PUBLIC DISCLOSURE

March 8, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Legacy Bank & Trust Company
RSSD #397755

175 Johnstown Drive
Rogersville, Missouri 65742

Federal Reserve Bank of St. Louis

P.O. Box 442
St. Louis, Missouri 63166-0442

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 the 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 CRA RATING: This institution is rated SATISFACTORY.

Legacy Bank & Trust Company meets the criteria for a Satisfactory rating based on the evaluation of the bank's lending activities. The factors supporting the institution's rating include:

- The loan-to-deposit (LTD) ratio is more than reasonable given the institution's size, financial condition, and credit needs of the assessment areas.
- A majority of loans and other lending-related activities are in the assessment areas.
- Distribution of loans to borrowers reflects reasonable penetration among businesses and farms of different revenue sizes and individuals of different income levels (including low- and moderate-income [LMI]).
- Geographic distribution of loans reflects a reasonable dispersion throughout the assessment areas.
- There were no CRA-related complaints filed against the bank since the previous CRA evaluation.

SCOPE OF EXAMINATION

The bank's CRA performance was reviewed using the Federal Financial Institutions Examination Council's (FFIEC's) small bank procedures. Bank performance under these tests is rated at the institution level. The bank maintains operations in three delineated assessment areas within the state of Missouri, including one in the Springfield, Missouri MSA and two in nonMSA portions of the state. While the bank's performance in the two nonMSA assessment areas was analyzed separately, they were evaluated together for the purposes of this performance evaluation.

The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each rated area completed as part of this evaluation. Deposit information in the following table, as well as deposit information throughout this evaluation, is taken from the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report data as of June 30, 2020.

Assessment Areas	Offices		Deposits as of June 30, 2020		Assessment Area Reviews		
	#	%	$ (000s)	%	Full Scope	Limited Scope	TOTAL
Springfield	3	60%	$224,331	63%	1	0	**1**
NonMSA Missouri	2	40%	$131,910	37%	1	0	**1**
OVERALL	**5**	**100%**	**$356,241**	**100%**	**2**	**0**	**2**

Considering branch structure, loan and deposit activity, and the bank's CRA evaluation history, CRA performance in the Springfield assessment area was given primary consideration, as it contains the majority of the bank's loan and deposit activity.

Furthermore, residential real estate, small business, and small farm loans were used to evaluate the bank's lending performance, as these loan categories are considered the bank's core business lines based on lending volume and the bank's stated business strategy. Therefore, the loan activity represented by these credit products is deemed indicative of the bank's overall lending performance. However, as the bank has a particular emphasis on small business lending, performance based on the small business loan category carried the most significance toward the bank's overall performance conclusions. The following table details the performance criterion and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	September 30, 2016 – December 31, 2020
Assessment Area Concentration	January 1, 2019 – December 31, 2019
Loan Distribution by Borrower's Profile	January 1, 2019 – December 31, 2019
Geographic Distribution of Loans	January 1, 2019 – December 31, 2019
Response to Written CRA Complaints	July 25, 2016 – March 7, 2021

Lending Test analyses often entail comparisons of bank performance to assessment area demographics and the performance of other lenders, based on Home Mortgage Disclosure Act (HMDA) and CRA aggregate lending data. Unless otherwise noted, assessment area demographics are based on 2015 U.S. Census data; certain business and farm demographics are based on 2019 Dun & Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an assessment area. Aggregate lending datasets are also updated annually and are, therefore, expected to predict more relevant comparisons. In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating within the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from $634.4 million to $887.6 million as of June 30, 2020.

To augment this evaluation, four community contact interviews were conducted with members of the local community to ascertain specific credit needs, opportunities, and local market conditions within the bank's assessment areas. Information from these interviews also assisted in evaluating the bank's responsiveness to identified community credit needs and community development opportunities. Key details from these community contact interviews are included in the *Description of Assessment Area* section, applicable to the assessment area in which they were conducted.

DESCRIPTION OF INSTITUTION

Legacy Bank & Trust Company is a full-service retail bank headquartered in Rogersville, Missouri, offering both consumer and commercial loan and deposit products. The bank is wholly owned by Ozark Heritage Financial Group, Inc., a one-bank holding company headquartered in Gainesville, Missouri. Century Bancshares, Inc., a two-bank holding company, also located in Gainesville, Missouri, is the top-tier bank holding company.

In February 2018, the bank acquired First National Bank of Clinton, adding two branches in Clinton, Missouri, and one in Springfield, Missouri. In May 2020, the bank closed one of the Clinton branches, and in November 2020, it sold another location in Plato, Missouri, decreasing its banking locations from seven to a total of five. The two branch closures occurred in counties in nonMSA Missouri (Henry and Texas counties).The remaining banking locations consist of a main office in Rogersville (Webster County) and full-service branches in Clinton (Henry County), Mountain Grove (Wright County), Sparta (Christian County), and Springfield (Greene County). All branches also offer drive-up service.

Based on this branch network and other service delivery systems, such as extended banking hours of operation and full-service online banking capabilities, the bank is well positioned to deliver financial services to the entirety of its assessment areas.

The bank currently operates in three CRA assessment areas in the state of Missouri, as detailed below.

- Henry County, Missouri assessment area: All of Henry County. This assessment area is new since the last CRA examination in 2016.

- Southern Missouri assessment area: All of Douglas, Laclede, Texas, and Wright Counties.

- Springfield assessment area: All of Christian, Greene, and Webster Counties (three of five counties that make up the Springfield, Missouri MSA). Greene County is new to the assessment area since the last CRA examination.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credit needs of its customers, and the bank appeared capable of meeting the credit needs of its assessment areas based on its available resources and financial products. As of September 30, 2020, the bank reported total assets of $525.0 million. As of the same date, loans and leases outstanding were $449.4 million (85.6 percent of total assets), and deposits totaled $429.9 million. The bank’s loan portfolio composition by credit category is displayed in the following table.

Distribution of Total Loans as of September 30, 2020		
Credit Category	**Amount ($000s)**	**Percentage of Total Loans**
Construction and development	$47,243	10.5%
Commercial real estate	$99,650	22.2%
Multifamily residential	$16,986	3.8%
1–4 family residential	$95,795	21.3%
Farmland	$55,161	12.3%
Farm loans	$5,989	1.3%
Commercial and industrial	$123,285	27.4%
Loans to individuals	$5,091	1.1%
Total other loans	$205	0.0%
TOTAL	**$449,405**	**100%**

As indicated by the table above, a significant portion of the bank's lending resources is directed to commercial real estate, commercial and industrial, 1–4 family residential, and small farm loans.

The bank received a Satisfactory rating at its previous CRA evaluation conducted by this Reserve Bank on July 25, 2016.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Legacy Bank & Trust Company meets the standards for a Satisfactory rating under the small bank procedures, which evaluate bank performance under the following five criteria as applicable.

Loan-to-Deposit (LTD) Ratio

One indication of the bank's overall level of lending activity is its LTD ratio. The table below displays the bank's average LTD ratio in comparison to those of regional peers. The average LTD ratio represents a 18-quarter average, dating back to the bank's last CRA evaluation.

LTD Ratio Analysis			
Name	**Headquarters**	**Asset Size ($000s) as of December 31, 2020**	**Average LTD Ratio**
Legacy Bank & Trust	Rogersville, Missouri	$538,271	105.9%
Regional Banks	Springfield, Missouri	$783,899	86.3%
	Springfield, Missouri	$634,439	107.0%
	Marshall, Missouri	$887,649	90.0%

Based on data from the previous table, the bank's level of lending is above those of two other banks in the region and similar to that of a third regional bank. During the review period, the bank's quarterly LTD ratio experienced a decline from the third quarter of 2016 until the first quarter of 2018, after which the ratio was generally stable. Across the entire 18-quarter period, the LTD ratio average was 105.9 percent. In comparison, the average LTD ratios for two of the regional peers were lower and had a generally stable trend. The LTD ratio for the third regional bank was slightly higher and had a generally stable trend. Therefore, compared to data from regional banks, the bank's average LTD ratio is more than reasonable given the bank's size, financial condition, and credit needs of its assessment areas.

Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank's assessment areas.

Lending Inside and Outside of Assessment Areas January 1, 2019 through December 31, 2019						
Loan Type	**Inside Assessment Areas**		**Outside Assessment Areas**		**TOTAL**	
Small Business	82	72.6%	31	27.4%	113	**100%**
	$10,500	68.0%	$4,949	32.0%	$15,449	**100%**
Small Farm	100	90.1%	11	9.9%	111	**100%**
	$7,932	87.9%	$1,095	12.1%	$9,027	**100%**
HMDA	120	86.3%	19	13.7%	139	**100%**
	$25,769	79.0%	$6,851	21.0%	$32,620	**100%**
TOTAL LOANS	**302**	**83.2%**	**61**	**16.8%**	**363**	**100%**
	$44,201	**77.4%**	**$12,895**	**22.6%**	**$57,096**	**100%**

A majority of loans and other lending-related activities were made in the bank's assessment areas. As shown above, 83.2 percent of the total loans were made inside the assessment areas, accounting for 77.4 percent of the dollar volume of total loans.

Borrower and Geographic Distribution

Overall, performance by borrower's income/revenue profile is reasonable based on the analyses of lending in the Springfield and nonMSA assessment areas, as is displayed in the following table.

Assessment Area	Loan Distribution by Borrower's Profile
Springfield, Missouri	Reasonable
NonMSA Missouri	Reasonable
OVERALL	**REASONABLE**

As displayed in the following table, the bank's overall distribution of lending by income level of census tract reflects reasonable penetration throughout the bank's rated areas, with the greatest emphasis on the Springfield assessment area.

Assessment Area	Geographic Distribution of Loans
Springfield, Missouri	Reasonable
NonMSA Missouri	Excellent
OVERALL	**REASONABLE**

Responses to Complaints

No CRA-related complaints were filed against the bank during this review period (July 25, 2016 through March 7, 2021).

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Based on findings from the Consumer Affairs examination, including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements, conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

SPRINGFIELD, MISSOURI METROPOLITAN STATISTICAL AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE SPRINGFIELD, MISSOURI ASSESSMENT AREA

Bank Structure

The bank operates three of its five offices in this assessment area, all three of which have ATM services and are in middle-income census tracts. Since the last examination, the bank added one branch in Greene County following its merger with First National Bank of Clinton, and there were no branch closures. Based on its branch network and other service delivery systems, the bank is well positioned to deliver financial services to substantially all of the assessment area.

General Demographics

The assessment area is comprised of Christian, Greene, and Webster counties in their entirety and is located within the Springfield, Missouri MSA. As of the 2015 U.S. Census, the assessment area population was 400,800, or 89.4 percent of the total MSA population. Of the 35 FDIC-insured depository institutions with a branch presence in this assessment area, the bank ranked 18th in deposit market share, encompassing 1.8 percent of total deposit dollars.

Credit needs in the assessment area, as noted from community contacts interviews, include business loan products, affordable consumer loans, and financing for affordable housing. One contact also noted a need for physical branch locations in the north side of Springfield. While the bank has one location in Springfield, the branch is located in the southern portion of the city.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population in those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**Unknown**	**TOTAL**
Census Tracts	5	21	44	13	1	**84**
	6.0%	25.0%	52.4%	15.5%	1.2	**100%**
Family Population	3,596	16,454	61,698	20,307	41	**102,096**
	3.5%	16.1%	60.4%	19.9%	0.0%	**100%**

As shown in the preceding table, 31.0 percent of census tracts in the assessment area are LMI geographies, but only 19.6 percent of the family population resides in these tracts. These LMI census tracts are primarily located in central Greene County, with a particular concentration in the northern and central parts of the city of Springfield. An additional two moderate-income census tracts are located in Webster County.

Based on 2015 U.S. Census data, the median family income for the assessment area was $55,416. At the same time, the median family income for the state of Missouri was estimated to be $60,809. More recently, the FFIEC estimates that the 2019 median family income for the Springfield MSA to be $61,800.

The following table displays population percentages of assessment area families by income level compared to state family populations.

Family Population by Income Level					
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Springfield Assessment Area	20,082	18,801	21,646	41,567	**102,096**
	19.7%	18.4%	21.2%	40.7%	**100%**
State of Missouri	327,271	274,380	319,267	609,088	**1,530,006**
	21.4%	17.9%	20.9%	39.8%	**100%**

As shown in the table above, 38.1 percent of families within the assessment area were considered LMI, which is slightly lower than LMI family percentages of 39.3 percent in Missouri. While not shown in the table, the percentage of families living below the poverty level in the assessment area, 11.7 percent, is comparable to the 11.1 percent level in the state of Missouri. Considering these factors, the assessment area appears slightly more affluent than Missouri.

Housing Demographics

The following table displays homeownership in the assessment area compared to the state of Missouri.

Housing Demographics			
Dataset	**Median Housing Value**	**Affordability Ratio**	**Median Gross Rent (Monthly)**
Christian County	$143,100	37.2%	$769
Greene County	$129,400	31.9%	$701
Webster County	$118,700	37.5%	$596
Springfield Assessment Area	**$131,738**	**33.0%**	**$702**
State of Missouri	$138,400	34.8%	$746

Median gross rents varied by county in the assessment area from a low of $596 in Webster County to a high of $769 in Christian County. Affordability ratios in the assessment area also varied, ranging from a high of 37.5 percent in Webster County to a low of 31.9 percent in Greene County. While average housing values and rents are lower in the assessment area compared to the state, affordability based on income levels is slightly better at the statewide level. This data indicates that the assessment area is similar in affordability to the state of Missouri. Even so, homeownership may be out of reach of many LMI families, especially in Greene county, based on relatively low affordability ratios. Community contacts confirmed that affordable housing in the assessment area, specifically in Springfield, is lacking and out of reach for LMI residents.

Industry and Employment Demographics

The assessment area supports a diverse business community. The U.S. Department of Labor, Bureau of Labor Statistics indicates that there are 170,128 paid employees in the assessment area. By percentage of employees, the three largest job categories in the assessment area are health care and social assistance (21.1 percent), followed by retail trade (13.6 percent), and accommodation and food services (11.3 percent). The table below details unemployment data from the U.S. Department of Labor, Bureau of Labor Statistics (not seasonally adjusted) for each county of the assessment area and the state of Missouri.

Unemployment Levels for the Assessment Area			
Dataset	**Time Period (Annual Average)**		
	2017	**2018**	**2019**
Christian County	3.1%	2.6%	2.7%
Greene County	3.1%	2.5%	2.7%
Webster County	3.9%	3.1%	3.6%
Assessment Area Average	3.1%	2.6%	2.8%
State of Missouri	3.7%	3.2%	3.3%

As shown in the table above, unemployment levels varied between individual counties within the assessment area. Unemployment rates were highest in Webster County and lowest in Greene and Christian Counties. The assessment area as a whole had a lower unemployment rate when compared to the state of Missouri. For the assessment area and Missouri, unemployment rates decreased from 2017 to 2018 but saw slight upticks again in 2019.

Community Contact Information

For the Springfield assessment area, two community contact interviews were completed as part of this evaluation. One interview was conducted with an individual specializing in economic development, and the other was with an individual specializing in housing.

