



PUBLIC DISCLOSURE

JUNE 03, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**FIRST BETHANY BANK & TRUST
RSSD# 988452**

**6500 NORTHWEST 39TH EXPRESSWAY
BETHANY, OKLAHOMA 73008**

**Federal Reserve Bank of Kansas City
1 Memorial Drive
Kansas City, Missouri 64198**

NOTE: This document is an evaluation of this bank'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 bank. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

First Bethany Bank & Trust (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria:

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A substantial majority of the bank's loans are originated inside the AA.
- A reasonable dispersion of loans occurs throughout the bank's AA.
- Lending reflects a reasonable penetration among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor the Federal Reserve Bank of Kansas City (Reserve Bank) received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation.

SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Small Institutions* were utilized to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy and market competition, as well as AA demographic and economic characteristics, and credit needs. Lending performance was assessed within the bank's Oklahoma City Metropolitan AA. The following data was reviewed:

- The bank's 15-quarter average NLTD ratio;
- The full universe of 86 Home Mortgage Disclosure Act (HMDA) loans originated between January 1, 2016 and December 31, 2017; and,
- A statistically-derived sample of 55 small business loans from a universe of 75 loans originated from January 1, 2018 to December 31, 2018. Small business loans were given greater weight in the evaluation due to the bank's focus on commercial lending.

For the geographic and borrower distribution performance discussions, the overall performance rating for the bank's HMDA-lending considered lending in both 2016 and 2017. However, the analysis within the body of this report in each section focuses on the bank's performance in 2017, with comparisons made to 2016 performance. Refer to Appendix C for more detailed information on the bank's HMDA lending in 2016.

DESCRIPTION OF INSTITUTION

First Bethany Bank & Trust is a community bank headquartered in Bethany, Oklahoma. The bank's characteristics include:

- The bank is a wholly owned subsidiary of First Bethany Bancorp, Inc.

- The bank has total assets of \$213.4 million as of December 31, 2018.
- In addition to its main office in Bethany, the bank has one additional limited-service branch located in Oklahoma City, Oklahoma. Both offices are located in Oklahoma County.
- The bank operates cash-dispensing automated teller machines (ATMs) at both of its locations, and one stand-alone ATM on the Southern Nazarene University campus in Bethany.
- The bank's primary business focus is commercial lending.

**TABLE 1
COMPOSITION OF LOAN PORTFOLIO
AS OF DECEMBER 31, 2018**

Loan Type	\$(000)	%
Commercial	82,220	74.6
Residential Real Estate	24,642	22.4
Consumer	944	0.9
Agricultural	0	0.0
Other	2,406	2.2
Gross Loans	110,212	100.0

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

The bank was rated Satisfactory under the CRA at its May 11, 2015 performance evaluation. There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

DESCRIPTION OF ASSESSMENT AREA

The bank's AA is comprised of Oklahoma, Canadian, and Cleveland counties in their entirety (see Appendix A for an AA map).

- The AA's delineation has changed since the 2015 performance evaluation. The bank previously delineated an AA that was comprised of Pottawatomie, McClain, Oklahoma, Canadian, and Cleveland counties.
- The AA is currently comprised of 332 census tracts within the Oklahoma City, Oklahoma Metropolitan Statistical Area (Oklahoma City MSA): 28 low-, 99 moderate-, 117 middle-, 79 upper-, and 9 unknown-income census tracts. The majority of LMI tracts are located within or near the Oklahoma City urban core.
- According to the June 30, 2018 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank ranked 34th out of 65 FDIC-insured institutions in the AA with a deposit market share of 0.6 percent.
- Two community contacts made by the Reserve Bank in conjunction with CRA performance evaluations of other institutions operating in the AA were used in the evaluation to ascertain the credit needs of the communities, the responsiveness of area banks in meeting those credit needs, and the local economic conditions. One

community contact was a representative from a local economic development association and the other was from an organization dedicated to supporting affordable housing for LMI individuals within the AA.

