



PUBLIC DISCLOSURE

March 28, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Citizens Bank of Edmond
RSSD# 172457

1 East First Street
Edmond, Oklahoma 73034

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

The Citizens Bank of Edmond (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 more than 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 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

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC'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. Lending performance was assessed within the bank's only AA. Examiners reviewed the following data:

- The bank's 18-quarter average NLTD ratio.
- A statistical sample of 92 small business loans selected from a universe of 167 loans originated between January 1, 2021 and December 31, 2021.
- The universe of 305 home mortgage loans reported on the bank's Home Mortgage Disclosure Act (HMDA) Loan/Application Register between January 1, 2020 and December 31, 2020.

More weight was placed on small business loans in this analysis due to the bank's strategic focus on commercial lending. In addition, based on the lack of home improvement originations and an insufficient number of multifamily loans to conduct meaningful analyses, these two HMDA products were not evaluated individually.

DESCRIPTION OF INSTITUTION

The bank is a community bank headquartered in Edmond, Oklahoma. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Citizens Bancshares, Inc., Edmond, Oklahoma.
- The bank had total assets of \$370.4 million as of December 31, 2021.
- In addition to its main office, the bank also has one limited-service drive-thru facility in Edmond, Oklahoma.
- The bank operates four Interactive Teller Machines; two located at the main office in Edmond, one at the limited-service drive-thru facility and one at the electronic banking facility in Oklahoma City, Oklahoma.
- The bank operates eight full-service and four cash-only automated teller machines in locations throughout Edmond and Oklahoma City, Oklahoma.
- As shown in the table below, the bank’s primary business focus is commercial and residential real estate lending.

Table 1

Composition of Loan Portfolio as of December 31, 2021		
Loan Type	\$(000)	%
Construction and Land Development	29,490	10.5
Farmland	607	0.2
1- to 4-Family Residential Real Estate	68,295	24.4
Multifamily Residential Real Estate	900	0.3
Non-Farm Non-Residential Real Estate	146,110	52.1
Agricultural	0	0.0
Commercial and Industrial	33,552	12.0
Consumer	1,286	0.5
Other	87	0.0
Gross Loans	280,327	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 February 26, 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 Oklahoma City Metropolitan AA consists of Oklahoma and Logan Counties in their entireties, which are two of the seven counties that comprise the Oklahoma City, Oklahoma Metropolitan Statistical Area (MSA) in the center of the state (refer to Appendix A for an AA map and Appendix B for additional demographic data).

- The AA is comprised of 28 low-, 89 moderate-, 72 middle-, 52 upper- and 8 unknown-income census tracts. Although the AA and total number of census tracts remain unchanged, at the previous evaluation the AA was comprised of 30 low-, 81 moderate-, 77 middle-, 58 upper-, and 3 unknown-income tracts.

- According to the June 30, 2021 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank had a deposit market share of 0.8 percent which ranked 23rd out of 58 FDIC-insured depository institutions operating from 248 branch offices in the AA.
- To further augment the CRA performance evaluation, two previously conducted interviews with members of the communities within the bank’s AA were reviewed to ascertain the credit needs of area communities, the responsiveness of area banks in meeting those credit needs, and for perspectives on local economic conditions. One community member represented an organization focused on economic development, and the second community member represented an organization focused on employment, community services, housing, and other special projects designed to benefit Oklahoma County’s low-income populations.

Table 2

Population Change			
Assessment Area: Oklahoma City Metropolitan AA			
Area	2010 Population	2015 Population	Percent Change
Oklahoma City Metropolitan AA	760,481	798,973	5.1
Logan County, OK	41,848	44,493	6.3
Oklahoma County, OK	718,633	754,480	5.0
Oklahoma City, OK MSA	1,252,987	1,318,408	5.2
Oklahoma	3,751,351	3,849,733	2.6
<i>Source: 2010 U.S. Census Bureau: Decennial Census 2011 - 2015 U.S. Census Bureau: American Community Survey</i>			

- Oklahoma City, Oklahoma, accounts for 85.2 percent of the AA’s population. Main population centers within the Oklahoma City Metropolitan AA include Oklahoma City (681,054 residents) and the city of Edmond (94,428 residents).