The community contact interviewees categorized the economy in Greene and Christian counties as stable with a growing population. Both contacts noted the thriving tourism industry in Christian County. The economy in Webster County, however, was described as not faring as well as the other two counties, as it is not centrally located near the urban core in Springfield.

Both contacts indicated the COVID-19 pandemic had minimal impact on the region's economy. While many employers had to close in response to safety precautions, most have since reopened and are close to their normal operations and capacity. However, one contact noted that finding employees who are willing to work has been an obstacle, especially those with school-age children.

In Greene County, one contact noted a concentration of LMI individuals and households in the north side of the city of Springfield and a lack of physical banking locations in this area as well. Many residents turn to alternative services as a result, including payday lenders and title loans. A lack of affordable housing for homeowners was also discussed for this area, which was partially attributed to the high percentage of rental units in the area. One contact noted that there are, however, many organizations in the area that are working to create more affordable housing options for residents. Barriers to homeownership continue to exist for many LMI residents, including lack of down payment funds, poor credit histories, and student loan debt. Consumer credit needs include low interest, small dollar consumer loans (as an alternative to payday lenders) and affordable home improvement loans, as many homes owned by LMI residents need updates and repairs. One contact noted similar obstacles exist for potential small business owners, including access to funding sources, a lack of start-up capital, and inadequacy of business plans. As such, micro loan funds and financial education are stated needs for small businesses.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE SPRINGFIELD ASSESSMENT AREA

The bank's overall distribution of loans by borrower's income/revenue profile reflects reasonable penetration among businesses and farms of different revenue sizes and borrowers of different income levels. Furthermore, the overall geographic distribution of loans reflects reasonable penetration throughout the Springfield assessment area.

Loan Distribution by Borrower's Profile

Overall, the bank's loan distribution by borrower's profile is reasonable, based on performance from the three loan categories reviewed. While the bank's HMDA loan distribution by borrower's profile is poor, performance under its small business loan category is reasonable, and its small farm performance is excellent. Greater emphasis is placed on small business lending, followed by small farm lending, and finally HMDA lending based on overall lending volumes and the bank's strategic focus.

Small business loans were reviewed to determine the bank's lending levels to businesses of different sizes. The following table shows the distribution of 2019 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Distribution of 2019 Small Business Lending By Borrower Income Level								
Business Revenue and Loan Size		2019						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	$ (000s)	$%	$%	%
Business Revenue	$1 Million or Less	39	75.0%	46.8%	$6,551	79.6%	38.6%	90.7%
	Over $1 Million/ Unknown	13	25.0%	53.2%	$1,678	20.4%	61.4%	9.3%
	TOTAL	**52**	**100.0%**	**100.0%**	**$8,229**	**100.0%**	**100.0%**	**100.0%**
Loan Size	$100,000 or Less	30	57.7%	87.9%	$1,419	17.2%	26.2%	
	$100,001–$250,000	12	23.1%	6.5%	$1,772	21.5%	20.0%	
	$250,001–$1 Million	10	19.2%	5.6%	$5,038	61.2%	53.8%	
	Over $1 Million	0	0.0%	0.0%	$0	0.0%	0.0%	
	TOTAL	**52**	**100.0%**	**100.0%**	**$8,229**	**100.0%**	**100.0%**	
Loan Size / Revenue $1 Million or Less	$100,000 or Less	22	56.4%		$1,022	15.6%		
	$100,001–$250,000	9	23.1%		$1,357	20.7%		
	$250,001–$1 Million	8	20.5%		$4,172	63.7%		
	Over $1 Million	0	0.0%		$0	0.0%		
	TOTAL	**39**	**100.0%**		**$6,551**	**100.0%**		

The bank's level of lending to small businesses is reasonable. The bank originated the majority of its small business loans (75.0 percent) to businesses with revenues of $1 million or less. In comparison, assessment area demographics estimate that 90.7 percent of businesses in the assessment area had annual revenues of $1 million or less, and the 2019 aggregate lending level to small businesses is 46.8 percent.

Next, small farm loans were reviewed to determine the bank's lending levels to farms of different sizes. The following table shows the distribution of 2019 small farm lending by loan amount and farm revenue size compared to Dun & Bradstreet and aggregate data.

Distribution of 2019 Small Farm Lending By Borrower Income Level									
Farm Revenue and Loan Size			2019						
			Count			Dollars			Farms
			Bank		Aggregate	Bank		Aggregate	
			#	%	%	$ (000s)	$%	$%	%
Farm Revenue		$1 Million or Less	33	100.0%	77.5%	$2,281	100.0%	86.6%	99.2%
		Over $1 Million/ Unknown	0	0.0%	22.5%	$0	0.0%	13.4%	0.8%
		TOTAL	**33**	**100.0%**	**100.0%**	**$2,281**	**100.0%**	**100.0%**	**100.0%**
Loan Size		$100,000 or Less	26	78.8%	83.8%	$755	33.1%	41.9%	
		$100,001–$250,000	5	15.2%	12.3%	$835	36.6%	33.1%	
		$250,001–$500,000	2	6.1%	3.8%	$691	30.3%	25.0%	
		Over $500,000	0	0.0%	0.0%	$0	0.0%	0.0%	
		TOTAL	**33**	**100.0%**	**100.0%**	**$2,281**	**100.0%**	**100.0%**	
Loan Size	Revenue $1 Million or Less	$100,000 or Less	26	78.8%		$755	33.1%		
		$100,001–$250,000	5	15.2%		$835	36.6%		
		$250,001–$1 Million	2	6.1%		$691	30.3%		
		Over $1 Million	0	0.0%		$0	0.0%		
		TOTAL	**33**	**100.0%**		**$2,281**	**100.0%**		

The bank's level of lending to small farms is excellent. The bank originated all of its small farm loans to farms with revenues of $1 million or less. This exceeds the percentage of assessment area small farms with annual revenues of $1 million or less (99.2 percent) and is significantly greater than the aggregate lending level to small farms (77.5 percent).

Finally, HMDA reportable loans were reviewed. Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC ($61,800 for the Springfield MSA as of 2019). The following table shows the distribution of HMDA reported loans by borrower income level in comparison to family population income demographics for the assessment area. Additionally, 2019 aggregate data for the assessment area is displayed.

