



**PUBLIC DISCLOSURE**

**May 8, 2023**

**COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**The Farmers Bank of Appomattox**

**Appomattox, Virginia**

**Federal Reserve Bank of Richmond  
Richmond, Virginia**

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Federal financial supervisory agency concerning the safety and soundness of this financial institution.

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PERFORMANCE EVALUATION**

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188720

223 Main Street

Appomattox, Virginia 24522

**Federal Reserve Bank of Richmond  
P. O. Box 27622  
Richmond, Virginia 23261**

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## **INSTITUTION RATING**

**INSTITUTION'S CRA RATING:** This institution is rated Satisfactory.

The major factors supporting this rating include:

- The bank's loan-to-deposit ratio is considered reasonable given its size, financial condition, and the credit needs of its assessment areas.
- A majority of the bank's Home Mortgage Disclosure Act (HMDA), small business, and consumer loans originated during the review period were located within its assessment areas.
- The bank's borrower distribution performance (lending to low- and moderate-income borrowers and small businesses with annual revenues of \$1 million or less) varies by loan category and is considered excellent overall for the Lynchburg, VA and Prince Edward-Buckingham, VA NonMSA assessment areas.
- The bank's geographic distribution performance (lending in low- and moderate-income census tracts) is considered very poor for the Lynchburg, VA assessment area and reasonable for the Prince Edward-Buckingham County, VA NonMSA. Overall, performance is considered poor.
- The institution has not received any complaints regarding its CRA performance since the previous evaluation.

## **SCOPE OF EXAMINATION**

The Farmers Bank of Appomattox (FBoA) was evaluated using the interagency examination procedures for small institutions developed by the Federal Financial Institutions Examination Council (FFIEC). Consistent with the procedures, all reported HMDA loans from 2020 and 2021, as well as small business loans made during 2021 were reviewed. Given its size and branch locations, FBoA is required to collect and report HMDA data, but it is not required to collect or report CRA small business data. Additionally, consumer motor vehicle secured lending was identified as a primary product and was also considered in the evaluation. The analysis includes a sample of 170 consumer motor vehicle secured loans from a universe of 896 such loans originated during calendar year 2021.

As of the date of this evaluation, aggregate data from 2022 is not yet available for CRA lending. Because aggregate data captures lending done under the same business and market conditions, it is an important performance context factor needed to evaluate the bank's lending performance. Consequently, the bank's 2022 small business loan data is not included in this evaluation.

FBoA serves two assessment areas within the Commonwealth of Virginia, the Lynchburg, VA assessment area and the Prince Edward-Buckingham NonMSA assessment area. Both were evaluated using the FFIEC's full-scope evaluation procedures.

## **DESCRIPTION OF INSTITUTION**

FBoA is headquartered in Appomattox, Virginia and operates five full-service branches in the southern portion of central Virginia. FBoA operates as an independent entity and does not have any affiliates or subsidiaries. The bank's previous CRA rating, dated November 26, 2018, was Satisfactory. No known legal impediments exist that would prevent the bank from meeting the credit needs of its assessment areas.

As of March 31, 2023, FBoA held total assets of approximately \$317.8 million, of which 67.3% were net loans and 23.2% were securities. As of the same date, deposits totaled approximately \$281.7 million. Various deposit and loan products are available through the institution including loans for business, residential mortgage, and consumer purpose. The composition of the loan portfolio using gross loans is represented in the following table.

**Composition of Loan Portfolio**

Loan Type	3/31/2023	
	\$(000s)	%
Secured by 1-4 Family dwellings	105,686	49.0
Multifamily	2,853	1.3
Construction and Development	13,678	6.3
Commercial & Industrial/ NonFarm NonResidential	43,545	20.2
Consumer Loans and Credit Cards	39,481	18.3
Agricultural Loans/ Farmland	1,970	0.9
All Other	8,691	4.0
<b>Total</b>	<b>215,904</b>	<b>100.0</b>

As indicated in the preceding table, loans secured by residential real estate, consumer loans, and commercial loans represent the largest proportions of the loan portfolio. Consumer lending accounts for the greatest number of recent transactions, driven by a significant number of motor vehicle secured loans originated through direct and indirect channels. The bank also offers other loan products such as agricultural and construction and development loans; however, the volume of such lending is relatively small in comparison to its residential mortgage, consumer, and commercial lending.

In April 2020, the Small Business Administration (SBA) created the Paycheck Protection Program (PPP). This program was designed to provide direct incentive for small businesses, allow workforces to remain employed, and promote economic stability during the Coronavirus (COVID-19) pandemic. Since the PPP was established, FBoA has originated 405 loans totaling \$16.8 million. Of this total, 202 loans totaling approximately \$5.3 million were originated in 2021. FBoA’s origination of PPP loans is an example of the bank being responsive to area credit needs.

FBoA serves two contiguous assessment areas located in southern central Virginia. One assessment area is located in a metropolitan statistical area (MSA), while the other assessment area is located in a rural, nonmetropolitan area (NonMSA). The composition of each assessment area is detailed below.

Assessment Area Name	City/County	State	Census Tracts Included
Lynchburg, VA	Appomattox County	VA	All
	Campbell County		
Prince Edward-Buckingham, VA NonMSA	Charlotte County	VA	All
	Prince Edward County		
	Buckingham County		

Buckingham County was previously included in the Charlottesville, VA MSA and was reviewed as a third, separate assessment area during the previous evaluation. However, Buckingham County was removed from the Charlottesville, VA MSA in 2018 and is now considered a NonMSA county. Therefore, the county was evaluated as part of the Prince Edward-Buckingham NonMSA assessment area for this evaluation. FBoA has not opened or closed any branch offices since the previous evaluation.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:**

When evaluating a bank's HMDA and consumer loan performance, relevant area demographic data from the American Community Survey (ACS) is used as a proxy for demand. While ACS data is collected and published by the U.S. Census Bureau on an annual basis, the demographic data relied upon in this performance evaluation is based on ACS data that is updated once every five years. As such, when evaluating the bank's performance, relevant area demographic data from the 2015 ACS and Dun and Bradstreet (D&B) business data from 2021 were used.

Aggregate loan data is also used as a proxy for demand when evaluating the bank's HMDA and small business lending performance. The aggregate data includes all activity reported by lenders subject to reporting HMDA and CRA data, respectively, within the bank's assessment areas. Because the bank does not report CRA loan data, its small business loans are not included in the aggregate CRA data.

