



PUBLIC DISCLOSURE

August 12, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank of Western Oklahoma
RSSD# 175056

201 East Broadway
Elk City, Oklahoma 73644

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

Bank of Western Oklahoma (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 (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. In addition, available CRA aggregate data for the most recent three years (2020, 2021, and 2022) was referenced for additional perspective to gauge credit demand within the bank's AA. Lending performance was assessed within the bank's only AA, the Western Oklahoma AA. Examiners reviewed the following data:

- The bank's 17-quarter average NLTD ratio,
- A statistical sample of 103 outstanding small business loans from a universe of 211 loans originated between January 1, 2023, and December 31, 2023; and
- A statistical sample of 110 outstanding small farm loans from a universe of 239 loans originated between January 1, 2023, and December 31, 2023.

For this analysis, greater weight was placed on small farm lending as it represents the largest portion of the bank's loan portfolio and higher numbers of loan originations during the review period. Greater consideration was given to the number of loan originations than the dollar amount of loans, as this is more representative of the number of individuals and entities served.

DESCRIPTION OF INSTITUTION

Bank of Western Oklahoma is a community bank headquartered in Elk City, Oklahoma. The bank’s characteristics include:

- The bank is a wholly owned subsidiary of Western Oklahoma Bancshares.
- The bank has total assets of \$379.0 million as of March 31, 2024.
- In addition to its main office in Elk City, the bank has five additional offices located in Cordell, Geary, Vici, Weatherford, and Woodward.
- Each bank location is equipped with a cash-only automated teller machine (ATM) and drive-through service.
- As shown in the table below, the bank’s primary business focus is agricultural and commercial lending.

Table 1

Composition of Loan Portfolio as of March 31, 2024		
Loan Type	\$(000)	
Construction and Land Development	1,910	0.6
Farmland	101,638	33.2
1- to 4-Family Residential Real Estate	59,224	19.4
Multifamily Residential Real Estate	5,422	1.8
Nonfarm Nonresidential Real Estate	41,069	13.4
Agricultural	35,904	11.7
Commercial and Industrial	57,976	19.0
Consumer	2,577	0.8
Other	17	0.0
Gross Loans	305,737	100.0

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

The bank was rated Satisfactory under the CRA at its August 31, 2020 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 Western Oklahoma AA consists of Beaver, Beckham, Blaine, Custer, Dewey, Ellis, Harper, Roger Mill, Washita, and Woodward Counties in their entirety. The AA also includes one census tract in the western portion of Canadian County, which is part of the Oklahoma City, Oklahoma Metropolitan Statistical Area (MSA), and five census tracts in the northwestern portion of Caddo County. Refer to Appendix A for an AA map and Appendix B for additional demographic data.

- The AA is comprised of 3 moderate-, 26 middle-, and 13 upper-income census tracts based on the most current 2016-2020 American Community Survey (ACS) data. The 3 moderate-income census tracts are located in Blaine, Canadian, and Custer Counties. This represents a change from the previous evaluation, where the AA was comprised of 2 moderate-, 25 middle-, and 12 upper-income census tracts based on 2011-2015 ACS data. There have been no changes to the delineation of the AA since the previous evaluation.
- Seven middle-income census tracts located in Beaver, Dewey, Ellis, Harper, and Roger Mills Counties are designated as underserved by the FFIEC.
- According to the June 30, 2023 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank ranked 7th of 56 FDIC-insured institutions in the AA, with a total deposit market share of 4.2 percent.
- To further augment the CRA performance evaluation, one interview was conducted with a community member within the AA to ascertain the credit needs of area communities, the responsiveness of area banks in meeting those credit needs, and the local economic conditions. The community member represented an economic development organization focused on serving businesses in and around the AA.

