



PUBLIC DISCLOSURE

OCTOBER 30, 2017

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**ROSE HILL BANK
RSSD# 190451**

**107 NORTH ROSE HILL ROAD
ROSE HILL, KANSAS 67133**

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

NOTE: 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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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING:

<i>This Institution is rated:</i>	<i>Satisfactory</i>
<i>The Lending Test is rated:</i>	<i>Satisfactory</i>
<i>The Community Development Test is rated:</i>	<i>Satisfactory</i>

Rose Hill Bank (the bank) has a satisfactory record of helping to meet the credit needs of its delineated assessment areas (AAs), including borrowers of different incomes and businesses of different revenue sizes, in a manner consistent with its resources, operating philosophy, and community credit needs.

Major factors supporting the institution's rating include:

Lending Test

- The bank's average net-loan-to-deposit (NLTD) ratio reflects a reasonable effort to extend credit, given the bank's size, financial condition, and AA credit needs.
- A majority of the bank's loans were originated within the bank's delineated AAs.
- The geographic distribution of loans reflects a reasonable dispersion throughout the bank's AAs.
- The distribution of loans to borrowers of different incomes and to businesses of different revenue sizes was reasonable.

Community Development Test

- The bank demonstrated adequate responsiveness to the community development (CD) needs of its AAs through CD loans, qualified investments, and CD services, considering the need and availability of such opportunities and the level of competition for such activities in the bank's AAs.

SCOPE OF EXAMINATION

The bank's Community Reinvestment Act (CRA) performance was evaluated using the lending and CD tests as defined under the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Intermediate Small Institutions*. The bank has delineated two separate AAs. The Wichita Metropolitan Statistical Area (MSA) includes all of Butler and Sedgwick Counties. The Saline County AA is rural in nature, and is relatively new, as the bank acquired two branches in this county in 2015. The bank's dominant presence by deposit and loan volume is in the Wichita MSA, which received a full-scope review and was given more weight in determining the bank's overall rating. A limited-scope review was performed for the Saline County AA.

The lending test considered the bank's NLTD ratio, lending inside its AAs, distribution of loans by geographic income level, and lending to borrowers of different income levels and to businesses of different revenue sizes. The bank's responsiveness to CRA complaints, the fifth core lending test criterion used to assess lending performance, was not evaluated as the bank did not receive any CRA-related complaints since the prior examination.

Conclusions regarding the lending test were based on the bank's major product lines determined through conversations with bank management; a review of the bank's June 30, 2017 Reports of Condition and Income; and a review of all outstanding loan originations since the bank's last CRA examination on July 29, 2013. Loan products evaluated included all residential real estate loans reported on the bank's Home Mortgage Disclosure Act (HMDA) Loan/Application Register (LAR) between January 1, 2015 and December 31, 2016, which included a total of 223 loans. Additionally, a review of a statistical sample of 66 secured consumer loans and 51 small business loans was conducted and taken from a universe of 97 loans and 68 loans, respectively, originated between July 1, 2016 and December 31, 2016. As defined under the CRA, small business loans are those with loan amounts of \$1 million (MM) or less.

For evaluative purposes, the bank's HMDA-related loans were compared to local demographic data using the U.S. Census 2006-2010 five-year estimated American Community Survey (2010 ACS) data and corresponding year aggregate HMDA data. While conclusions with respect to lending performance were made for two years of HMDA-related loans, only 2015 lending tables are shown in the body of this public evaluation, as aggregate data for 2016 was not available for comparative purposes. For reference, the bank's 2016 lending data is available for review in Appendix A.

Only loans made inside the bank's AAs were analyzed with respect to geographic and borrower distribution. The geographic distribution analysis was based on the bank's penetration of lending within different geographic categories, particularly low- and moderate-income (LMI) tracts. These geographies were classified using the FFIEC's 2015 and 2016 census tract definitions, derived from the 2010 ACS data and the 2013 Office of Management and Budget MSA Designations.

The borrower distribution analysis was based on the bank's penetration of lending to borrowers of different income levels and to small businesses with gross annual revenues under \$1MM. For the evaluation of borrower characteristics, borrower income levels were derived using the corresponding loan year's FFIEC's Estimated Median Family Income (MFI) Report. The review of small business lending utilized the 2016 Dun & Bradstreet (D&B) business data as the primary demographic comparative measure.

The CD test considered the number and amount of the bank's qualified CD loans, investments, donations, and services, as well as the responsiveness of the bank's activities in meeting the needs of its AAs. Conclusions regarding this test were based on a review of the bank's activities initiated from July 29, 2013 through October 30, 2017. The bank became subject to the examination procedures of an intermediate small bank on January 1, 2017.

Two interviews were conducted with members of the community to ascertain the specific credit needs of the AAs, the responsiveness of area banks to those credit needs, the availability of CD opportunities, and local economic conditions. Community members interviewed included an official from a housing authority organization and a local real estate professional.

DESCRIPTION OF INSTITUTION

The bank is a \$335.9 million institution headquartered in Rose Hill, Kansas. The bank is wholly owned by American Bancshares, Inc. The bank has three affiliates; American Community Mortgage, LLC; ASB Holdings, LLC; and American State Bank Statutory Trust I. The bank has six locations in southeast Kansas, including the main office. Two branches are in the city of Wichita (Sedgwick County), one in Rose Hill (Butler County), one in Augusta (Butler County), and two branches in the city of Salina (Saline County). All locations are full-service and offer cash-only automated teller machines (ATMs).

As illustrated in Table 1 below, commercial loans comprise a substantial majority of the bank's loan portfolio by dollar volume, at 69.3 percent, followed by residential real estate loans, at 17.4 percent. It should be noted that the percentage of residential real estate loans is understated due to the exclusion of loans sold on the secondary market. While small in dollar volume, the bank also originates a large number of consumer loans. The bank reported total loans of \$196.9MM, and total deposits of \$272.4MM.

TABLE 1 ROSE HILL BANK LOAN PORTFOLIO AS OF JUNE 30, 2017		
Loan Type	Amount \$(000)	Percent of Total
Commercial	136,405	69.3
Residential Real Estate	34,322	17.4
Agricultural	13,680	7.0
Consumer	10,875	5.5
Other	1,643	0.8
Gross Loans	196,925	100.0

The bank has the ability to meet the credit needs of its AAs based on its asset size, product offerings, and financial condition. There are no legal or financial factors impeding the institution's ability to meet the credit needs of its AAs. The bank's CRA performance was last evaluated by the Federal Reserve Bank of Kansas City on July 29, 2013, at which time it received a Satisfactory rating under the FFIEC's *Interagency Examination Procedures for Small Banks*.

