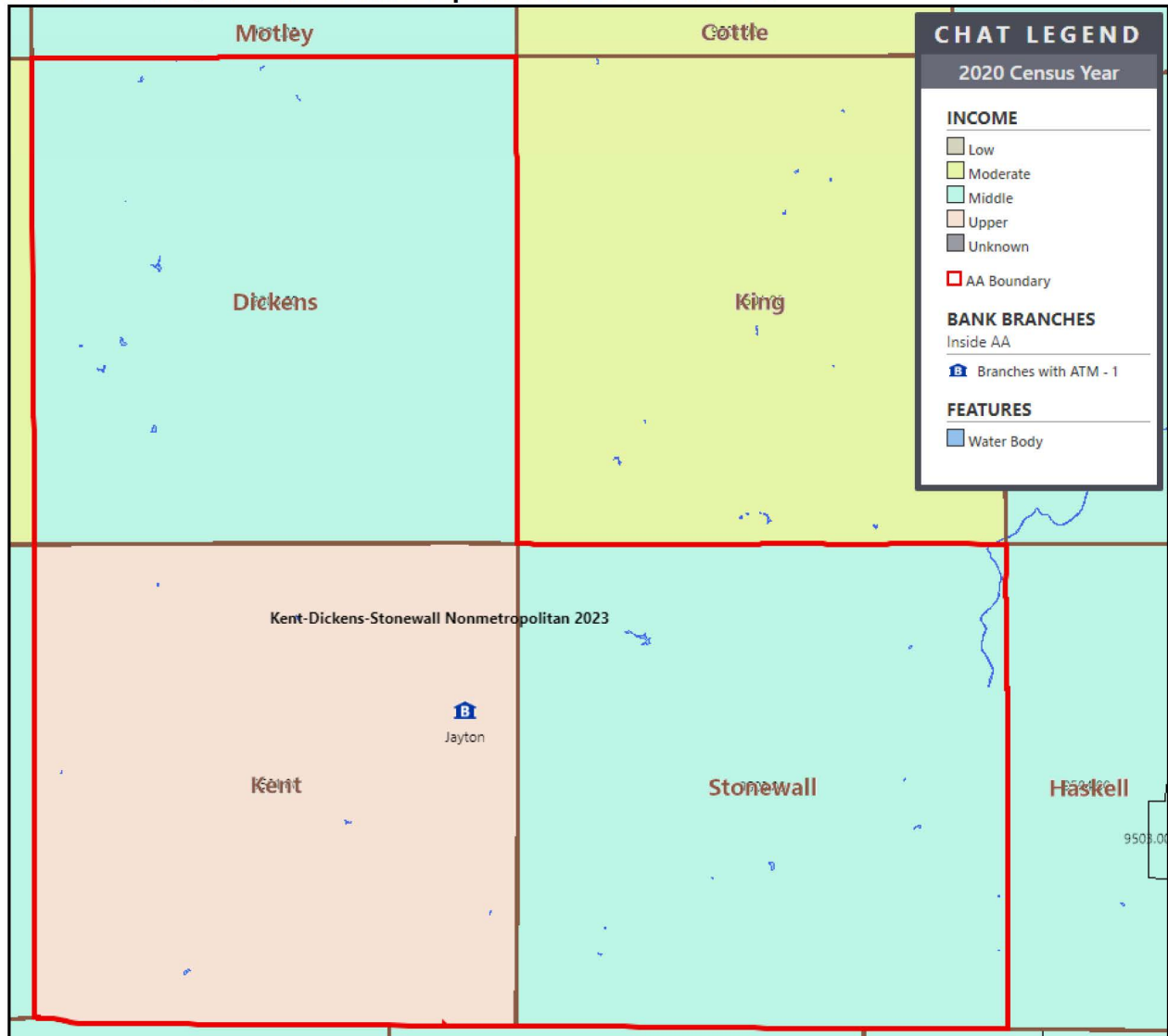
BANK BRANCHES
Inside and Outside AA

- Branches with ATM - 5
- Main Office with ATM - 1

FEATURES

- Water Body

Kent-Dickens-Stonewall Nonmetropolitan Assessment Area



APPENDIX B – FULL-SCOPE ASSESSMENT AREAS DEMOGRAPHIC INFORMATION

El Paso Metropolitan Assessment Area

Table B-1

2023 El Paso Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	10	5.3	6,255	3.2	3,020	48.3	43,438	21.9
Moderate	59	31.4	54,376	27.4	14,336	26.4	35,369	17.8
Middle	64	34.0	65,514	33.1	10,592	16.2	36,688	18.5
Upper	54	28.7	72,019	36.3	5,578	7.7	82,669	41.7
Unknown	1	0.5	0	0.0	0	0.0	0	0.0
Total AA	188	100.0	198,164	100.0	33,526	16.9	198,164	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	13,814	2,299	1.3	16.6	9,097	65.9	2,418	17.5
Moderate	87,455	43,059	25.3	49.2	35,951	41.1	8,445	9.7
Middle	95,235	54,472	32.0	57.2	33,652	35.3	7,111	7.5
Upper	102,563	70,603	41.4	68.8	24,529	23.9	7,431	7.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	299,067	170,433	100.0	57.0	103,229	34.5	25,405	8.5
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1,371	5.0	1,201	4.7	162	8.9	8	4.7
Moderate	9,325	34.1	8,417	33.2	844	46.4	64	37.2
Middle	7,147	26.1	6,695	26.4	421	23.1	31	18.0
Upper	9,359	34.2	8,936	35.3	357	19.6	66	38.4
Unknown	131	0.5	92	0.4	36	2.0	3	1.7
Total AA	27,333	100.0	25,341	100.0	1,820	100.0	172	100.0
Percentage of Total Businesses:				92.7		6.7		0.6
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	4	2.8	4	2.9	0	0.0	0	0.0
Moderate	54	37.5	51	37.0	3	50.0	0	0.0
Middle	37	25.7	35	25.4	2	33.3	0	0.0
Upper	48	33.3	48	34.8	0	0.0	0	0.0
Unknown	1	0.7	0	0.0	1	16.7	0	0.0
Total AA	144	100.0	138	100.0	6	100.0	0	0.0
Percentage of Total Farms:				95.8		4.2		0.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Midland Metropolitan Assessment Area

Table B-2

2023 Midland Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	5.4	2,395	6.0	633	26.4	8,552	21.6
Moderate	7	18.9	6,686	16.9	1,052	15.7	6,862	17.3
Middle	14	37.8	17,937	45.2	1,181	6.6	7,604	19.2
Upper	12	32.4	12,381	31.2	318	2.6	16,624	41.9
Unknown	2	5.4	243	0.6	0	0.0	0	0.0
Total AA	37	100.0	39,642	100.0	3,184	8.0	39,642	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	3,876	1,993	5.2	51.4	1,493	38.5	390	10.1
Moderate	10,966	6,337	16.4	57.8	3,457	31.5	1,172	10.7
Middle	28,352	16,252	42.1	57.3	10,494	37.0	1,606	5.7
Upper	18,685	13,793	35.7	73.8	3,820	20.4	1,072	5.7
Unknown	448	268	0.7	59.8	10	2.2	170	37.9
Total AA	62,327	38,643	100.0	62.0	19,274	30.9	4,410	7.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	391	4.5	349	4.5	40	4.6	2	1.9
Moderate	2,157	24.6	1,852	23.8	271	30.9	34	32.4
Middle	3,114	35.5	2,809	36.1	282	32.2	23	21.9
Upper	3,001	34.2	2,698	34.6	259	29.6	44	41.9
Unknown	106	1.2	80	1.0	24	2.7	2	1.9
Total AA	8,769	100.0	7,788	100.0	876	100.0	105	100.0