Table 3

Median Family Income Change			
Assessment Area: Oklahoma City Metropolitan AA			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Oklahoma City Metropolitan AA	59,735	60,727	1.7
Logan County, OK	67,764	67,562	(0.3)
Oklahoma County, OK	59,592	60,346	1.3
Oklahoma City, OK MSA	64,003	64,058	0.1
Oklahoma	58,375	58,029	(0.6)
<i>Source: 2006 - 2010 U.S. Census Bureau: American Community Survey 2011 - 2015 U.S. Census Bureau: American Community Survey</i>			
<i>Note: Median family incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

- Based on 2015 Census data, the percentage of families living below the poverty level was 13.8 percent in Oklahoma County and 8.5 percent in Logan County, while levels in the Oklahoma City MSA and the state of Oklahoma were 11.2 percent and 12.4 percent, respectively.

Table 4

Housing Cost Burden						
Assessment Area: Oklahoma City Metropolitan AA						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Oklahoma City Metropolitan AA	76.3	31.1	41.5	56.7	30.3	17.9
Logan County, OK	69.1	16.8	38.9	42.8	28.0	15.6
Oklahoma County, OK	76.5	31.4	41.5	58.0	30.5	18.0
Oklahoma City, OK MSA	76.4	32.8	40.6	57.8	30.6	17.1
Oklahoma	71.4	33.9	38.3	54.0	27.6	16.7

Cost Burden is housing cost that equals 30 percent or more of household income
Source: U.S. Department of Housing and Urban Development (HUD), 2013 - 2017 Comprehensive Housing Affordability Strategy

- The percentage of owner-occupied units in the AA, at 53.2 percent, is below the Oklahoma City MSA and statewide figures of 57.6 percent and 56.9 percent, respectively. Of the two AA counties, Logan County has a higher percentage of owner-occupied units at 69.3 percent when compared to 52.3 percent in Oklahoma County.
- The AA median housing value of \$133,783 is above the statewide figure of \$117,900 and below the Oklahoma City MSA figure of \$137,248.
- The AA's median gross rent of \$778 is comparable to the Oklahoma City MSA figure of \$784 and above the statewide figure of \$727.
- The AA's affordability ratio of 35.8 percent is lower than the Oklahoma City MSA ratio of 37.5 percent and statewide figure of 39.8, indicating housing in the AA is less affordable when compared to the MSA and state in its entirety. Oklahoma County has the lowest ratio of the two AA counties at 35.6 percent, compared to 38.7 percent in Logan County.
- A community member stated that housing prices have been rising and there are less affordable housing options available on the market due to increased demand.

Table 5

Unemployment Rates					
Assessment Area: Oklahoma City Metropolitan AA					
Area	2016	2017	2018	2019	2020
Oklahoma City Metropolitan AA	4.1	3.8	3.2	3.0	6.3
Logan County, OK	3.9	3.5	2.9	2.7	5.1
Oklahoma County, OK	4.1	3.8	3.2	3.0	6.4
Oklahoma City, OK MSA	4.0	3.6	3.0	2.9	6.1
Oklahoma	4.6	4.0	3.3	3.1	6.1

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- A community member indicated that oil and gas have traditionally been the largest industries in the area, although this economic sector is cyclical and currently in a downturn. According to the community member, the aerospace industry has experienced significant growth in Oklahoma City, and growth has also been noted in administrative and support areas like human resources and information technology, illustrating the overall economic strength of the AA.
- According to information from the Greater Oklahoma City Chamber, the major employers in the area are the state of Oklahoma, Tinker Air Force Base, University of Oklahoma, INTEGRIS Health, University of Oklahoma Health Sciences Center, and FAA Mike Monroney Aeronautical Center.

Table 6

Small Business Loan Trends					
Assessment Area: Oklahoma City Metropolitan AA					
Area	2015	2016	2017	2018	2019
Oklahoma City Metropolitan AA	14,060	14,711	14,824	14,446	18,482
Logan County, OK	661	698	680	736	874
Oklahoma County, OK	13,399	14,013	14,144	13,710	17,608
Oklahoma City, OK MSA	20,652	21,600	21,959	21,424	27,523
Oklahoma	52,661	53,776	55,813	56,117	64,639

Source: FFIEC CRA Aggregate Data

- Table 6 denotes increasing demand for small business loans over time, including a growth rate of 31.5 percent in the AA between 2015 and 2019. Aside from a slight downturn in several areas during 2018, the growth in loan originations was notable in all areas during 2019.
- A community representative indicated that several financial institutions in the area have historically been strong small business lenders, including the bank.