DESCRIPTION OF THE BANK'S AAs

The bank has six intrastate locations that are located in southeast Kansas. Based on the bank's locations, management has delineated two separate AAs, one of which has been added since the prior examination.

The Wichita MSA AA includes all of Butler and Sedgwick Counties. This AA changed since the prior examination, expanding to include all of Butler County. Approximately 95.0 percent of the bank's loans and 74.0 percent of its deposits are located in this AA. Additionally, the bank operates four of its six locations in this AA.

The Saline County nonmetropolitan AA is new since the prior examination, as the bank acquired three new branches in May 2015 from Simmons First National Bank, all of which were located in Salina, Kansas. Shortly after the acquisition, the bank closed one of the branch locations. The Saline AA consists of Saline County in its entirety.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The analysis of the bank's CRA performance considered its financial capacity, market demographic factors, and competitive environment. The overall rating and conclusions are based on its performance in each AA with greater weight placed on the Wichita MSA AA, where the majority of loans were originated. The Performance Evaluation first discusses the bank's overall lending performance in the two AAs, followed by a full review of lending performance in the Wichita MSA AA, and a limited review of the bank's performance in the Saline County AA. The bank's performance regarding CD loans, investments, donations, and services was reviewed for both AAs.

LENDING TEST

The bank's overall record of meeting its AAs' credit needs through its lending activities is considered satisfactory based on the bank's performance in each of its delineated AAs. The bank's NLTD ratio reflects a reasonable effort to extend credit and a majority of the bank's loans are made within the bank's AAs. The geographic distribution of lending based on income levels of census tracts and the distribution of lending based on borrower income level and revenue size of businesses are both considered reasonable.

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, and the demographic and economic factors present in the AAs.

The bank's NLTD ratio reflected a reasonable effort to extend credit based on its size, financial condition, and the demographic and economic factors present in the bank's AAs. The bank's NLTD ratio averaged 71.6 percent over the previous 17 quarters ending June 30, 2017.

The bank's NLTD ratio was below three similarly situated institutions in its AAs with average NLTD ratios of 82.2 percent, 88.0 percent, and 98.4 percent. However, the bank's NLTD ratio exceeded a similarly situated institution within its AAs, with an average NLTD ratio of 47.6 percent.

AA Concentration:

This performance criterion evaluates the percentage of lending extended inside and outside of the AAs. The evaluation analyzes both the number and dollar volume of originations.

As demonstrated in Table 2, the bank originated a majority of its residential real estate, small business, and secured consumer loans by both number and dollar amount inside its delineated AAs. Of the total number of loans sampled, 72.1 percent by number (70.1 percent by dollar) of the bank's loans were originated within the AAs. The bank's level of lending inside the AAs was considered satisfactory and reflected a reasonable effort to serve the credit needs of its AAs.

Bank Loans	Inside				Outside			
	#	\$(000)	#%	\$%	#	\$(000)	#%	\$%
Home Purchase	78	12,673	55.3	73.0	63	4,679	44.7	27.0
Home Refinance	60	6,829	87.0	89.0	9	847	13.0	11.0
Home Improvement	11	808	100.0	100.0	0	0	0.0	0.0
Multifamily	1	185	50.0	6.1	1	2,830	50.0	93.9
Total HMDA-related	150	20,495	67.3	71.0	73	8,356	32.7	29.0
Small Business	42	6,392	82.4	69.0	9	2,867	17.6	31.0
Secured Consumer	53	678	80.3	55.7	13	540	19.7	44.3
TOTAL LOANS	245	27,565	72.1	70.1	95	11,763	27.9	29.9

Only loans originated within the bank's AAs are considered for the remaining lending test components discussed within this Performance Evaluation.

Geographic and Borrower Distribution:

The geographic distribution performance criterion evaluates the bank's distribution of lending within its AAs by income level of census tracts, with emphasis on lending in the AAs' LMI census tracts. The geographic distribution of small business, secured consumer, and HMDA-related loans reflected reasonable dispersion throughout each AA.

The borrower distribution performance criterion evaluates the bank's lending to borrowers of different income levels with emphasis placed on lending to LMI individuals, as well as to businesses of different revenue sizes, with emphasis placed on lending to those with gross annual revenues of \$1MM or less. The distribution of loans to businesses of different revenue sizes and borrowers of different income levels was also reasonable.

Detailed analyses of the geographic and borrower distributions are provided within the full-scope analysis that follows.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD test is satisfactory. The bank's CD performance demonstrated adequate responsiveness to the CD needs of its AAs through qualified loans, investments, and services, given the bank's financial capacity, the availability of CD opportunities, and the level of competition for qualified activities by other financial institutions. To qualify, the activity must: relate to affordable housing for LMI individuals; assist in CD services targeted to LMI individuals; enhance economic development of LMI geographies by financing small businesses and small farms; or revitalize or stabilize LMI areas or designated distressed and/or underserved nonmetropolitan middle-income tracts.

Table 3 shows the number and dollar volume of the bank's CD activities from July 29, 2013, through October 30, 2017. The majority of the bank's qualified CD activities were from January through October 2017. Overall, the bank provided one CD loan and 26 donations, totaling approximately \$2.313MM. Bank employees also participated in 16 services lending their financial and technical expertise to various agencies and causes that support CD. As all CD activities were associated with the Wichita MSA AA, this component will not be further addressed in the individual AA discussions contained in this evaluation report.

The following examples are representative of the bank's support of area CD needs:

- The bank originated one revitalization and stabilization loan of approximately \$2.3MM to a construction company to build a hotel in a moderate-income census tract that will create and attract employment for LMI individuals.
- 19 donations were made to charitable organizations that serve LMI individuals or families, while five donations were made to organizations focused on small business development and two donations were made to organizations focused on affordable housing needs for LMI individuals.
- A number of bank officers and staff provided financial expertise while serving as board members, participating as financial educators, or serving on committees of various causes and organizations that primarily serve LMI individuals and families and also promote economic development and small business success.

**TABLE 3
COMMUNITY DEVELOPMENT ACTIVITIES
ALL AAs**

Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$	#	\$	#	\$	#
Affordable Housing	0	0	0	0	2	150	2	150	0
Community Services	0	0	0	0	19	6,400	19	6,400	10
Economic Development	0	0	0	0	5	6,400	5	6,400	6
Revitalization and Stabilization	1	2,300	0	0	0	0	0	0	0
Totals	1	2,300	0	0	26	12,950	26	12,950	16

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

An evaluation of the bank's fair lending activities was conducted during the examination to determine compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act. No evidence of discrimination was identified. Furthermore, the bank has not engaged in any other illegal credit practices inconsistent with helping to meet community credit needs.