Table 2

Population Change			
Assessment Area: Western Oklahoma			
Area	2015 Population	2020 Population	Percent Change
Western Oklahoma	272,471	292,398	7.3
Beaver County, OK	5,530	5,049	(8.7)
Beckham County, OK	23,300	22,410	(3.8)
Blaine County, OK	9,810	8,735	(11.0)
Caddo County, OK	29,495	26,945	(8.6)
Canadian County, OK	126,193	154,405	22.4
Custer County, OK	28,978	28,513	(1.6)
Dewey County, OK	4,863	4,484	(7.8)
Ellis County, OK	4,121	3,749	(9.0)
Harper County, OK	3,766	3,272	(13.1)
Roger Mills County, OK	3,780	3,442	(8.9)
Washita County, OK	11,649	10,924	(6.2)
Woodward County, OK	20,986	20,470	(2.5)
NonMSA Oklahoma	1,333,350	1,289,548	(3.3)
Oklahoma	3,849,733	3,959,353	2.8

*Source: 2011-2015 U.S. Census Bureau American Community Survey
2020 U.S. Census Bureau Decennial Census
Note: All data presented is at the county level and some values may be different than expected for this AA, which includes a partial county.*

- The AA is rural in nature, with major population centers located in the counties of Beckham, Caddo, and Custer. The AA’s 2020 population comprised 7.4 percent of the statewide population.
- The city of Woodward, Oklahoma, located in Woodward County, is the most populated town in the AA with 12,133 residents, according to the 2020 ACS and comprises 4.1 percent of the AA’s total population.
- A member of the community stated that Canadian County’s population growth from 2015 to 2020 was driven by its proximity to the major labor marketplace of Oklahoma City. Approximately 52.8 percent of the AA population resides in Canadian County.

Table 3

Median Family Income Change			
Assessment Area: Western Oklahoma			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Western Oklahoma	71,520	74,700	4.4
Beaver County, OK	67,603	60,580	(10.4)
Beckham County, OK	70,142	61,832	(11.8)
Blaine County, OK	57,087	60,114	5.3
Caddo County, OK	55,841	57,332	2.7
Canadian County, OK	79,529	85,700	7.8
Custer County, OK	58,817	69,596	18.3
Dewey County, OK	66,539	62,122	(6.6)
Ellis County, OK	73,571	67,222	(8.6)
Harper County, OK	65,321	63,972	(2.1)
Roger Mills County, OK	67,493	62,941	(6.7)
Washita County, OK	64,115	62,336	(2.8)
Woodward County, OK	75,031	72,430	(3.5)
NonMSA Oklahoma	56,258	58,565	4.1
Oklahoma	63,401	67,511	6.5

*Source: 2011 - 2015 U.S. Census Bureau American Community Survey
2016 - 2020 U.S. Census Bureau American Community Survey
Median Family Incomes have been inflation-adjusted and are expressed in 2020 dollars.
Note: All data presented is at the county level and some values may be different than expected for this AA which includes a partial county.*

- Based on median family income (MFI), Caddo County is the least affluent county in the AA; however, it experienced a 2.7 percent increase in MFI from 2015 to 2020.
- According to 2016-2020 ACS data, the proportion of families in the AA living below the poverty level, at 10.6 percent, was lower than figures for NonMSA Oklahoma areas (rural areas statewide) but higher than the state of Oklahoma, at 13.5 percent and 9.5 percent, respectively.

Table 4

Housing Cost Burden Assessment Area: Western Oklahoma						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Western Oklahoma	64.1	21.9	30.2	50.0	22.7	13.2
Beaver County, OK	51.3	0.0	14.0	60.6	15.2	11.9
Beckham County, OK	61.2	16.9	28.4	51.0	19.7	15.5
Blaine County, OK	49.4	15.2	20.0	44.3	10.7	10.8
Caddo County, OK	45.4	15.3	20.6	42.3	16.0	12.3
Canadian County, OK	73.3	30.8	32.6	50.7	32.7	13.4
Custer County, OK	67.7	13.3	39.0	61.6	13.5	13.0
Dewey County, OK	77.0	0.0	34.2	60.5	9.8	12.4
Ellis County, OK	50.0	27.8	26.4	36.9	9.0	11.6
Harper County, OK	35.0	0.0	11.5	52.3	12.6	18.5
Roger Mills County, OK	18.5	22.2	12.4	56.2	13.2	13.8
Washita County, OK	57.0	17.3	27.0	48.4	10.5	12.9
Woodward County, OK	64.3	18.0	30.8	46.7	15.7	12.9
NonMSA Oklahoma	65.0	27.9	34.8	46.6	21.0	14.8
Oklahoma	71.3	30.7	37.7	50.0	24.0	15.2

