

# **PUBLIC DISCLOSURE**

**March 24, 2025**

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**BankTennessee  
RSSD #831576**

**1125 West Poplar Avenue  
Collierville, Tennessee 38017**

**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: Satisfactory**

BankTennessee 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 (AAs).
- A majority of loans and other lending-related activities are in the AAs.
- The 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.
- The geographic distribution of loans reflects a reasonable dispersion throughout the AAs.
- There were no CRA-related complaints filed against the bank since the previous CRA evaluation.
- The bank’s overall community development performance demonstrates adequate responsiveness to the community development needs of its AAs, considering the bank’s capacity and the need and availability of such opportunities for community development in the bank’s AAs. 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 three delineated AAs within Tennessee. The primary AA is delineated within the larger Memphis, Tennessee-Mississippi-Arkansas MSA (Memphis MSA) and is composed of Shelby and Tipton counties in southwestern Tennessee. The second AA is located within a nonMSA portion of western Tennessee and is composed of Lauderdale County, which is directly north of Tipton County. The bank’s third AA is delineated within the larger Nashville-Davidson-Murfreesboro-Franklin, Tennessee MSA and is composed of Sumner, Wilson, and Smith counties in north central Tennessee.

The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each AA completed as part of this evaluation. Deposit information in the following table, as well as deposit information throughout this evaluation, is taken from the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report data as of June 30, 2024.

Assessment Area	Offices		Deposits		Review Procedures
	#	%	\$ (000s)	%	
Memphis	6	60.0	333,052	66.6	Full Scope
Lauderdale County	1	10.0	47,616	9.5	Limited Scope
Nashville	3	30.0	119,382	23.9	Limited Scope
<b>TOTAL<sup>1</sup></b>	<b>10</b>	<b>100.0</b>	<b>500,050</b>	<b>100.0</b>	<b>1 – Full Scope</b>

In light of branch structure, loan and deposit activity, and the bank’s CRA evaluation history, performance in the Memphis AA was analyzed using full-scope procedures and drove overall performance conclusions. The Lauderdale County and Nashville AAs were evaluated using limited-scope procedures.

Furthermore, Home Mortgage Disclosure Act (HMDA) and small business 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. 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 HMDA loan category carried the most significance toward the bank’s overall performance conclusions. The following table details the performance criterion and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	December 31, 2019 – December 31, 2024
Assessment Area Concentration	January 1, 2022 – December 31, 2023
Loan Distribution by Borrower’s Profile	
Geographic Distribution of Loans	
Response to Written CRA Complaints	September 30, 2019 – March 23, 2025
Community Development Activities	

Lending Test analyses often entail comparisons of bank performance to AA demographics and the performance of other lenders, based on HMDA and CRA aggregate lending data. Unless otherwise noted, AA demographics are based on 2020 American Community Survey (ACS) data; certain business demographics are based on 2022 and 2023 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 within an AA. 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

<sup>1</sup> Note: In this table and others throughout this document, percentages may not total 100% due to rounding.

operating within the same general region. Four other banks were identified as similarly situated peers, with asset sizes ranging from \$436.4 million to \$874.1 million as of December 31, 2024.

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 AAs:

- 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 in order to ascertain specific credit needs, opportunities, and local market conditions within the bank's full-scope AA. 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 Institution's Operations in the Memphis Assessment Area* section.

## **DESCRIPTION OF INSTITUTION**

The bank is a full-service retail bank offering both consumer and commercial loan and deposit products. The bank is wholly owned by BankTennessee Bancshares, Inc., a one-bank holding company. The bank and its holding company are both headquartered in Collierville, Tennessee. The bank's branch network consists of 10 offices (including the main office), all of which have ATMs on site. In addition to being full-service facilities, the main office and seven branches have drive-up accessibility. During the review period, the bank converted a loan production office (LPO) that was operating in Sumner County to a full-service branch. Based on the bank's branch network, it is well positioned to deliver financial services to the entirety of its AAs.

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 AAs based on its available resources and financial products. As of December 31, 2024, the bank reported total assets of \$613.9 million. As of the same date, loans and leases outstanding were \$499.5 million (81.4 percent of total assets), and deposits totaled \$525.2 million. The bank's loan portfolio composition by credit category is displayed in the following table.

<b>Distribution of Total Loans as of December 31, 2024</b>		
<b>Credit Category</b>	<b>Amount \$ (000s)</b>	<b>Percent (%) of Total Loans</b>
Construction and Development	64,378	12.9
Commercial Real Estate	109,569	21.9
Multifamily Residential	20,275	4.1
1-4 Family Residential	226,618	45.4
Farmland	9,274	1.9
Farm Loans	2,143	0.4
Commercial and Industrial	54,525	10.9
Loans to Individuals	11,158	2.2
Total Other Loans	1,538	0.3
<b>TOTAL</b>	<b>499,478</b>	<b>100.0</b>

As indicated by the table above, a significant portion of the bank's lending resources is directed to loans secured by 1-4 family residential properties, commercial lending, and construction and development.

The bank received a Satisfactory rating at its previous CRA evaluation conducted by this Reserve Bank on September 30, 2019.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS**

**LENDING TEST**

BankTennessee 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 table below displays the bank’s average LTD ratio in comparison to those of regional peers. The average LTD ratio represents a 21-quarter average, dating back to the bank’s last CRA evaluation.

<b>LTD Ratio Analysis</b>			
<b>Name</b>	<b>Headquarters</b>	<b>Asset Size \$ (000s) as of December 31, 2024</b>	<b>Average LTD Ratio (%)</b>
BankTennessee	Collierville, Tennessee	613,915	92.4
Regional Banks	Memphis, Tennessee	874,105	95.2
	Bartlett, Tennessee	576,802	71.4
	Brownsville, Tennessee	531,153	84.9
	Millington, Tennessee	436,374	60.1

Based on data from the previous table, the bank’s level of lending is above or in line with those of other banks in the region. During the review period, the bank’s quarterly LTD ratio experienced a generally increasing trend, with a 21-quarter average of 92.4 percent. In comparison, the average LTD ratios for most regional peers were lower and experienced varying trends. Therefore, compared to data from regional banks, the bank’s average LTD ratio is more than reasonable given the bank’s size, financial condition, and credit needs of its AAs.

**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 AAs.

<b>Lending Inside and Outside the Assessment Areas</b>								
<b>January 1, 2022 through December 31, 2023</b>								
<b>Loan Type</b>	<b>Inside</b>				<b>Outside</b>			
	<b>#</b>	<b># %</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>#</b>	<b># %</b>	<b>\$ (000s)</b>	<b>\$ %</b>
HMDA	145	62.5	31,112	39.3	87	37.5	48,130	60.7
Small Business	86	72.3	11,419	54.4	33	27.7	9,578	45.6
<b>TOTAL LOANS</b>	<b>231</b>	<b>65.8</b>	<b>42,531</b>	<b>42.4</b>	<b>120</b>	<b>34.2</b>	<b>57,708</b>	<b>57.6</b>

A majority of loans and other lending-related activities were made in the bank’s AAs. As shown above, 65.8 percent of the total loans were made inside the AAs, accounting for 42.4 percent of

the dollar volume of total loans. Larger loans to fund multifamily developments adjacent to the bank’s AAs attributed to the greater dollar volume of loans outside of the bank’s AAs.