Table 7

Home Mortgage Loan Trends			
Assessment Area: Oklahoma City Metropolitan AA			
Area	2018	2019	2020
Oklahoma City Metropolitan AA	16,606	18,925	28,891
Logan County, OK	1,053	1,312	2,117
Oklahoma County, OK	15,553	17,613	26,774
Oklahoma City, OK MSA	29,765	33,536	51,963
Oklahoma	68,496	76,460	113,999

Source: FFIEC Home Mortgage Disclosure Act Aggregate Data

- The surge in home mortgage lending in 2020 was driven, in part, by low interest rates that increased both housing demand and refinance lending, as well home purchases resulting from a shift to work from home after the onset of the Coronavirus Disease 2019 pandemic (pandemic).
- In 2018, home refinancing represented 19.8 percent of the total of home mortgage lending. In 2020, home refinancing represented 42.4 percent of the total.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank’s overall performance under the lending test is reasonable. All applicable criteria were equally weighted in this evaluation. Regarding the geographic and borrower distribution analyses for home mortgage lending, additional emphasis was placed on the bank’s performance in comparison to aggregate lending data, rather than relative demographic figures, as aggregate lending data is considered representative of credit demand.

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, similar lending portfolio compositions, and geographic proximity to the bank. The bank’s NLTD ratio is more than reasonable as the bank’s NLTD ratio of 93.0 percent is above four of the five similarly situated institutions.

Table 8

Comparative NLTD Ratios September 30, 2017 – December 31, 2021			
Institution	Location	Asset Size \$(000)	NLTD Ratio (%)
			18 Quarter Average
The Citizens Bank of Edmond	Edmond, Oklahoma	370,432	93.0
Similarly Situated Institutions			
Frazer Bank	Altus, Oklahoma	347,807	62.9
The City National Bank and Trust Company of Lawton, Oklahoma	Lawton, Oklahoma	439,366	65.6
Sooner State Bank	Tuttle, Oklahoma	321,650	62.6
Frontier State Bank	Oklahoma City, Oklahoma	464,820	99.1
First Bethany Bank & Trust	Bethany, Oklahoma	276,049	64.1

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 9

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	%	\$(000)	%	#	%	\$(000)	%
Home Purchase - Conventional	118	82.5	25,737	82.3	25	17.5	5,537	17.7
Home Purchase – FHA	3	100.0	529	100.0	0	0.0	0	0.0
Home Purchase - VA	5	62.5	1,696	74.2	3	37.5	591	25.8
Home Improvement	0	0.0	0	0.0	0	0.0	0	0.0
Multi-Family Housing	7	77.8	3,229	79.6	2	22.2	827	20.4
Loan Purpose Not Applicable	0	0.0	0	0.0	0	0.0	0	0.0
Other Purpose LOC	0	0.0	0	0.0	0	0.0	0	0.0
Other Purpose Closed-End	2	66.7	176	53.2	1	33.3	155	46.8
Refinancing	118	84.9	24,991	82.3	21	15.1	5,369	17.7
Total HMDA related	253	83.0	56,358	81.9	52	17.0	12,479	18.1
Small Business	70	76.1	8,798	61.2	22	23.9	5,571	38.8
Total Small Business related	70	76.1	8,798	61.2	22	23.9	5,571	38.8
Total Loans	323	81.4	65,156	78.3	74	18.6	18,050	21.7

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 and dispersion among the different census tract income levels.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. While the bank's home mortgage lending in low-income census tracts is below both the aggregate lending data and the demographic figure, performance is considered reasonable given the limited number of owner-occupied housing units in the AA's low-income census tracts. Lending in the AA's moderate-income census tracts is above the aggregate lending data and comparable to the demographic figure of owner-occupied units in the moderate-income census tracts.

An evaluation of the dispersion of home mortgage lending was completed. Although lending gaps were noted in portions of the AA, they were not considered significant given competition in the AA and the bank's proximity to LMI census tracts.

Home Purchase Lending

The geographic distribution of home purchase lending is reasonable and reflects similar performance to total home mortgage lending. The bank's lending in low-income census tracts is below the aggregate lending data and the demographic figure; performance is considered reasonable given the limited number of owner-occupied housing units in the low-income census tracts. The bank's lending in the moderate-income census tracts is above the aggregate lending data and comparable to the demographic figure.