TABLE 2
POPULATION CHANGE

Area	2010 Population	2015 Population	Percent Change
Canadian County, Oklahoma	115,541	126,193	9.2
Cleveland County, Oklahoma	255,755	268,614	5.0
Oklahoma County, Oklahoma	718,633	754,480	5.0
Oklahoma City, Oklahoma MSA	1,252,987	1,318,408	5.2
State of Oklahoma	3,751,351	3,849,733	2.6

Source: 2010 U.S. Census Bureau Decennial Census
2011-2015 U.S. Census Bureau: American Community Survey

- The bank's AA has experienced robust growth in recent years, with Canadian County leading with a 9.2 percent increase in population. The Oklahoma City MSA population increased by 5.2 percent overall. The individual counties and MSA population growth outpaced the overall state population growth of 2.6 percent.
- A community contact noted that Oklahoma City's economy was significantly affected by the 2013 oil crisis, but has since recovered and grown steadily.

TABLE 3
MEDIAN FAMILY INCOME CHANGE

Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Canadian County, Oklahoma	67,981	72,790	7.1
Cleveland County, Oklahoma	65,646	70,191	6.9
Oklahoma County, Oklahoma	54,724	60,346	10.3
Oklahoma City, Oklahoma MSA	58,775	64,058	9.0
State of Oklahoma	53,607	58,029	8.2

Source: 2006-2010 U.S. Census Bureau: American Community Survey
2011-2015 U.S. Census Bureau: American Community Survey

- The median family income for all three counties increased from 2010.
- Approximately 11.5 percent of families in the AA live below the poverty line. The state figure is slightly higher, at 12.4 percent. A notable outlier is Canadian County, where only 5.2 percent of families live below poverty. The median family income in Canadian County is higher than any other county within the AA, and is higher than the MSA and state figures.

**TABLE 4
HOUSING COSTS CHANGE**

Area	Median Housing Value		Percent Change	Median Gross Rent		Percent Change
	2010	2015		2010	2015	
Canadian County, Oklahoma	131,600	144,600	9.9	758	886	16.9
Cleveland County, Oklahoma	131,800	146,100	10.8	725	831	14.6
Oklahoma County, Oklahoma	117,500	133,400	13.5	675	780	15.6
Oklahoma City, Oklahoma MSA	121,318	137,248	13.1	680	784	15.3
State of Oklahoma	104,300	117,900	13.0	633	727	14.8

Source: 2006-2010 U.S. Census Bureau: American Community Survey
2011-2015 U.S. Census Bureau: American Community Survey

- Median housing values have increased in all three counties, with Canadian and Cleveland Counties notably higher than both the overall Oklahoma City MSA and state figures.
- Percentage growth in median gross rent figures have also increased and exceeded the median housing value growth percentages.
- Canadian County was the most affordable of the counties comprising the AA, with an affordability ratio¹ of 44.6 percent. The AA and MSA affordability ratios were 37.1 percent and 37.5 percent, respectively. Oklahoma County, where the bank's branches are located, has an affordability ratio of 35.6.
- Housing stock within the AA was slightly older compared to the state level, at 44 years versus 38 years. Oklahoma County, where many LMI census tracts and borrowers are located, had a median housing stock age of 42 years, compared to Canadian and Cleveland Counties at 28 years and 29 years, respectively.
- A community contact familiar with local housing needs noted that the market for housing currently favors sellers. Additionally, due to the area's location in "Tornado Alley," a home purchase often requires higher homeowner's insurance amounts which raise the monthly payments and can make purchasing a home less feasible for LMI borrowers.

**TABLE 5
UNEMPLOYMENT RATES**

Region	2013	2014	2015	2016	2017
Canadian County, Oklahoma	4.6	3.6	3.6	4.0	3.5
Cleveland County, Oklahoma	4.6	3.7	3.5	3.9	3.5
Oklahoma County, Oklahoma	5.4	4.2	3.9	4.3	4.0
Oklahoma City, Oklahoma MSA	5.1	4.0	3.8	4.2	3.8
State of Oklahoma	5.4	4.5	4.4	4.9	4.2

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

¹ The housing affordability ratio is calculated by dividing the median household income by the median housing value. A lower ratio indicated that housing is generally less affordable