Percentage of Total Businesses:				88.8		10.0		1.2
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2	1.2	2	1.2	0	0.0	0	0.0
Moderate	36	22.1	35	21.6	1	100.0	0	0.0
Middle	38	23.3	38	23.5	0	0.0	0	0.0
Upper	87	53.4	87	53.7	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	163	100.0	162	100.0	1	100.0	0	0.0
Percentage of Total Farms:				99.4		0.6		0.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX C – LIMITED-SCOPE ASSESSMENT AREA DEMOGRAPHIC INFORMATION

Kent-Dickens-Stonewall Nonmetropolitan Assessment Area

Table C-1

2023 Kent-Dickens-Stonewall Nonmetropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	203	18.4
Moderate	0	0.0	0	0.0	0	0.0	194	17.6
Middle	2	66.7	925	83.8	78	8.4	200	18.1
Upper	1	33.3	179	16.2	24	13.4	507	45.9
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3	100.0	1,104	100.0	102	9.2	1,104	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	2,200	1,092	82.4	49.6	298	13.5	810	36.8
Upper	517	233	17.6	45.1	53	10.3	231	44.7
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	2,717	1,325	100.0	48.8	351	12.9	1,041	38.3
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	162	84.8	139	85.3	14	82.4	9	81.8
Upper	29	15.2	24	14.7	3	17.6	2	18.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	191	100.0	163	100.0	17	100.0	11	100.0
Percentage of Total Businesses:				85.3		8.9		5.8
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	37	80.4	37	80.4	0	0.0	0	0.0
Upper	9	19.6	9	19.6	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	46	100.0	46	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX D – LIMITED-SCOPE REVIEW ASSESSMENT AREA LENDING TABLES

Kent-Dickens-Stonewall Nonmetropolitan Assessment Area

Table D-1

Distribution of 2023 Small Business Lending By Income Level of Geography Assessment Area: Kent-Dickens-Stonewall Nonmetropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0.0
Middle	0	0.0	0	0.0	84.8
Upper	1	100.0	3	100.0	15.2
Unknown	0	0.0	0	0.0	0.0
Total	1	100.0	3	100.0	100.0
<i>Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i> <i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Table D-2

Distribution of 2023 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Kent-Dickens-Stonewall Nonmetropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	1	100.0	3	100.0	85.3
Over \$1 Million	0	0.0	0	0.0	8.9
Revenue Unknown	0	0.0	0	0.0	5.8
Total	1	100.0	3	100.0	100.0
By Loan Size					
\$100,000 or Less	1	100.0	3	100.0	
\$100,001 - \$250,000	0	0.0	0	0.0	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	1	100.0	3	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	1	100.0	3	100.0	
\$100,001 - \$250,000	0	0.0	0	0.0	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	1	100.0	3	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 E – 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.