PUBLIC DISCLOSURE

August 20, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

OakStar Bank
RSSD #3374412

1020 East Battlefield Road
Springfield, MO 65807

Federal Reserve Bank of St. Louis

P.O. Box 442
St. Louis, Missouri 63166-0442

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

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

The Lending Test is rated: Satisfactory
The Community Development Test is rated: Outstanding

OakStar Bank meets the criteria for a Satisfactory rating based on the evaluation of the bank's lending and community development activities. The factors supporting the institution's rating include:

- The loan-to-deposit (LTD) ratio is more than reasonable given the institution's size, financial condition, and credit needs of the assessment areas.
- A majority of loans and other lending-related activities are in the assessment areas.
- Distribution of loans to borrowers reflects reasonable penetration among individuals of different income levels (including low- and moderate-income [LMI]) and businesses of different revenue sizes.
- Geographic distribution of loans reflects a reasonable dispersion throughout the assessment areas.
- There were no CRA-related complaints filed against the bank since the previous CRA evaluation.
- The bank's overall community development performance demonstrates excellent responsiveness to the community development needs of its assessment areas, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas. The bank has responded to these needs through community development loans, qualified investments, and community development services.

SCOPE OF EXAMINATION

The bank's CRA performance was reviewed using the Federal Financial Institutions Examination Council's (FFIEC) intermediate small bank procedures. The intermediate small bank examination procedures entail two performance tests: the Lending Test and the Community Development Test. Bank performance under these tests is rated at the institution level. The bank maintains operations in two delineated assessment areas in the state of Missouri.

The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each assessment area completed as part of this evaluation. Deposit information in the following table and deposit information throughout this evaluation is taken from the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report data as of June 30, 2017.

Assessment Area	Offices		Deposits as of 6/30/17		Assessment Area Reviews		
	#	%	$ (000s)	%	Full Scope	Limited Scope	TOTAL
Springfield	5	38.5%	$503,962	87.2%	1	0	**1**
Nonmetropolitan Statistical Area (NonMSA) Missouri	8	61.5%	$74,050	12.8%	1	0	**1**
OVERALL	**13**	**100%**	**$578,012**	**100%**	**2**	**0**	**2**

In light of loan and deposit activity, CRA performance in the Springfield assessment area was given primary consideration, as it contains the majority of the bank's loan and deposit activity.

Furthermore, residential real estate, small business, and consumer motor vehicle loans were used to evaluate the bank's lending performance, as these loan categories are considered the bank's core business lines based on lending volume and the bank's stated business strategy.[1] Therefore, the loan activity represented by these credit products is deemed indicative of the bank's overall lending performance. However, as the bank has a particular emphasis on home mortgage lending, performance based on the Home Mortgage Disclosure Act (HMDA) loans carried the most significance toward the overall performance conclusions followed by small business lending. The following table details the performance criterion and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	December 31, 2013 – June 30, 2018
Assessment Area Concentration	January 1, 2017 – December 31, 2017
Loan Distribution by Borrower's Profile	January 1, 2017 – December 31, 2017
Geographic Distribution of Loans	January 1, 2017 – December 31, 2017
Response to Written CRA Complaints	November 4, 2013 – August 19, 2018
Community Development Activities	November 4, 2013 – August 19, 2018

Lending Test analyses often entail comparisons of bank performance to assessment area demographics and the performance of other lenders, based on HMDA and CRA aggregate lending data. Unless otherwise noted, assessment area demographics are based on the 2017 FFIEC Census File; certain business demographics are based on 2017 Dun & Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data because it is expected to describe many factors impacting lenders in an assessment area. Aggregate lending datasets are also updated annually and are therefore expected to predict more relevant comparisons. In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating in the same general region. Three other banks were

[1] Small business and consumer motor vehicle loan types were sampled for this review according to CA Letter 01-8, "CRA Sampling Procedures."

identified as similarly situated peers, with asset sizes ranging from $624.7 million to $959.4 million as of June 30, 2018.

As part of the Community Development Test, the bank's performance was evaluated using the following criteria, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas.

- The number and dollar amount of community development loans.
- The number and dollar amount of qualified investments and grants.
- The extent to which the bank provides community development services.

The review included community development activities initiated from the date of the bank's previous CRA evaluation to this review date. In addition, investments made prior to the date of the previous CRA evaluation, but still outstanding as of this review date, were also considered.

To augment this evaluation, two community contact interviews were conducted with members of the local community to ascertain specific credit needs, opportunities, and local market conditions in the bank's assessment areas. In addition, four community contact interviews previously completed in the bank's assessment areas were referenced. Information from these interviews also assisted in evaluating the bank's responsiveness to identified community credit needs and community development opportunities. Key details from these community contact interviews are included in the *Description of Assessment Area* section, applicable to the assessment area in which they were conducted.

DESCRIPTION OF INSTITUTION

OakStar Bank is a full-service retail bank offering both consumer and commercial loan and deposit products. The bank is wholly owned by OakStar Bancshares, Inc., a one-bank holding company; the bank and its holding company are both headquartered in Springfield, Missouri. The branch network consists of 13 offices (including the main office), all of which have drive-thru accessibility and on-site cash-dispensing automated teller machines (ATMs). In addition, the bank operates three stand-alone ATMs that are cash dispensing only. The bank did not close any offices during this review period; however, the bank opened three new offices and merged with two different institutions, which resulted in the addition of nine more branches. Based on this branch network and other service delivery systems such as online banking capabilities, the bank is well positioned to deliver financial services to the entirety of its assessment areas.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credit needs of its customers, and the bank appeared capable of meeting the credit needs of its assessment areas based on its available resources and financial products. As of June 30, 2018, the bank reported total assets of $914.1 million. As of the same date, loans and leases outstanding were $762.0 million (83.4 percent of total assets), and deposits totaled $808.1 million. The bank's loan portfolio composition by credit category is displayed in the following table.

Distribution of Total Loans as of June 30, 2018		
Credit Category	**Amount ($000s)**	**Percentage of Total Loans**
Construction and Development	$89,950	11.8%
Commercial Real Estate	$179,246	23.5%
Multifamily Residential	$48,506	6.4%
1–4 Family Residential	$221,062	29.0%
Farmland	$55,365	7.3%
Farm Loans	$16,669	2.2%
Commercial and Industrial	$130,709	17.2%
Loans to Individuals	$14,895	2.0%
Total Other Loans	$5,633	0.7%
TOTAL	**$762,035**	**100%**

As indicated by the preceding table, a significant portion of the bank's lending resources is directed to loans secured by 1–4 family residential properties and commercial real estate loans. The bank also originates and subsequently sells a significant volume of loans related to residential real estate. As these loans are sold on the secondary market shortly after origination, this activity would not be captured in the table, but they are included in the bank's HMDA loan data. While not reflected in the previous table, it is also worth noting that by number of loans originated, loans to individuals (such as consumer motor vehicle loans) represent a significant product offering for the bank. Consumer loans not related to residential real estate are typically made in smaller dollar amounts relative to other credit products.