- The main industries in the AA include energy and petroleum, government, aviation and aerospace, and biotechnology, according to the Oklahoma City Chamber of Commerce.
- Major employers in the Oklahoma City MSA include the State of Oklahoma, Tinker Air Force Base, University of Oklahoma, Hobby Lobby's corporate office, Chesapeake Energy, and INTEGRIS Health.
- A community contact noted that no large employers have entered or left the MSA since 2013, although many existing employers have increased hiring. Recovery from the 2013 oil crisis has likely driven the decrease in unemployment.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank's average NLTD ratio to determine the reasonableness of lending in light of performance context, such as the bank's capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AA, and in comparison to similarly situated FDIC-insured institutions. The similarly situated institutions were selected based on asset size, portfolio concentration, funding sources, and operations within the AA. Level of pledged securities and deposit mix were also considered to support accurate comparisons. The bank's NLTD ratio is reasonable.

While the bank's 15-quarter average NLTD ratio was lower than all of the comparison banks, it was comparable with one. Additionally, the bank's ratio has increased since the prior performance evaluation, which reflected 53.0 percent over a 16-quarter average, and has been trending upwards within the past year, to 70.9 percent as of December 31, 2018. The 15-quarter average NLTD ratio for the state of Oklahoma and the bank's national peer group was 73.4 percent and 79.3 percent, respectively, which is more closely aligned with the bank's recent performance. Additionally, consideration was given to the strong competition in the area from both large financial institutions and local credit unions. Moreover, the bank's significant amount of pledged securities as a result of offering repurchase agreements for customers with large deposit account balances was also considered a factor that effectively reduces the funds available for lending.

**TABLE 6
COMPARATIVE NLTD RATIOS**

Institution	Location	Asset Size (\$000s)	NLTD Ratio (%)
			15-Quarter Average
First Bethany Bank & Trust	Bethany, Oklahoma	213,448	60.1
First State Bank	Oklahoma City, Oklahoma	333,723	98.7
Sooner State Bank	Tuttle, Oklahoma	206,561	73.1
The Citizens Bank of Edmond	Edmond, Oklahoma	275,436	86.5
Yukon National Bank	Yukon, Oklahoma	224,722	63.8

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. A substantial majority of the bank's loans, by number and dollar, are originated inside the AA. The bank has a strong history of lending within its delineated assessment areas.

TABLE 7 LENDING INSIDE AND OUTSIDE THE AA								
Loan Type	Inside				Outside			
	#	\$(000)	#%	\$%	#	\$(000)	#%	\$%
Home Purchase	45	3,931	95.7	96.5	2	143	4.3	3.5
Home Refinance	11	3,246	91.7	96.9	1	103	8.3	3.1
Home Improvement	20	719	95.2	98.0	1	15	4.8	2.0
Multifamily	6	1,924	100.0	100.0	0	0	0.0	0.0
Total HMDA Loans	82	9,820	95.3	97.4	4	261	4.7	2.6
Small Business Loans	52	5,611	94.5	88.1	3	759	5.5	11.9

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

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of lending within its AA by income level of census tracts. The bank's geographic distribution of loans reflects reasonable dispersion among the different census tracts within the AA.

Home Mortgage Lending

The geographic distribution of home mortgage lending is excellent. While the bank did not originate any loans in low-income census tracts, lending opportunities are reduced due to the limited number of owner-occupied units and high number of rental units², particularly located in LMI census tracts. Additionally, a majority of the low-income census tracts in the AA are located some distance from the bank's full-service branch and are in close proximity to numerous regional and national banks focused on mortgage lending. The bank showed strong performance in moderate-income geographies, extending 19 of 45 total loans in these areas, nearly half of all mortgage lending. Further, the bank's lending in moderate-income geographies is more than double that of aggregate lenders by both number and dollar amount and is significantly higher than the demographic figure.

Additionally, when loan dispersion was evaluated, no gaps or lapses in lending were identified within the AA.

Lending in 2016 was similar to the lending performance in 2017.

² See figures in Appendix B.