WICHITA METROPOLITAN STATISTICAL AREA ASSESSMENT AREA
(Full Review)

DESCRIPTION OF THE BANK'S OPERATIONS IN THE WICHITA MSA AA

The Wichita MSA AA includes the counties of Sedgwick and Butler. The bank has two branch offices with cash only ATMs located in Sedgwick County. These branch locations help serve the greater Wichita area. One branch is located in northeast Wichita and one branch is located in northwest Wichita. Additionally, there are two branches located in southwest Butler County; the main office is located in Rose Hill, and the other office is in Augusta. Three of the offices, including the main headquarters, are located in upper-income tracts; and one branch is located in a moderate-income tract. According to the Federal Deposit Insurance Corporation (FDIC) Market Share Report as of June 30, 2016, the bank had approximately \$205.4MM in deposits and a market share of 1.5 percent, ranking 13th of 45 FDIC-insured institutions with 198 offices in the Wichita MSA AA. The bank faces competition from a number of competitors within the AA such as: Bank of America, Commerce Bank, Emprise Bank, INTRUST Bank, Capital Federal Savings Bank, and several credit unions.

DESCRIPTION OF THE WICHITA MSA AA

The bank's Wichita MSA AA is comprised of Butler County and Sedgwick County in their entireties, which include two of five counties that make up the entire Wichita MSA. The AA consists of a total of 137 census tracts, including 12 low-, 46 moderate-, 37 middle-, and 42 upper-income census tracts.

Population Trends and Characteristics

Based on 2010 Census data, the population of the AA was 564,245. According to 2015 Census data, the population in the Wichita MSA increased by 7.8 percent from 2010 to July 2015, which is higher than the statewide projected growth over the same period of 1.4 percent. Based on the 2010 Census, the population of the AA makes up approximately 89.4 percent of the total population of the MSA; therefore, the population characteristics of the MSA generally reflect those of the AA. Much of the population center is in Sedgwick County, which had a population of 498,365 compared to 65,880 in Butler County, as of the 2010 Census.

As of the 2010 Census, the concentration of families and households, as well as age distribution in the AA, was very similar to the state of Kansas figures.

Economic and Employment Characteristics

The largest industry sectors in the Wichita MSA are manufacturing (17.7 percent), educational and health services (15.0 percent), government (13.6 percent), retail trade (11.3 percent), and

professional and business services (11.2 percent). The largest employers are Spirit Aerosystems, Inc.; Tetron Aviation; VIA Christi Regional Medical Center; McConnell Aerospace; Wesley Medical Center; and Wichita State University.

The unemployment rate in 2016 was 4.0 percent, the same as Sedgwick County and slightly below Butler County, at 4.3 percent. For the same time period, the state of Kansas' unemployment rate was 4.2 percent.

Housing Characteristics

The housing affordability ratio¹ in the bank's Wichita MSA AA equaled 41.3 percent as of the 2015 FFIEC's Census, which indicates housing is slightly more affordable in the AA than in the overall state, which had an affordability ratio of 40.3 percent. The AA's percentage of owner-occupied housing units, at 62.4 percent, mirrors Sedgwick County, at 61.2 percent; however, it was lower than Butler County, at 72.3 percent.

The percentage of rental units was higher within the LMI tracts compared to the non-LMI tracts. In low-income census tracts, only 27.5 percent of housing units were owner-occupied and 52.1 percent were rentals; in the moderate-income census tracts, 48.5 percent were owner-occupied units and 39.9 percent were rentals. In comparison, the middle-and upper-income census tracts include higher levels of owner-occupied units with lower levels of rental units. In middle- and upper-income census tracts, approximately 66.2 percent and 81.8 percent, respectively, of housing units were owner-occupied while 27.7 percent and 13.8 percent, respectively, of housing units were rentals in these geographies. These factors may have a significant impact on the bank's ability to make owner-occupied purchase or refinance loans within the Wichita MSA AA's LMI tracts.

A real estate professional in the area noted that there may be increased lending opportunities for rental and investment properties. According to the agent, there is an increase in demand for home purchases, but inventory in the area is low. The agent described the area as a "seller's market" where sellers obtain full asking price, and the number of days a home is on the market is limited.

Income Characteristics

The percent of LMI families in the AA is comparable to both the state and overall MSA figures. The AA contains approximately 20.4 percent low-income families and 18.3 percent moderate-income families. Additionally, the percent of families below the poverty level in the AA, at 9.8 percent, was comparable to both the state and MSA figures. Table 4 contains additional income-related and economic characteristics for the AA.

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 4
WICHITA MSA AA DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	12	8.8	7,099	5.0	2,391	33.7	29,226	20.4
Moderate	46	33.6	39,738	27.8	7,189	18.1	26,168	18.3
Middle	37	27.0	42,545	29.8	2,653	6.2	29,954	21.0
Upper	42	30.7	53,573	37.5	1,751	3.3	57,607	40.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	137	100.0	142,955	100.0	13,984	9.8	142,955	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	17,462	4,795	3.3	27.5	9,100	52.1	3,567	20.4
Moderate	76,141	36,919	25.2	48.5	30,417	39.9	8,805	11.6
Middle	68,150	45,132	30.8	66.2	18,857	27.7	4,161	6.1
Upper	72,788	59,534	40.7	81.8	10,065	13.8	3,189	4.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	234,541	146,380	100.0	62.4	68,439	29.2	19,722	8.4
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	2,243	11.2	1,798	10.2	425	18.7	20	12.9
Moderate	4,767	23.8	4,105	23.3	641	28.2	21	13.5
Middle	5,724	28.6	5,076	28.9	589	25.9	59	38.1
Upper	7,287	36.4	6,612	37.6	620	27.3	55	35.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	20,021	100.0	17,591	100.0	2,275	100.0	155	100.0
Percentage of Total Businesses:				87.9			11.4	0.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	9	1.6	7	1.3	2	28.6	0	0.0
Moderate	19	3.4	19	3.4	0	0.0	0	0.0
Middle	275	48.8	273	49.0	2	28.6	0	0.0
Upper	261	46.3	258	46.3	3	42.9	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	564	100.0	557	100.0	7	100.0	0	0.0
Percentage of Total Farms:				98.8			1.2	0.0

Based on 2010 ACS five-year estimate, 2016 FFIEC census tract definitions, and 2016 D&B data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

LENDING TEST

The bank's lending test performance in the Wichita MSA AA was reasonable. The bank's distribution of HMDA-related, secured consumer, and small business loans in geographies of different income levels was reasonable. In addition, the distribution of HMDA-related and secured consumer loans to borrowers of different income levels and small business loans to businesses of different revenue sizes was also reasonable.

