

PUBLIC DISCLOSURE

December 3, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Commercial Bank
6710 Cumberland Gap Parkway
Harrogate, Tennessee 37752**

RSSD ID NUMBER: 497039

**FEDERAL RESERVE BANK OF ATLANTA
1000 Peachtree Street, N.E.
Atlanta, Georgia 30309-4470**

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 the institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION'S CRA RATING

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

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The following table indicates the performance level of Commercial Bank with respect to the lending and community development tests.

| PERFORMANCE LEVELS | Commercial Bank | |
|---------------------------|-------------------|----------------------------|
| | PERFORMANCE TESTS | |
| | Lending Test | Community Development Test |
| Outstanding | | |
| Satisfactory | X | X |
| Needs to Improve | | |
| Substantial Noncompliance | | |

**Note: The lending test and the community development test are weighted equally when arriving at an overall rating.

Major factors supporting the institution's rating include:

- The bank's loan-to-deposit (LTD) ratio is reasonable.
- A majority of loans were made in the assessment areas.
- The geographic distribution of loans reflects excellent dispersion throughout the assessment areas.
- The distribution of lending reflects reasonable penetration among borrowers of different income levels and businesses of different sizes.
- The bank demonstrates adequate responsiveness to community development needs in its assessment areas through community development loans, qualified investments, and community development services.

INSTITUTION

SCOPE OF EXAMINATION

The CRA performance evaluation assesses the bank's record of meeting the credit needs of its community, including low- and moderate-income neighborhoods, within the context of information such as asset size and financial condition of the institution, competitive factors, as well as the economic and demographic characteristics of its defined assessment area. Commercial Bank's CRA performance evaluation was based on CRA activities within its assessment area using the Interagency Intermediate Small Institution Examination Procedures. Under these procedures, institutions meeting the threshold size are evaluated using two separately rated tests: a lending test; and a community development test that includes an evaluation of community development loans, investments, and services in light of community needs within its assessment areas and the capacity of the bank.

Commercial Bank operates in the states of Tennessee and Kentucky. Full-scope procedures were used to evaluate the bank's performance in the Knoxville, Tennessee assessment area and the Bell-Harlan-Knox-Whitley, Kentucky assessment area. The other four assessment areas were evaluated using limited-scope procedures. When determining the overall CRA rating, the greatest weight was placed on performance results in the state of Tennessee where the greatest concentration of branches and loans are located.

The lending test included analyses of HMDA-reportable and small business loans originated from January 1, 2015 through December 31, 2017. Given the bank's asset size and certain offices located in an MSA, it submits annual reports about its residential real estate loan originations and applications pursuant to the HMDA (Home Mortgage Disclosure Act)¹. These loans are herein referred to as "HMDA-reportable" loans. A small business loan is defined as a loan for business purposes with an original amount of \$1 million or less and typically secured by nonfarm or nonresidential real estate or classified in the bank's records as a commercial loan. Commercial Bank reported a greater number of HMDA-reportable loans than small business loans; therefore, HMDA-reportable lending was given more weight when evaluating the bank's overall lending performance.

For the community development test, the evaluation included community development loans, qualified investments, and service activities from September 21, 2015 through December 31, 2017. The CRA defines a community development activity as having a primary purpose of providing: affordable housing or community services for low- and moderate-income individuals, economic development through the financing of small businesses, revitalizing or stabilizing low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies. To be considered under the test, the community development activity must benefit the bank's assessment area or a larger statewide or regional area that includes the assessment area.

As part of this evaluation, two community contacts were made with local economic representatives who are familiar with the economic and demographic characteristics as well as community development opportunities in the Knoxville and Bell-Harlan-Knox-Whitley assessment areas. Information obtained from these contacts was used to establish a context for the communities in which the bank operates and to gather information on the bank's performance. Specific information obtained from the community contacts is included in the applicable section of the evaluation for each assessment area.

¹ During the review period, a HMDA-reportable loan is defined as: a loan secured by and made for the purpose of purchasing a dwelling (home purchase); a dwelling-secured loan that satisfies and replaces a dwelling-secured loan to the same borrower (refinancing); a loan made for the purpose of home improvement (may be secured or unsecured). The definition of dwelling is a residential structure, including a mobile home or manufactured home.

DESCRIPTION OF INSTITUTION

Commercial Bank is a community bank headquartered in Harrogate, Tennessee that opened its doors in 1976. The bank is owned by Commercial Bancgroup, Inc., a one-bank holding company also located in Harrogate, Tennessee. Commercial Bank is an interstate bank with banking offices in the states of Tennessee and Kentucky. In 2016, the bank acquired National Bank of Tennessee in Newport, Tennessee.

Branch Offices

Commercial Bank is a full-service bank with 23 banking offices and 26 ATMs. Of the 23 offices, 13 are located in Tennessee and 10 in Kentucky. The bank also has one loan production office located in Nashville, Tennessee. During the review period, the bank expanded its footprint by opening two branches and acquiring two branches. Three of the new locations are in Tennessee and one is in Kentucky. No branches were closed since the previous evaluation.

Loan Portfolio

According to the June 30, 2018 Report of Condition, the bank's assets totaled \$1.2 billion, an increase of approximately \$384.8 million or 47.8 percent since the bank's previous CRA evaluation conducted on September 21, 2015.

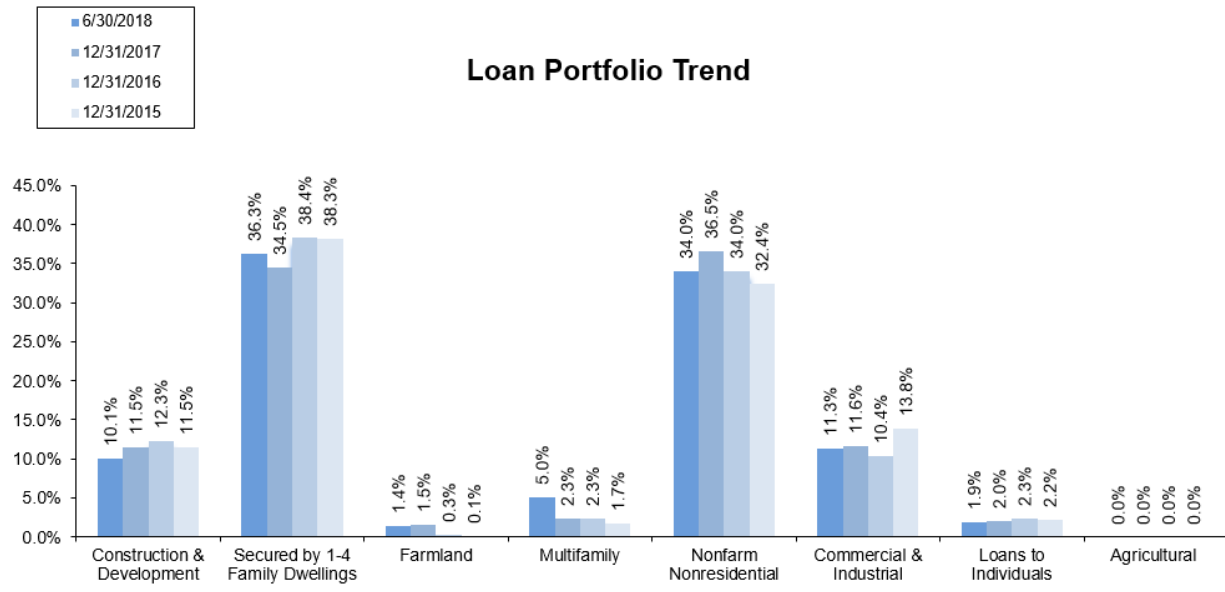
The following table and graphs show the composition of the loan portfolio according to the Consolidated Report of Condition and Income (Call Report).

| COMPOSITION OF LOAN PORTFOLIO | | | | | | | | |
|---|------------------|----------------|------------------|----------------|------------------|----------------|------------------|----------------|
| Loan Type | 6/30/2018 | | 12/31/2017 | | 12/31/2016 | | 12/31/2015 | |
| | \$ (000s) | Percent | \$ (000s) | Percent | \$ (000s) | Percent | \$ (000s) | Percent |
| Construction and Development | 92,955 | 10.1% | 83,767 | 11.5% | 81,201 | 12.3% | 69,535 | 11.5% |
| Secured by One- to Four- Family Dwellings | 335,403 | 36.3% | 251,166 | 34.5% | 253,334 | 38.4% | 230,574 | 38.3% |
| Other Real Estate: Farmland | 13,345 | 1.4% | 10,930 | 1.5% | 1,958 | 0.3% | 308 | 0.1% |
| Multifamily | 46,088 | 5.0% | 16,717 | 2.3% | 15,207 | 2.3% | 10,510 | 1.7% |
| Nonfarm nonresidential | 313,648 | 34.0% | 265,876 | 36.5% | 224,402 | 34.0% | 194,973 | 32.4% |
| Commercial and Industrial | 103,901 | 11.3% | 84,811 | 11.6% | 68,374 | 10.4% | 83,346 | 13.8% |
| Loans to Individuals | 17,976 | 1.9% | 14,715 | 2.0% | 14,976 | 2.3% | 13,264 | 2.2% |
| Agricultural Loans | 80 | 0.0% | 117 | 0.0% | 82 | 0.0% | 163 | 0.0% |
| Total | \$923,396 | 100.00% | \$728,099 | 100.00% | \$659,534 | 100.00% | \$602,673 | 100.00% |

* This table does not include the entire loan portfolio. Specifically, it excludes loans to depository institutions, bankers acceptances, lease financing receivables, obligations of state and political subdivisions, and other loans that do not meet any other category. Contra assets are also not included in this table.

As indicated in the table above, residential real estate (36.3 percent) and nonfarm nonresidential or commercial real estate lending (34 percent) is the bank's primary lending focus. Total loans increased by approximately 53.2 percent over the period shown, while the loan mix remained relatively consistent. Loan growth was attributed to two bank acquisitions² and organic loan-growth.

² Commercial Bank acquired National Bank of Tennessee, Newport, Tennessee in 2016 (included in this review period), and Citizens Bank, New Tazewell, Tennessee in 2018 (outside this review period).



Credit Products

The bank offers a full range of both personal and business loan products to meet the credit needs of its assessment area. As shown in the graph above, the bank’s primary focus is home mortgages and nonfarm nonresidential which are real estate loans secured by commercial properties.

Description of Assessment Areas

The bank expanded its assessment areas since the previous examination. For purposes of the CRA, Commercial Bank has defined the following six assessment areas listed below by state.

Tennessee

- *Knoxville assessment area* includes Knox and Union counties which are two of nine counties that comprise the Knoxville, TN MSA
- *Claiborne assessment area* includes Claiborne County, a non-MSA
- *Kingsport assessment area* includes Sullivan County which is one of five counties that comprise the Kingsport-Bristol-Bristol, TN-VA Multistate MSA
- *Johnson City assessment area* includes Washington County which is one of three counties that comprise the Johnson City, TN MSA
- *Newport assessment area* includes Cocke County, a non-MSA

Kentucky

- *Bell-Harlan-Knox-Whitley assessment area* includes Bell, Harlan, Knox, and Whitley counties, non-MSA counties

Commercial Bank complies with the requirements of the CRA. No known legal impediments exist that would restrict the bank from meeting the credit needs of its assessment areas. The bank received a “Satisfactory” rating at its prior evaluation conducted by the Federal Reserve Bank of Atlanta dated September 21, 2015, under the Intermediate Small Bank Examination procedures.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Overview

Commercial Bank's overall performance rating for the lending test is satisfactory. The loan-to-deposit ratio is reasonable, and a majority of loans were originated inside the assessment areas. The geographic distribution of loans is excellent, and the distribution of loans by borrower income and business revenue is reasonable. The performance context information discussed earlier in this evaluation was considered in determining the bank's lending performance.

Loan-to-Deposit Ratio

The bank's net average loan-to-deposit ratio for the 12-quarter period ending December 31, 2017, was 88.9 percent, which is considered reasonable given the bank's size, financial condition, and assessment area credit needs. The bank's loan-to-deposit ratio ranged from a high of 93.5 percent as of September 30, 2017, to a low of 82.1 percent as of June 30, 2016. The bank's average loan-to-deposit ratio was compared with the average loan-to-deposit ratio of six other financial institutions headquartered in the assessment area and of comparable asset size. The average loan-to-deposit ratios for these six financial institutions ranged from 87.0 percent to 97.5 percent.

Assessment Area Concentration

The bank originated a majority of its HMDA-reportable and small business loans to individuals and businesses located within the bank's assessment areas. As shown in the following table, 75.0 percent of the HMDA-reportable loans and 63.4 percent of the small business loans were made inside the assessment areas. Additionally, a greater dollar volume of HMDA-reportable lending (70.1 percent) and small business lending (56.9 percent) occurred inside the assessment areas. This demonstrates the bank's willingness to originate loans that meet the credit needs of its assessment areas.

Lending Inside and Outside the Assessment Area

| Loan Types | Inside | | | | Outside | | | |
|---------------------------------|--------------|-------------|------------------|-------------|------------|-------------|-----------------|-------------|
| | # | % | \$(000s) | % | # | % | \$(000s) | % |
| Home Improvement | 112 | 83.6 | \$9,927 | 82.6 | 22 | 16.4 | \$2,088 | 17.4 |
| Home Purchase - Conventional | 408 | 71.2 | \$58,727 | 68.2 | 165 | 28.8 | \$27,345 | 31.8 |
| Home Purchase - VA | 1 | 100 | \$135 | 100 | 0 | 0 | \$0 | 0 |
| Multi-Family Housing | 10 | 83.3 | \$2,505 | 54 | 2 | 16.7 | \$2,138 | 46 |
| Refinancing | 220 | 78.3 | \$23,582 | 72.6 | 61 | 21.7 | \$8,878 | 27.4 |
| Total HMDA related | 751 | 75 | \$94,876 | 70.1 | 250 | 25 | \$40,449 | 29.9 |
| Small Business | 462 | 63.4 | \$32,565 | 56.9 | 267 | 36.6 | \$24,700 | 43.1 |
| Total Small Bus. related | 462 | 63.4 | \$32,565 | 56.9 | 267 | 36.6 | \$24,700 | 43.1 |
| TOTAL LOANS | 1,213 | 70.1 | \$127,441 | 66.2 | 517 | 29.9 | \$65,149 | 33.8 |

Note: Affiliate loans not included

Distribution of Lending by Geography, Borrower Income, and Business Size

The geographic distribution of HMDA-reportable and small business loans reflects excellent penetration throughout the assessment areas. The distribution of lending to borrowers of different income levels and businesses of different sizes is reasonable. The analyses of lending within each assessment area are discussed in detail later in this report.

COMMUNITY DEVELOPMENT TEST

Overall, Commercial Bank's performance demonstrates adequate responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services.

During the review period, the bank originated \$7.4 million in community development loans. The following are notable examples of the bank's community development loan activity.

- \$2 million loan participation in a CRA fund that used the proceeds to provide safe, secure crime-free residences for two apartment complexes where low- and moderate-income seniors reside.
- \$2.5 million loan to a nonprofit organization that primarily provides food and shelter to homeless and low-income individuals where the funds were used to purchase the organization's flagship store location to expand its facility and pay for expenses.
- \$1.1 million loan to a nonprofit organization to refurbish a senior 40-unit affordable housing apartment complex which qualified under the Tennessee Housing Development Agency Low-Income Housing Tax Credit program.
- \$1.7 million in three loans to a rural health clinic located in a moderate-income census tract that is also considered an underserved area for expansion.
- \$100,000 loan to a nonprofit rural health clinic located in a middle-income census tract that is also considered an underserved area to purchase supplies and equipment for the clinic.

Qualified investments purchased prior to this review period but still outstanding of as of this evaluation's date totaled \$1.3 million, and contributions totaled \$51,886.

Bank representatives used their financial expertise when providing approximately 762 hours of community development service hours during the review period that benefited small business owners and low- and moderate-income individuals, particularly through youth financial education. Of the 762 hours, 51 were provided in Tennessee and 711 in Kentucky.

Smart Cents Student Financial Literacy Program

Commercial Bank plays a leadership role in teaching financial education to youth in its communities. The bank partnered with the Harlan County Kentucky Board of Education and started to expand into other local schools in their footprint to offer its Smart Cents financial literacy program for youth. Commercial Bank, along with 20 other Youth Savings Pilot banks, participated in the FDIC's Youth Savings Pilot³ which began in August 2015. The FDIC's Youth Savings Pilot is an initiative designed to help build the financial capability of young people by linking financial education with safe and hands-on savings opportunities. Commercial Bank developed its Smart Cents program using the FDIC's Money Smart modules because the curriculum covers appropriate topics and is easy to use to quickly prepare a lesson based on the student's needs as determined by their teachers. Commercial Bank's Smart Cents program offers students from elementary to middle school to participate in two ways. First, students are able to open Smart Cents interest-earning savings accounts and make deposits onsite at school directly to bank representatives. This is accomplished by bank representatives visiting the schools during the day to pick up student deposits. Second, students participate through in-classroom financial literacy classes taught by bank staff using the FDIC Money Smart curriculum.

³ Linking Youth Savings with Financial Education: Lessons from the FDIC Pilot, February 2017, <https://www.fdic.gov/consumers/assistance/protection/depaccounts/youthsavings/documents/lessons-from-the-fdic-pilot.pdf>

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of prohibited discrimination or the use of other illegal credit practices was noted during the examination. The bank is in compliance with the substantive provisions of antidiscrimination laws and regulations.

TENNESSEE

CRA RATING FOR TENNESSEE: Satisfactory

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors supporting the rating include the following:

- The geographic distribution of loans reflects excellent dispersion throughout the assessment areas;
- The distribution of loans by borrower income reflects reasonable penetration among individuals of different income levels and businesses of different sizes;
- The bank's community development performance demonstrates adequate responsiveness to the community development needs of its assessment areas.

SCOPE OF EXAMINATION

Commercial Bank has designated five assessment areas within Tennessee. A full-scope review was used to evaluate the Knoxville assessment area, and limited-scope reviews were used to evaluate the Claiborne, Kingsport, Newport, and Johnson City assessment areas. The Knoxville assessment area had the greatest concentration of banking offices and loan volume during the review period.

The evaluation included an analysis of HMDA-reportable loans and small business loans originated from January 1, 2015 through December 31, 2017, and community development activities from September 21, 2015 through December 31, 2017. The release of the 2017 FFIEC census data during the review period resulted in some changes in demographic data; therefore, 2015-2016 performance is evaluated separately from 2017 performance.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN TENNESSEE

Overview

Since the previous evaluation, the bank opened one branch in Johnson City (Washington County), Tennessee and acquired two branches in Newport (Cocke County), Tennessee. As of December 31, 2017, 57.0 percent of the bank's total offices are located in Tennessee. Commercial Bank operates its main office, 12 branches, and 15 ATMs in Tennessee. The bank also has one loan production office in Nashville. During the review period, the bank did not close any branches.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TENNESSEE

LENDING TEST

The lending test rating for the state of Tennessee is satisfactory. The geographic distribution of HMDA-reportable loans and small business loans reflects excellent dispersion throughout the state's assessment areas. The distribution of loans reflects adequate penetration among borrowers of different income levels and businesses of different sizes. The analyses of HMDA and small business lending within each assessment area are discussed in detail later in this report.

COMMUNITY DEVELOPMENT TEST

Commercial Bank's community development performance demonstrates adequate responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services considering the bank's capacity and the need and availability of such opportunities for community development in the assessment areas.

Commercial Bank originated five community development loans totaling \$5,750,000 in the state of Tennessee that provided community services targeted to low- and moderate-income individuals and refurbished residences of low- and moderate-income seniors. The bank continues to hold \$401,540 in prior period qualified investments. Contributions in the Tennessee assessment areas totaled approximately \$32,800. The bank also made additional contributions that impacted a broader area such as in the state of Tennessee for \$500 and within the Tennessee-Kentucky area that totaled \$8,586. Bank representatives participated in approximately 51 hours of community development services.

KNOXVILLE ASSESSMENT AREA METROPOLITAN AREA FULL-SCOPE REVIEW

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE KNOXVILLE, TENNESSEE ASSESSMENT AREA

Overview

The Knoxville assessment area consists of Knox and Union counties, which is part of the nine-county Knoxville, Tennessee MSA. Knoxville is the principal city in the Knoxville MSA. Union County borders Knox County to the north.

The release of the 2017 FFIEC census data resulted in some changes in income level classifications. According to 2017 census data, the assessment area consists of 116 census tracts. Of the 116 census tracts, 9 (7.8 percent) are low-income tracts; 23 (19.8 percent) are moderate-income tracts; 43 (37.1 percent) are middle-income tracts; and 39 (33.6 percent) are upper-income tracts. There are two census tracts with no income designation. When compared to 2016 census data, there was a slight shift in income classifications. Total moderate-income tracts increased by four; middle-income tracts decreased by five; and upper-income tracts increased by one.

As of December 31, 2017, Commercial Bank operates six, or 26.0 percent, of its total banking offices, and eight ATMs in the assessment area. No branches were closed since the previous evaluation. Of the six banking offices, two are located in moderate-income tracts; three in middle-income tracts; and one in an upper-income tract.

Population Information

The 2017 population estimate (as of July 1, 2017)⁴ for the assessment area was 481,302 persons, representing a 6.6 percent increase in population as of the 2010 census. Knox County is the third most populous county in Tennessee, and Knoxville is the third most populous city. According to 2017 FFIEC census data, there were 115,735 families in the assessment area.

Income Characteristics

For purposes of classifying borrower income, the evaluation was based on the FFIEC estimated median family income for the relevant area. The following table sets forth the estimated median family income for 2015, 2016, and 2017 for the Knoxville MSA. The table also shows ranges of the estimated annual income based on income level.

**Borrower Income Levels
Knoxville, TN MSA**

| FFIEC Estimated Median Family Income | | Low | | Moderate | | Middle | | Upper | |
|---|-----------------|-----|------------|----------|------------|----------|------------|----------|-----------|
| | | 0 | - 49.99% | 50% | - 79.99% | 80% | - 119.99% | 120% | - & above |
| 2015 | \$60,900 | 0 | - \$30,449 | \$30,450 | - \$48,719 | \$48,720 | - \$73,079 | \$73,080 | - & above |
| 2016 | \$58,900 | 0 | - \$29,449 | \$29,450 | - \$47,119 | \$47,120 | - \$70,679 | \$70,680 | - & above |
| 2017 | \$61,600 | 0 | - \$30,799 | \$30,800 | - \$49,279 | \$49,280 | - \$73,919 | \$73,920 | - & above |

⁴ US Census Bureau; retrieved December 17, 2018; available at https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml

The FFIEC estimated median family income for the Knoxville MSA was \$60,900 for 2015, \$58,900 for 2016, and \$61,600 for 2017. According to 2017 FFIEC census data, 20.6 percent of the families in the assessment area are low-income; 15.7 percent are moderate-income; 19.0 percent are middle-income; and 44.7 percent are upper-income. Of the total families, 11.2 percent have incomes below the poverty level.

Housing Characteristics

The 2017 FFIEC census data indicates there are 207,180 housing units in the assessment area. Of the total units, 58.6 percent are owner-occupied, 32.2 percent are rental units, and 9.2 percent are vacant. The median age of the housing stock in the assessment area is 40 years, and the median housing value is \$158,635.

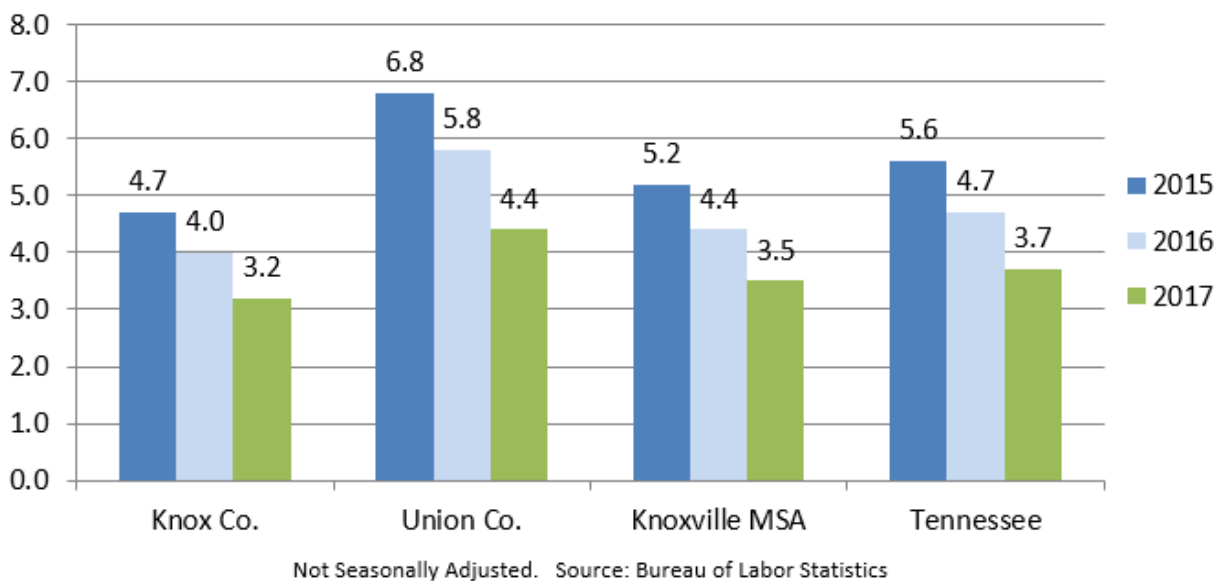
Employment Conditions

The primary industry sectors in the Knoxville MSA include: trade, transportation, and utilities; professional and business services; government; and education and health services.⁵ Included in the education sector is the main campus of the University of Tennessee, the state’s flagship and largest university.

Innovation Valley is East Tennessee’s regional economic development partnership managed by the Knoxville Chamber⁶. The Knoxville Chamber of Commerce economic development team recruits new businesses with specific emphasis on five target industry sectors⁷: advanced technology and manufacturing; corporate services; energy; creative media; and transportation.