**Borrower and Geographic Distribution**

Overall, performance by borrower’s income/revenue profile is reasonable, based on the analyses of lending in the full-scope AA, as displayed in the following table.

<b>Full-Scope Assessment Area</b>	<b>Loan Distribution by Borrower’s Profile</b>
Memphis	Reasonable

<b>Limited-Scope Assessment Areas</b>	<b>Loan Distribution by Borrower’s Profile</b>
Lauderdale County	Consistent
Nashville	Below

As displayed in the following table, the bank’s overall distribution of lending by income level of census tract reflects reasonable penetration based on the analyses of lending in the full-scope AA.

<b>Full-Scope Assessment Area</b>	<b>Geographic Distribution of Loans</b>
Memphis	Reasonable

<b>Limited-Scope Assessment Areas</b>	<b>Geographic Distribution of Loans</b>
Lauderdale County	Consistent
Nashville	Exceeds

**Responses to Complaints**

No CRA-related complaints were filed against the bank during this review period (September 30, 2019 through March 23, 2025).

**COMMUNITY DEVELOPMENT TEST**

The bank’s performance under the Community Development Test is rated satisfactory. Considering the bank’s capacity and the need and availability of such opportunities for community development in the full-scope AA, the bank demonstrates adequate responsiveness to the community development needs of its full-scope AA.



<b>Full-Scope Assessment Area</b>	<b>Community Development Test Performance Conclusions</b>
Memphis	Adequate

<b>Limited-Scope Assessment Areas</b>	<b>Community Development Test Performance Conclusions</b>
Lauderdale County	Below
Nashville	Consistent

The bank’s community development responsiveness is adequate given its level of community development activities. While performance varied between the full-scope and limited-scope AAs, the overall Community Development Test rating was based on performance in the bank’s primary AA (Memphis AA).

<b>Total Community Development Activities Inside the Assessment Areas</b>		
<b>Community Development Component</b>	<b>#</b>	<b>\$</b>
Loans	13	13.6 million
Investments, Current and Prior	0	0
Donations	3	3,960
Services	1 service	1 organization

During the review period, the bank made 13 qualifying loans in its AAs totaling approximately \$13.6 million. Of those loans, seven were for affordable housing projects, one was for efforts to revitalize and stabilize the community, four were for economic development, and one was for a community service. In addition, the bank made three community development donations in its AAs totaling \$3,960 to three separate organizations having a community development purpose. Lastly, bank personnel used financial expertise to log one qualifying service activity to a community development organization within the bank’s AAs. The service activity delivered financial education to vulnerable elders within an LMI community.

**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.

# MEMPHIS, TENNESSEE-MISSISSIPPI-ARKANSAS METROPOLITAN STATISTICAL AREA

*(Full-Scope Review)*

## DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE MEMPHIS ASSESSMENT AREA

### Bank Structure

The bank operates 6 of its 10 offices (60.0 percent) in this AA. Of the six offices, four are located in upper-income census tracts, and the remaining two are located in middle-income census tracts. Since the last evaluation, the bank did not open or close any branches in this AA. Based on its branch network and other service delivery systems, the bank is well positioned to deliver financial services to substantially all of the AA.

### General Demographics

The AA comprises Shelby and Tipton counties in their entirety, which are two of nine counties that make up the Memphis MSA. This is the bank’s primary AA and is located in southwestern Tennessee bordering the northern edge of the Mississippi Delta. As of the 2020 ACS, the AA population was 990,714. Of the 34 FDIC-insured depository institutions with a branch presence in this AA, the bank ranked 18<sup>th</sup> in deposit market share, encompassing 1.1 percent of total deposit dollars.

Credit needs in the AA include a mix of consumer and business loan products. For this AA, community contacts noted that the availability of residential real estate is drastically below demand, further making housing for LMI residents unaffordable. Community contacts noted that opportunities for local banks to collaborate with local government, area organizations, and developers for affordable housing developments are plentiful.

### Income and Wealth Demographics

The following table summarizes the distribution of AA census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown-	TOTAL
Census Tracts	51	68	59	72	12	<b>262</b>
	19.5%	26.0%	22.5%	27.5%	4.6%	<b>100.0%</b>
Family Population	30,319	58,655	60,201	85,778	1,228	<b>236,181</b>
	12.8%	24.8%	25.5%	36.3%	0.5%	<b>100.0%</b>

As shown above, 45.5 percent of the census tracts in the AA are LMI geographies, but only 37.6 percent of the family population resides in these tracts. These LMI areas are primarily concentrated in and around the city of Memphis.

Based on 2020 ACS data, the median family income for the AA was \$67,363. At the same time, median family incomes for the Memphis MSA and state of Tennessee were \$68,008 and \$68,793, respectively. More recently, the FFIEC estimates the 2023 median family income for the broader Memphis MSA to be \$79,200. The following table displays the population percentages of AA families by income level compared to the Memphis MSA and Tennessee family populations.

<b>Family Population by Income Level</b>					
<b>Dataset</b>	<b>Low-</b>	<b>Moderate-</b>	<b>Middle-</b>	<b>Upper-</b>	<b>TOTAL</b>
Assessment Area	57,785	37,523	41,976	98,897	<b>236,181</b>
	24.5%	15.9%	17.8%	41.9%	<b>100.0%</b>
Memphis MSA	77,459	52,873	59,386	137,452	<b>327,170</b>
	23.7%	16.2%	18.2%	42.0%	<b>100.0%</b>
Tennessee	364,945	304,686	352,060	705,248	<b>1,726,939</b>
	21.1%	17.6%	20.4%	40.8%	<b>100.0%</b>

As shown in the table above, 40.4 percent of families within the AA were considered LMI, which is slightly higher than LMI family percentages of 39.9 percent in the Memphis MSA and 38.7 percent in Tennessee. The percentage of families living below the poverty level in the AA, 13.9 percent, is above the 13.1 percent in the Memphis MSA and 10.6 percent level in the state of Tennessee. Considering these factors, families in the AA appear to be slightly less affluent than those in the Memphis MSA and the state of Tennessee.

**Housing Demographics**

Based on housing values, income levels, and rental costs, housing in the AA appears to be less affordable than in the Memphis MSA and the state of Tennessee.