An evaluation of the dispersion of home purchase lending was completed. Although some lending gaps were noted in portions of the AA, they were not considered significant given the bank's locations and competition from other financial institutions.

Home Refinance Lending

The geographic distribution of home refinance lending is reasonable. Although the bank's lending in low-income census tracts is below the aggregate lending data and the demographic figure, performance is considered reasonable given the limited number of owner-occupied housing units in the low-income census tracts. The bank's lending in the moderate-income census tracts is above the aggregate lending data and below the demographic figure.

An evaluation of the dispersion of home refinance lending was completed. Although lending gaps were noted in portions of the AA, they were not considered significant given the bank's locations and competition from other financial institutions.

Table 10

Distribution of 2020 Home Mortgage Lending By Income Level of Geography Assessment Area: Oklahoma City Metropolitan AA							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Home Purchase Loans							
Low	2	1.6	3.3	265	0.9	1.8	5.7
Moderate	31	24.6	18.9	5,312	19.0	12.2	26.0
Middle	44	34.9	28.9	9,393	33.6	24.1	32.2
Upper	48	38.1	48.7	12,596	45.0	61.6	35.9
Unknown	1	0.8	0.1	396	1.4	0.3	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	126	100.0	100.0	27,962	100.0	100.0	100.0
Refinance Loans							
Low	1	0.8	1.6	112	0.4	0.7	5.7
Moderate	20	16.9	12.1	3,040	12.2	7.3	26.0
Middle	34	28.8	26.3	7,210	28.9	20.1	32.2
Upper	63	53.4	59.7	14,629	58.5	71.5	35.9
Unknown	0	0.0	0.3	0	0.0	0.4	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	118	100.0	100.0	24,991	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	4.7	0	0.0	3.4	5.7
Moderate	0	0.0	16.6	0	0.0	11.8	26.0
Middle	0	0.0	33.4	0	0.0	25.4	32.2
Upper	0	0.0	45.2	0	0.0	58.8	35.9
Unknown	0	0.0	0.1	0	0.0	0.6	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans							
Low	0	0.0	13.7	0	0.0	5.7	11.3
Moderate	5	71.4	49.3	2,383	73.8	32.1	43.7
Middle	2	28.6	21.6	846	26.2	29.6	28.8
Upper	0	0.0	14.5	0	0.0	31.9	14.4
Unknown	0	0.0	0.9	0	0.0	0.8	1.8
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	7	100.0	100.0	3,229	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	3	1.2	2.8	377	0.7	1.6	5.7
Moderate	56	22.1	16.4	10,735	19.0	11.5	26.0
Middle	81	32.0	28.0	17,521	31.1	22.9	32.2
Upper	112	44.3	52.6	27,329	48.5	63.7	35.9
Unknown	1	0.4	0.2	396	0.7	0.4	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	253	100.0	100.0	56,358	100.0	100.0	100.0
Source: 2020 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding. Due to limited volume in the Other Purpose LOC, Other Purpose Closed/Exempt, and Purpose Not Applicable product categories, these categories are not displayed individually but are included in the total HMDA section of the table.							

Small Business Lending

The geographic distribution of small business lending is reasonable. The percentage of small business loans originated in low-income census tracts is comparable to the demographic figure, which represents the percentage of businesses in the AA's low-income census tracts. Lending to businesses in the moderate-income census tracts is below the demographic figure.

Although the bank's small business lending in the AA's moderate-income census tracts is significantly lower than the demographic figure, the bank's main office and limited-service branch are both located in the northern portion of Oklahoma County. The bank does not operate any branches in close proximity to the significant core of LMI tracts in southern Oklahoma County, where the bank faces competition from 57 other FDIC-insured financial institutions operating from 246 locations. A significant number of these locations are inside the city limits of Oklahoma City, where the overwhelming majority of LMI tracts are located.

Loan dispersion in the AA was also evaluated, and some lending gaps are noted in portions of the AA. In consideration of the bank's locations, competition from other financial institutions located among the core of the AA's LMI tracts, and the relatively low number of bank loans that were made inside an AA comprised of 249 tracts, the gaps in lending dispersion did not impact the overall conclusion.