The following graph shows unemployment data for the assessment area, the Knoxville MSA, and the state of Tennessee. For the 2015, 2016, and 2017 period, there are more unemployed persons in Union County than in the other areas depicted in the graph. The data shows unemployment rates are declining. The data indicates there is a stronger economic climate in Knox County.

Unemployment Rates - TN Knoxville



⁵ Employment on nonfarm payrolls <https://www.bls.gov/regions/southeast/summary/blssummary_knoxville.pdf>

⁶ Innovation Valley <<http://www.knoxvilleoakridge.com/about/>>

⁷ Knoxville Chamber of Commerce <<https://www.knoxvillechamber.com/economic-development/business-recruitment-expansion/>>

Competition

The Knoxville assessment area is saturated with competing financial institutions. The June 30, 2017 FDIC Deposit Market Share Report shows 33 financial institutions operated 158 offices inside the assessment area. Commercial Bank ranked 11th in deposit market share holding \$149.6 million or 1.3 percent of deposits. SunTrust held the largest deposit market share at 19.4 percent, followed by First Tennessee Bank at 19.2 percent, Home Federal Bank of Tennessee at 13.4 percent, and Regions Bank at 12.2 percent.

The 2017 HMDA Market Peer Report ranks Commercial Bank 41st out of 389 reporters in the assessment area representing a market share of 0.5 percent in home loans. Mortgage Investors Group and Wells Fargo Bank were the top two reporters in the assessment area with a combined market share of 19.0 percent.

Credit and Community Development Needs

The Knoxville assessment area has a diverse economy with numerous community development organizations and programs that target low- and moderate-income individuals and small business owners. These organizations create unique opportunities for banks to participate in the economic welfare of its communities, for example, by providing loans, through investments, and by volunteering the financial and technical expertise of its bank representatives.

Bank management and a community representative expressed a need for affordable housing in the assessment area. While Commercial Bank offers a variety of home mortgage products, management stated that doing a better job communicating available products to potential homeowners is a realistic need.

According to 2017 D&B information, 87.2 percent of total businesses in the assessment area are small businesses signaling loan demand and opportunities for banks to originate loans to small businesses located in Knox and Union counties.

The City of Knoxville⁸ has identified some primary causes for rising disparity between household incomes and housing (owner-occupied and rental units) costs; for example, increases in home prices and rents outpacing increases in household incomes; poverty; energy costs, and home maintenance and repair costs can make housing unaffordable. Additionally, tighter credit underwriting post-recession will limit potential homeownership opportunities for some borrowers.

Banks can help meet community development needs by partnering with the City of Knoxville's Community Development department⁹ which administers a variety of programs geared toward the revitalization of Knoxville's low- to moderate-income neighborhoods and affordable housing. This department has developed various programs to achieve the following community development objectives:

- Programs to improve housing opportunities for lower-income homeowners, tenants, and home buyers as well as assistance to organizations serving Knoxville's homeless population.
- Activities that identify vacant, blighted or problem properties and seek developers to return them to productive use.
- Support for programs that assist neighborhoods in identifying and solving identified issues.
- Support for programs that provide training and employment to low-income persons or assist low-income persons in starting small businesses.

⁸ City of Knoxville The Affordable Housing Crises in Knoxville, April 7, 2017,

http://www.knoxvilletn.gov/UserFiles/Servers/Server_109478/File/CommunityDevelopment/04072017ECHOPresentation.pdf

⁹ City of Knoxville Community Development <http://www.knoxvilletn.gov/government/city_departments_offices/community_development>

Another potential partner in the market for financial institutions is HomeSource East Tennessee. Its mission is to strengthen communities by providing sustainable housing opportunities through delivery channels, such as providing financial education for potential homeowners and renters; offering foreclosure prevention counseling; developing affordable housing for individuals, families, and seniors that might not qualify otherwise; providing affordable rental housing for seniors; revitalizing neighborhoods by improving existing housing or building new affordable housing, and by other notable mechanisms. Commercial Bank is one of HomeSource East Tennessee's funders and supporters¹⁰.

Another organization that serves low-to-moderate income youth and families is tnAchieves.¹¹ This program supports primarily first-generation and at-risk students to enroll in post-secondary education by providing high school students with last-dollar scholarships along with mentor guidance. tnAchieves currently serves as the partnering organization to the Tennessee Promise Scholarship in 85 counties, including Knox and Union counties. A majority (65.0 percent) of tnAchieves students are first generation college attendees and 70.0 percent come from families who earn less than \$50,000 annually or within the LMI threshold. As previously mentioned, families earning less than \$30,799 were considered low-income in 2017, and families earning less than \$49,279 were considered moderate-income in 2017. Possible partnership opportunities for banks include mentoring students, hosting financial education programs for students, or providing contributions.

Assessment Area Demographics

The following tables provide demographic characteristics of the Knoxville assessment area used to analyze the bank's CRA performance. The first table is based on 2016 FFIEC census data¹² along with 2016 Dun & Bradstreet (D&B) information and is used for the analysis of 2015 and 2016 CRA performance. The second table is based on 2017 FFIEC census data¹³ and 2017 D&B information and is used for analysis of 2017 CRA performance. The release of the 2017 FFIEC census data resulted in some changes in income level classifications.

¹⁰ HomeSource East Tennessee Funders and Supporters <https://www.homesourcetn.org/support/supporters/>

¹¹ tnAchieves <<https://tnachieves.org/about-us/>>

¹² The 2016 FFIEC census data is derived from the 2010 census data and the 2006-2010 American Community Survey (ACS) five-year estimates.

¹³ The 2017 FFIEC census data is derived from the 2011-2015 ACS five-year estimates.

Combined Demographics Report

Assessment Area: TN Knoxville

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 9 | 7.8 | 5,871 | 5.1 | 2,820 | 48 | 22,064 | 19.4 |
| Moderate-income | 19 | 16.4 | 16,011 | 14 | 2,725 | 17 | 17,779 | 15.6 |
| Middle-income | 48 | 41.4 | 49,840 | 43.7 | 3,929 | 7.9 | 22,930 | 20.1 |
| Upper-income | 38 | 32.8 | 42,295 | 37.1 | 1,501 | 3.5 | 51,244 | 44.9 |
| Unknown-income | 2 | 1.7 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 116 | 100.0 | 114,017 | 100.0 | 10,975 | 9.6 | 114,017 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | | Rental | | Vacant | |
| | | # | % | % | # | % | # | % |
| Low-income | 17,639 | 3,846 | 3.1 | 21.8 | 11,483 | 65.1 | 2,310 | 13.1 |
| Moderate-income | 33,270 | 16,662 | 13.3 | 50.1 | 13,603 | 40.9 | 3,005 | 9 |
| Middle-income | 87,404 | 56,882 | 45.3 | 65.1 | 23,804 | 27.2 | 6,718 | 7.7 |
| Upper-income | 62,759 | 48,161 | 38.4 | 76.7 | 10,515 | 16.8 | 4,083 | 6.5 |
| Unknown-income | 307 | 0 | 0 | 0 | 289 | 94.1 | 18 | 5.9 |
| Total Assessment Area | 201,379 | 125,551 | 100.0 | 62.3 | 59,694 | 29.6 | 16,134 | 8.0 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 1,174 | 6.4 | 944 | 5.8 | 228 | 11.5 | 2 | 2.1 |
| Moderate-income | 3,071 | 16.8 | 2,622 | 16.2 | 416 | 20.9 | 33 | 34.4 |
| Middle-income | 6,112 | 33.4 | 5,522 | 34 | 565 | 28.4 | 25 | 26 |
| Upper-income | 7,909 | 43.2 | 7,097 | 43.7 | 776 | 39 | 36 | 37.5 |
| Unknown-income | 50 | 0.3 | 46 | 0.3 | 4 | 0.2 | 0 | 0 |
| Total Assessment Area | 18,316 | 100.0 | 16,231 | 100.0 | 1,989 | 100.0 | 96 | 100.0 |
| Percentage of Total Businesses: | | | 88.6 | | 10.9 | | .5 | |
| | Total Farms by Tract | Farms by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 3 | 2 | 3 | 2.1 | 0 | 0 | 0 | 0 |
| Moderate-income | 17 | 11.5 | 17 | 11.7 | 0 | 0 | 0 | 0 |
| Middle-income | 77 | 52 | 75 | 51.7 | 2 | 66.7 | 0 | 0 |
| Upper-income | 49 | 33.1 | 48 | 33.1 | 1 | 33.3 | 0 | 0 |
| Unknown-income | 2 | 1.4 | 2 | 1.4 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 148 | 100.0 | 145 | 100.0 | 3 | 100.0 | 0 | .0 |
| Percentage of Total Farms: | | | 98.0 | | 2.0 | | .0 | |

2016 FFIEC Census Data and 2016 D&B Information

Combined Demographics Report

Assessment Area: TN Knoxville

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|------------------------------|--|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 9 | 7.8 | 6,480 | 5.6 | 3,041 | 46.9 | 23,811 | 20.6 |
| Moderate-income | 23 | 19.8 | 20,315 | 17.6 | 4,083 | 20.1 | 18,216 | 15.7 |
| Middle-income | 43 | 37.1 | 45,649 | 39.4 | 4,073 | 8.9 | 21,972 | 19 |
| Upper-income | 39 | 33.6 | 43,277 | 37.4 | 1,786 | 4.1 | 51,736 | 44.7 |
| Unknown-income | 2 | 1.7 | 14 | 0 | 14 | 100 | 0 | 0 |
| Total Assessment Area | 116 | 100.0 | 115,735 | 100.0 | 12,997 | 11.2 | 115,735 | 100.0 |
| | Housing | Housing Types by Tract | | | | | | |
| | Units by Tract | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 14,132 | 3,711 | 3.1 | 26.3 | 8,868 | 62.8 | 1,553 | 11 |
| Moderate-income | 44,887 | 18,775 | 15.5 | 41.8 | 20,514 | 45.7 | 5,598 | 12.5 |
| Middle-income | 80,233 | 50,223 | 41.4 | 62.6 | 22,843 | 28.5 | 7,167 | 8.9 |
| Upper-income | 67,767 | 48,591 | 40.1 | 71.7 | 14,408 | 21.3 | 4,768 | 7 |
| Unknown-income | 161 | 4 | 0 | 2.5 | 94 | 58.4 | 63 | 39.1 |
| Total Assessment Area | 207,180 | 121,304 | 100.0 | 58.6 | 66,727 | 32.2 | 19,149 | 9.2 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | |
| Low-income | 829 | 5.1 | 681 | 4.8 | 144 | 7.2 | 4 | 4.4 |
| Moderate-income | 2,637 | 16.2 | 2,245 | 15.8 | 374 | 18.8 | 18 | 20 |
| Middle-income | 5,064 | 31.2 | 4,501 | 31.8 | 543 | 27.3 | 20 | 22.2 |
| Upper-income | 7,678 | 47.2 | 6,703 | 47.3 | 927 | 46.5 | 48 | 53.3 |
| Unknown-income | 43 | 0.3 | 39 | 0.3 | 4 | 0.2 | 0 | 0 |
| Total Assessment Area | 16,251 | 100.0 | 14,169 | 100.0 | 1,992 | 100.0 | 90 | 100.0 |
| | Percentage of Total Businesses: | | | 87.2 | | 12.3 | | .6 |
| | Total Farms by Tract | Farms by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | |
| Low-income | 1 | 0.8 | 1 | 0.8 | 0 | 0 | 0 | 0 |
| Moderate-income | 28 | 21.2 | 27 | 20.9 | 1 | 33.3 | 0 | 0 |
| Middle-income | 50 | 37.9 | 49 | 38 | 1 | 33.3 | 0 | 0 |
| Upper-income | 51 | 38.6 | 50 | 38.8 | 1 | 33.3 | 0 | 0 |
| Unknown-income | 2 | 1.5 | 2 | 1.6 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 132 | 100.0 | 129 | 100.0 | 3 | 100.0 | 0 | .0 |
| | Percentage of Total Farms: | | | 97.7 | | 2.3 | | .0 |

2017 FFIEC Census Data and 2017 D&B Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE KNOXVILLE, TENNESSEE ASSESSMENT AREA

LENDING TEST

Overview

Commercial Bank's lending performance was evaluated using analyses of HMDA-reportable and small business loans originated in calendar years 2015, 2016, and 2017. During the review period, the number of HMDA-reportable loans originated exceeded the small business loan volume; therefore, HMDA-reportable loans were given greater weight when determining conclusions regarding lending performance.

Geographic Distribution of Loans

Based on the following analysis, the overall geographic distribution of the bank's HMDA-reportable and small business loans reflects excellent dispersion throughout the bank's assessment area and does not reveal any unexplained gaps in lending patterns.

Residential Real Estate (HMDA) Lending

The geographic distribution of HMDA-reportable loans reflects excellent dispersion throughout the assessment area. The following tables show the geographic distribution of Commercial Bank's HMDA-reportable loans for calendar years 2015, 2016, and 2017 within the Knoxville assessment area. The tables include demographic information and a comparison of bank lending to aggregate lending. Aggregate lending data is the combined total of lending activity reported by all lenders subject to HMDA in the assessment area.

Geographic Distribution of HMDA Loans

Assessment Area: TN Knoxville

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | | | | | | | |
|------------------|---------------------------|--|---------------|------------------|---------------|------------------------|-------------------------------------|---------------|---------------|-----------------|---------------|---------------|-------------|---------------|---------------|-----------------|---------------|---------------|
| | | 2015, 2016 | | | | | 2015 | | | | | 2016 | | | | | | |
| | | Bank | | | | Owner Occupied Units % | Count | | | Dollar | | | Count | | | Dollar | | |
| | | Count # | % | Dollar \$ (000s) | % | | Bank # | % | Agg % | Bank \$ (000s) | % | Agg % | Bank # | % | Agg % | Bank \$ (000s) | % | Agg % |
| HOME PURCHASE | Low | 7 | 7.3% | \$654 | 3.7% | 3.1% | 6 | 10.9% | 1.7% | \$589 | 6.8% | 1.0% | 1 | 2.4% | 1.8% | \$65 | 0.7% | 1.2% |
| | Moderate | 19 | 19.8% | \$3,228 | 18.2% | 13.3% | 8 | 14.5% | 9.7% | \$986 | 11.5% | 6.2% | 11 | 26.8% | 9.9% | \$2,242 | 24.6% | 6.7% |
| | Middle | 41 | 42.7% | \$7,324 | 41.4% | 45.3% | 28 | 50.9% | 44.9% | \$4,204 | 48.9% | 36.1% | 13 | 31.7% | 44.6% | \$3,120 | 34.3% | 35.7% |
| | Upper | 29 | 30.2% | \$6,496 | 36.7% | 38.4% | 13 | 23.6% | 43.6% | \$2,825 | 32.8% | 56.6% | 16 | 39.0% | 43.6% | \$3,671 | 40.3% | 56.5% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 96 | 100.0% | \$17,702 | 100.0% | 100.0% | 55 | 100.0% | 100.0% | \$8,604 | 100.0% | 100.0% | 41 | 100.0% | 100.0% | \$9,098 | 100.0% | 100.0% |
| REFINANCE | Low | 2 | 4.9% | \$211 | 3.6% | 3.1% | 1 | 3.3% | 1.8% | \$78 | 1.9% | 0.8% | 1 | 9.1% | 1.4% | \$133 | 7.6% | 1.0% |
| | Moderate | 18 | 43.9% | \$1,875 | 32.3% | 13.3% | 12 | 40.0% | 10.1% | \$836 | 20.6% | 6.9% | 6 | 54.5% | 8.8% | \$1,039 | 59.7% | 5.5% |
| | Middle | 12 | 29.3% | \$1,493 | 25.7% | 45.3% | 11 | 36.7% | 40.1% | \$1,441 | 35.4% | 32.4% | 1 | 9.1% | 40.5% | \$52 | 3.0% | 31.1% |
| | Upper | 9 | 22.0% | \$2,225 | 38.3% | 38.4% | 6 | 20.0% | 48.1% | \$1,710 | 42.1% | 59.9% | 3 | 27.3% | 49.3% | \$515 | 29.6% | 62.5% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 41 | 100.0% | \$5,804 | 100.0% | 100.0% | 30 | 100.0% | 100.0% | \$4,065 | 100.0% | 100.0% | 11 | 100.0% | 100.0% | \$1,739 | 100.0% | 100.0% |
| HOME IMPROVEMENT | Low | 1 | 5.0% | \$38 | 2.9% | 3.1% | 1 | 9.1% | 2.5% | \$38 | 7.6% | 1.4% | 0 | 0.0% | 2.4% | \$0 | 0.0% | 1.2% |
| | Moderate | 10 | 50.0% | \$470 | 35.7% | 13.3% | 4 | 36.4% | 15.0% | \$146 | 29.1% | 9.7% | 6 | 66.7% | 14.7% | \$324 | 39.9% | 8.8% |
| | Middle | 6 | 30.0% | \$342 | 26.0% | 45.3% | 4 | 36.4% | 46.0% | \$175 | 34.9% | 37.8% | 2 | 22.2% | 44.6% | \$167 | 20.5% | 33.3% |
| | Upper | 3 | 15.0% | \$465 | 35.4% | 38.4% | 2 | 18.2% | 36.4% | \$143 | 28.5% | 51.0% | 1 | 11.1% | 38.4% | \$322 | 39.6% | 56.7% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 20 | 100.0% | \$1,315 | 100.0% | 100.0% | 11 | 100.0% | 100.0% | \$502 | 100.0% | 100.0% | 9 | 100.0% | 100.0% | \$813 | 100.0% | 100.0% |
| MULTI-FAMILY | Multi-Family Units | | | | | | | | | | | | | | | | | |
| | Low | 0 | 0.0% | \$0 | 0.0% | 24.3% | 0 | 0.0% | 23.3% | \$0 | 0.0% | 15.8% | 0 | 0.0% | 22.7% | \$0 | 0.0% | 9.6% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 21.4% | 0 | 0.0% | 18.3% | \$0 | 0.0% | 7.3% | 0 | 0.0% | 27.3% | \$0 | 0.0% | 29.9% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 35.8% | 0 | 0.0% | 41.7% | \$0 | 0.0% | 36.3% | 0 | 0.0% | 34.1% | \$0 | 0.0% | 26.8% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 17.9% | 0 | 0.0% | 16.7% | \$0 | 0.0% | 40.6% | 0 | 0.0% | 15.9% | \$0 | 0.0% | 33.7% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.6% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| Total | 0 | 0.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | |
| HMDA TOTALS | Low | 10 | 6.4% | \$903 | 3.6% | 3.1% | 8 | 8.3% | 1.9% | \$705 | 5.4% | 2.0% | 2 | 3.3% | 1.8% | \$198 | 1.7% | 1.5% |
| | Moderate | 47 | 29.9% | \$5,573 | 22.5% | 13.3% | 24 | 25.0% | 10.1% | \$1,968 | 14.9% | 6.6% | 23 | 37.7% | 9.9% | \$3,605 | 30.9% | 7.4% |
| | Middle | 59 | 37.6% | \$9,159 | 36.9% | 45.3% | 43 | 44.8% | 43.2% | \$5,820 | 44.2% | 34.9% | 16 | 26.2% | 43.2% | \$3,339 | 28.7% | 33.7% |
| | Upper | 41 | 26.1% | \$9,186 | 37.0% | 38.4% | 21 | 21.9% | 44.8% | \$4,678 | 35.5% | 56.4% | 20 | 32.8% | 45.2% | \$4,508 | 38.7% | 57.4% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 157 | 100.0% | \$24,821 | 100.0% | 100.0% | 96 | 100.0% | 100.0% | \$13,171 | 100.0% | 100.0% | 61 | 100.0% | 100.0% | \$11,650 | 100.0% | 100.0% |

Originations & Purchases
2016 FFIEC Census Data and 2010 ACS Data

Commercial Bank originated 157 HMDA-reportable loans during 2015 and 2016. The bank's lending in low- and moderate-income census tracts was significant when compared to the owner-occupied units and also outperformed aggregate lenders in those tracts. The bank originated 6.4 percent of its loans in low-income tracts where 3.1 percent of owner-occupied units are located, and 29.9 percent of its loans in moderate-income tracts where 13.3 percent of owner-occupied units are located. For both years, the bank outperformed aggregate lenders.

Geographic Distribution of HMDA Loans

Assessment Area: TN Knoxville

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | |
|------------------|---------------------------|---|---------------|----------------------------|---------------|---------------|-------------------------------------|---------------|---------------|-----------------|---------------|---------------|
| | | 2017 | | | | | 2017 | | | | | |
| | | Bank | | Owner Occupied Units | | Count | Count | | Dollar | | | |
| | | Count | Dollar | Bank | Agg | | Bank | Agg | Bank | Agg | | |
| # | % | \$ (000s) | \$ % | % | # | % | % | \$ (000s) | \$ % | \$ % | | |
| HOME PURCHASE | Low | 1 | 1.7% | \$75 | 0.6% | 3.1% | 1 | 1.7% | 1.7% | \$75 | 0.6% | 0.9% |
| | Moderate | 17 | 28.3% | \$2,773 | 21.3% | 15.5% | 17 | 28.3% | 12.5% | \$2,773 | 21.3% | 7.9% |
| | Middle | 16 | 26.7% | \$3,177 | 24.4% | 41.4% | 16 | 26.7% | 41.1% | \$3,177 | 24.4% | 33.8% |
| | Upper | 26 | 43.3% | \$7,006 | 53.8% | 40.1% | 26 | 43.3% | 44.6% | \$7,006 | 53.8% | 57.3% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>60</i> | <i>100.0%</i> | <i>\$13,031</i> | <i>100.0%</i> | <i>100.0%</i> | <i>60</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$13,031</i> | <i>100.0%</i> | <i>100.0%</i> |
| REFINANCE | Low | 0 | 0.0% | \$0 | 0.0% | 3.1% | 0 | 0.0% | 2.0% | \$0 | 0.0% | 1.0% |
| | Moderate | 10 | 40.0% | \$712 | 25.9% | 15.5% | 10 | 40.0% | 12.3% | \$712 | 25.9% | 8.4% |
| | Middle | 11 | 44.0% | \$1,305 | 47.5% | 41.4% | 11 | 44.0% | 41.5% | \$1,305 | 47.5% | 33.8% |
| | Upper | 4 | 16.0% | \$729 | 26.5% | 40.1% | 4 | 16.0% | 44.3% | \$729 | 26.5% | 56.8% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>25</i> | <i>100.0%</i> | <i>\$2,746</i> | <i>100.0%</i> | <i>100.0%</i> | <i>25</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$2,746</i> | <i>100.0%</i> | <i>100.0%</i> |
| HOME IMPROVEMENT | Low | 0 | 0.0% | \$0 | 0.0% | 3.1% | 0 | 0.0% | 3.7% | \$0 | 0.0% | 3.6% |
| | Moderate | 6 | 100.0% | \$186 | 100.0% | 15.5% | 6 | 100.0% | 19.7% | \$186 | 100.0% | 12.1% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 41.4% | 0 | 0.0% | 40.0% | \$0 | 0.0% | 33.2% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 40.1% | 0 | 0.0% | 36.6% | \$0 | 0.0% | 51.1% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>6</i> | <i>100.0%</i> | <i>\$186</i> | <i>100.0%</i> | <i>100.0%</i> | <i>6</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$186</i> | <i>100.0%</i> | <i>100.0%</i> |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 12.2% | 0 | 0.0% | 3.8% | \$0 | 0.0% | 6.4% |
| | Moderate | 1 | 100.0% | \$164 | 100.0% | 33.7% | 1 | 100.0% | 51.9% | \$164 | 100.0% | 39.1% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 33.0% | 0 | 0.0% | 26.9% | \$0 | 0.0% | 29.6% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 20.8% | 0 | 0.0% | 17.3% | \$0 | 0.0% | 25.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.4% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>1</i> | <i>100.0%</i> | <i>\$164</i> | <i>100.0%</i> | <i>100.0%</i> | <i>1</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$164</i> | <i>100.0%</i> | <i>100.0%</i> |
| HMDA TOTALS | Low | 1 | 1.1% | \$75 | 0.5% | 3.1% | 1 | 1.1% | 1.9% | \$75 | 0.5% | 1.3% |
| | Moderate | 34 | 37.0% | \$3,835 | 23.8% | 15.5% | 34 | 37.0% | 13.0% | \$3,835 | 23.8% | 9.9% |
| | Middle | 27 | 29.3% | \$4,482 | 27.8% | 41.4% | 27 | 29.3% | 41.1% | \$4,482 | 27.8% | 33.6% |
| | Upper | 30 | 32.6% | \$7,735 | 48.0% | 40.1% | 30 | 32.6% | 44.0% | \$7,735 | 48.0% | 55.2% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>92</i> | <i>100.0%</i> | <i>\$16,127</i> | <i>100.0%</i> | <i>100.0%</i> | <i>92</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$16,127</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2015 ACS Data

Commercial Bank originated 92 HMDA-reportable loans in 2017. The bank originated only one loan (1.1 percent) in a low-income census tract where the percentage of owner-occupied units was 3.1 percent. Aggregate lending performance in low-income tracts was similarly nominal at 1.9 percent. The bank's lending in moderate-income tracts at 37.0 percent far exceeded the percentage of owner-occupied units in those tracts at 15.5 percent. The bank significantly outperformed aggregate lenders in moderate-income tracts where bank lending was 37.0 percent and the aggregate lender performance was 13.0 percent.

Small Business Lending

The geographic distribution of small business loans reflects excellent dispersion throughout the assessment area. The following tables show the geographic distribution of Commercial Bank’s small business loans for calendar years 2015, 2016, and 2017 within the Knoxville assessment area.