<b>Housing Cost Burden (%)</b>						
<b>Area</b>	<b>Cost Burden – Renters</b>			<b>Cost Burden – Owners</b>		
	<b>Low-Income</b>	<b>Moderate-Income</b>	<b>All Renters</b>	<b>Low-Income</b>	<b>Moderate-Income</b>	<b>All Owners</b>
Assessment Area	80.0	53.1	47.5	64.8	36.1	19.7
Memphis MSA	79.6	51.3	46.4	64.3	33.7	19.2
Tennessee	72.4	45.0	40.9	55.2	28.8	16.7

*Cost burden is housing cost that equals 30 percent or more of household income.*

According to the table above, the cost burden for LMI renters in the AA is slightly more than in the Memphis MSA. Furthermore, a greater percentage of LMI renters in the AA are cost burdened than in the state as a whole. This is further supported by the AA having a higher median rental rate (\$954/month) than the Memphis MSA (\$944/month) and the state of Tennessee (\$897/month).

Similarly, the table shows that LMI homeowners in the AA are slightly more cost burdened than homeowners in the Memphis MSA and considerably more cost burdened than those in Tennessee. While the median housing value in the AA (\$158,940) is lower than the Memphis MSA (\$161,311) and Tennessee (\$177,600), the median family income in the AA (\$67,363) is also lower than the Memphis MSA (\$68,008) and Tennessee (\$68,793). Furthermore, the median age of housing stock in the AA (48 years) is significantly more than the Memphis MSA (39 years) and Tennessee (36 years), possibly suggesting additional costs related to home improvement needs. This is supported by comments made by a community contact that the housing stock in the AA is composed of mostly older homes that require repair; however, the current interest rate environment makes home improvement loans for many LMI borrowers unaffordable. The community contact added that a bank with more flexible underwriting guidelines to improve access to funding for LMI individuals or families would be a significant benefit to the area.

**Industry and Employment Demographics**

The AA supports a large and diverse business community, including a strong small business sector, as evidenced by the 2023 Dun & Bradstreet data indicating that 90.6 percent of AA businesses have gross annual revenues of \$1 million or less. Furthermore, according to the U.S. Department of Labor, Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages data, there are 495,802 employees in the AA (including 64,645 governmental employees). By percentage of nongovernmental employees, the three largest job categories in the AA are healthcare and social assistance (16.7 percent), followed by transportation and warehousing (15.1 percent) and retail trade (10.8 percent). The table below details BLS unemployment data (not seasonally adjusted) for the AA, each county in the AA, the Memphis MSA, and the state of Tennessee.

<b>Unemployment Levels (%)</b>					
<b>Dataset</b>	<b>Time Period (Annual Average)</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024 (Jan.–July)</b>
<b>Assessment Area</b>	<b>9.4</b>	<b>6.8</b>	<b>4.5</b>	<b>4.3</b>	<b>4.2</b>
Shelby County	9.6	7.0	4.5	4.3	4.2
Tipton County	6.7	4.5	3.6	3.8	3.7
Memphis MSA	8.8	6.3	4.2	4.0	3.9
Tennessee	7.4	4.5	3.4	3.3	3.2

As shown in the table above, unemployment levels varied slightly between individual counties within the AA, with levels in Shelby County consistently higher than in Tipton County. The AA totals show higher unemployment levels than the Memphis MSA and state overall. Unemployment levels peaked in 2020, dropping steeply from 2021 to 2022, and then remained relatively stable ever since.

**Community Contact Information**

Two community contact interviews were completed and referenced as part of this evaluation. The interviewees were from economic development organizations within the AA.

The community contacts noted that many local businesses were significantly affected by the pandemic, with restaurant owners being impacted the most. The outlook for many of those businesses re-emerging, or any new small businesses entering the area, was described as low due to limited availability of spaces deemed affordable without needing major improvements. Further, the access to human capital was also described as strained. A contact noted obstacles that many residents face when securing employment, including a lack of job training, access to childcare, and reliable transportation.

It was noted that banks in the LMI areas are accessible; however, both contacts mentioned that access to lending products for the LMI population is limited due to conservative lending guidelines. A contact noted the need for more financial literacy classes along with specialized programs or lending products specific to the needs of the LMI community. Initiatives to help LMI residents attain homeownership or business start-up programs were described as mainly offered by area nonprofit organizations.

Housing stock in the area was described as older, and although new developments are emerging, they are deemed unaffordable for LMI buyers with starting prices nearing \$400,000. One contact noted that retired homeowners in the area do not have adequate access to home improvement loans, as the cost of repair compared to the housing values coupled with their limited finances makes them less favorable to banks. Increased accessibility to affordable home improvement products was noted as a need by one of the contacts.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE MEMPHIS 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 Memphis AA.

**Loan Distribution by Borrower's Profile**

Overall, the bank's loan distribution by borrower's profile is reasonable, based on performance from both 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 (\$79,200 for the Memphis MSA as of 2023). The following table shows the distribution of HMDA-reported loans by borrower income level in comparison to family population income demographics for the AA. Additionally, 2022–2023 HMDA aggregate data for the AA is displayed.

Borrower Distribution of HMDA Loans Assessment Area: Memphis								
Product Type	Borrower Income Levels	2022–2023						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0	3.6	0	0.0	1.6	24.5
	Moderate	4	15.4	13.0	410	7.8	8.0	15.9
	Middle	5	19.2	17.7	681	13.0	15.2	17.8
	Upper	10	38.5	41.7	3,291	63.0	52.2	41.9
	Unknown	7	26.9	24.1	841	16.1	23.1	0.0
	<b>TOTAL</b>	<b>26</b>	<b>100.0</b>	<b>100.0</b>	<b>5,223</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	1	5.3	7.1	59	1.9	3.4	24.5
	Moderate	1	5.3	15.8	94	3.0	10.7	15.9
	Middle	3	15.8	21.3	569	18.1	18.0	17.8
	Upper	7	36.8	37.8	831	26.4	46.2	41.9
	Unknown	7	36.8	18.0	1,590	50.6	21.7	0.0
	<b>TOTAL</b>	<b>19</b>	<b>100.0</b>	<b>100.0</b>	<b>3,143</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	8.2	0	0.0	3.0	24.5
	Moderate	2	28.6	16.9	107	10.7	8.0	15.9
	Middle	0	0.0	22.0	0	0.0	15.1	17.8
	Upper	4	57.1	48.2	790	78.7	69.2	41.9
	Unknown	1	14.3	4.6	107	10.7	4.7	0.0
	<b>TOTAL</b>	<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>1,004</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	0	0.0	0.0	0	0.0	0.0	N/A
	Moderate	0	0.0	0.0	0	0.0	0.0	N/A
	Middle	0	0.0	0.4	0	0.0	0.0	N/A
	Upper	1	9.1	4.3	2,800	38.9	0.6	N/A
	Unknown	10	90.9	95.3	4,404	61.1	99.3	N/A
	<b>TOTAL</b>	<b>11</b>	<b>100.0</b>	<b>100.0</b>	<b>7,204</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>
HMDA TOTALS	Low	1	1.6	5.0	59	0.4	1.8	24.5
	Moderate	7	11.1	13.8	611	3.7	7.4	15.9
	Middle	8	12.7	18.8	1,250	7.5	13.6	17.8
	Upper	22	34.9	41.2	7,712	46.5	44.4	41.9
	Unknown	25	39.7	21.0	6,942	41.9	32.8	0.0
	<b>TOTAL</b>	<b>63</b>	<b>100.0</b>	<b>100.0</b>	<b>16,574</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