The borrower and geographic distribution performance of HMDA loans focused on performance for Home Purchase, Home Improvement, Refinancing, and Multi-family loan categories. Performance for the Not Applicable, Other Closed, and Other Line of Credit loan categories was not evaluated because not all HMDA reporters are required to report each loan category, or the category contains relatively few loans overall.

While HMDA loan data from calendar years 2020 and 2021 were fully analyzed and considered in the evaluation, only bank and aggregate data from 2021 are presented in the analyses of borrower and geographic distribution performances. In instances where the performance varies significantly from the 2021 performance presented in the table, the variance and the corresponding impact on overall performance is discussed.

During 2021, the bank was an active participant in the SBA's PPP. Consistent with data collection and reporting requirements of the program, financial institutions were not required to collect or report borrower revenue information for PPP loans; however, considering many of the borrowers were originally customers of the bank, business revenue data was available and provided by the bank. The 2021 aggregate small business loan data includes an unknown volume of PPP loans, which limited its impact as a proxy when evaluating the bank's performance. Because smaller dollar loans can demonstrate a willingness to provide credit to small businesses, the bank's distribution by loan size was also considered.

When evaluating the borrower and geographic distribution for a specific loan category within an assessment area, primary emphasis is placed on the number (and corresponding percentage) of loans originated or purchased. To arrive at an overall assessment area level conclusion regarding the distribution of lending, performance in each loan category is then generally weighted by dollar volume of such loans made in the assessment area.

When determining overall conclusions for the institution, the bank's performance in the Lynchburg, VA assessment area generally carries greater weight given the larger proportion of loans and deposits in this market. **Appendix A** details the loan, branch, and deposit volume by assessment area.

### **Loan-To-Deposit Ratio**

The bank's current loan-to-deposit ratio equals 76% and averaged 74.5% for the 18-quarter period ending March 31, 2023. In comparison, the quarterly average loan-to-deposit ratios for two similarly situated institutions that operate in at least one of FBoA's assessment areas ranged from 53.8% to 79.9% during the same 18-quarter period. Since December 31, 2018, FBoA's assets, net loans, and deposits have increased by 38.2%, 39.3%, and 43.7% respectively. The bank's level of lending activity as measured by its loan-to-deposit ratio is considered reasonable given the institution's size, financial condition, and local credit needs.

### Lending in Assessment Areas

To determine the institution’s volume of lending within its assessment areas, the geographic location of the bank’s 2020 and 2021 HMDA, and 2021 small business and consumer motor vehicle secured lending was considered. The lending distribution inside and outside of the bank’s assessment areas is represented in the following table.

**Comparison of Credit Extended Inside and Outside of Assessment Area(s)**

Loan Type	Inside				Outside			
	#	%	\$(000)	%	#	%	\$(000)	%
Home Purchase	60	69.8	8,582	66.0	26	30.2	4,419	34.0
Home Improvement	3	60.0	133	60.7	2	40.0	86	39.3
Refinancing	62	87.3	7,990	80.7	9	12.7	1,906	19.3
Multi-Family Housing	0	0.0	0	0.0	0	0.0	0	0.0
Loan Purpose Not Applicable	0	0.0	0	0.0	0	0.0	0	0.0
Other Purpose Closed/Exempt	9	90.0	495	87.6	1	10.0	70	12.4
Other Purpose LOC	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total HMDA related</b>	<b>134</b>	<b>77.9</b>	<b>17,200</b>	<b>72.6</b>	<b>38</b>	<b>22.1</b>	<b>6,481</b>	<b>27.4</b>
Small Business	242	94.9	7,288	83.5	13	5.1	1,435	16.5
Motor Vehicle Loans	93	54.7	1,511	50.8	77	45.3	1,465	49.2
<b>TOTAL LOANS</b>	<b>469</b>	<b>78.6</b>	<b>25,999</b>	<b>73.5</b>	<b>128</b>	<b>21.4</b>	<b>9,381</b>	<b>26.5</b>

As indicated in the preceding table, a majority of the total number (78.6%) and dollar amount (73.5%) of HMDA, small business, and consumer loans were extended within the bank’s assessment areas. As previously noted, the evaluation included a sample of motor vehicle secured loans, and 54.7% of the sampled loans were inside the combined assessment areas. When estimating the distribution of motor vehicle secured loans using the universe of lending in 2021, the majority of overall lending included in the evaluation was inside the combined assessment areas. Overall, the institution’s level of lending within its assessment areas is considered responsive to community credit needs.

### Lending to Borrowers of Different Incomes and To Businesses of Different Sizes

The bank’s borrower distribution performance (lending to low- and moderate-income borrowers and small businesses having annual revenues of \$1 million or less) varies by loan category within each assessment area, and is considered excellent overall for both the Lynchburg, VA and the Prince Edward-Buckingham County, VA assessment areas.

### Geographic Distribution of Loans

FBoA’s overall geographic distribution performance (lending in low- and moderate-income census tracts) is considered very poor for the Lynchburg, VA assessment area and reasonable for the Prince Edward-Buckingham County, VA NonMSA assessment area. On a combined basis, overall performance is poor; however, geographic distribution carries less weight than borrower distribution in determining the bank’s overall lending performance given the absence of low-income census tracts and limited number of moderate-income census tracts in the bank’s combined full-scope assessment areas.

### FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified. Adequate policies, procedures, and training programs have been developed to support nondiscrimination in lending activities.

**METROPOLITAN AREAS  
(Full-scope review)**

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN LYNCHBURG, VA ASSESSMENT  
AREA**

The Lynchburg, VA assessment area is located in southern central Virginia and includes a portion of the Lynchburg, VA MSA. The delineation includes all of Appomattox and Campbell Counties, Virginia. FBoA operates three full-service branches within the assessment area, of which two are located in Appomattox (FBoA’s primary market) and one is located in northeastern Campbell County adjacent to Appomattox County. Campbell County contains the assessment area’s only two moderate-income census tracts. One of the moderate-income census tracts is in the suburbs of the city of Lynchburg, VA, which is in western Campbell County and approximately 20 miles from the Campbell County branch. The other moderate-income census tract is in the far southwestern portion of Campbell County and approximately 28 miles from the Campbell County branch.

Recent data (June 30, 2022) from the FDIC indicates the bank ranked 3<sup>rd</sup> out of 11 institutions in local deposit market share, holding 12.2% of area deposits (excluding credit union deposits). According to 2021 aggregate HMDA loan data, the institution ranked 17<sup>th</sup> out of 222 lenders in reported home mortgage volume with 1.3% of the area market share.