TABLE 8
DISTRIBUTION OF 2017 HOME MORTGAGE LENDING
BY INCOME LEVEL OF GEOGRAPHY

Census Tract Income Level	Bank Loans				Aggregate HMDA Data		% of Owner- Occupied Units
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	2.0	1.4	3.9
Moderate	19	1,327	42.2	24.3	15.4	11.1	19.3
Middle	17	1,084	37.8	19.9	39.3	33.0	40.4
Upper	9	3,039	20.0	55.8	43.1	53.6	36.4
Unknown	0	0	0.0	0.0	0.2	1.0	0.1

Source: 2017 FFIEC Census data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 percent due to rounding.

Small Business Lending

The geographic distribution of small business lending is reasonable. The bank's performance is comparable to the demographic figure within low-income geographies by number volume, although it is less than the demographic figure by dollar volume. The bank's lending exceeds the demographic figure by number volume in moderate-income geographies, although the dollar volume is below the demographic figure.

Additionally, when loan dispersion was evaluated, no gaps or lapses in lending were identified within the AA.

TABLE 9
DISTRIBUTION OF 2018 SMALL BUSINESS LENDING
BY INCOME LEVEL OF GEOGRAPHY

Census Tract Income Level	Bank Small Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	2	50	3.8	0.9	4.8
Moderate	14	778	26.9	13.9	22.7
Middle	24	3,777	46.2	67.3	35.5
Upper	12	1,006	23.1	17.9	33.7
Unknown	0	0	0.0	0.0	3.3

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 percent due to rounding.

Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes

This performance criterion evaluates the bank's lending to borrowers of different income levels and businesses of different revenue sizes. The bank's lending has a reasonable penetration among individuals of different income levels and businesses of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. The bank's mortgage lending customer base is primarily comprised of investors that hold rental properties. Thus, the bank has a large number of loans extended to borrowers with an unknown income level, which is over double the amount of unknown income borrowers reported by aggregate lenders. Excluding the 25 loans to borrowers of unknown income levels, 8 of the 20 HMDA loans with reported borrower incomes were originated to LMI borrowers, reflecting 40.0 percent of the bank's total HMDA lending. Originations by dollar volume were similar to aggregate data, but were below the demographic figure.

Lending in 2016 also reflected a high number of loans extended to borrowers with an unknown income level. The bank's lending activity in 2016 exceeded aggregate lending performance to low-income borrowers; however, its lending to moderate-income borrowers trailed both the aggregate and demographic figures.

**TABLE 10
DISTRIBUTION OF 2017 HOME MORTGAGE LENDING
BY BORROWER INCOME LEVEL**

Borrower Income Level	Bank Loans				Aggregate HMDA Data		Families by Family Income %
	#	\$(000)	#%	\$%	#%	\$%	
Low	2	150	4.4	2.8	6.1	2.8	21.5
Moderate	6	557	13.3	10.2	17.0	10.8	17.3
Middle	6	180	13.3	3.3	19.5	15.5	20.3
Upper	6	1,955	13.3	35.9	35.0	41.7	40.9
Unknown	25	2,608	55.6	47.9	22.4	29.2	0.0

Source: 2017 FFIEC Census data

2011 – 2015 U.S. Census Bureau: American Community Survey

NOTE: Percentages may not add up to 100.0 percent due to rounding.

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank's small business lending base is primarily to long-term and repeat customers with established relationships. While the bank originated a large number of its small business loans to businesses with revenues over \$1 million, 6 of these 23 loans included in the statistical sample were made to a single business entity. Additionally, the 9 loans in the sample with revenues reported as not known were for letters of credit or were secured by deposit accounts, for which financial information is not collected by the bank. Excluding these 9 loans in which no business revenues were reported, 46.5 percent of the bank's small business lending was to businesses with revenues of \$1 million or less. This performance closely compares to the 2017 aggregate lending performance by all CRA-reporting institutions within the bank's AA at 47.5 percent, which is the most recent aggregate CRA data available. While the bank does not report small business data as a small institution, aggregate data reported by all large bank CRA-filers in the AA provides additional insight into the credit demand of the area.