As displayed in the preceding table, the bank’s percentage of lending to low-income borrowers (1.6 percent) is substantially below the low-income family population figure (24.5 percent) and below the aggregate lending level to low-income borrowers (5.0 percent), reflecting poor performance. The bank’s level of lending to moderate-income borrowers (11.1 percent) is below

the moderate-income family population percentage (15.9 percent) but is comparable to the aggregate lending level (13.8 percent), reflecting reasonable performance. While the bank’s overall HMDA lending to LMI borrowers is slightly below the aggregate lending levels, the bank’s performance for lending to LMI borrowers for home purchase loans (15.4 percent) is aligned with the aggregate, and home improvement loans (28.6 percent) exceed the aggregate lending levels. Therefore, considering performance to both income categories, the bank’s overall distribution of 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 2022–2023 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

<b>Small Business Loans by Revenue and Loan Size</b>								
<b>Assessment Area: Memphis</b>								
<b>Business Revenue and Loan Size</b>		<b>2022–2023</b>						
		<b>Count</b>			<b>Dollars</b>			<b>Total Businesses</b>
		<b>Bank</b>		<b>Aggregate</b>	<b>Bank</b>		<b>Aggregate</b>	
<b>#</b>	<b>%</b>	<b>%</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>\$ %</b>	<b>%</b>		
<b>Business Revenue</b>	\$1 Million or Less	30	71.4	47.6	4,581	68.7	30.3	90.7
	Over \$1 Million/Unknown	12	28.6	52.4	2,091	31.3	69.7	9.3
	<b>TOTAL</b>	<b>42</b>	<b>100.0</b>	<b>100.0</b>	<b>6,672</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Loan Size</b>	\$100,000 or Less	25	59.5	92.3	1,158	17.4	32.8	
	\$100,001–\$250,000	8	19.0	4.0	1,307	19.6	16.6	
	\$250,001–\$1 Million	9	21.4	3.7	4,207	63.1	50.6	
	Over \$1 Million	0	0.0	0.0	0	0.0	0.0	
	<b>TOTAL</b>	<b>42</b>	<b>100.0</b>	<b>100.0</b>	<b>6,672</b>	<b>100.0</b>	<b>100.0</b>	
<b>Loan Size</b>	<b>Revenue \$1 Million or Less</b>	\$100,000 or Less	20	66.7		880	19.2	
		\$100,001–\$250,000	4	13.3		651	14.2	
		\$250,001–\$1 Million	6	20.0		3,050	66.6	
		Over \$1 Million	0	0.0		0	0.0	
		<b>TOTAL</b>	<b>30</b>	<b>100.0</b>		<b>4,581</b>	<b>100.0</b>	

The bank’s level of lending to small businesses is reasonable. The bank originated the majority of its small business loans (71.4 percent) to businesses with revenues of \$1 million or less. In comparison, AA demographics estimate that 90.7 percent of businesses in the AA had annual revenues of \$1 million or less, and the 2022–2023 aggregate lending level to small businesses is 47.6 percent.



**Geographic Distribution of Loans**

As noted previously, the AA includes 51 low-income and 68 moderate-income census tracts, representing 45.5 percent of all AA census tracts. Overall, the bank’s geographic distribution of loans in this AA reflects reasonable penetration throughout these LMI census tracts, based on the HMDA and small business loan categories. Performance in the HMDA loan category carried the most significance in the overall rating. Based on reviews from both loan categories, there were no conspicuous lending gaps noted in LMI areas, further supporting the conclusion that the bank’s overall geographic distribution of loans is reasonable. The following table displays the geographic distribution of 2022–2023 HMDA loans compared to owner-occupied housing demographics and aggregate performance for the AA.

Geographic Distribution of HMDA Loans Assessment Area: Memphis								
Product Type	Tract Income Levels	2022-2023						
		Count			Dollars			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	5	19.2	6.9	534	10.2	3.0	8.3
	Moderate	5	19.2	18.9	697	13.3	10.1	22.0
	Middle	8	30.8	26.6	845	16.2	22.9	26.4
	Upper	7	26.9	47.2	2,467	47.2	63.7	43.0
	Unknown	1	3.8	0.4	680	13.0	0.4	0.4
	<b>TOTAL</b>	<b>26</b>	<b>100.0</b>	<b>100.0</b>	<b>5,223</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	1	5.3	6.8	130	4.1	3.3	8.3
	Moderate	3	15.8	19.0	523	16.6	10.4	22.0
	Middle	6	31.6	29.2	767	24.4	24.2	26.4
	Upper	7	36.8	44.6	1,427	45.4	61.8	43.0
	Unknown	2	10.5	0.3	296	9.4	0.2	0.4
	<b>TOTAL</b>	<b>19</b>	<b>100.0</b>	<b>100.0</b>	<b>3,143</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	6.9	0	0.0	2.8	8.3
	Moderate	0	0.0	19.1	0	0.0	9.3	22.0
	Middle	4	57.1	24.5	847	84.4	18.5	26.4
	Upper	3	42.9	49.1	157	15.6	69.0	43.0
	Unknown	0	0.0	0.4	0	0.0	0.4	0.4
	<b>TOTAL</b>	<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>1,004</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	8	72.7	32.3	5,502	76.4	30.1	24.3
	Moderate	2	18.2	30.4	1,122	15.6	14.1	23.8
	Middle	1	9.1	21.4	580	8.1	23.4	22.3
	Upper	0	0.0	12.8	0	0.0	28.4	26.6
	Unknown	0	0.0	3.1	0	0.0	3.9	2.9
	<b>TOTAL</b>	<b>11</b>	<b>100.0</b>	<b>100.0</b>	<b>7,204</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA TOTALS	Low	14	22.2	7.0	6,166	37.2	6.8	8.3
	Moderate	10	15.9	18.9	2,342	14.1	10.7	22.0
	Middle	19	30.2	27.1	3,039	18.3	23.0	26.4
	Upper	17	27.0	46.6	4,051	24.4	58.6	43.0
	Unknown	3	4.8	0.4	976	5.9	0.8	0.4
	<b>TOTAL</b>	<b>63</b>	<b>100.0</b>	<b>100.0</b>	<b>16,574</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The analysis of HMDA loans revealed that performance to borrowers residing in low-income geographies was significantly above comparison data and deemed excellent. The bank's total penetration of low-income census tracts by number of loans (22.2 percent) is well above the

percentage of owner-occupied housing units in low-income census tracts (8.3 percent) and is also above the performance of other lenders in the AA (7.0 percent). The bank’s total penetration of moderate-income census tracts by number of loans (15.9 percent) is below the percentage of owner-occupied housing units in moderate-income census tracts (22.0 percent) but comparable to the performance of other lenders in the AA (18.9 percent), reflecting reasonable performance. On a combined basis, the bank’s geographic distribution of HMDA loans in LMI geographies (38.1 percent) is excellent.