Distribution of Home Mortgage Lending By Borrower Income Level							
Census Tract Income Level	**Bank Loans**				**Families by Family Income %**	**Aggregate HMDA Data**	
	#	**#%**	**$**	**$%**		**#%**	**$%**
Home Purchase Loans							
Low	0	0.0%	$0	0.0%	19.7%	6.3%	3.5%
Moderate	2	5.0%	$348	4.8%	18.4%	19.3%	14.2%
Middle	4	10.0%	$392	5.4%	21.2%	21.8%	20.2%
Upper	19	47.5%	$2,950	40.6%	40.7%	33.3%	43.8%
Unknown	15	37.5%	$3,580	49.2%	0.0%	19.3%	18.2%
TOTAL	**40**	**100.0%**	**$7,270**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Refinance							
Low	2	9.5%	$47	1.4%	19.7%	6.2%	3.1%
Moderate	2	9.5%	$85	2.5%	18.4%	13.9%	8.7%
Middle	1	4.8%	$271	8.0%	21.2%	17.7%	13.9%
Upper	4	19.0%	$551	16.2%	40.7%	39.4%	49.8%
Unknown	12	57.1%	$2,444	71.9%	0.0%	22.8%	24.4%
TOTAL	**21**	**100.0%**	**$3,398**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Home Improvement							
Low	1	12.5%	$30	5.8%	19.7%	6.0%	3.2%
Moderate	0	0.0%	$0	0.0%	18.4%	14.3%	10.4%
Middle	0	0.0%	$0	0.0%	21.2%	23.0%	19.3%
Upper	2	25.0%	$109	21.2%	40.7%	48.6%	61.8%
Unknown	5	62.5%	$374	72.9%	0.0%	8.1%	5.4%
TOTAL	**8**	**100.0%**	**$513**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Multifamily Loans					**% of Multifamily Units**		
Low	0	0.0%	$0	0.0%	19.7%	0.0%	0.0%
Moderate	0	0.0%	$0	0.0%	18.4%	0.7%	0.1%
Middle	0	0.0%	$0	0.0%	21.2%	0.7%	0.1%
Upper	2	14.3%	$246	2.3%	40.7%	7.4%	1.8%
Unknown	12	85.7%	$10,309	97.7%	0.0%	91.2%	98.0%
TOTAL	**14**	**100.0%**	**$10,555**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Total Home Mortgage Loans					**Families by Family Income %**		
Low	3	3.6%	$77	0.4%	19.7%	6.1%	3.1%
Moderate	5	6.0%	$469	2.2%	18.4%	16.9%	11.5%
Middle	5	6.0%	$663	3.0%	21.2%	20.2%	17.0%
Upper	27	32.1%	$3,856	17.7%	40.7%	35.4%	43.2%
Unknown	44	52.4%	$16,707	76.7%	0.0%	21.3%	25.2%
TOTAL	**84**	**100.0%**	**$21,772**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: *2019 FFIEC Census Data; 2011–2015 U.S. Census Bureau: American Community Survey*
Note: *Percentages may not total 100.0 percent due to rounding.*

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (3.6 percent) is substantially below the low-income family population figure (19.7 percent) and the 2019 aggregate lending level to low-income borrowers (6.1 percent), reflecting poor performance. Similarly, the bank's level of lending to moderate-income borrowers (6.0 percent) is lower than both the moderate-income family population percentage (18.4 percent) and the 2019 aggregate lending level to moderate-income borrowers (16.9 percent), reflecting poor performance. The bank's overall performance for HMDA lending, therefore, is poor.

However, as demonstrated in the table, a substantial number (44, or 52.3 percent) of the bank's HMDA loans are to borrowers with unknown incomes. These loans are primarily to non-natural persons—entities such as corporations or partnerships. Analyzing the bank's performance by removing loans with unknown income levels more accurately reflects the bank's distribution of HMDA loans to borrowers of different incomes.

Based on adjusted figures, the bank made 7.5 percent of its HMDA loans to low-income borrowers (adjusted HMDA aggregate lending to low-income borrowers is 7.8 percent) and 12.5 percent of HMDA loans to moderate-income borrowers (adjusted HMDA aggregate lending to moderate-income borrowers is 21.5 percent). Consequently, the adjusted performance figures reflect some improvement. Ultimately, however, the bank's overall distribution of HMDA loans by borrower's profile is poor. As a related matter, the significance of this analysis substantially decreases considering the small number of borrowers in this loan category with available income information.

Geographic Distribution of Loans

As noted previously, the Springfield assessment area includes 5 low-income and 21 moderate-income census tracts, representing 31.0 percent of all assessment area census tracts. Overall, the bank's geographic distribution of loans in this assessment area reflects reasonable penetration throughout these LMI census tracts, based on the small business, small farm, and HMDA loan categories with primary emphasis on the bank's small business lending.

First, the bank's geographic distribution of small business loans was reviewed. The following table displays 2019 small business loan activity by geography income level compared to the location of businesses throughout this assessment area and 2019 small business aggregate data.

Distribution of 2019 Small Business Lending By Income Level of Geography							
Census Tract Income Level	**Bank Small Business Loans**				**% of Businesses**	**Aggregate of Peer Data**	
	#	**#%**	**$ (000s)**	**$%**		**%**	**$%**
Low	5	9.6%	$717	8.7%	2.5%	1.7%	2.1%
Moderate	8	15.4%	$1,625	19.7%	25.0%	23.4%	32.3%
Middle	27	51.9%	$3,994	48.5%	54.4%	54.0%	47.0%
Upper	12	23.1%	$1,894	23.0%	17.9%	19.6%	18.3%
Unknown	0	0.0%	$0	0.0%	0.3%	1.3%	0.3%
TOTAL	**52**	**100.0%**	**$8,230**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: *2019 FFIEC Census Data; 2019 Dun & Bradstreet Data; 2011–2015 U.S. Census Bureau: American Community Survey*
Note: *Percentages may not total 100.0 percent due to rounding.*

The bank's level of lending in low-income census tracts (9.6 percent) is significantly above the estimated percentage of businesses operating inside these census tracts (2.5 percent) and 2019 aggregate lending levels in low-income census tracts (1.7 percent), representing excellent performance.

The bank's percentage of loans in moderate-income census tracts (15.4 percent) is significantly lower than the 2019 aggregate lending percentage in moderate-income census tracts (23.4 percent) and the percentage of small businesses in moderate-income census tracts (25.0 percent). Consequently, the bank's performance in moderate-income areas is poor. Therefore, the bank's overall geographic distribution of small business loans is reasonable.

Next, the bank's geographic distribution of small farm loans was reviewed. The following table displays 2019 small farm loan activity by geography income level compared to the location of farms throughout this assessment area and 2019 small farm aggregate data.

Distribution of 2019 Small Farm Lending By Income Level of Geography							
Census Tract Income Level	**Bank Small Farm Loans**				**% of Farms**	**Aggregate of Peer Data**	
	#	**#%**	**$ (000s)**	**$%**		**#%**	**$%**
Low	0	0.0%	$0	0.0%	0.5%	0.4%	0.1%
Moderate	5	15.2%	$429	18.8%	10.7%	4.7%	6.7%
Middle	24	72.7%	$1,298	56.9%	74.3%	86.4%	77.4%
Upper	4	12.1%	$554	24.3%	14.4%	8.3%	15.6%
Unknown	0	0.0%	$0	0.0%	0.0%	0.2%	0.3%
TOTAL	**33**	**100.0%**	**$2,281**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: *2019 FFIEC Census Data; 2019 Dun & Bradstreet Data; 2011–2015 U.S. Census Bureau: American Community Survey*
Note: *Percentages may not total 100.0 percent due to rounding.*

The bank originated no loans to small farms in low-income census tracts compared to the percentage of farms operating inside of those census tracts (0.5 percent) and the 2019 aggregate lending levels (0.4 percent). While the bank had no volume in the low-income census tracts, this is mitigated by the low number of reported farms in those tracts (two). Therefore, the bank's performance in low-income census tracts is reasonable.

The bank's level of lending in moderate-income census tracts (15.2 percent) is significantly greater than the percentage of small farms in moderate-income census tracts (10.7 percent) and significantly greater than the 2019 aggregate lending percentage in these tracts (4.7 percent). Therefore, the bank's small farm lending performance in moderate-income census tracts is excellent.

Combined, the bank's geographic distribution of small farm loans in LMI census tracts (15.2 percent) is considered reasonable.

Third, HMDA loans were reviewed. The following table displays the geographic distribution of 2019 HMDA loans compared to owner-occupied housing demographics for the assessment area and aggregate data.