The bank received a Satisfactory rating at its previous CRA evaluation conducted by this Reserve Bank on November 4, 2013.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

OakStar Bank meets the standards for a Satisfactory Lending Test rating under the intermediate small bank procedures, which evaluate bank performance under the following five criteria as applicable.

Loan-to-Deposit (LTD) Ratio

One indication of the bank's overall level of lending activity is its LTD ratio. The following table displays the bank's average LTD ratio compared to those of regional peers. The average LTD ratio represents a 19-quarter average, dating back to the bank's last CRA evaluation.

LTD Ratio Analysis			
Name	**Headquarters**	**Asset Size ($000s) as of June 30, 2018**	**Average LTD Ratio**
OakStar Bank	Springfield, Missouri	$914,110	98.7%
Regional Banks	Springfield, Missouri	$959,401	99.2%
	Springfield, Missouri	$624,675	87.0%
	Marshall, Missouri	$701,946	91.6%

Based on data from the preceding table, the LTD ratio is more than reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's LTD ratio, calculated from Consolidated Reports of Condition and Income data, averaged 98.7 percent. The ratio ranged from a low of 93.2 percent as of June 30, 2018, to a high of 107.6 percent as of September 30, 2016, with an overall generally stable trend. In comparison, the average LTD ratio for one of the regional peers was in line with the bank's performance, while two of the regional peers were lower than the bank's performance. Therefore, based on the trend and comparison data from regional banks, the bank's average LTD ratio is more than reasonable.

Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank's assessment areas.

Lending Inside and Outside of Assessment Areas
January 1, 2017 through December 31, 2017

Loan Type	Inside Assessment Areas		Outside Assessment Areas		TOTAL	
HMDA	1,040	64.6%	571	35.4%	**1,611**	**100%**
	$166,266	54.1%	$141,085	45.9%	**$307,351**	**100%**
Small Business	104	83.2%	21	16.8%	**125**	**100%**
	$20,320	77.7%	$5,832	22.3%	**$26,152**	**100%**
Consumer Motor Vehicle	128	90.8%	13	9.2%	**141**	**100%**
	$304	90.2%	$33	9.8%	**$337**	**100%**
TOTAL LOANS	**1,272**	**67.8%**	**605**	**32.2%**	**1,877**	**100%**
	$186,890	**56.0%**	**$146,950**	**44.0%**	**$333,840**	**100%**

A majority of loans and other lending-related activities were made in the bank's assessment areas. As in the preceding table, 67.8 percent of the total loans were made inside the assessment areas, accounting for 56.0 percent of the dollar volume of total loans.

Borrower and Geographic Distribution

As displayed in the following table, performance by borrower's income/revenue profile is reasonable, based on the analyses of lending in the Springfield and nonMSA Missouri assessment areas, with the greatest emphasis on the Springfield assessment area.

Assessment Area	Loan Distribution by Borrower's Profile
Springfield	Reasonable
NonMSA Missouri	Excellent
OVERALL	**REASONABLE**

Overall, the bank's distribution of lending by income level of census tract reflects reasonable penetration throughout the bank's rated areas subject to review.

Assessment Area	Geographic Distribution of Loans
Springfield	Reasonable
NonMSA Missouri	Excellent
OVERALL	**REASONABLE**

Responses to Complaints

No CRA-related complaints were filed against the bank during this review period (November 4, 2013 through August 19, 2018).

COMMUNITY DEVELOPMENT TEST

OakStar Bank's performance under the Community Development Test is rated Outstanding. While performance varied between the bank's two assessment areas, the overall Community Development Test rating was based most heavily on performance in the bank's primary assessment area, Springfield. The bank demonstrates excellent responsiveness to the community development needs of the Springfield assessment area and adequate responsiveness to the nonMSA Missouri assessment area, considering the bank's capacity and the need and availability of such opportunities for community development in the assessment areas.

Full-Scope Assessment Area	Community Development Test Performance Conclusions
Springfield	Excellent
NonMSA Missouri	Adequate
OVERALL	**EXCELLENT**

During the review period, the bank made 66 qualifying loans in its assessment areas totaling approximately $108.4 million. Of those loans, 45 were for revitalization/stabilization, 9 were for economic development, 8 were for community services, and 4 were for affordable housing.

The bank also made community development investments and donations in its assessment areas totaling $2.9 million. This amount included 20 qualified investments totaling $2.8 million and 76 donations totaling $106,582. All of the investments were municipal bonds issued by qualifying school districts for community services. Furthermore, the 76 donations were to 32 separate organizations having a community development purpose.

During the review period, bank personnel provided 357 instances of financial expertise to various community development organizations in the bank's assessment areas. Service activities included delivering financial education in schools that primarily serve LMI families and providing financial expertise to community service organizations as board members.

Furthermore, at the institution level, the bank received CRA credit for one community development loan totaling $3.5 million that was made to purchase interest in multiple low-income housing tax credit developments that are part of the bank's assessment area and the broader regional area. The bank also provided three instances of financial expertise to one community development organization that serves the bank's assessment areas and the broader regional area. Because these organizations serve a broader regional area that includes the bank's assessment areas, they are discussed at the institutional level rather than for each individual assessment area.

In addition to adequately meeting the community development needs of its own assessment areas, the bank made one community development loan outside its assessment areas totaling $3.5 million, and nine community development investments totaling $1.3 million to various organizations outside its assessment areas.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Based on findings from the Consumer Affairs examination, including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements, conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

SPRINGFIELD, MISSOURI METROPOLITAN STATISTICAL AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUION'S OPERATIONS IN THE SPRINGFIELD ASSESSMENT AREA

Bank Structure

The bank operates five offices in this assessment area representing 38.5 percent of total offices. There are two additional stand-alone, cash-only ATMs in this assessment area. Of the five offices, two are located in moderate-income census tracts, and three are located in middle-income census tracts. During this review period, the bank opened one new office in Polk County and one new office in Dallas County. In addition, the bank merged with Bank of Urbana, Urbana Missouri, which resulted in the addition of two offices both located in Dallas County. No offices were closed in this assessment area during the review period. Based on this branch network and other service delivery systems, the bank is adequately positioned to deliver financial services to the entire assessment area.