Cost Burden is housing cost that equals 30 percent or more of household income
Source: U.S. Department of Housing and Urban Development (HUD), 2016-2020 Comprehensive Housing Affordability Strategy
Note: All data presented is at the county level and some values may be different than expected for this AA, which includes a partial county.

- The housing cost burden for all renters and all owners in the AA was lower than the figures for rural areas statewide and the state of Oklahoma. The housing cost burden in the AA is primarily driven by Harper County, where 18.5 percent of all owners are considered cost burdened.
- The AA housing affordability ratio¹ of 44.8 percent was above ratios for rural areas statewide and the state of Oklahoma, at 42.0 percent and 37.2 percent, respectively, which indicates housing is more affordable in the AA compared to other rural areas statewide and the state of Oklahoma overall.
- A community member stated that the rapid growth of Canadian County has resulted in a population increase in the area. Due to the population increase, there is growth in the housing industry in and around the AA. Housing prices continue to rise as new homes are built and purchased.

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

Table 5

Unemployment Rates					
Assessment Area: Western Oklahoma					
Area	2018	2019	2020	2021	2022
Western Oklahoma	2.6	2.7	6.0	3.5	2.6
Beaver County, OK	1.9	1.9	2.7	1.8	1.9
Beckham County, OK	2.5	3.0	7.8	4.5	2.6
Blaine County, OK	1.9	1.9	6.2	3.1	2.2
Caddo County, OK	3.4	3.4	6.1	3.9	3.2
Canadian County, OK	2.7	2.7	6.0	3.4	2.5
Custer County, OK	2.4	2.4	5.5	3.4	2.6
Dewey County, OK	1.8	2.0	5.0	2.9	2.0
Ellis County, OK	2.1	2.3	4.6	2.9	2.3
Harper County, OK	2.2	2.7	3.5	2.6	2.0
Roger Mills County, OK	2.3	2.9	5.2	3.0	2.3
Washita County, OK	2.9	3.2	6.9	4.5	3.0
Woodward County, OK	2.6	2.8	6.9	4.4	2.9
NonMSA Oklahoma	3.5	3.4	6.1	4.0	3.2
Oklahoma	3.3	3.1	6.3	4.0	3.0

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

Note: All data presented is at the county level and some values may be different than expected for this AA, which includes a partial county.

- Unemployment rates spiked in 2020 at the onset of the 2019 Coronavirus Disease pandemic (the pandemic); unemployment rates in 2022 trended similarly to pre-pandemic levels.
- Major employment sectors in the AA include Retail Trade (16,320 employees); Health Care and Social Assistance (14,377); Educational Services (11,313); Mining, Quarrying, and Oil and Gas Extraction (2,825); and Agriculture, Forestry, Fishing, and Hunting (1,251).
- A community member noted that there is growth in the housing, restaurant, and education industries in the AA. The member also noted that many individuals in the AA commute to jobs in Oklahoma City; however, employment demand has increased in Canadian County, thus residents have sought employment opportunities that have shorter commute times.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank’s overall lending test performance is Satisfactory. The conclusion was reached based on a reasonable NLTD ratio, a majority of loans being originated within the bank’s AA, a reasonable geographic distribution of loans, and a reasonable borrower distribution of loans.

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, loan portfolio composition, and areas of operation within or near the bank’s AA.