Second, the bank’s geographic distribution of small business loans was reviewed. The following table displays 2022–2023 small business loan activity by geography income level compared to the location of businesses throughout the bank’s AA and 2022–2023 small business aggregate data.

<b>Geographic Distribution of Small Business Loans</b>							
<b>Assessment Area: Memphis</b>							
<b>Tract Income Levels</b>	<b>2022–2023</b>						
	<b>Count</b>			<b>Dollars</b>			<b>Businesses</b>
	<b>Bank</b>		<b>Aggregate</b>	<b>Bank</b>		<b>Aggregate</b>	
	<b>#</b>	<b>%</b>	<b>%</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>\$ %</b>	<b>%</b>
Low	2	4.8	8.9	782	11.7	10.6	10.7
Moderate	4	9.5	20.9	1,290	19.3	22.8	23.1
Middle	21	50.0	21.0	2,706	40.6	16.2	22.4
Upper	15	35.7	46.5	1,894	28.4	43.0	41.2
Unknown	0	0.0	2.7	0	0.0	7.4	2.6
<b>TOTAL</b>	<b>42</b>	<b>100.0</b>	<b>100.0</b>	<b>6,672</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The bank’s level of lending in low-income census tracts (4.8 percent) is only slightly below the estimated percentage of businesses operating inside these census tracts (10.7 percent) and the aggregate lending levels (8.9 percent). Therefore, the bank’s performance in low-income areas is reasonable. Conversely, the bank’s percentage of loans in moderate-income census tracts (9.5 percent) is considerably below the aggregate lending level (20.9 percent) and the percentage of small businesses in moderate-income census tracts (23.1 percent), representing poor performance. When considering LMI tracts combined, the bank’s overall geographic distribution of small business loans is poor.

**COMMUNITY DEVELOPMENT TEST**

The bank demonstrates adequate responsiveness to community development needs within the AA, 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, community development donations, and community development services.

During the review period, the bank extended nine community development loans totaling \$6.1 million in this AA. Seven of these loans were made to developers for affordable housing projects. Of the two loans remaining, one helped revitalize/stabilize multifamily housing in a low-income tract and the other provided a community service by enhancing security in a senior living facility occupied by majority LMI tenants.

The bank made three donations totaling \$3,960 in this AA. Finally, one member of bank personnel provided a financial literacy course on fraud prevention to LMI residents in this AA.

## NONMETROPOLITAN TENNESSEE STATEWIDE AREA

*(Limited-Scope Review)*

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE LAUDERDALE COUNTY ASSESSMENT AREA

This AA includes the entirety of Lauderdale County, and the bank operates one office in this AA. No branches were opened or closed in the AA during the review period. The tables below detail key demographics relating to this AA.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	1,790	1,550	1,095	2,277	<b>6,712</b>
	26.7%	23.1%	16.3%	33.9%	<b>100.0%</b>
Household Population	2,392	1,791	1,713	3,713	<b>9,609</b>
	24.9%	18.6%	17.8%	38.6%	<b>100.0%</b>

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	0	4	4	1	0	<b>9</b>
	0.0%	44.4%	44.4%	11.1	0.0%	<b>100.0%</b>
Family Population	0	3,155	3,258	299	0	<b>6,712</b>
	0.0%	47.0%	48.5%	4.5%	0.0%	<b>100.0%</b>
Household Population	0	4,898	4,244	467	0	<b>9,609</b>
	0.0%	51.0%	44.2%	4.9%	0.0%	<b>100.0%</b>
Business Institutions	0	279	164	24	0	<b>467</b>
	0.0%	59.7%	35.1%	5.1%	0.0%	<b>100.0%</b>

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE LAUDERDALE COUNTY ASSESSMENT AREA**

**LENDING TEST**

The bank’s Lending Test performance in this AA is consistent with the bank’s Lending Test performance in the Memphis AA that was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank’s Lending Test performance in this AA, see the tables in *Appendix A*.

<b>Lending Test Criteria</b>	<b>Performance</b>
Distribution of Loans by Borrower’s Profile	Consistent
Geographic Distribution of Loans	Consistent
<b>OVERALL</b>	<b>CONSISTENT</b>

**COMMUNITY DEVELOPMENT TEST**

The bank’s Community Development Test performance in this AA is below the bank’s Community Development Test performance in the Memphis AA reviewed using full-scope procedures. During the review period, the bank did not have any qualified community development activities for this AA.

## NASHVILLE-DAVIDSON-MURFREESBORO- FRANKLIN, TENNESSEE METROPOLITAN STATISTICAL AREA

*(Limited-Scope Review)*

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE NASHVILLE ASSESSMENT AREA

This AA includes the entirety of Sumner, Wilson, and Smith counties, and the bank operates three offices in this AA. No branches were closed in the AA during the review period; however, an LPO in Sumner County was converted to a full-service branch. The tables below detail key demographics relating to this AA.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	17,933	16,376	21,935	38,491	<b>94,735</b>
	18.9%	17.3%	23.2%	40.6%	<b>100.0%</b>
Household Population	26,598	20,592	24,167	56,333	<b>127,690</b>
	20.8%	16.1%	18.9%	44.1%	<b>100.0%</b>

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	2	19	31	24	0	<b>76</b>
	2.6%	25.0%	40.8%	31.6%	0.0%	<b>100.0%</b>
Family Population	2,576	20,152	38,017	33,990	0	<b>94,735</b>
	2.7%	21.3%	40.1%	35.9%	0.0%	<b>100.0%</b>
Household Population	3,899	28,099	52,964	42,728	0	<b>127,690</b>
	3.1%	22.0%	41.5%	33.5%	0.0%	<b>100.0%</b>
Business Institutions	483	2,843	4,915	4,442	0	<b>12,683</b>
	3.8%	22.4%	38.8%	35.0%	0.0%	<b>100.0%</b>

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE NASHVILLE ASSESSMENT AREA**

**LENDING TEST**

The bank’s Lending Test performance in this AA is consistent with the bank’s Lending Test performance in the Memphis AA that was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank’s Lending Test performance in this AA, see the tables in *Appendix A*.

<b>Lending Test Criteria</b>	<b>Performance</b>
Distribution of Loans by Borrower’s Profile	Below
Geographic Distribution of Loans	Exceeds
<b>OVERALL</b>	<b>CONSISTENT</b>

**COMMUNITY DEVELOPMENT TEST**

The bank’s Community Development Test performance in this AA is consistent with the bank’s Community Development Test performance in the Memphis AA that was reviewed using full-scope procedures.

During the review period, the bank made four community development loans totaling \$7.5 million. All of the community development loans were extended to a community development financial institution that provided economic development throughout the AA.