General Demographics

The assessment area is comprised of Christian, Greene, Polk, and Dallas Counties, which account for four of the five counties that make up the Springfield MSA. This is the bank's primary assessment area as the bank's main office is located in Springfield, Missouri, which is in the southwestern portion of the state. The assessment area is located in the southwestern portion of Missouri and is home to Missouri State University, Drury University, and Evangel University. As of the 2010 U.S. Census, the assessment area population was 411,781. Of the 35 FDIC-insured depository institutions with a branch presence in this assessment area, the bank ranked sixth in deposit market share, encompassing 5.4 percent of total deposit dollars.

Credit needs in the assessment area include a mix of consumer and business loan products. Other particular credit needs in the assessment area, as noted primarily from community contacts, include financial literacy initiatives and down payment assistance programs.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population in those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**Unknown**	**TOTAL**
Census Tracts	5	21	43	13	1	**83**
	6.0%	25.3%	51.8%	15.7%	1.2%	**100%**
Family Population	3,596	18,186	63,031	20,307	41	**105,161**
	3.4%	17.3%	59.9%	19.3%	0.0%	**100%**

As shown in the preceding table, 31.3 percent of the census tracts in the assessment area are LMI geographies, but only 20.7 percent of the family population resides in these tracts. These LMI areas are primarily concentrated in and around the city of Springfield and are largely comprised of student housing.

Based on 2010 U.S. Census data, the median family income for the assessment area was $54,794. At the same time, the median family income for Missouri was $60,809. More recently, the FFIEC estimates the 2017 median family income for the Springfield MSA to be $55,200. The following table displays population percentages of assessment area families by income level compared to the Missouri family population.

Family Population by Income Level					
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Assessment Area	21,317	19,602	21,930	42,312	**105,161**
	20.3%	18.6%	20.9%	40.2%	**100%**
State of Missouri	327,815	275,076	319,230	607,885	**1,530,006**
	21.4%	18.0%	20.9%	39.7%	**100%**

As shown in the preceding table, 38.9 percent of families in the assessment area were considered LMI, which is similar to the LMI family percentage of 39.4 percent in Missouri. Additionally, the percentage of families living below the poverty level in the assessment area, 12.0 percent, is similar to the 11.1 percent level in the state of Missouri. Considering these factors, income levels in the assessment area reflect those of the state of Missouri as a whole.

Housing Demographics

Housing Demographics			
Dataset	**Median Housing Value**	**Affordability Ratio**	**Median Gross Rent (monthly)**
Assessment Area	$130,457	32.9%	$703
State of Missouri	$138,400	34.8%	$746

As displayed in preceding the table, housing affordability in the assessment area is comparable to the rest of Missouri. The median housing value for the assessment area was $130,457, which is below the figure for the state of Missouri, $138,400. When considering the differences in median income, housing in the assessment area appears to be about as affordable as the rest of the state of Missouri: the assessment area housing affordability ratio of 32.9 percent is similar to the state figure of 34.8 percent. Finally, the median gross rent for the assessment area ($703) is less than that of the state of Missouri ($746), but considering the assessment area's lower median income, these figures are comparable.

Industry and Employment Demographics

The assessment area supports a large business community, including a strong small business sector, as evidenced by Dun & Bradstreet data that indicates 88.6 percent of businesses in the assessment area have revenues less than or equal to $1 million. County business patterns indicate that there are 179,634 paid employees in the assessment area. By percentage of employees, the three largest job categories in the assessment area are healthcare and social assistance (18.8 percent), followed by retail trade (13.7 percent), and accommodation and food services (10.4 percent). The table below details unemployment data from the U.S. Department of Labor, Bureau of Labor Statistics (not seasonally adjusted) for each county of the assessment area, the assessment area as a whole, and the state of Missouri.

Unemployment Levels for the Assessment Area				
Dataset	**Time Period (Annual Average)**			
	2014	**2015**	**2016**	**2017**
Christian County	4.9%	4.2%	3.9%	3.1%
Dallas County	7.6%	6.2%	5.5%	4.7%
Greene County	4.9%	4.2%	3.8%	3.0%
Polk County	6.4%	5.3%	4.9%	4.0%
Assessment Area Average	**5.1%**	**4.3%**	**4.0%**	**3.2%**
State of Missouri	6.2%	5.0%	4.6%	3.8%

As shown in the preceding table, unemployment levels varied between the individual counties. Unemployment rates were highest in Dallas County and lowest in Greene County. As shown, the assessment area as a whole had a lower unemployment rate than the state of Missouri. For the assessment area and Missouri, unemployment rates steadily dropped from 2014 to 2017.

Community Contact Information

For the Springfield assessment area, four community contact interviews were referenced as part of this evaluation. Two were from housing organizations, one was from a workforce development organization, and one was from an agricultural agency.

The community contact interviewees categorized the local economy as growing and said that local unemployment figures were below the national average due to job creation primarily in the professional services manufacturing and health care sectors. Furthermore, the contacts noted a strong need for financial education programs in the assessment area. Several contacts mentioned down payment assistance programs and home improvement loans as other community needs.

One contact noted the need for credit repair services, while another contact indicated a need for low-interest loans that could be used as security deposits for rental units. Finally, another contact mentioned the need for more credit and homeownership counseling programs. According to all of the contacts, there are many opportunities for banks to be involved in community development activities. One of the contacts highlighted OakStar Bank as being particularly involved in the community.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE SPRINGFIELD ASSESSMENT AREA

LENDING TEST

The bank's overall distribution of loans by borrower's income/revenue profile reflects reasonable penetration among borrowers of different income levels and businesses of different revenue sizes. Furthermore, the overall geographic distribution of loans reflects reasonable penetration throughout the Springfield assessment area.

Loan Distribution by Borrower's Profile

Overall, the bank's loan distribution by borrower's profile is reasonable, based on performance from the three loan categories reviewed.

Borrowers are classified into low-, moderate-, middle- and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC ($55,200 for the Springfield MSA as of 2017). The following table shows the distribution of HMDA reported loans by borrower income level compared to family population income demographics for the assessment area. Additionally, 2017 aggregate data for the assessment area is displayed.