Geographic Distribution of Small Business Loans

Assessment Area: TN Knoxville

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| Low | 3 | 6.1% | \$292 | 4.3% | 5.8% |
| Moderate | 18 | 36.7% | \$2,871 | 42.7% | 16.2% |
| Middle | 16 | 32.7% | \$963 | 14.3% | 34.0% |
| Upper | 12 | 24.5% | \$2,595 | 38.6% | 43.7% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.3% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>49</i> | <i>100.0%</i> | <i>\$6,721</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

Commercial Bank originated 49 small business loans inside the assessment area during 2015 and 2016. Three (6.1 percent) loans were originated in low-income census tracts where 5.8 percent of small businesses are located. The bank’s lending in moderate-income tracts at 36.7 percent far exceeded the percentage of businesses located in moderate-income tracts at 16.2 percent.

Geographic Distribution of Small Business Loans

Assessment Area: TN Knoxville

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2017 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| Low | 0 | 0.0% | \$0 | 0.0% | 4.8% |
| Moderate | 9 | 15.3% | \$923 | 14.5% | 15.8% |
| Middle | 21 | 35.6% | \$3,038 | 47.8% | 31.8% |
| Upper | 29 | 49.2% | \$2,392 | 37.7% | 47.3% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.3% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>59</i> | <i>100.0%</i> | <i>\$6,353</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

Commercial Bank originated 59 small business loans inside the assessment area in 2017. No loans were originated in low-income census tracts where 4.8 percent of businesses are located. The bank's lending in moderate-income tracts at 15.3 percent was similar to the percentage of businesses located in moderate-income tracts at 15.8 percent.

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

The overall distribution of loans by borrower income and business revenue size reflects reasonable penetration among individuals of different income levels and businesses of different sizes. For this analysis, the distribution of HMDA-reportable lending to borrowers of different income levels and small business lending among businesses of different sizes was compared to available demographic information.

Residential Real Estate (HMDA) Lending

The distribution of HMDA-reportable lending by borrower income is reasonable throughout the assessment area. The following tables show the distribution of Commercial Bank's HMDA-reportable loans by borrower income levels for calendar years 2015, 2016, and 2017 within the Knoxville assessment area. The tables include demographic information and a comparison of bank lending to aggregate lending.

Borrower Distribution of HMDA Loans
Assessment Area: TN Knoxville

| PRODUCT TYPE | Borrower Income Levels | Bank Lending & Demographic Data 2015, 2016 | | | | | Bank & Aggregate Lending Comparison | | | | | | | | | | | |
|------------------|------------------------|---|---------------|-----------------|---------------|--------------------------------|-------------------------------------|---------------|---------------|-----------------|---------------|---------------|-----------|---------------|---------------|-----------------|---------------|---------------|
| | | 2015, 2016 | | | | Families by Family Income % | 2015 | | | | | 2016 | | | | | | |
| | | Bank | | Dollar | | | Count | | Dollar | | | Count | | | Dollar | | | |
| | | Count | Dollar | Bank | Agg | | Bank | Agg | Bank | Agg | Bank | Agg | Bank | Agg | | | | |
| # | % | \$(000s) | \$ % | # | % | % | \$(000s) | \$ % | \$ % | # | % | % | \$(000s) | \$ % | \$ % | | | |
| HOME PURCHASE | Low | 10 | 10.4% | \$823 | 4.6% | 19.4% | 7 | 12.7% | 7.1% | \$643 | 7.5% | 3.5% | 3 | 7.3% | 6.4% | \$180 | 2.0% | 3.1% |
| | Moderate | 8 | 8.3% | \$901 | 5.1% | 15.6% | 4 | 7.3% | 18.2% | \$464 | 5.4% | 12.4% | 4 | 9.8% | 16.9% | \$437 | 4.8% | 11.5% |
| | Middle | 22 | 22.9% | \$2,805 | 15.8% | 20.1% | 15 | 27.3% | 19.7% | \$1,820 | 21.2% | 17.3% | 7 | 17.1% | 19.4% | \$985 | 10.8% | 16.8% |
| | Upper | 41 | 42.7% | \$11,028 | 62.3% | 44.9% | 19 | 34.5% | 36.0% | \$4,313 | 50.1% | 49.4% | 22 | 53.7% | 39.5% | \$6,715 | 73.8% | 52.3% |
| | Unknown | 15 | 15.6% | \$2,145 | 12.1% | 0.0% | 10 | 18.2% | 19.1% | \$1,364 | 15.9% | 17.3% | 5 | 12.2% | 17.8% | \$781 | 8.6% | 16.2% |
| | Total | 96 | 100.0% | \$17,702 | 100.0% | 100.0% | 55 | 100.0% | 100.0% | \$8,604 | 100.0% | 100.0% | 41 | 100.0% | 100.0% | \$9,098 | 100.0% | 100.0% |
| REFINANCE | Low | 10 | 24.4% | \$501 | 8.6% | 19.4% | 7 | 23.3% | 6.3% | \$352 | 8.7% | 3.1% | 3 | 27.3% | 5.0% | \$149 | 8.6% | 2.2% |
| | Moderate | 7 | 17.1% | \$732 | 12.6% | 15.6% | 6 | 20.0% | 13.7% | \$705 | 17.3% | 8.8% | 1 | 9.1% | 12.1% | \$27 | 1.6% | 7.5% |
| | Middle | 5 | 12.2% | \$732 | 12.6% | 20.1% | 5 | 16.7% | 17.9% | \$732 | 18.0% | 14.5% | 0 | 0.0% | 16.7% | \$0 | 0.0% | 12.6% |
| | Upper | 13 | 31.7% | \$2,570 | 44.3% | 44.9% | 10 | 33.3% | 36.9% | \$2,009 | 49.4% | 48.3% | 3 | 27.3% | 42.2% | \$561 | 32.3% | 54.1% |
| | Unknown | 6 | 14.6% | \$1,269 | 21.9% | 0.0% | 2 | 6.7% | 25.3% | \$267 | 6.6% | 25.2% | 4 | 36.4% | 23.9% | \$1,002 | 57.6% | 23.6% |
| | Total | 41 | 100.0% | \$5,804 | 100.0% | 100.0% | 30 | 100.0% | 100.0% | \$4,065 | 100.0% | 100.0% | 11 | 100.0% | 100.0% | \$1,739 | 100.0% | 100.0% |
| HOME IMPROVEMENT | Low | 5 | 25.0% | \$193 | 14.7% | 19.4% | 4 | 36.4% | 9.6% | \$159 | 31.7% | 3.6% | 1 | 11.1% | 7.8% | \$34 | 4.2% | 3.4% |
| | Moderate | 5 | 25.0% | \$256 | 19.5% | 15.6% | 2 | 18.2% | 18.4% | \$90 | 17.9% | 10.7% | 3 | 33.3% | 17.2% | \$166 | 20.4% | 9.8% |
| | Middle | 4 | 20.0% | \$551 | 41.9% | 20.1% | 2 | 18.2% | 23.2% | \$112 | 22.3% | 23.5% | 2 | 22.2% | 18.0% | \$439 | 54.0% | 12.5% |
| | Upper | 5 | 25.0% | \$265 | 20.2% | 44.9% | 3 | 27.3% | 41.4% | \$141 | 28.1% | 57.9% | 2 | 22.2% | 43.9% | \$124 | 15.3% | 67.4% |
| | Unknown | 1 | 5.0% | \$50 | 3.8% | 0.0% | 0 | 0.0% | 7.5% | \$0 | 0.0% | 4.3% | 1 | 11.1% | 13.2% | \$50 | 6.2% | 7.0% |
| | Total | 20 | 100.0% | \$1,315 | 100.0% | 100.0% | 11 | 100.0% | 100.0% | \$502 | 100.0% | 100.0% | 9 | 100.0% | 100.0% | \$813 | 100.0% | 100.0% |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 19.4% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 15.6% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 20.1% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 44.9% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% |
| | Total | 0 | 0.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% |
| HMDA TOTALS | Low | 25 | 15.9% | \$1,517 | 6.1% | 19.4% | 18 | 18.8% | 6.9% | \$1,154 | 8.8% | 3.1% | 7 | 11.5% | 6.0% | \$363 | 3.1% | 2.7% |
| | Moderate | 20 | 12.7% | \$1,889 | 7.6% | 15.6% | 12 | 12.5% | 16.5% | \$1,259 | 9.6% | 10.3% | 8 | 13.1% | 15.2% | \$630 | 5.4% | 9.6% |
| | Middle | 31 | 19.7% | \$4,088 | 16.5% | 20.1% | 22 | 22.9% | 19.1% | \$2,664 | 20.2% | 15.2% | 9 | 14.8% | 18.3% | \$1,424 | 12.2% | 14.5% |
| | Upper | 59 | 37.6% | \$13,863 | 55.9% | 44.9% | 32 | 33.3% | 36.4% | \$6,463 | 49.1% | 45.6% | 27 | 44.3% | 40.6% | \$7,400 | 63.5% | 50.7% |
| | Unknown | 22 | 14.0% | \$3,464 | 14.0% | 0.0% | 12 | 12.5% | 21.1% | \$1,631 | 12.4% | 25.7% | 10 | 16.4% | 19.8% | \$1,833 | 15.7% | 22.5% |
| | Total | 157 | 100.0% | \$24,821 | 100.0% | 100.0% | 96 | 100.0% | 100.0% | \$13,171 | 100.0% | 100.0% | 61 | 100.0% | 100.0% | \$11,650 | 100.0% | 100.0% |

Originations & Purchases

2016 FFIEC Census Data and 2010 ACS Data

The analysis was based on the bank’s 157 HMDA-reportable loans originated during 2015 and 2016. The bank’s lending to low-and moderate-income borrowers fell somewhat short when compared to the family income levels in those tracts. The bank’s lending to low-income borrowers at 15.9 percent was less than the percentage of low-income families at 19.4 percent, and lending to moderate-income borrowers at 12.7 percent was less than the percentage of families designated as moderate-income at 15.6 percent.

In 2015, the bank’s lending to low-income borrowers far exceeded aggregate lenders but was less than the aggregate for moderate-income borrowers. The bank’s lending at 18.8 percent to low-income borrowers was significantly greater than aggregate lender performance at 6.9 percent. The bank’s lending to moderate-income borrowers at 12.5 percent was less than aggregate lender performance at 16.5 percent. Similarly, in 2016, the bank’s lending to low-income borrowers at 11.5 percent was significantly greater than aggregate lender performance at 6.0 percent, while the bank’s lending to moderate-income borrowers at 13.1 percent was less than aggregate lender performance at 15.2 percent.

Borrower Distribution of HMDA Loans

Assessment Area: TN Knoxville

| PRODUCT TYPE | Borrower Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | |
|------------------|------------------------|--|---------------|-----------------|---------------|---------------------------|-------------------------------------|---------------|---------------|-----------------|---------------|---------------|
| | | 2017 | | | | | 2017 | | | | | |
| | | Bank | | | | Families by Family Income | Count | | | Dollar | | |
| | | Count | | Dollar | | | Bank | Agg | Bank | Agg | | |
| # | % | \$ (000s) | \$ % | % | # | % | % | \$ (000s) | \$ % | \$ % | | |
| HOME PURCHASE | Low | 5 | 8.3% | \$425 | 3.3% | 20.6% | 5 | 8.3% | 6.0% | \$425 | 3.3% | 2.9% |
| | Moderate | 5 | 8.3% | \$748 | 5.7% | 15.7% | 5 | 8.3% | 17.6% | \$748 | 5.7% | 11.7% |
| | Middle | 9 | 15.0% | \$1,202 | 9.2% | 19.0% | 9 | 15.0% | 18.9% | \$1,202 | 9.2% | 16.5% |
| | Upper | 37 | 61.7% | \$10,203 | 78.3% | 44.7% | 37 | 61.7% | 37.0% | \$10,203 | 78.3% | 49.4% |
| | Unknown | 4 | 6.7% | \$453 | 3.5% | 0.0% | 4 | 6.7% | 20.4% | \$453 | 3.5% | 19.5% |
| | <i>Total</i> | <i>60</i> | <i>100.0%</i> | <i>\$13,031</i> | <i>100.0%</i> | <i>100.0%</i> | <i>60</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$13,031</i> | <i>100.0%</i> | <i>100.0%</i> |
| REFINANCE | Low | 4 | 16.0% | \$177 | 6.4% | 20.6% | 4 | 16.0% | 7.0% | \$177 | 6.4% | 3.4% |
| | Moderate | 4 | 16.0% | \$306 | 11.1% | 15.7% | 4 | 16.0% | 14.7% | \$306 | 11.1% | 9.6% |
| | Middle | 2 | 8.0% | \$334 | 12.2% | 19.0% | 2 | 8.0% | 19.1% | \$334 | 12.2% | 16.0% |
| | Upper | 11 | 44.0% | \$1,513 | 55.1% | 44.7% | 11 | 44.0% | 37.7% | \$1,513 | 55.1% | 49.7% |
| | Unknown | 4 | 16.0% | \$416 | 15.1% | 0.0% | 4 | 16.0% | 21.5% | \$416 | 15.1% | 21.2% |
| | <i>Total</i> | <i>25</i> | <i>100.0%</i> | <i>\$2,746</i> | <i>100.0%</i> | <i>100.0%</i> | <i>25</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$2,746</i> | <i>100.0%</i> | <i>100.0%</i> |
| HOME IMPROVEMENT | Low | 2 | 33.3% | \$47 | 25.3% | 20.6% | 2 | 33.3% | 9.3% | \$47 | 25.3% | 6.6% |
| | Moderate | 1 | 16.7% | \$17 | 9.1% | 15.7% | 1 | 16.7% | 16.2% | \$17 | 9.1% | 9.7% |
| | Middle | 2 | 33.3% | \$58 | 31.2% | 19.0% | 2 | 33.3% | 15.0% | \$58 | 31.2% | 14.4% |
| | Upper | 1 | 16.7% | \$64 | 34.4% | 44.7% | 1 | 16.7% | 40.9% | \$64 | 34.4% | 62.6% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 18.6% | \$0 | 0.0% | 6.7% |
| | <i>Total</i> | <i>6</i> | <i>100.0%</i> | <i>\$186</i> | <i>100.0%</i> | <i>100.0%</i> | <i>6</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$186</i> | <i>100.0%</i> | <i>100.0%</i> |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 20.6% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 15.7% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 19.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 44.7% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 1 | 100.0% | \$164 | 100.0% | 0.0% | 1 | 100.0% | 100.0% | \$164 | 100.0% | 100.0% |
| | <i>Total</i> | <i>1</i> | <i>100.0%</i> | <i>\$164</i> | <i>100.0%</i> | <i>100.0%</i> | <i>1</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$164</i> | <i>100.0%</i> | <i>100.0%</i> |
| HMDA TOTALS | Low | 11 | 12.0% | \$649 | 4.0% | 20.6% | 11 | 12.0% | 6.5% | \$649 | 4.0% | 3.0% |
| | Moderate | 10 | 10.9% | \$1,071 | 6.6% | 15.7% | 10 | 10.9% | 16.7% | \$1,071 | 6.6% | 10.5% |
| | Middle | 13 | 14.1% | \$1,594 | 9.9% | 19.0% | 13 | 14.1% | 18.7% | \$1,594 | 9.9% | 15.4% |
| | Upper | 49 | 53.3% | \$11,780 | 73.0% | 44.7% | 49 | 53.3% | 37.3% | \$11,780 | 73.0% | 46.9% |
| | Unknown | 9 | 9.8% | \$1,033 | 6.4% | 0.0% | 9 | 9.8% | 20.8% | \$1,033 | 6.4% | 24.2% |
| | <i>Total</i> | <i>92</i> | <i>100.0%</i> | <i>\$16,127</i> | <i>100.0%</i> | <i>100.0%</i> | <i>92</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$16,127</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2015 ACS Data

The bank's 92 HMDA-reportable loans originated in 2017 were used in the analysis. Lending to low-income borrowers at 12.0 percent was significantly less than the percentage of low-income families at 20.6 percent, and lending to moderate-income borrowers at 10.9 percent was less than the percentage of families designated as moderate-income at 15.7 percent. The bank's lending at 12.0 percent to low-income borrowers far exceeded aggregate lenders performance of only 6.5 percent. However, bank lending to moderate-income borrowers at 10.9 percent was less than the aggregate at 16.7 percent.

Small Business Lending

Small business lending by business revenue size reflects reasonable penetration among businesses of different sizes located throughout the assessment area. The following tables show the distribution of Commercial Bank’s small business loans, by revenue and loan size, for calendar years 2015, 2016, and 2017 within the Knoxville assessment area.

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Knoxville

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|----------------------------------|-----------------------------|---|--------|-----------|--------|------------------|
| | | Bank | | | | Total Businesses |
| | | Count | | \$ (000s) | | % |
| | | # | % | \$ | % | % |
| BUSINESS REVENUE | \$1million or Less | 41 | 83.7% | \$4,932 | 73.4% | 88.6% |
| | Over \$1 Million | 8 | 16.3% | \$1,789 | 26.6% | 10.9% |
| | <i>Total Rev. available</i> | 49 | 100.0% | \$6,721 | 100.0% | 99.5% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 0.5% |
| | <i>Total</i> | 49 | 100.0% | \$6,721 | 100.0% | 100.0% |
| LOAN SIZE | \$100,000 or Less | 30 | 61.2% | \$1,057 | 15.7% | |
| | \$100,001 - \$250,000 | 9 | 18.4% | \$1,497 | 22.3% | |
| | \$250,001 - \$1 Million | 10 | 20.4% | \$4,167 | 62.0% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 49 | 100.0% | \$6,721 | 100.0% | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 26 | 63.4% | \$908 | 18.4% | |
| | \$100,001 - \$250,000 | 9 | 22.0% | \$1,497 | 30.4% | |
| | \$250,001 - \$1 Million | 6 | 14.6% | \$2,527 | 51.2% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 41 | 100.0% | \$4,932 | 100.0% | |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

For 2015 and 2016 lending activity, 83.7 percent of the bank’s small business loans were originated to businesses with revenues of \$1 million or less, which is less than the percentage of total businesses in the assessment area at 88.6 percent. The data shows the majority (79.6 percent) of the small business loans were in amounts of \$250,000 or less, which typically represent loan amounts requested by small businesses. Notably, of the 41 loans to small businesses, the majority (63.4 percent) were in amounts of \$100,000 or less demonstrating the bank’s willingness to lend smaller dollar loans to meet the credit needs of small businesses.

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Knoxville

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2017 | | | | |
|----------------------------------|-----------------------------|---|--------|-----------|--------|--------------------|
| | | Bank | | | | Total Businesses % |
| | | Count | | \$ (000s) | | |
| | | # | % | \$ | % | |
| BUSINESS REVENUE | \$1million or Less | 44 | 74.6% | \$4,744 | 74.7% | 87.2% |
| | Over \$1 Million | 15 | 25.4% | \$1,609 | 25.3% | 12.3% |
| | <i>Total Rev. available</i> | 59 | 100.0% | \$6,353 | 100.0% | 99.5% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 0.6% |
| | <i>Total</i> | 59 | 100.0% | \$6,353 | 100.0% | 100.0% |
| LOAN SIZE | \$100,000 or Less | 46 | 78.0% | \$1,382 | 21.8% | |
| | \$100,001 - \$250,000 | 5 | 8.5% | \$790 | 12.4% | |
| | \$250,001 - \$1 Million | 8 | 13.6% | \$4,181 | 65.8% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 59 | 100.0% | \$6,353 | 100.0% | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 34 | 77.3% | \$1,043 | 22.0% | |
| | \$100,001 - \$250,000 | 4 | 9.1% | \$630 | 13.3% | |
| | \$250,001 - \$1 Million | 6 | 13.6% | \$3,071 | 64.7% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 44 | 100.0% | \$4,744 | 100.0% | |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

For 2017 lending activity, 74.6 percent of the bank’s small business loans were originated to businesses with revenues of \$1 million or less, which is less than the percentage of total businesses in the assessment area at 87.2 percent. The data shows the majority (86.5 percent) of the small business loans were in amounts of \$250,000 or less, which typically represent loan amounts requested by small businesses. Notably, of the 44 loans to small businesses, the majority (77.3 percent) were in amounts of \$100,000 or less, demonstrating the bank’s willingness to lend smaller dollar loans to meet the credit needs of small businesses.

COMMUNITY DEVELOPMENT TEST

Considering the bank’s asset size, capacity, and assessment area, Commercial Bank demonstrates adequate responsiveness to the community development needs of its Knoxville assessment area through a combination of community development loans, qualified investments, and community development services.

During the review period, Commercial Bank originated four loans totaling approximately \$5.6 million to businesses that provided community services to low- and moderate-income people. One loan is a \$2 million participation in a CRA fund that was partially used to support the Senior Crimestoppers program for low- and moderate-income seniors residing in a 79-bed senior housing facility in Knox County. Two loans totaling \$2.5 million were used to finance the purchase, expansion, and expenses for a flagship store of a nonprofit organization that primarily provides food and shelter to homeless and low-income individuals. Lastly, a \$1.1 million loan was provided to a nonprofit organization that refurbished a 40-unit affordable housing senior apartment complex.

The bank continues to hold \$200,000 in investments purchased in prior review periods. Contributions totaling approximately \$27,200 were donated primarily for scholarships to students attending local schools where the majority of students are low- and moderate-income. A bank employee provided community services by presenting the bank's Smart Cents financial literacy curriculum at a local school attended by a majority of low- and moderate-income students. Please refer to the institution level Community Development Test section at the beginning of this evaluation for more information on the Smart Cents program.

**KINGSPORT ASSESSMENT AREA, TENNESSEE METROPOLITAN AREA
JOHNSON CITY ASSESSMENT AREA, TENNESSEE METROPOLITAN AREA
LIMITED-SCOPE REVIEW**

The following assessment areas were reviewed using limited-scope examination procedures. Through these procedures, conclusions regarding the institution's CRA performance are drawn from the review of available facts and data, including performance and demographic information. Please refer to the tables in Appendix D for information regarding these assessment areas.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE KINGSPORT ASSESSMENT AREA, TENNESSEE MSA

The Kingsport, Tennessee assessment area is comprised of Sullivan County, Tennessee which is part of the five-county Kingsport-Bristol-Bristol, Tennessee-Virginia MSA. Commercial Bank operates one branch office and ATM in the assessment area. Kingsport is one of the principal cities in the MSA. Between years 2016 and 2017 when the FFIEC census data changes occurred, the income designation of the census tract where the bank's branch and ATM are located changed from upper-income to middle-income. No branches were opened or closed during the review period.

The 2017 FFIEC census data shows there are 39 census tracts in the assessment area with a distribution of 10 (25.6 percent) moderate-income tracts; 19 (48.7 percent) middle-income tracts; and 10 (25.6 percent) upper-income tracts. The assessment area is home to 43,951 families of which 13.2 percent are living in poverty. Of the total families, 19.8 percent are low-income; 18.7 percent are moderate-income; 19.3 percent are middle-income; and 42.2 percent are upper-income. Based on 2017 D&B information, small businesses represent 89.6 percent of total businesses.

The Kingsport assessment area is a competitive banking environment. The June 30, 2017 FDIC Deposit Market Share Report shows there are 14 other banks operating 39 branches in the county. Commercial Bank has approximately \$18.7 million in deposits representing 0.82 percent of the deposit market share. Regions Bank at 27.8 percent, First Tennessee Bank at 19.6 percent, BB&T at 16.3 percent, and Bank of Tennessee at 14.0 percent are the top holders of the area's deposit market share.

Bank representatives participated in six hours of community development services in the Kingsport assessment area.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE JOHNSON CITY ASSESSMENT AREA, TENNESSEE MSA

The Johnson City assessment area is comprised of Washington County which is part of the three-county Johnson City, Tennessee MSA. During the review period, Commercial Bank opened one branch office and ATM in Washington County. Johnson City is the principal city in the MSA. Between years 2016 and 2017 when the FFIEC census data changes occurred, the income designation of the census tract where the bank's branch and ATM are located changed from moderate-income to middle-income.

The 2017 FFIEC census data shows there are 23 census tracts in the assessment area with a distribution of 4 (17.4 percent) moderate-income tracts; 11 (47.8 percent) middle-income tracts; 7 (30.4 percent) upper-income tracts; and 1 (4.3 percent) tract without an income designation. The assessment area is home to 33,217 families

of which 12.3 percent are living in poverty. Of the total families, 19.1 percent are low-income; 15.0 percent are moderate-income; 21.5 percent are middle-income; and 44.4 percent are upper-income. Based on 2017 D&B information, small businesses represent 89.6 percent of total businesses.

The Johnson City assessment area is a competitive banking environment and a new market for Commercial Bank where a branch was recently opened. The June 30, 2017 FDIC Market Share Report shows there are 19 other banks operating 46 branches in the county. Commercial Bank has approximately \$2.6 million in deposits representing 0.12 percent of the deposit market share. First Tennessee Bank at 35.5 percent, Bank of Tennessee at 12.4 percent, and SunTrust Bank at 10.1 percent are the top holders of the area's deposit market share.

Community development activities included a \$2 million participation in a CRA fund that was partially used to support the Senior Crimestoppers program for low- and moderate-income seniors residing in a 91-bed senior housing facility in Washington County in the Johnson City assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE KINGSPORT ASSESSMENT AREA AND JOHNSON CITY ASSESSMENT AREA, TENNESSEE MSAs

The following table shows the conclusions regarding Commercial Bank's performance in the Kingsport assessment area and Johnson City assessment area compared to the conclusions of the assessment area in Tennessee which received a full-scope review. CRA performance in these assessment areas did not affect the overall rating.

| Performance in the Limited-Scope Review Metropolitan Assessment Areas | | |
|--|------------------------|-----------------------------------|
| Assessment Area | Lending Test | Community Development Test |
| Kingsport | Not Consistent - Below | Not Consistent - Below |
| Johnson City | Consistent | Consistent |

**CLAIBORNE ASSESSMENT AREA, TENNESSEE NONMETROPOLITAN AREA
NEWPORT ASSESSMENT AREA, TENNESSEE NONMETROPOLITAN AREA
LIMITED-SCOPE REVIEW**

The following assessment areas were reviewed using limited-scope examination procedures. Through these procedures, conclusions regarding the Institution's CRA performance are drawn from the review of available facts and data, including performance and demographic information. Please refer to the tables in Appendix D for information regarding these assessment areas.

