



PUBLIC DISCLOSURE

May 8, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

American Bank of Baxter Springs
RSSD# 1002953

1201 Military Avenue
Baxter Springs, Kansas 66713

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.

TABLE OF CONTENTS

Institution’s Community Reinvestment Act Rating 2
Scope of Examination 2
Description of Institution 2
Description of Assessment Area 3
Conclusions With Respect to Performance Criteria 5
Fair Lending or Other Illegal Credit Practices Review 10
Appendix A – Map of the Assessment Area 11
Appendix B – Demographic Information..... 12
Appendix C – Additional Lending Tables..... 17
Appendix D – Glossary..... 23

INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

American Bank of Baxter Springs (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 majority of the bank's loans are originated inside the AA.
- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects a reasonable distribution among businesses and farms 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

Examiners utilized the Federal Financial Institutions Examination Council's *Interagency Examination Procedures for Small Institutions* 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. In addition, available aggregate data for the most recent three years (2019, 2020, and 2021) was referenced for additional perspective to gauge credit demand within the bank's AA. Lending performance was assessed within the bank's AA. Small business and small farm lending were weighted evenly for the analysis. Examiners reviewed the following data:

- The bank's 18-quarter average NLTD ratio;
- The total universe of 64 small business loans and 57 small farm loans, originated from November 28, 2018, through December 31, 2022.

DESCRIPTION OF INSTITUTION

American Bank of Baxter Springs is a community bank headquartered in Baxter Springs, Kansas. The bank's characteristics include:

- The bank is a wholly owned subsidiary of American Bancshares, Inc.
- The bank has total assets of \$138.7 million as of December 31, 2022.
- In addition to its main office in Baxter Springs, the bank has branches located in Columbus, Kansas and Galena, Kansas.
- Each location has a cash-only Automated Teller Machine.

- As shown in the table below, the bank’s primary business focus is commercial and agriculture loans.

Table 1

Composition of Loan Portfolio as of December 31, 2022		
Loan Type	\$(000)	%
Construction and Land Development	2,596	3.9
Farmland	21,245	32.2
1-4 Family Residential Real Estate	14,591	22.1
Multifamily Residential Real Estate	345	0.5
Non-Farm Non-Residential Real Estate	16,474	25.0
Agricultural	1,654	2.5
Commercial and Industrial	7,957	12.1
Consumer	943	1.4
Other	77	0.1
Gross Loans	65,882	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

The bank was rated Satisfactory under the CRA at its November 27, 2018 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 Cherokee County AA consists of the entire Cherokee County (see Appendix A for an AA map and Appendix B for additional demographic data).

- The bank’s AA delineation remains unchanged since the prior evaluation.
- The AA is comprised of 1 moderate- and 5 middle-income tracts. There have been no changes to the income level designation of census tracts since the prior CRA evaluation.
- According to the June 30, 2022 Federal Deposit Insurance Corporation (FDIC) Market Share Report, the bank ranks first of eight FDIC-insured depository institutions operating from ten offices in the AA, with a total deposit market share of 33.5 percent.
- An interview with a community member within the bank’s AA was conducted to ascertain the credit needs of the communities and the responsiveness of area banks in meeting those credit needs. The community member is affiliated with an economic development organization.

Table 2

Population Change			
Assessment Area: Cherokee County			
Area	2015 Population	2020 Population	Percent Change
Cherokee County	20,952	19,362	(7.6)
NonMSA Kansas	922,403	892,006	(3.3)
Kansas	2,892,987	2,937,880	1.6

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

- The county seat is Columbus, Kansas; however, the most populous city in Cherokee County is Baxter Springs. According to the 2020 Decennial Census data, the population of Baxter Spring was 3,888, a decrease of 5.5 percent from 2015 American Community Survey (ACS) data, reflecting a population of 4,114.

