



PUBLIC DISCLOSURE

September 22, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Farmers & Merchants Bank

Timberville, VA

**Federal Reserve Bank of Richmond
Richmond, Virginia**

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



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Farmers & Merchants Bank
713926

205 South Main Street
Timberville, Virginia 22853

Federal Reserve Bank of Richmond
P. O. Box 27622
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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

INSTITUTION'S CRA RATING: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors supporting this rating include:

- The bank's loan-to-deposit ratio is considered reasonable given the bank's size, financial condition, and credit needs of the bank's assessment areas.
- A majority of loans and other lending-related activities are in the bank's assessment areas.
- The bank's borrower distribution performance is considered excellent.
- The bank's distribution of loans by income level of geography is reasonable.
- The bank's community development performance demonstrates adequate responsiveness overall to community development needs of its assessment areas through qualified investments and community development services, considering the bank's capacity and availability of such opportunities in its assessment areas.
- There have been no complaints regarding the bank's CRA performance since the previous CRA evaluation.

SCOPE OF EXAMINATION

Farmers & Merchants Bank (FMB) was evaluated using the interagency examination procedures for intermediate small banks developed by the Federal Financial Institutions Examination Council (FFIEC). Given its size and branch locations, the bank is required to collect and report Home Mortgage Disclosure Act (HMDA) data, and those loans were identified as a primary credit product offered by the bank. All HMDA loans (748) reported in 2023 and 2024 were analyzed as a part of the evaluation. Consumer motor vehicle lending is also a primary lending product for the bank as FMB originated 1,587 such loans in 2024. From that total, a sample of 186 was analyzed during the evaluation. While the bank did not originate any community development loans during the evaluation period, it did provide community development services and all such activities provided since the previous evaluation (April 4, 2022) were considered in the evaluation. Additionally, all qualified, community development investments made during the evaluation period, along with existing qualified investments outstanding as of the date of the evaluation, regardless of when made were also considered in the evaluation.

To help determine the availability of community development opportunities in the bank's assessment areas, the CRA public evaluations of other financial institutions operating in the assessment areas were reviewed. Additionally, a community official was contacted to learn about local economic conditions and credit needs, performance of the banks in the assessment areas, and potential community development opportunities.

FMB is an intrastate bank that serves three assessment areas located along the northwestern region of Virginia in the Shenandoah Valley. Based on the FFIEC's evaluation procedures, ratings are assigned to the institution and are based only on the performance in the assessment areas subject to full-scope review. **Appendix B** contains the loan and deposit volume and branch distribution for the institution and assisted in the determination of the scope for the evaluation. Based upon branch locations, relative market size as determined by loan activity, proportion of bank deposits, and market population, full-scope procedures were applied to the Harrisonburg-Staunton-Stuarts Draft, VA Combined Statistical Area (CSA) and limited-scope review procedures were used for the Winchester, VA and Shenandoah, VA assessment areas.

DESCRIPTION OF INSTITUTION

FMB is headquartered in Timberville, Virginia, operates solely in the Shenandoah Valley and is a wholly owned subsidiary of F&M Bank Corp, a single bank holding company, also located in Timberville, Virginia. The bank also operates a mortgage subsidiary, F&M Mortgage, which originates conventional and government sponsored mortgage loans for sale on the secondary market. All loans originated by F&M Mortgage are reported on the bank’s HMDA loan application register and are included in the evaluation of the bank’s lending performance. The bank operates 16 full-service branches, 13 automated teller machines (ATMs), and three loan production offices across its assessment areas. Since the previous evaluation, FMB opened one full-service branch office in the Winchester, VA MSA in a middle-income tract. The bank’s previous CRA rating, dated April 4, 2022, was Satisfactory. No known legal impediment exists that would prevent the bank from meeting the credit needs of its assessment areas.

As of June 30, 2025, FMB held approximately \$1.3 billion in assets, of which 64.3% were net loans and 26% were securities. As of the same date, deposits totaled approximately \$1.2 billion. Various deposit and loan products are available through the institution, including loans for residential mortgage, consumer, and small business purposes. As of June 30, 2025, the composition of the loan portfolio (using gross loans) is depicted in the following table.

Composition of Loan Portfolio

Loan Type	6/30/2025	
	\$(000s)	%
Secured by 1-4 Family dwellings	288,514	33.9
Multifamily	11,185	1.3
Construction and Development	64,980	7.6
Commercial & Industrial/ NonFarm NonResidential	257,139	30.2
Consumer Loans and Credit Cards	102,769	12.1
Agricultural Loans/ Farmland	122,079	14.3
All Other	4,929	0.6
Total	851,595	100.0

As indicated in the preceding table, the bank’s loan portfolio is concentrated in residential real estate, commercial lending, and consumer lending. Though commercial and industrial loans, which include small business loans, are the second largest product by dollar volume, consumer lending also represents a large portion of the loan portfolio by dollar volume, and it represents a significant volume by loan number. Given the impact by number of originated loans, consumer lending, specifically motor vehicle lending, was included for analysis in the evaluation. While the bank also originates loans for Multifamily, Construction and Development, and Agricultural and Farmland loans, the dollar volume of such lending is relatively small compared to mortgage and commercial lending.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS:

Overall, the bank is rated Satisfactory, with the Lending Test rated Satisfactory and the Community Development Test also rated Satisfactory. The Lending Test rating considers the bank’s loan-to-deposit ratio, proportion of lending within its combined assessment areas, borrower distribution performance, and geographic distribution performance. The components of each test are discussed in the following sections. All conclusions also take into consideration relevant performance context factors.

When evaluating the bank’s residential mortgage and consumer motor vehicle lending, relevant area demographic data from the American Community Survey (ACS) is used to estimate potential demand and lending opportunities. While ACS data is collected and published by the U.S. Census Bureau on an annual basis, the demographic data relied upon in this performance evaluation is based on ACS data that is updated once every five years. As such, when evaluating the bank’s performance, relevant area demographic data from the 2020 ACS was used.

Aggregate loan data is used to estimate viable loan demand when evaluating the bank’s HMDA lending and includes all activity reported by lenders subject to reporting HMDA data within the bank’s assessment areas. Aggregate data is useful in the analysis because the aggregate lending occurred in the same assessment area under the same economic conditions as the bank’s lending.

To evaluate the geographic and borrower distribution for a specific loan category within an assessment area, primary emphasis is placed on the number (and corresponding percentage) of loans originated and purchased. To arrive at an overall conclusion regarding the distribution of lending, performance in each loan category is then generally weighted by the dollar volume of such loans made in the assessment area. As previously mentioned, 2023 and 2024 HMDA and 2024 consumer motor vehicle lending were considered the primary products in the analysis. During 2024, the bank originated \$105 million in HMDA loans and \$31 million in motor vehicle loans. Given the larger dollar volume of HMDA lending, its performance will generally carry more weight in overall conclusions for borrower and geographic lending distributions.

Loan-To-Deposit Ratio

The bank’s loan-to-deposit ratio, as of June 30, 2025, equaled 70.1 % and averaged 67.8% for the preceding 13-quarter period. In comparison, the quarterly average loan-to-deposit ratios for three peer banks operating in similar areas as FMB ranged from 70% to 90.4%, during the same 13-quarter period. Since June 30, 2022, the bank’s assets, net loans, and deposits increased by 6.5%, 22.5%, and 8%, respectively. From a CRA perspective, the bank’s loan-to-deposit ratio is considered reasonable given the institution’s size, financial condition, and local credit needs.