**APPENDIX A – LENDING PERFORMANCE TABLES FOR LIMITED-SCOPE  
REVIEW ASSESSMENT AREAS**

**Lauderdale County Assessment Area**

Borrower Distribution of HMDA Loans Assessment Area: Lauderdale County								
Product Type	Borrower Income Levels	2022–2023						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	4	25.0	7.8	326	26.1	4.0	26.7
	Moderate	2	12.5	26.0	62	5.0	19.4	23.1
	Middle	3	18.8	25.6	251	20.1	25.2	16.3
	Upper	6	37.5	18.9	506	40.6	26.0	33.9
	Unknown	1	6.3	21.7	102	8.2	25.5	0.0
	<b>TOTAL</b>	<b>16</b>	<b>100.0</b>	<b>100.0</b>	<b>1,247</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	2	8.7	9.5	67	2.5	5.1	26.7
	Moderate	4	17.4	13.5	340	12.7	9.5	23.1
	Middle	8	34.8	29.7	752	28.1	25.0	16.3
	Upper	8	34.8	38.3	1,449	54.1	51.4	33.9
	Unknown	1	4.3	9.0	71	2.7	9.0	0.0
	<b>TOTAL</b>	<b>23</b>	<b>100.0</b>	<b>100.0</b>	<b>2,679</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	1	11.1	11.9	7	1.3	9.2	26.7
	Moderate	1	11.1	21.4	51	9.7	13.8	23.1
	Middle	2	22.2	26.2	63	12.0	23.0	16.3
	Upper	5	55.6	35.7	405	77.0	38.4	33.9
	Unknown	0	0.0	4.8	0	0.0	15.7	0.0
	<b>TOTAL</b>	<b>9</b>	<b>100.0</b>	<b>100.0</b>	<b>526</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	0	0.0	0.0	0	0.0	0.0	N/A
	Moderate	0	0.0	0.0	0	0.0	0.0	N/A
	Middle	0	0.0	0.0	0	0.0	0.0	N/A
	Upper	0	0.0	16.7	0	0.0	19.9	N/A
	Unknown	1	100.0	83.3	286	100.0	80.1	N/A
	<b>TOTAL</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>286</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>
HMDA TOTALS	Low	7	14.3	8.7	400	8.4	4.4	26.7
	Moderate	7	14.3	21.6	453	9.6	16.2	23.1
	Middle	13	26.5	25.9	1,066	22.5	24.5	16.3
	Upper	19	38.8	25.8	2,360	49.8	33.6	33.9
	Unknown	3	6.1	18.0	459	9.7	21.2	0.0
	<b>TOTAL</b>	<b>49</b>	<b>100.0</b>	<b>100.0</b>	<b>4,738</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Small Business Loans by Revenue and Loan Size								
Assessment Area: Lauderdale County								
Business Revenue and Loan Size		2022-2023						Total Businesses
		Count			Dollars			
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Business Revenue	\$1 Million or Less	21	80.8	62.4	1,124	62.3	28.0	88.5
	Over \$1 Million/Unknown	5	19.2	37.6	679	37.7	72.0	11.5
	<b>TOTAL</b>	<b>26</b>	<b>100.0%</b>	<b>100.0</b>	<b>1,803</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Size	\$100,000 or Less	18	69.2	90.3	628	34.8	27.0	
	\$100,001-\$250,000	8	30.8	5.9	1,175	65.2	27.8	
	\$250,001-\$1 Million	0	0.0	3.8	0	0.0	45.2	
	Over \$1 Million	0	0.0	0.0	0	0.0	0.0	
	<b>TOTAL</b>	<b>26</b>	<b>100.0</b>	<b>100.0</b>	<b>1,803</b>	<b>100.0</b>	<b>100.0</b>	
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	17	81.0		567	50.4	
		\$100,001-\$250,000	4	19.0		557	49.6	
		\$250,001-\$1 Million	0	0.0		0	0.0	
		Over \$1 Million	0	0.0		0	0.0	
		<b>TOTAL</b>	<b>21</b>	<b>100.0</b>		<b>1,124</b>	<b>100.0</b>	

Geographic Distribution of HMDA Loans Assessment Area: Lauderdale County								
Product Type	Tract Income Levels	2022–2023						
		Count			Dollars			Owner- Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	5	31.3	41.9	267	21.4	39.1	39.4
	Middle	11	68.8	53.5	980	78.6	56.8	54.7
	Upper	0	0.0	4.6	0	0.0	4.1	5.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>TOTAL</b>	<b>16</b>	<b>100.0</b>	<b>100.0</b>	<b>1,247</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	6	26.1	35.6	492	18.4	33.7	39.4
	Middle	17	73.9	57.2	2,187	81.6	59.1	54.7
	Upper	0	0.0	7.2	0	0.0	7.2	5.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>TOTAL</b>	<b>23</b>	<b>100.0</b>	<b>100.0</b>	<b>2,679</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	5	55.6	57.1	298	56.7	63.3	39.4
	Middle	3	33.3	38.1	216	41.1	34.0	54.7
	Upper	1	11.1	4.8	12	2.3	2.7	5.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>TOTAL</b>	<b>9</b>	<b>100.0</b>	<b>100.0</b>	<b>526</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	1	100.0	66.7	286	100.0	68.3	62.1
	Middle	0	0.0	33.3	0	0.0	31.7	37.9
	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
	<b>TOTAL</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>286</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA TOTALS	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	17	34.7	41.4	1,343	28.3	38.5	39.4
	Middle	31	63.3	53.4	3,383	71.4	56.6	54.7
	Upper	1	2.0	5.2	12	0.3	4.9	5.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>TOTAL</b>	<b>49</b>	<b>100.0</b>	<b>100.0</b>	<b>4,738</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

<b>Geographic Distribution of Small Business Loans</b>							
<b>Assessment Area: Lauderdale County</b>							
<b>Tract Income Levels</b>	<b>2022-2023</b>						
	<b>Count</b>			<b>Dollars</b>			<b>Businesses</b>
	<b>Bank</b>		<b>Aggregate</b>	<b>Bank</b>		<b>Aggregate</b>	
	<b>#</b>	<b>%</b>	<b>%</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>\$ %</b>	<b>%</b>
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	11	42.3	49.2	1,061	58.9	79.1	60.0
Middle	14	53.8	46.6	701	38.9	19.9	35.0
Upper	1	3.8	3.3	40	2.2	0.5	5.0
Unknown	0	0.0	0.9	0	0.0	0.5	0.0
<b>TOTAL</b>	<b>26</b>	<b>100.0</b>	<b>100.0</b>	<b>1,802</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Nashville Assessment Area**