Table 3

Median Family Income Change			
Assessment Area: Cherokee County			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Cherokee County	56,354	57,736	2.5
NonMSA Kansas	62,527	65,467	4.7
Kansas	72,535	77,620	7.0

*Source: 2011 – 2015 U.S. Census Bureau: American Community Survey
2016 – 2020 U.S. Census Bureau: American Community Survey*

Note: Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.

- Between 2019 and 2020, the median household income in Baxter Springs grew from \$36,744 to \$37,926, a 3.2 percent increase.
- The percent of households living below poverty in the AA is 16.1 percent, compared to the figure for the state at 11.6 percent.

Table 4

Housing Cost Burden						
Assessment Area: Cherokee County						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Cherokee County	59.8	6.5	32.1	47.8	19.1	15.4
NonMSA Kansas	66.6	19.8	34.1	51.6	19.9	14.9
Kansas	73.0	26.6	38.4	57.7	24.8	15.6

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

Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy

- The community member indicated there is adequate availability of low-income housing, however moderate-income housing is needed.
- The median age of housing is 57 years. Therefore, a limited quantity of desirable properties exists in the AA, due to the age and condition of existing inventory.

Table 5

Unemployment Rates					
Assessment Area: Cherokee County					
Area	2017	2018	2019	2020	2021
Cherokee County	3.9	3.6	3.4	5.1	2.9
NonMSA Kansas	3.5	3.1	3.0	4.4	2.7
Kansas	3.6	3.3	3.1	5.7	3.2

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- According to the ACS data, the economy of Cherokee County employs 8,760 people. The largest industries in Cherokee County are manufacturing, 1,830 people; health care & social assistance, 1,540 people; and retail trade, 880 people.
- The community member indicated major employers in Cherokee County include, ATEC Steel, Celltron, PBI Resources, and Mercy Hospital.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank’s overall lending test performance is Satisfactory. Bank performance for small business and small farm lending was assessed over a five-year period, from 2018 to 2022, due to the small universe of loans. However, lending was assessed for two separate time periods for the geographic and borrower analyses due to the release of recent ACS data.

For the geographic and borrower analyses, loan data for 2018 through 2021 was combined and evaluated aggregately, and compared to 2021 demographic data, as there were no significant changes during the four-year period. Loan data for 2022 was compared to 2022 demographic data.

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, product offerings, market share, and the area where they are located.

The bank’s NLTD ratio is reasonable. The bank’s average NLTD is below the similarly situated institutions, however, it is reasonable given performance context. While the comparator institutions appear disparate in various factors such as size, loan portfolios, and/or demographic opportunity, the bank has a large level of pledged assets, at 32.4 percent, which the bank is unable to use for lending purposes, therefore impacting the bank’s NLTD ratio.

Table 6

Comparative NLTD Ratios September 30, 2018 – December 31, 2022			
Institution	Location	Asset Size \$(000)	NLTD Ratio (%)
			18 Quarter Average
American Bank of Baxter Springs	Baxter Springs, Kansas	138,690	42.6
Similarly Situated Institutions			
Commercial Bank	Parsons, Kansas	374,902	46.8
Exchange State Bank	Saint Paul, Kansas	91,516	61.1
FCNB Bank	Steelville, Missouri	164,739	51.3
The Baxter State Bank	Baxter Springs, Kansas	26,329	65.9
People’s Bank of Seneca	Seneca, Missouri	384,036	87.9

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. The bank originated a majority of loans, by number and dollar, inside the AA.

Table 7

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	%	\$(000)	%	#	%	\$(000)	%
Total Small Business	39	60.9	5,180	38.4	25	39.1	8,325	61.6
Total Small Farm	38	66.7	8,943	76.0	19	33.3	2,828	24.0
Total Loans	77	63.6	14,123	55.9	44	36.4	11,153	44.1

Note: Percentages may not total 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, with consideration given to the dispersion of loans throughout the AA. The bank’s geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion throughout the AA.

