PUBLIC DISCLOSURE

January 29, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Pleasants County Bank

St. Marys, West Virginia

Federal Reserve Bank of Richmond
Richmond, Virginia

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8631

215 Washington Street

Saint Marys, West Virginia 26170

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P. O. Box 27622
Richmond, Virginia 23261

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

The major factors supporting this rating include:

- The institution's loan-to-deposit ratio is considered reasonable considering the bank's size, financial condition, and demand for credit needs of its assessment area.
- A majority of the institution's residential mortgage and consumer motor vehicle loans considered in the evaluation were originated to borrowers inside the banking institution's assessment area.
- Borrower distribution performance reflects a reasonable penetration among low and moderate-income borrowers.
- Geographic distribution performance (lending in census tracts having different income levels) was not evaluated as the assessment area was comprised entirely of middle-income census tracts during 2021 and upper-income census tracts during 2022.
- The institution has not received any complaints regarding its Community Reinvestment Act (CRA) performance since the previous evaluation.

SCOPE OF EXAMINATION

Pleasants County Bank (PCB) was evaluated using the interagency examination procedures for small institutions developed by the Federal Financial Institutions Examination Council (FFIEC). Consistent with these procedures and based upon recent loans originated by the institution, residential mortgage and consumer motor vehicle loans were identified as primary credit products for the bank. The analysis was based on the entire universe of loans, during 2021 and 2022, that included 73 residential real estate loans totaling $9.8 million and 141 consumer motor vehicle loans totaling $2.4 million.

DESCRIPTION OF INSTITUTION

PCB is headquartered in Saint Marys, West Virginia (WV), which is located in the northwestern portion of the state, and operates two full-service branches. The bank is a wholly-owned subsidiary of Pleasants County Bankshares, Inc., a single bank holding company also located in Saint Marys, WV. PCB received a Satisfactory rating at its prior CRA evaluation dated May 13, 2019. No known legal impediments exist that would constrain the bank in meeting the credit needs of its assessment area.

As of December 31, 2023, PCB held $75.4 million in assets, of which 49.8% were net loans and 25.8% were securities. During that same time period, deposits totaled $68.5 million. Various deposit and loan products are available through the institution, including loans for residential real estate, business, and consumer purposes. The composition of the loan portfolio (reflecting gross loans) is represented in the following table:

Composition of Loan Portfolio

Loan Type	12/31/2023	
	$(000s)	%
Secured by 1-4 Family dwellings	20,301	53.5
Multifamily	0	0.0
Construction and Development	1,320	3.5
Commercial & Industrial/ NonFarm NonResidential	12,483	32.9
Consumer Loans and Credit Cards	2,604	6.9
Agricultural Loans/ Farmland	284	0.7
All Other	927	2.4
Total	***37,919***	***100.0***

As indicated in the preceding table, loans secured by 1-4 family dwellings, commercial and industrial, and consumer lending represented the largest proportions of the bank's loan portfolio. While commercial and industrial loans comprise the second largest portion of the loan portfolio, by dollar volume, the actual number of commercial and industrial loans is relatively small in comparison to the number of recently originated consumer loans. Accordingly, consumer motor vehicle loans and residential real estate loans were considered in the evaluation.

In April 2020, the Small Business Administration (SBA) created the Paycheck Protection Program (PPP). This program was designed to allow workforces to remain employed and promote economic stability during the coronavirus (COVID-19) pandemic. While banks were not required to participate in the SBA's PPP lending program, PCB was a participant and originated 40 PPP loans totaling approximately $3.5 million. PCB's origination of PPP loans is an example of the bank being responsive to area credit needs.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN PLEASANTS COUNTY, WV NONMSA ASSESSMENT AREA

PCB delineates all of Pleasants County, WV and operates two branch offices within the assessment area. As of June 30, 2022, the bank ranked second out of two institutions in local deposit market share with 47.7% of the assessment area's available Federal Deposit Insurance Corporation (FDIC) insured deposits (excluding credit union deposits).