Distribution of Loans Inside Assessment Area by Borrower Income
January 1, 2017 through December 31, 2017

	Borrower Income Level										TOTAL	
	Low-		Moderate-		Middle-		Upper-		Unknown			
Home Purchase	30	4.1%	120	16.5%	180	24.7%	345	47.3%	54	7.4%	**729**	**100%**
Refinance	7	4.0%	20	11.4%	36	20.5%	80	45.5%	33	18.8%	**176**	**100%**
Home Improvement	4	10.5%	3	7.9%	12	31.6%	18	47.4%	1	2.6%	**38**	**100%**
Multifamily	0	0.0%	0	0.0%	0	0.0%	0	0.0%	7	100.0%	**7**	**100%**
TOTAL HMDA	**41**	**4.3%**	**143**	**15.1%**	**228**	**24.0%**	**443**	**46.6%**	**95**	**10.0%**	**950**	**100%**
Family Population	20.3%		18.6%		20.9%		40.2%		0.0%		**100%**	
2017 HMDA Aggregate	5.1%		16.3%		19.7%		34.5%		24.3%		**100%**	

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (4.3 percent) is substantially below the low-income family population figure (20.3 percent) but similar to the 2017 HMDA aggregate lending level to low-income borrowers (5.1 percent), reflecting reasonable performance. Similarly, the bank's level of lending to moderate-income borrowers (15.1 percent) is below the moderate-income family population percentage (18.6 percent) but similar to aggregate lending levels of 16.3 percent, reflecting reasonable performance. Therefore, considering performance to both income categories, the bank's overall distribution of HMDA loans by borrower's profile is reasonable.

Next, small business loans were reviewed to determine the bank's lending levels to businesses of different sizes. The following table shows the distribution of 2017 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Distribution of Loans Inside Assessment Area by Business Revenue January 1, 2017 through December 31, 2017								
Gross Revenue	**Loan Amounts in $000s**						**TOTAL**	
	≤$100		**>$100 and ≤$250**		**>$250 and ≤$1,000**			
$1 Million or Less	24	25.3%	11	11.6%	8	8.4%	**43**	**45.3%**
Greater than $1 Million/Unknown	19	20.0%	17	17.9%	16	16.8%	**52**	**54.7%**
TOTAL	**43**	**45.3%**	**28**	**29.5%**	**24**	**25.3%**	**95**	**100%**
Dun & Bradstreet Businesses ≤ $1MM							**88.6%**	
Small Business Aggregate ≤ $1MM							**49.5%**	

The bank's level of lending to small businesses is reasonable. The bank originated 45.3 percent of its small business loans to businesses with revenues of $1 million or less. While assessment area demographics estimate that 88.6 percent of businesses in the assessment area had annual revenues of $1 million or less, the bank's performance is similar to the 2017 aggregate lending level to small businesses (49.5 percent).

As with the bank's performance in HMDA and small business products, its distribution of consumer motor vehicle loans was also reviewed. The review of consumer loans reflects excellent penetration among individuals of different income levels, including LMI borrowers. The following table reflects the bank's lending activity compared to the percent of household population in the assessment area.

Distribution of Bank Loans Inside Assessment Area by Income Level of Borrower January 1, 2017 through December 31, 2017												
	Borrower Income Level										**TOTAL**	
	Low-		**Moderate-**		**Middle-**		**Upper-**		**Unknown**			
Consumer Loans	26	52.0%	8	16.0%	8	16.0%	7	14.0%	1	2.0%	**50**	**100%**
Household Population	22.3%		17.5%		18.2%		42.0%		0.0%		**100%**	

As shown in the preceding table, the bank's lending performance to low-income borrowers (52.0 percent) is significantly above the household population (22.3 percent), reflecting excellent performance. When comparing moderate-income borrowers, the bank's performance (16.0 percent) is similar to the household population (17.5 percent), reflecting reasonable performance. Therefore, the bank's overall distribution of consumer loans is considered excellent, particularly in light of the bank's performance to low-income borrowers.

Geographic Distribution of Loans

As noted previously, the Springfield assessment area includes 5 low- and 21 moderate-income census tracts, representing 31.3 percent of all assessment area census tracts. Overall, the bank's geographic distribution of loans in this assessment area reflects reasonable penetration throughout these LMI census tracts, based on the HMDA, small business, and consumer loan categories, with primary emphasis on the bank's HMDA lending. The following table displays the geographic distribution of 2017 HMDA loans compared to owner-occupied housing demographics for the assessment area and aggregate data.

Distribution of Loans Inside Assessment Area by Income Level of Geography January 1, 2017 through December 31, 2017												
	Geography Income Level										TOTAL	
	Low-		Moderate-		Middle-		Upper-		Unknown			
Home Purchase	15	2.1%	72	9.9%	462	63.4%	180	24.7%	0	0.0%	**729**	**100%**
Refinance	4	2.3%	26	14.8%	109	61.9%	37	21.0%	0	0.0%	**176**	**100%**
Home Improvement	0	0.0%	5	13.2%	28	73.7%	5	13.2%	0	0.0%	**38**	**100%**
Multifamily	0	0.0%	2	28.6%	4	57.1%	0	0.0%	1	14.3%	**7**	**100%**
TOTAL HMDA	**19**	**2.0%**	**105**	**11.1%**	**603**	**63.5%**	**222**	**23.4%**	**1**	**0.1%**	**950**	**100%**
Owner-Occupied Housing	2.4%		14.5%		60.5%		22.6%		0.0%		**100%**	
2017 HMDA Aggregate	2.4%		12.5%		63.2%		21.8%		0.0%		**100%**	

The analysis of HMDA loans revealed reasonable lending performance to borrowers residing in low-income geographies. The bank's total penetration of low-income census tracts by number of loans (2.0 percent) is similar to both the percentage of owner-occupied housing units in low-income census tracts (2.4 percent) and the percentage of other lenders in the assessment area based on 2017 HMDA aggregate data (2.4 percent). These low-income areas are concentrated in the city of Springfield and are largely comprised of student housing.

The bank's total penetration of moderate-income census tracts by number of loans (11.1 percent) is below the percentage of owner-occupied housing units in moderate-income census tracts (14.5 percent). However, the bank's performance in moderate-income census tracts is similar to that of other lenders based on aggregate lending data, which indicate that 12.5 percent of aggregate HMDA loans inside this assessment area were made to borrowers residing in moderate-income census tracts. Therefore, bank performance in moderate-income census tracts is deemed reasonable. Combined, the bank's geographic distribution of HMDA loans in LMI geographies (13.1 percent) is reasonable.

Second, the bank's geographic distribution of small business loans was reviewed. The following table displays 2017 small business loan activity by geography income level compared to the location of businesses throughout this assessment area and 2017 small business aggregate data.