Small Business Lending

The geographic distribution of small business lending is poor. In 2022, no small business loans were originated in the moderate-income census tract. In comparison, lending performance in 2018-2021 indicated the bank originated one small business loan in the sole moderate-income census tract and was below the demographic figure. No conspicuous gaps or lapses in lending were identified.

Table 8

Distribution of 2022 Small Business Lending By Income Level of Geography					
Assessment Area: Cherokee County					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	16.7
Middle	10	100.0	1,255	100.0	83.3
Upper	0	0.0	0	0.0	0.0
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	10	100.0	1,255	100.0	100.0
<i>Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Small Farm Lending

The geographic distribution of small farm lending is reasonable. In 2022, the bank's lending in the moderate-income census tract was above the percentage of farms operating in the moderate-income census tract. Also, the bank originated one small farm loan in the sole moderate-income census tract during 2018-2021 and was above the demographic figure. No conspicuous gaps or lapses in lending were identified.

Table 9

Distribution of 2022 Small Farm Lending By Income Level of Geography					
Assessment Area: Cherokee County					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	1	5.0	95	1.7	1.2
Middle	19	95.0	5,497	98.3	98.8
Upper	0	0.0	0	0.0	0.0
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	20	100.0	5,592	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey

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

Lending to Businesses and Farms of Different Sizes

This performance criterion evaluates the bank’s lending to businesses and farms of different revenue sizes. The bank’s lending has a reasonable distribution among businesses and farms of different sizes.

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank’s lending to businesses with gross annual revenue of \$1 million or less was below the percentage of small businesses in the AA in 2022 but comparable in 2018-2021. Typically, smaller business operations do not have the need or the capacity to borrow large amounts, as such, small loan amounts are used as a proxy to estimate the support of small businesses. Moreover, 80.0 percent of the loans in 2022 and 79.3 percent of the loans in 2018-2021 were made in amounts of \$250,000 or less, indicating the willingness of the bank to meet the needs of small businesses.

Table 10

Distribution of 2022 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Cherokee County					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	4	40.0	659	52.5	86.3
Over \$1 Million	6	60.0	596	47.5	11.1
Revenue Unknown	0	0.0	0	0.0	2.5
Total	10	100.0	1,255	100.0	100.0
By Loan Size					
\$100,000 or Less	6	60.0	241	19.2	
\$100,001 - \$250,000	2	20.0	370	29.5	
\$250,001 - \$1 Million	2	20.0	645	51.4	
Total	10	100.0	1,255	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	2	50.0	81	12.3	
\$100,001 - \$250,000	1	25.0	250	37.9	
\$250,001 - \$1 Million	1	25.0	328	49.8	
Total	4	100.0	659	100.0	
<i>Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Small Farm Lending

The borrower distribution of small farm lending is reasonable. The bank’s lending to farms with gross annual revenue of \$1 million or less by number was comparable to the percentage of small farms in the AA for both 2022 and 2018-2021. Moreover, 78.9 percent of the loans in 2022 and 72.2 percent of the loans in 2018-2021 were made in amounts of \$250,000 or less, indicating the willingness of the bank to meet the needs of small farms.