Borrower Distribution of HMDA Loans Assessment Area: Nashville								
Product Type	Borrower Income Levels	2022-2023						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	1	7.1	4.2	130	4.2	2.0	18.9
	Moderate	1	7.1	17.9	385	12.6	12.4	17.3
	Middle	3	21.4	22.6	594	19.4	20.8	23.2
	Upper	6	42.9	35.9	1,229	40.2	44.9	40.6
	Unknown	3	21.4	19.4	722	23.6	19.9	0.0
	<b>TOTAL</b>	<b>14</b>	<b>100.0</b>	<b>100.0</b>	<b>3,060</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	11.2	0	0.0	5.8	18.9
	Moderate	1	10.0	22.5	79	3.6	16.5	17.3
	Middle	2	20.0	22.0	365	16.5	20.0	23.2
	Upper	4	40.0	29.8	1,319	59.7	38.2	40.6
	Unknown	3	30.0	14.5	448	20.3	19.5	0.0
	<b>TOTAL</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>2,211</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	6.8	0	0.0	4.3	18.9
	Moderate	0	0.0	16.4	0	0.0	11.4	17.3
	Middle	4	80.0	25.3	196	52.8	21.5	23.2
	Upper	1	20.0	47.7	175	47.2	58.2	40.6
	Unknown	0	0.0	3.8	0	0.0	4.5	0.0
	<b>TOTAL</b>	<b>5</b>	<b>100.0</b>	<b>100.0</b>	<b>371</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	0	0.0	0.0	0	0.0	0.0	N/A
	Moderate	0	0.0	0.0	0	0.0	0.0	N/A
	Middle	0	0.0	2.4	0	0.0	0.1	N/A
	Upper	0	0.0	14.1	0	0.0	2.2	N/A
	Unknown	3	100.0	83.5	4,125	100.0	97.7	N/A
	<b>TOTAL</b>	<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>4,125</b>	<b>100.0</b>	<b>100.0</b>	<b>N/A</b>
HMDA TOTALS	Low	1	3.1	6.5	130	1.3	2.9	18.9
	Moderate	2	6.3	18.8	464	4.8	12.7	17.3
	Middle	9	28.1	22.7	1,155	11.8	19.6	23.2
	Upper	11	34.4	36.1	2,723	27.9	42.4	40.6
	Unknown	9	28.1	16.0	5,295	54.2	22.4	0.0
	<b>TOTAL</b>	<b>32</b>	<b>100.0</b>	<b>100.0</b>	<b>9,767</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Small Business Loans by Revenue and Loan Size								
Assessment Area: Nashville								
Business Revenue and Loan Size		2022-2023						Total Businesses
		Count			Dollars			
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Business Revenue	\$1 Million or Less	12	66.7	56.9	1,264	42.9	42.0	93.2
	Over \$1 Million/Unknown	6	33.3	43.1	1,680	57.1	58.0	6.8
	<b>TOTAL</b>	<b>18</b>	<b>100.0</b>	<b>100.0</b>	<b>2,944</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Size	\$100,000 or Less	9	50.0	93.5	382	13.0	38.4	
	\$100,001-\$250,000	5	27.8	3.5	791	26.9	16.9	
	\$250,001-\$1 Million	4	22.2	3.0	1,771	60.2	44.7	
	Over \$1 Million	0	0.0	0.0	0	0.0	0.0	
	<b>TOTAL</b>	<b>18</b>	<b>100.0</b>	<b>100.0</b>	<b>2,944</b>	<b>100.0</b>	<b>100.0</b>	
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	8	66.7		319	25.2	
		\$100,001-\$250,000	2	16.7		319	25.2	
		\$250,001-\$1 Million	2	16.7		626	49.5	
		Over \$1 Million	0	0.0		0	0.0	
		<b>TOTAL</b>	<b>12</b>	<b>100.0</b>		<b>1,264</b>	<b>100.0</b>	

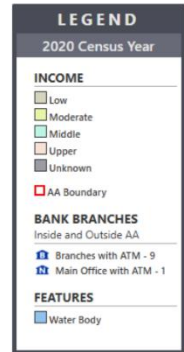
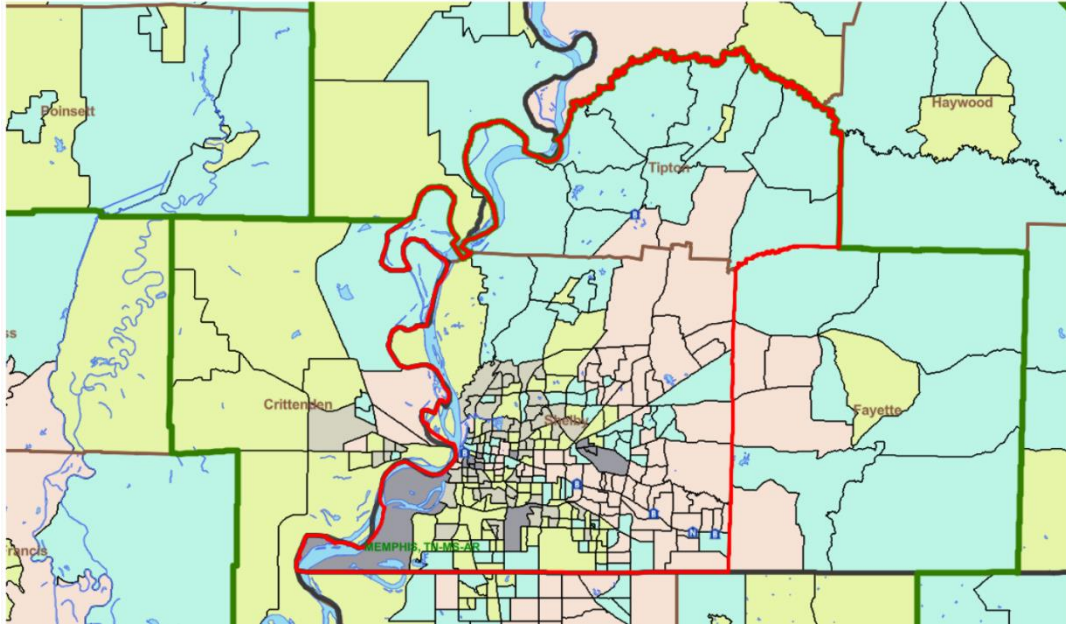
Geographic Distribution of HMDA Loans Assessment Area: Nashville								
Product Type	Tract Income Levels	2022–2023						
		Count			Dollars			Owner- Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	1	7.1	2.4	215	7.0	1.8	1.4
	Moderate	6	42.9	23.4	1,396	45.6	18.0	19.1
	Middle	6	42.9	38.4	1,064	34.8	36.8	42.1
	Upper	1	7.1	35.8	385	12.6	43.3	37.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>TOTAL</b>	<b>14</b>	<b>100.0</b>	<b>100.0</b>	<b>3,060</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	1	10.0	1.3	200	9.0	0.9	1.4
	Moderate	6	60.0	19.1	1,419	64.2	14.5	19.1
	Middle	1	10.0	42.4	344	15.6	39.1	42.1
	Upper	2	20.0	37.1	248	11.2	45.5	37.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>TOTAL</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>2,211</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.8	0	0.0	0.6	1.4
	Moderate	1	20.0	13.6	175	47.2	11.1	19.1
	Middle	2	40.0	40.3	91	24.5	40.1	42.1
	Upper	2	40.0	45.3	105	28.3	48.2	37.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>TOTAL</b>	<b>5</b>	<b>100.0</b>	<b>100.0</b>	<b>371</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multifamily	Low	0	0.0	9.4	0	0.0	2.2	3.8
	Moderate	1	33.3	40.0	1,000	24.2	20.1	20.4
	Middle	2	66.7	37.6	3,125	75.8	60.6	44.1
	Upper	0	0.0	12.9	0	0.0	17.1	31.7
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>TOTAL</b>	<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>4,125</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA TOTALS	Low	2	6.3	1.8	415	4.2	1.5	1.4
	Moderate	14	43.8	20.8	3,990	40.9	16.8	19.1
	Middle	11	34.4	39.6	4,624	47.3	38.5	42.1
	Upper	5	15.6	37.8	738	7.6	43.1	37.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>TOTAL</b>	<b>32</b>	<b>100.0</b>	<b>100.0</b>	<b>9,767</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Geographic Distribution of Small Business Loans Assessment Area: Nashville							
Tract Income Levels	2022-2023						
	Count			Dollars			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	%
Low	1	5.6	2.7	64	2.2	5.9	3.7
Moderate	12	66.7	16.8	2,257	76.6	21.7	22.2
Middle	2	11.1	39.0	36	1.2	37.1	38.6
Upper	3	16.7	41.1	588	20.0	35.2	35.4
Unknown	0	0.0	0.4	0	0.0	0.1	0.0
<b>TOTAL</b>	<b>18</b>	100.0	100.0	2,945	100.0	<b>100.0</b>	<b>100.0</b>