Distribution by Income Level of Geographies:

The bank's overall distribution of loans to geographies of different income levels was reasonable for each product. Table 5 displays the bank's geographic HMDA-related lending performance, and Table 6 shows the bank's geographic secured consumer and small business lending performance. The bank did not originate any multifamily loans in 2015 and 2016; therefore, this product was not evaluated individually.

For evaluative purposes, the bank's HMDA-related lending was compared to the percentage of owner-occupied units, the bank's secured consumer loans were compared to the percentage of households, and the bank's small business lending was compared to the percent of businesses in the AA by income level of geography. In addition, the bank's HMDA lending was compared to 2015 aggregate data reported by all HMDA reporters operating in the bank's AA.

Total HMDA-Related Loans

The bank's 2015 geographic distribution of total HMDA-related loans was considered reasonable. In 2015, the bank did not originate any HMDA-related loans in low-income census tracts; however, lending by other HMDA reporters, at 1.6 percent by number and 3.0 percent by dollar amount, was comparable, indicating a lower credit demand for these types of loans in these geographies. Additionally, the percentage of owner-occupied units in the AA's low-income census tracts was low at 3.3 percent. The bank's total HMDA-related loans to moderate-income census tracts was higher by number and dollar volume, at 18.8 percent and 15.2 percent, respectively, which was comparable to other HMDA reporters, at 18.9 percent and 12.3 percent, respectively. However, both the bank and other HMDA lenders performed below the percentage of owner-occupied units in these tracts, at 25.2 percent.

The majority of total HMDA-related loans were originated in middle-and upper-income census tracts, which was consistent with the performance of other HMDA reporters and the percentage of owner-occupied units in these geographies. The bank's performance was considered reasonable as approximately 72.5 percent of housing units in low-income tracts, and 51.5 percent of housing units in moderate-income tracts are either rental or vacant; therefore, lending opportunities in these geographies appear limited. Additionally, the bank experiences significant competition in the area with a total of 45 FDIC-insured institutions operating in the market with 198 offices.

The 2016 distribution of total HMDA-related loans was similar to the bank's 2015 performance. In 2016, performance in the LMI census tracts was similar with low levels of lending in low-income census tracts and better performance in moderate-income census tracts. The majority of loans were originated in middle-and upper-income census tracts.

Home Purchase Loans

The bank's 2015 geographic distribution of home purchase loans was considered reasonable. In 2015, the bank did not originate any home purchase loans in low-income census tracts; however, lending by other HMDA reporters, at 1.4 percent by number and 0.7 percent by dollar amount, was comparable. Additionally, the percentage of owner-occupied units in the AA's low-income census tracts was low, at 3.3 percent. The bank's home purchase loans to moderate-income census tracts was also low by number, at 7.7 percent, compared to other HMDA reporters, at 18.8 percent by number. In addition, the bank's lending was below the percentage of owner-occupied units in these tracts, at 25.2 percent. However, the bank's home purchase lending to moderate-income census tracts, at 10.5 percent by dollar amount, was more comparable to other HMDA reporters, at 10.2 percent. The majority of the bank's home purchase lending was in middle-and upper-income census tracts.

Although the AA has several low- and moderate-income census tracts, they are primarily located in the Wichita city center while the bank's locations are on the outskirts. However, the bank does have a location in one of the few very small rural moderate-income tracts in Butler County. The proximity of the bank's branches to the vast majority of the LMI census tracts, the relatively low level of owner-occupied home stock in these tracts, and AA competition all contribute to the bank's lower home purchase loan penetration in LMI tracts.

The 2016 distribution of home purchase loans was similar to the bank's 2015 performance. While the bank did not originate any home purchase loans in low-income census tracts, the bank originated a higher percentage of loans in moderate-income tracts by both number and dollar volume, which was comparable to the demographic figures.

Refinance Loans

The bank's 2015 geographic distribution of refinance loans was reasonable. Although the bank did not originate any refinance loans in low-income census tracts, the bank's lending performance was comparable to other HMDA reporters with 1.6 percent by number and 1.0 percent by dollar amount. Performance was consistent with the low percentage of owner-occupied units in these tracts, at 3.3 percent. The bank's refinance lending in moderate-income census tracts, at 14.7 percent by number and 14.5 by dollar amount, was also comparable with other HMDA reporters, at 18.3 percent and 11.6 percent, respectively. However, the bank's refinance lending was below the 25.2 percent of owner-occupied units in these tracts.

Similar to home purchase lending, the majority of home refinance lending was in middle- and upper-income census tracts. In the middle-income tracts, lending exceeded the performance

of other HMDA reporters by number and dollar volume as well as the demographic figure. In the upper-income tracts, refinance lending was slightly below other HMDA reporters but comparable to the demographic figure.

As mentioned above for home purchase loans, the proximity of the bank's branches to the vast majority of the LMI census tracts, the relatively low level of owner-occupied home stock in these tracts, and AA competition all contribute to the bank's lower home refinance loan penetration in LMI tracts.

The bank's 2016 geographic distribution was similar to the bank's 2015 performance; however, the bank originated one home refinance loan in a low-income census tract. The majority of loans were made in middle-and upper-income census tracts.

Home Improvement Loans

The bank's 2015 geographic distribution of home improvement loans was reasonable. Although the bank did not originate any home improvement loans in low-income census tracts, the bank's lending performance was comparable to other HMDA reporters with 2.6 percent by number and 1.3 percent by dollar amount. Performance was consistent with the low percentage of owner-occupied units in these tracts, at 3.3 percent. The bank's home improvement lending in moderate-income census tracts, at 66.7 percent by number and 47.1 percent by dollar amount was significantly above other HMDA reporters, at 22.5 percent and 24.7 percent, respectively. Additionally, the bank's lending performance in moderate-income census tracts exceeded the demographic figure, at 25.2 percent. The bank's lending in middle-and upper-income census tracts was low with no loans originated in middle-income census tracts and only three loans originated in upper-income census tracts.

The bank's 2016 geographic distribution was below the bank's 2015 performance with only one home improvement loan originated in total, which was located in an upper-income census tract.