Lending In Assessment Areas

To determine the institution’s volume of lending within its assessment areas, the geographic location of the bank’s 2023 and 2024 HMDA loans and a sample of the 2024 consumer motor vehicle loans were considered. The lending distribution inside and outside of the bank’s assessment areas is represented in the following table. A majority of loans and other lending-related activities are in the bank’s assessment areas.

Comparison of Credit Extended Inside and Outside of Assessment Area(s)

Loan Type	Inside				Outside			
	#	%	\$(000)	%	#	%	\$(000)	%
Home Purchase	420	88.4	109,835	88.4	55	11.6	14,398	11.6
Home Improvement	8	72.7	470	30.1	3	27.3	1,090	69.9
Refinancing	186	73.5	65,680	72.3	67	26.5	25,210	27.7
Multi-Family Housing	0	0.0	0	0.0	0	0.0	0	0.0
Loan Purpose Not Applicable	0	0.0	0	0.0	0	0.0	0	0.0
Other Purpose Closed/Exempt	8	88.9	831	36.0	1	11.1	1,475	64.0
Other Purpose LOC	0	0.0	0	0.0	0	0.0	0	0.0
Total HMDA related	622	83.2	176,816	80.7	126	16.8	42,173	19.3
Consumer Loans*	121	65.1	2,390	64.2	65	34.9	1,334	35.8
TOTAL LOANS	743	79.6	179,206	80.5	191	20.4	43,507	19.5

**The number and dollar amount of loans reflects a sample of such loans originated during the evaluation period and does not reflect loan data collected or reported by the institution.*

As reflected in the preceding table, a majority of the total number (79.6%) and dollar amount (80.5%) of HMDA and consumer loans was originated inside the bank’s assessment areas during the review period. Overall, the institution’s level of lending in its assessment areas is considered responsive to community credit needs.

The remaining loan distribution analyses discussed in this performance evaluation only consider loans originated and purchased within the bank’s assessment areas.

Regulation C, which implements the Home Mortgage Disclosure Act, requires data to be reported by loan category. Within the following evaluation, the borrower and geographic distribution performance of HMDA loans focuses on performance for Home Purchase, Home Improvement, Refinancing, and Multifamily loan categories. Performance for the Not Applicable, Other Closed, and Other Line of Credit loan categories are not evaluated because not all HMDA reporters are required to report each loan category, or the category contains relatively few loans overall.

Lending To Borrowers of Different Incomes and To Businesses of Different Sizes

The bank's borrower distribution performance is considered excellent for both HMDA and consumer motor vehicle lending based on the bank's performance in the Harrisonburg-Staunton-Stuarts Draft, VA CSA assessment area, which was evaluated using full-scope examination procedures.

When evaluating the borrower distribution performance of HMDA lending, multifamily loans are excluded from the analysis because the properties securing these loans are typically non-owner-occupied, business purpose loans. Because the borrowers have business revenue, they are excluded from the analysis as most other HMDA borrowers rely on personal income for loan repayment.

Geographic Distribution of Loans

The bank's geographic distribution performance is considered reasonable overall for HMDA and consumer motor vehicle lending based on its performance in the full-scope Harrisonburg-Staunton-Stuarts Draft, VA CSA assessment area. No significant unexplained gaps in lending were noted that impacted conclusions about the bank's performance.

Community Development Loans, Investments, and Services

The bank faces no constraints preventing it from originating community development loans, making qualified investments, and providing community development services within its assessment areas.

FMB's performance under the Community Development Test is rated Satisfactory. The bank demonstrates an adequate responsiveness to local community needs through qualified community development investments and services. During the evaluation period, FMB's total community development activities, including some that benefited multiple assessment areas and/or a broader statewide area include:

- Qualified Investments – 12 Virginia Community Development Corporation (VCDC) Housing Equity Fund affordable housing bonds totaling \$6,141,549 that benefit the statewide area.
- Qualified Donations – 31 totaling \$57,360
- Community Development Services – six bank employees supported five different organizations serving in various board capacities including: Big Brothers, Big Sisters, Mercy House, Habitat for Humanity, Housing Coalition-Northern Shenandoah Valley, and The ARC.

FMB participates in providing various affordable housing services to low- and moderate-income families. The bank made use of innovative and/or flexible lending practices in serving the credit needs of its assessment areas. The bank utilized the Federal Home Loan Bank (FHLB), Virginia Housing Development Authority (VHDA), VHDA Plus Second, Virginia Department of Housing and Community Development (DHCD), and The American Rescue Plan Act (ARPA). These programs are designed to facilitate affordable housing through grants that may be utilized by low- and moderate-income households to reduce closing costs, down payments, and/or rehabilitation costs. Additional information regarding community development investments and services is presented in the assessment areas where the activities took place.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified. Adequate policies, procedures, and training programs have been developed to support nondiscrimination in lending activities.

METROPOLITAN AREAS

(For metropolitan areas with some or all assessment areas reviewed using full-scope review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE HARRISONBURG-STAUNTON-STUARTS DRAFT, VA CSA ASSESSMENT AREA

FMB operates 11 branches, ten ATMs and three LPOs throughout the Harrisonburg-Staunton-Stuarts Draft, VA CSA assessment area and it includes all of the Staunton-Stuarts Draft, VA MSA and all of the Harrisonburg, VA MSA. One of 11 branches and one of the LPOs are located in moderate-income census tracts within the assessment area. The bank’s delineation consists of the following counties and cities:

Assessment Area	City/County	State	Census Tracts Included
Harrisonburg-Staunton-Stuarts Draft, VA CSA	Augusta County	VA	All
	Staunton City	VA	
	Waynesboro City	VA	
	Rockingham County	VA	
	Harrisonburg City	VA	

As of June 30, 2024, FMB ranked 2nd out of 18 financial institutions in local deposit market share and held 16.8% of the assessment area’s deposits (excluding credit union deposits) according to data compiled by the Federal Deposit Insurance Corporation (FDIC). Additionally, 2024 HMDA aggregate data indicated the bank ranked 4th out of 303 lenders in reported mortgage lending with a 4.2% market share.

Community Contact

An affordable housing official was contacted during the evaluation to discuss area economic market conditions and community credit needs. The contact stated that affordable housing remains a high priority in providing affordability to housing to this region. While affordable housing continues to be a primary focus, finding the necessary funding can be problematic at times. The contact stated that local financial institutions are meeting the needs of the community while providing financial backing for affordable housing projects throughout the community. In particular, several banks have stepped up to provide financing that the community needs to build housing units (both single- and multi-family) for the elderly, veterans, and low- and moderate-income families. The official indicated that the community would also benefit from additional financial literacy training.