According to ACS data from both 2015 and 2020, the assessment area has only experienced slight changes from a demographic perspective. 2020 ACS indicates an assessment area population of 7,653 and a median housing value of $110,512. Within the assessment area, the owner-occupancy rate equals 69.5%, which is higher than the rates for the nonmetropolitan areas of West Virginia (58.7%) and for the State of WV (60.5%). Additionally, 6.6% of families within the assessment area are considered below the poverty level, which is lower than the nonmetropolitan areas of WV(13.9%) and the rate for the State of WV (12.3%). The HUD estimated median family income for the NonMSA areas of West Virginia during 2021 and 2022 equaled $54,600 and $59,300, respectively. The following tables include pertinent demographic data for the assessment area in 2021 and 2022.

2021 Pleasants County, WV 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	356	17.0
Moderate	0	0.0	0	0.0	0	0.0	351	16.8
Middle	2	100.0	2,090	100.0	281	13.4	419	20.0
Upper	0	0.0	0	0.0	0	0.0	964	46.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**2**	**100.0**	**2,090**	**100.0**	**281**	**13.4**	**2,090**	**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	3,382	2,407	100.0	71.2	486	14.4	489	14.5
Upper	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
Total AA	**3,382**	**2,407**	**100.0**	**71.2**	**486**	**14.4**	**489**	**14.5**
	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	191	100.0	168	100.0	18	100.0	5	100.0
Upper	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
Total AA	**191**	**100.0**	**168**	**100.0**	**18**	**100.0**	**5**	**100.0**
Percentage of Total Businesses:				**88.0**		**9.4**		**2.6**
	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	9	100.0	9	100.0	0	0.0	0	0.0
Upper	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
Total AA	**9**	**100.0**	**9**	**100.0**	**0**	**0.0**	**0**	**0.0**
Percentage of Total Farms:				**100.0**		**0.0**		**0.0**

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

2022 Pleasants County, WV 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	320	16.1
Moderate	0	0.0	0	0.0	0	0.0	284	14.3
Middle	0	0.0	0	0.0	0	0.0	336	16.9
Upper	2	100.0	1,991	100.0	131	6.6	1,051	52.8
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**2**	**100.0**	**1,991**	**100.0**	**131**	**6.6**	**1,991**	**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	0	0	0.0	0.0	0	0.0	0	0.0
Upper	3,406	2,367	100.0	69.5	455	13.4	584	17.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	**3,406**	**2,367**	**100.0**	**69.5**	**455**	**13.4**	**584**	**17.1**
	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	0	0.0	0	0.0	0	0.0	0	0.0
Upper	192	100.0	170	100.0	18	100.0	4	100.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**192**	**100.0**	**170**	**100.0**	**18**	**100.0**	**4**	**100.0**
Percentage of Total Businesses:				**88.5**		**9.4**		**2.1**
	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	0	0.0	0	0.0	0	0.0	0	0.0
Upper	9	100.0	9	100.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**9**	**100.0**	**9**	**100.0**	**0**	**0.0**	**0**	**0.0**
Percentage of Total Farms:				**100.0**		**0.0**		**0.0**

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

One of the biggest changes for the assessment area from 2021 to 2022 was the shift in census tract income designation. Based on data published by the FFIEC in 2021, both Pleasants County middle-income census tracts were designated as distressed and underserved. Distressed census tracts are those that meet on or more of the following triggers: high unemployment, high poverty, or population loss. Underserved census tracts are typically located in rural communities that may lack certain community services/infrastructure and are also distant from more urban population centers. In 2022, the census tracts were re-designated by the FFIEC, as upper-income and are no longer considered distressed or underserved.

The local economy is based on manufacturing and retail trade. Major employers include, Pleasants County Board of Education, Simonton Industries, inc., and Cytec Industries, Inc. As indicated in the following table, area unemployment rates have returned to pre-pandemic levels, mirroring what is happening statewide.

Pleasants County, WV NonMSA - Annual Average Unemployment Rates					
Area	**2017**	**2018**	**2019**	**2020**	**2021**
Pleasants County, WV	7.1%	6.1%	6.9%	10.9%	7.2%
NonMSA West Virginia	6.0%	5.8%	5.8%	9.0%	5.6%
West Virginia	5.2%	5.2%	4.9%	8.2%	5.0%
Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics					

A local housing official, knowledgeable of the local market, was contacted during the evaluation to discuss local economic conditions and community credit needs. The contact stated that the local community would benefit from more affordable housing units and greater access to financing with special programs for low-income individuals. The contact also indicated that investment from local financial institutions would support social services for low-income individuals. While acknowledging these opportunities, the contact indicated that local financial institutions are reasonably meeting the banking needs of the local community.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

When evaluating the bank's performance, relevant area demographic data from the 2015 and 2020 American Community Survey (ACS) is used as a proxy for demand for residential real estate and consumer motor vehicle loans. 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.