The bank’s NLTD ratio is reasonable. The bank’s 17-quarter average NLTD ratio was comparable to the range of the four similarly situated institutions with ratios ranging from 44.0 percent to 87.1 percent.

Table 9

Comparative NLTD Ratios March 31, 2020 – March 31, 2024			
Institution	Location	Asset Size \$(000)	NLTD Ratio (%)
			17 Quarter Average
Bank of Western Oklahoma	Elk City, OK	379,022	80.7
Similarly Situated Institutions			
First Security Bank	Beaver, OK	139,974	71.5
Security State Bank	Cheyenne, OK	260,036	66.9
Oklahoma Bank & Trust Company	Clinton, OK	189,011	44.0
SNB Bank, National Association	Shattuck, OK	139,128	87.1

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 10

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	#	\$(000)	\$	#	#	\$(000)	\$
Small Business	86	83.5	5,019	69.3	17	16.5	2,221	30.7
Small Farm	89	80.9	6,281	72.5	21	19.1	2,387	27.5
Total Loans	175	82.2	11,299	71.0	38	17.8	4,607	29.0

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. There were no lending opportunities in low-income census tracts as there are no low-income census tracts in the AA.

Small Business Lending

The geographic distribution of small business lending is reasonable. The distribution of small business lending among moderate-income census tracts was below the demographic figure, which represents the percentage of total businesses operating in each respective census tract income designation. Three-year average aggregate lending data from institutions required to report CRA small business data was referenced to augment the evaluation and reflected lending in the bank’s AA at 9.2 percent by number and 12.7 percent by dollar. While not a direct comparator, as the bank does not report CRA small business lending data, these figures are relevant as a proxy to ascertain demand for credit. The aggregate data reflects limited demand for small business credit in the AA’s moderate-income census tracts.

Additionally, a review of the geographic dispersion of the bank’s small business lending was conducted. A conspicuous gap was identified that includes moderate-income tracts but is explained by performance context. The gap in small business lending is noted in both Blaine and Canadian counties, which are located directly to the west of the more densely populated and heavily banked Oklahoma County and Oklahoma City areas. As such, competition from banks operating in the area is high for small business lending. Finally, the bank’s primary business strategy is agricultural lending, as reflected in its portfolio composition, which supports the reasonable conclusion and gap in lending dispersion.

Table 11

Distribution of 2023 Small Business Lending By Income Level of Geography					
Assessment Area: Western Oklahoma					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	3	3.5	902	18.0	10.2
Middle	48	55.8	2,804	55.9	56.3
Upper	35	40.7	1,313	26.2	33.5
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	86	100.0	5,019	100.0	100.0

Source: 2023 FFIEC Census Data
2023 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey

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

Small Farm Lending

The geographic distribution of small farm lending is reasonable. The distribution of small farm lending among moderate-income census tracts was comparable to the demographic figure, which represents the total percentage of farms operating in each respective census tract income designation.

Additionally, an analysis of lending dispersion was conducted and revealed a conspicuous gap; however, the gap does not include any moderate-income census tracts and does not impact the conclusion.

Table 12

Distribution of 2023 Small Farm Lending By Income Level of Geography Assessment Area: Western Oklahoma					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	6	6.7	254	4.0	7.6
Middle	61	68.5	5,255	83.7	66.3
Upper	22	24.7	772	12.3	26.1
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	89	100.0	6,281	100.0	100.0

Source: 2023 FFIEC Census Data
2023 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 excellent. The bank’s lending to businesses with gross annual revenues of \$1 million or less was comparable to the demographic figure, which represents the percentage of total businesses in the AA by revenue size. Additionally, three-year average aggregate lending data from institutions required to report CRA small business data was referenced to augment the evaluation and reflected lending to businesses with gross annual revenues of \$1 million or less at 43.4 percent by number and 28.4 percent by dollar in the bank’s AA. While these figures are not direct comparators, as the bank does not report CRA small business lending data,

they are useful as a proxy to ascertain demand for credit. When compared to aggregate figures, the bank’s lending reflects an excellent record of meeting the credit needs of small businesses in the AA.