According to 2015 ACS data, the assessment area has a population of 70,220 and a median housing value of \$151,012. Within the assessment area, the owner-occupancy rate equals 66.5%, which is above the owner-occupancy rate for both the MSA (61.6%) and the Commonwealth of Virginia (59.2%). Within the assessment area, 11.4% of families are considered below the poverty level, which is similar to the poverty rate in the MSA (11%), but above the rate in the Commonwealth of Virginia (8.2%).

Area median family incomes from 2019 to 2022 are detailed in the following table.

<b>Median Family Income</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Lynchburg, VA MSA	\$68,900	\$72,400	\$73,700	\$78,900



The following table includes pertinent demographic data for the assessment area.

**Assessment Area Demographics**

Lynchburg, VA (Based on 2015 ACS Data and 2021 D&B Information)								
Income Categories*	Tract Distribution		Families by Tract		Families < Poverty as a % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	4,204	21.1
Moderate	2	13.3	2,309	11.6	391	16.9	3,734	18.8
Middle	11	73.3	15,778	79.3	1,757	11.1	4,471	22.5
Upper	2	13.4	1,814	9.1	113	6.2	7,492	37.6
NA	0	0.0	0	0.0	0	0.0		
<b>Total</b>	<b>15</b>	<b>100.0</b>	<b>19,901</b>	<b>100.0</b>	<b>2,261</b>	<b>11.4</b>	<b>19,901</b>	<b>100.0</b>
	<b>Owner Occupied Units by Tract</b>		<b>Households</b>					
			<b>HHs by Tract</b>		<b>HHs &lt; Poverty by Tract</b>		<b>HHs by HH Income</b>	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	6,485	23.4
Moderate	1,823	8.5	3,619	13.1	538	14.9	4,574	16.5
Middle	17,531	82.1	21,336	77.0	3,155	14.8	5,227	18.9
Upper	2,012	9.4	2,767	9.9	294	10.6	11,436	41.2
NA	0	0.0	0	0.0	0	0.0		
<b>Total</b>	<b>21,366</b>	<b>100.0</b>	<b>27,722</b>	<b>100.0</b>	<b>3,987</b>	<b>14.4</b>	<b>27,722</b>	<b>100.0</b>
	<b>Total Businesses by Tract</b>		<b>Businesses by Tract and Revenue Size</b>					
			<b>Less than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue not Reported</b>	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	475	19.2	429	18.8	41	26.8	5	15.2
Middle	1,689	68.4	1,568	68.7	96	62.7	25	75.8
Upper	306	12.4	287	12.5	16	10.5	3	9.0
NA	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total</b>	<b>2,470</b>	<b>100.0</b>	<b>2,284</b>	<b>100.0</b>	<b>153</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				92.5		6.2		1.3

\*NA-Tracts without household or family income as applicable

The area’s employment opportunities exist within retail trade, construction, and manufacturing. Major area employers include Appomattox County Schools, Babcock & Wilcox Nuclear, and Campbell County Schools. The following table reflects average annual unemployment rates for the area since March 2018.

Lynchburg, VA-Geographic Area	March-2018	March-2019	March-2020	March-2021	March-2022	March-2023
Appomattox County, VA	4.4%	3.8%	4.2%	4.8%	2.9%	3.5%
Campbell County, VA	3.8%	3.4%	3.6%	4.3%	2.8%	3.3%
Lynchburg, VA MSA	3.8%	3.4%	3.8%	4.7%	3%	3.3%
Commonwealth of Virginia	3.3%	3%	3.2%	4.5%	2.7%	2.8%

As indicated in the table above, unemployment rates within the assessment area slightly declined prior to 2020, rose during 2020 because of the COVID-19 pandemic, and declined below the pre-pandemic level during 2022. Unemployment rates have started to trend upward into 2023, and the two counties as well as the Lynchburg, VA MSA have consistently remained above the statewide level.

A community development official was contacted during the evaluation to discuss area economic conditions and community credit needs. The individual stated that the economy is relatively stable; however, there is great need for affordable housing and entrepreneurship in the area as seniors make up a large part of the population. There is potential opportunity for local financial institutions to invest in the entrepreneurship ecosystem to help revitalize the area. Additionally, the contact stated there is opportunity for financial institutions to help provide funding and support for multi-family housing projects. The organization partners with local and national programs and institutions who help support the mission of the organization. The official further noted that the performance of local financial institutions in meeting the credit needs of the community has been reasonable.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:**

Within the assessment area during 2021, the bank originated HMDA loans totaling \$5.1 million, small business loans totaling \$4.1 million, and consumer motor vehicle secured loans totaling an estimated \$4.2 million. Accordingly, the bank’s HMDA lending performance is given slightly greater weight when evaluating overall lending performance.

**Lending to Borrowers of Different Incomes and to Businesses of Different Sizes**

The bank’s distribution of HMDA and small business lending among individuals of different income levels (including low- and moderate-income) and businesses with annual revenues of \$1 million or less per year reflects reasonable penetration, while consumer motor vehicle secured lending reflects excellent penetration. On a combined basis, based on the relative dollar volume and strength of performance for each loan category, the bank’s borrower distribution performance within the Lynchburg, VA assessment area is considered excellent.

**Distribution of HMDA Loans by Income Level of Borrower**

Lynchburg, VA (2021)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
<b>HMDA Totals</b>								
Low	7	17.9	625	13.2	286	11.3	33,035	7.1
Moderate	6	15.4	506	10.7	722	28.5	115,890	25.0
Middle	11	28.2	1,146	24.1	724	28.6	136,408	29.5
Upper	15	38.5	2,473	52.0	802	31.6	177,807	38.4
<b>Total</b>	<b>39</b>	<b>100.0</b>	<b>4,750</b>	<b>100.0</b>	<b>2,534</b>	<b>100.0</b>	<b>463,140</b>	<b>100.0</b>
Unknown	2		359		595		134,416	

Percentages (%) are calculated on all loans where incomes are known

During 2021, the bank’s residential mortgage lending to low-income borrowers (17.9%) lagged the percentage of low-income families in the area (21.1%), but significantly exceeded the aggregate level of lending (11.3%) to such borrowers. The bank’s lending to moderate-income borrowers (15.4%) lagged both the percentage of moderate-income families in the area (18.8%) and the aggregate level of lending to such borrowers (28.5%). FBoA’s 2021 HMDA lending performance is considered reasonable, and its performance during 2020 is substantially similar.