Aggregate loan data is also used as a proxy for demand when evaluating the bank's residential real estate lending performance. The aggregate data includes all activity reported by lenders subject to reporting HMDA data within the bank's assessment areas. Because the bank does not report HMDA loan data, PCB's real estate loans are not included in the aggregate HMDA data.

The borrower and geographic distribution performance of HMDA loans focused on performance for Home Purchase, Home Improvement, Refinancing, and Multi-family loan categories. Performance for the Not Applicable, Other Closed, and Other Line of Credit loan categories was not evaluated because not all HMDA reporters are required to report each loan category, or the category contains relatively few loans overall.

When evaluating the borrower distribution for a specific loan category within an assessment area, primary emphasis is placed on the number (and corresponding percentage) of loans originated. To arrive at an overall assessment area level conclusion regarding the distribution of lending, performance in each loan category is then weighted by the dollar volume of such loans in the assessment area. PCB originated $2.3 million and $1.6 million in residential real estate loans in the assessment area in 2021 and 2022, respectively. Additionally, the bank originated approximately $1.2 million and $370,000 in consumer motor vehicle loans, within the assessment area during 2021 and 2022, respectively. Given the larger dollar amount of residential real estate loans within the assessment area, loan performance for this product is given a greater weight when considering the bank's combined product performance.

Overall, the bank's rating is Satisfactory. This rating considers the bank's loan-to-deposit ratio, level of lending in its assessment area, and borrower distribution performance. The geographic distribution of lending was not evaluated as all census tracts within the bank's assessment area were designated as upper-income tracts in 2022 and they were all considered middle-income tracts in 2021. Each of these components is discussed in the following sections.

Loan-To-Deposit Ratio

The bank's loan-to-deposit as of December 31, 2023 equaled 54.8% and averaged 58.9% for the 19-quarter period ending December 31, 2023. A peer bank operating in a similar area to PCB had a quarterly average loan-to-deposit ratio that ranged from 39.4% to 51.3% with an average of 44.8% during the same period. Since June 30, 2019, the bank's assets, net loans and deposits have increased by 15.7%, 6.6% and 19.7% respectively. The bank's loan-to-deposit ratio is considered reasonable given the institution's size, financial condition, and local credit needs.

Lending In Assessment Area

To determine the institution's volume of lending within its assessment area, the geographic location of the bank's recently originated residential real estate and consumer motor vehicle loans was considered. The lending distribution inside and outside of the bank's assessment area is represented in the following table.

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

Loan Type	Inside				Outside			
	#	%	$(000)	%	#	%	$(000)	%
Home Purchase	15	46.9	1,874	36.7	17	53.1	3,227	63.3
Home Improvement	5	83.3	371	94.6	1	16.7	21	5.4
Refinancing	14	40.0	1,655	38.3	21	60.0	2,668	61.7
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	0	0.0	0	0.0	0	0.0	0	0.0
Other Purpose LOC	0	0.0	0	0.0	0	0.0	0	0.0
Total HMDA related	**34**	**46.6**	**3,900**	**39.7**	**39**	**53.4**	**5,916**	**60.3**
Consumer Loans	95	67.4	1,589	66.3	46	32.6	809	33.7
TOTAL LOANS	**129**	**60.3**	**5,489**	**44.9**	**85**	**39.7**	**6,725**	**55.1**

Overall, the institution's level of lending within the assessment area is considered responsive to community credit needs. While a majority of the total number of loans (60.3%) was extended within the assessment area, less than a majority (44.9%) of the total dollar amount was originated in the assessment area. These percentages are primarily affected by the number (53.4%) and the dollar volume (60.3%) of the residential real estate loans extended outside of Pleasants County.