Additionally, approximately 88.4 percent of small business loans were originated in loan amounts of \$250,000 or less, indicating the bank's willingness to meet the credit needs of small businesses. Typically, smaller businesses do not have the need or the capacity to borrow large amounts; as such, smaller loan amounts are used as a proxy to estimate the support of small entities.

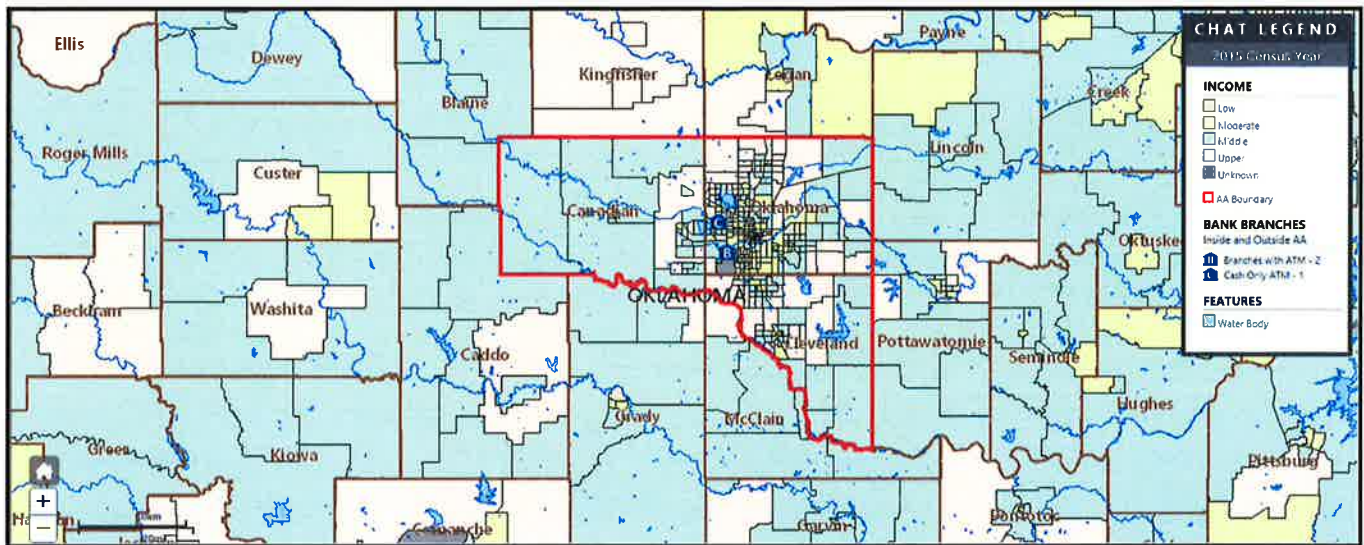
TABLE 11
DISTRIBUTION OF 2018 SMALL BUSINESS LENDING
BY REVENUE SIZE OF BUSINESSES

	Bank Loans				Total Businesses
	#	\$(000)	#%	\$%	%
By Revenue					
\$1 Million or Less	20	1,161	38.5	20.7	91.0
Over \$1 Million	23	4,002	44.2	71.3	7.9
Not Known	9	448	17.3	8.0	1.1
Total	52	5,611	100.0	100.0	100.0
By Loan Size					
\$100,000 or less	41	1,211	78.8	21.6	
\$100,001 – \$250,000	5	1,050	9.6	18.7	
\$250,001 – \$1 Million	6	3,350	11.5	59.7	
Total	52	5,611	100.0	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or less	18	411	90.0	35.4	
\$100,001 – \$250,000	1	250	5.0	21.5	
\$250,001 – \$1 Million	1	500	5.0	43.1	
Total	20	1,161	100.0	100.0	
Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011 – 2015 U.S. Census Bureau: American Community Survey NOTE: Percentages may not add up to 100.0 percent due to rounding.					