Distribution of Loans Inside Assessment Area by Income Level of Geography January 1, 2017 through December 31, 2017												
	Geography Income Level										TOTAL	
	Low-		Moderate-		Middle-		Upper-		Unknown			
Small Business Loans	2	2.1%	32	33.7%	43	45.3%	18	18.9%	0	0.0%	**95**	**100%**
Business Institutions	2.3%		25.3%		55.8%		16.3%		0.3%		**100%**	
2017 Small Business Aggregate	1.9%		25.4%		51.7%		19.8%		1.1%		**100%**	

The bank's level of lending in low-income census tracts (2.1 percent) is similar to both the estimated percentage of businesses operating inside these census tracts (2.3 percent) and 2017 aggregate lending levels in low-income census tracts (1.9 percent). Accordingly, the bank's performance in low-income areas is reasonable. The bank's percentage of loans in moderate-income census tracts (33.7 percent) is above both the 2017 aggregate lending percentage in moderate-income census tracts (25.4 percent) and the percentage of small businesses in moderate-income census tracts (25.3 percent), representing reasonable performance. Therefore, the bank's overall geographic distribution of small business loans is reasonable.

Distribution of Bank Loans Inside Assessment Area by Income Level of Geography January 1, 2017 through December 31, 2017												
	Geography Income Level										TOTAL	
	Low-		Moderate-		Middle-		Upper-		Unknown			
Consumer Loans	1	2.0%	26	52.0%	23	46.0%	0	0.0%	0	0.0%	**50**	**100%**
Household Population	4.6%		21.0%		56.6%		17.5%		0.4%		**100%**	

As displayed in the preceding table, the bank's performance in low-income census tracts (2.0 percent) is below the percent of household population in the assessment area (4.6 percent), reflecting reasonable performance. Bank performance, however, in moderate-income census tracts (52.0 percent) is significantly above the percent of household population (21.0 percent), representing excellent performance. When combined, the bank's geographic distribution of consumer loans in LMI geographies (54.0 percent) is excellent.

Lastly, based on reviews from all three loan categories, OakStar Bank had loan activity in 81 out of 83 (97.8 percent) census tracts in the assessment census. There were two census tracts without any loans originated in them of which one was a low-income census tract and one was a middle-income census tract. Overall, no conspicuous lending gaps were noted in LMI areas.

COMMUNITY DEVELOPMENT TEST

The bank demonstrates excellent responsiveness to community development needs in the Springfield assessment area, considering the bank's capacity and the need and availability of such opportunities for community development. The bank addressed these needs through community development loans, qualified investments, and community development services.

During the review period, the bank extended 53 community development loans totaling $94.7 million in this assessment area. The majority of these loans were for revitalization/stabilization efforts in Springfield. In addition, three loans were for affordable housing to provide financing for multifamily apartment complexes.

The bank made three new investments totaling $430,000, all of which were in municipal bonds. Additionally, the bank made 52 donations totaling $65,808 in this assessment area. Several of the donations made were to community service organizations that provide financial education primarily to LMI individuals. Community contacts highlighted financial education programs as a strong need in the assessment area. Finally, bank personnel provided 281 services to 27 different community development organizations in this assessment area. Several of these services provided financial education to LMI individuals.

NONMETROPOLITAN STATISTICAL AREA MISSOURI

(Full-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE NONMSA MISSOURI ASSESSMENT AREA

Bank Structure

The bank operates 8 of its 13 offices (61.5 percent) in this assessment area. There is one additional stand-alone cash-only ATM in this assessment area. Of the eight offices, one is located in a distressed, middle-income census tract, which is distressed due to poverty, six are located in middle-income census tracts, and one is located in an upper-income census tract. During this review period, the bank opened one new office in Henry County. In addition, the bank merged with Bank of Urbana, which resulted in the addition of two offices located in Camden and Hickory Counties. The bank also merged with First National Bank, Camdenton, Missouri, which resulted in the addition of five offices located in Camden County. No offices were closed in this assessment area during the review period. Based on this branch network and other service delivery systems, the bank is adequately positioned to deliver financial services to the entire assessment area.

General Demographics

The assessment area is comprised of Camden, Henry, and Hickory Counties, and a portion of Benton County, located on the western side of central Missouri, and it is home to the Lake of the Ozarks and the Truman Reservoir. As of the 2010 U.S. Census, the assessment area population was 81,732. Of the 22 FDIC-insured depository institutions with a branch presence in this assessment area, the bank ranked ninth in deposit market share, encompassing 3.7 percent of total deposit dollars.

Credit needs in the assessment area include a mix of consumer and business loan products. No other particular credit needs in the assessment area were noted by community contacts.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population in those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**Unknown**	**TOTAL**
Census Tracts	0	3	14	5	0	**22**
	0.0%	13.6%	63.6%	22.7%	0.0%	**100%**
Family Population	0	3,139	14,740	4,861	0	**22,740**
	0.0%	13.8%	64.8%	21.4%	0.0%	**100%**

As shown in the preceding table, 13.6 percent of the census tracts in the assessment area are LMI geographies and 13.8 percent of the family population resides in these tracts. These LMI areas are located in Benton and Hickory Counties. By far, the largest portion of the assessment area family population resides in middle-income census tracts.

Based on 2010 U.S. Census data, the median family income for the assessment area was $49,150. At the same time, median family incomes for all of nonMSA Missouri was $48,553. More recently, the FFIEC estimates the 2017 median family income for nonMSA Missouri to be $50,800. The following table displays population percentages of assessment area families by income level compared to nonMSA Missouri family populations.

Family Population by Income Level					
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Assessment Area	4,368	4,407	4,802	9,163	**22,740**
	19.2%	19.4%	21.1%	40.3%	**100%**
NonMSA Missouri	81,501	72,180	84,266	159,541	**397,488**
	20.5%	18.2%	21.2%	40.1%	**100%**

As shown in the preceding table, 38.6 percent of families in the assessment area were considered LMI, which is similar to the LMI family percentages of 38.7 percent in nonMSA Missouri. The percentage of families living below the poverty level in the assessment area (13.3 percent) is similar to nonMSA Missouri (14.2 percent). Considering these factors, the assessment area is as affluent as nonMSA Missouri.

Housing Demographics

As shown below, housing in the assessment area is less affordable than nonMSA Missouri.