Additionally, 69 of the 80 loans to businesses with gross annual revenues of \$1 million or less were in amounts of \$100,000 or less, which are amounts typically associated with the credit demands of smaller business entities and further demonstrates the bank’s willingness to meet the needs of small businesses.

Table 13

Distribution of 2023 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Western Oklahoma					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	80	93.0	3,776	75.2	87.5
Over \$1 Million	6	7.0	1,243	24.8	9.8
Revenue Unknown	0	0.0	0	0.0	2.7
Total	86	100.0	5,019	100.0	100.0
By Loan Size					
\$100,000 or Less	72	83.7	1,587	31.6	
\$100,001 - \$250,000	11	12.8	1,832	36.5	
\$250,001 - \$1 Million	3	3.5	1,600	31.9	
Total	86	100.0	5,019	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	69	86.3	1,438	38.1	
\$100,001 - \$250,000	10	12.5	1,671	44.3	
\$250,001 - \$1 Million	1	1.3	667	17.7	
Total	80	100.0	3,776	100.0	
<i>Source: 2023 FFIEC Census Data 2023 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 revenues of \$1 million or less was comparable to the demographic figure, which represents the percentage of total farms by revenue size in the AA. Additionally, three-year average aggregate small farm lending data reflected lending to farms with gross annual revenues of \$1 million or less at 65.1 percent by number and 79.6 percent by dollar in the bank’s AA. While these figures are not direct comparators, as the bank does not report CRA small farm lending data, these figures are relevant as a proxy for credit demand in the AA for small farm lending.