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE CLAIBORNE ASSESSMENT AREA,
TENNESSEE NON-MSA**

The Claiborne, Tennessee assessment area is comprised of Claiborne County, a non-MSA. Commercial Bank is headquartered in Harrogate, Tennessee in Claiborne County. The bank operates its main office, two branch offices, and two ATMs in the assessment area. No branches were opened or closed during the review period.

The 2017 FFIEC census data shows there are nine census tracts in the assessment area with a distribution of two (22.2 percent) moderate-income tracts; six (66.7 percent) middle-income tracts; and one (11.1 percent) upper-income tract. The six middle-income tracts are designated as distressed areas. The assessment area is home to 8,658 families of which 17.7 percent are living in poverty. Of the total families, 22.3 percent are low-income; 17.9 percent are moderate-income; 22.3 percent are middle-income; and 37.5 percent are upper-income. Based on 2017 D&B information, small businesses represent 89.9 percent of total businesses.

The June 30, 2017 FDIC Deposit Market Share Report shows there are four other banks operating nine branches in the county. Commercial Bank is ranked first with approximately \$202.2 million in deposits representing 34.6 percent of the deposit market share followed by First Century Bank at 28.6 percent and Citizens Bank at 23.0 percent.

Community development activities included a \$100,000 loan to a nonprofit rural health clinic located in a middle-income underserved census tract in the Claiborne assessment area. The bank continues to hold a \$401,540 municipal bond investment from prior review periods benefiting residents in the assessment area and made approximately \$4,600 in qualified donations. Bank representatives spent approximately 32 hours primarily in local schools where the majority of students are low- and moderate-income in support of the bank's Smart Cents financial literacy program. Please refer to the institution level Community Development Test section at the beginning of this evaluation for more information on the Smart Cents program.

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE NEWPORT ASSESSMENT AREA,
TENNESSEE NON-MSA**

The Newport assessment area is comprised of Cocke County, a non-MSA. During the review period, Commercial Bank acquired two branch offices and three ATMs in Cocke County through the acquisition of National Bank of Tennessee in Newport, Tennessee. Newport is the largest city in Cocke County. The 2016 FFIEC census data showed one branch in a moderate-income tract and one in a middle-income tract; however, the income designation of the two branches and three ATMs changed to moderate-income tracts when the 2017 FFIEC census data was released.

The 2017 FFIEC census data shows there are nine census tracts in the assessment area with a distribution of four (44.4 percent) moderate-income tracts; four (44.4 percent) middle-income tracts; and one (11.1 percent) tract without an income designation. The four middle-income tracts are designated as distressed areas. The assessment area is home to 9,838 families of which 22.3 percent are living in poverty. Of the total families, 29.8 percent are low-income; 16.3 percent are moderate-income; 18.8 percent are middle-income; and 35.1 percent are upper-income. Based on 2017 D&B information, small businesses represent 90.1 percent of total businesses.

The June 30, 2017 FDIC Market Share Report shows there are four other banks operating six branches in the Newport assessment area. Commercial Bank has approximately \$130.9 million in deposits representing 26.6 percent of the deposit market share. Newport Federal Bank at 37.0 percent and U.S. Bank National Association at 22.5 percent, along with Commercial Bank, are the top holders of the area's deposit market share.

Community development activities included approximately \$1,000 in contributions, and bank representatives spent approximately 12 hours primarily in local schools where the majority of students are low- and moderate-income in support of the bank's Smart Cents financial literacy program. Please refer to the institution level Community Development Test section at the beginning of this evaluation for more information on the Smart Cents program.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE CLAIBORNE ASSESSMENT AREA, TENNESSEE AND NEWPORT ASSESSMENT AREA, TENNESSEE NON-MSAs

The following table shows the conclusions regarding Commercial Bank's performance in the Claiborne, Tennessee assessment area and Newport assessment area compared to the conclusions of the assessment area in Tennessee which received a full-scope review. CRA performance in these assessment areas did not affect the overall rating.

| Performance in the Limited-Scope Review Nonmetropolitan Assessment Areas | | |
|---|------------------------|-----------------------------------|
| Assessment Area | Lending Test | Community Development Test |
| Claiborne | Consistent | Not Consistent - Below |
| Newport | Not Consistent - Below | Not Consistent - Below |

KENTUCKY

CRA RATING FOR KENTUCKY: Satisfactory

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors supporting the rating include the following:

- The geographic distribution of loans reflects excellent penetration throughout the assessment areas;
- The distribution of loans by borrower income reflects reasonable penetration among borrowers of different income levels and businesses of different sizes;
- The bank's community development activities demonstrate adequate responsiveness to the community development needs of the assessment areas.

SCOPE OF EXAMINATION

Commercial Bank has designated one assessment area within Kentucky; the Bell-Harlan-Knox-Whitley assessment area was reviewed using full-scope procedures. The evaluation included an analysis of HMDA-reportable loans and small business loans originated from January 1, 2015 through December 31, 2017, and community development activities from September 21, 2015 through December 31, 2017.

The release of the 2017 FFIEC census data during the review period resulted in some changes in demographic data; therefore, 2015-2016 performance is evaluated separately from 2017 performance.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN KENTUCKY

Overview

Since the previous evaluation, the bank opened one branch location in Kentucky expanding its assessment area to include Whitley County. As of December 31, 2017, Commercial Bank operates 10 branches and 11 ATMS in Kentucky, accounting for 43.0 percent of their total branch offices. During the review period, the bank did not close any branches.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KENTUCKY

LENDING TEST

The lending test rating for the state of Kentucky is satisfactory. The geographic distribution of HMDA-reportable loans and small business loans reflects excellent dispersion throughout the state's assessment areas. The distribution of loans reflects reasonable penetration among borrowers of different income levels and businesses of different sizes. The analyses of HMDA and small business lending within each assessment area are discussed in detail later in this report.

COMMUNITY DEVELOPMENT TEST

Commercial Bank's community development performance demonstrates adequate responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services considering the bank's capacity and the need and availability of such opportunities for community development in the assessment areas.

Commercial Bank originated three community development loans totaling \$1,696,010 in the state of Kentucky that provided community services targeted to low- and moderate-income individuals. The bank continues to hold \$742,428 in prior period qualified investments. Contributions in the Kentucky assessment area totaled approximately \$10,000. The bank also made additional contributions that impacted a broader area within the Tennessee-Kentucky area that totaled \$8,586. Bank representatives participated in approximately 711 hours of community development services.

BELL-HARLAN-KNOX-WHITLEY NONMETROPOLITAN AREA FULL-SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE BELL-HARLAN-KNOX-WHITLEY KENTUCKY ASSESSMENT AREA

Overview

Commercial Bank has one assessment area in Kentucky which includes Bell, Harlan, Knox, and Whitley counties, which is a non-MSA area. In May 2017, the bank opened a branch office in Corbin, Kentucky and expanded its assessment area to include Whitley County.

The expanded assessment area resulted in an increase of eight census tracts in the assessment area. Additionally, the release of the 2017 FFIEC census data resulted in some changes in income level classifications. According to 2017 census data, the assessment area currently consists of 36 census tracts. Of the 36 census tracts, 3 (8.3 percent) are low-income tracts; 19 (52.8 percent) are moderate-income tracts; 13 (36.1 percent) are middle-income tracts; and 1 (2.8 percent) is an upper-income tract. The 13 middle-income tracts are designated as distressed and 5 of those are also underserved remote rural areas.

As of December 31, 2017, Commercial Bank operated 10 branches and 11 ATMs in the assessment area. No branches were closed. Of the 10 branches, 8 are located in moderate-income tracts and 2 in middle-income distressed/underserved tracts.

Population Information

The 2017 population estimate (as of July 1, 2017)¹⁴ for the assessment area was 121,048 persons, representing a 3.5 percent decrease in population as of the 2010 census. According to 2017 FFIEC census data, there were 32,662 families in the assessment area.

Income Characteristics

For purposes of classifying borrower income, the evaluation was based on the FFIEC estimated median family income for the relevant area. The following table sets forth the estimated median family income for 2015, 2016, and 2017 for the Bell-Harlan-Knox-Whitley assessment area. The table also shows ranges of the estimated annual income based on income level.

**Borrower Income Levels
Kentucky State Non-metro**

| FFIEC Estimated Median Family Income | Low | | Moderate | | Middle | | Upper | |
|---|-----------------|--------------|---------------------|---------------------|--------------------|-----------|-------|-----------|
| | 0 | - 49.99% | 50% | - 79.99% | 80% | - 119.99% | 120% | - & above |
| 2015 | \$46,900 | 0 - \$23,449 | \$23,450 - \$37,519 | \$37,520 - \$56,279 | \$56,280 - & above | | | |
| 2016 | \$46,400 | 0 - \$23,199 | \$23,200 - \$37,119 | \$37,120 - \$55,679 | \$55,680 - & above | | | |
| 2017 | \$47,800 | 0 - \$23,899 | \$23,900 - \$38,239 | \$38,240 - \$57,359 | \$57,360 - & above | | | |

¹⁴ US Census Bureau; retrieved December 17, 2018; available at https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml

The FFIEC estimated median family income for the Bell-Harlan-Knox-Whitley non-MSA was \$46,900 for 2015, \$46,400 for 2016, and \$47,800 for 2017. According to 2017 FFIEC census data, 33.2 percent of the families in the assessment area are low-income; 20.3 percent are moderate-income; 18.0 percent are middle-income; and 28.5 percent are upper-income. Of the total families, 25.9 percent have incomes below the poverty level.

Housing Characteristics

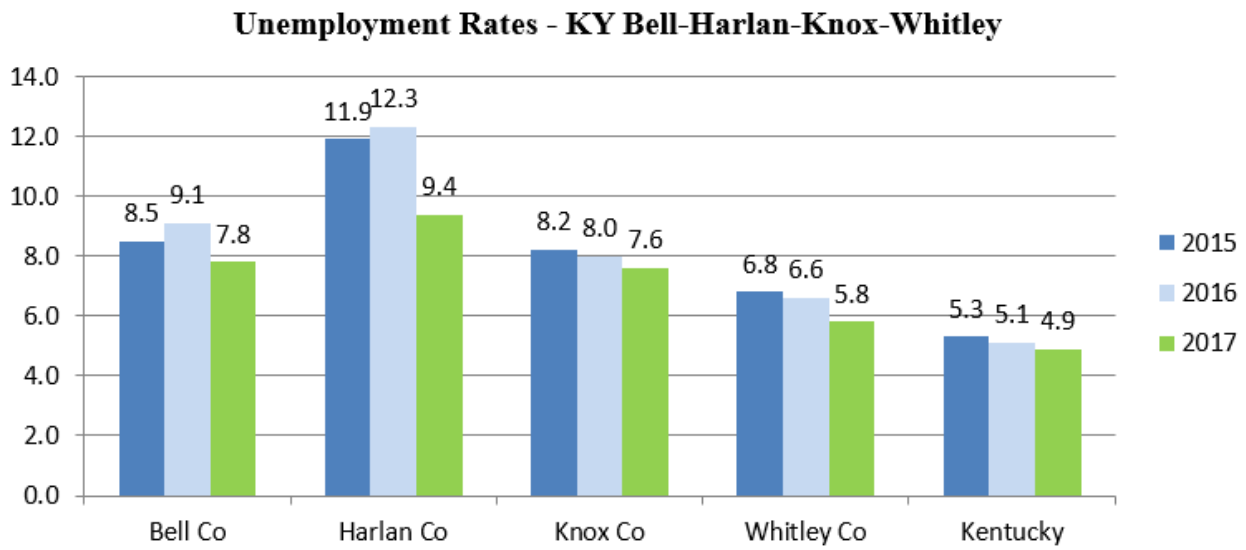
The 2017 FFIEC census data indicates there are 56,246 housing units in the assessment area. Of the total units, 56.6 percent are owner-occupied, 28.9 percent are rental units, and 14.5 percent are vacant. The median age of the housing stock in the assessment area is 43 years and the median housing value is \$66,689.

Employment Conditions

Individuals earn less in the assessment area compared to the state of Kentucky. The first quarter 2018 average weekly wage for the state of Kentucky is \$901¹⁵ which is greater than the average weekly wage in Bell County (\$655), Harlan County (\$677), Knox County (\$635), and Whitley County (\$708). A community representative commented the area’s population was highly dependent on coal-mining jobs and, due to a lack of job diversity, the area was hit hard with greater than average unemployment when the coal industry dramatically declined in eastern Kentucky.

The principal industries in the assessment area include trade, transportation, and utilities; education and health services; and leisure and hospitality.¹⁶

The following table shows the unemployment rates for the assessment area and the state of Kentucky. While all of the counties in the assessment area show elevated unemployment compared to the state of Kentucky, Harlan County in particular has a greater number of unemployed individuals.



Not Seasonally Adjusted. Source: Bureau of Labor Statistics

¹⁵ First Quarter 2018 Wages in Kentucky <https://www.bls.gov/regions/southeast/news-release/2018/pdf/countyemploymentandwages_kentucky_20180919.pdf>
¹⁶ www.thinkkentucky.com

Competition

The June 30, 2017 FDIC Deposit Market Share Report shows 11 financial institutions operated 48 offices inside the assessment area. Commercial Bank ranked second in deposit market share holding \$230.5 million or 14.7 percent of deposits. First State Financial Inc. held the greatest deposit market share with 15.3 percent. Other financial institutions followed closely behind Commercial Bank; Home Federal Bank Corporation held 12.4 percent and Community Trust Bank Inc. held 11.2 percent of the area's deposit market share.

The 2017 HMDA Market Peer Report ranks Commercial Bank second out of 126 reporters in the assessment area representing a mortgage loan market share of 6.4 percent. Community Trust Bank Inc. was the largest reporter in the assessment area with 7.7 percent market share.

Credit and Community Development Needs

A considerable percentage of families are considered low- or moderate-income in the Bell-Harlan-Knox-Whitley assessment area. According to 2017 FFIEC census data, over half of the families in the assessment area are low-to-moderate income. Additionally, the assessment area falls within the Kentucky Highlands Promise Zone, a 2014 federal designation.¹⁷ Promise Zones are high poverty communities where the federal government partners with local leaders to increase economic activity, improve educational opportunities, leverage private investment, and address other priorities identified by the community. Therefore, the region's demographics coupled with this designation underscores community and economic development needs in the area and opportunities for financial institutions to engage. Partnership opportunities for banks might include, but are not limited to, investments and grants to nonprofit partners, down payment assistance programs, low-cost savings options, and financial education by bank representatives.

Bank management also expressed a need for student financial education and affordable housing in the assessment area. While Commercial Bank offers a variety of home mortgage products, management stated that doing a better job communicating available products to potential homeowners is a realistic need. A community representative commented on the need for financial literacy, small dollar hardship loans, and affordable high-speed broadband connectivity in the assessment area for job creation. High speed broadband connectivity will offer employers the potential for home-based employees and reduced overhead for jobs such as customer service and technical assistance representatives, and opportunities for individuals to work from home, providing an immediate impact to the local workforce.

Assessment Area Demographics

The following tables provide demographic characteristics of the Bell-Harlan-Knox-Whitley assessment area used to analyze the bank's CRA performance. The first table is based on 2016 FFIEC census data¹⁸ along with 2016 Dun & Bradstreet (D&B) information and is used for the analysis of 2015 and 2016 CRA performance. The second table is based on 2017 FFIEC census data¹⁹ and 2017 D&B information and is used for analysis of 2017 CRA performance. The release of the 2017 FFIEC census data resulted in some changes in income level classifications.

The number of census tracts in the assessment area increased by 8 (from 28 to 36) because of a branch opening in 2016 in Whitley County. Certain components of the data in the tables are discussed in this evaluation as they apply to specific parts of the analysis.

¹⁷ Kentucky Highlands Promise Zone, January 4, 2019, <[Kentucky Promise Zone - Kentucky Promise Zone](#)>

¹⁸ The 2016 FFIEC census data is derived from the 2010 census data and the 2006-2010 American Community Survey (ACS) five-year estimates.

¹⁹ The 2017 FFIEC census data is derived from the 2011-2015 ACS five-year estimates.

Combined Demographics Report

Assessment Area: KY Bell-Harlan-Knox

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 3 | 10.7 | 2,350 | 10.1 | 990 | 42.1 | 8,554 | 36.6 |
| Moderate-income | 13 | 46.4 | 12,282 | 52.6 | 3,821 | 31.1 | 3,967 | 17 |
| Middle-income | 11 | 39.3 | 8,127 | 34.8 | 1,774 | 21.8 | 3,989 | 17.1 |
| Upper-income | 1 | 3.6 | 608 | 2.6 | 93 | 15.3 | 6,857 | 29.3 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 28 | 100.0 | 23,367 | 100.0 | 6,678 | 28.6 | 23,367 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | | Rental | | Vacant | |
| | | # | % | % | # | % | # | % |
| Low-income | 4,026 | 2,547 | 10.9 | 63.3 | 860 | 21.4 | 619 | 15.4 |
| Moderate-income | 21,286 | 11,633 | 49.6 | 54.7 | 5,996 | 28.2 | 3,657 | 17.2 |
| Middle-income | 15,176 | 8,556 | 36.5 | 56.4 | 3,717 | 24.5 | 2,903 | 19.1 |
| Upper-income | 1,153 | 735 | 3.1 | 63.7 | 131 | 11.4 | 287 | 24.9 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 41,641 | 23,471 | 100.0 | 56.4 | 10,704 | 25.7 | 7,466 | 17.9 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 208 | 10 | 184 | 9.8 | 20 | 13.2 | 4 | 7.5 |
| Moderate-income | 826 | 39.7 | 750 | 39.9 | 63 | 41.4 | 13 | 24.5 |
| Middle-income | 1,012 | 48.6 | 908 | 48.3 | 69 | 45.4 | 35 | 66 |
| Upper-income | 37 | 1.8 | 36 | 1.9 | 0 | 0 | 1 | 1.9 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 2,083 | 100.0 | 1,878 | 100.0 | 152 | 100.0 | 53 | 100.0 |
| Percentage of Total Businesses: | | | 90.2 | | 7.3 | | 2.5 | |
| | Total Farms by Tract | Farms by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 3 | 9.7 | 3 | 9.7 | 0 | 0 | 0 | 0 |
| Moderate-income | 12 | 38.7 | 12 | 38.7 | 0 | 0 | 0 | 0 |
| Middle-income | 16 | 51.6 | 16 | 51.6 | 0 | 0 | 0 | 0 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 31 | 100.0 | 31 | 100.0 | 0 | .0 | 0 | .0 |
| Percentage of Total Farms: | | | 100.0 | | .0 | | .0 | |

2016 FFIEC Census Data and 2016 D&B Information

Combined Demographics Report

Assessment Area: KY Bell-Harlan-Knox-Whitley

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 3 | 8.3 | 2,942 | 9 | 1,254 | 42.6 | 10,854 | 33.2 |
| Moderate-income | 19 | 52.8 | 18,524 | 56.7 | 4,952 | 26.7 | 6,625 | 20.3 |
| Middle-income | 13 | 36.1 | 10,847 | 33.2 | 2,218 | 20.4 | 5,884 | 18 |
| Upper-income | 1 | 2.8 | 349 | 1.1 | 46 | 13.2 | 9,299 | 28.5 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 36 | 100.0 | 32,662 | 100.0 | 8,470 | 25.9 | 32,662 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | | Rental | | Vacant | |
| | | # | % | % | # | % | # | % |
| Low-income | 5,280 | 2,626 | 8.2 | 49.7 | 1,893 | 35.9 | 761 | 14.4 |
| Moderate-income | 32,048 | 18,625 | 58.5 | 58.1 | 8,748 | 27.3 | 4,675 | 14.6 |
| Middle-income | 18,382 | 10,212 | 32.1 | 55.6 | 5,521 | 30 | 2,649 | 14.4 |
| Upper-income | 536 | 373 | 1.2 | 69.6 | 73 | 13.6 | 90 | 16.8 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 56,246 | 31,836 | 100.0 | 56.6 | 16,235 | 28.9 | 8,175 | 14.5 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 144 | 5.1 | 127 | 5.1 | 14 | 5.8 | 3 | 4.4 |
| Moderate-income | 1,317 | 47.1 | 1,188 | 47.7 | 100 | 41.2 | 29 | 42.6 |
| Middle-income | 1,325 | 47.3 | 1,161 | 46.7 | 129 | 53.1 | 35 | 51.5 |
| Upper-income | 13 | 0.5 | 12 | 0.5 | 0 | 0 | 1 | 1.5 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 2,799 | 100.0 | 2,488 | 100.0 | 243 | 100.0 | 68 | 100.0 |
| Percentage of Total Businesses: | | | 88.9 | | 8.7 | | 2.4 | |
| | Total Farms by Tract | Farms by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 2 | 4.3 | 2 | 4.3 | 0 | 0 | 0 | 0 |
| Moderate-income | 32 | 68.1 | 32 | 68.1 | 0 | 0 | 0 | 0 |
| Middle-income | 13 | 27.7 | 13 | 27.7 | 0 | 0 | 0 | 0 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 47 | 100.0 | 47 | 100.0 | 0 | .0 | 0 | .0 |
| Percentage of Total Farms: | | | 100.0 | | .0 | | .0 | |

2017 FFIEC Census Data and 2017 D&B Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Overview

For this review, loan activity during 2015 and 2016 was analyzed based on 2016 FFIEC Census Data, and loan activity during 2017 was analyzed based on 2017 FFIEC Census Data.

Commercial Bank's lending performance was evaluated using analyses of HMDA-reportable and small business loans originated in calendar years 2015, 2016, and 2017. During the review period, the number of HMDA-reportable loans originated exceeded the small business loan volume; therefore, HMDA-reportable loans were given greater weight when determining conclusions regarding lending performance.

Geographic Distribution of Loans

The overall geographic distribution of the bank's HMDA-reportable and small business loans reflects excellent dispersion throughout the bank's assessment area and does not reveal any unexplained gaps in lending patterns.

Residential Real Estate (HMDA) Lending

The geographic distribution of HMDA-reportable loans reflects excellent dispersion throughout the assessment area. The following tables show the geographic distribution of Commercial Bank's HMDA-reportable loans for calendar years 2015, 2016, and 2017 within the Bell-Harlan-Knox-Whitley assessment area. The tables include demographic information and a comparison of bank lending to aggregate lending. Aggregate lending data is the combined total of lending activity reported by all lenders subject to HMDA in the assessment area.