Table 11

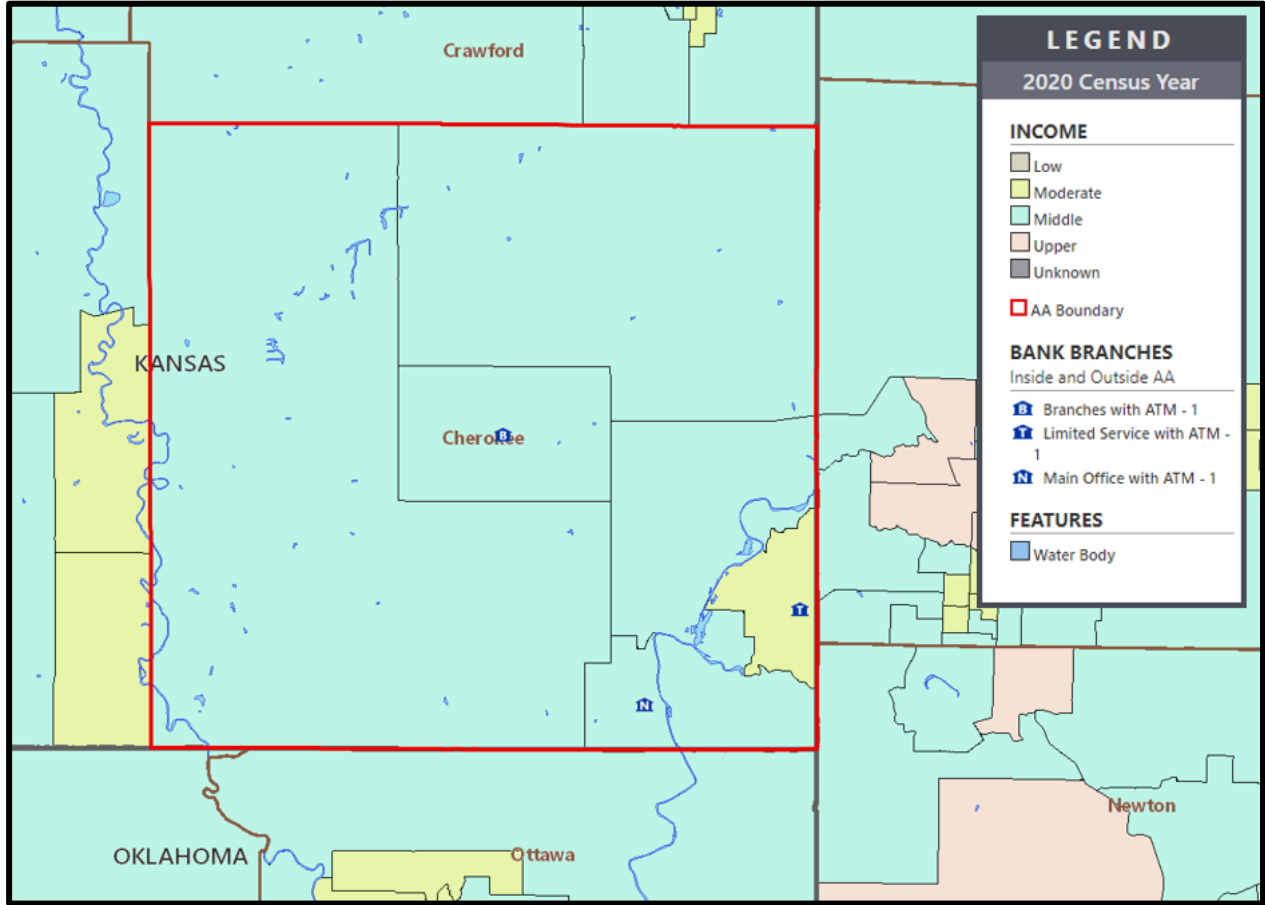
Distribution of 2022 Small Farm Lending By Revenue Size of Farms					
Assessment Area: Cherokee County					
	Bank Loans				Total Farms
	#	#%	\$(000)	\$%	%
By Revenue					
\$1 Million or Less	14	70.0	1,795	32.1	100.0
Over \$1 Million	6	30.0	3,797	67.9	0.0
Revenue Unknown	0	0.0	0	0.0	0.0
Total	20	100.0	5,592	100.0	100.0
By Loan Size					
\$100,000 or Less	8	40.0	257	4.6	
\$100,001 - \$250,000	7	35.0	1,181	21.1	
\$250,001 - \$500,000	4	20.0	1,655	29.6	
Total	20	100.0	5,592	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	7	50.0	217	12.1	
\$100,001 - \$250,000	5	35.7	880	49.0	
\$250,001 - \$500,000	2	14.3	698	38.9	
Total	14	100.0	1,795	100.0	
<i>Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Compliance with the substantive provisions of antidiscrimination and other consumer protection laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act, was considered as part of this CRA evaluation. No evidence of a pattern or practice of discrimination on a prohibited basis or of other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – MAP OF THE ASSESSMENT AREA