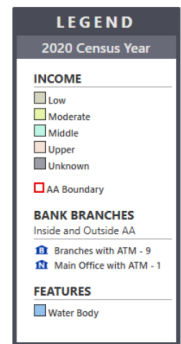
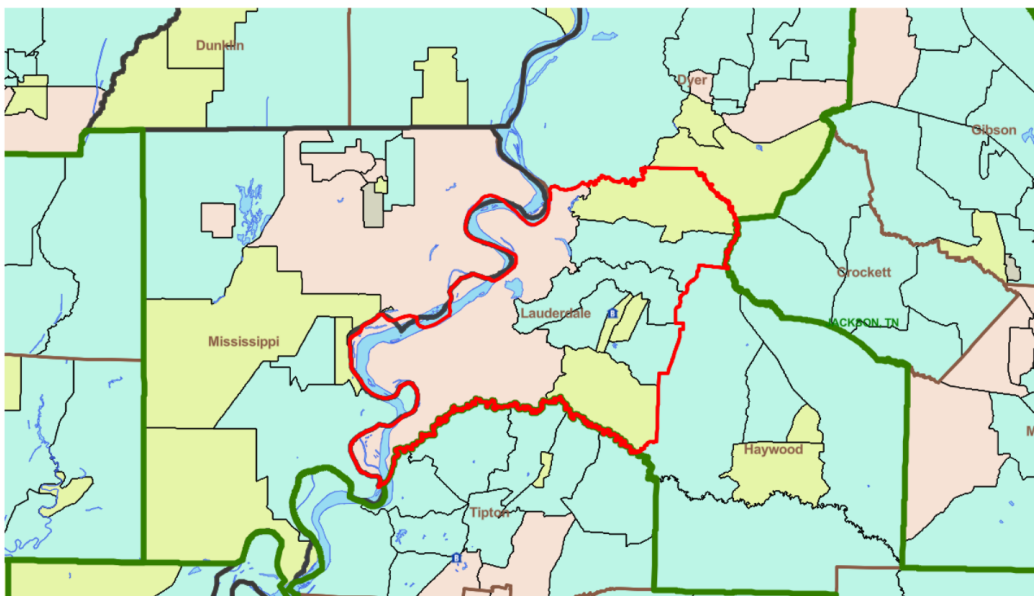


APPENDIX B – ASSESSMENT AREAS DETAIL

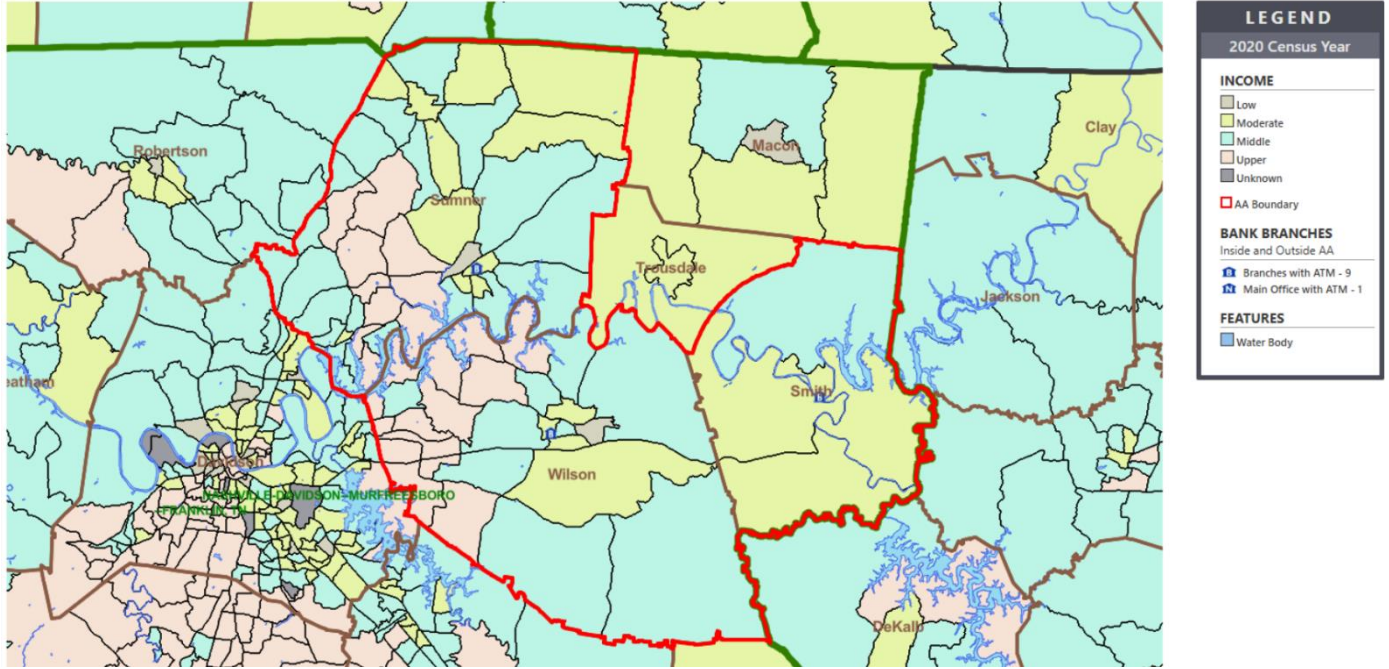
Memphis Assessment Area



Lauderdale County Assessment Area



Nashville Assessment Area



## APPENDIX C – GLOSSARY

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

**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 nonmetropolitan 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 on 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) affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) 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; (4) activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-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 (e.g., age, race, sex, and income) 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 nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

**Full-scope review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (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 who 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 income of applicants; 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:** 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 within 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 an MSA based on specific criteria including commuting patterns. Only an MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

**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 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 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.