Demographic Data

2024 Harrisonburg-Staunton-Stuarts Draft, VA CSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	12,070	19.1
Moderate	10	15.9	8,841	14.0	1,505	17.0	11,543	18.3
Middle	44	69.8	47,161	74.8	2,812	6.0	14,551	23.1
Upper	9	14.3	7,043	11.2	311	4.4	24,881	39.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	63	100.0	63,045	100.0	4,628	7.3	63,045	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	18,839	7,608	11.6	40.4	9,303	49.4	1,928	10.2
Middle	78,142	49,974	76.1	64.0	20,587	26.3	7,581	9.7
Upper	11,758	8,125	12.4	69.1	2,432	20.7	1,201	10.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	108,739	65,707	100.0	60.4	32,322	29.7	10,710	9.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	1,439	15.0	1,297	14.7	128	19.0	14	16.9
Middle	6,906	72.1	6,389	72.4	457	67.8	60	72.3
Upper	1,231	12.9	1,133	12.8	89	13.2	9	10.8
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	9,576	100.0	8,819	100.0	674	100.0	83	100.0
Percentage of Total Businesses:				92.1		7.0		0.9
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	25	3.3	24	3.2	1	12.5	0	0.0
Middle	648	86.6	641	86.6	7	87.5	0	0.0
Upper	75	10.0	75	10.1	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	748	100.0	740	100.0	8	100.0	0	0.0
Percentage of Total Farms:				98.9		1.1		0.0
<i>Source: 2024 FFIEC Census Data 2024 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</i>								

Based on 2020 ACS data, the assessment area has a total population of approximately 261,004 and a median housing value of \$210,122. Within the assessment area, the owner-occupancy rate is 60.4% which approximates the owner-occupancy rate for the entire Commonwealth of Virginia (60%), exceeds the rate for the Harrisonburg, VA MSA (55.6%), and lags the rate for the Staunton, VA MSA (65.2%). The percentage of families living below the poverty level in the assessment area (7.3%) exceeds the poverty rate for the Commonwealth of Virginia (6.8%) and approximates the Staunton, VA MSA (7.4%) and the Harrisonburg, VA MSA (7.3%).

The HUD estimated median family incomes for both MSAs during the review period are detailed in the following table, and the following table provides information regarding the area’s population trends.

Median Family Income- FFIEC	2023	2024
Harrisonburg, VA (MSA)	\$95,900	\$89,700
Staunton, VA (MSA)	\$92,800	\$89,900

Harrisonburg-Staunton-Stuarts Draft, VA CSA Population Change			
Area	2015 Population	2020 Population	Percent Change
Harrisonburg, VA MSA	129,173	135,571	5.0%
Augusta County, VA	74,053	77,487	4.6%
Rockingham County, VA	77,785	83,757	7.7%
Harrisonburg city, VA	51,388	51,814	0.8%
Staunton city, VA	24,193	25,750	6.4%
Waynesboro city, VA	21,150	22,196	4.9%
Staunton-Stuarts Draft, VA MSA	119,396	125,433	5.1%
Virginia	8,256,630	8,631,393	4.5%

*Source: 2011-2015 U.S. Census Bureau American Community Survey
2020 U.S. Census Bureau Decennial Census*

As indicated in the preceding table, population within the two MSAs grew at similar rates, and both exceeded the rate in Virginia. Within the assessment area, Rockingham County and Staunton City each grew at rates much larger than the MSAs, while Harrisonburg City lagged considerably in growth.

Harrisonburg-Staunton-Stuarts Draft, VA CSA Employees by Industry								
	2022 - Q4	2023 - Q1	2023 - Q2	2023 - Q3	2023 - Q4	2024 - Q1	2024 - Q2	2024 - Q3
Government								
Government Total, all industries	19,455	19,316	19,416	18,936	20,030	20,237	19,866	19,569
Private Sector								
Private Sector Total, all industries	96,632	96,565	97,134	97,284	97,925	96,368	97,030	96,256
Agriculture, forestry, fishing and hunting	376*	383*	481*	484*	443*	419*	528*	535*
Mining, quarrying, and oil and gas extraction	38*	36*	35*	34*	34*	34*	35*	38*
Utilities	0*	0*	0*	0*	0*	0*	0*	0*
Construction	5,835*	5,838*	6,036*	6,091*	5,965*	6,114*	6,327*	6,471*
Manufacturing	18,436	18,678	18,862	18,745	18,488	18,436	18,471	18,520
Wholesale trade	1,050*	1,132*	1,118*	1,145*	1,136*	1,122*	1,118*	1,118*
Retail Trade	12,812	12,553	12,706	12,611	12,849	12,533	12,603	12,563
Transportation and warehousing	7,517*	7,431*	7,222*	7,135*	7,227*	6,959*	6,847*	7,323
Information	965	901	890	903	899	872	851	809
Finance and insurance	2,031	1,941	1,894	1,886	1,891	1,875	1,881	1,866
Real estate and rental and leasing	1,423	1,375	1,427	1,446	1,404	1,369	1,431	1,456
Professional and technical services	2,653	2,770	2,766	2,786	2,808	2,951	2,990	2,964
Management of companies and enterprises	1,643	1,624	1,562	1,587	1,664	1,639	1,692	1,702
Administrative and waste services	3,352	3,545	3,574	3,678	3,682	3,480	3,582	3,677
Educational services	2,547	2,587	2,395	2,141	2,579	2,803	2,640	2,019
Health care and social assistance	13,989	14,081	14,248	14,563	14,711	14,152	14,212	14,220
Arts, entertainment, and recreation	651	620	768	834	740	688	845	858
Accommodation and food services	11,747	11,859	11,786	11,735	12,102	11,988	11,916	11,391
Other services, except public administration	2,751	2,683	2,832	2,882	2,796	2,783	2,860	2,871
Public administration	0	0	0	0	0	0	0	0
Unclassified	497	360	289	331	296	218	190	203
<i>Source: Bureau of Labor Statistics(BLS), Quarterly Census of Employment and Wages</i>								
<i>* indicates that some or all of the data for this category was suppressed for confidentiality reasons</i>								

The bank’s market area offers a variety of employment opportunities. In addition to local government and school boards, major employers include those within the manufacturing, food services, retail trade, and healthcare industries.

Harrisonburg-Staunton-Stuarts Draft, VA CSA Unemployment Rates					
Area	2020	2021	2022	2023	2024
Harrisonburg, VA MSA	5.3%	3.2%	2.6%	2.6%	2.8%
Augusta County, VA	4.6%	2.9%	2.4%	2.3%	2.5%
Rockingham County, VA	4.8%	2.8%	2.3%	2.3%	2.5%
Harrisonburg city, VA	6.2%	3.7%	3.0%	3.0%	3.3%
Staunton city, VA	6.4%	3.7%	2.6%	2.5%	2.8%
Waynesboro city, VA	6.6%	3.8%	2.6%	2.6%	2.7%
Staunton-Stuarts Draft, VA MSA	5.3%	3.3%	2.5%	2.4%	2.6%
Virginia	6.5%	3.8%	2.7%	2.7%	2.9%

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

During a recent five-year period, unemployment rates throughout the assessment area continued to recover from the pandemic, and the current rates generally approximate the pre-pandemic levels.