Cherokee County AA



**APPENDIX B – DEMOGRAPHIC INFORMATION
Table B-1**

2022 Cherokee County AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,082	22.0
Moderate	1	16.7	821	16.7	155	18.9	1,040	21.2
Middle	5	83.3	4,093	83.3	367	9.0	1,114	22.7
Upper	0	0.0	0	0.0	0	0.0	1,678	34.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6	100.0	4,914	100.0	522	10.6	4,914	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	1,784	871	15.4	48.8	586	32.8	327	18.3
Middle	8,107	4,795	84.6	59.1	1,702	21.0	1,610	19.9
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
Total AA	9,891	5,666	100.0	57.3	2,288	23.1	1,937	19.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	105	16.7	87	16.0	14	20.0	4	25.0
Middle	525	83.3	457	84.0	56	80.0	12	75.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	630	100.0	544	100.0	70	100.0	16	100.0
Percentage of Total Businesses:				86.3		11.1		2.5
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	1	1.2	1	1.2	0	0.0	0	0.0
Middle	85	98.8	85	98.8	0	0.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	86	100.0	86	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table B-2

2021 Cherokee County AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,274	22.0
Moderate	1	16.7	990	17.1	105	10.6	1,177	20.4
Middle	5	83.3	4,789	82.9	575	12.0	1,412	24.4
Upper	0	0.0	0	0.0	0	0.0	1,916	33.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6	100.0	5,779	100.0	680	11.8	5,779	100.0
Housing Units by Tract	Housing Type by Tract							
	Owner-occupied				Rental		Vacant	
	#	% by tract	% by unit	#	% by unit	#	% by unit	
Low	0	0	0.0	0	0.0	0	0.0	
Moderate	1,771	963	15.9	54.4	390	22.0	418	23.6
Middle	8,066	5,080	84.1	63.0	1,555	19.3	1,431	17.7
Upper	0	0	0.0	0.0	0	0.0	0	0.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	9,837	6,043	100.0	61.4	1,945	19.8	1,849	18.8
Total Businesses by Tract	Businesses by Tract & Revenue Size							
	Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	106	16.9	89	16.4	14	20.0	3	18.8
Middle	522	83.1	453	83.6	56	80.0	13	81.3
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	628	100.0	542	100.0	70	100.0	16	100.0
Percentage of Total Businesses:				86.3		11.1		2.5
Total Farms by Tract	Farms by Tract & Revenue Size							
	Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	1	1.2	1	1.2	0	0.0	0	0.0
Middle	83	98.8	83	98.8	0	0.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	84	100.0	84	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
<i>Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>								
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

Table B-3

2020 Cherokee County AA Demographics								
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	106	17.2	90	16.8	14	20.6	2	14.3
Middle	511	82.8	445	83.2	54	79.4	12	85.7
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	617	100.0	535	100.0	68	100.0	14	100.0
Percentage of Total Businesses:				86.7		11.0		2.3
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	1	1.2	1	1.2	0	0.0	0	0.0
Middle	82	98.8	82	98.8	0	0.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	83	100.0	83	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Income and Housing figures are the same for years 2018, 2019, 2020, and 2021. See Table B-2. Percentages may not total 100.0 percent due to rounding.								

Table B-4

2019 Cherokee County AA Demographics								
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	106	17.0	91	16.7	13	19.1	2	16.7
Middle	518	83.0	453	83.3	55	80.9	10	83.3
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	624	100.0	544	100.0	68	100.0	12	100.0
Percentage of Total Businesses:				87.2		10.9		1.9
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	1	1.2	1	1.2	0	0.0	0	0.0
Middle	82	98.8	82	98.8	0	0.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	83	100.0	83	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Income and Housing figures are the same for years 2018, 2019, 2020, and 2021. See Table B-2. Percentages may not total 100.0 percent due to rounding.								