**TABLE 5
DISTRIBUTION OF 2015 HMDA LOANS
BY INCOME LEVEL OF GEOGRAPHY
WICHITA MSA AA**

Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000)	#%	\$%	#%	\$%	
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	1.6	3.0	3.3
Moderate	13	1,214	18.8	15.2	18.9	12.3	25.2
Middle	26	2,483	37.7	31.1	29.6	25.5	30.8
Upper	30	4,279	43.5	53.6	49.8	59.3	40.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Home Purchase Loans							
Low	0	0	0.0	0.0	1.4	0.7	3.3
Moderate	2	375	7.7	10.5	18.8	10.2	25.2
Middle	11	1,180	42.3	33.2	29.0	25.6	30.8
Upper	13	2,002	50.0	56.3	50.8	63.5	40.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Home Refinance Loans							
Low	0	0	0.0	0.0	1.6	1.0	3.3
Moderate	5	554	14.7	14.5	18.3	11.6	25.2
Middle	15	1,303	44.1	34.2	30.9	27.6	30.8
Upper	14	1,957	41.2	51.3	49.2	59.9	40.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Home Improvement Loans							
Low	0	0	0.0	0.0	2.6	1.3	3.3
Moderate	6	285	66.7	47.1	22.5	24.7	25.2
Middle	0	0	0.0	0.0	30.2	24.5	30.8
Upper	3	320	33.3	52.9	44.7	49.5	40.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Multifamily Loans							% of Multifamily Units²
Low	0	0	0.0	0.0	29.1	27.6	13.6
Moderate	0	0	0.0	0.0	36.4	26.3	37.1
Middle	0	0	0.0	0.0	20.0	17.0	32.9
Upper	0	0	0.0	0.0	14.5	29.2	16.5
Unknown	0	0	0.0	0.0	0.0	0.0	0.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers.

² The percentage of owner-occupied housing and multifamily units by tract are based on 2015 FFIEC census tract definitions and 2010 ACS five-year estimate data.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Secured Consumer Loans

The geographic distribution of secured consumer loans was considered reasonable. The bank's secured consumer lending in low-income census tracts, at 2.0 percent by number and 0.3 percent by dollar amount, was lower than the percentage of households in low-income census tracts, at 6.5 percent. Secured consumer lending in the moderate-income census tracts, at 22.4 percent by number and 22.9 percent by dollar amount, was also below the demographic figure, at 31.3 percent. However, performance is considered reasonable due to the level of competition in the area and the overall lower number of loans contained in the sample. As stated previously, there are a total of 45 FDIC-insured institutions operating in the market with 198 offices.

The bank's secured consumer lending in middle-income census tracts, at 26.5 percent by number and 13.6 percent by dollar amount, was comparable to the demographic figure, at 29.8 percent. The bank's secured consumer lending in upper-income census tracts, at 49.0 percent by number and 63.2 percent by dollar amount, significantly exceeded the demographic figure, at 32.4 percent.

Small Business Loans

The bank's geographic distribution of small business loans was considered reasonable. The percentage of small business loans originated in low-income census tracts was 10.0 percent by number and 3.8 percent by dollar volume; by number this is slightly below the percentage of businesses in the AA's low-income census tracts, at 11.2 percent. However, the bank's small business lending in moderate-income census tracts, at 32.5 percent by number and 21.4 percent by dollar, exceeded the percentage of businesses in the AA's moderate-income census tracts, at 23.8 percent.

The bank's distribution of small business loans in middle-income census tracts, at 20.0 percent by number and 31.3 percent by dollar, was similar to the percentage of businesses located in those tracts, at 28.6 percent. In upper-income census tracts, the bank's small business lending by number was comparable to the percentage of businesses in those tracts, at 37.5 percent and 36.4 percent, respectively by number.

**TABLE 6
DISTRIBUTION BY INCOME LEVELS OF GEOGRAPHIES
WICHITA MSA AA**

Census Tract Income Level	Secured Consumer Loans				% of Households ¹
	#	\$(000)	#%	\$%	
Low	1	2	2.0	0.3	6.5
Moderate	11	147	22.4	22.9	31.3
Middle	13	87	26.5	13.6	29.8
Upper	24	405	49.0	63.2	32.4
Unknown ³	0	0	0.0	0.0	0.0
Census Tract Income Level	Small Business Loans				% of Businesses ²
	#	\$(000)	#%	\$%	
Low	4	239	10.0	3.8	11.2
Moderate	13	1,331	32.5	21.4	23.8
Middle	8	1,951	20.0	31.3	28.6
Upper	15	2,703	37.5	43.4	36.4
Unknown ³	0	0	0.0	0.0	0.0

¹ Based on 2010 ACS five-year estimate data and 2016 FFIEC census tract definitions.
² Based on 2016 D&B data.
³ Does not include tracts where the income level is unknown. Only includes tract locations not known.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Distribution by Borrower Income and Revenue Size of the Businesses:

The bank’s overall distribution of loans to borrowers of different income levels and businesses of different revenue sizes was reasonable. Table 7 displays the bank’s HMDA-related lending performance, and Table 8 shows the bank’s secured consumer and small business lending performance.

For evaluative purposes, the bank’s HMDA-related lending was compared to the percentage of families by income level in the AA, the bank’s consumer secured loans were compared to the percentage of households by income level, and the bank’s small business lending was compared to the percent of businesses in the AA by revenue size. In addition, the bank’s HMDA lending was compared to 2015 aggregate data reported by all HMDA reporters operating in the bank’s AA.

Total Home Mortgage Loans

The bank’s 2015 distribution of total HMDA-related loans to borrowers of different income levels was considered reasonable. In 2015, the bank originated one HMDA-related loan to a low-income borrower, which was below the performance of other HMDA reporters by both number and dollar volume. However, both the bank and other HMDA reporters were significantly below the percentage of low-income families residing in the area, at 20.4 percent. The bank’s lending to moderate-income borrowers, at 14.5 percent by number and 10.5 percent by dollar, was consistent with the performance of other HMDA reporters and the percentage of moderate-income families residing in the area, at 18.3 percent.

A community member stated that there is a lack of affordable housing for low-income borrowers in the area, resulting in limited lending opportunities for the bank and their peers. Additionally, the area has experienced an increase in home prices, which has decreased affordability in the area. Given the lower affordability in the area, LMI families may find it difficult to obtain home financing.

The majority of the bank's HMDA-related loans were to middle- and upper-income borrowers, which was also consistent with the percentage of middle- and upper-income families in the area and aggregate performance.

The bank's 2016 distribution to LMI borrowers was consistent with 2015 performance. The bank's lending to low-income borrowers was below the demographic figure while lending to moderate-income borrowers was more comparable. The majority of the bank's HMDA-related loans were originated to middle- and upper-income borrowers, which was comparable to the demographic figures.