Finally, the bank was active in the Paycheck Protection Program (PPP) during the pandemic and utilized a special program to accept applications nationwide. Of the 92 loans in the bank's small business sample, 47 were part of the PPP loan program and were extended within the AA and throughout the country. While loans extended outside the bank's AA are not included in the geographic distribution, the bank's current loan portfolio may not be indicative of its lending patterns under normalized banking conditions.

Table 11

Distribution of 2021 Small Business Lending By Income Level of Geography					
Assessment Area: Oklahoma City Metropolitan AA					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	3	4.3	1,006	11.4	6.4
Moderate	6	8.6	250	2.8	27.3
Middle	33	47.1	2,787	31.7	29.9
Upper	25	35.7	4,061	46.2	31.8
Unknown	3	4.3	694	7.9	4.6
Tract-Unk	0	0.0	0	0.0	
Total	70	100.0	8,798	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.

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 distribution among individuals of different income levels and businesses of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is poor. The bank’s lending to LMI borrowers is below both the aggregate lending data and the demographic figures. LMI borrowers may face barriers to entry into the homebuying market, including down payment requirements and income constraints. Although borrowers may face barriers to homeownership, the Oklahoma City area has several down payment assistance and other programs structured to aid LMI individuals and families in meeting qualification requirements for home mortgage loans.

Home Purchase Lending

The borrower distribution of home purchase lending is poor. The bank’s home purchase lending to LMI borrowers is below the aggregate lending data and the demographic figures.

Home Refinance Lending

The borrower distribution of home refinance lending is reasonable. The bank’s lending to LMI borrowers is below the demographic figures but comparable to the aggregate lending data.

Table 12

Distribution of 2020 Home Mortgage Lending By Borrower Income Level							
Assessment Area: Oklahoma City Metropolitan AA							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	2	1.6	6.8	507	1.8	3.7	24.3
Moderate	12	9.5	18.5	2,028	7.3	13.7	17.9
Middle	18	14.3	18.5	3,763	13.5	17.5	19.2
Upper	70	55.6	34.2	18,398	65.8	46.2	38.6
Unknown	24	19.0	22.0	3,266	11.7	18.8	0.0
Total	126	100.0	100.0	27,962	100.0	100.0	100.0
Refinance Loans							
Low	3	2.5	3.4	278	1.1	1.4	24.3
Moderate	10	8.5	10.4	1,247	5.0	6.0	17.9
Middle	15	12.7	14.9	2,180	8.7	11.3	19.2
Upper	69	58.5	43.5	17,494	70.0	53.4	38.6
Unknown	21	17.8	27.8	3,792	15.2	27.9	0.0
Total	118	100.0	100.0	24,991	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	7.2	0	0.0	3.6	24.3
Moderate	0	0.0	12.9	0	0.0	9.3	17.9
Middle	0	0.0	19.5	0	0.0	13.1	19.2
Upper	0	0.0	47.7	0	0.0	60.0	38.6
Unknown	0	0.0	12.6	0	0.0	14.1	0.0
Total	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans							
Low	5	2.0	5.1	785	1.5	2.6	24.3
Moderate	22	8.9	14.3	3,275	6.2	9.9	17.9
Middle	33	13.4	16.3	5,943	11.2	14.2	19.2
Upper	140	56.9	37.4	35,996	67.8	48.8	38.6
Unknown	46	18.7	26.9	7,130	13.4	24.5	0.0
Total	246	100.0	100.0	53,129	100.0	100.0	100.0
Source: 2020 FFIEC Census Data							
2011-2015 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding. Due to limited volume in the Other Purpose LOC, Other Purpose Closed/Exempt, and Purpose Not Applicable product categories, these categories are not displayed individually but are included in the total HMDA section of the table.							
Multifamily loans are not included in the borrower distribution analysis.							

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank's lending to businesses with gross annual revenues of \$1 million or less is comparable to the

percentage of small businesses in the AA. Of the bank’s sampled small business loans, 85.7 percent of the loans were for loan amounts of \$250,000 or less, which are amounts typically utilized by smaller business entities.