Table B-5

2018 Cherokee County AA Demographics								
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	116	17.7	100	17.5	14	20.0	2	14.3
Middle	541	82.3	473	82.5	56	80.0	12	85.7
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	657	100.0	573	100.0	70	100.0	14	100.0
Percentage of Total Businesses:				87.2		10.7		2.1
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	2	2.4	2	2.4	0	0.0	0	0.0
Middle	81	97.6	81	97.6	0	0.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	83	100.0	83	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Income and Housing figures are the same for years 2018, 2019, 2020, and 2021. See Table B-2. Percentages may not total 100.0 percent due to rounding.								

APPENDIX C – ADDITIONAL LENDING TABLES

Table C-1

Distribution of 2020 and 2021 Small Business Lending By Income Level of Geography									
Assessment Area: Cherokee County									
Geographic Income Level	Bank Loans By Year								Total Businesses %
	2020				2021				
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	1	4.5	21	0.6	16.9
Middle	2	100.0	40	100.0	21	95.5	3,349	99.4	83.1
Upper	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	0	0.0	0	0.0	
Total	2	100.0	40	100.0	22	100.0	3,370	100.0	100.0

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

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

Table C-2

Distribution of 2019 Small Business Lending By Income Level of Geography					
Assessment Area: Cherokee County					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	17.0
Middle	5	100.0	515	100.0	83.0
Upper	0	0.0	0	0.0	0.0
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	5	100.0	515	100.0	100.0

Source: 2019 FFIEC Census Data
2019 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

Note: Percentages may not total 100.0 percent due to rounding.
The small business sample did not include any loans in 2018.

Table C-3

Distribution of 2020 and 2021 Small Farm Lending By Income Level of Geography									
Assessment Area: Cherokee County									
Geographic Income Level	Bank Loans By Year								Total Farms %
	2020				2021				
	#	#%	\$(000)	%	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0	1.2
Middle	5	100.0	1,463	100.0	10	100.0	1,525	100.0	98.8
Upper	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	0	0.0	0	0.0	
Total	5	100.0	1,463	100.0	10	100.0	1,525	100.0	100.0

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

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

Table C-4

Distribution of 2018 and 2019 Small Farm Lending By Income Level of Geography									
Assessment Area: Cherokee County									
Geographic Income Level	Bank Loans By Year								Total Farms %
	2018				2019				
	#	#%	\$(000)	%	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	1	50.0	20	16.4	1.2
Middle	1	100.0	240	100.0	1	50.0	102	83.6	98.8
Upper	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	0	0.0	0	0.0	
Total	1	100.0	240	100.0	2	100.0	122	100.0	100.0

Source: 2019 FFIEC Census Data
2019 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

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

Table C-5

Distribution of 2020 and 2021 Small Business Lending By Revenue Size of Businesses									
Assessment Area: Cherokee County									
	Bank Loans By Year								Total Businesses %
	2020				2021				
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%	
By Revenue									
\$1 Million or Less	1	50.0	12	30.0	12	54.5	327	9.7	86.3
Over \$1 Million	1	50.0	28	70.0	9	40.9	3,023	89.7	11.1
Revenue Unknown	0	0.0	0	0.0	1	4.5	21	0.6	2.5
Total	2	100.0	40	100.0	22	100.0	3,370	100.0	100.0
By Loan Size									
\$100,000 or Less	2	100.0	40	100.0	15	68.2	389	11.5	
\$100,001 - \$250,000	0	0.0	0	0.0	1	4.5	235	7.0	
\$250,001 - \$1 Million	0	0.0	0	0.0	6	27.3	2,746	81.5	
Total	2	100.0	40	100.0	22	100.0	3,370	100.0	
By Loan Size and Revenue \$1 Million or Less									
\$100,000 or Less	1	100.0	12	100.0	12	100.0	327	100.0	
\$100,001 - \$250,000	0	0.0	0	0.0	0	0.0	0	0.0	
\$250,001 - \$1 Million	0	0.0	0	0.0	0	0.0	0	0.0	
Total	1	100.0	12	100.0	12	100.0	327	100.0	
<i>Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>									
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>									