Harrisonburg-Staunton-Stuarts Draft, VA CSA Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Harrisonburg, VA MSA	76.7%	36.4%	37.5%	45.2%	26.6%	14.5%
Augusta County, VA	63.9%	40.1%	34.7%	50.7%	33.7%	16.0%
Rockingham County, VA	75.8%	36.8%	29.8%	44.2%	23.9%	14.3%
Harrisonburg city, VA	77.0%	36.0%	43.1%	50.4%	34.9%	15.0%
Staunton city, VA	76.9%	29.9%	42.8%	62.4%	25.8%	16.6%
Waynesboro city, VA	74.0%	46.9%	49.1%	66.8%	41.7%	21.2%
Staunton-Stuarts Draft, VA MSA	71.0%	38.2%	40.9%	56.3%	33.3%	16.9%
Virginia	77.1%	47.8%	42.1%	61.2%	35.6%	18.9%

Cost Burden is housing cost that equals 30 percent or more of household income

Source: U.S. Department of Housing and Urban Development (HUD), 2017-2021 Comprehensive Housing Affordability Strategy

Within the two MSAs, low-income renters face similar cost burdens to renters within the Commonwealth of Virginia. However, low-income homeowners within the Harrisonburg MSA face lower cost burdens within the assessment area as compared to homeowners in the Staunton MSA and the Commonwealth of Virginia. Within the MSAs area and statewide areas, the cost burden of renters and homeowners is substantially higher for low-income individuals than for moderate-income individuals.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS:

The bank’s Lending Test performance in the Harrisonburg-Staunton-Stuarts Draft, VA CSA assessment area is satisfactory. This conclusion is based on an evaluation of the bank’s borrower and geographic distributions of lending while considering its market strategy, area demographic data, and aggregate HMDA data. FMB originated a larger volume of HMDA loans as compared to consumer motor vehicle loans within the assessment area. The sample of consumer motor vehicle loans was grossed up, to establish a comparison when determining overall weight performance. During 2024, the bank originated \$72 million in HMDA loans and \$20 million (grossed figure) in consumer motor vehicle loans (1,032) within the assessment area. Accordingly, the bank’s HMDA lending performance is given more weight when determining the overall lending performance.

The bank’s Community Development Test performance in the Harrisonburg-Staunton-Stuarts Draft, VA CSA assessment area is satisfactory, which is based on the volume of community development loans originated or renewed, community development donations, and community development services provided since the previous evaluation, as well as the amount of qualified community development investments held by the bank as of September 22, 2025.

Lending to Borrowers of Different Incomes and to Business of Different Sizes

The bank's borrower distribution is considered excellent overall. Both HMDA and motor vehicle lending are each considered excellent.

Home Mortgage Lending

The borrower distribution performance of HMDA lending is considered excellent overall. From a product category perspective, performance for home purchase loans was considered excellent while refinance loan performance was considered reasonable. In reaching the overall conclusion, performance for home purchase lending was given the most weight because of the larger dollar volume of lending (\$97 million) in relation to refinance lending (\$47.1 million) within the assessment area. Given the relatively small number of home improvement and multifamily loans originated and reported by the bank during 2023 and 2024, performance of these loans was not evaluated or considered in this assessment area.

Distribution of 2023 and 2024 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Harrisonburg-Staunton-Stuarts Draft, VA CSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2023						2024						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	# %	# %	\$ (000)	\$ %	\$ %	#	# %	# %	\$ (000)	\$ %	\$ %	
Home Purchase Loans													
Low	11	6.6	5.4	1,622	3.9	3.1	13	6.3	3.4	1,863	3.4	1.7	19.1
Moderate	52	31.3	22.7	10,089	24.0	17.1	54	26.1	18.1	11,010	20.0	13.2	18.3
Middle	51	30.7	23.8	12,351	29.4	23.3	58	28.0	22.6	15,269	27.8	20.4	23.1
Upper	49	29.5	25.0	17,371	41.3	32.9	81	39.1	30.5	26,658	48.5	38.2	39.5
Unknown	3	1.8	23.1	578	1.4	23.6	1	0.5	25.4	156	0.3	26.4	0.0
Total	166	100.0	100.0	42,011	100.0	100.0	207	100.0	100.0	54,956	100.0	100.0	100.0
Refinance Loans													
Low	5	5.8	14.9	527	1.7	7.5	4	7.8	9.3	382	2.3	5.0	19.1
Moderate	20	23.3	27.6	4,093	13.5	20.8	10	19.6	22.2	1,993	11.8	16.0	18.3
Middle	33	38.4	23.6	10,238	33.9	23.8	14	27.5	21.5	4,018	23.8	19.4	23.1
Upper	25	29.1	20.2	13,500	44.6	28.8	23	45.1	26.3	10,455	62.1	32.6	39.5
Unknown	3	3.5	13.8	1,885	6.2	19.0	0	0.0	20.6	0	0.0	27.0	0.0
Total	86	100.0	100.0	30,243	100.0	100.0	51	100.0	100.0	16,848	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	13.9	0	0.0	7.9	0	0.0	8.3	0	0.0	3.8	19.1
Moderate	0	0.0	26.5	0	0.0	19.8	2	50.0	22.5	85	51.5	18.2	18.3
Middle	0	0.0	25.9	0	0.0	24.6	1	25.0	27.7	25	15.2	23.0	23.1
Upper	0	0.0	31.3	0	0.0	43.4	1	25.0	38.9	55	33.3	50.9	39.5
Unknown	0	0.0	2.4	0	0.0	4.3	0	0.0	2.6	0	0.0	4.0	0.0
Total	0	0.0	100.0	0	0.0	100.0	4	100.0	100.0	165	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	18	7.0	8.7	2,204	3.0	4.2	17	6.4	5.5	2,245	3.1	2.5	19.1
Moderate	73	28.5	24.1	14,203	19.6	17.9	66	24.8	19.7	13,088	18.0	14.0	18.3
Middle	85	33.2	24.1	22,674	31.3	23.5	73	27.4	23.3	19,312	26.6	20.3	23.1
Upper	74	28.9	25.8	30,871	42.6	33.1	109	41.0	31.1	37,838	52.1	38.1	39.5
Unknown	6	2.3	17.3	2,463	3.4	21.3	1	0.4	20.4	156	0.2	25.0	0.0
Total	256	100.0	100.0	72,415	100.0	100.0	266	100.0	100.0	72,639	100.0	100.0	100.0

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

*Note: Percentages may not total 100.0 percent due to rounding.
Multifamily loans are not included in the borrower distribution analysis.*

Home Purchase

During 2023, the bank’s lending to low-income borrowers (6.6%) slightly exceeded the aggregate lending level (5.4%) but was less than the percentage of area low-income families (19.1%). The bank’s lending to moderate-income borrowers (31.3%) significantly exceeded both the aggregate lending level (22.7%) and the percentage of area families that are moderate-income (18.3%). The bank’s level of performance is considered excellent and performance in 2024 is substantially similar.

Refinance

During 2023, the bank’s percentage of refinance loans to low-income borrowers (5.8%) lagged the aggregate level of lending (14.9%) and the percentage of area low-income families (19.1%). Its lending to moderate-income borrowers was stronger (23.3%) and exceeded the percentage of area, moderate-income families but lagged the aggregate lending level (27.6%). Overall, the lending performance is considered reasonable and performance in 2024 is substantially similar.

Consumer Motor Vehicle

Distribution of 2024 Motor Vehicle Lending By Borrower Income Level					
Assessment Area: Harrisonburg-Staunton-Stuarts Draft, VA CSA					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	\$(000)	\$%	
Low	35	36.5	539	27.4	23.2
Moderate	36	37.5	856	43.5	17.0
Middle	14	14.6	283	14.4	18.6
Upper	11	11.5	293	14.9	41.2
Unknown	0	0.0	0	0.0	0.0
Total	96	100.0	1,970	100.0	100.0

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

During 2024, the bank’s level of consumer motor vehicle lending to low-income borrowers (36.5%) substantially exceeded the percentage of area low-income households (23.2%). The bank’s lending to moderate-income borrowers (37.5%) also substantially exceeded the percentage of area moderate-income households (17%). FMB’s level of lending is considered excellent.

Geographic Distribution of Loans

The bank’s geographic distribution performance is considered reasonable overall. According to census data, the bank’s assessment area does not contain any low-income census tracts; therefore, conclusions are based on the bank’s performance within the moderate-income census tracts. The bank’s geographic distribution performance is considered reasonable overall for both HMDA and motor vehicle lending.