Distribution of 2019 Home Mortgage Lending By Income Level of Geography							
Census Tract Income Level	**Bank Loans**				**% of Owner-Occupied Units**	**Aggregate HMDA Data**	
	#	**#%**	**$**	**$%**		**#%**	**$%**
Home Purchase Loans							
Low	2	5.0%	$46	0.6%	2.5%	2.6%	1.2%
Moderate	4	10.0%	$205	2.8%	13.2%	12.1%	7.1%
Middle	19	47.5%	$3,249	44.7%	61.0%	64.6%	64.8%
Upper	15	37.5%	$3,770	51.9%	23.3%	20.7%	27.0%
Unknown	0	0.0%	$0	0.0%	0.0%	0.0%	0.0%
TOTAL	**40**	**100.0%**	**$7,270**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Refinance							
Low	0	0.0%	$0	0.0%	2.5%	1.5%	0.8%
Moderate	3	14.3%	$110	3.2%	13.2%	8.6%	4.6%
Middle	14	66.7%	$2,568	75.6%	61.0%	63.7%	61.2%
Upper	4	19.0%	$720	21.2%	23.3%	26.1%	33.4%
Unknown	0	0.0%	$0	0.0%	0.0%	0.0%	0.0%
TOTAL	**21**	**100.0%**	**$3,398**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Home Improvement							
Low	2	25.0%	$94	18.3%	2.5%	2.5%	4.4%
Moderate	4	50.0%	$257	50.1%	13.2%	13.4%	8.2%
Middle	2	25.0%	$162	31.6%	61.0%	61.3%	57.2%
Upper	0	0.0%	$0	0.0%	23.3%	22.8%	30.2%
Unknown	0	0.0%	$0	0.0%	0.0%	0.0%	0.0%
TOTAL	**8**	**100.0%**	**$513**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Multifamily Loans					**% of Multifamily Units**		
Low	2	14.3%	$519	4.9%	8.4%	14.0%	8.3%
Moderate	8	57.1%	$7,858	74.4%	41.0%	27.9%	38.3%
Middle	4	28.6%	$2,178	20.6%	40.8%	47.1%	39.3%
Upper	0	0.0%	$0	0.0%	7.4%	8.8%	10.1%
Unknown	0	0.0%	$0	0.0%	2.3%	2.2%	4.1%
TOTAL	**14**	**100.0%**	**$10,555**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Total Home Mortgage Loans					**% of Owner-Occupied Units**		
Low	6	7.1%	$659	3.0%	2.5%	2.3%	1.5%
Moderate	19	22.6%	$8,430	38.7%	13.2%	11.1%	8.3%
Middle	40	47.6%	$8,193	37.6%	61.0%	63.9%	62.0%
Upper	19	22.6%	$4,490	20.6%	23.3%	22.6%	27.9%
Unknown	0	0.0%	$0	0.0%	0.0%	0.0%	0.3%
TOTAL	**84**	**100.0%**	**$21,772**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: *2019 FFIEC Census Data; 2011–2015 U.S. Census Bureau: American Community Survey*
Note: *Percentages may not total 100.0 percent due to rounding.*

The analysis of HMDA loans revealed excellent lending performance to borrowers residing in low-income geographies. The bank's total penetration of low-income census tracts by number of loans (7.1 percent) is greater than the percentage of owner-occupied housing units in low-income census tracts (2.5 percent). The bank's performance in low-income census tracts is above that of other lenders in the assessment area based on 2019 HMDA aggregate data, which indicate that 2.3 percent of aggregate HMDA loans inside this assessment area were made to borrowers residing in low-income geographies.

Bank performance in moderate-income census tracts was significantly above comparison data and deemed excellent. The bank's total penetration of moderate-income census tracts (22.6 percent) is well above the percentage of owner-occupied housing units in moderate-income census tracts (13.2 percent). The bank's performance in moderate-income census tracts is also significantly above that of other lenders based on aggregate lending data, which indicate that 11.1 percent of aggregate HMDA loans inside this assessment area were made to borrowers residing in moderate-income census tracts. Combined, the bank's geographic distribution of HMDA loans in LMI geographies, 29.7 percent, is excellent.

Lastly, based on reviews from all three loan categories, Legacy Bank & Trust had loan activity in 75.0 percent of all assessment census tracts. In total, 21 of the assessment area tracts contained no loan activity, 6 of which were moderate-income census tracts. The bank originated loans in the majority of LMI census tracts (76.9 percent). Therefore, no conspicuous lending gaps were noted in LMI areas.

NONMETROPOLITAN MISSOURI STATEWIDE AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE NONMSA MISSOURI ASSESSMENT AREAS

Bank Structure

Legacy Bank & Trust Company operates two of its five offices in its two assessment areas located in nonMSA Missouri. One of the bank's branches is in a moderate-income census tract, and the other is in a middle-income census tract. Since the last examination, the bank acquired and subsequently closed a branch in Henry County and sold a branch in Laclede County.

Due to similar demographic and economic characteristics, the Henry County assessment area and Southern Missouri assessment area were evaluated together in a full-scope review. The following table gives additional detail regarding the bank's operations in the two nonMSA Missouri assessment areas.

Assessment Area	Offices		Deposits ($000s) As of June 30, 2020		Review Procedures
	#	%	$	%	
Henry County	1	50%	$60,157	45.6%	Full-scope
Southern Missouri	1	50%	$71,753	54.4%	
TOTAL	**2**	**100%**	**$131,190**	**100%**	

General Demographics

The bank's Henry County assessment area is comprised solely of Henry County, Missouri, in its entirety. As of the 2015 U.S. Census, the assessment area population was 22,034. Of the eight FDIC-insured depository institutions with a branch presence in this assessment area, the bank ranked third in deposit market share, encompassing 9.9 percent of total deposit dollars.

The bank's Southern Missouri assessment area includes all of Douglas, Laclede, Texas, and Wright counties. According to the 2015 U.S. Census, the assessment area population was 93,214. Of the 18 FDIC-insured depository institutions with a branch presence in this assessment area, the bank ranked 12th in deposit market share, encompassing 4.2 percent of total deposit dollars.

A significant portion of these assessment areas is rural in nature, and agricultural lending products represent a significant credit need. Other needs in the assessment area, as noted primarily from community contacts, include small dollar agribusiness loans and credit building assistance for LMI borrowers.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population in those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**Unknown**	**TOTAL**
Census Tracts	0	6	16	1	0	23
	0.0%	26.1%	69.6%	4.3%	0.0%	100.0%
Family Population	0	8,028	21,225	1,020	0	30,273
	0.0%	26.5%	70.1%	3.4%	0.0%	100.0%

As shown in the preceding table, 26.1 percent of census tracts in the assessment area are LMI geographies, and similarly, 26.5 percent of the family population residents in these tracts. No low-income census tracts are located in these assessment areas, and there are no moderate-income census tracts located in Henry County.

Based on 2015 U.S. Census data, the median family income for the assessment area was $44,476, compared to $48,341 for nonMSA Missouri. More recently, the FFIEC estimates the 2019 median family income for nonMSA Missouri to be $52,400.

The following table displays population percentages of assessment area families by income level compared to the nonMSA family population.

Family Population by Income Level					
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
NonMSA Assessment Areas	7,078	5,821	6,583	10,791	30,273
	23.4%	19.2%	21.8%	35.6%	99.9%
NonMSA Missouri	81,150	72,084	84,064	159,212	396,510
	20.5%	18.2%	21.2%	40.2%	100.0%

Family population by income levels in the bank’s delineated assessment areas shows a higher percentage of families that are considered LMI (42.6 percent) compared to nonMSA Missouri (38.7 percent). While not displayed in the table, the percentage of families living below the poverty level in the assessment areas (15.5) exceeds the level for nonMSA Missouri as a whole (14.2 percent). Considering these factors, the assessment areas appear less affluent than nonMSA Missouri in its entirety.

Housing Demographics

The following table displays homeownership in the assessment area compared to nonMSA Missouri.