**Distribution of Lending by Loan Amount and Size of Business**

Lynchburg, VA (2021)								
by Revenue	Bank				Aggregate*			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
\$1 Million or Less	140	83.3	2,110	51.6	630	52.2	14,117	31.5
Over \$1 Million	15	8.9	1,715	42.0	NA	NA	NA	NA
Unknown	13	7.8	264	6.4	NA	NA	NA	NA
by Loan Size	Bank				Aggregate*			
\$100,000 or less	159	94.6	2,185	53.4	1,123	93.1	16,703	37.3
\$100,001-\$250,000	6	3.6	820	20.1	46	3.8	7,506	16.8
\$250,001-\$1 Million	3	1.8	1,083	26.5	37	3.1	20,599	45.9
<b>Total</b>	<b>168</b>	<b>100.0</b>	<b>4,088</b>	<b>100.0</b>	<b>1,206</b>	<b>100.0</b>	<b>44,808</b>	<b>100.0</b>

\* No data is available for Aggregate loans with Revenues over \$1 million and those with Unknown revenues

D&B data from 2021 indicates that 92.5% of all local businesses have revenues that do not exceed \$1 million per year. Of the small business loans considered in the evaluation, 83.3% were to businesses with revenues of \$1 million or less. As previously noted, the bank was an active PPP lender during 2021, and the PPP loan program did not require the collection or consideration of borrower revenue data. However, the bank was aware of borrower revenues for many of its PPP loans.

Although the bank does not collect or report its small business loan data, aggregate small business data was also considered as an element of performance context in evaluating the bank’s distribution of lending. During 2021, 52.2% of all aggregate reported small business loans within the assessment area were to businesses with annual revenues of \$1 million or less. The remaining portion of loans were to businesses that either had revenues exceeding \$1 million or had unknown revenues. The 2021 aggregate small business loan data includes an unknown volume of PPP loans, which limits its usefulness as a proxy when evaluating the bank’s performance.

Because smaller dollar loans can demonstrate a willingness to provide credit to small businesses, the bank’s distribution by loan size was also considered. Overall, the bank originated 94.6% of its small business loans in amounts of \$100,000 or less, which approximated the aggregate level of such lending (93.1%). Overall, the bank’s small business lending performance is considered reasonable.

**Distribution of Consumer Loans by Income Level of Borrower**

Lynchburg, VA (2021)				
Income Categories	#	Consumer Loans		
		%	\$(000s)	% \$
Low	14	28.0	164	21.7
Moderate	15	30.0	198	26.2
Middle	14	28.0	253	33.5
Upper	7	14.0	141	18.6
<b>Total</b>	<b>50</b>	<b>100.0</b>	<b>756</b>	<b>100.0</b>
<i>Unknown</i>	2		59	

*Percentage's (%) are calculated on all loans where incomes are known*

During 2021, the bank’s level of consumer lending to low-income borrowers (28%) and moderate-income borrowers (30%) significantly exceeded the percentage of low-income households (23.4%) and moderate-income households (16.5%) in the assessment area. According to 2015 ACS data, 14.4% of area households are below the poverty level. FBoA’s consumer lending borrower distribution performance is considered excellent.

**Geographic Distribution of Loans**

As indicated in the demographic table, there are no low-income and only two moderate-income census tracts in this assessment area. Both of the moderate-income census tracts are located in Campbell County, where one of the bank’s three area branches is located. The Campbell County branch is located in the northeastern portion of the county, which is approximately 20 miles away from the moderate-income census tract in western Campbell County and 25 miles away from the moderate-income census tract in southern Campbell County. While FBoA can serve the entirety of Campbell County, the physical distance from FBoA's branch offices and the number of competitor branches located closer to the moderate-income census tracts was considered as an aspect of performance context when evaluating the geographic distribution of lending.

The bank’s geographic distribution performance for HMDA, small business, and consumer motor vehicle secured lending is considered very poor.

**Distribution of HMDA Loans by Income Level of Census Tract**

Lynchburg, VA (2021)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
	(21)				(1,419)			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	1	4.8	212	7.4	209	14.9	35,777	12.5
Middle	18	85.7	2,224	78.0	1,009	71.8	209,975	73.3
Upper	2	9.5	417	14.6	187	13.3	40,768	14.2
	(20)				(1,617)			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	150	9.3	22,039	7.8
Middle	20	100.0	2,256	100.0	1,257	77.7	227,079	79.9
Upper	0	0.0	0	0.0	210	13.0	35,101	12.3
	(0)				(68)			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	11	16.2	507	11.3
Middle	0	0.0	0	0.0	45	66.2	3,263	72.7
Upper	0	0.0	0	0.0	12	17.6	718	16.0
	(0)				(9)			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	4	44.4	4,048	21.3
Middle	0	0.0	0	0.0	4	44.4	13,618	71.7
Upper	0	0.0	0	0.0	1	11.2	1,328	7.0
	HMDA Totals							
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	1	2.4	212	4.1	374	12.1	62,371	10.5
Middle	38	92.7	4,480	87.7	2,315	74.7	453,935	76.4
Upper	2	4.9	417	8.2	410	13.2	77,915	13.1
NA*	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>41</b>	<b>100.0</b>	<b>5,109</b>	<b>100.0</b>	<b>3,099</b>	<b>100.0</b>	<b>594,221</b>	<b>100.0</b>

NA\*-Tracts without household or family income as applicable

As depicted in the table above, the majority of FBoA's HMDA lending in 2021 was concentrated in home purchase lending, followed by refinance lending. On the contrary, aggregate lenders extended a slightly larger volume of refinance loans than home purchases in 2021. The bank did not originate any loans during 2021 for home improvement or multi-family purposes; therefore, these categories are not considered in the overall performance. Considering both demographic and aggregate proxies for demand, the bank’s home purchase lending is considered poor, while refinance lending is very poor.

During 2021, FBoA's overall level of lending in moderate-income census tracts (2.4%) significantly lagged the percentage of owner-occupied housing units located in moderate-income tracts (8.5%) as well as the aggregate level of lending (12.1%). The bank’s HMDA lending performance during 2021 is considered very poor, and its performance during 2020 is substantially similar.

**Distribution of Small Business Loans by Income Level of Census Tract**

Lynchburg, VA (2021)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	1	0.6	372	9.1	187	15.6	5,930	13.3
Middle	166	98.8	3,697	90.4	848	70.9	33,387	74.7
Upper	1	0.6	19	0.5	161	13.5	5,381	12.0
NA*	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>168</b>	<b>100.0</b>	<b>4,088</b>	<b>100.0</b>	<b>1,196</b>	<b>100.0</b>	<b>44,698</b>	<b>100.0</b>

\*NA-Tracts without household or family income as applicable  
Loans where the geographic location is unknown are excluded from this table.