Home Mortgage Lending

The geographic distribution performance of HMDA lending is considered reasonable overall. In reaching the overall conclusion, performance for home purchase lending was given the most weight because of the larger dollar volume of lending. From a product category perspective, performance for home purchase loans was considered reasonable while refinance loans was considered poor. Given the relatively small number of home improvement and multi-family loans originated and reported by the bank during 2023 and 2024, performance of the bank’s home improvement and multi-family loans was not evaluated or considered in this assessment area.

Distribution of 2023 and 2024 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Harrisonburg-Staunton-Stuarts Draft, VA CSA													
Geographic Income Level	Bank And Aggregate Loans By Year											Owner Occupied Units %	
	2023						2024						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank			Agg
	#	%	%	\$(000)	\$ %	\$ %	#	%	%	\$(000)	\$ %		\$ %
Home Purchase Loans													
Lo w	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Mo d e r a t e	25	15.1	18.8	6,094	14.5	16.3	31	15.0	18.1	7,146	13.0	15.5	11.6
M i d d l e	115	69.3	68.4	27,238	64.8	68.7	142	68.6	68.5	35,609	64.8	68.7	76.1
U p p e r	26	15.7	12.8	8,679	20.7	15.0	34	16.4	13.3	12,201	22.2	15.9	12.4
U n k n o w n	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	166	100.0	100.0	42,011	100.0	100.0	207	100.0	100.0	54,956	100.0	100.0	100.0
Refinance Loans													
Lo w	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Mo d e r a t e	6	7.0	12.3	1,506	5.0	11.1	3	5.9	13.8	908	5.4	11.7	11.6
M i d d l e	65	75.6	74.2	23,642	78.2	72.2	42	82.4	75.3	13,414	79.6	76.0	76.1
U p p e r	15	17.4	13.5	5,095	16.8	16.6	6	11.8	10.9	2,526	15.0	12.2	12.4
U n k n o w n	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	86	100.0	100.0	30,243	100.0	100.0	51	100.0	100.0	16,848	100.0	100.0	100.0
Home Improvement Loans													
Lo w	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Mo d e r a t e	0	0.0	11.6	0	0.0	8.9	0	0.0	10.3	0	0.0	8.8	11.6
M i d d l e	0	0.0	75.3	0	0.0	74.0	3	75.0	73.6	110	66.7	72.7	76.1
U p p e r	0	0.0	13.1	0	0.0	17.1	1	25.0	16.1	55	33.3	18.5	12.4
U n k n o w n	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	0	0.0	100.0	0	0.0	100.0	4	100.0	100.0	165	100.0	100.0	100.0
Multifamily Loans												Multi-family Units %	
Lo w	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Mo d e r a t e	0	0.0	26.7	0	0.0	7.8	0	0.0	58.3	0	0.0	88.7	38.6
M i d d l e	0	0.0	53.3	0	0.0	71.1	0	0.0	37.5	0	0.0	10.2	56.8
U p p e r	0	0.0	6.7	0	0.0	0.5	0	0.0	4.2	0	0.0	1.0	4.6
U n k n o w n	0	0.0	13.3	0	0.0	20.7	0	0.0	0.0	0	0.0	0.0	0.0
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans												Owner Occupied Units %	
Lo w	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Mo d e r a t e	31	12.1	16.0	7,600	10.5	14.5	34	12.8	16.3	8,054	11.1	17.1	11.6
M i d d l e	184	71.9	70.9	51,041	70.5	69.7	191	71.8	70.6	49,803	68.6	68.1	76.1
U p p e r	41	16.0	13.1	13,774	19.0	14.7	41	15.4	13.2	14,782	20.3	14.7	12.4
U n k n o w n	0	0.0	0.0	0	0.0	1.1	0	0.0	0.0	0	0.0	0.0	0.0
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	256	100.0	100.0	72,415	100.0	100.0	266	100.0	100.0	72,639	100.0	100.0	100.0

Source: 2024 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Home Purchase

During 2023, the bank’s lending in moderate-income census tracts (15.1%) exceeded the percentage of owner-occupied units (11.6%), but lags the aggregate lending level (18.8%) in such tracts. The bank’s level of performance is considered reasonable and performance in 2024 is substantially similar.

Refinance

During 2023, the bank’s percentage of lending in moderate-income census tracts (7%) lagged both the aggregate lending level (12.3%) and the percentage of area owner occupied units (11.6%). The bank’s level of lending is considered poor and performance in 2024 is substantially similar.

Consumer Motor Vehicle

Distribution of 2024 Motor Vehicle Lending By Income Level of Geography					
Assessment Area: Harrisonburg-Staunton-Stuarts Draft, VA CSA					
Geographic Income Level	Bank Loans				Households %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	19	19.8	374	19.0	17.3
Middle	69	71.9	1,517	77.0	72.0
Upper	8	8.3	79	4.0	10.8
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	96	100.0	1,970	100.0	100.0

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

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

During 2024, the FMB’s level of lending (19.8%) in moderate-income census tracts slightly exceeded the percentage of moderate-income households (17.3%) located in such tracts. The bank’s level of performance is considered reasonable.

Community Development Loans, Investments, and Services

Overall, the bank demonstrated an adequate level of responsiveness to local community development needs through its investment and service activities that support area organizations and facilitate community development within the assessment area during the evaluation period.

Discussion with an individual knowledgeable of the local community and the review of performance evaluations of other financial institutions operating within the assessment area indicate that local community development opportunities are reasonably available within the assessment area. The bank faces no constraints in providing community development loans, investments, or services consistent with its capacity and available opportunities.

The following community development activities were performed within the Harrisonburg-Staunton-Stuarts Draft, VA CSA assessment area during the evaluation period.

- Qualified Investments – 12 Virginia Community Development Corporation (VCDC) Housing Equity Fund affordable housing bonds totaling approximately \$6.1 million that benefit the statewide area, including this assessment area.
- Qualified Donations – 28 donations totaling \$49,260
- Community Development Services – five employees supported four different organizations.

METROPOLITAN AREAS
(Limited-scope review)

DESCRIPTION OF THE INSTITUTION’S OPERATIONS IN WINCHESTER, VA METROPOLITAN AREAS

The bank operates three branch offices and two ATMs that serve the Winchester, VA community. The assessment area includes Frederick County, VA and Winchester City, VA in their entirety and consists of one low-income, two moderate-, 14 middle- and eight upper-income census tracts. Based on 2020 ACS data, the assessment area has a population of 119,539, including 29,313 families. According to FDIC deposit data as of June 30, 2024, the bank ranked 9th out of 12 institutions in local deposit market share with 1.3% of all FDIC-insured deposits (excluding credit union deposits). The assessment area was reviewed using the limited review examination procedures. Additional information about this area is included in **Appendix C**.

The HUD estimated median family incomes for the MSA during the review period are detailed in the following table.

Median Family Income- FFIEC Est.	2023	2024
Winchester, VA (MSA)	\$99,900	\$110,000

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which did not impact the institution’s overall rating, are included in the following table. For each test, the conclusion conveys whether performance in the assessment area was generally below, consistent with, or exceeded the institution's full scope assessment area.