Geographic Distribution of HMDA Loans

Assessment Area: KY Bell-Harlan-Knox

| HMDA PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | | | | | | | |
|-------------------|---------------------------|--|---------------|----------------------|---------------|---------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|-------------|---------------|---------------|----------------|---------------|---------------|
| | | 2015, 2016 | | | | | 2015 | | | | | 2016 | | | | | | |
| | | Bank | | Owner Occupied Units | | Count | Count | | Dollar | | | Count | | Dollar | | | | |
| | | # | % | \$ (000s) | % | | Bank | Agg | Bank | Agg | Agg | Bank | Agg | Bank | Agg | | | |
| | | | | # | % | % | \$ (000s) | % | % | # | % | % | \$ (000s) | % | % | | | |
| HOME PURCHASE | Low | 5 | 6.5% | \$217 | 3.2% | 10.9% | 2 | 4.8% | 8.0% | \$56 | 1.8% | 5.9% | 3 | 8.6% | 5.6% | \$161 | 4.5% | 4.3% |
| | Moderate | 29 | 37.7% | \$3,308 | 49.3% | 49.6% | 13 | 31.0% | 51.3% | \$1,071 | 34.1% | 54.4% | 16 | 45.7% | 59.5% | \$2,237 | 62.7% | 61.8% |
| | Middle | 43 | 55.8% | \$3,183 | 47.5% | 36.5% | 27 | 64.3% | 36.1% | \$2,016 | 64.1% | 34.5% | 16 | 45.7% | 32.2% | \$1,167 | 32.7% | 31.9% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 3.1% | 0 | 0.0% | 2.9% | \$0 | 0.0% | 3.6% | 0 | 0.0% | 1.3% | \$0 | 0.0% | 1.6% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 1.6% | \$0 | 0.0% | 1.6% | 0 | 0.0% | 1.3% | \$0 | 0.0% | 0.5% |
| | Total | 77 | 100.0% | \$6,708 | 100.0% | 100.0% | 42 | 100.0% | 100.0% | \$3,143 | 100.0% | 100.0% | 35 | 100.0% | 100.0% | \$3,565 | 100.0% | 100.0% |
| REFINANCE | Low | 3 | 7.5% | \$108 | 2.3% | 10.9% | 2 | 9.5% | 5.9% | \$86 | 3.2% | 4.7% | 1 | 5.3% | 7.4% | \$22 | 1.1% | 5.4% |
| | Moderate | 15 | 37.5% | \$1,858 | 39.8% | 49.6% | 12 | 57.1% | 55.6% | \$1,693 | 63.7% | 60.4% | 3 | 15.8% | 48.8% | \$165 | 8.2% | 47.8% |
| | Middle | 20 | 50.0% | \$2,186 | 46.9% | 36.5% | 7 | 33.3% | 34.4% | \$879 | 33.1% | 32.4% | 13 | 68.4% | 38.7% | \$1,307 | 65.2% | 38.9% |
| | Upper | 2 | 5.0% | \$512 | 11.0% | 3.1% | 0 | 0.0% | 1.9% | \$0 | 0.0% | 1.6% | 2 | 10.5% | 3.5% | \$512 | 25.5% | 5.6% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 2.2% | \$0 | 0.0% | 0.9% | 0 | 0.0% | 1.6% | \$0 | 0.0% | 2.3% |
| | Total | 40 | 100.0% | \$4,664 | 100.0% | 100.0% | 21 | 100.0% | 100.0% | \$2,658 | 100.0% | 100.0% | 19 | 100.0% | 100.0% | \$2,006 | 100.0% | 100.0% |
| HOME IMPROVEMENT | Low | 2 | 5.7% | \$24 | 0.9% | 10.9% | 2 | 9.5% | 7.2% | \$24 | 1.4% | 2.7% | 0 | 0.0% | 2.9% | \$0 | 0.0% | 1.3% |
| | Moderate | 17 | 48.6% | \$1,501 | 53.8% | 49.6% | 8 | 38.1% | 45.9% | \$885 | 50.1% | 55.0% | 9 | 64.3% | 62.7% | \$616 | 60.2% | 59.0% |
| | Middle | 16 | 45.7% | \$1,263 | 45.3% | 36.5% | 11 | 52.4% | 42.3% | \$856 | 48.5% | 35.0% | 5 | 35.7% | 33.3% | \$407 | 39.8% | 37.6% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 3.1% | 0 | 0.0% | 2.7% | \$0 | 0.0% | 6.2% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 1.8% | \$0 | 0.0% | 1.1% | 0 | 0.0% | 1.0% | \$0 | 0.0% | 2.1% |
| | Total | 35 | 100.0% | \$2,788 | 100.0% | 100.0% | 21 | 100.0% | 100.0% | \$1,765 | 100.0% | 100.0% | 14 | 100.0% | 100.0% | \$1,023 | 100.0% | 100.0% |
| MULTI-FAMILY | Multi-Family Units | | | | | | | | | | | | | | | | | |
| | Low | 0 | 0.0% | \$0 | 0.0% | 9.9% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 51.4% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 66.7% | \$0 | 0.0% | 92.2% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 38.7% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 33.3% | \$0 | 0.0% | 7.8% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| Total | 0 | 0.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | |
| HMDA TOTALS | Low | 10 | 6.6% | \$349 | 2.5% | 10.9% | 6 | 7.1% | 7.3% | \$166 | 2.2% | 5.3% | 4 | 5.9% | 5.8% | \$183 | 2.8% | 4.4% |
| | Moderate | 61 | 40.1% | \$6,667 | 47.1% | 49.6% | 33 | 39.3% | 52.0% | \$3,649 | 48.2% | 56.6% | 28 | 41.2% | 56.8% | \$3,018 | 45.8% | 57.3% |
| | Middle | 79 | 52.0% | \$6,632 | 46.8% | 36.5% | 45 | 53.6% | 36.4% | \$3,751 | 49.6% | 33.8% | 34 | 50.0% | 34.2% | \$2,881 | 43.7% | 34.4% |
| | Upper | 2 | 1.3% | \$512 | 3.6% | 3.1% | 0 | 0.0% | 2.5% | \$0 | 0.0% | 3.1% | 2 | 2.9% | 1.8% | \$512 | 7.8% | 2.8% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 1.8% | \$0 | 0.0% | 1.3% | 0 | 0.0% | 1.4% | \$0 | 0.0% | 1.2% |
| | Total | 152 | 100.0% | \$14,160 | 100.0% | 100.0% | 84 | 100.0% | 100.0% | \$7,566 | 100.0% | 100.0% | 68 | 100.0% | 100.0% | \$6,594 | 100.0% | 100.0% |

Originations & Purchases
2016 FFIEC Census Data and 2010 ACS Data

Commercial Bank originated 152 HMDA-reportable loans during 2015 and 2016. The bank's lending in low- and moderate-income census tracts was less than the percentage of owner-occupied units in those tracts, and aggregate lenders outperformed the bank. The bank originated 6.6 percent of its loans in low-income tracts where 10.9 percent owner-occupied units are located, and 40.1 percent of its loans in moderate-income tracts where 49.6 percent owner-occupied units are located. The bank's lending (52.0 percent) in distressed/underserved²⁰ middle-income census tracts far exceeded the percentage (36.5 percent) of owner-occupied units in those tracts.

For 2015 and 2016, the bank's lending in low-income census tracts was similar to aggregate lenders. However, in moderate-income tracts, aggregate lender performance was more favorable than the bank's lending. For 2015, bank lending in moderate-income tracts was 39.3 percent which was less than aggregate lender

²⁰2016 FFIEC census data shows 100% of the 11 middle-income census tracts in the assessment area are designated as distressed and 5 of those are also underserved tracts in remote rural areas.

performance at 52.0 percent. For 2016, bank lending in moderate-income tracts at 41.2 percent was less than the aggregate at 56.8 percent. Notably, the bank’s lending in distressed/underserved middle-income tracts exceeded aggregate lender performance for both years.

Geographic Distribution of HMDA Loans

Assessment Area: KY Bell-Harlan-Knox-Whitley

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | |
|------------------|---------------------|--|---------------|----------------------|---------------|---------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|
| | | 2017 | | | | | 2017 | | | | | |
| | | Bank | | Owner Occupied Units | | Count | Count | | Dollar | | | |
| | | Count | Dollar | Dollar | % | | Bank | Agg | Bank | Agg | Agg | |
| # | % | \$ (000s) | % | % | # | % | % | \$ (000s) | % | % | | |
| HOME PURCHASE | Low | 2 | 3.7% | \$160 | 3.6% | 8.2% | 2 | 3.7% | 4.9% | \$160 | 3.6% | 3.5% |
| | Moderate | 36 | 66.7% | \$3,059 | 69.1% | 58.5% | 36 | 66.7% | 51.1% | \$3,059 | 69.1% | 47.5% |
| | Middle | 16 | 29.6% | \$1,211 | 27.3% | 32.1% | 16 | 29.6% | 43.7% | \$1,211 | 27.3% | 48.9% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 1.2% | 0 | 0.0% | 0.2% | \$0 | 0.0% | 0.2% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>54</i> | <i>100.0%</i> | <i>\$4,430</i> | <i>100.0%</i> | <i>100.0%</i> | <i>54</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$4,430</i> | <i>100.0%</i> | <i>100.0%</i> |
| REFINANCE | Low | 0 | 0.0% | \$0 | 0.0% | 8.2% | 0 | 0.0% | 4.1% | \$0 | 0.0% | 4.0% |
| | Moderate | 17 | 81.0% | \$1,149 | 66.5% | 58.5% | 17 | 81.0% | 48.6% | \$1,149 | 66.5% | 50.5% |
| | Middle | 3 | 14.3% | \$430 | 24.9% | 32.1% | 3 | 14.3% | 46.4% | \$430 | 24.9% | 44.9% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 1.2% | 0 | 0.0% | 0.5% | \$0 | 0.0% | 0.3% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.5% | \$0 | 0.0% | 0.4% |
| | <i>Total</i> | <i>21</i> | <i>100.0%</i> | <i>\$1,729</i> | <i>100.0%</i> | <i>100.0%</i> | <i>21</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$1,729</i> | <i>100.0%</i> | <i>100.0%</i> |
| HOME IMPROVEMENT | Low | 3 | 16.7% | \$178 | 7.7% | 8.2% | 3 | 16.7% | 7.2% | \$178 | 7.7% | 4.9% |
| | Moderate | 8 | 44.4% | \$1,256 | 54.6% | 58.5% | 8 | 44.4% | 49.3% | \$1,256 | 54.6% | 45.4% |
| | Middle | 6 | 33.3% | \$835 | 36.3% | 32.1% | 6 | 33.3% | 42.8% | \$835 | 36.3% | 49.4% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 1.2% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.7% | \$0 | 0.0% | 0.3% |
| | <i>Total</i> | <i>18</i> | <i>100.0%</i> | <i>\$2,299</i> | <i>100.0%</i> | <i>100.0%</i> | <i>18</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$2,299</i> | <i>100.0%</i> | <i>100.0%</i> |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 13.4% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 47.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Middle | 1 | 100.0% | \$487 | 100.0% | 39.6% | 1 | 100.0% | 100.0% | \$487 | 100.0% | 100.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>1</i> | <i>100.0%</i> | <i>\$487</i> | <i>100.0%</i> | <i>100.0%</i> | <i>1</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$487</i> | <i>100.0%</i> | <i>100.0%</i> |
| HMDA TOTALS | Low | 5 | 5.3% | \$338 | 3.8% | 8.2% | 5 | 5.3% | 4.9% | \$338 | 3.8% | 3.6% |
| | Moderate | 61 | 64.9% | \$5,464 | 61.1% | 58.5% | 61 | 64.9% | 50.0% | \$5,464 | 61.1% | 46.6% |
| | Middle | 26 | 27.7% | \$2,963 | 33.1% | 32.1% | 26 | 27.7% | 44.6% | \$2,963 | 33.1% | 49.4% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 1.2% | 0 | 0.0% | 0.3% | \$0 | 0.0% | 0.2% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.2% | \$0 | 0.0% | 0.2% |
| | <i>Total</i> | <i>94</i> | <i>100.0%</i> | <i>\$8,945</i> | <i>100.0%</i> | <i>100.0%</i> | <i>94</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$8,945</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2015 ACS Data

Commercial Bank originated 94 HMDA-reportable loans in 2017. The bank’s lending compared more favorably to demographic data in moderate-income tracts than in low-income tracts; however, the bank outperformed aggregate lenders in both low- and moderate-income tracts. The bank’s lending in low-income census tracts at 5.3 percent was less than the percentage of owner-occupied units in those tracts at 8.2 percent. The bank’s lending in moderate-income tracts at 64.9 percent was greater than the owner-occupied units in those tracts at 58.5 percent. The majority (68.4 percent) of the middle-income census tracts are designated distressed²¹ tracts and five of those are also underserved in remote rural areas. The bank made 27.7 percent of its loans in middle-income census tracts, where the percentage of owner-occupied units in those tracts is 32.1 percent.

The bank’s lending in low- and moderate-income tracts at 5.3 percent and 64.9 percent is greater than aggregate lenders at 4.9 percent and 50.0 percent, respectively. Bank lending in middle-income tracts, where the majority of tracts are considered distressed, was 27.7 percent which was less than aggregate lenders at 44.6 percent.

Small Business Lending

The geographic distribution of small business loans reflects excellent dispersion throughout the assessment area. The following tables show the geographic distribution of Commercial Bank’s small business loans for calendar years 2015, 2016, and 2017 within the Bell-Harlan-Knox-Whitley assessment area.

Geographic Distribution of Small Business Loans

Assessment Area: KY Bell-Harlan-Knox

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| Low | 79 | 48.8% | \$857 | 17.1% | 9.8% |
| Moderate | 11 | 6.8% | \$659 | 13.1% | 39.9% |
| Middle | 72 | 44.4% | \$3,496 | 69.8% | 48.3% |
| Upper | 0 | 0.0% | \$0 | 0.0% | 1.9% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>162</i> | <i>100.0%</i> | <i>\$5,012</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

Commercial Bank originated 162 small business loans inside its assessment area during 2015 and 2016. The bank’s lending at 48.8 percent in low-income census tracts far exceeded the percentage of small businesses located in low-income tracts at 9.8 percent. The bank’s lending in moderate-income tracts at 6.8 percent was significantly less than the percentage of small businesses located in moderate-income tracts at 39.9 percent. However, the bank originated 44.4 percent of its small business loans in distressed middle-income tracts where 48.3 percent of small businesses are located; 5 of the 11 middle-income tracts are also underserved tracts in remote rural areas.

²¹2017 FFIEC census data shows 13 of the 19 (68.4 percent) middle-income census tracts in the assessment area are designated as distressed and 5 of those are also underserved tracts in remote rural areas.

Geographic Distribution of Small Business Loans

Assessment Area: KY Bell-Harlan-Knox-Whitley

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2017 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| | | | | | |
| Low | 0 | 0.0% | \$0 | 0.0% | 5.1% |
| Moderate | 40 | 60.6% | \$1,544 | 74.1% | 47.7% |
| Middle | 25 | 37.9% | \$387 | 18.6% | 46.7% |
| Upper | 1 | 1.5% | \$153 | 7.3% | 0.5% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>66</i> | <i>100.0%</i> | <i>\$2,084</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

Commercial Bank originated 66 small business loans inside the assessment area in 2017. No loans were originated in low-income census tracts where 5.1 percent of small businesses are located. The bank originated 60.6 percent of its small business loans in moderate-income census tracts which is significantly greater than the 47.7 percent of small businesses located in moderate-income tracts. The majority of the middle-income census tracts are designated distressed tracts, and five of those are also underserved in remote rural areas. The bank originated 37.9 percent of its small business loans in middle-income census tracts where 46.7 percent of small businesses are located.

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

The overall distribution of loans by borrower income and business revenue size reflects reasonable penetration among individuals of different income levels and businesses of different sizes. For this analysis, the distribution of HMDA-reportable lending to borrowers of different income levels and small business lending among businesses of different sizes was compared to available demographic information.

Residential Real Estate (HMDA) Lending

The distribution of HMDA-reportable lending by borrower income is reasonable throughout the assessment area. The following tables show the distribution of Commercial Bank’s HMDA-reportable loans by borrower income levels for calendar years 2015, 2016, and 2017 within the Bell-Harlan-Knox-Whitley assessment area. The tables include demographic information and a comparison of bank lending to aggregate lending.

Borrower Distribution of HMDA Loans

Assessment Area: KY Bell-Harlan-Knox

| PRODUCT TYPE | Borrower Income Levels | Bank Lending & Demographic Data 2015, 2016 | | | | | Bank & Aggregate Lending Comparison | | | | | | | | | | | |
|------------------|------------------------|---|---------------|-----------------|---------------|---------------------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|-----------|---------------|---------------|----------------|---------------|---------------|
| | | 2015, 2016 | | | | Families by Family Income | 2015 | | | | | | 2016 | | | | | |
| | | Bank | | Dollar | | | Count | | Dollar | | | | Count | | Dollar | | | |
| | | Count | Dollar | Bank | Agg | | Bank | Agg | Bank | Agg | Bank | Agg | Bank | Agg | | | | |
| # | % | \$ (000s) | \$ % | % | # | % | % | \$(000s) | \$ % | \$ % | # | % | % | \$(000s) | \$ % | \$ % | | |
| HOME PURCHASE | Low | 6 | 7.8% | \$208 | 3.1% | 36.6% | 4 | 9.5% | 9.0% | \$147 | 4.7% | 4.4% | 2 | 5.7% | 8.7% | \$61 | 1.7% | 4.1% |
| | Moderate | 9 | 11.7% | \$431 | 6.4% | 17.0% | 7 | 16.7% | 21.1% | \$319 | 10.1% | 14.8% | 2 | 5.7% | 20.2% | \$112 | 3.1% | 14.4% |
| | Middle | 13 | 16.9% | \$878 | 13.1% | 17.1% | 7 | 16.7% | 21.4% | \$491 | 15.6% | 20.4% | 6 | 17.1% | 20.4% | \$387 | 10.9% | 18.8% |
| | Upper | 47 | 61.0% | \$4,914 | 73.3% | 29.3% | 24 | 57.1% | 31.6% | \$2,186 | 69.6% | 41.5% | 23 | 65.7% | 36.0% | \$2,728 | 76.5% | 46.5% |
| | Unknown | 2 | 2.6% | \$277 | 4.1% | 0.0% | 0 | 0.0% | 16.8% | \$0 | 0.0% | 18.9% | 2 | 5.7% | 14.6% | \$277 | 7.8% | 16.2% |
| | Total | 77 | 100.0% | \$6,708 | 100.0% | 100.0% | 42 | 100.0% | 100.0% | \$3,143 | 100.0% | 100.0% | 35 | 100.0% | 100.0% | \$3,565 | 100.0% | 100.0% |
| REFINANCE | Low | 3 | 7.5% | \$108 | 2.3% | 36.6% | 1 | 4.8% | 7.4% | \$14 | 0.5% | 3.8% | 2 | 10.5% | 3.1% | \$94 | 4.7% | 1.6% |
| | Moderate | 8 | 20.0% | \$522 | 11.2% | 17.0% | 5 | 23.8% | 16.3% | \$343 | 12.9% | 11.8% | 3 | 15.8% | 15.2% | \$179 | 8.9% | 8.9% |
| | Middle | 6 | 15.0% | \$282 | 6.0% | 17.1% | 3 | 14.3% | 27.8% | \$128 | 4.8% | 25.2% | 3 | 15.8% | 14.1% | \$154 | 7.7% | 10.9% |
| | Upper | 18 | 45.0% | \$3,237 | 69.4% | 29.3% | 10 | 47.6% | 33.7% | \$1,918 | 72.2% | 43.5% | 8 | 42.1% | 43.0% | \$1,319 | 65.8% | 51.4% |
| | Unknown | 5 | 12.5% | \$515 | 11.0% | 0.0% | 2 | 9.5% | 14.8% | \$255 | 9.6% | 15.8% | 3 | 15.8% | 24.6% | \$260 | 13.0% | 27.3% |
| | Total | 40 | 100.0% | \$4,664 | 100.0% | 100.0% | 21 | 100.0% | 100.0% | \$2,658 | 100.0% | 100.0% | 19 | 100.0% | 100.0% | \$2,006 | 100.0% | 100.0% |
| HOME IMPROVEMENT | Low | 1 | 2.9% | \$16 | 0.6% | 36.6% | 0 | 0.0% | 11.7% | \$0 | 0.0% | 3.5% | 1 | 7.1% | 9.8% | \$16 | 1.6% | 2.4% |
| | Moderate | 6 | 17.1% | \$299 | 10.7% | 17.0% | 4 | 19.0% | 23.4% | \$134 | 7.6% | 11.4% | 2 | 14.3% | 16.7% | \$165 | 16.1% | 10.7% |
| | Middle | 5 | 14.3% | \$173 | 6.2% | 17.1% | 4 | 19.0% | 22.5% | \$151 | 8.6% | 15.4% | 1 | 7.1% | 17.6% | \$22 | 2.2% | 11.7% |
| | Upper | 19 | 54.3% | \$2,027 | 72.7% | 29.3% | 13 | 61.9% | 42.3% | \$1,480 | 83.9% | 69.7% | 6 | 42.9% | 46.1% | \$547 | 53.5% | 62.3% |
| | Unknown | 4 | 11.4% | \$273 | 9.8% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 4 | 28.6% | 9.8% | \$273 | 26.7% | 13.0% |
| | Total | 35 | 100.0% | \$2,788 | 100.0% | 100.0% | 21 | 100.0% | 100.0% | \$1,765 | 100.0% | 100.0% | 14 | 100.0% | 100.0% | \$1,023 | 100.0% | 100.0% |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 36.6% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 17.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 17.1% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 29.3% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% |
| | Total | 0 | 0.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% |
| HMDA TOTALS | Low | 10 | 6.6% | \$332 | 2.3% | 36.6% | 5 | 6.0% | 8.9% | \$161 | 2.1% | 4.1% | 5 | 7.4% | 7.2% | \$171 | 2.6% | 3.1% |
| | Moderate | 23 | 15.1% | \$1,252 | 8.8% | 17.0% | 16 | 19.0% | 19.9% | \$796 | 10.5% | 13.5% | 7 | 10.3% | 18.3% | \$456 | 6.9% | 12.2% |
| | Middle | 24 | 15.8% | \$1,333 | 9.4% | 17.1% | 14 | 16.7% | 23.5% | \$770 | 10.2% | 21.8% | 10 | 14.7% | 18.2% | \$563 | 8.5% | 15.6% |
| | Upper | 84 | 55.3% | \$10,178 | 71.9% | 29.3% | 47 | 56.0% | 33.6% | \$5,584 | 73.8% | 44.3% | 37 | 54.4% | 39.1% | \$4,594 | 69.7% | 48.9% |
| | Unknown | 11 | 7.2% | \$1,065 | 7.5% | 0.0% | 2 | 2.4% | 14.1% | \$255 | 3.4% | 16.4% | 9 | 13.2% | 17.3% | \$810 | 12.3% | 20.2% |
| | Total | 152 | 100.0% | \$14,160 | 100.0% | 100.0% | 84 | 100.0% | 100.0% | \$7,566 | 100.0% | 100.0% | 68 | 100.0% | 100.0% | \$6,594 | 100.0% | 100.0% |

Originations & Purchases

2016 FFIEC Census Data and 2010 ACS Data

The analysis was based on the bank's 152 HMDA-reportable loans originated in the assessment area during 2015 and 2016. The bank's lending to low-income borrowers at 6.6 percent was significantly less than the percentage of families designated as low-income at 36.6 percent, and lending to moderate-income borrowers at 15.1 percent was less than the percentage of families designated as moderate-income at 17.0 percent.

In 2015, the bank's lending to low-income borrowers at 6.0 percent was less than aggregate lender performance at 8.9 percent; however, the bank's lending to moderate-income borrowers at 19.0 percent was similar to aggregate lender performance at 19.9 percent. In 2016, the bank's lending to low-income borrowers at 7.4 percent was similar to aggregate lender performance at 7.2 percent, and the bank's lending to moderate-income borrowers at 10.3 percent was less than aggregate lender performance at 18.3 percent.

Borrower Distribution of HMDA Loans

Assessment Area: KY Bell-Harlan-Knox-Whitley

| PRODUCT TYPE | Borrower Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | |
|------------------|------------------------|--|---------------|----------------|---------------|---------------------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|
| | | 2017 | | | | | 2017 | | | | | |
| | | Bank | | | | Families by Family Income | Count | | | Dollar | | |
| | | Count | | Dollar | | | Bank | Agg | Bank | | Agg | |
| # | % | \$ (000s) | % | % | # | % | % | \$ (000s) | % | % | | |
| HOME PURCHASE | Low | 4 | 7.4% | \$117 | 2.6% | 33.2% | 4 | 7.4% | 4.8% | \$117 | 2.6% | 2.0% |
| | Moderate | 6 | 11.1% | \$423 | 9.5% | 20.3% | 6 | 11.1% | 21.7% | \$423 | 9.5% | 15.5% |
| | Middle | 10 | 18.5% | \$762 | 17.2% | 18.0% | 10 | 18.5% | 21.0% | \$762 | 17.2% | 19.8% |
| | Upper | 30 | 55.6% | \$2,860 | 64.6% | 28.5% | 30 | 55.6% | 32.7% | \$2,860 | 64.6% | 42.8% |
| | Unknown | 4 | 7.4% | \$268 | 6.0% | 0.0% | 4 | 7.4% | 19.7% | \$268 | 6.0% | 19.8% |
| | <i>Total</i> | <i>54</i> | <i>100.0%</i> | <i>\$4,430</i> | <i>100.0%</i> | <i>100.0%</i> | <i>54</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$4,430</i> | <i>100.0%</i> | <i>100.0%</i> |
| REFINANCE | Low | 3 | 14.3% | \$123 | 7.1% | 33.2% | 3 | 14.3% | 4.8% | \$123 | 7.1% | 2.0% |
| | Moderate | 3 | 14.3% | \$138 | 8.0% | 20.3% | 3 | 14.3% | 12.2% | \$138 | 8.0% | 7.2% |
| | Middle | 4 | 19.0% | \$324 | 18.7% | 18.0% | 4 | 19.0% | 20.1% | \$324 | 18.7% | 14.6% |
| | Upper | 10 | 47.6% | \$1,070 | 61.9% | 28.5% | 10 | 47.6% | 45.0% | \$1,070 | 61.9% | 45.8% |
| | Unknown | 1 | 4.8% | \$74 | 4.3% | 0.0% | 1 | 4.8% | 17.9% | \$74 | 4.3% | 30.4% |
| | <i>Total</i> | <i>21</i> | <i>100.0%</i> | <i>\$1,729</i> | <i>100.0%</i> | <i>100.0%</i> | <i>21</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$1,729</i> | <i>100.0%</i> | <i>100.0%</i> |
| HOME IMPROVEMENT | Low | 0 | 0.0% | \$0 | 0.0% | 33.2% | 0 | 0.0% | 5.9% | \$0 | 0.0% | 1.4% |
| | Moderate | 3 | 16.7% | \$231 | 10.0% | 20.3% | 3 | 16.7% | 21.7% | \$231 | 10.0% | 11.5% |
| | Middle | 4 | 22.2% | \$287 | 12.5% | 18.0% | 4 | 22.2% | 23.7% | \$287 | 12.5% | 18.7% |
| | Upper | 9 | 50.0% | \$1,357 | 59.0% | 28.5% | 9 | 50.0% | 42.1% | \$1,357 | 59.0% | 59.0% |
| | Unknown | 2 | 11.1% | \$424 | 18.4% | 0.0% | 2 | 11.1% | 6.6% | \$424 | 18.4% | 9.5% |
| | <i>Total</i> | <i>18</i> | <i>100.0%</i> | <i>\$2,299</i> | <i>100.0%</i> | <i>100.0%</i> | <i>18</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$2,299</i> | <i>100.0%</i> | <i>100.0%</i> |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 33.2% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 20.3% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 18.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 28.5% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 1 | 100.0% | \$487 | 100.0% | 0.0% | 1 | 100.0% | 100.0% | \$487 | 100.0% | 100.0% |
| | <i>Total</i> | <i>1</i> | <i>100.0%</i> | <i>\$487</i> | <i>100.0%</i> | <i>100.0%</i> | <i>1</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$487</i> | <i>100.0%</i> | <i>100.0%</i> |
| HMDA TOTALS | Low | 7 | 7.4% | \$240 | 2.7% | 33.2% | 7 | 7.4% | 4.9% | \$240 | 2.7% | 1.9% |
| | Moderate | 12 | 12.8% | \$792 | 8.9% | 20.3% | 12 | 12.8% | 18.8% | \$792 | 8.9% | 11.6% |
| | Middle | 18 | 19.1% | \$1,373 | 15.3% | 18.0% | 18 | 19.1% | 21.0% | \$1,373 | 15.3% | 17.1% |
| | Upper | 49 | 52.1% | \$5,287 | 59.1% | 28.5% | 49 | 52.1% | 37.3% | \$5,287 | 59.1% | 43.2% |
| | Unknown | 8 | 8.5% | \$1,253 | 14.0% | 0.0% | 8 | 8.5% | 18.1% | \$1,253 | 14.0% | 26.2% |
| | <i>Total</i> | <i>94</i> | <i>100.0%</i> | <i>\$8,945</i> | <i>100.0%</i> | <i>100.0%</i> | <i>94</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$8,945</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2015 ACS Data

The analysis was based on the bank's 94 HMDA-reportable loans originated in the assessment area in 2017. The bank's lending to low-income borrowers at 7.4 percent was significantly less than the percentage of families designated as low-income at 33.2 percent, and lending to moderate-income borrowers at 12.8 percent was significantly less than the percentage of families designated as moderate-income at 20.3 percent.