The bank’s level of small business lending in moderate-income census tracts (.6%) significantly lagged both the percentage of businesses located in moderate-income census tracts (19.2%) and the aggregate level of lending (15.6%). The bank’s small business geographic distribution performance during 2021 is considered very poor.

**Distribution of Consumer Loans by Income Level of Census Tract**

Lynchburg, VA (2021)				
Income Categories	Consumer Loans			
	#	%	\$(000s)	% \$
Low	NA	NA	NA	NA
Moderate	1	1.9	11	1.4
Middle	49	94.2	765	93.9
Upper	2	3.8	39	4.7
NA*	NA	NA	NA	NA
<b>Total</b>	<b>52</b>	<b>100.0</b>	<b>815</b>	<b>100.0</b>

\*NA-Tracts without household or family income as applicable  
Loans where the geographic location is unknown are excluded from this table.  
Originations and Purchases

During 2021, FBoA’s level of consumer motor vehicle secured lending in moderate-income census tracts (1.9%) significantly lagged the percentage of households located in such tracts according to 2015 ACS data (13.1%). Overall, the bank’s consumer lending performance is considered very poor.

**NONMETROPOLITAN AREA**  
(Full-scope review)

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN PRINCE EDWARD-BUCKINGHAM,  
VA NONMSA**

FBoA operates two branch offices in the Prince Edward-Buckingham, VA NonMSA assessment area. Recent data (June 30, 2022) from the FDIC indicates the bank ranked 5<sup>th</sup> out of 8 institutions in local deposit market share, holding 9.9% of area deposits (excluding credit union deposits). According to 2021 aggregate HMDA loan data, the institution ranked 14<sup>th</sup> out of 184 lenders in reported home mortgage volume with 1.8% of the area market share.

According to 2015 ACS data, the assessment area has a population of 52,403 and a median housing value of \$129,639. Within the assessment area, the owner-occupancy rate equals 54.4%, which is below the owner-occupancy rate for both the nonmetropolitan areas of Virginia (57.8%) and the entire Commonwealth of Virginia (59.2%). Of the families within the assessment area, 14.5% are considered below the poverty level, which is above both the poverty rate in the nonmetropolitan areas of Virginia (13.3%) and in the Commonwealth of Virginia (8.2%).

Area median family incomes from 2019 to 2022 are detailed in the following table.

<b>Median Family Income</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Statewide Nonmetropolitan Virginia Area	\$56,100	\$58,100	\$58,900	\$67,800

The following table includes pertinent demographic data for the assessment area.

**Assessment Area Demographics**

Prince Edward-Buckingham, VA NonMSA (Based on 2015 ACS Data and 2021 D&B Information)								
Income Categories*	Tract Distribution		Families by Tract		Families < Poverty as a % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	2,683	22.8
Moderate	1	8.3	794	6.8	110	13.9	2,164	18.4
Middle	10	83.3	10,940	93.1	1,595	14.6	2,511	21.4
Upper	0	0.0	0	0.0	0	0.0	4,384	37.4
NA	1	8.4	8	0.1	0	0.0		
<b>Total</b>	<b>12</b>	<b>100.0</b>	<b>11,742</b>	<b>100.0</b>	<b>1,705</b>	<b>14.5</b>	<b>11,742</b>	<b>100.0</b>
	Owner Occupied Units by Tract		Households					
			HHs by Tract		HHs < Poverty by Tract		HHs by HH Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	4,560	25.7
Moderate	941	7.6	1,193	6.7	231	19.4	2,946	16.6
Middle	11,480	92.3	16,523	93.2	3,245	19.6	3,129	17.6
Upper	0	0.0	0	0.0	0	0.0	7,100	40.1
NA	8	0.1	19	0.1	0	0.0		
<b>Total</b>	<b>12,429</b>	<b>100.0</b>	<b>17,735</b>	<b>100.0</b>	<b>3,476</b>	<b>19.6</b>	<b>17,735</b>	<b>100.0</b>
	Total Businesses by Tract		Businesses by Tract and 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	58	3.5	49	3.3	5	4.4	4	12.9
Middle	1,570	95.9	1,435	96.0	108	95.6	27	87.1
Upper	0	0.0	0	0.0	0	0.0	0	0.0
NA	10	0.6	10	0.7	0	0.0	0	0.0
<b>Total</b>	<b>1,638</b>	<b>100.0</b>	<b>1,494</b>	<b>100.0</b>	<b>113</b>	<b>100.0</b>	<b>31</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				91.2		6.9		1.9

\*NA-Tracts without household or family income as applicable

The Prince Edward-Buckingham, VA NonMSA assessment area is comprised of 12 census tracts – one moderate-income, ten middle-income, and one unknown-income tract. The moderate-income tract is located in western Charlotte County, and the unknown tract is in Prince Edward County, containing Longwood University. According to data published by the FFIEC in both 2020 and 2021, middle-income census tracts in this assessment area have been designated as underserved or distressed due to poverty. Underserved tracts are typically located in rural communities that are distant from more urban population centers and may lack certain community services and/or infrastructure. Distressed census tracts are middle-income, nonmetropolitan census tracts that are economically distressed based on poverty rate, unemployment rate, and/or rate of population loss.

During 2020, all ten of the assessment area’s middle-income census tracts had underserved/distressed designations, including four in Buckingham County and four in Prince Edward County being distressed due to poverty, and two in Charlotte County being underserved. During 2021, the distressed designation was removed from the four middle-income census tracts in Buckingham County.



The assessment area is located in central Virginia and is relatively rural. The area contains no metropolitan areas and one mid-sized public university, Longwood University. The area’s employment opportunities exist within health services, retail trade, and manufacturing. Major area employers include Buckingham Correctional Center, Longwood University, Centra Health, and Charlotte County School Board. The following table reflects average annual unemployment rates for the area since March 2018.