Assessment Area	Lending Test	Community Development Test
Winchester, VA Assessment Area	Consistent	Consistent

NONMETROPOLITAN STATEWIDE AREA
(Limited-scope review)

**DESCRIPTION OF THE INSTITUTION’S OPERATIONS IN SHENANDOAH, VA
 NONMETROPOLITAN AREAS**

The bank operates two branch offices with ATMs that serve the Shenandoah, VA community. The assessment area includes the entire County of Shenandoah, VA, and consists of zero low- and moderate-income census tracts, seven middle-, and four upper-income census tracts. Based on 2020 ACS data, the assessment area has a population of 44,186, including 11,437 families. According to FDIC deposit data as of June 30, 2024, the bank ranked third out of six institutions in local deposit market share with 18.5% of all FDIC-insured deposits (excluding credit union deposits). The assessment area was reviewed using the limited review examination procedures. Additional information about this area is included in **Appendix C**.

The HUD estimated median family incomes for the Non-MSA during the review period are detailed in the following table.

Median Family Income- FFIEC	2023	2024
Virginia Non-MSA	\$73,800	\$73,900

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which have not impacted the institution’s overall rating, are included in the following tables. For each test, the conclusion conveys whether performance in an assessment area was generally below, consistent with, or exceeded the institution's statewide ratings. Performance was consistent and at least reasonable for the assessment area. Because there were no low- or moderate-income census tracts, geographic distribution was not considered during this evaluation, as this assessment area contains insufficient volume to substantially effect overall performance.

Assessment Area	Lending Test	Community Development Test
Shenandoah, VA NonMSA Assessment Area	Consistent	Consistent

CRA APPENDIX A
SCOPE OF EXAMINATION

ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED¹	Other Information
Harrisonburg-Staunton-Stuarts Draft, VA CSA	Full-Scope	None	None
Winchester, VA MSA	Limited-Scope	None	None
Shenandoah, VA NonMSA	Limited-Scope	None	None

¹ There is a statutory requirement that the written evaluation of a multistate institution's performance must list the individual branches examined in each state.

CRA APPENDIX B

Loan, Branch, and Deposit Volume by Assessment Area

The following table includes the distribution of the bank’s loan, branch, and deposit volume by assessment area. Loan volume includes all loan types considered in the evaluation. Branch information is current as of the evaluation date, while deposit data includes all bank deposits and is current as of June 30, 2024.

Assessment Area	Loan Volume				Branches		Deposit Volume	
	#	%	\$ 000s	%	#	%	\$ 000s	%
Harrisonburg-Staunton-Stuarts Draft, VA CSA	618	83.2%	\$147,024	82.0%	11	68.8%	\$965,502	81.0%
Winchester, VA	39	5.2%	\$10,245	5.7%	3	18.8%	\$45,586	3.8%
Shenandoah County, VA NonMSA	86	11.6%	\$21,937	12.2%	2	12.5%	\$180,612	15.2%
Total	743		\$179,206		16		\$1,191,700	

CRA APPENDIX C

Limited-Scope Review Assessment Area Tables

**DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE WINCHESTER, VA
ASSESSMENT AREA**

This assessment area includes the County of Frederick and the City of Winchester. The bank operates three branches and two ATMs in the assessment area. The bank did not open, close any locations, or experience any significant change in the assessment area during the evaluation period.

2024 Winchester, VA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	4.0	613	2.1	149	24.3	4,848	16.5
Moderate	2	8.0	1,904	6.5	209	11.0	5,176	17.7
Middle	14	56.0	18,408	62.8	895	4.9	6,810	23.2
Upper	8	32.0	8,388	28.6	161	1.9	12,479	42.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	25	100.0	29,313	100.0	1,414	4.8	29,313	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,575	164	0.6	10.4	1,163	73.8	248	15.7
Moderate	3,473	1,751	5.9	50.4	1,392	40.1	330	9.5
Middle	29,103	18,373	61.8	63.1	8,097	27.8	2,633	9.0
Upper	12,646	9,418	31.7	74.5	2,405	19.0	823	6.5
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	46,797	29,706	100.0	63.5	13,057	27.9	4,034	8.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	276	5.2	247	5.0	27	7.5	2	3.3
Moderate	325	6.1	305	6.2	18	5.0	2	3.3
Middle	3,374	63.5	3,089	63.1	249	69.4	36	59.0
Upper	1,342	25.2	1,256	25.6	65	18.1	21	34.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	5,317	100.0	4,897	100.0	359	100.0	61	100.0
Percentage of Total Businesses:				92.1		6.8		1.1
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1	0.9	0	0.0	1	50.0	0	0.0
Moderate	4	3.8	4	3.8	0	0.0	0	0.0
Middle	65	61.3	64	61.5	1	50.0	0	0.0
Upper	36	34.0	36	34.6	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	106	100.0	104	100.0	2	100.0	0	0.0
Percentage of Total Farms:				98.1		1.9		0.0
<i>Source: 2024 FFIEC Census Data 2024 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>								
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

2023 Winchester, VA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	4.0	613	2.1	149	24.3	4,848	16.5
Moderate	2	8.0	1,904	6.5	209	11.0	5,176	17.7
Middle	14	56.0	18,408	62.8	895	4.9	6,810	23.2
Upper	8	32.0	8,388	28.6	161	1.9	12,479	42.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	25	100.0	29,313	100.0	1,414	4.8	29,313	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,575	164	0.6	10.4	1,163	73.8	248	15.7
Moderate	3,473	1,751	5.9	50.4	1,392	40.1	330	9.5
Middle	29,103	18,373	61.8	63.1	8,097	27.8	2,633	9.0
Upper	12,646	9,418	31.7	74.5	2,405	19.0	823	6.5
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	46,797	29,706	100.0	63.5	13,057	27.9	4,034	8.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	294	5.2	265	5.1	26	7.0	3	4.5
Moderate	346	6.1	322	6.2	22	5.9	2	3.0
Middle	3,507	62.1	3,212	61.6	257	69.1	38	57.6
Upper	1,502	26.6	1,412	27.1	67	18.0	23	34.8
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	5,649	100.0	5,211	100.0	372	100.0	66	100.0
Percentage of Total Businesses:				92.2		6.6		1.2
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1	0.9	0	0.0	1	50.0	0	0.0
Moderate	4	3.7	4	3.7	0	0.0	0	0.0
Middle	67	61.5	66	61.7	1	50.0	0	0.0
Upper	37	33.9	37	34.6	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	109	100.0	107	100.0	2	100.0	0	0.0
Percentage of Total Farms:				98.2		1.8		0.0
<i>Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>								
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