Table 13

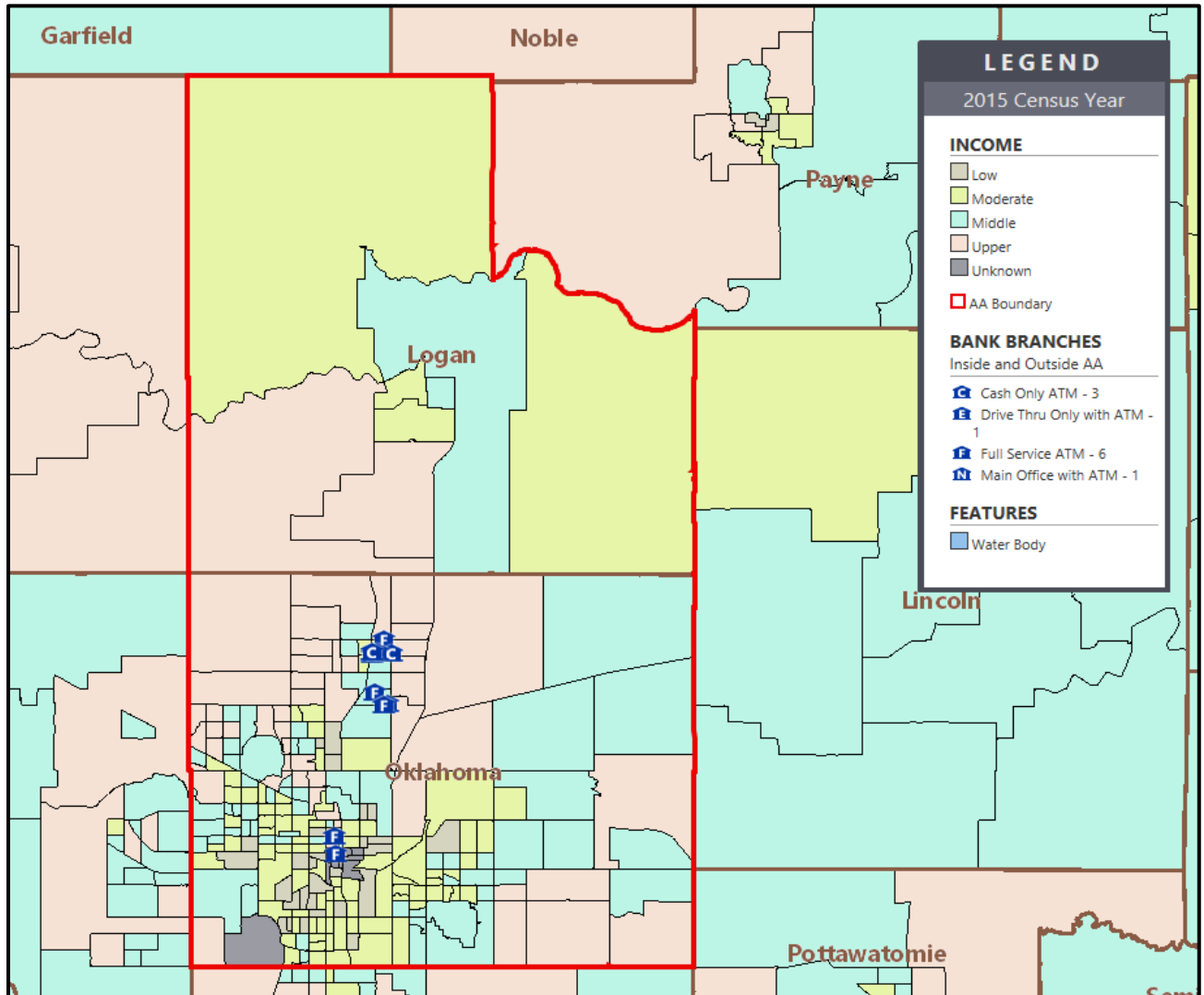
Distribution of 2021 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Oklahoma City Metropolitan AA					
	Bank Loans				Total Businesses
	#	#%	\$(000)	%	%
By Revenue					
\$1 Million or Less	44	62.9	2,979	33.9	90.5
Over \$1 Million	17	24.3	2,885	32.8	8.3
Revenue Unknown	9	12.9	2,934	33.3	1.2
Total	70	100.0	8,798	100.0	100.0
By Loan Size					
\$100,000 or Less	45	64.3	1,291	14.7	
\$100,001 - \$250,000	15	21.4	2,597	29.5	
\$250,001 - \$1 Million	10	14.3	4,909	55.8	
Total	70	100.0	8,798	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	34	77.3	769	25.8	
\$100,001 - \$250,000	8	18.2	1,306	43.8	
\$250,001 - \$1 Million	2	4.5	904	30.3	
Total	44	100.0	2,979	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>					