Home Purchase Loans

The bank's 2015 distribution of home purchase loans to borrowers of different income levels was considered reasonable. Though the bank did not originate any loans to low-income borrowers, the bank's penetration to moderate-income borrowers, at 15.4 percent by number and 8.3 percent by dollar, was more consistent with the performance of other HMDA reporters, at 19.0 percent by number and 14.2 percent by dollar, and the percentage of moderate-income families in the area, at 18.3 percent.

The bank's home purchase lending to middle-income borrowers was consistent with other HMDA reporters and the percentage of middle-income families in the AA, at 21.0 percent. However, the bank's lending to upper-income borrowers was significantly higher than other HMDA reporters and the percentage of upper-income families.

The bank's 2016 distribution of home purchase loans to borrowers of different income levels was consistent with 2015 performance.

Refinance Loans

The bank's 2015 distribution of home refinance loans to borrowers of different income levels was considered reasonable. The bank originated one home refinance loan to a low-income borrower, which was slightly below the performance of other HMDA reporters by both number and dollar volume, but significantly lower than the percentage of low-income families in the area. However, the bank's penetration of home refinance loans to moderate-income borrowers, at 14.7 percent by number and 12.8 percent by dollar, was comparable to other HMDA reporters, at 14.7 percent by number and 12.8 percent by dollar, as well as the percentage of moderate-income families, at 18.3 percent.

The bank's home refinance lending to middle-income families was slightly less than other HMDA reporters and the percentage of middle-income families in the AA, at 21.0 percent. The bank's home refinance lending to upper-income families was slightly higher than other HMDA reporters, though consistent with the percentage of upper-income families in the AA.

The bank's 2016 distribution of refinance loans to borrowers of different income levels was consistent with 2015 performance.

Home Improvement Loans

The bank's 2015 distribution of home improvement loans to borrowers of different income levels was considered reasonable. Though the bank did not originate any loans to low-income borrowers, the bank's penetration to moderate-income borrowers, at 11.1 percent by number and 8.3 percent by dollar, was consistent with other HMDA reporters, at 15.4 percent by number and 8.7 percent by dollar, though less than the percentage of moderate-income families in the AA, at 18.3 percent.

The bank's home improvement lending to middle-income borrowers was consistent with the lending by other HMDA reporters and also with the percentage of middle-income families in the AA. The bank's lending to upper-income borrowers was also comparable to other HMDA reports by both number and dollar volume, as well as the percentage of upper-income families in the AA.

The bank's 2016 distribution and volume of home improvement loans to borrowers of different income levels was below the 2015 performance with only one home improvement loan originated, and the borrower was upper-income.

**TABLE 7
DISTRIBUTION OF 2015 HMDA LOANS
BY BORROWER INCOME LEVELS
WICHITA MSA AA**

Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000)	#%	\$%	#%	\$%	
Total Home Mortgage Loans³							
Low	1	85	1.4	1.1	7.9	3.7	20.4
Moderate	10	834	14.5	10.5	17.7	12.0	18.3
Middle	13	1,552	18.8	19.5	20.5	17.1	21.0
Upper	31	4,471	44.9	56.1	30.8	37.1	40.3
Unknown	14	1,034	20.3	13.0	23.1	30.0	0.0
Home Purchase Loans							
Low	0	0	0.0	0.0	8.6	4.6	20.4
Moderate	4	294	15.4	8.3	19.0	14.2	18.3
Middle	6	799	23.1	22.5	20.7	19.9	21.0
Upper	14	2,394	53.8	67.3	28.4	39.8	40.3
Unknown	2	70	7.7	2.0	23.3	21.6	0.0
Refinanced Loans							
Low	1	85	2.9	2.2	6.1	3.0	20.4
Moderate	5	490	14.7	12.8	15.9	11.3	18.3
Middle	5	599	14.7	15.7	19.3	16.3	21.0
Upper	13	1,793	38.2	47.0	33.0	40.9	40.3
Unknown	10	847	29.4	22.2	25.7	28.5	0.0
Home Improvement Loans							
Low	0	0	0.0	0.0	10.2	4.5	20.4
Moderate	1	50	11.1	8.3	15.4	8.7	18.3
Middle	2	154	22.2	25.5	24.8	17.5	21.0
Upper	4	284	44.4	46.9	42.3	49.1	40.3
Unknown	2	117	22.2	19.3	7.2	20.3	0.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers.
² Based on 2010 ACS five-year estimate data and 2015 FFIEC census tract definitions
³ Multifamily loans are not considered in the Borrower Analysis.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

Secured Consumer Loans

The distribution of secured consumer loans by borrower income level was considered reasonable. The bank's secured consumer lending to low-income borrowers, at 22.4 percent by number and 8.3 percent by dollar amount, was consistent with the percentage of low-income households in the AA. Consumer-secured lending to moderate-income borrowers was slightly higher than the percentage of moderate-income households in the AA, at 16.6 percent.

Secured consumer lending to middle-income borrowers, at 24.5 percent by number and 12.3 percent by dollar, was slightly higher than the percentage of households in this income category, at 18.5 percent. Conversely, secured consumer loans to upper-income borrowers

were lower, at 28.6 percent by number and 37.2 percent by dollar, when compared to the percentage of upper-income households in the area at 42.0 percent.

Small Business Loans

The distribution of small business loans to businesses of different revenue sizes reflected a reasonable penetration to small businesses with gross annual revenues less than \$1MM. The bank originated small business loans, at 95.0 percent by number and 91.7 percent by dollar, which exceeded the 87.9 percent of small businesses in the AA based on revenue size. The bank's lending to larger businesses or those with gross annual revenues greater than \$1MM was below the demographic figure.

**TABLE 8
DISTRIBUTION BY INCOME LEVEL OF BORROWER AND
REVENUE SIZE OF BUSINESSES
WICHITA MSA AA**

Borrower Income Level	Secured Consumer Loans				% of Households ¹
	#	\$(000)	#%	\$%	
Low	11	53	22.4	8.3	22.9
Moderate	11	150	22.4	23.4	16.6
Middle	12	79	24.5	12.3	18.5
Upper	14	238	28.6	37.2	42.0
Unknown	1	120	2.0	18.8	0.0
Business Revenue	Small Business Loans				% of Businesses by Revenue ²
	#	\$(000)	#%	\$%	
\$1MM or Less	38	5,707	95.0	91.7	87.9
Over \$1MM	2	517	5.0	8.3	11.4
Income Not Known	0	0	0.0	0.0	0.8

¹ Based on 2010 ACS five-year estimate data.

² Based on 2016 D&B data.