Housing Demographics			
Dataset	**Median Housing Value**	**Affordability Ratio**	**Median Gross Rent (Monthly)**
Douglas County	$101,200	30.2%	$560
Henry County	$91,100	46.3%	$669
Laclede County	$103,400	38.4%	$598
Texas County	$99,300	35.3%	$521
Wright County	$88,200	33.8%	$522
NonMSA Assessment Areas	**$96,646**	**37.3%**	**$572**
NonMSA Missouri	$100,293	38.0%	$611

Median gross rents varied by county in the assessment area from a low of $521 in Texas County to a high of $669 in Henry County. Affordability ratios in the assessment area also varied, ranging from a high of 46.3 percent in Henry County to a low of 30.2 percent in Douglas County. While housing values and gross rents are on average lower in the assessment areas, based on the affordability ratios, which consider income levels, the assessment areas are comparable to nonMSA Missouri in affordability. However, homeownership may be out of reach of many LMI families, especially in Douglas, Wright, and Texas Counties. Community contacts confirmed that available affordable housing in the assessment areas is lacking for many LMI residents. Additionally, contacts noted that housing stock is older, and many affordable properties need repairs or energy efficiency updates.

Industry and Employment Demographics

The assessment area supports a diverse business community. The U.S. Department of Labor, Bureau of Labor Statistics indicates that there are 25,669 paid employees in the assessment area. The three largest job categories in the assessment area by employment are manufacturing, retail trade, and health care and social assistance.[1] The table below details unemployment data from the U.S. Department of Labor, Bureau of Labor Statistics (not seasonally adjusted) for each county of the assessment area, the assessment area as a whole, and nonMSA Missouri.

[1] Due to data suppression, exact percentages are not listed.

Unemployment Levels for the Assessment Area			
Dataset	**Time Period (Annual Average)**		
	2017	**2018**	**2019**
Douglas County	4.6%	4.4%	5.1%
Henry County	4.1%	3.5%	3.7%
Laclede County	4.7%	3.7%	6.9%
Texas County	4.9%	4.0%	4.5%
Wright County	4.9%	4.1%	5.3%
Assessment Area Average	**4.6%**	**3.8%**	**5.4%**
NonMSA Missouri	4.4%	3.7%	4.0%

As shown in the table above, unemployment levels varied between individual counties within the assessment area. As of 2019, unemployment rates were highest in Laclede County (6.9 percent) and lowest in Henry County (3.7 percent) and the assessment area as a whole had a higher unemployment rate (5.4 percent) than nonMSA Missouri (4.0 percent). For the assessment area and for nonMSA Missouri, the unemployment rates generally declined from 2017 to 2018 but increased in 2019, with a greater increase occurring in the bank's assessment area than in nonMSA Missouri.

Community Contact Information

Two community contacts interviews were completed as part of the evaluation of this assessment area. The community contact interviewees included individuals specializing in affordable housing and financial support for small farms.

The community contact interviewees suggested that Douglas, Texas, and Wright counties are struggling economically. The area was noted to be largely dependent on agriculture, and both contacts noted that the three counties are among the poorest and most rural counties in the state. The contacts also described a trend of shifting age demographics, as many older farmers are retiring and selling their farms to younger families.

Farmers in this area are facing numerous challenges, including the high cost of compliance with federal pork and dairy regulations as well as competition with larger corporate farms. Both contacts also mentioned that the COVID-19 pandemic has resulted in a drop in agricultural commodity prices, which has hurt farmers financially.

One contact noted that many farmers take on additional nonfarm employment to supplement their wages and to sustain their farms financially. However, many of the area's nonfarm jobs offer low wages and are located outside of the assessment area in Springfield and Branson, Missouri, requiring lengthy commutes and reliable transportation. Also, with the COVID-19 pandemic, many individuals have been furloughed from their nonfarm jobs or have had their salaries frozen, thus adding further financial distress.

While traditional banking services are available to area residents, one contact noted that many residents turn to alternative financing sources due to poor credit. One of the contacts also discussed affordable housing in the area, noting that there is a shortage of homes in the area that are in good condition. The housing stock in this area is described as old and poorly maintained with affordable home improvement loans being a stated need. Although many homes in the area are rental properties, demand for affordable rental housing exceeds supply, and the supply that does exist is generally poorly managed, according to one of the contacts interviewed.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE NONMSA MISSOURI ASSESSMENT AREAS

The bank's overall distribution of loans by borrower's income/revenue profile reflects reasonable penetration among businesses and farms of different revenue sizes and borrowers of different income levels. Furthermore, the overall geographic distribution of loans reflects excellent penetration throughout the nonMSA Missouri assessment areas.

Loan Distribution by Borrower's Profile

Overall, the bank's loan distribution by borrower's profile is reasonable, based on performance from the three loan categories reviewed. Performance under its small business loan category is excellent, while the bank's HMDA and small farm loan distribution by borrower's profile are both reasonable.

First, small business loans were reviewed to determine the bank's lending levels to businesses of different sizes. The following table shows the distribution of 2019 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Distribution of 2019 Small Business Lending By Borrower Income Level

Business Revenue and Loan Size			2019						
			Count			Dollars			Total Businesses
			Bank		Aggregate	Bank		Aggregate	
			#	%	%	$ (000s)	$%	$%	%
Business Revenue		$1 Million or Less	28	93.3%	58.8%	$1,931	85.0%	49.1%	91.1%
		Over $1 Million/ Unknown	2	6.7%	41.2%	$340	15.0%	50.9%	8.9%
		TOTAL	**30**	**100.0%**	**100.0%**	**$2,271**	**100.0%**	**100.0%**	**100.0%**
Loan Size		$100,000 or Less	24	80.0%	90.7%	$593	26.1%	36.0%	
		$100,001–$250,000	3	10.0%	5.5%	$485	21.4%	19.3%	
		$250,001–$1 Million	3	10.0%	3.8%	$1,193	52.5%	44.7%	
		Over $1 Million	0	0.0%	0.0%	$0	0.0%	0.0%	
		TOTAL	**30**	**100.0%**	**100.0%**	**$2,271**	**100.0%**	**100.0%**	
Loan Size	Revenue $1 Million or Less	$100,000 or Less	23	82.1%		$513	26.6%		
		$100,001–$250,000	3	10.7%		$485	25.1%		
		$250,001–$1 Million	2	7.1%		$933	48.3%		
		Over $1 Million	0	0.0%		$0	0.0%		
		TOTAL	**28**	**100.0%**		**$1,931**	**100.0%**		

The bank's level of lending to small businesses is excellent. The bank originated a substantial majority of its small business loans (93.3 percent) to businesses with revenues of $1 million or less. In comparison, assessment area demographics estimate that 91.1 percent of businesses in the assessment area had annual revenues of $1 million or less, and the 2019 aggregate lending level to small businesses was 58.8 percent.

Next, small farm loans were reviewed to determine the bank's lending levels to farms of different sizes. The following table shows the distribution of 2019 small farm lending by loan amount and farm revenue size compared to Dun & Bradstreet and aggregate data.