PCB's branch locations have somewhat of an effect on its ability to compete for real estate loans. The bank is adjacent to Washington County, Ohio (NonMSA county) to the north and Wood County, WV to the west, which is part of the Parkersburg-Vienna WV MSA. The median housing values in Wood and Washington counties both exceed that of Pleasants County. Additionally, both Washington and Wood counties have larger populations and contain more housing units than Pleasants County. According to 2020 ACS, the median housing value (MHV) of Wood and Washington counties are $126,300 and $142,051, respectively and the number of housing units are 40,288 and 28,247, respectively. While the bank extends some loans in both Wood and Washington counties, it cannot extend its assessment area delineation to include either area because they are located in a separate MSA or state.

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

PCB's borrower distribution is considered reasonable when considering the relative performance and dollar volume of each lending product during the years analyzed. The distribution of residential real estate lending is considered poor and the distribution of consumer motor vehicle lending is considered excellent. Real estate lending performance carries the most weight, as it accounts for $3.9 million, compared to consumer motor vehicle lending, which accounts for $1.6 million.

The borrower distribution of residential real estate lending is considered poor overall. The performance for home purchase and refinance lending are both considered poor overall and home improvement lending was considered reasonable overall. In reaching the overall conclusion, home purchase and refinance lending were given equal weight, as they were both similar products by number and dollar volume, across the two years. Home improvement lending carried less weight given its smaller volume by number, dollar, and year.

Distribution of 2021 and 2022 Mortgage Lending By Borrower Income Level
Assessment Area: Pleasants County, WV NonMSA

Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans													
Low	0	0.0	4.6	0	0.0	1.5	1	16.7	7.9	43	8.7	3.8	16.1
Moderate	0	0.0	26.2	0	0.0	20.6	1	16.7	17.5	22	4.5	12.5	14.3
Middle	3	33.3	35.4	399	28.9	31.2	2	33.3	11.1	173	35.3	11.7	16.9
Upper	5	55.6	30.8	884	63.9	41.4	2	33.3	41.3	252	51.5	48.0	52.8
Unknown	1	11.1	3.1	100	7.2	5.3	0	0.0	22.2	0	0.0	24.0	0.0
Total	9	100.0	100.0	1,383	100.0	100.0	6	100.0	100.0	490	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	4.7	0	0.0	1.8	0	0.0	5.0	0	0.0	2.5	16.1
Moderate	0	0.0	3.1	0	0.0	1.2	1	12.5	15.0	106	9.8	8.2	14.3
Middle	1	16.7	17.2	35	6.0	14.5	3	37.5	30.0	292	27.1	26.7	16.9
Upper	4	66.7	51.6	455	78.8	57.5	4	50.0	40.0	679	63.1	49.1	52.8
Unknown	1	16.7	23.4	88	15.2	25.0	0	0.0	10.0	0	0.0	13.5	0.0
Total	6	100.0	100.0	578	100.0	100.0	8	100.0	100.0	1,076	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	16.1
Moderate	1	20.0	25.0	78	21.0	14.3	0	0.0	0.0	0	0.0	0.0	14.3
Middle	2	40.0	25.0	86	23.3	40.7	0	0.0	33.3	0	0.0	5.5	16.9
Upper	2	40.0	25.0	207	55.9	35.7	0	0.0	66.7	0	0.0	94.5	52.8
Unknown	0	0.0	25.0	0	0.0	9.3	0	0.0	0.0	0	0.0	0.0	0.0
Total	5	100.0	100.0	370	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Mortgage Loans													
Low	0	0.0	4.4	0	0.0	1.6	1	7.1	7.6	43	2.7	3.5	16.1
Moderate	1	5.0	14.6	78	3.3	10.4	2	14.3	15.2	128	8.2	10.8	14.3
Middle	6	30.0	25.5	520	22.3	22.3	5	35.7	18.5	465	29.7	16.9	16.9
Upper	11	55.0	41.6	1,546	66.3	50.0	6	42.9	39.1	931	59.4	47.2	52.8
Unknown	2	10.0	13.9	188	8.1	15.7	0	0.0	19.6	0	0.0	21.6	0.0
Total	20	100.0	100.0	2,332	100.0	100.0	14	100.0	100.0	1,566	100.0	100.0	100.0

Source: *2022 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

Overall, PCB's home purchase lending is considered poor. In reaching this conclusion, greater weight was given to the 2021 data as it had more dollar volume.