Prince Edward-Buckingham, VA - Geographic Area	March-2018	March-2019	March-2020	March-2021	March-2022	March-2023
Buckingham County, VA	5.2%	4.7%	5.1%	6.2%	3.8%	4.2%
Charlotte County, VA	4.1%	3.7%	4.5%	4.5%	2.8%	3%
Prince Edward County, VA	4.1%	3.7%	4.6%	5.2%	3.7%	3.8%
Commonwealth of Virginia	3.3%	3%	3.2%	4.5%	2.7%	2.8%

As indicated in the table above, unemployment rates within the assessment area slightly declined prior to 2020, rose during 2020 because of the COVID-19 pandemic, and declined below the pre-pandemic level during 2022. Unemployment rates have started to trend upward into 2023, and the three counties have consistently remained above the statewide level.

A community development official was contacted during the evaluation to discuss area economic conditions and community credit needs. The individual stated that the economy is relatively stable, but it continues to experience the consequences of economic hardship exacerbated by the ramifications of the pandemic. Specifically, there is a large senior population in the area so there is a significant need for revitalization and workforce development to attract a younger, working demographic. While she indicated that area financial institutions are reasonably serving the banking needs of the community, it was noted that there are opportunities for financial institutions to partner with local organizations for community development.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:**

Within the assessment area, the bank originated HMDA loans totaling \$2.8 million, small business loans totaling \$3.2 million, and consumer motor vehicle secured loans totaling an estimated \$3.6 million during 2021. Accordingly, the bank’s consumer motor vehicle secured performance is given slightly more weight than its HMDA and small business performance when evaluating the bank’s overall lending performance.

**Lending to Borrowers of Different Incomes and to Businesses of Different Sizes**

The bank’s distribution of HMDA and small business lending reflects a reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses with annual revenues of \$1 million or less, while consumer motor vehicle secured lending reflects excellent penetration. On a combined basis, the bank’s borrower distribution performance is considered excellent based on the relative dollar volumes and strengths of performance for each loan category.

**Distribution of HMDA Loans by Income Level of Borrower**

Prince Edward-Buckingham, VA NonMSA (2021)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
<b>HMDA Totals</b>								
Low	3	15.0	133	4.9	70	6.7	6,997	3.7
Moderate	4	20.0	374	13.7	223	21.3	30,688	16.3
Middle	6	30.0	875	31.9	286	27.3	49,280	26.1
Upper	7	35.0	1,357	49.5	469	44.7	101,595	53.9
<b>Total</b>	<b>20</b>	<b>100.0</b>	<b>2,739</b>	<b>100.0</b>	<b>1,048</b>	<b>100.0</b>	<b>188,560</b>	<b>100.0</b>
Unknown	1		42		326		64,579	

*Percentages (%) are calculated on all loans where incomes are known*

During 2021, the bank’s HMDA lending to low-income borrowers (15%) lagged the percentage of low-income families in the area (22.8%), but significantly exceeded the aggregate level of lending to such borrowers (6.7%). The bank’s lending to moderate-income borrowers (20%) exceeded the percentage of moderate-income families in the area (18.4%) and approximated the aggregate level of lending to such borrowers (21.3%). FBoA's 2021 performance is considered excellent.

During 2020, the bank originated 15 HMDA loans within the assessment area totaling \$1.7 million, where borrower incomes were known. Of the total loans, none were originated to low-income borrowers, and two (13.3%) loans totaling \$105,000 (6.4%) were originated to moderate-income borrowers. When compared to the percentage of loans reported by aggregate lenders to low- and moderate-income borrowers (6.2% and 20.3%, respectively) and the proportion of area low- and moderate-income families (22.8% and 18.4%, respectively), FBoA's 2020 performance is considered poor.

Overall, the bank’s HMDA lending performance is considered reasonable based upon the relative performance levels and volume of lending each year.

**Distribution of Lending by Loan Amount and Size of Business**

Prince Edward-Buckingham, VA NonMSA (2021)								
by Revenue	Bank				Aggregate*			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
\$1 Million or Less	52	70.3	1,822	57.0	328	51.3	7,172	40.3
Over \$1 Million	8	10.8	921	28.8	NA	NA	NA	NA
Unknown	14	18.9	456	14.2	NA	NA	NA	NA
by Loan Size	Bank				Aggregate*			
\$100,000 or less	67	90.5	1,509	47.2	613	95.8	8,579	48.2
\$100,001-\$250,000	5	6.8	690	21.6	15	2.3	2,429	13.6
\$250,001-\$1 Million	2	2.7	1,000	31.2	12	1.9	6,787	38.2
<b>Total</b>	<b>74</b>	<b>100.0</b>	<b>3,199</b>	<b>100.0</b>	<b>640</b>	<b>100.0</b>	<b>17,795</b>	<b>100.0</b>

\* No data is available for Aggregate loans with Revenues over \$1 million and those with Unknown revenues

D&B data from 2021 indicates that 91.2% of all local businesses have revenues that do not exceed \$1 million per year. Of the small business loans considered in the evaluation, 70.3% were to businesses with revenues of \$1 million or less. As previously noted, the bank was an active PPP lender during 2021, and the PPP loan program did not require the collection or consideration of borrower revenue data. However, the bank was aware of borrower revenues for many of its PPP loans.

Although the bank does not collect or report its small business loan data, aggregate small business data was considered as an element of performance context in evaluating the bank’s distribution of lending. During 2021, 51.3% of all aggregate reported small business loans were to businesses with annual revenues of \$1 million or less. The remaining portion of loans were to businesses that either had revenues exceeding \$1 million or had unknown revenues. The 2021 aggregate small business loan data includes an unknown volume of PPP loans, which limits its usefulness as a proxy when evaluating the bank’s performance.

Because smaller dollar loans can demonstrate a willingness to provide credit to small businesses, the bank’s distribution by loan size was also considered. Overall, the bank originated 90.5% of its small business loans in amounts of \$100,000 or less, which approximated the aggregate level of such lending (95.8%). Overall, the bank’s small business performance is considered reasonable.

**Distribution of Consumer Loans by Income Level of Borrower**

Prince Edward-Buckingham, VA NonMSA (2021)				
Income Categories	Consumer Loans			
	#	%	\$(000s)	% \$
Low	11	26.8	124	17.8
Moderate	10	24.4	108	15.5
Middle	10	24.4	234	33.6
Upper	10	24.4	230	33.1
<b>Total</b>	<b>41</b>	<b>100.0</b>	<b>696</b>	<b>100.0</b>
Unknown	0		0	

Percentage's (%) are calculated on all loans where incomes are known

During 2021, the bank’s level of consumer lending to low-income borrowers (26.8%) approximated the percentage of low-income households (25.7%), and the level of lending to moderate-income borrowers (24.4%) significantly exceeded the percentage of moderate-income households (16.6%) in the assessment area. According to 2015 ACS data, 19.6% of area households are below the poverty level, which can limit the borrowing capacity within the area. Given these factors, FBoA’s consumer lending borrower distribution performance is considered excellent.