Table 14

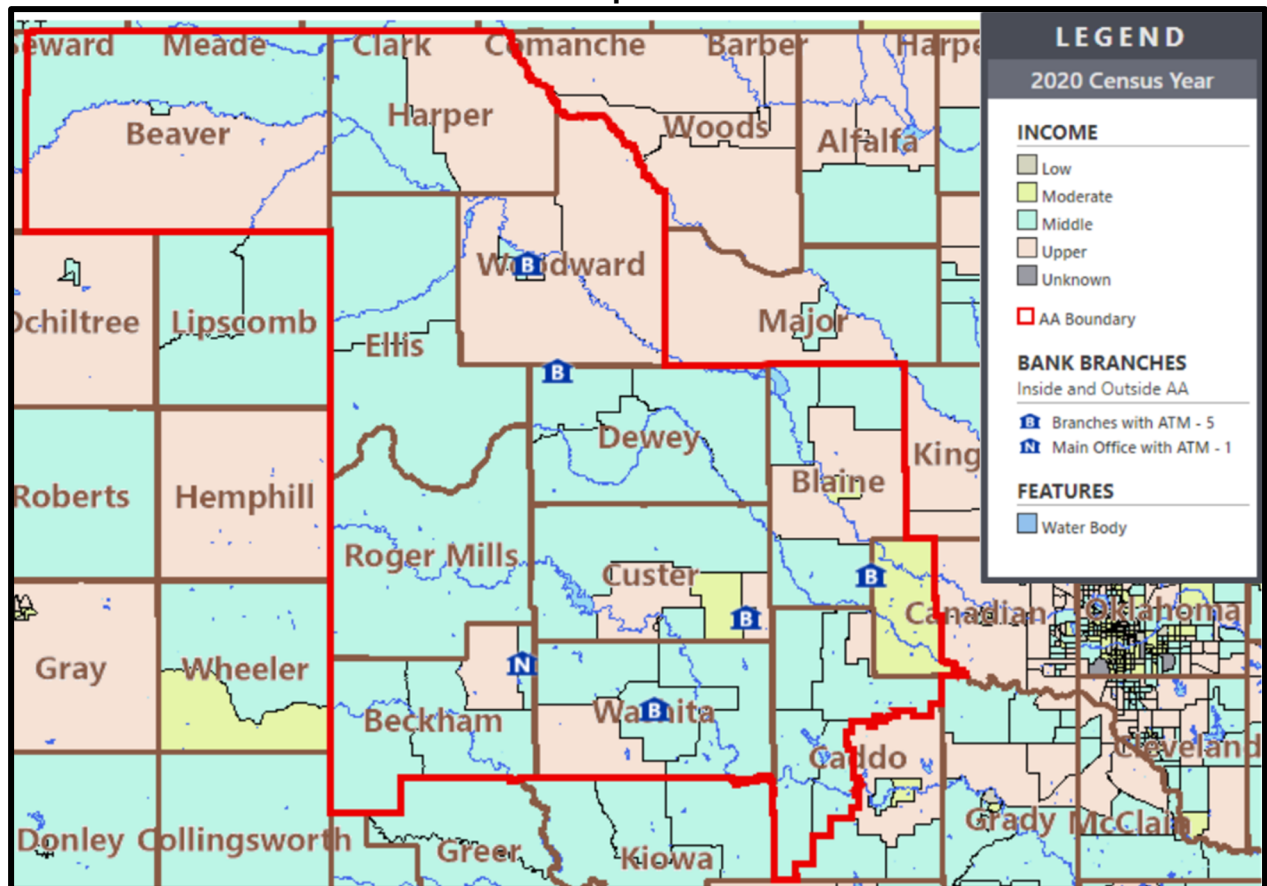
Distribution of 2023 Small Farm Lending By Revenue Size of Farms					
Assessment Area: Western Oklahoma					
	Bank Loans				Total Farms
	#	#%	\$(000)	\$%	%
By Revenue					
\$1 Million or Less	81	91.0	4,816	76.7	98.0
Over \$1 Million	4	4.5	1,316	21.0	1.9
Revenue Unknown	4	4.5	149	2.4	0.2
Total	89	100.0	6,281	100.0	100.0
By Loan Size					
\$100,000 or Less	72	80.9	2,146	34.2	
\$100,001 - \$250,000	10	11.2	1,577	25.1	
\$250,001 - \$500,000	6	6.7	1,849	29.4	
Total	89	100.0	6,281	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	67	82.7	1,897	39.4	
\$100,001 - \$250,000	9	11.1	1,370	28.4	
\$250,001 - \$500,000	5	6.2	1,549	32.2	
Total	81	100.0	4,816	100.0	
<i>Source: 2023 FFIEC Census Data 2023 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

Map A-1



APPENDIX B – DEMOGRAPHIC INFORMATION

Table B-1

2023 Western Oklahoma 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	5,642	18.2
Moderate	3	7.1	1,945	6.3	344	17.7	5,222	16.8
Middle	26	61.9	17,715	57.0	2,151	12.1	5,748	18.5
Upper	13	31.0	11,416	36.7	798	7.0	14,464	46.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	42	100.0	31,076	100.0	3,293	10.6	31,076	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	4,895	1,746	5.2	35.7	2,014	41.1	1,135	23.2
Middle	36,382	19,408	57.7	53.3	8,069	22.2	8,905	24.5
Upper	19,508	12,469	37.1	63.9	3,825	19.6	3,214	16.5
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	60,785	33,623	100.0	55.3	13,908	22.9	13,254	21.8
	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	532	10.2	481	10.5	42	8.2	9	6.4
Middle	2,943	56.3	2,523	55.2	325	63.7	95	67.4
Upper	1,749	33.5	1,569	34.3	143	28.0	37	26.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	5,224	100.0	4,573	100.0	510	100.0	141	100.0
Percentage of Total Businesses:				87.5	9.8	2.7		
	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	45	7.6	44	7.6	0	0.0	1	100.0
Middle	393	66.3	384	66.1	9	81.8	0	0.0
Upper	155	26.1	153	26.3	2	18.2	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	593	100.0	581	100.0	11	100.0	1	100.0
Percentage of Total Farms:				98.0	1.9	0.2		
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

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.