In 2017, the bank’s lending to low-income borrowers at 7.4 percent was greater than aggregate lender performance at 4.9 percent, while the bank’s lending to moderate-income borrowers at 12.8 percent was less than aggregate lender performance at 18.8 percent.

Small Business Lending

Small business lending by business revenue size reflects excellent penetration among businesses of different sizes located throughout the assessment area. The following table shows the distribution of Commercial Bank’s small business loans, by revenue and loan size, for calendar years 2015, 2016, and 2017 within the Bell-Harlan-Knox-Whitley assessment area.

Small Business Loans by Business Revenue & Loan Size

Assessment Area: KY Bell-Harlan-Knox

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|----------------------------------|-----------------------------|---|---------------|----------------|---------------|------------------|
| | | Bank | | | | Total Businesses |
| | | Count | | \$ (000s) | | |
| | | # | % | \$ | % | % |
| BUSINESS REVENUE | \$1million or Less | 148 | 91.4% | \$3,122 | 62.3% | 90.2% |
| | Over \$1 Million | 14 | 8.6% | \$1,890 | 37.7% | 7.3% |
| | <i>Total Rev. available</i> | 162 | 100.0% | \$5,012 | 100.0% | 97.5% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 2.5% |
| | <i>Total</i> | <i>162</i> | <i>100.0%</i> | <i>\$5,012</i> | <i>100.0%</i> | <i>100.0%</i> |
| LOAN SIZE | \$100,000 or Less | 150 | 92.6% | \$2,342 | 46.7% | |
| | \$100,001 - \$250,000 | 7 | 4.3% | \$1,043 | 20.8% | |
| | \$250,001 - \$1 Million | 5 | 3.1% | \$1,627 | 32.5% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | <i>162</i> | <i>100.0%</i> | <i>\$5,012</i> | <i>100.0%</i> | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 143 | 96.6% | \$2,104 | 67.4% | |
| | \$100,001 - \$250,000 | 4 | 2.7% | \$618 | 19.8% | |
| | \$250,001 - \$1 Million | 1 | 0.7% | \$400 | 12.8% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | <i>148</i> | <i>100.0%</i> | <i>\$3,122</i> | <i>100.0%</i> | |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

For 2015 and 2016 lending activity, 91.4 percent of the bank’s small business loans were originated to businesses with revenues of \$1 million or less, which is slightly greater than the percentage of total businesses in the assessment area at 90.2 percent. The data shows nearly all (99.3 percent) of the small business loans were in amounts of \$250,000 or less, which typically represent loan amounts requested by small businesses. Notably, of the 148 loans to small businesses, 96.6 percent were in amounts of \$100,000 or less demonstrating the bank’s willingness to lend smaller dollar loans to meet the credit needs of very small businesses.

Small Business Loans by Business Revenue & Loan Size

Assessment Area: KY Bell-Harlan-Knox-Whitley

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2017 | | | | |
|----------------------------------|-----------------------------|---|--------|-----------|--------|--------------------|
| | | Bank | | | | Total Businesses % |
| | | Count | | \$ (000s) | | |
| | | # | % | \$ | % | |
| BUSINESS REVENUE | \$1million or Less | 59 | 89.4% | \$1,262 | 60.5% | 88.9% |
| | Over \$1 Million | 7 | 10.6% | \$822 | 39.5% | 8.7% |
| | <i>Total Rev. available</i> | 66 | 100.0% | \$2,084 | 100.0% | 97.6% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 2.4% |
| | <i>Total</i> | 66 | 100.0% | \$2,084 | 100.0% | 100.0% |
| LOAN SIZE | \$100,000 or Less | 60 | 90.9% | \$1,028 | 49.3% | |
| | \$100,001 - \$250,000 | 5 | 7.6% | \$734 | 35.2% | |
| | \$250,001 - \$1 Million | 1 | 1.5% | \$322 | 15.5% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 66 | 100.0% | \$2,084 | 100.0% | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 57 | 96.6% | \$931 | 73.8% | |
| | \$100,001 - \$250,000 | 2 | 3.4% | \$331 | 26.2% | |
| | \$250,001 - \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 59 | 100.0% | \$1,262 | 100.0% | |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

For 2017 lending activity, 89.4 percent of the bank’s small business loans were originated to businesses with revenues of \$1 million or less, which is slightly greater than the percentage of total businesses in the assessment area at 88.9 percent, and all of the small business loans were in amounts of \$250,000 or less. Notably, of the 59 loans to small businesses, 96.6 percent were in amounts of \$100,000 or less demonstrating the bank’s willingness to lend smaller dollar loans to meet the credit needs of very small businesses.

COMMUNITY DEVELOPMENT TEST

Considering the bank’s asset size, capacity, and assessment area, Commercial Bank demonstrates adequate responsiveness to the community development needs of its Bell-Harlan-Knox-Whitley assessment area through a combination of community development loans, qualified investments, and community development services.

During the review period, Commercial Bank originated three loans totaling \$1,696,010 to a borrower that owns and operates three rural health clinics in Knox County. Collectively, the three loans were used to expand the facilities and provide working capital. Two of the centers are located in moderate-income census tracts and one is in an underserved middle-income tract. Rural Health Clinics²² are intended to increase access to primary care services for patients in rural communities where often there are no alternative health care facilities.

²² Rural Health Clinics <https://www.ruralhealthinfo.org/topics/rural-health-clinics>

The bank continues to hold \$742,428 in investments purchased in prior review periods. Contributions totaling approximately \$10,000 were primarily for scholarships to benefit students in local schools where the majority of students are from low- and moderate-income families. Bank representatives used their financial expertise to provide financial services that benefit low- and moderate-income individuals, particularly youth, and small businesses in the assessment area. Bank representatives used their financial expertise to provide approximately 711 hours executing the bank's Smart Cents financial education program in local schools where the majority of students are low- and moderate-income. Please refer to the institution level Community Development Test section at the beginning of this evaluation for more information on the Smart Cents program.

APPENDIX A

| SCOPE OF EXAMINATION | | | |
|---|-------------------------------------|---|--------------------------|
| TIME PERIOD REVIEWED | | | |
| Lending Test: January 1 2015 to December 31, 2017 | | | |
| Community Development Test: September 21, 2015 to December 31, 2017 | | | |
| Commercial Bank Harrogate, Tennessee | | PRODUCTS REVIEWED HMDA-reportable Loans Small Business Loans | |
| AFFILIATE(S) NA | AFFILIATE RELATIONSHIP NA | PRODUCTS REVIEWED NA | |
| LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION | | | |
| ASSESSMENT AREA | TYPE OF EXAMINATION | BRANCHES VISITED | OTHER INFORMATION |
| Knoxville, Tennessee | Full-Scope Review | NA | NA |
| Claiborne, Tennessee | Limited-Scope Review | NA | NA |
| Sullivan, Tennessee | Limited-Scope Review | NA | NA |
| Newport, Tennessee | Limited-Scope Review | NA | NA |
| Johnson City, Tennessee | Limited-Scope Review | NA | NA |
| Bell-Harlan-Knox-Whitley, Kentucky | Full-Scope Review | NA | NA |

APPENDIX B – DEFINITIONS AND GENERAL INFORMATION

Definitions

| | |
|-------|--|
| ATM | Automated Teller Machine |
| CDC | Community Development Corporation |
| CDFI | Community Development Financial Institution |
| CRA | Community Reinvestment Act (Regulation BB) |
| FDIC | Federal Deposit Insurance Corporation |
| FFIEC | Federal Financial Institutions Examination Council |
| HMDA | Home Mortgage Disclosure Act (Regulation C) |
| HUD | Department of Housing and Urban Development |
| LMI | Low- and Moderate-Income |
| LTD | Loan-to-Deposit |
| LTV | Loan-to-Value Ratio |
| MD | Metropolitan Division |
| MSA | Metropolitan Statistical Area |
| OMB | Office of Management and Budget |
| REIS | Regional Economic Information System |
| SBA | Small Business Administration |
| USDA | United States Department of Agriculture |

Rounding Convention

Because the percentages presented in tables were rounded to the nearest tenth in most cases, some columns may not total exactly 100 percent.

General Information

The CRA requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of Commercial Bank prepared by the **Federal Reserve Bank of Atlanta**, the institution's supervisory agency, as of **December 3, 2018**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

APPENDIX C – GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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 MSAs. 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: All Agencies have adopted the following language. Affordable housing (including multi-family 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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System (Board), Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC) have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- I. Low-or moderate-income geographies;
- II. Designated disaster areas; or
- III. Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, FDIC, and OCC, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full-scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

APPENDIX C – GLOSSARY (Continued)

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 MSA 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 multi-family (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 under the Lending, Investment, and Service Tests 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 MSA or a metropolitan division (MD) as defined by the Office of Management and Budget. An MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an MSA that has a population of at least 2.5 million may be divided into MDs.

Middle-income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

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.

APPENDIX C – GLOSSARY (Continued)

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 MA. 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 MA, the institution will receive a rating for the multistate MA.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Call Report and the Thrift Financial Reporting (TFR) 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 instructions for preparation of the Call Report. These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES

Combined Demographics Report

Assessment Area: TN Claiborne

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 2,030 | 23.3 |
| Moderate-income | 3 | 33.3 | 2,099 | 24.1 | 427 | 20.3 | 1,728 | 19.8 |
| Middle-income | 6 | 66.7 | 6,620 | 75.9 | 871 | 13.2 | 2,016 | 23.1 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 2,945 | 33.8 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 9 | 100.0 | 8,719 | 100.0 | 1,298 | 14.9 | 8,719 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Moderate-income | 4,004 | 2,313 | 23.9 | 57.8 | 848 | 21.2 | 843 | 21.1 |
| Middle-income | 10,747 | 7,353 | 76.1 | 68.4 | 1,998 | 18.6 | 1,396 | 13 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 14,751 | 9,666 | 100.0 | 65.5 | 2,846 | 19.3 | 2,239 | 15.2 |
| | 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 |
| Moderate-income | 224 | 28.8 | 201 | 28.4 | 19 | 35.8 | 4 | 23.5 |
| Middle-income | 553 | 71.2 | 506 | 71.6 | 34 | 64.2 | 13 | 76.5 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 777 | 100.0 | 707 | 100.0 | 53 | 100.0 | 17 | 100.0 |
| Percentage of Total Businesses: | | | 91.0 | | 6.8 | | 2.2 | |
| | 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 |
| Moderate-income | 14 | 26.9 | 14 | 28 | 0 | 0 | 0 | 0 |
| Middle-income | 38 | 73.1 | 36 | 72 | 2 | 100 | 0 | 0 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 52 | 100.0 | 50 | 100.0 | 2 | 100.0 | 0 | .0 |
| Percentage of Total Farms: | | | 96.2 | | 3.8 | | .0 | |

2016 FFIEC Census Data and 2016 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Combined Demographics Report

Assessment Area: TN Claiborne

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 1,932 | 22.3 |
| Moderate-income | 2 | 22.2 | 1,519 | 17.5 | 362 | 23.8 | 1,552 | 17.9 |
| Middle-income | 6 | 66.7 | 6,394 | 73.9 | 1,116 | 17.5 | 1,927 | 22.3 |
| Upper-income | 1 | 11.1 | 745 | 8.6 | 54 | 7.2 | 3,247 | 37.5 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 9 | 100.0 | 8,658 | 100.0 | 1,532 | 17.7 | 8,658 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Moderate-income | 2,666 | 1,530 | 16.7 | 57.4 | 618 | 23.2 | 518 | 19.4 |
| Middle-income | 11,040 | 6,823 | 74.6 | 61.8 | 2,632 | 23.8 | 1,585 | 14.4 |
| Upper-income | 1,295 | 789 | 8.6 | 60.9 | 313 | 24.2 | 193 | 14.9 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 15,001 | 9,142 | 100.0 | 60.9 | 3,563 | 23.8 | 2,296 | 15.3 |
| | 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 |
| Moderate-income | 164 | 23.9 | 140 | 22.7 | 19 | 37.3 | 5 | 27.8 |
| Middle-income | 432 | 63.1 | 402 | 65.3 | 21 | 41.2 | 9 | 50 |
| Upper-income | 89 | 13 | 74 | 12 | 11 | 21.6 | 4 | 22.2 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 685 | 100.0 | 616 | 100.0 | 51 | 100.0 | 18 | 100.0 |
| Percentage of Total Businesses: | | | 89.9 | | 7.4 | | 2.6 | |
| | 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 |
| Moderate-income | 6 | 15.8 | 6 | 16.2 | 0 | 0 | 0 | 0 |
| Middle-income | 31 | 81.6 | 31 | 83.8 | 0 | 0 | 0 | 0 |
| Upper-income | 1 | 2.6 | 0 | 0 | 1 | 100 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 38 | 100.0 | 37 | 100.0 | 1 | 100.0 | 0 | .0 |
| Percentage of Total Farms: | | | 97.4 | | 2.6 | | .0 | |

2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of HMDA Loans

Assessment Area: TN Claiborne

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | | | | | | | | |
|------------------|---------------------------|--|---------------|----------------------|---------------|---------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|-----------|---------------|---------------|----------------|---------------|---------------|------|
| | | 2015, 2016 | | | | | 2015 | | | | | 2016 | | | | | | | |
| | | Bank | | Owner Occupied Units | Count | | Dollar | | Count | | Dollar | | Count | | Dollar | | | | |
| | | # | % | | \$ (000s) | \$ % | % | # | % | \$ (000s) | \$ % | % | # | % | \$ (000s) | \$ % | % | | |
| HOME PURCHASE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Moderate | 10 | 20.0% | \$1,185 | 17.1% | 23.9% | 6 | 21.4% | 21.3% | \$803 | 18.9% | 21.0% | 4 | 18.2% | 20.2% | \$382 | 14.3% | 18.4% | |
| | Middle | 40 | 80.0% | \$5,747 | 82.9% | 76.1% | 22 | 78.6% | 78.7% | \$3,451 | 81.1% | 79.0% | 18 | 81.8% | 79.8% | \$2,296 | 85.7% | 81.6% | |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Total | 50 | 100.0% | \$6,932 | 100.0% | 100.0% | 28 | 100.0% | 100.0% | \$4,254 | 100.0% | 100.0% | 22 | 100.0% | 100.0% | \$2,678 | 100.0% | 100.0% | |
| REFINANCE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Moderate | 7 | 25.0% | \$1,314 | 37.7% | 23.9% | 4 | 23.5% | 17.3% | \$1,199 | 50.9% | 19.6% | 3 | 27.3% | 24.6% | \$115 | 10.2% | 24.7% | |
| | Middle | 21 | 75.0% | \$2,172 | 62.3% | 76.1% | 13 | 76.5% | 82.7% | \$1,158 | 49.1% | 80.4% | 8 | 72.7% | 75.4% | \$1,014 | 89.8% | 75.3% | |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Total | 28 | 100.0% | \$3,486 | 100.0% | 100.0% | 17 | 100.0% | 100.0% | \$2,357 | 100.0% | 100.0% | 11 | 100.0% | 100.0% | \$1,129 | 100.0% | 100.0% | |
| HOME IMPROVEMENT | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Moderate | 2 | 10.0% | \$178 | 11.2% | 23.9% | 1 | 10.0% | 27.1% | \$130 | 13.3% | 24.4% | 1 | 10.0% | 14.4% | \$48 | 7.8% | 15.5% | |
| | Middle | 18 | 90.0% | \$1,408 | 88.8% | 76.1% | 9 | 90.0% | 72.9% | \$844 | 86.7% | 75.6% | 9 | 90.0% | 85.6% | \$564 | 92.2% | 84.5% | |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Total | 20 | 100.0% | \$1,586 | 100.0% | 100.0% | 10 | 100.0% | 100.0% | \$974 | 100.0% | 100.0% | 10 | 100.0% | 100.0% | \$612 | 100.0% | 100.0% | |
| MULTI-FAMILY | Multi-Family Units | | | | | | Low | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 28.9% | 0 | 0.0% | 50.0% | \$0 | 0.0% | 66.7% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Middle | 1 | 100.0% | \$205 | 100.0% | 71.1% | 0 | 0.0% | 50.0% | \$0 | 0.0% | 33.3% | 1 | 100.0% | 100.0% | \$205 | 100.0% | 100.0% | |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Total | 1 | 100.0% | \$205 | 100.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 1 | 100.0% | 100.0% | \$205 | 100.0% | 100.0% | |
| HMDA TOTALS | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Moderate | 19 | 19.2% | \$2,677 | 21.9% | 23.9% | 11 | 20.0% | 21.1% | \$2,132 | 28.1% | 20.8% | 8 | 18.2% | 20.6% | \$545 | 11.8% | 20.3% | |
| | Middle | 80 | 80.8% | \$9,532 | 78.1% | 76.1% | 44 | 80.0% | 78.9% | \$5,453 | 71.9% | 79.2% | 36 | 81.8% | 79.4% | \$4,079 | 88.2% | 79.7% | |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Total | 99 | 100.0% | \$12,209 | 100.0% | 100.0% | 55 | 100.0% | 100.0% | \$7,585 | 100.0% | 100.0% | 44 | 100.0% | 100.0% | \$4,624 | 100.0% | 100.0% | |

Originations & Purchases
2016 FFIEC Census Data and 2010 ACS Data

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of HMDA Loans

Assessment Area: TN Claiborne

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | |
|------------------|---------------------|--|--------|----------------------|--------|--------|-------------------------------------|-----------|--------|---------|--------|--------|
| | | 2017 | | | | | 2017 | | | | | |
| | | Bank | | Owner Occupied Units | | Count | Count | | Dollar | | | |
| | | Count | Dollar | | Bank | | Agg | Bank | Agg | | | |
| # | % | \$ (000s) | \$ % | % | # | % | % | \$ (000s) | \$ % | \$ % | | |
| HOME PURCHASE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 16.7% | 0 | 0.0% | 9.5% | \$0 | 0.0% | 9.1% |
| | Middle | 23 | 82.1% | \$3,102 | 88.5% | 74.6% | 23 | 82.1% | 80.3% | \$3,102 | 88.5% | 81.0% |
| | Upper | 5 | 17.9% | \$404 | 11.5% | 8.6% | 5 | 17.9% | 10.2% | \$404 | 11.5% | 9.9% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | 28 | 100.0% | \$3,506 | 100.0% | 100.0% | 28 | 100.0% | 100.0% | \$3,506 | 100.0% | 100.0% |
| REFINANCE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 16.7% | 0 | 0.0% | 12.7% | \$0 | 0.0% | 15.4% |
| | Middle | 12 | 100.0% | \$1,119 | 100.0% | 74.6% | 12 | 100.0% | 78.3% | \$1,119 | 100.0% | 76.7% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 8.6% | 0 | 0.0% | 9.0% | \$0 | 0.0% | 7.8% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | 12 | 100.0% | \$1,119 | 100.0% | 100.0% | 12 | 100.0% | 100.0% | \$1,119 | 100.0% | 100.0% |
| HOME IMPROVEMENT | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 16.7% | 0 | 0.0% | 9.4% | \$0 | 0.0% | 0.7% |
| | Middle | 3 | 100.0% | \$1,041 | 100.0% | 74.6% | 3 | 100.0% | 84.4% | \$1,041 | 100.0% | 95.5% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 8.6% | 0 | 0.0% | 6.3% | \$0 | 0.0% | 3.8% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | 3 | 100.0% | \$1,041 | 100.0% | 100.0% | 3 | 100.0% | 100.0% | \$1,041 | 100.0% | 100.0% |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 12.6% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 66.5% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 21.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | 0 | 0.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| HMDA TOTALS | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 16.7% | 0 | 0.0% | 10.3% | \$0 | 0.0% | 10.1% |
| | Middle | 38 | 88.4% | \$5,262 | 92.9% | 74.6% | 38 | 88.4% | 80.2% | \$5,262 | 92.9% | 80.9% |
| | Upper | 5 | 11.6% | \$404 | 7.1% | 8.6% | 5 | 11.6% | 9.5% | \$404 | 7.1% | 9.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | 43 | 100.0% | \$5,666 | 100.0% | 100.0% | 43 | 100.0% | 100.0% | \$5,666 | 100.0% | 100.0% |

Originations & Purchases

2017 FFIEC Census Data and 2015 ACS Data

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of Small Business Loans

Assessment Area: TN Claiborne

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| | | | | | |
| Low | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Moderate | 15 | 31.9% | \$321 | 13.5% | 28.4% |
| Middle | 32 | 68.1% | \$2,059 | 86.5% | 71.6% |
| Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>47</i> | <i>100.0%</i> | <i>\$2,380</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

Geographic Distribution of Small Business Loans

Assessment Area: TN Claiborne

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2017 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| | | | | | |
| Low | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Moderate | 7 | 24.1% | \$148 | 13.0% | 22.7% |
| Middle | 19 | 65.5% | \$773 | 67.6% | 65.3% |
| Upper | 3 | 10.3% | \$222 | 19.4% | 12.0% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>29</i> | <i>100.0%</i> | <i>\$1,144</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Claiborne

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|----------------------------------|-----------------------------|--|--------|-----------|--------|------------------|
| | | Bank | | | | Total Businesses |
| | | Count | | \$ (000s) | | % |
| | | # | % | \$ | % | % |
| BUSINESS REVENUE | \$1million or Less | 45 | 95.7% | \$2,222 | 93.4% | 91.0% |
| | Over \$1 Million | 2 | 4.3% | \$158 | 6.6% | 6.8% |
| | <i>Total Rev. available</i> | 47 | 100.0% | \$2,380 | 100.0% | 97.8% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 2.2% |
| | <i>Total</i> | 47 | 100.0% | \$2,380 | 100.0% | 100.0% |
| LOAN SIZE | \$100,000 or Less | 42 | 89.4% | \$766 | 32.2% | |
| | \$100,001 - \$250,000 | 2 | 4.3% | \$265 | 11.1% | |
| | \$250,001 - \$1 Million | 3 | 6.4% | \$1,349 | 56.7% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 47 | 100.0% | \$2,380 | 100.0% | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 41 | 91.1% | \$759 | 34.2% | |
| | \$100,001 - \$250,000 | 1 | 2.2% | \$114 | 5.1% | |
| | \$250,001 - \$1 Million | 3 | 6.7% | \$1,349 | 60.7% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 45 | 100.0% | \$2,222 | 100.0% | |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Claiborne

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison | | | | |
|-----------------------------------|-----------------------------|--|--------|-----------|--------|------------------|
| | | 2017 | | | | |
| | | Bank | | \$ (000s) | | Total Businesses |
| | | Count | | | | |
| | | # | % | \$ | % | % |
| BUSINESS REVENUE | \$1million or Less | 24 | 82.8% | \$749 | 65.5% | 89.9% |
| | Over \$1 Million | 5 | 17.2% | \$395 | 34.5% | 7.4% |
| | <i>Total Rev. available</i> | 29 | 100.0% | \$1,144 | 100.0% | 97.3% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 2.6% |
| | <i>Total</i> | 29 | 100.0% | \$1,144 | 100.0% | 100.0% |
| LOAN SIZE | \$100,000 or Less | 27 | 93.1% | \$822 | 71.9% | |
| | \$100,001 - \$250,000 | 2 | 6.9% | \$321 | 28.1% | |
| | \$250,001 - \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 29 | 100.0% | \$1,144 | 100.0% | |
| LOAN SIZE & Rev. \$1 Mill or Less | \$100,000 or Less | 23 | 95.8% | \$543 | 72.5% | |
| | \$100,001 - \$250,000 | 1 | 4.2% | \$206 | 27.5% | |
| | \$250,001 - \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 24 | 100.0% | \$749 | 100.0% | |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Combined Demographics Report

Assessment Area: TN Kingsport

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 1 | 2.6 | 757 | 1.7 | 293 | 38.7 | 8,860 | 19.7 |
| Moderate-income | 6 | 15.4 | 6,621 | 14.7 | 1,386 | 20.9 | 7,402 | 16.5 |
| Middle-income | 19 | 48.7 | 20,710 | 46.1 | 2,722 | 13.1 | 9,049 | 20.1 |
| Upper-income | 13 | 33.3 | 16,830 | 37.5 | 1,084 | 6.4 | 19,607 | 43.7 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 39 | 100.0 | 44,918 | 100.0 | 5,485 | 12.2 | 44,918 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 1,647 | 658 | 1.3 | 40 | 736 | 44.7 | 253 | 15.4 |
| Moderate-income | 12,081 | 6,942 | 13.8 | 57.5 | 3,669 | 30.4 | 1,470 | 12.2 |
| Middle-income | 35,032 | 23,984 | 47.5 | 68.5 | 8,038 | 22.9 | 3,010 | 8.6 |
| Upper-income | 24,591 | 18,861 | 37.4 | 76.7 | 3,696 | 15 | 2,034 | 8.3 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 73,351 | 50,445 | 100.0 | 68.8 | 16,139 | 22.0 | 6,767 | 9.2 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 158 | 2.7 | 143 | 2.7 | 14 | 2.8 | 1 | 2.3 |
| Moderate-income | 934 | 15.9 | 839 | 15.8 | 87 | 17.2 | 8 | 18.2 |
| Middle-income | 2,883 | 49.1 | 2,568 | 48.3 | 288 | 57 | 27 | 61.4 |
| Upper-income | 1,891 | 32.2 | 1,767 | 33.2 | 116 | 23 | 8 | 18.2 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 5,866 | 100.0 | 5,317 | 100.0 | 505 | 100.0 | 44 | 100.0 |
| Percentage of Total Businesses: | | | 90.6 | | 8.6 | | .8 | |
| | 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 |
| Moderate-income | 16 | 18.2 | 16 | 18.2 | 0 | 0 | 0 | 0 |
| Middle-income | 44 | 50 | 44 | 50 | 0 | 0 | 0 | 0 |
| Upper-income | 28 | 31.8 | 28 | 31.8 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 88 | 100.0 | 88 | 100.0 | 0 | .0 | 0 | .0 |
| Percentage of Total Farms: | | | 100.0 | | .0 | | .0 | |