PERFORMANCE TEST DATA

Lending Test

Distribution of 2023 and 2024 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Winchester, VA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2023						2024						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#	\$ (000)	%	%	#	%	#	\$ (000)	%	%	
Home Purchase Loans													
Low	3	27.3	3.6	420	13.5	17	1	12.5	4.5	255	9.3	2.4	16.5
Moderate	3	27.3	14.7	609	19.6	10.8	0	0.0	15.9	0	0.0	12.4	17.7
Middle	0	0.0	21.2	0	0.0	20.0	2	25.0	20.4	670	24.4	19.5	23.2
Upper	5	45.5	34.5	2,076	66.9	41.1	5	62.5	30.5	1,823	66.3	36.1	42.6
Unknown	0	0.0	26.0	0	0.0	26.3	0	0.0	28.6	0	0.0	29.5	0.0
Total	11	100.0	100.0	3,105	100.0	100.0	8	100.0	100.0	2,748	100.0	100.0	100.0
Refinance Loans													
Low	1	16.7	11.4	149	8.5	6.0	0	0.0	11.9	0	0.0	6.3	16.5
Moderate	1	16.7	20.7	70	4.0	16.5	1	20.0	18.3	238	9.8	12.9	17.7
Middle	1	16.7	24.1	366	20.8	23.5	1	20.0	17.6	300	12.3	15.4	23.2
Upper	3	50.0	30.6	1,175	66.8	37.2	3	60.0	22.6	1,895	77.9	25.5	42.6
Unknown	0	0.0	13.3	0	0.0	16.8	0	0.0	29.6	0	0.0	39.9	0.0
Total	6	100.0	100.0	1,760	100.0	100.0	5	100.0	100.0	2,433	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	5.0	0	0.0	3.4	0	0.0	8.1	0	0.0	6.4	16.5
Moderate	0	0.0	16.4	0	0.0	10.7	0	0.0	17.2	0	0.0	12.5	17.7
Middle	0	0.0	27.0	0	0.0	29.0	0	0.0	25.9	0	0.0	23.8	23.2
Upper	1	100.0	45.6	50	100.0	52.3	0	0.0	39.1	0	0.0	48.6	42.6
Unknown	0	0.0	6.0	0	0.0	4.6	0	0.0	9.8	0	0.0	8.7	0.0
Total	1	100.0	100.0	50	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													
Low	4	22.2	5.5	569	11.6	2.5	1	7.7	6.4	255	4.9	3.2	16.5
Moderate	4	22.2	16.0	679	13.8	11.6	1	7.7	17.0	238	4.6	12.6	17.7
Middle	1	5.6	22.7	366	7.4	20.8	3	23.1	20.4	970	18.7	18.9	23.2
Upper	9	50.0	35.2	3,301	67.2	41.2	8	61.5	30.0	3,718	71.8	34.8	42.6
Unknown	0	0.0	20.7	0	0.0	23.9	0	0.0	26.2	0	0.0	30.4	0.0
Total	18	100.0	100.0	4,915	100.0	100.0	13	100.0	100.0	5,181	100.0	100.0	100.0

Source: 2024 FFIEC Census Data
 2016-2020 U.S. Census Bureau: American Community Survey
 Note: Percentages may not total 100.0 percent due to rounding.
 Multifamily loans are not included in the borrower distribution analysis.

Distribution of 2024 Motor Vehicle Lending By Borrower Income Level					
Assessment Area: Winchester, VA					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	\$(000)	\$%	
Low	4	50.0	46	30.9	18.3
Moderate	0	0.0	0	0.0	16.9
Middle	2	25.0	45	30.2	20.5
Upper	2	25.0	59	39.6	44.3
Unknown	0	0.0	0	0.0	1.3
Total	8	100.0	149	100.0	100.0

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

Distribution of 2023 and 2024 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Winchester, VA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2023						2024						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	%	\$%	#	%	%	\$(000)	%	\$%	
Home Purchase Loans													
Low	6	54.5	19	971	313	14	0	0.0	13	0	0.0	0.9	0.6
Moderate	0	0.0	5.2	0	0.0	3.8	0	0.0	3.8	0	0.0	2.8	5.9
Middle	4	36.4	615	1,607	518	60.1	7	87.5	60.1	2,307	84.0	59.5	61.8
Upper	1	9.1	313	527	17.0	34.7	1	12.5	34.9	441	16.0	36.9	31.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	11	100.0	100.0	3,105	100.0	100.0	8	100.0	100.0	2,748	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	15	0	0.0	12	0	0.0	2.2	0	0.0	2.0	0.6
Moderate	0	0.0	7.2	0	0.0	5.2	0	0.0	4.3	0	0.0	3.4	5.9
Middle	5	83.3	614	1,405	79.8	62.5	4	80.0	614	2,133	87.7	614	61.8
Upper	1	16.7	29.8	355	20.2	31.0	1	20.0	32.1	300	12.3	33.3	31.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	6	100.0	100.0	1,760	100.0	100.0	5	100.0	100.0	2,433	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.6
Moderate	0	0.0	5.0	0	0.0	4.5	0	0.0	4.4	0	0.0	2.6	5.9
Middle	1	100.0	62.6	50	100.0	60.3	0	0.0	62.3	0	0.0	63.8	61.8
Upper	0	0.0	32.4	0	0.0	35.2	0	0.0	33.3	0	0.0	33.6	31.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	1	100.0	100.0	50	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	6.1
Moderate	0	0.0	11.1	0	0.0	11	0	0.0	33.3	0	0.0	12.2	8.2
Middle	0	0.0	55.6	0	0.0	815	0	0.0	44.4	0	0.0	77.0	71.6
Upper	0	0.0	22.2	0	0.0	4.6	0	0.0	22.2	0	0.0	10.9	14.1
Unknown	0	0.0	11.1	0	0.0	12.8	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	6	33.3	17	971	19.8	13	0	0.0	13	0	0.0	10	0.6
Moderate	0	0.0	5.6	0	0.0	3.9	0	0.0	4.2	0	0.0	3.1	5.9
Middle	10	55.6	613	3,062	62.3	61.2	11	84.6	60.1	4,440	85.7	60.2	61.8
Upper	2	11.1	314	882	17.9	33.1	2	15.4	34.4	741	14.3	35.7	31.7
Unknown	0	0.0	0.0	0	0.0	0.5	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	18	100.0	100.0	4,915	100.0	100.0	13	100.0	100.0	5,181	100.0	100.0	100.0

Sources: 2024 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Distribution of 2024 Motor Vehicle Lending By Income Level of Geography					
Assessment Area: Winchester, VA					
Geographic Income Level	Bank Loans				Households %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	3.1
Moderate	1	12.5	8	5.4	7.3
Middle	4	50.0	99	66.4	61.9
Upper	3	37.5	43	28.9	27.6
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	8	100.0	149	100.0	100.0

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

Community Development Test

The bank participated in the following community development activities within this assessment area during the evaluation period.

- Community Development Loans – none
- Qualified Investments – 12 Virginia Community Development Corporation (VCDC) Housing Equity Fund affordable housing bonds totaling \$6,141,549 that benefit the statewide area, including this assessment area.
- Qualified Donations – two donations totaling \$7,750
- Community Development Services – one employee supported one affordable housing organization utilizing their expertise.

Limited-Scope Review Assessment Area Tables

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE SHENANDOAH, VA ASSESSMENT AREA

This assessment area includes the County of Shenandoah, VA. The bank operates two branches and two ATMs in the assessment area. The bank did not open or close any locations in the assessment area during the evaluation period.