Table C-6

Distribution of 2019 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Cherokee County					
	Bank Loans				Total Businesses
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	4	80.0	461	89.5	87.2
Over \$1 Million	1	20.0	54	10.5	10.9
Revenue Unknown	0	0.0	0	0.0	1.9
Total	5	100.0	515	100.0	100.0
By Loan Size					
\$100,000 or Less	3	60.0	162	31.5	
\$100,001 - \$250,000	2	40.0	353	68.5	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	5	100.0	515	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	2	50.0	108	23.4	
\$100,001 - \$250,000	2	50.0	353	76.6	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	4	100.0	461	100.0	
<p>Source: 2019 FFIEC Census Data 2019 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding. The small business sample did not include any loans in 2018.</p>					

Table C-7

Distribution of 2020 and 2021 Small Farm Lending By Revenue Size of Farms									
Assessment Area: Cherokee County									
	Bank Loans By Year								Total Farms %
	2020				2021				
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%	
By Revenue									
\$1 Million or Less	2	40.0	784	53.6	8	80.0	1,218	79.9	100.0
Over \$1 Million	3	60.0	680	46.5	2	20.0	307	20.1	0.0
Revenue Unknown	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Total	5	100.0	1,463	100.0	10	100.0	1,525	100.0	100.0
By Loan Size									
\$100,000 or Less	1	20.0	48	3.3	4	40.0	135	8.9	
\$100,001 - \$250,000	1	20.0	175	12.0	4	40.0	648	42.5	
\$250,001 - \$500,000	3	60.0	1,241	84.8	2	20.0	742	48.7	
Total	5	100.0	1,463	100.0	10	100.0	1,525	100.0	
By Loan Size and Revenue \$1 Million or Less									
\$100,000 or Less	0	0.0	0	0.0	4	50.0	135	11.1	
\$100,001 - \$250,000	0	0.0	0	0.0	2	25.0	341	28.0	
\$250,001 - \$500,000	2	100.0	784	100.0	2	25.0	742	60.9	
Total	2	100.0	784	100.0	8	100.0	1,218	100.0	
<i>Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>									
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>									

Table C-8

Distribution of 2018 and 2019 Small Farm Lending By Revenue Size of Farms									
Assessment Area: Cherokee County									
	Bank Loans By Year								Total Farms %
	2018				2019				
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%	
By Revenue									
\$1 Million or Less	1	100.0	240	100.0	2	100.0	122	100.0	100.0
Over \$1 Million	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Revenue Unknown	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Total	1	100.0	240	100.0	2	100.0	122	100.0	100.0
By Loan Size									
\$100,000 or Less	0	0.0	0	0.0	1	50.0	20	16.4	
\$100,001 - \$250,000	1	100.0	240	100.0	1	50.0	102	83.6	
\$250,001 - \$500,000	0	0.0	0	0.0	0	0.0	0	0.0	
Total	1	100.0	240	100.0	2	100.0	122	100.0	
By Loan Size and Revenue \$1 Million or Less									
\$100,000 or Less	0	0.0	0	0.0	1	50.0	20	16.4	
\$100,001 - \$250,000	1	100.0	240	100.0	1	50.0	102	83.6	
\$250,001 - \$500,000	0	0.0	0	0.0	0	0.0	0	0.0	
Total	1	100.0	240	100.0	2	100.0	122	100.0	
<i>Source: 2019 FFIEC Census Data 2019 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>									
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>									

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, 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.

Nonmetropolitan area (NonMSA): Any area that is not located within an MSA.

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. For these institutions, no state ratings will be received unless the bank also maintains deposit facilities outside of the multistate metropolitan area. CRA activity is captured in either a state rating or a multistate metropolitan area rating, but not both.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) 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 Consolidated Reports of Condition and Income (Call Report) instructions. 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.