2016 FFIEC Census Data and 2016 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Combined Demographics Report

Assessment Area: TN Kingsport

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 8,718 | 19.8 |
| Moderate-income | 10 | 25.6 | 10,025 | 22.8 | 2,453 | 24.5 | 8,221 | 18.7 |
| Middle-income | 19 | 48.7 | 21,235 | 48.3 | 2,625 | 12.4 | 8,475 | 19.3 |
| Upper-income | 10 | 25.6 | 12,691 | 28.9 | 707 | 5.6 | 18,537 | 42.2 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 39 | 100.0 | 43,951 | 100.0 | 5,785 | 13.2 | 43,951 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | | Rental | | Vacant | |
| | | # | % | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Moderate-income | 20,160 | 10,322 | 21.1 | 51.2 | 7,380 | 36.6 | 2,458 | 12.2 |
| Middle-income | 34,387 | 23,840 | 48.8 | 69.3 | 7,256 | 21.1 | 3,291 | 9.6 |
| Upper-income | 19,457 | 14,694 | 30.1 | 75.5 | 2,929 | 15.1 | 1,834 | 9.4 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 74,004 | 48,856 | 100.0 | 66.0 | 17,565 | 23.7 | 7,583 | 10.2 |
| | 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 |
| Moderate-income | 1,636 | 31.4 | 1,425 | 30.5 | 197 | 39.6 | 14 | 33.3 |
| Middle-income | 2,394 | 46 | 2,160 | 46.3 | 211 | 42.4 | 23 | 54.8 |
| Upper-income | 1,176 | 22.6 | 1,081 | 23.2 | 90 | 18.1 | 5 | 11.9 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 5,206 | 100.0 | 4,666 | 100.0 | 498 | 100.0 | 42 | 100.0 |
| Percentage of Total Businesses: | | | 89.6 | | 9.6 | | .8 | |
| | 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 |
| Moderate-income | 10 | 11.9 | 10 | 11.9 | 0 | 0 | 0 | 0 |
| Middle-income | 49 | 58.3 | 49 | 58.3 | 0 | 0 | 0 | 0 |
| Upper-income | 25 | 29.8 | 25 | 29.8 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 84 | 100.0 | 84 | 100.0 | 0 | .0 | 0 | .0 |
| Percentage of Total Farms: | | | 100.0 | | .0 | | .0 | |

2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of HMDA Loans
Assessment Area: TN Kingsport

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | | | | | | | |
|------------------|---------------------------|--|---------------|----------------|---------------|----------------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|
| | | 2015, 2016 | | | | | 2015 | | | | | 2016 | | | | | | |
| | | Count | | Bank Dollar | | Owner Occupied Units | Count | | Dollar | | | Count | | Dollar | | | | |
| | | # | % | \$ (000s) | % | | % | # | % | Bank \$ (000s) | Agg % | % | # | % | Bank \$ (000s) | Agg % | % | |
| HOME PURCHASE | Low | 0 | 0.0% | \$0 | 0.0% | 1.3% | 0 | 0.0% | 1.3% | \$0 | 0.0% | 0.7% | 0 | 0.0% | 1.4% | \$0 | 0.0% | 1.1% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 13.8% | 0 | 0.0% | 9.9% | \$0 | 0.0% | 6.8% | 0 | 0.0% | 11.2% | \$0 | 0.0% | 7.8% |
| | Middle | 2 | 28.6% | \$161 | 15.0% | 47.5% | 1 | 25.0% | 41.4% | \$107 | 15.8% | 37.3% | 1 | 33.3% | 41.4% | \$54 | 13.6% | 35.1% |
| | Upper | 5 | 71.4% | \$913 | 85.0% | 37.4% | 3 | 75.0% | 47.5% | \$570 | 84.2% | 55.2% | 2 | 66.7% | 46.0% | \$343 | 86.4% | 56.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>7</i> | <i>100.0%</i> | <i>\$1,074</i> | <i>100.0%</i> | <i>100.0%</i> | <i>4</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$677</i> | <i>100.0%</i> | <i>100.0%</i> | <i>3</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$397</i> | <i>100.0%</i> | <i>100.0%</i> |
| REFINANCE | Low | 0 | 0.0% | \$0 | 0.0% | 1.3% | 0 | 0.0% | 1.2% | \$0 | 0.0% | 0.6% | 0 | 0.0% | 1.2% | \$0 | 0.0% | 0.7% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 13.8% | 0 | 0.0% | 10.6% | \$0 | 0.0% | 6.7% | 0 | 0.0% | 11.0% | \$0 | 0.0% | 7.4% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 47.5% | 0 | 0.0% | 41.6% | \$0 | 0.0% | 37.1% | 0 | 0.0% | 38.4% | \$0 | 0.0% | 34.4% |
| | Upper | 2 | 100.0% | \$318 | 100.0% | 37.4% | 2 | 100.0% | 46.6% | \$318 | 100.0% | 55.6% | 0 | 0.0% | 49.4% | \$0 | 0.0% | 57.5% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>2</i> | <i>100.0%</i> | <i>\$318</i> | <i>100.0%</i> | <i>100.0%</i> | <i>2</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$318</i> | <i>100.0%</i> | <i>100.0%</i> | <i>0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> |
| HOME IMPROVEMENT | Low | 0 | 0.0% | \$0 | 0.0% | 1.3% | 0 | 0.0% | 0.8% | \$0 | 0.0% | 0.7% | 0 | 0.0% | 1.6% | \$0 | 0.0% | 0.7% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 13.8% | 0 | 0.0% | 12.7% | \$0 | 0.0% | 8.3% | 0 | 0.0% | 10.9% | \$0 | 0.0% | 9.2% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 47.5% | 0 | 0.0% | 44.2% | \$0 | 0.0% | 33.0% | 0 | 0.0% | 40.7% | \$0 | 0.0% | 32.9% |
| | Upper | 2 | 100.0% | \$67 | 100.0% | 37.4% | 0 | 0.0% | 42.3% | \$0 | 0.0% | 57.9% | 2 | 100.0% | 46.8% | \$67 | 100.0% | 57.3% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>2</i> | <i>100.0%</i> | <i>\$67</i> | <i>100.0%</i> | <i>100.0%</i> | <i>0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>2</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$67</i> | <i>100.0%</i> | <i>100.0%</i> |
| MULTI FAMILY | Multi-Family Units | | | | | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 6.3% | \$0 | 0.0% | 4.0% | |
| | Low | 0 | 0.0% | \$0 | 0.0% | 5.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 26.0% | 0 | 0.0% | 12.5% | \$0 | 0.0% | 42.1% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 19.9% | 0 | 0.0% | 10.0% | \$0 | 0.0% | 26.0% | 0 | 0.0% | 12.5% | \$0 | 0.0% | 42.1% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 47.7% | 0 | 0.0% | 76.7% | \$0 | 0.0% | 69.2% | 0 | 0.0% | 37.5% | \$0 | 0.0% | 22.3% |
| | Upper | 1 | 100.0% | \$480 | 100.0% | 27.4% | 0 | 0.0% | 13.3% | \$0 | 0.0% | 4.7% | 1 | 100.0% | 43.8% | \$480 | 100.0% | 31.6% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| <i>Total</i> | <i>1</i> | <i>100.0%</i> | <i>\$480</i> | <i>100.0%</i> | <i>100.0%</i> | <i>0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>1</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$480</i> | <i>100.0%</i> | <i>100.0%</i> | |
| HMDA TOTALS | Low | 0 | 0.0% | \$0 | 0.0% | 1.3% | 0 | 0.0% | 1.2% | \$0 | 0.0% | 0.6% | 0 | 0.0% | 1.4% | \$0 | 0.0% | 1.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 13.8% | 0 | 0.0% | 10.3% | \$0 | 0.0% | 7.7% | 0 | 0.0% | 11.1% | \$0 | 0.0% | 8.7% |
| | Middle | 2 | 16.7% | \$161 | 8.3% | 47.5% | 1 | 16.7% | 41.9% | \$107 | 10.8% | 38.5% | 1 | 16.7% | 40.3% | \$54 | 5.7% | 34.4% |
| | Upper | 10 | 83.3% | \$1,778 | 91.7% | 37.4% | 5 | 83.3% | 46.5% | \$888 | 89.2% | 53.2% | 5 | 83.3% | 47.2% | \$890 | 94.3% | 55.9% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>12</i> | <i>100.0%</i> | <i>\$1,939</i> | <i>100.0%</i> | <i>100.0%</i> | <i>6</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$995</i> | <i>100.0%</i> | <i>100.0%</i> | <i>6</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$944</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2016 FFIEC Census Data and 2010 ACS Data

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of HMDA Loans

Assessment Area: TN Kingsport

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | | |
|------------------|---------------------|--|---------------|----------------------|---------------|---------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|--|
| | | 2017 | | | | | 2017 | | | | | | |
| | | Bank | | Owner Occupied Units | | Count | Bank | | Dollar | | Agg | Agg | |
| | | Count | Dollar | Count | Dollar | | Count | Dollar | Count | Dollar | | | |
| # | % | \$ (000s) | \$ % | % | # | % | % | \$ (000s) | \$ % | \$ % | | | |
| HOME PURCHASE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Moderate | 1 | 16.7% | \$72 | 5.8% | 21.1% | 1 | 16.7% | 20.7% | \$72 | 5.8% | 14.6% | |
| | Middle | 3 | 50.0% | \$847 | 68.2% | 48.8% | 3 | 50.0% | 43.7% | \$847 | 68.2% | 42.2% | |
| | Upper | 2 | 33.3% | \$323 | 26.0% | 30.1% | 2 | 33.3% | 35.5% | \$323 | 26.0% | 43.3% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | <i>Total</i> | <i>6</i> | <i>100.0%</i> | <i>\$1,242</i> | <i>100.0%</i> | <i>100.0%</i> | <i>6</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$1,242</i> | <i>100.0%</i> | <i>100.0%</i> | |
| REFINANCE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 21.1% | 0 | 0.0% | 19.5% | \$0 | 0.0% | 12.8% | |
| | Middle | 1 | 50.0% | \$280 | 50.7% | 48.8% | 1 | 50.0% | 48.4% | \$280 | 50.7% | 49.4% | |
| | Upper | 1 | 50.0% | \$272 | 49.3% | 30.1% | 1 | 50.0% | 32.1% | \$272 | 49.3% | 37.8% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | <i>Total</i> | <i>2</i> | <i>100.0%</i> | <i>\$552</i> | <i>100.0%</i> | <i>100.0%</i> | <i>2</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$552</i> | <i>100.0%</i> | <i>100.0%</i> | |
| HOME IMPROVEMENT | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 21.1% | 0 | 0.0% | 23.1% | \$0 | 0.0% | 17.9% | |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 48.8% | 0 | 0.0% | 47.8% | \$0 | 0.0% | 47.8% | |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 30.1% | 0 | 0.0% | 29.1% | \$0 | 0.0% | 34.3% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | <i>Total</i> | <i>0</i> | <i>0.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> | |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 44.7% | 0 | 0.0% | 58.3% | \$0 | 0.0% | 95.7% | |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 37.5% | 0 | 0.0% | 16.7% | \$0 | 0.0% | 1.0% | |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 17.8% | 0 | 0.0% | 25.0% | \$0 | 0.0% | 3.4% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | <i>Total</i> | <i>0</i> | <i>0.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> | |
| HMDA TOTALS | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | Moderate | 1 | 12.5% | \$72 | 4.0% | 21.1% | 1 | 12.5% | 20.7% | \$72 | 4.0% | 18.3% | |
| | Middle | 4 | 50.0% | \$1,127 | 62.8% | 48.8% | 4 | 50.0% | 45.2% | \$1,127 | 62.8% | 42.1% | |
| | Upper | 3 | 37.5% | \$595 | 33.2% | 30.1% | 3 | 37.5% | 34.1% | \$595 | 33.2% | 39.6% | |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | |
| | <i>Total</i> | <i>8</i> | <i>100.0%</i> | <i>\$1,794</i> | <i>100.0%</i> | <i>100.0%</i> | <i>8</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$1,794</i> | <i>100.0%</i> | <i>100.0%</i> | |

Originations & Purchases
2017 FFIEC Census Data and 2015 ACS Data

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of Small Business Loans

Assessment Area: TN Kingsport

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| | | | | | |
| Low | 0 | 0.0% | \$0 | 0.0% | 2.7% |
| Moderate | 4 | 40.0% | \$910 | 51.1% | 15.8% |
| Middle | 1 | 10.0% | \$25 | 1.4% | 48.3% |
| Upper | 5 | 50.0% | \$845 | 47.5% | 33.2% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>10</i> | <i>100.0%</i> | <i>\$1,780</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

Geographic Distribution of Small Business Loans

Assessment Area: TN Kingsport

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2017 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| | | | | | |
| Low | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Moderate | 1 | 11.1% | \$121 | 8.3% | 30.5% |
| Middle | 2 | 22.2% | \$340 | 23.3% | 46.3% |
| Upper | 6 | 66.7% | \$997 | 68.4% | 23.2% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>9</i> | <i>100.0%</i> | <i>\$1,458</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Kingsport

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|----------------------------------|-----------------------------|--|---------------|----------------|---------------|--------------------------|
| | | Bank | | | | Total Businesses % |
| | | Count | | \$ (000s) | | |
| # | % | \$ | % | | | |
| BUSINESS REVENUE | \$1million or Less | 4 | 40.0% | \$975 | 54.8% | 90.6% |
| | Over \$1 Million | 6 | 60.0% | \$805 | 45.2% | 8.6% |
| | <i>Total Rev. available</i> | 10 | 100.0% | \$1,780 | 100.0% | 99.2% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 0.8% |
| | <i>Total</i> | <i>10</i> | <i>100.0%</i> | <i>\$1,780</i> | <i>100.0%</i> | <i>100.0%</i> |
| LOAN SIZE | \$100,000 or Less | 7 | 70.0% | \$341 | 19.2% | |
| | \$100,001 - \$250,000 | 1 | 10.0% | \$150 | 8.4% | |
| | \$250,001 - \$1 Million | 2 | 20.0% | \$1,289 | 72.4% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | <i>10</i> | <i>100.0%</i> | <i>\$1,780</i> | <i>100.0%</i> | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 3 | 75.0% | \$186 | 19.1% | |
| | \$100,001 - \$250,000 | 0 | 0.0% | \$0 | 0.0% | |
| | \$250,001 - \$1 Million | 1 | 25.0% | \$789 | 80.9% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | <i>4</i> | <i>100.0%</i> | <i>\$975</i> | <i>100.0%</i> | |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Kingsport

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2017 | | | | |
|----------------------------------|-----------------------------|---|--------|-----------|--------|------------------|
| | | Bank | | | | Total Businesses |
| | | Count | | \$ (000s) | | % |
| | | # | % | \$ | % | % |
| BUSINESS REVENUE | \$1million or Less | 3 | 33.3% | \$292 | 20.0% | 89.6% |
| | Over \$1 Million | 6 | 66.7% | \$1,166 | 80.0% | 9.6% |
| | <i>Total Rev. available</i> | 9 | 100.0% | \$1,458 | 100.0% | 99.2% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 0.8% |
| | <i>Total</i> | 9 | 100.0% | \$1,458 | 100.0% | 100.0% |
| LOAN SIZE | \$100,000 or Less | 4 | 44.4% | \$199 | 13.7% | |
| | \$100,001 - \$250,000 | 4 | 44.4% | \$681 | 46.7% | |
| | \$250,001 - \$1 Million | 1 | 11.1% | \$578 | 39.6% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 9 | 100.0% | \$1,458 | 100.0% | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 2 | 66.7% | \$72 | 24.7% | |
| | \$100,001 - \$250,000 | 1 | 33.3% | \$220 | 75.3% | |
| | \$250,001 - \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 3 | 100.0% | \$292 | 100.0% | |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Combined Demographics Report

Assessment Area: TN Johnson City

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 1 | 4.3 | 678 | 2.2 | 193 | 28.5 | 5,642 | 18.1 |
| Moderate-income | 5 | 21.7 | 4,716 | 15.1 | 1,359 | 28.8 | 5,201 | 16.7 |
| Middle-income | 8 | 34.8 | 12,527 | 40.2 | 1,083 | 8.6 | 6,032 | 19.4 |
| Upper-income | 8 | 34.8 | 13,243 | 42.5 | 966 | 7.3 | 14,289 | 45.9 |
| Unknown-income | 1 | 4.3 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 23 | 100.0 | 31,164 | 100.0 | 3,601 | 11.6 | 31,164 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 1,293 | 455 | 1.4 | 35.2 | 576 | 44.5 | 262 | 20.3 |
| Moderate-income | 10,359 | 4,064 | 12.2 | 39.2 | 4,808 | 46.4 | 1,487 | 14.4 |
| Middle-income | 20,268 | 13,760 | 41.3 | 67.9 | 4,027 | 19.9 | 2,481 | 12.2 |
| Upper-income | 23,771 | 15,062 | 45.2 | 63.4 | 6,359 | 26.8 | 2,350 | 9.9 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 55,691 | 33,341 | 100.0 | 59.9 | 15,770 | 28.3 | 6,580 | 11.8 |
| | Total Businesses by Tract | Businesses by Tract & Revenue Size | | | | | | |
| | | Less Than or = \$1 Million | | Over \$1 Million | | Revenue Not Reported | | |
| | | # | % | # | % | # | % | # |
| Low-income | 109 | 2.3 | 101 | 2.3 | 7 | 1.8 | 1 | 2.6 |
| Moderate-income | 935 | 19.6 | 822 | 18.9 | 103 | 26.3 | 10 | 26.3 |
| Middle-income | 1,403 | 29.4 | 1,317 | 30.3 | 71 | 18.1 | 15 | 39.5 |
| Upper-income | 2,307 | 48.3 | 2,090 | 48.1 | 205 | 52.3 | 12 | 31.6 |
| Unknown-income | 18 | 0.4 | 12 | 0.3 | 6 | 1.5 | 0 | 0 |
| Total Assessment Area | 4,772 | 100.0 | 4,342 | 100.0 | 392 | 100.0 | 38 | 100.0 |
| Percentage of Total Businesses: | | | 91.0 | | 8.2 | | .8 | |
| | 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 |
| Moderate-income | 6 | 5.4 | 6 | 5.4 | 0 | 0 | 0 | 0 |
| Middle-income | 69 | 61.6 | 68 | 61.3 | 1 | 100 | 0 | 0 |
| Upper-income | 37 | 33 | 37 | 33.3 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 112 | 100.0 | 111 | 100.0 | 1 | 100.0 | 0 | .0 |
| Percentage of Total Farms: | | | 99.1 | | .9 | | .0 | |

2016 FFIEC Census Data and 2016 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Combined Demographics Report

Assessment Area: TN Johnson City

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 6,356 | 19.1 |
| Moderate-income | 4 | 17.4 | 3,961 | 11.9 | 1,163 | 29.4 | 4,973 | 15 |
| Middle-income | 11 | 47.8 | 17,767 | 53.5 | 1,971 | 11.1 | 7,146 | 21.5 |
| Upper-income | 7 | 30.4 | 11,489 | 34.6 | 954 | 8.3 | 14,742 | 44.4 |
| Unknown-income | 1 | 4.3 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 23 | 100.0 | 33,217 | 100.0 | 4,088 | 12.3 | 33,217 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | | Rental | | Vacant | |
| | | # | % | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Moderate-income | 8,267 | 2,924 | 8.4 | 35.4 | 4,425 | 53.5 | 918 | 11.1 |
| Middle-income | 31,102 | 19,207 | 55.1 | 61.8 | 8,478 | 27.3 | 3,417 | 11 |
| Upper-income | 19,074 | 12,702 | 36.5 | 66.6 | 4,902 | 25.7 | 1,470 | 7.7 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 58,443 | 34,833 | 100.0 | 59.6 | 17,805 | 30.5 | 5,805 | 9.9 |
| | 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 |
| Moderate-income | 642 | 15.4 | 564 | 15.1 | 71 | 17.9 | 7 | 19.4 |
| Middle-income | 1,669 | 40.1 | 1,525 | 40.8 | 126 | 31.7 | 18 | 50 |
| Upper-income | 1,842 | 44.2 | 1,637 | 43.8 | 194 | 48.9 | 11 | 30.6 |
| Unknown-income | 14 | 0.3 | 8 | 0.2 | 6 | 1.5 | 0 | 0 |
| Total Assessment Area | 4,167 | 100.0 | 3,734 | 100.0 | 397 | 100.0 | 36 | 100.0 |
| Percentage of Total Businesses: | | | 89.6 | | 9.5 | | .9 | |
| | 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 |
| Moderate-income | 2 | 2.5 | 2 | 2.5 | 0 | 0 | 0 | 0 |
| Middle-income | 57 | 70.4 | 56 | 70 | 1 | 100 | 0 | 0 |
| Upper-income | 22 | 27.2 | 22 | 27.5 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 81 | 100.0 | 80 | 100.0 | 1 | 100.0 | 0 | .0 |
| Percentage of Total Farms: | | | 98.8 | | 1.2 | | .0 | |

2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of HMDA Loans

Assessment Area: TN Johnson City

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | | | | | | | |
|------------------|---------------------------|--|---------------|----------------|---------------|----------------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|-----------|---------------|---------------|----------------|---------------|---------------|
| | | 2015, 2016 | | | | | 2015 | | | | | | 2016 | | | | | |
| | | Bank | | Dollar | | Owner Occupied Units | Count | | Dollar | | | | Count | | Dollar | | | |
| | | # | % | \$ (000s) | \$ % | | % | Bank | Agg | \$ (000s) | \$ % | \$ % | # | % | % | \$ (000s) | \$ % | \$ % |
| HOME PURCHASE | Low | 1 | 6.7% | \$370 | 14.2% | 1.4% | 1 | 16.7% | 0.8% | \$370 | 28.1% | 0.6% | 0 | 0.0% | 2.1% | \$0 | 0.0% | 1.2% |
| | Moderate | 2 | 13.3% | \$158 | 6.1% | 12.2% | 1 | 16.7% | 7.3% | \$25 | 1.9% | 5.0% | 4 | 18.2% | 9.0% | \$382 | 14.3% | 7.0% |
| | Middle | 4 | 26.7% | \$469 | 18.1% | 41.3% | 2 | 33.3% | 37.0% | \$359 | 27.3% | 34.2% | 18 | 81.8% | 39.5% | \$2,296 | 85.7% | 37.4% |
| | Upper | 8 | 53.3% | \$1,601 | 61.6% | 45.2% | 2 | 33.3% | 54.9% | \$563 | 42.7% | 60.2% | 0 | 0.0% | 49.5% | \$0 | 0.0% | 54.3% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 15 | 100.0% | \$2,598 | 100.0% | 100.0% | 6 | 100.0% | 100.0% | \$1,317 | 100.0% | 100.0% | 22 | 100.0% | 100.0% | \$2,678 | 100.0% | 100.0% |
| REFINANCE | Low | 0 | 0.0% | \$0 | 0.0% | 1.4% | 0 | 0.0% | 1.3% | \$0 | 0.0% | 0.6% | 0 | 0.0% | 0.6% | \$0 | 0.0% | 0.4% |
| | Moderate | 1 | 50.0% | \$370 | 76.1% | 12.2% | 0 | 0.0% | 10.1% | \$0 | 0.0% | 7.9% | 3 | 27.3% | 8.8% | \$115 | 10.2% | 6.0% |
| | Middle | 1 | 50.0% | \$116 | 23.9% | 41.3% | 0 | 0.0% | 36.9% | \$0 | 0.0% | 33.6% | 8 | 72.7% | 37.3% | \$1,014 | 89.8% | 34.9% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 45.2% | 0 | 0.0% | 51.7% | \$0 | 0.0% | 58.0% | 0 | 0.0% | 53.3% | \$0 | 0.0% | 58.7% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 2 | 100.0% | \$486 | 100.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 11 | 100.0% | 100.0% | \$1,129 | 100.0% | 100.0% |
| HOME IMPROVEMENT | Low | 0 | 0.0% | \$0 | 0.0% | 1.4% | 0 | 0.0% | 3.2% | \$0 | 0.0% | 1.0% | 0 | 0.0% | 2.2% | \$0 | 0.0% | 0.7% |
| | Moderate | 1 | 50.0% | \$89 | 49.7% | 12.2% | 0 | 0.0% | 10.5% | \$0 | 0.0% | 4.8% | 1 | 10.0% | 14.7% | \$48 | 7.8% | 9.4% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 41.3% | 0 | 0.0% | 44.3% | \$0 | 0.0% | 42.5% | 9 | 90.0% | 32.9% | \$564 | 92.2% | 29.6% |
| | Upper | 1 | 50.0% | \$90 | 50.3% | 45.2% | 1 | 100.0% | 42.0% | \$90 | 100.0% | 51.7% | 0 | 0.0% | 50.2% | \$0 | 0.0% | 60.3% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 2 | 100.0% | \$179 | 100.0% | 100.0% | 1 | 100.0% | 100.0% | \$90 | 100.0% | 100.0% | 10 | 100.0% | 100.0% | \$612 | 100.0% | 100.0% |
| MULTI-FAMILY | Multi-Family Units | | | | | Low | 1 | 50.0% | 5.4% | \$120 | 31.8% | 0.8% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 2 | 40.0% | \$509 | 48.5% | 33.0% | 1 | 50.0% | 40.5% | \$257 | 68.2% | 55.9% | 0 | 0.0% | 41.9% | \$0 | 0.0% | 19.8% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 15.4% | 0 | 0.0% | 21.6% | \$0 | 0.0% | 11.6% | 1 | 100.0% | 12.9% | \$205 | 100.0% | 1.4% |
| | Upper | 2 | 40.0% | \$420 | 40.0% | 50.5% | 0 | 0.0% | 32.4% | \$0 | 0.0% | 31.6% | 0 | 0.0% | 45.2% | \$0 | 0.0% | 78.7% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 5 | 100.0% | \$1,049 | 100.0% | 100.0% | 2 | 100.0% | 100.0% | \$377 | 100.0% | 100.0% | 1 | 100.0% | 100.0% | \$205 | 100.0% | 100.0% |
| HMDA TOTALS | Low | 2 | 8.3% | \$490 | 11.4% | 1.4% | 2 | 22.2% | 1.2% | \$490 | 27.5% | 0.6% | 0 | 0.0% | 1.6% | \$0 | 0.0% | 0.8% |
| | Moderate | 6 | 25.0% | \$1,126 | 26.1% | 12.2% | 2 | 22.2% | 8.8% | \$282 | 15.8% | 8.9% | 8 | 18.2% | 9.5% | \$545 | 11.8% | 7.8% |
| | Middle | 5 | 20.8% | \$585 | 13.6% | 41.3% | 2 | 22.2% | 37.2% | \$359 | 20.1% | 32.9% | 36 | 81.8% | 38.1% | \$4,079 | 88.2% | 33.6% |
| | Upper | 11 | 45.8% | \$2,111 | 49.0% | 45.2% | 3 | 33.3% | 52.7% | \$653 | 36.6% | 57.6% | 0 | 0.0% | 50.8% | \$0 | 0.0% | 57.8% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 24 | 100.0% | \$4,312 | 100.0% | 100.0% | 9 | 100.0% | 100.0% | \$1,784 | 100.0% | 100.0% | 44 | 100.0% | 100.0% | \$4,624 | 100.0% | 100.0% |