2024 Shenandoah County, VA NonMSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,924	16.8
Moderate	0	0.0	0	0.0	0	0.0	2,076	18.2
Middle	7	63.6	8,011	70.0	765	9.5	2,315	20.2
Upper	4	36.4	3,426	30.0	165	4.8	5,122	44.8
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
T total AA	11	100.0	11,437	100.0	930	8.1	11,437	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	13,663	7,919	64.8	58.0	4,484	32.8	1,260	9.2
Upper	7,600	4,300	35.2	56.6	838	11.0	2,462	32.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
T total AA	21,263	12,219	100.0	57.5	5,322	25.0	3,722	17.5
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	1,478	72.4	1,395	72.5	62	70.5	21	72.4
Upper	564	27.6	530	27.5	26	29.5	8	27.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
T total AA	2,042	100.0	1,925	100.0	88	100.0	29	100.0
Percentage of Total Businesses:				94.3		4.3		1.4
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	111	65.7	110	65.5	1	100.0	0	0.0
Upper	58	34.3	58	34.5	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
T total AA	169	100.0	168	100.0	1	100.0	0	0.0
Percentage of Total Farms:				99.4		0.6		0.0

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

2023 Shenandoah County, VA NonMSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,910	16.7
Moderate	0	0.0	0	0.0	0	0.0	2,068	18.1
Middle	7	63.6	8,011	70.0	765	9.5	2,307	20.2
Upper	4	36.4	3,426	30.0	165	4.8	5,152	45.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
T total AA	11	100.0	11,437	100.0	930	8.1	11,437	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	13,663	7,919	64.8	58.0	4,484	32.8	1,260	9.2
Upper	7,600	4,300	35.2	56.6	838	11.0	2,462	32.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
T total AA	21,263	12,219	100.0	57.5	5,322	25.0	3,722	17.5
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	1,598	72.8	1,512	73.0	64	69.6	22	68.8
Upper	597	27.2	559	27.0	28	30.4	10	31.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
T total AA	2,195	100.0	2,071	100.0	92	100.0	32	100.0
Percentage of Total Businesses:				94.4		4.2		1.5
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	119	65.4	118	65.2	1	100.0	0	0.0
Upper	63	34.6	63	34.8	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
T total AA	182	100.0	181	100.0	1	100.0	0	0.0
Percentage of Total Farms:				99.5		0.5		0.0
<i>Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>								
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

PERFORMANCE TEST DATA

Lending Test

Distribution of 2023 and 2024 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Shenandoah County, VA NonMSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2023						2024						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#	\$(000)	\$%	\$%	#	%	#	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	13	0	0.0	0.7	0	0.0	17	0	0.0	0.8	16.8
Moderate	4	25.0	119	475	112	8.0	5	417	9.6	894	32.4	6.2	18.2
Middle	2	12.5	212	476	112	18.5	4	333	16.7	960	34.8	14.2	20.2
Upper	10	62.5	39.8	3,304	77.6	45.7	3	25.0	44.6	906	32.8	49.8	44.8
Unknown	0	0.0	25.8	0	0.0	27.0	0	0.0	27.5	0	0.0	28.9	0.0
Total	16	100.0	100.0	4,255	100.0	100.0	12	100.0	100.0	2,760	100.0	100.0	100.0
Refinance Loans													
Low	2	8.7	8.5	195	2.2	3.7	0	0.0	3.9	0	0.0	15	16.8
Moderate	1	4.3	19.0	217	2.5	11.8	1	6.7	14.6	89	16	9.4	18.2
Middle	2	8.7	19.0	525	5.9	16.8	1	6.7	18.3	247	4.5	14.7	20.2
Upper	17	73.9	38.3	7,353	83.1	48.5	13	86.7	35.8	5,210	93.9	39.1	44.8
Unknown	1	4.3	15.3	560	6.3	19.1	0	0.0	27.3	0	0.0	35.3	0.0
Total	23	100.0	100.0	8,850	100.0	100.0	15	100.0	100.0	5,546	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	2.7	0	0.0	1.8	0	0.0	6.3	0	0.0	3.5	16.8
Moderate	0	0.0	14.4	0	0.0	7.8	0	0.0	10.6	0	0.0	6.4	18.2
Middle	0	0.0	29.7	0	0.0	26.4	0	0.0	24.6	0	0.0	17.9	20.2
Upper	3	100.0	52.3	255	100.0	63.8	0	0.0	52.8	0	0.0	66.1	44.8
Unknown	0	0.0	0.9	0	0.0	0.3	0	0.0	5.6	0	0.0	6.1	0.0
Total	3	100.0	100.0	255	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													
Low	2	4.8	3.6	195	15	1.5	0	0.0	2.9	0	0.0	1.1	16.8
Moderate	5	11.9	14.1	692	5.2	8.9	6	22.2	11.4	983	11.8	7.2	18.2
Middle	4	9.5	21.4	1001	7.5	18.2	5	18.5	18.8	1207	14.5	15.0	20.2
Upper	30	71.4	41.4	10,912	81.7	47.4	16	59.3	42.9	6,116	73.6	47.6	44.8
Unknown	1	2.4	19.5	560	4.2	24.0	0	0.0	24.0	0	0.0	29.1	0.0
Total	42	100.0	100.0	13,360	100.0	100.0	27	100.0	100.0	8,306	100.0	100.0	100.0

Source: 2024 FFIEC Census Data
 2016-2020 U.S. Census Bureau: American Community Survey
 Note: Percentages may not total 100.0 percent due to rounding.
 Multifamily loans are not included in the borrower distribution analysis.

Distribution of 2024 Motor Vehicle Lending By Borrower Income Level					
Assessment Area: Shenandoah County, VA NonMSA					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	\$(000)	\$%	
Low	6	35.3	72	26.6	19.5
Moderate	7	41.2	134	49.4	13.1
Middle	4	23.5	65	24.0	18.4
Upper	0	0.0	0	0.0	49.0
Unknown	0	0.0	0	0.0	0.0
Total	17	100.0	271	100.0	100.0

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

Distribution of 2023 and 2024 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Shenandoah County, VA NonMSA													
Geographic Income Level	Bank And Aggregate Loans By Year											Owner Occupied Units %	
	2023						2024						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	%	\$%	#	%	%	\$(000)	%		\$%
Home Purchase Loans													
Low	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	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	10	62.5	68.5	2,492	58.6	67.7	11	91.7	66.6	2,495	90.4	63.3	64.8
Upper	6	37.5	31.5	1,763	41.4	32.3	1	8.3	33.4	265	9.6	36.7	35.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	16	100.0	100.0	4,255	100.0	100.0	12	100.0	100.0	2,760	100.0	100.0	100.0
Refinance Loans													
Low	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	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	13	56.5	64.9	4,947	55.9	63.4	10	66.7	66.5	3,695	66.6	67.2	64.8
Upper	10	43.5	35.1	3,903	44.1	36.6	5	33.3	33.5	1,851	33.4	32.8	35.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	23	100.0	100.0	8,850	100.0	100.0	15	100.0	100.0	5,546	100.0	100.0	100.0
Home Improvement Loans													
Low	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	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	0	0.0	66.7	0	0.0	57.3	0	0.0	64.1	0	0.0	57.4	64.8
Upper	3	100.0	33.3	255	100.0	42.7	0	0.0	35.9	0	0.0	42.6	35.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	3	100.0	100.0	255	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans												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
Moderate	0	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	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	90.8
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	9.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans												Owner Occupied Units %	
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Middle	23	54.8	67.9	7,439	55.7	66.6	21	77.8	66.6	6,190	74.5	65.2	64.8
Upper	19	45.2	32.1	5,921	44.3	33.4	6	22.2	33.4	2,116	25.5	34.8	35.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	42	100.0	100.0	13,360	100.0	100.0	27	100.0	100.0	8,306	100.0	100.0	100.0

Sources: 2024 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

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Community Development Test

The bank participated in the following community development activities within this assessment area during the evaluation period.

- Community Development Loans – none
- Qualified Investments – 12 Virginia Community Development Corporation (VCDC) Housing Equity Fund affordable housing bonds totaling \$6,141,549 that benefit the statewide area, including this assessment area.
- Qualified Donations – one donation totaling \$350
- Community Development Services – none

CRA APPENDIX D

GLOSSARY

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

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All Agencies have adopted the following language. Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation 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, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, 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 non-relatives 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 and Community Development 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).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-scope review: Performance under the Lending and Community Development 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 metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

Multifamily: Refers to a residential structure that contains five or more units.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

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

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

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

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