<table>
<tr><th colspan="9">Distribution of 2019 Small Farm Lending
By Borrower Income Level</th></tr>
<tr><th colspan="2" rowspan="4">Farm Revenue and Loan Size</th><th colspan="7">2019</th></tr>
<tr><th colspan="3">Count</th><th colspan="3">Dollars</th><th rowspan="2">Farms</th></tr>
<tr><th colspan="2">Bank</th><th>Aggregate</th><th colspan="2">Bank</th><th>Aggregate</th></tr>
<tr><th>#</th><th>%</th><th>%</th><th>$ (000s)</th><th>$%</th><th>$%</th><th>%</th></tr>
<tr><td rowspan="3">Farm Revenue</td><td>$1 Million or Less</td><td>62</td><td>92.5%</td><td>86.1%</td><td>$4,699</td><td>83.2%</td><td>92.2%</td><td>98.7%</td></tr>
<tr><td>Over $1 Million/ Unknown</td><td>5</td><td>7.5%</td><td>13.9%</td><td>$952</td><td>16.8%</td><td>7.8%</td><td>1.3%</td></tr>
<tr><td>TOTAL</td><td>67</td><td>100.0%</td><td>100.0%</td><td>$5,651</td><td>100.0%</td><td>100.0%</td><td>100.0%</td></tr>
<tr><td rowspan="5">Loan Size</td><td>$100,000 or Less</td><td>48</td><td>71.6%</td><td>84.2%</td><td>$1,571</td><td>27.8%</td><td>43.1%</td><td rowspan="10"></td></tr>
<tr><td>$100,001–$250,000</td><td>14</td><td>20.9%</td><td>12.2%</td><td>$2,367</td><td>41.9%</td><td>34.5%</td></tr>
<tr><td>$250,001–$500,000</td><td>5</td><td>7.5%</td><td>3.6%</td><td>$1,713</td><td>30.3%</td><td>22.4%</td></tr>
<tr><td>Over $500,000</td><td>0</td><td>0.0%</td><td>0.0%</td><td>$0</td><td>0.0%</td><td>0.0%</td></tr>
<tr><td>TOTAL</td><td>67</td><td>100.0%</td><td>100.0%</td><td>$5,651</td><td>100.0%</td><td>100.0%</td></tr>
<tr><td rowspan="5">Loan Size / Revenue $1 Million or Less</td><td>$100,000 or Less</td><td>46</td><td>74.2%</td><td rowspan="5"></td><td>$1,554</td><td>33.1%</td><td rowspan="5"></td></tr>
<tr><td>$100,001–$250,000</td><td>13</td><td>21.0%</td><td>$2,167</td><td>46.1%</td></tr>
<tr><td>$250,001–$1 Million</td><td>3</td><td>4.8%</td><td>$978</td><td>20.8%</td></tr>
<tr><td>Over $1 Million</td><td>0</td><td>0.0%</td><td>$0</td><td>0.0%</td></tr>
<tr><td>TOTAL</td><td>62</td><td>100.0%</td><td>$4,699</td><td>100.0%</td></tr>
</table>

The bank's level of lending to small farms is reasonable. The bank originated a substantial majority of its small farms loans (92.5 percent) to farms with revenues of $1 million or less. This is less than the percentage of assessment area small farms with annual revenues of $1 million or less (98.7 percent), but it is greater than the aggregate lending level to small farms (86.1 percent).

Finally, HMDA loans were reviewed. Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC ($52,400 for nonMSA Missouri as of 2019). The following table shows the distribution of HMDA reported loans by borrower income level in comparison to family population income demographics for the assessment area. Additionally, 2019 aggregate data for the assessment area is displayed.

Distribution of 2019 Home Mortgage Lending By Borrower Income Level							
Borrower Income Level	**Bank Loans**				**Families by Family Income %**	**Aggregate HMDA Data**	
	#	**#%**	**$**	**$%**		**#%**	**$%**
Low	3	8.3%	$48	1.2%	23.4%	7.0%	3.5%
Moderate	7	19.4%	$307	7.7%	19.2%	17.6%	11.7%
Middle	5	13.9%	$641	16.0%	21.7%	20.0%	17.7%
Upper	14	38.9%	$1,505	37.7%	35.6%	33.4%	41.2%
Unknown	7	19.4%	$1,496	37.4%	0.0%	22.0%	25.8%
TOTAL	**36**	**100.0%**	**$3,997**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: *2019 FFIEC Census Data; 2011–2015 U.S. Census Bureau: American Community Survey*
Note: *Percentages may not total 100.0 percent due to rounding.*

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (8.3 percent) is substantially below the low-income family population figure (23.4 percent) but above the 2019 aggregate lending level to low-income borrowers (7.0 percent). Therefore, the bank's performance with low-income borrowers is reasonable. The bank's level of lending to moderate-income borrowers (19.4 percent) is similar to the moderate-income family population percentage (19.2 percent) and the 2019 aggregate lending level to moderate-income borrowers (17.6 percent), reflecting reasonable performance. Considering performance in both income categories, bank performance is reasonable.

Geographic Distribution of Loans

As noted previously, the nonMSA Missouri assessment areas include zero low-income and six moderate-income census tracts, representing 26.1 percent of all assessment area census tracts. Overall, the bank's geographic distribution of loans in this assessment area reflects excellent penetration throughout these LMI census tracts, based on the small business, small farm, and HMDA loan categories with primary emphasis on the bank's small business lending.

First, the bank's geographic distribution of small business loans was reviewed. The following table displays 2019 small business loan activity by geography income level compared to the location of businesses throughout this assessment area and 2019 small business aggregate data.

Distribution of 2019 Small Business Lending By Income Level of Geography							
Census Tract Income Level	**Bank Small Business Loans**				**% of Businesses**	**Aggregate of Peer Data**	
	#	**#%**	**$ (000s)**	**$%**		**%**	**$%**
Low	0	0.0%	$0	0.0%	0.0%	0.0%	0.0%
Moderate	11	36.7%	$1,070	47.1%	22.0%	16.7%	14.4%
Middle	18	60.0%	$1,137	50.1%	74.7%	76.5%	83.0%
Upper	1	3.3%	$63	2.8%	3.3%	2.6%	1.6%
Unknown	0	0.0%	$0	0.0%	0.0%	4.3%	1.0%
TOTAL	**30**	**100.0%**	**$2,270**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: *2019 FFIEC Census Data; 2019 Dun & Bradstreet Data; 2011–2015 U.S. Census Bureau: American Community Survey*
Note: *Percentages may not total 100.0 percent due to rounding.*

The bank's percentage of loans in moderate-income census tracts (36.7 percent) is significantly greater than the 2019 aggregate lending percentage in moderate-income census tracts (16.7 percent) and the percentage of small businesses in moderate-income census tracts (22.0 percent). Therefore, the bank's overall geographic distribution of small business loans is excellent.

Next, the bank's geographic distribution of small farm loans was also reviewed. The following table displays 2019 small farm loan activity by geography income level compared to the location of farms throughout this assessment area and 2019 small farm aggregate data.

Distribution of 2019 Small Farm Lending By Income Level of Geography							
Census Tract Income Level	**Bank Small Farm Loans**				**% of Farms**	**Aggregate of Peer Data**	
	#	**#%**	**$ (000s)**	**$%**		**#%**	**$%**
Low	0	0.0%	$0	0.0%	0.0%	0.0%	0.0%
Moderate	19	28.4%	$1,559	27.6%	21.7%	15.2%	14.7%
Middle	48	71.6%	$4,091	72.4%	71.6%	78.2%	73.4%
Upper	0	0.0%	$0	0.0%	6.7%	6.2%	11.9%
Unknown	0	0.0%	$0	0.0%	0.0%	0.4%	0.0%
TOTAL	**67**	**100.0%**	**$5,650**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: *2019 FFIEC Census Data; 2019 Dun & Bradstreet Data; 2011–2015 U.S. Census Bureau: American Community Survey*
Note: *Percentages may not total 100.0 percent due to rounding.*

The bank's level of lending in moderate-income census tracts (28.4 percent) is significantly above the estimated percentage of farms operating inside these census tracts (21.7 percent) and 2019 aggregate lending levels in moderate-income census tracts (15.2 percent), representing excellent performance.

Third, the bank's HMDA lending was reviewed. The following table displays the geographic distribution of 2019 HMDA loans compared to owner-occupied housing demographics for the assessment area and aggregate data.