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

An evaluation of the bank's fair lending activities was conducted during the examination to determine compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act. No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – MAP OF THE ASSESSMENT AREA



APPENDIX B – DEMOGRAPHIC INFORMATION

**TABLE B-1
2018 AA DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	28	8.4	17,042	6.1	6,224	36.5	59,879	21.5
Moderate	99	29.8	64,113	23.0	13,188	20.6	48,267	17.3
Middle	117	35.2	106,284	38.1	9,158	8.6	56,701	20.3
Upper	79	23.8	91,177	32.7	3,279	3.6	114,109	40.9
Unknown	9	2.7	340	0.1	119	35.0	0	0.0
Total AA	332	100.0	278,956	100.0	31,968	11.5	278,956	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	33,484	10,466	3.9	31.3	17,502	52.3	5,516	16.5
Moderate	131,943	52,162	19.3	39.5	61,971	47.0	17,810	13.5
Middle	180,708	108,984	40.4	60.3	55,093	30.5	16,631	9.2
Upper	134,894	98,216	36.4	72.8	28,046	20.8	8,632	6.4
Unknown	1,583	195	0.1	0.1	1,094	69.1	294	18.6
Total AA	482,612	270,023	100.0	56.0	163,706	33.9	48,883	10.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2,756	4.8	2,328	4.5	407	9.0	21	3.4
Moderate	12,904	22.7	11,536	22.3	1,224	27.1	144	23.3
Middle	20,194	35.5	18,504	35.7	1,494	33.1	196	31.8
Upper	19,194	33.7	17,913	34.6	1,068	23.6	213	34.5
Unknown	1,878	3.3	1,510	2.9	325	7.2	43	7.0
Total AA	56,926	100.0	51,791	100.0	4,518	100.0	617	100.0
Percentage of Total Businesses:				91.0		7.9		1.1
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	18	2.5	16	2.3	2	12.5	0	0.0
Moderate	65	9.1	63	9.0	2	12.5	0	0.0
Middle	313	43.6	307	43.8	5	31.3	1	100.0
Upper	317	44.2	311	44.4	6	37.5	0	0.0
Unknown	5	0.7	4	0.6	1	6.3	0	0.0
Total AA	718	100.0	701	100.0	16	100.0	1	100.0
Percentage of Total Farms:				97.6		2.2		0.1

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-2
2017 AA DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	28	8.4	17,042	6.1	6,224	36.5	59,879	21.5
Moderate	99	29.8	64,113	23.0	13,188	20.6	48,267	17.3
Middle	117	35.2	106,284	38.1	9,158	8.6	56,701	20.3
Upper	79	23.8	91,177	32.7	3,279	3.6	114,109	40.9
Unknown	9	2.7	340	0.1	119	35.0	0	0.0
Total AA	332	100.0	278,956	100.0	31,968	11.5	278,956	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	33,484	10,466	3.9	31.3	17,502	52.3	5,516	16.5
Moderate	131,943	52,162	19.3	39.5	61,971	47.0	17,810	13.5
Middle	180,708	108,984	40.4	60.3	55,093	30.5	16,631	9.2
Upper	134,894	98,216	36.4	72.8	28,046	20.8	8,632	6.4
Unknown	1,583	195	0.1	0.1	1,094	69.1	294	18.6
Total AA	482,612	270,023	100.0	56.0	163,706	33.9	48,883	10.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	2,314	5.2	1,881	4.7	417	9.4	16	4.1
Moderate	10,581	23.6	9,245	23.1	1,223	27.7	113	28.8
Middle	15,901	35.5	14,293	35.8	1,490	33.8	118	30.1
Upper	14,470	32.3	13,408	33.6	953	21.6	109	27.8
Unknown	1,487	3.3	1,121	2.8	330	7.5	36	9.2
Total AA	44,753	100.0	39,948	100.0	4,413	100.0	392	100.0
Percentage of Total Businesses:				89.3		9.9		0.9
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	7	1.3	5	0.9	2	11.1	0	0.0
Moderate	48	8.6	46	8.5	2	11.1	0	0.0
Middle	239	42.7	233	43.0	6	33.3	0	0.0
Upper	261	46.6	255	47.0	6	33.3	0	0.0
Unknown	5	0.9	3	0.6	2	11.1	0	0.0
Total AA	560	100.0	542	100.0	18	100.0	0	0.0
Percentage of Total Farms:				96.8		3.2		0.0