(Note: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**SALINE COUNTY NONMETROPOLITAN KANSAS ASSESSMENT AREA
(Limited Review)**

DESCRIPTION OF BANK'S OPERATIONS IN SALINE COUNTY NONMETROPOLITAN KANSAS AA

The Saline County AA is relatively new as the bank acquired two new branches in 2015. The AA consists of Saline County in its entirety and is rural in nature. It is comprised of two moderate-, six middle-, and four upper-income census tracts. The bank has two branches with cash only ATM's serving the area; both located in the city of Salina. One branch is in a middle-income census tract and one is in a moderate-income census tract. Of the total families in Saline County, 33.8 percent are LMI, which is just slightly lower than percent of LMI families in both the rural non-MSA areas and the state of Kansas.

According to the FDIC Market Share Report as of June 30, 2016, the bank had a market share of 5.1 percent, ranking 7th of 12 FDIC-insured institutions with a total of 24 offices in the Saline AA. The bank faces competition from entities including The Bennington State Bank, Sunflower Bank, and First Bank of Kansas.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SALINE COUNTY NONMETROPOLITAN KANSAS AA

The overall conclusions for the Saline County AA are consistent with the bank's performance for the full scope review and do not materially alter performance conclusions.

The evaluation of the lending performance in this AA was based on low lending volume due to the bank's recent expansion into this market. Detailed loan information can be found in Appendix A.

COMMUNITY REINVESTMENT ACT
APPENDIX A
LENDING ANALYSIS TABLES

- A. 2016 – Wichita MSA AA (Full Review)
- B. 2016 and 2015– Saline County AA (Limited Review)

**TABLE A-1
DISTRIBUTION OF 2016 HMDA LOANS
BY INCOME LEVEL OF GEOGRAPHY
WICHITA MSA AA**

Census Tract Income Level	Bank Loans				% of Owner Occupied Units ¹
	#	\$(000)	#%	\$%	
Total Home Mortgage Loans					
Low	1	30	1.4	0.3	3.3
Moderate	14	774	19.2	6.6	25.2
Middle	22	3,085	30.1	26.3	30.8
Upper	36	7,849	49.3	66.9	40.7
Unknown	0	0	0.0	0.0	0.0
Home Purchase Loans					
Low	0	0	0.0	0.0	3.3
Moderate	10	633	20.8	7.4	25.2
Middle	14	2,121	29.2	24.7	30.8
Upper	24	5,833	50.0	67.9	40.7
Unknown	0	0	0.0	0.0	0.0
Home Refinance Loans					
Low	1	30	4.3	1.0	3.3
Moderate	4	141	17.4	4.9	25.2
Middle	8	964	34.8	33.5	30.8
Upper	10	1,741	43.5	60.5	40.7
Unknown	0	0	0.0	0.0	0.0
Home Improvement Loans					
Low	0	0	0.0	0.0	3.3
Moderate	0	0	0.0	0.0	25.2
Middle	0	0	0.0	0.0	30.8
Upper	1	90	100.0	100.0	40.7
Unknown	0	0	0.0	0.0	0.0
Multifamily Loans					% of Multifamily Units¹
Low	0	0	0.0	0.0	13.6
Moderate	0	0	0.0	0.0	37.1
Middle	0	0	0.0	0.0	32.9
Upper	1	185	100.0	100.0	16.5
Unknown	0	0	0.0	0.0	0.0

¹ The percentage of owner-occupied housing and multifamily units by tract are based on 2016 FFIEC census tract definitions and 2010 ACS five-year estimate data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE A-2
DISTRIBUTION OF 2016 HMDA LOANS
BY BORROWER INCOME LEVELS
WICHITA MSA AA**

Borrower Income Level	Bank Loans				% of Families ¹
	#	\$(000)	#%	\$%	
Total Home Mortgage Loans²					
Low	4	302	5.5	2.6	20.4
Moderate	8	814	11.0	6.9	18.3
Middle	16	2,347	21.9	20.0	21.0
Upper	36	7,625	49.3	65.0	40.3
Unknown	9	650	12.3	5.5	0.0
Home Purchase Loans					
Low	4	302	8.3	3.5	20.4
Moderate	6	593	12.5	6.9	18.3
Middle	11	1,705	22.9	19.9	21.0
Upper	25	5,939	52.1	69.2	40.3
Unknown	2	48	4.2	0.6	0.0
Refinanced Loans					
Low	0	0	0.0	0.0	20.4
Moderate	2	221	8.7	7.7	18.3
Middle	5	642	21.7	22.3	21.0
Upper	10	1,596	43.5	55.5	40.3
Unknown	6	417	26.1	14.5	0.0
Home Improvement Loans					
Low	0	0	0.0	0.0	20.4
Moderate	0	0	0.0	0.0	18.3
Middle	0	0	0.0	0.0	21.0
Upper	1	90	100.0	100.0	40.3
Unknown	0	0	0.0	0.0	0.0

¹ Based on 2010 ACS five-year estimate data and 2016 FFIEC census tract definitions

² Multifamily loans are not considered in the Borrower Analysis.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE B-1
DISTRIBUTION OF 2015 HMDA LOANS
BY INCOME LEVEL OF GEOGRAPHY
SALINE COUNTY AA**

Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000)	#%	\$%	#%	\$%	
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	8.0	5.2	8.6
Middle	1	16	100.0	100.0	43.5	35.3	51.3
Upper	0	0	0.0	0.0	48.4	59.6	40.1
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Home Purchase Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	8.6	5.9	8.6
Middle	0	0	0.0	0.0	44.5	36.0	51.3
Upper	0	0	0.0	0.0	46.9	58.2	40.1
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Home Refinance Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	6.9	4.2	8.6
Middle	1	16	100.0	100.0	43.0	33.4	51.3
Upper	0	0	0.0	0.0	50.1	62.5	40.1
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	8.9	1.8	8.6
Middle	0	0	0.0	0.0	37.5	43.8	51.3
Upper	0	0	0.0	0.0	53.6	54.4	40.1
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Multifamily Loans							% of Multifamily Units²
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0	36.7
Middle	0	0	0.0	0.0	0.0	0.0	23.0
Upper	0	0	0.0	0.0	100.0	100.0	40.2
Unknown	0	0	0.0	0.0	0.0	0.0	0.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers.