Housing Demographics			
Dataset	**Median Housing Value**	**Affordability Ratio**	**Median Gross Rent (monthly)**
Assessment Area	$126,223	32.5%	$659
NonMSA Missouri	$100,700	38.0%	$612

The median housing value in the assessment area ($126,223) is well above nonMSA Missouri ($100,700). This is likely due to the assessment area containing a large concentration of vacation homes. The assessment area's affordability ratio (32.5 percent) is below nonMSA Missouri's affordability ratio (38.0 percent). Affordability ratios in the assessment area varied ranging from a high of 46.3 percent in Henry County, which is located in the western portion of the assessment area, to a low of 26.4 percent in Camden County, which is home to much of the Lake of the Ozarks and the largest concentration of vacation homes. Based on the affordability ratio, homeownership is more likely out of reach for many LMI families in Benton and Camden Counties. Although there is a large difference between median housing values and affordability, median gross rents in the assessment area ($659) are similar to those in nonMSA Missouri ($612) when the difference in median income is considered.

Industry and Employment Demographics

The assessment area supports a large business community, including a strong small business sector, as evidenced by Dun & Bradstreet data that indicates 91.2 percent of businesses within the assessment area have revenues less than or equal to $1 million. County business patterns indicate that there are 23,225 paid employees in the assessment area. By percentage of employees, the three largest job categories in the assessment area are retail trade (23.7 percent), healthcare and social assistance (20.8 percent), and accommodation and food services (15.8 percent). The following table details unemployment data from the U.S. Department of Labor, Bureau of Labor Statistics (not seasonally adjusted) for each county of the assessment area, the assessment area as a whole, and nonMSA Missouri.

Unemployment Levels for the Assessment Area				
Dataset	**Time Period (Annual Average)**			
	2014	**2015**	**2016**	**2017**
Benton County	7.8%	6.5%	6.1%	5.2%
Camden County	8.2%	6.6%	5.8%	4.8%
Henry County	6.5%	5.4%	5.0%	4.2%
Hickory County	8.4%	6.6%	5.6%	4.5%
Assessment Area Average	**7.7%**	**6.3%**	**5.6%**	**4.7%**
NonMSA Missouri	6.2%	5.0%	4.6%	3.8%

As shown in the preceding table, unemployment levels varied between individual counties in the assessment area. Unemployment rates were generally highest in Camden County, which were likely due to seasonal work relating to the Lake of the Ozarks and lowest in Henry County. As shown, the assessment area as a whole had a higher unemployment rate than nonMSA Missouri. For the assessment area and nonMSA Missouri, unemployment rates dropped consistently from 2014 to 2017.

Community Contact Information

For this assessment area, two community contact interviews were completed as part of this evaluation. The interviewees specialized in economic development and affordable housing.

One of the interviewees categorized the local economy as lagging behind the national economy but indicated that some cities are thriving. The other community contact indicated the local economy was faring well. Both contacts said that local unemployment figures were consistent with the national average. Furthermore, the contacts noted the level of banking competition in the assessment area was robust, and there are no special banking or credit-related needs. According to both of the contacts, the housing supply is plentiful and there is not currently a strong demand for housing or any particular housing needs. Finally, one of the contacts indicated there are numerous community development opportunities available for bank participation.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE NONMSA MISSOURI ASSESSMENT AREA

LENDING TEST

The bank's overall distribution of loans by borrower's income/revenue profile reflects excellent penetration among borrowers of different income levels and businesses of different revenue sizes. Furthermore, the overall geographic distribution of loans reflects excellent penetration throughout the nonMSA Missouri assessment area.

Loan Distribution by Borrower's Profile

Overall, the bank's loan distribution by borrower's profile is excellent, based on performance from all three loan categories reviewed. In reaching overall conclusions, HMDA loans were given the most weight, followed by small business loans, and then consumer loans.

The following table shows the distribution of HMDA-reported loans by borrower income level compared to family population income demographics and 2017 aggregate data for the assessment area.

Distribution of Loans Inside Assessment Area by Borrower Income
January 1, 2017 through December 31, 2017

	Borrower Income Level										TOTAL	
	Low-		Moderate-		Middle-		Upper-		Unknown			
Home Purchase	5	8.8%	5	8.8%	7	12.3%	34	59.6%	6	10.5%	**57**	**100%**
Refinance	4	18.2%	2	9.1%	2	9.1%	7	31.8%	7	31.8%	**22**	**100%**
Home Improvement	2	18.2%	1	9.1%	2	18.2%	5	45.5%	1	9.1%	**11**	**100%**
TOTAL HMDA	**11**	**12.2%**	**8**	**8.9%**	**11**	**12.2%**	**46**	**51.1%**	**14**	**15.6%**	**90**	**100%**
Family Population	19.2%		19.4%		21.1%		40.3%		0.0%		**100%**	
2017 HMDA Aggregate	3.6%		9.4%		13.5%		57.6%		15.9%		**100%**	

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (12.2 percent) is below the low-income family population figure (19.2 percent) but is significantly above the 2017 HMDA aggregate (3.6 percent). The assessment area largely serves as a tourist area, as it is home to the Lake of the Ozarks and the Truman Reservoir, which is reflected through the vacancy rate of 49.2 percent, and makes HMDA lending more challenging. Given this context, the bank's performance is excellent especially when compared to aggregate lending levels.

The bank's level of lending to moderate-income borrowers (8.9 percent) is below the moderate-income family population percentage (19.4 percent) but similar to the aggregate lending levels (9.4 percent), reflecting reasonable performance. Overall, considering performance to both income categories (21.1 percent), the bank's overall distribution of HMDA loans by borrower's profile is excellent.

Next, small business loans were reviewed to determine the bank's lending levels to businesses of different sizes. The following table shows the distribution of 2017 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Distribution of Loans Inside Assessment Area by Business Revenue January 1, 2017 through December 31, 2017								
Gross Revenue	Loan Amounts in $000s						TOTAL	
	≤$100		>$100 and ≤$250		>$250 and ≤$1,000			
$1 Million or Less	7	77.8%	0	0.0%	1	11.1%	**8**	**88.9%**
Greater than $1 Million/Unknown	1	11.1%	0	0.0%	0	0.0%	**1**	**11.1%**
TOTAL	**8**	**88.9%**	**0**	**0.0%**	**1**	**11.1%**	**9**	**100%**
Dun & Bradstreet Businesses ≤ $1MM							**91.2%**	
Small Business Aggregate ≤ $1MM							**54.4%**	

The bank's level of lending to small businesses is 88.9 percent, which is slightly below the demographic (91.2 percent) but well above the aggregate lending data (54.4 percent). This performance is considered reasonable. Additionally, the bank originated 88.9 percent of its business loans in dollar amounts less than or equal to $100,000, indicating a willingness to lend small dollar amounts to business of all sizes.