**Geographic Distribution of Loans**

The bank’s geographic distribution performance for HMDA and consumer motor vehicle secured lending is considered reasonable when factoring in performance context such as lending in distressed and underserved middle-income geographies, while small business lending is considered excellent. Overall, the combined geographic distribution performance is considered reasonable when considering the dollar volume of lending and relative strength of performance for each loan category.

**Distribution of HMDA Loans by Income Level of Census Tract**

Prince Edward-Buckingham, VA NonMSA (2021)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
	<b>(10) Home Purchase</b>				<b>(684)</b>			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	32	4.8	5,408	4.1
Middle	10	100.0	1,185	100.0	637	95.2	127,616	95.9
Upper	NA	NA	NA	NA	NA	NA	NA	NA
	<b>(11) Refinance</b>				<b>(652)</b>			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	24	3.7	3,886	3.5
Middle	11	100.0	1,596	100.0	628	96.3	106,959	96.5
Upper	NA	NA	NA	NA	NA	NA	NA	NA
	<b>(0) Home Improvement</b>				<b>(21)</b>			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	2	9.5	112	8.2
Middle	0	0.0	0	0.0	19	90.5	1,258	91.8
Upper	NA	NA	NA	NA	NA	NA	NA	NA
	<b>(0) Multi-Family</b>				<b>(4)</b>			
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	0	0.0	0	0.0	4	100.0	3,180	100.0
Upper	NA	NA	NA	NA	NA	NA	NA	NA
	<b>HMDA Totals</b>							
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	58	4.2	9,406	3.7
Middle	21	100.0	2,781	100.0	1,288	93.7	239,013	94.4
Upper	NA	NA	NA	NA	NA	NA	NA	NA
NA*	0	0.0	0	0.0	28	2.1	4,720	1.9
<b>Total</b>	<b>21</b>	<b>100.0</b>	<b>2,781</b>	<b>100.0</b>	<b>1,374</b>	<b>100.0</b>	<b>253,139</b>	<b>100.0</b>

NA\*-Tracts without household or family income as applicable

Home purchase and refinance loans were extended most frequently by the bank and aggregate lenders during 2021. FBoA did not extend any home improvement or multi-family loans during 2021; therefore, these categories are not considered in the overall performance. Considering both demographic and aggregate proxies for demand, the bank’s performance for home purchase and refinance lending is considered poor.

There are no low-income census tracts and only one moderate-income census tract within the assessment area, which limits the bank’s lending opportunities in such tracts. Additionally, the assessment area contains no upper-income census tracts. Considering the limited to no low- or moderate-income census tracts in the assessment area, the bank’s lending within middle-income geographies was analyzed with specific focus on lending in census tracts designated as distressed or underserved.

During 2021, the bank did not originate any loans in the moderate-income census tract. However, of the 21 loans originated by the bank in middle-income census tracts, nine (42.9%) loans totaling \$991,000 (35.6%) were extended in distressed or underserved census tracts. Although lagging the percentage of owner-occupied housing units located in the six distressed or underserved middle-income tracts (62.1%), the bank's performance in designated middle-income census tracts is considered reasonable. During 2020, FBoA extended 16 HMDA loans totaling \$1.7 million in the assessment area. Of these loans, one (6.3%) was located in the moderate-income census tract. When compared to the percentage of loans reported by aggregate lenders (4.4%) and the proportion of owner-occupied units in the moderate-income census tract (7.6%), FBoA's performance in 2020 is considered excellent.

On a combined basis, FBoA's HMDA lending performance is considered reasonable overall and reflects greater weight on 2021 lending attributed to the larger dollar volume of lending in comparison to 2020.

**Distribution of Small Business Loans by Income Level of Census Tract**

Prince Edward-Buckingham, VA NonMSA (2021)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	8	10.8	156	4.9	36	5.7	2,362	13.3
Middle	66	89.2	3,044	95.1	597	94.1	15,382	86.7
Upper	NA	NA	NA	NA	NA	NA	NA	NA
NA*	0	0.0	0	0.0	1	0.2	4	0.0
<b>Total</b>	<b>74</b>	<b>100.0</b>	<b>3,200</b>	<b>100.0</b>	<b>634</b>	<b>100.0</b>	<b>17,748</b>	<b>100.0</b>

\*NA-Tracts without household or family income as applicable  
Loans where the geographic location is unknown are excluded from this table.

During 2021, the bank's level of small business lending in the area's moderate-income census tract (10.8%) significantly exceeded both the percentage of area businesses (3.5%) and the aggregate level of lending (5.7%) in the tract. The bank's small business lending performance is considered excellent.

**Distribution of Consumer Loans by Income Level of Census Tract**

Prince Edward-Buckingham, VA NonMSA (2021)				
Income Categories	Consumer Loans			
	#	%	\$(000s)	% \$
Low	NA	NA	NA	NA
Moderate	0	0.0	0	0.0
Middle	41	100.0	696	100.0
Upper	NA	NA	NA	NA
NA*	0	0.0	0	0.0
<b>Total</b>	<b>41</b>	<b>100.0</b>	<b>696</b>	<b>100.0</b>

\*NA-Tracts without household or family income as applicable  
Loans where the geographic location is unknown are excluded from this table.  
Originations and Purchases

The bank did not originate any consumer motor vehicle secured loans in the moderate-income census tract during 2021. However, of the 41 loans originated by the bank in middle-income census tracts, 18 (43.9%) totaling \$370,000 (53.2%) were extended in distressed or underserved census tracts. While lagging the percentage of households located in the six distressed or underserved middle-income tracts (65.8%), the bank's performance in designated middle-income census tracts is considered reasonable.

**CRA APPENDIX A**

**LOAN, BRANCH, AND DEPOSIT VOLUME BY ASSESSMENT AREA**

The following table includes the distribution of branch offices, along with deposit and loan volume, by assessment area. The deposit volume includes all bank deposits and is current as of June 30, 2022, while the loan volume includes all HMDA, small business, and consumer motor vehicle secured loans considered in the evaluation.