² The percentage of owner-occupied housing and multifamily units by tract are based on 2015 FFIEC census tract definitions and 2010 ACS five-year estimate data.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE B-2
DISTRIBUTION OF 2015 HMDA LOANS
BY BORROWER INCOME LEVELS
SALINE COUNTY AA**

Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000)	#%	\$%	#%	\$%	
Total Home Mortgage Loans³							
Low	0	0	0.0	0.0	5.3	2.7	16.6
Moderate	0	0	0.0	0.0	17.2	13.4	17.2
Middle	1	16	100.0	100.0	19.6	17.9	21.2
Upper	0	0	0.0	0.0	32.0	41.0	45.0
Unknown	0	0	0.0	0.0	26.0	25.0	0.0
Home Purchase Loans							
Low	0	0	0.0	0.0	5.3	3.0	16.6
Moderate	0	0	0.0	0.0	19.2	15.2	17.2
Middle	0	0	0.0	0.0	21.2	20.3	21.2
Upper	0	0	0.0	0.0	30.1	39.1	45.0
Unknown	0	0	0.0	0.0	24.3	22.3	0.0
Refinanced Loans							
Low	0	0	0.0	0.0	5.4	2.3	16.6
Moderate	0	0	0.0	0.0	14.9	10.7	17.2
Middle	1	16	100.0	100.0	16.4	14.4	21.2
Upper	0	0	0.0	0.0	31.9	41.6	45.0
Unknown	0	0	0.0	0.0	31.3	31.0	0.0
Home Improvement Loans							
Low	0	0	0.0	0.0	5.4	0.4	16.6
Moderate	0	0	0.0	0.0	8.9	4.8	17.2
Middle	0	0	0.0	0.0	21.4	5.1	21.2
Upper	0	0	0.0	0.0	53.6	80.3	45.0
Unknown	0	0	0.0	0.0	10.7	9.4	0.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA filers.

² Based on 2010 ACS five-year estimate data and 2015 FFIEC census tract definitions

³ Multifamily loans are not considered in the Borrower Analysis.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE B-3
DISTRIBUTION OF 2016 HMDA LOANS
BY INCOME LEVEL OF GEOGRAPHY
SALINE COUNTY AA**

Census Tract Income Level	Bank Loans				% of Owner Occupied Units ¹
	#	\$(000)	#%	\$%	
Total Home Mortgage Loans					
Low	0	0	0.0	0.0	0.0
Moderate	1	87	14.3	11.4	8.6
Middle	2	194	28.6	25.4	51.3
Upper	4	484	57.1	63.3	40.1
Unknown	0	0	0.0	0.0	0.0
Home Purchase Loans					
Low	0	0	0.0	0.0	0.0
Moderate	1	87	25.0	16.4	8.6
Middle	2	194	50.0	36.7	51.3
Upper	1	248	25.0	46.9	40.1
Unknown	0	0	0.0	0.0	0.0
Home Refinance Loans					
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	8.6
Middle	0	0	0.0	0.0	51.3
Upper	2	123	100.0	100.0	40.1
Unknown	0	0	0.0	0.0	0.0
Home Improvement Loans					
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	8.6
Middle	0	0	0.0	0.0	51.3
Upper	1	113	100.0	100.0	40.1
Unknown	0	0	0.0	0.0	0.0
Multifamily Loans					% of Multifamily Units¹
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	36.7
Middle	0	0	0.0	0.0	23.0
Upper	0	0	0.0	0.0	40.2
Unknown	0	0	0.0	0.0	0.0

¹ The percentage of owner-occupied housing and multifamily units by tract are based on 2016 FFIEC census tract definitions and 2010 ACS five-year estimate data.
(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE B-4
DISTRIBUTION OF 2016 HMDA LOANS
BY BORROWER INCOME LEVELS
SALINE COUNTY AA**

Borrower Income Level	Bank Loans				% of Families ¹
	#	\$(000)	#%	\$%	
Total Home Mortgage Loans²					
Low	0	0	0.0	0.0	16.6
Moderate	3	265	42.9	34.6	17.2
Middle	2	167	28.6	21.8	21.2
Upper	2	333	28.6	43.5	45.0
Unknown	0	0	0.0	0.0	0.0
Home Purchase Loans					
Low	0	0	0.0	0.0	16.6
Moderate	1	114	25.0	21.6	17.2
Middle	2	167	50.0	31.6	21.2
Upper	1	248	25.0	46.9	45.0
Unknown	0	0	0.0	0.0	0.0
Refinanced Loans					
Low	0	0	0.0	0.0	16.6
Moderate	1	38	50.0	30.9	17.2
Middle	0	0	0.0	0.0	21.2
Upper	1	85	50.0	69.1	45.0
Unknown	0	0	0.0	0.0	0.0
Home Improvement Loans					
Low	0	0	0.0	0.0	16.6
Moderate	1	113	100.0	100.0	17.2
Middle	0	0	0.0	0.0	21.2
Upper	0	0	0.0	0.0	45.0
Unknown	0	0	0.0	0.0	0.0

¹ Based on 2010 ACS five-year estimate data and 2016 FFIEC census tract definitions

² Multifamily loans are not considered in the Borrower Analysis.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE B-5
2016 DISTRIBUTION BY INCOME LEVELS OF GEOGRAPHIES
SALINE COUNTY AA**

Census Tract Income Level	Secured Consumer Loans				% of Households ¹
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	1	12	25.0	31.6	15.7
Middle	2	6	50.0	15.8	50.5
Upper	1	20	25.0	52.6	33.8
Unknown ³	0	0	0.0	0.0	0.0
Census Tract Income Level	Small Business Loans				% of Businesses ²
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	1	50	50.0	29.8	34.0
Middle	0	0	0.0	0.0	34.7
Upper	1	118	50.0	70.2	31.3
Unknown ³	0	0	0.0	0.0	0.0

¹ Based on 2010 ACS five-year estimate data and 2016 FFIEC census tract definitions.

² Based on 2016 D&B data.

³ Does not include tracts where the income level is unknown. Only includes tract locations not known.

(NOTE: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)

**TABLE B-6
2016 DISTRIBUTION BY INCOME LEVEL OF BORROWER AND
REVENUE SIZE OF BUSINESSES
SALINE COUNTY AA**

Borrower Income Level	Secured Consumer Loans				% of Households ¹
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	20.4
Moderate	2	6	50.0	15.8	15.7
Middle	0	0	0.0	0.0	20.2
Upper	2	32	50.0	84.2	43.6
Business Revenue	Small Business Loans				% of Businesses by Revenue ²
	#	\$(000)	#%	\$%	
\$1MM or Less	2	168	100.0	100.0	86.9
Over \$1MM	0	0	0.0	0.0	12.4
Income Not Known	0	0	0.0	0.0	0.7

¹ Based on 2010 ACS five-year estimate data.

² Based on 2016 D&B data.

(Note: Total percentages shown may vary by 0.1 percent due to automated rounding differences.)