Finally, the bank's consumer loans were analyzed by borrower income level compared to household population income demographics for the assessment area.

Distribution of Bank Loans Inside Assessment Area by Income Level of Borrower January 1, 2017 through December 31, 2017												
	Borrower Income Level										TOTAL	
	Low-		Moderate-		Middle-		Upper-		Unknown			
Consumer Loans	36	46.2%	21	26.9%	10	12.8%	11	14.1%	0	0.0%	**78**	**100%**
Household Population	20.7%		16.8%		18.4%		44.1%		0.0%		**100%**	

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (46.2 percent) is significantly above the low-income household population figure (20.7 percent), reflecting excellent performance. Similarly, the bank's level of lending to moderate-income borrowers (26.9 percent) greatly exceeds the moderate-income household population percentage (16.8 percent) and thus reflects excellent performance. Combined, the bank's overall distribution of consumer loans (73.1 percent) by borrower's profile is excellent.

Geographic Distribution of Loans

As noted previously, the nonMSA Missouri assessment area does not include any low-income census tracts and contains only three moderate-income census tracts, representing 13.6 percent of all assessment area census tracts. Overall, the bank's geographic distribution of loans in this assessment area reflects excellent penetration, based on the three loan categories reviewed. The following table displays the geographic distribution of 2017 HMDA loans compared to owner-occupied housing demographics for the assessment area and aggregate data.

Distribution of Loans Inside Assessment Area by Income Level of Geography
January 1, 2017 through December 31, 2017

	Geography Income Level										**TOTAL**	
	Low-		**Moderate-**		**Middle-**		**Upper-**		**Unknown**			
Home Purchase	0	0.0%	15	26.3%	40	70.2%	2	3.5%	0	0.0%	**57**	**100%**
Refinance	0	0.0%	3	13.6%	17	77.3%	2	9.1%	0	0.0%	**22**	**100%**
Home Improvement	0	0.0%	5	45.5%	6	54.5%	0	0.0%	0	0.0%	**11**	**100%**
TOTAL HMDA	**0**	**0.0%**	**23**	**25.6%**	**63**	**70.0%**	**4**	**4.4%**	**0**	**0.0%**	**90**	**100%**
Owner-Occupied Housing	0.0%		15.4%		63.7%		20.9%		0.0%		**100%**	
2017 HMDA Aggregate	0.0%		8.7%		56.7%		34.6%		0.0%		**100%**	

As the bank does not have any low-income census tracts, this analysis focuses on the bank's performance in the moderate-income geographies. The bank's total penetration of the moderate-income census tracts by number of loans (25.6 percent) is considered excellent given that it is significantly above the percentage of owner-occupied housing units (15.4 percent) and aggregate performance (8.7 percent).

Next, the bank's geographic distribution of small business loans was reviewed. The following table displays 2017 small business loan activity by geography income level compared to the location of businesses throughout this assessment area and 2017 small business aggregate data.

Distribution of Loans Inside Assessment Area by Income Level of Geography January 1, 2017 through December 31, 2017												
	Geography Income Level										TOTAL	
	Low-		Moderate-		Middle-		Upper-		Unknown			
Small Business Loans	0	0.0%	2	22.2%	7	77.8%	0	0.0%	0	0.0%	**9**	**100%**
Business Institutions	0.0%		7.1%		70.5%		22.5%		0.0%		**100%**	
2017 Small Business Aggregate	0.0%		6.6%		67.3%		21.2%		4.8%		**100%**	

As displayed in the preceding table, the bank's level of lending in the moderate-income census tracts (22.2 percent) is substantially above both the estimated percentage of businesses operating inside these census tracts (7.1 percent) and the 2017 aggregate lending levels in moderate-income census tracts (6.6 percent). Therefore, the bank's performance in the moderate-income areas is excellent.

Moreover, the bank's geographic distribution of consumer loans was reviewed. The following table displays 2017 consumer loan activity by geography income level compared to household population demographics for the assessment area.

Distribution of Bank Loans Inside Assessment Area by Income Level of Geography January 1, 2017 through December 31, 2017												
	Geography Income Level										TOTAL	
	Low-		Moderate-		Middle-		Upper-		Unknown			
Consumer Loans	0	0.0%	11	14.1%	66	84.6%	1	1.3%	0	0.0%	**78**	**100%**
Household Population	0.0%		13.8%		66.7%		19.6%		0.0%		**100%**	

The bank's total penetration of the moderate-income census tracts by number of loans (14.1 percent) is in line with the percentage of owner-occupied housing units in moderate-income census tracts (13.8 percent) and considered reasonable.

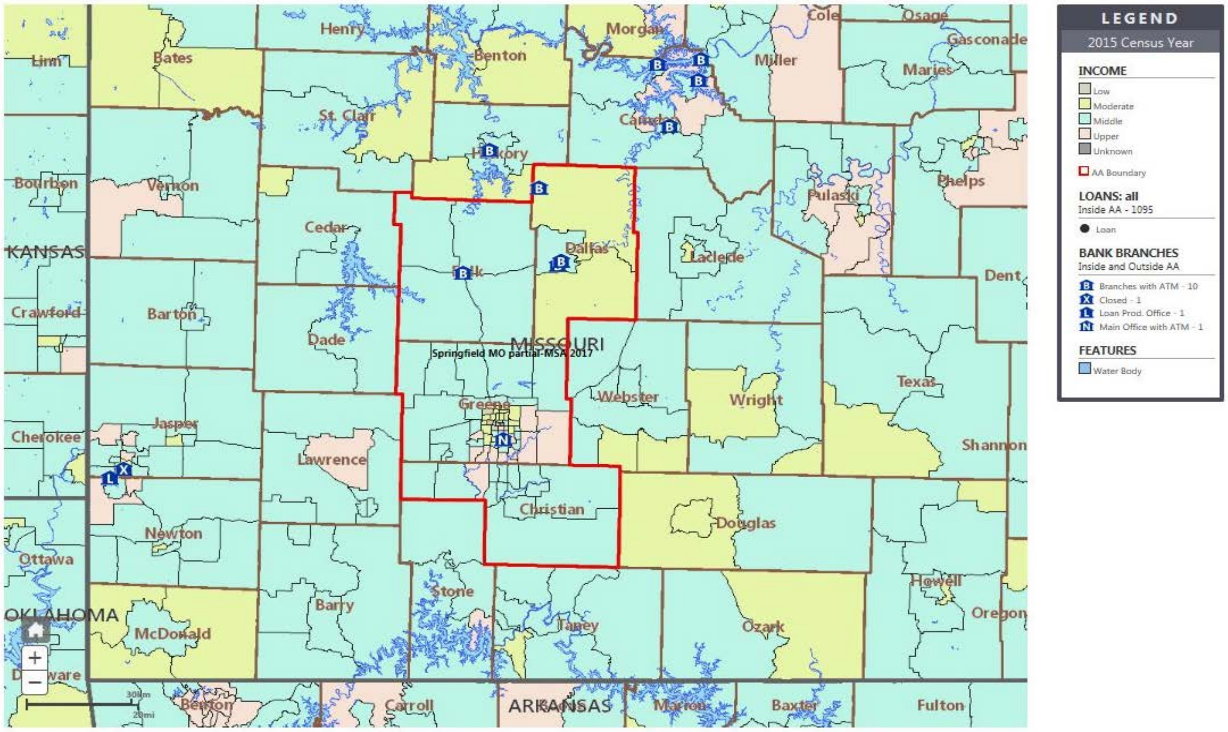
Finally, based on reviews from all three loan categories, OakStar Bank had loan activity in 14 out of 22 (63.6 percent) census tracts in the assessment area. Only one LMI census tract did not have a loan originated within it. The LMI census tract is located in Benton County and is largely comprised of the Truman Reservoir. The census tract has a population of 2,623 and has an owner-occupancy rate of only 35.8 percent with a vacancy rate of 61.2 percent. Considering this information, no conspicuous lending gaps were noted in LMI areas.