Assessment Area	Loan Volume				Branches		Deposit Volume	
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
Lynchburg, VA	315	67.2%	\$17,517	67.4%	3	60%	\$187,843	70.1%
Prince Edward-Buckingham, VA NonMSA	154	32.8%	\$8,481	32.6%	2	40%	\$80,006	29.9%
<b>TOTAL</b>	469	100%	\$25,998	100%	5	100%	\$267,849	100%

**CRA APPENDIX B**  
**FULL-SCOPE REVIEW TABLES**

**2020 HMDA: Lynchburg, VA Assessment Area**

**Borrower Distribution Table**

**Distribution of HMDA Loans by Income Level of Borrower**

Lynchburg, VA (2020)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
<b>HMDA Totals</b>								
Low	4	10.0	279	5.2	278	12.2	30,550	7.5
Moderate	9	22.5	969	18.1	587	25.7	89,064	21.8
Middle	13	32.5	1,614	30.1	638	28.0	117,013	28.6
Upper	14	35.0	2,499	46.6	778	34.1	172,408	42.1
<b>Total</b>	<b>40</b>	<b>100.0</b>	<b>5,361</b>	<b>100.0</b>	<b>2,281</b>	<b>100.0</b>	<b>409,035</b>	<b>100.0</b>
Unknown	7		1,714		507		100,634	

Percentages (%) are calculated on all loans where incomes are known

**Geographic Distribution Table**

**Distribution of HMDA Loans by Income Level of Census Tract**

Lynchburg, VA (2020)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
<b>(23) Home Purchase (1,236)</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	149	12.2	22,830	10.0
Middle	23	100.0	3,802	100.0	893	73.4	169,270	74.2
Upper	0	0.0	0	0.0	175	14.4	35,979	15.8
<b>(22) Refinance (1,454)</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	121	8.3	17,827	6.7
Middle	22	100.0	3,195	100.0	1,138	78.3	215,541	81.2
Upper	0	0.0	0	0.0	195	13.4	32,209	12.1
<b>(2) Home Improvement (75)</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	5	6.7	318	6.8
Middle	2	100.0	78	100.0	57	76.0	3,228	69.4
Upper	0	0.0	0	0.0	13	17.3	1,108	23.8
<b>(0) Multi-Family (7)</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	2	28.6	680	11.1
Middle	0	0.0	0	0.0	4	57.1	3,785	61.9
Upper	0	0.0	0	0.0	1	14.3	1,653	27.0
<b>HMDA Totals</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	277	10.1	41,655	8.3
Middle	47	100.0	7,075	100.0	2,092	76.0	391,824	77.7
Upper	0	0.0	0	0.0	384	13.9	70,949	14.0
NA*	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>47</b>	<b>100.0</b>	<b>7,075</b>	<b>100.0</b>	<b>2,753</b>	<b>100.0</b>	<b>504,428</b>	<b>100.0</b>

NA\*-Tracts without household or family income as applicable



2020 HMDA: Prince Edward-Buckingham, VA NonMSA Assessment Area

**Borrower Distribution Table**

**Distribution of HMDA Loans by Income Level of Borrower**

Prince Edward-Buckingham, VA NonMSA (2020)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
<b>HMDA Totals</b>								
Low	0	0.0	0	0.0	53	6.2	4,892	3.5
Moderate	2	13.3	105	6.4	173	20.3	20,863	15.0
Middle	7	46.7	778	47.1	221	26.0	34,428	24.8
Upper	6	40.0	769	46.5	404	47.5	78,844	56.7
<b>Total</b>	<b>15</b>	<b>100.0</b>	<b>1,652</b>	<b>100.0</b>	<b>851</b>	<b>100.0</b>	<b>139,027</b>	<b>100.0</b>
Unknown	1		88		243		44,228	

Percentages (%) are calculated on all loans where incomes are known

**Geographic Distribution Table**

**Distribution of HMDA Loans by Income Level of Census Tract**

Prince Edward-Buckingham, VA NonMSA (2020)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
<b>(6) Home Purchase (528)</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	17	3.3	2,134	2.4
Middle	6	100.0	742	100.0	502	96.7	86,614	97.6
Upper	NA	NA	NA	NA	NA	NA	NA	NA
<b>(9) Refinance (521)</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	1	11.1	71	7.5	30	5.8	4,517	5.1
Middle	8	88.9	872	92.5	491	94.2	84,716	94.9
Upper	NA	NA	NA	NA	NA	NA	NA	NA
<b>(1) Home Improvement (32)</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	1	3.1	85	4.0
Middle	1	100.0	55	100.0	31	96.9	2,048	96.0
Upper	NA	NA	NA	NA	NA	NA	NA	NA
<b>(0) Multi-Family (3)</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	0	0.0	0	0.0	3	100.0	957	100.0
Upper	NA	NA	NA	NA	NA	NA	NA	NA
<b>HMDA Totals</b>								
Low	NA	NA	NA	NA	NA	NA	NA	NA
Moderate	1	6.3	71	4.1	48	4.4	6,736	3.7
Middle	15	93.7	1,669	95.9	1,027	93.9	174,335	95.1
Upper	NA	NA	NA	NA	NA	NA	NA	NA
NA*	0	0.0	0	0.0	19	1.7	2,184	1.2
<b>Total</b>	<b>16</b>	<b>100.0</b>	<b>1,740</b>	<b>100.0</b>	<b>1,094</b>	<b>100.0</b>	<b>183,255</b>	<b>100.0</b>

NA\*-Tracts without household or family income as applicable

**CRA APPENDIX C  
BRANCHING ACTIVITY**

FBoA has not opened or closed any branch offices since the previous evaluation (November 26, 2018). The following table reflects information about the bank’s current branching structure.

<b>Assessment Area</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Tract income Level</b>	<b>Open/ Closed</b>
Lynchburg, VA AA	10272 Village Hwy	Concord	VA	24538	Middle	Existing
Lynchburg, VA AA	223 Main Street	Appomattox	VA	24522	Middle	Existing
Lynchburg, VA AA	169 Old Courthouse Rd	Appomattox	VA	24522	Middle	Existing
Prince Edward- Buckingham, VA NonMSA AA	16086 N James Madison Hwy	Dillwyn	VA	23936	Middle	Existing
Prince Edward- Buckingham, VA NonMSA AA	1508 S Main St	Farmville	VA	23901	Upper	Existing

## CRA 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:** All Agencies have adopted the following language. 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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - (A) Rates of poverty, unemployment, and population loss; or
  - (B) Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**Consumer loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full-scope review:** Performance under the Lending Test (and if applicable, consideration of investments and services) 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 under the Lending Test (and if applicable, consideration of investments and services) is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

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

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

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

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

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

**Other products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

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

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

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

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