Source: 2017 FFIEC Census Data
2017 Dun & Bradstreet data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-3
2016 AA DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	32	9.6	14,308	5.4	5,009	35.0	56,433	21.2
Moderate	89	26.8	59,885	22.5	11,021	18.4	46,655	17.5
Middle	120	36.1	106,727	40.1	9,330	8.7	54,425	20.5
Upper	87	26.2	84,966	32.0	2,778	3.3	108,383	40.8
Unknown	4	1.2	10	0.0	0	0.0	0	0.0
Total AA	332	100.0	265,896	100.0	28,138	10.6	265,896	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	29,238	10,004	3.7	34.2	13,671	46.8	5,563	19.0
Moderate	126,235	51,176	19.2	40.5	56,017	44.4	19,042	15.1
Middle	179,221	111,323	41.7	62.1	50,207	28.0	17,691	9.9
Upper	128,862	94,713	35.4	73.5	25,429	19.7	8,720	6.8
Unknown	267	10	0.0	0.0	182	68.2	75	28.1
Total AA	463,823	267,226	100.0	57.6	145,506	31.4	51,091	11.0
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	3,180	6.2	2,569	5.6	569	12.8	42	9.7
Moderate	10,268	20.2	9,129	19.8	1,068	24.0	71	16.5
Middle	18,445	36.2	16,760	36.4	1,534	34.5	151	35.0
Upper	18,382	36.1	17,084	37.1	1,151	25.9	147	34.1
Unknown	627	1.2	478	1.0	129	2.9	20	4.6
Total AA	50,902	100.0	46,020	100.0	4,451	100.0	431	100.0
Percentage of Total Businesses:				90.4		8.7		0.8
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	16	2.4	13	2.0	3	17.6	0	0.0
Moderate	56	8.5	53	8.2	3	17.6	0	0.0
Middle	283	42.7	278	43.1	5	29.4	0	0.0
Upper	306	46.2	300	46.5	6	35.3	0	0.0
Unknown	1	0.2	1	0.2	0	0.0	0	0.0
Total AA	662	100.0	645	100.0	17	100.0	0	0.0
Percentage of Total Farms:				97.4		2.6		0.0

Source: 2017 FFIEC Census Data
2017 Dun & Bradstreet data
2006 – 2010 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

APPENDIX C – LENDING TABLES

TABLE C-1
DISTRIBUTION OF 2016 HOME MORTGAGE LENDING
BY INCOME LEVEL OF GEOGRAPHY

Census Tract Income Level	Bank Loans				Aggregate HMDA Data		% of Owner- Occupied Units
	#	\$(000)	#%	\$%	#%	\$%	
Low	0	0	0.0	0.0	1.4	0.6	3.7
Moderate	12	2,030	32.4	46.5	13.3	8.7	19.2
Middle	18	1,232	48.6	28.2	39.1	32.7	41.7
Upper	7	1,108	18.9	25.4	46.2	58.0	35.4
Unknown	0	0	0.0	0.0	0.0	0.0	0.0

Source: 2016 FFIEC Census data

2006 – 2010 U.S. Census Bureau: American Community Survey

NOTE: Percentages may not add up to 100.0 due to rounding.

TABLE C-2
DISTRIBUTION OF 2016 HOME MORTGAGE LENDING
BY BORROWER INCOME LEVEL

Borrower Income Level	Bank Loans				Aggregate HMDA Data		Families by Family Income %
	#	\$(000)	#%	\$%	#%	\$%	
Low	3	109	8.1	2.5	5.1	2.3	21.2
Moderate	1	6	2.7	0.1	15.6	9.9	17.5
Middle	5	305	13.5	7.0	20.5	16.5	20.5
Upper	13	1,390	35.1	31.8	37.5	46.7	40.8
Unknown	15	2,560	40.5	58.6	21.3	24.5	0.0

Source: 2016 FFIEC Census data

2006 – 2010 U.S. Census Bureau: American Community Survey

NOTE: Percentages may not add up to 100.0 due to rounding.

APPENDIX D – GLOSSARY

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

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

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

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 is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

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

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

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

Limited-scope review: Performance is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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

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

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

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

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such

activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

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

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Reports of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

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