COMMUNITY DEVELOPMENT TEST

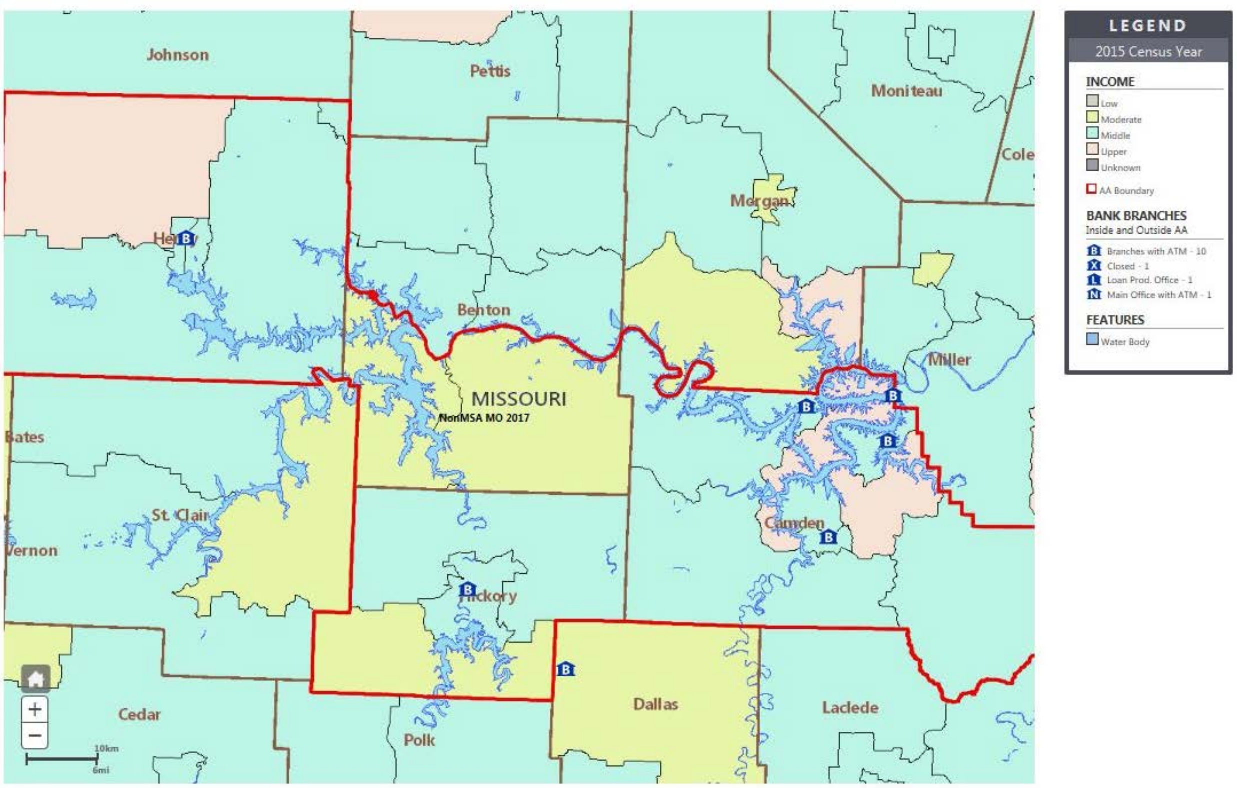
The bank demonstrates adequate responsiveness to community development needs in the nonMSA Missouri assessment area, considering the bank's capacity and the need and availability of such opportunities for community development. The bank addressed these needs through community development loans, qualified investments, and community development services.

During the review period, the bank extended 11 community development loans totaling $6.7 million in this assessment area, 4 of which were to revitalize/stabilize moderate- and distressed and underserved middle-income census tracts. The bank also made eight new investments totaling $1.1 million. These investments were in municipal bonds for schools that serve a majority of children that qualify for the free or reduced lunch program. Additionally, the bank made 24 donations totaling $40,773 in this assessment area. Finally, bank personnel provided 73 instances of financial expertise or technical assistance to 14 different community development organizations.

OakStar Bank - Springfield, MO 2018
Springfield MO Partial MSA AA



OakStar Bank - Springfield, MO 2018
NonMSA MO AA



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.

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

Census tract: A small subdivision of metropolitan and non-metropolitan 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 contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: An activity associated with one of the following five descriptions: (1) <u>affordable housing</u> (including multifamily rental housing) for low- or moderate-income individuals (LMI); (2) <u>community services</u> targeted to LMI individuals; (3) activities that promote <u>economic development</u> 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; (4) activities that <u>revitalize or stabilize</u> LMI geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with Housing and Urban Development-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and geographies.

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

Demographics: The statistical characteristics of human populations (such as age, race, sex, income, etc.) used especially to identify markets.

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., 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 (e.g., 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 refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Is calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., 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.

Median family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families in the area being analyzed.

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

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

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

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

Nonmetropolitan statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution’s record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

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 multi-state 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 in a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were $1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports 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 secured either 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): That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports 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.

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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