Distribution of 2019 Home Mortgage Lending By Income Level of Geography							
Census Tract Income Level	**Bank Loans**				**% of Owner-Occupied Units**	**Aggregate HMDA Data**	
	#	**#%**	**$**	**$%**		**#%**	**$%**
Low	0	0.0%	$0	0.0%	0.0%	0.0%	0.0%
Moderate	8	22.2%	$849	21.2%	24.9%	23.0%	19.0%
Middle	26	72.2%	$3,034	75.9%	71.6%	73.4%	76.4%
Upper	2	5.6%	$114	2.9%	3.5%	3.5%	4.5%
Unknown	0	0.0%	$0	0.0%	0.0%	0.1%	0.1%
TOTAL	**36**	**100.0%**	**$3,997**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: *2019 FFIEC Census Data; 2011–2015 U.S. Census Bureau: American Community Survey*
Note: *Percentages may not total 100.0 percent due to rounding.*

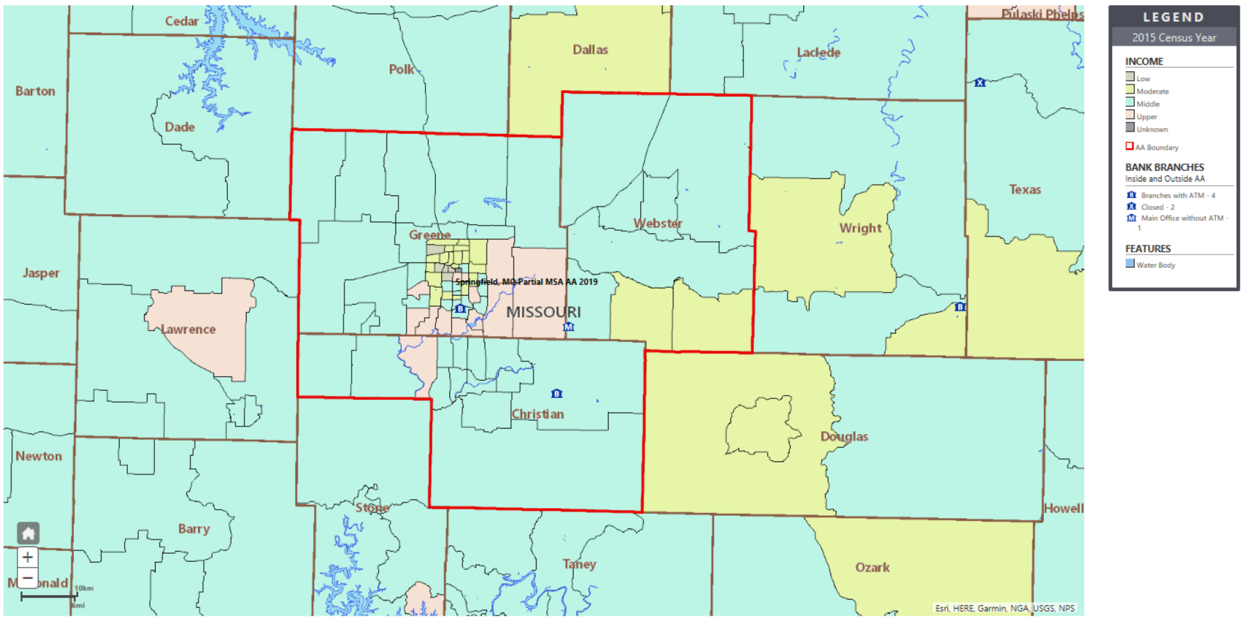
The analysis of HMDA loans revealed reasonable lending performance to borrowers residing in moderate-income geographies. The bank's total penetration of moderate-income census tracts by number of loans (22.2 percent) is similar to the percentage of owner-occupied housing units in low-income census tracts (24.9 percent) and is also similar to that of other lenders in the assessment area based on 2019 HMDA aggregate data, which indicate that 23.0 percent of aggregate HMDA loans inside this assessment area were made to borrowers residing in moderate-income geographies.

Lastly, based on reviews from all three loan categories, Legacy Bank & Trust Company had loan activity in 73.9 percent of all assessment census tracts. In total, six of the assessment area tracts contained no loan activity, one of which was a moderate-income census tract. The bank originated loans in the majority of LMI census tracts (83.3 percent). Therefore, no conspicuous lending gaps were noted in LMI areas.

Appendix A

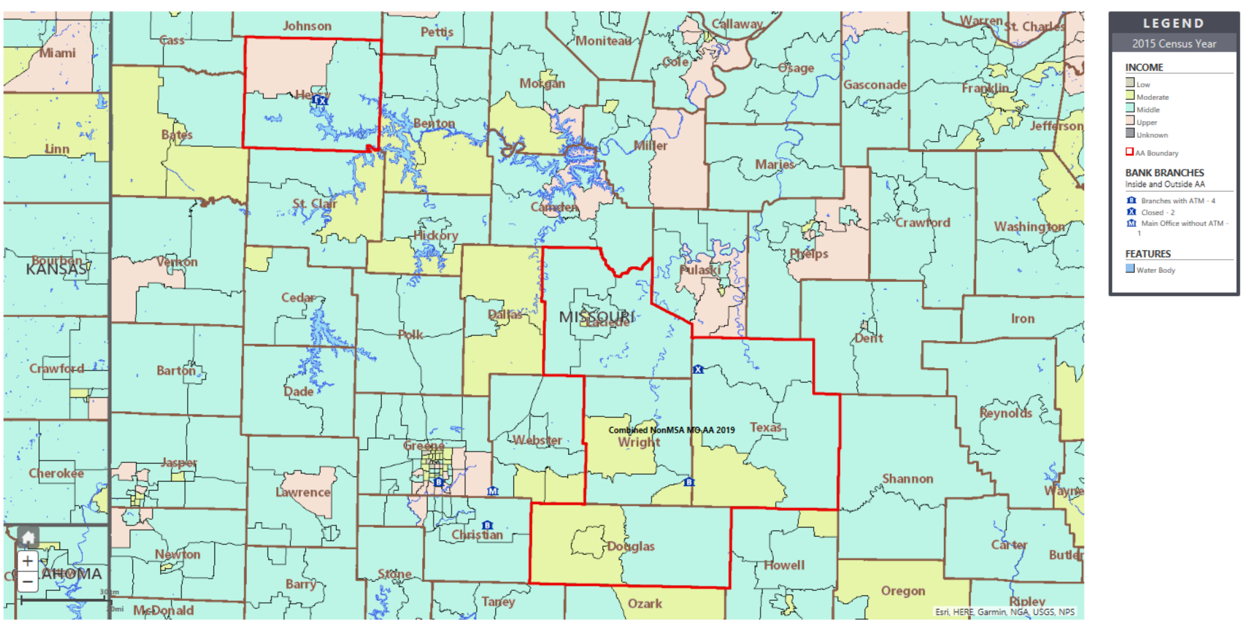
ASSESSMENT AREAS DETAIL

Legacy Bk & Tr Co - Rogersville, MO 2021
Springfield, MO Partial MSA



2019 PE Map

Legacy Bk & Tr Co - Rogersville, MO 2021
Combined NonMSA MO



2019 PE Map

Appendix B

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.

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

Census tract: A small subdivision of metropolitan and non-metropolitan 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 on 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 contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: An activity associated with one of the following five descriptions: (1) affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) 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; (4) activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, or distressed or underserved non-metropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and geographies.

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

Demographics: The statistical characteristics of human populations (e.g., age, race, sex, and income) used especially to identify markets.

Distressed non-metropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., 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 applicants; the amount of loan requested; and the disposition of the application (e.g., 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 refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., 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.

Median family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An 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. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

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

Nonmetropolitan statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

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 multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were $1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports 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 secured either 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 non-mortgage, commercial loans.

Small loan(s) to farm(s): That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports 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.

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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