In 2022, PCB's home purchase lending to low-income borrowers (16.7%) was significantly above the aggregate (7.9%) and was similar to the percentage of low-income families (16.1%). Bank lending to moderate-income borrowers (16.7%) slightly lagged the aggregate lending level (17.5%) but exceeded the percentage of moderate-income families (14.3%). Overall, the bank's 2022 home purchase lending is considered excellent.

In 2021, PCB's home purchase lending to low-income borrowers (0%) was significantly below both the aggregate lending level (4.6%) and the percentage of low-income families (17%). Similarly, the bank's lending to moderate-income borrowers (0%) was significantly below both the aggregate lending level (26.2%) and the percentage of moderate-income families (16.8%). Overall, the bank's 2021 home purchase lending is considered very poor.

Refinance

PCB's refinance lending is considered poor overall. When reaching this conclusion, greater weight was given to the 2022 data as the dollar volume was larger than in 2021.

In 2022, low-income borrowers represented (0%) of the refinances originated by PCB. This was significantly below both the aggregate (5%) and the percentage of low-income families (16.1%). Bank refinance lending to moderate-income borrowers (12.5%) was below both the aggregate (15%) and the percentage of moderate-income families (14.3%). Overall, the bank's 2022 refinance lending is considered poor.

In 2021, the bank's refinance lending to low-income borrowers (0%) was significantly below the aggregate (4.7%) and low-income families (17%). Similarly, the bank's refinance lending to moderate-income borrowers (0%) was significantly below both the aggregate (3.1%) and the percentage of moderate-income families (16.8%). Overall, the bank's 2021 refinance lending is considered very poor.

Home Improvement

PCB's home improvement lending is considered reasonable overall. In reaching this conclusion greater weight was given to the 2021 data, as the bank did not extend any home improvement loans during 2022.

In 2022, neither PCB nor aggregate lenders extended any home improvement loans to low- or moderate-income borrowers and is considered reasonable.

In 2021, neither the bank nor aggregate lenders extended home improvement loans to low-income borrowers. PCB's home improvement lending to moderate-income borrowers (20.0%) was below the aggregate (25%) but above the percentage of moderate-income families (16.8%). Overall, PCB's 2021 home improvement lending is considered reasonable.

Distribution of 2021 Motor Vehicle Lending By Borrower Income Level Assessment Area: Pleasants County, WV NonMSA					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	$(000)	$%	
Low	13	19.4	103	8.5	17.6
Moderate	13	19.4	263	21.6	13.8
Middle	21	31.3	311	25.5	20.0
Upper	19	28.4	521	42.8	48.5
Unknown	1	1.5	20	1.6	0.0
Total	67	100.0	1,218	100.0	100.0

Source: 2021 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2022 Motor Vehicle Lending By Borrower Income Level Assessment Area: Pleasants County, WV NonMSA					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	$(000)	$%	
Low	11	39.3	83	22.4	15.0
Moderate	6	21.4	43	11.6	18.8
Middle	3	10.7	42	11.4	12.8
Upper	7	25.0	179	48.4	53.4
Unknown	1	3.6	24	6.5	0.0
Total	28	100.0	370	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

PCB's level of consumer motor vehicle lending in 2021 to low-income borrowers (19.4%) exceeded the percentage of low-income households (17.6%) in the assessment area. Additionally, bank lending to moderate-income borrowers (19.4%), in the same year, exceeded the percentage of moderate-income households (13.8%) in the assessment area. The bank's performance in 2021 is considered excellent.

During 2022, the banks low-income borrower lending (39.3%) exceeded the percentage of low-income households (15%). Lending to moderate-income borrowers (21.4%) also exceeded the percentage of moderate-income households (18.8). Lending performance during 2022 is considered excellent. When considering PCB's performance over the two years, consumer motor vehicle lending is considered excellent overall.

Geographic Distribution of Loans

As mentioned previously, the bank's assessment area consists entirely of either middle or upper-income geographies, depending on the year, and an assessment of the bank's geographic distribution performance was not preformed.

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.

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. bCensus 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 Test (and if applicable, consideration of investments and services) 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 Test (and if applicable, consideration of investments and services) 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.