Originations & Purchases
2016 FFIEC Census Data and 2010 ACS Data

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of HMDA Loans

Assessment Area: TN Johnson City

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | |
|------------------|---------------------|--|---------------|----------------------|---------------|---------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|
| | | 2017 | | | | | 2017 | | | | | |
| | | Bank | | Owner Occupied Units | | Count | Count | | Dollar | | | |
| | | Count | Dollar | | Bank | | Agg | Bank | Agg | | | |
| # | % | \$ (000s) | \$ % | % | # | % | % | \$ (000s) | \$ % | \$ % | | |
| HOME PURCHASE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 2 | 25.0% | \$126 | 10.9% | 8.4% | 2 | 25.0% | 7.6% | \$126 | 10.9% | 5.7% |
| | Middle | 3 | 37.5% | \$572 | 49.6% | 55.1% | 3 | 37.5% | 48.5% | \$572 | 49.6% | 43.0% |
| | Upper | 3 | 37.5% | \$456 | 39.5% | 36.5% | 3 | 37.5% | 43.9% | \$456 | 39.5% | 51.4% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>8</i> | <i>100.0%</i> | <i>\$1,154</i> | <i>100.0%</i> | <i>100.0%</i> | <i>8</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$1,154</i> | <i>100.0%</i> | <i>100.0%</i> |
| REFINANCE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 8.4% | 0 | 0.0% | 7.7% | \$0 | 0.0% | 6.6% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 55.1% | 0 | 0.0% | 51.8% | \$0 | 0.0% | 47.8% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 36.5% | 0 | 0.0% | 40.5% | \$0 | 0.0% | 45.7% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>0</i> | <i>0.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> |
| HOME IMPROVEMENT | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 8.4% | 0 | 0.0% | 11.3% | \$0 | 0.0% | 8.3% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 55.1% | 0 | 0.0% | 50.7% | \$0 | 0.0% | 40.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 36.5% | 0 | 0.0% | 37.6% | \$0 | 0.0% | 51.8% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.5% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>0</i> | <i>0.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 1 | 100.0% | \$120 | 100.0% | 24.4% | 1 | 100.0% | 27.3% | \$120 | 100.0% | 38.0% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 40.6% | 0 | 0.0% | 57.6% | \$0 | 0.0% | 16.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 35.0% | 0 | 0.0% | 15.2% | \$0 | 0.0% | 46.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>1</i> | <i>100.0%</i> | <i>\$120</i> | <i>100.0%</i> | <i>100.0%</i> | <i>1</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$120</i> | <i>100.0%</i> | <i>100.0%</i> |
| HMDA TOTALS | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 3 | 33.3% | \$246 | 19.3% | 8.4% | 3 | 33.3% | 8.0% | \$246 | 19.3% | 9.6% |
| | Middle | 3 | 33.3% | \$572 | 44.9% | 55.1% | 3 | 33.3% | 49.6% | \$572 | 44.9% | 40.9% |
| | Upper | 3 | 33.3% | \$456 | 35.8% | 36.5% | 3 | 33.3% | 42.4% | \$456 | 35.8% | 49.5% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>9</i> | <i>100.0%</i> | <i>\$1,274</i> | <i>100.0%</i> | <i>100.0%</i> | <i>9</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$1,274</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2015 ACS Data

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of Small Business Loans

Assessment Area: TN Johnson City

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| | | | | | |
| Low | 0 | 0.0% | \$0 | 0.0% | 2.3% |
| Moderate | 1 | 16.7% | \$5 | 0.4% | 18.9% |
| Middle | 1 | 16.7% | \$117 | 10.0% | 30.3% |
| Upper | 4 | 66.7% | \$1,050 | 89.6% | 48.1% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.3% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>6</i> | <i>100.0%</i> | <i>\$1,172</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

Geographic Distribution of Small Business Loans

Assessment Area: TN Johnson City

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2017 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| | | | | | |
| Low | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Moderate | 0 | 0.0% | \$0 | 0.0% | 15.1% |
| Middle | 2 | 22.2% | \$49 | 1.7% | 40.8% |
| Upper | 7 | 77.8% | \$2,816 | 98.3% | 43.8% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.2% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>9</i> | <i>100.0%</i> | <i>\$2,864</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Johnson City

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|----------------------------------|-----------------------------|--|--------|-----------|--------|------------------|
| | | Bank | | | | Total Businesses |
| | | Count | | \$ (000s) | | % |
| | | # | % | \$ | % | % |
| BUSINESS REVENUE | \$1million or Less | 4 | 66.7% | \$767 | 65.5% | 91.0% |
| | Over \$1 Million | 2 | 33.3% | \$405 | 34.5% | 8.2% |
| | <i>Total Rev. available</i> | 6 | 100.0% | \$1,172 | 100.0% | 99.2% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 0.8% |
| | <i>Total</i> | 6 | 100.0% | \$1,172 | 100.0% | 100.0% |
| LOAN SIZE | \$100,000 or Less | 3 | 50.0% | \$105 | 9.0% | |
| | \$100,001 - \$250,000 | 1 | 16.7% | \$117 | 10.0% | |
| | \$250,001 - \$1 Million | 2 | 33.3% | \$950 | 81.0% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 6 | 100.0% | \$1,172 | 100.0% | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 2 | 50.0% | \$100 | 13.0% | |
| | \$100,001 - \$250,000 | 1 | 25.0% | \$117 | 15.3% | |
| | \$250,001 - \$1 Million | 1 | 25.0% | \$550 | 71.7% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 4 | 100.0% | \$767 | 100.0% | |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Johnson City

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2017 | | | | |
|----------------------------------|-----------------------------|---|--------|-----------|--------|------------------|
| | | Bank | | | | Total Businesses |
| | | Count | | \$ (000s) | | % |
| | | # | % | \$ | % | % |
| BUSINESS REVENUE | \$1million or Less | 6 | 66.7% | \$1,694 | 59.1% | 89.6% |
| | Over \$1 Million | 3 | 33.3% | \$1,170 | 40.9% | 9.5% |
| | <i>Total Rev. available</i> | 9 | 100.0% | \$2,864 | 100.0% | 99.1% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 0.9% |
| | <i>Total</i> | 9 | 100.0% | \$2,864 | 100.0% | 100.0% |
| LOAN SIZE | \$100,000 or Less | 2 | 22.2% | \$49 | 1.7% | |
| | \$100,001 - \$250,000 | 2 | 22.2% | \$390 | 13.6% | |
| | \$250,001 - \$1 Million | 5 | 55.6% | \$2,426 | 84.7% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 9 | 100.0% | \$2,864 | 100.0% | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 2 | 33.3% | \$49 | 2.9% | |
| | \$100,001 - \$250,000 | 1 | 16.7% | \$190 | 11.2% | |
| | \$250,001 - \$1 Million | 3 | 50.0% | \$1,455 | 85.9% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 6 | 100.0% | \$1,694 | 100.0% | |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Combined Demographics Report

Assessment Area: TN Newport

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 2,811 | 28.1 |
| Moderate-income | 3 | 33.3 | 4,423 | 44.3 | 1,217 | 27.5 | 1,934 | 19.4 |
| Middle-income | 5 | 55.6 | 5,551 | 55.6 | 815 | 14.7 | 1,881 | 18.8 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 3,363 | 33.7 |
| Unknown-income | 1 | 11.1 | 15 | 0.2 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 9 | 100.0 | 9,989 | 100.0 | 2,032 | 20.3 | 9,989 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Moderate-income | 7,888 | 4,309 | 40 | 54.6 | 2,367 | 30 | 1,212 | 15.4 |
| Middle-income | 9,375 | 6,462 | 60 | 68.9 | 1,604 | 17.1 | 1,309 | 14 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 15 | 0 | 0 | 0 | 15 | 100 | 0 | 0 |
| Total Assessment Area | 17,278 | 10,771 | 100.0 | 62.3 | 3,986 | 23.1 | 2,521 | 14.6 |
| | 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 |
| Moderate-income | 478 | 54.7 | 428 | 53.4 | 43 | 72.9 | 7 | 50 |
| Middle-income | 395 | 45.2 | 372 | 46.4 | 16 | 27.1 | 7 | 50 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 1 | 0.1 | 1 | 0.1 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 874 | 100.0 | 801 | 100.0 | 59 | 100.0 | 14 | 100.0 |
| Percentage of Total Businesses: | | | 91.6 | | 6.8 | | 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 |
| Moderate-income | 14 | 30.4 | 14 | 31.8 | 0 | 0 | 0 | 0 |
| Middle-income | 32 | 69.6 | 30 | 68.2 | 2 | 100 | 0 | 0 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 46 | 100.0 | 44 | 100.0 | 2 | 100.0 | 0 | .0 |
| Percentage of Total Farms: | | | 95.7 | | 4.3 | | .0 | |

2016 FFIEC Census Data and 2016 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Combined Demographics Report

Assessment Area: TN Newport

| Income Categories | Tract Distribution | | Families by Tract Income | | Families < Poverty Level as % of Families | | Families by Family Income | |
|--|----------------------------------|---|--------------------------|-------------------------|---|-----------------------------|---------------------------|--------------|
| | # | % | # | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 2,932 | 29.8 |
| Moderate-income | 4 | 44.4 | 4,820 | 49 | 1,513 | 31.4 | 1,602 | 16.3 |
| Middle-income | 4 | 44.4 | 5,018 | 51 | 682 | 13.6 | 1,847 | 18.8 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 3,457 | 35.1 |
| Unknown-income | 1 | 11.1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 9 | 100.0 | 9,838 | 100.0 | 2,195 | 22.3 | 9,838 | 100.0 |
| | Housing Units by Tract | Housing Types by Tract | | | | | | |
| | | Owner-Occupied | | Rental | | Vacant | | |
| | | # | % | % | # | % | # | % |
| Low-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Moderate-income | 8,740 | 4,742 | 46.9 | 54.3 | 2,866 | 32.8 | 1,132 | 13 |
| Middle-income | 8,634 | 5,373 | 53.1 | 62.2 | 1,729 | 20 | 1,532 | 17.7 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 13 | 0 | 0 | 0 | 0 | 0 | 13 | 100 |
| Total Assessment Area | 17,387 | 10,115 | 100.0 | 58.2 | 4,595 | 26.4 | 2,677 | 15.4 |
| | 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 |
| Moderate-income | 490 | 64.9 | 428 | 62.9 | 54 | 88.5 | 8 | 57.1 |
| Middle-income | 264 | 35 | 251 | 36.9 | 7 | 11.5 | 6 | 42.9 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 1 | 0.1 | 1 | 0.1 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 755 | 100.0 | 680 | 100.0 | 61 | 100.0 | 14 | 100.0 |
| Percentage of Total Businesses: | | | 90.1 | | 8.1 | | 1.9 | |
| | 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 |
| Moderate-income | 21 | 50 | 19 | 47.5 | 2 | 100 | 0 | 0 |
| Middle-income | 21 | 50 | 21 | 52.5 | 0 | 0 | 0 | 0 |
| Upper-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unknown-income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assessment Area | 42 | 100.0 | 40 | 100.0 | 2 | 100.0 | 0 | .0 |
| Percentage of Total Farms: | | | 95.2 | | 4.8 | | .0 | |

2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of HMDA Loans

Assessment Area: TN Newport

| PRODUCT TYPE | Tract Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | | | | | | | |
|------------------|---------------------------|--|---------------|----------------------|---------------|---------------|-------------------------------------|---------------|---------------|-------------|---------------|---------------|-------------|---------------|---------------|--------------|---------------|---------------|
| | | 2015, 2016 | | | | | 2015 | | | | | 2016 | | | | | | |
| | | Bank | | Owner Occupied Units | Count | | Dollar | | Count | | Dollar | | | Count | | Dollar | | |
| | | # | % | | \$ (000s) | \$ % | % | # | % | % | \$ (000s) | \$ % | \$ % | # | % | % | \$ (000s) | \$ % |
| HOME PURCHASE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 2 | 100.0% | \$95 | 100.0% | 40.0% | 0 | 0.0% | 44.5% | \$0 | 0.0% | 43.4% | 2 | 100.0% | 43.4% | \$95 | 100.0% | 42.8% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 60.0% | 0 | 0.0% | 55.5% | \$0 | 0.0% | 56.6% | 0 | 0.0% | 56.6% | \$0 | 0.0% | 57.2% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 2 | 100.0% | \$95 | 100.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 2 | 100.0% | 100.0% | \$95 | 100.0% | 100.0% |
| REFINANCE | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 5 | 38.5% | \$163 | 28.7% | 40.0% | 0 | 0.0% | 38.8% | \$0 | 0.0% | 38.5% | 5 | 38.5% | 34.9% | \$163 | 28.7% | 31.9% |
| | Middle | 8 | 61.5% | \$405 | 71.3% | 60.0% | 0 | 0.0% | 61.2% | \$0 | 0.0% | 61.5% | 8 | 61.5% | 65.1% | \$405 | 71.3% | 68.1% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 13 | 100.0% | \$568 | 100.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 13 | 100.0% | 100.0% | \$568 | 100.0% | 100.0% |
| HOME IMPROVEMENT | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 2 | 66.7% | \$137 | 55.5% | 40.0% | 0 | 0.0% | 47.8% | \$0 | 0.0% | 50.6% | 2 | 66.7% | 48.7% | \$137 | 55.5% | 40.9% |
| | Middle | 1 | 33.3% | \$110 | 44.5% | 60.0% | 0 | 0.0% | 52.2% | \$0 | 0.0% | 49.4% | 1 | 33.3% | 51.3% | \$110 | 44.5% | 59.1% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 3 | 100.0% | \$247 | 100.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 3 | 100.0% | 100.0% | \$247 | 100.0% | 100.0% |
| MULTI-FAMILY | Multi-Family Units | | | | | | | | | | | | | | | | | |
| | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 57.3% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 42.7% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| Total | 0 | 0.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | |
| HMDA TOTALS | Low | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 9 | 50.0% | \$395 | 43.4% | 40.0% | 0 | 0.0% | 42.5% | \$0 | 0.0% | 41.6% | 9 | 50.0% | 40.5% | \$395 | 43.4% | 40.9% |
| | Middle | 9 | 50.0% | \$515 | 56.6% | 60.0% | 0 | 0.0% | 57.5% | \$0 | 0.0% | 58.4% | 9 | 50.0% | 59.5% | \$515 | 56.6% | 59.1% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Total | 18 | 100.0% | \$910 | 100.0% | 100.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% | 18 | 100.0% | 100.0% | \$910 | 100.0% | 100.0% |

Originations & Purchases
2016 FFIEC Census Data and 2010 ACS Data

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Borrower Distribution of HMDA Loans

Assessment Area: TN Newport

| PRODUCT TYPE | Borrower Income Levels | Bank Lending & Demographic Data Comparison | | | | | Bank & Aggregate Lending Comparison | | | | | |
|------------------|------------------------|--|---------------|----------------|---------------|---------------------------|-------------------------------------|---------------|---------------|----------------|---------------|---------------|
| | | 2017 | | | | | 2017 | | | | | |
| | | Bank | | | | Families by Family Income | Count | | | Dollar | | |
| | | Count | | Dollar | | | Bank | Agg | Bank | | Agg | |
| # | % | \$ (000s) | \$ % | % | # | % | % | \$ (000s) | \$ % | \$ % | | |
| HOME PURCHASE | Low | 3 | 50.0% | \$100 | 25.6% | 29.8% | 3 | 50.0% | 5.2% | \$100 | 25.6% | 2.7% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 16.3% | 0 | 0.0% | 22.7% | \$0 | 0.0% | 16.7% |
| | Middle | 1 | 16.7% | \$161 | 41.3% | 18.8% | 1 | 16.7% | 19.5% | \$161 | 41.3% | 18.6% |
| | Upper | 2 | 33.3% | \$129 | 33.1% | 35.1% | 2 | 33.3% | 33.4% | \$129 | 33.1% | 43.7% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 19.2% | \$0 | 0.0% | 18.3% |
| | <i>Total</i> | <i>6</i> | <i>100.0%</i> | <i>\$390</i> | <i>100.0%</i> | <i>100.0%</i> | <i>6</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$390</i> | <i>100.0%</i> | <i>100.0%</i> |
| REFINANCE | Low | 8 | 23.5% | \$357 | 16.9% | 29.8% | 8 | 23.5% | 9.1% | \$357 | 16.9% | 4.3% |
| | Moderate | 7 | 20.6% | \$280 | 13.3% | 16.3% | 7 | 20.6% | 11.2% | \$280 | 13.3% | 7.9% |
| | Middle | 7 | 20.6% | \$304 | 14.4% | 18.8% | 7 | 20.6% | 23.5% | \$304 | 14.4% | 19.9% |
| | Upper | 12 | 35.3% | \$1,169 | 55.4% | 35.1% | 12 | 35.3% | 38.0% | \$1,169 | 55.4% | 43.1% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 18.2% | \$0 | 0.0% | 24.7% |
| | <i>Total</i> | <i>34</i> | <i>100.0%</i> | <i>\$2,110</i> | <i>100.0%</i> | <i>100.0%</i> | <i>34</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$2,110</i> | <i>100.0%</i> | <i>100.0%</i> |
| HOME IMPROVEMENT | Low | 1 | 33.3% | \$29 | 13.2% | 29.8% | 1 | 33.3% | 12.5% | \$29 | 13.2% | 8.1% |
| | Moderate | 1 | 33.3% | \$140 | 63.9% | 16.3% | 1 | 33.3% | 22.5% | \$140 | 63.9% | 20.5% |
| | Middle | 1 | 33.3% | \$50 | 22.8% | 18.8% | 1 | 33.3% | 30.0% | \$50 | 22.8% | 39.1% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 35.1% | 0 | 0.0% | 35.0% | \$0 | 0.0% | 32.3% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | <i>Total</i> | <i>3</i> | <i>100.0%</i> | <i>\$219</i> | <i>100.0%</i> | <i>100.0%</i> | <i>3</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$219</i> | <i>100.0%</i> | <i>100.0%</i> |
| MULTI FAMILY | Low | 0 | 0.0% | \$0 | 0.0% | 29.8% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Moderate | 0 | 0.0% | \$0 | 0.0% | 16.3% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Middle | 0 | 0.0% | \$0 | 0.0% | 18.8% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Upper | 0 | 0.0% | \$0 | 0.0% | 35.1% | 0 | 0.0% | 0.0% | \$0 | 0.0% | 0.0% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 100.0% | \$0 | 0.0% | 100.0% |
| | <i>Total</i> | <i>0</i> | <i>0.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>0</i> | <i>0.0%</i> | <i>100.0%</i> | <i>\$0</i> | <i>0.0%</i> | <i>100.0%</i> |
| HMDA TOTALS | Low | 12 | 27.9% | \$486 | 17.9% | 29.8% | 12 | 27.9% | 7.1% | \$486 | 17.9% | 3.3% |
| | Moderate | 8 | 18.6% | \$420 | 15.4% | 16.3% | 8 | 18.6% | 18.7% | \$420 | 15.4% | 13.5% |
| | Middle | 9 | 20.9% | \$515 | 18.9% | 18.8% | 9 | 20.9% | 21.6% | \$515 | 18.9% | 19.3% |
| | Upper | 14 | 32.6% | \$1,298 | 47.7% | 35.1% | 14 | 32.6% | 35.1% | \$1,298 | 47.7% | 42.2% |
| | Unknown | 0 | 0.0% | \$0 | 0.0% | 0.0% | 0 | 0.0% | 17.5% | \$0 | 0.0% | 21.6% |
| | <i>Total</i> | <i>43</i> | <i>100.0%</i> | <i>\$2,719</i> | <i>100.0%</i> | <i>100.0%</i> | <i>43</i> | <i>100.0%</i> | <i>100.0%</i> | <i>\$2,719</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2015 ACS Data

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Geographic Distribution of Small Business Loans

Assessment Area: TN Newport

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| | | | | | |
| Low | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Moderate | 4 | 66.7% | \$598 | 84.5% | 53.4% |
| Middle | 2 | 33.3% | \$110 | 15.5% | 46.4% |
| Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.1% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>6</i> | <i>100.0%</i> | <i>\$708</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

Geographic Distribution of Small Business Loans

Assessment Area: TN Newport

| Tract Income Levels | Bank Lending & Demographic Data Comparison 2017 | | | | |
|---------------------------|---|---------------|----------------|---------------|---------------------|
| | Count | | Bank Dollar | | Small Businesses |
| | # | % | \$ (000s) | \$ % | % |
| | | | | | |
| Low | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Moderate | 8 | 80.0% | \$766 | 86.2% | 62.9% |
| Middle | 2 | 20.0% | \$122 | 13.8% | 36.9% |
| Upper | 0 | 0.0% | \$0 | 0.0% | 0.0% |
| Unknown | 0 | 0.0% | \$0 | 0.0% | 0.1% |
| Tr Unknown | 0 | 0.0% | \$0 | 0.0% | |
| <i>Total</i> | <i>10</i> | <i>100.0%</i> | <i>\$888</i> | <i>100.0%</i> | <i>100.0%</i> |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Newport

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2015, 2016 | | | | |
|-------------------------------------|-----------------------------|--|--------|-----------|--------|--------------------------|
| | | Bank | | | | Total Businesses % |
| | | Count | | \$ (000s) | | |
| | | # | % | \$ | % | |
| BUSINESS REVENUE | \$1million or Less | 6 | 100.0% | \$708 | 100.0% | 91.6% |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | 6.8% |
| | <i>Total Rev. available</i> | 6 | 100.0% | \$708 | 100.0% | 98.4% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 1.6% |
| | <i>Total</i> | 6 | 100.0% | \$708 | 100.0% | 100.0% |
| LOAN SIZE | \$100,000 or Less | 2 | 33.3% | \$31 | 4.4% | |
| | \$100,001 - \$250,000 | 3 | 50.0% | \$425 | 60.0% | |
| | \$250,001 - \$1 Million | 1 | 16.7% | \$252 | 35.6% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 6 | 100.0% | \$708 | 100.0% | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 2 | 33.3% | \$31 | 4.4% | |
| | \$100,001 - \$250,000 | 3 | 50.0% | \$425 | 60.0% | |
| | \$250,001 - \$1 Million | 1 | 16.7% | \$252 | 35.6% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | 6 | 100.0% | \$708 | 100.0% | |

Originations & Purchases
2016 FFIEC Census Data and 2016 D&B Information

APPENDIX D – LIMITED-SCOPE ASSESSMENT AREA TABLES (Continued)

Small Business Loans by Business Revenue & Loan Size

Assessment Area: TN Newport

| Business Revenue & Loan Size | | Bank Lending & Demographic Data Comparison 2017 | | | | |
|----------------------------------|-----------------------------|---|---------------|--------------|---------------|--------------------|
| | | Bank | | | | Total Businesses % |
| | | Count | | \$ (000s) | | |
| | | # | % | \$ | % | |
| BUSINESS REVENUE | \$1million or Less | 9 | 90.0% | \$886 | 99.8% | 90.1% |
| | Over \$1 Million | 1 | 10.0% | \$2 | 0.2% | 8.1% |
| | <i>Total Rev. available</i> | 10 | 100.0% | \$888 | 100.0% | 98.2% |
| | Rev. Not Known | 0 | 0.0% | \$0 | 0.0% | 1.9% |
| | <i>Total</i> | <i>10</i> | <i>100.0%</i> | <i>\$888</i> | <i>100.0%</i> | <i>100.0%</i> |
| LOAN SIZE | \$100,000 or Less | 4 | 40.0% | \$33 | 3.7% | |
| | \$100,001 - \$250,000 | 6 | 60.0% | \$855 | 96.3% | |
| | \$250,001 - \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | <i>10</i> | <i>100.0%</i> | <i>\$888</i> | <i>100.0%</i> | |
| LOAN SIZE & Rev \$1 Mill or Less | \$100,000 or Less | 3 | 33.3% | \$31 | 3.5% | |
| | \$100,001 - \$250,000 | 6 | 66.7% | \$855 | 96.5% | |
| | \$250,001 - \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | Over \$1 Million | 0 | 0.0% | \$0 | 0.0% | |
| | <i>Total</i> | <i>9</i> | <i>100.0%</i> | <i>\$886</i> | <i>100.0%</i> | |

Originations & Purchases
2017 FFIEC Census Data and 2017 D&B Information