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

Oklahoma City Metropolitan AA



APPENDIX B – DEMOGRAPHIC INFORMATION
Table B-1

2021 Oklahoma City Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	28	11.2	17,042	8.9	6,224	36.5	46,795	24.3
Moderate	89	35.7	57,596	29.9	11,943	20.7	34,443	17.9
Middle	72	28.9	57,448	29.8	5,481	9.5	36,960	19.2
Upper	52	20.9	60,088	31.2	2,188	3.6	74,316	38.6
Unknown	8	3.2	340	0.2	119	35.0	0	0.0
Total AA	249	100.0	192,514	100.0	25,955	13.5	192,514	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	5.7	31.3	17,502	52.3	5,516	16.5
Moderate	116,976	47,583	26.0	40.7	53,415	45.7	15,978	13.7
Middle	103,047	58,968	32.2	57.2	33,913	32.9	10,166	9.9
Upper	89,157	65,736	35.9	73.7	17,640	19.8	5,781	6.5
Unknown	1,552	195	0.1	12.6	1,063	68.5	294	18.9
Total AA	344,216	182,948	100.0	53.1	123,533	35.9	37,735	11.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	2,746	6.4	2,359	6.1	370	10.5	17	3.3
Moderate	11,666	27.3	10,493	27.1	1,047	29.6	126	24.6
Middle	12,812	29.9	11,589	29.9	1,072	30.3	151	29.5
Upper	13,629	31.8	12,708	32.8	740	20.9	181	35.4
Unknown	1,954	4.6	1,609	4.2	308	8.7	37	7.2
Total AA	42,807	100.0	38,758	100.0	3,537	100.0	512	100.0
Percentage of Total Businesses:			90.5		8.3		1.2	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	15	3.1	14	3.0	1	9.1	0	0.0
Moderate	106	22.1	101	21.5	5	45.5	0	0.0
Middle	128	26.7	125	26.7	3	27.3	0	0.0
Upper	227	47.3	225	48.0	2	18.2	0	0.0
Unknown	4	0.8	4	0.9	0	0.0	0	0.0
Total AA	480	100.0	469	100.0	11	100.0	0	0.0
Percentage of Total Farms:			97.7		2.3		0.0	
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table B-2

2020 Oklahoma City Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	28	11.2	17,042	8.9	6,224	36.5	46,795	24.3
Moderate	89	35.7	57,596	29.9	11,943	20.7	34,443	17.9
Middle	72	28.9	57,448	29.8	5,481	9.5	36,960	19.2
Upper	52	20.9	60,088	31.2	2,188	3.6	74,316	38.6
Unknown	8	3.2	340	0.2	119	35.0	0	0.0
Total AA	249	100.0	192,514	100.0	25,955	13.5	192,514	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	5.7	31.3	17,502	52.3	5,516	16.5
Moderate	116,976	47,583	26.0	40.7	53,415	45.7	15,978	13.7
Middle	103,047	58,968	32.2	57.2	33,913	32.9	10,166	9.9
Upper	89,157	65,736	35.9	73.7	17,640	19.8	5,781	6.5
Unknown	1,552	195	0.1	12.6	1,063	68.5	294	18.9
Total AA	344,216	182,948	100.0	53.1	123,533	35.9	37,735	11.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	2,806	6.4	2,404	6.1	386	10.6	16	3.3
Moderate	11,874	27.2	10,667	27.0	1,086	29.8	121	25.3
Middle	13,126	30.0	11,903	30.1	1,090	30.0	133	27.8
Upper	13,939	31.9	12,992	32.8	768	21.1	179	37.4
Unknown	1,939	4.4	1,601	4.0	309	8.5	29	6.1
Total AA	43,684	100.0	39,567	100.0	3,639	100.0	478	100.0
Percentage of Total Businesses:				90.6		8.3		1.1
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	16	3.3	15	3.1	1	8.3	0	0.0
Moderate	105	21.4	101	21.1	4	33.3	0	0.0
Middle	122	24.9	119	24.9	3	25.0	0	0.0
Upper	244	49.8	240	50.2	4	33.3	0	0.0
Unknown	3	0.6	3	0.6	0	0.0	0	0.0
Total AA	490	100.0	478	100.0	12	100.0	0	0.0
Percentage of Total Farms:				97.6		2.4		0.0
<i>Source: 2020 FFIEC Census Data 2020 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 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.

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.