

PUBLIC DISCLOSURE

October 4, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Bank & Trust, SSB
RSSD # 623454
1200 Veterans Boulevard
Del Rio, Texas 78840

Federal Reserve Bank of Dallas
2200 North Pearl Street
Dallas, Texas 75201

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

This institution is rated **Satisfactory**.

The Lending Test is rated **Satisfactory**.

The Community Development Test is rated **Satisfactory**.

The Community Reinvestment Act (CRA) performance of the Bank & Trust, SSB (the bank) is rated **Satisfactory**. This rating is based on the following conclusions with respect to the performance criteria under the Lending and Community Development (CD) Tests:

- The bank's 12-quarter average net loan-to-deposit ratio (NLTD) reflects a reasonable desire to extend credit given the institution's size, financial condition, and assessment areas' (AAs') credit needs.
- A substantial majority of the bank's loans are originated inside the AAs.
- A reasonable distribution of loans occurs throughout the bank's AAs.
- Lending reflects a reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor the Federal Reserve Bank of Dallas received any CRA-related complaints since the previous evaluation.
- CD activity reflects adequate responsiveness to the needs of the bank's AAs.

SCOPE OF EVALUATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Intermediate Small Institutions* to evaluate the bank's CRA performance. The evaluation considered performance context, including the bank's asset size, financial condition, business strategy and market competition, as well as AA credit needs and demographic and economic characteristics. Performance was assessed within the bank's two AAs. The Del Rio Nonmetropolitan AA was assessed using a full-scope review while the San Angelo Metropolitan AA was evaluated using a limited-scope review. Examiners reviewed the following data:

- The 12-quarter average NLTD ratio of the bank and three similarly situated institutions;
- The full-scope review considers approximately 83.0 percent of the bank's lending activity (by number of loans), 85.0 percent of the total deposits, and 80.0 percent of total branches;
- The entire universe of 725 loan applications reported on the bank's 2018, 2019, and 2020 Home Mortgage Disclosure Act (HMDA) Loan/Application Registers;
- A statistically derived sample of 70 small business loans taken from a universe of 108 loans originated or renewed between July 1, 2020, and December 31, 2020;
- The universe of CD loans, investments, and services, as provided by the bank, since the conclusion of the previous CRA performance evaluation as of July 30, 2018; and
- Information provided by a leader in affordable housing within the Del Rio community to further augment understanding of the credit and CD needs, and the economic conditions of the delineated AA.

DESCRIPTION OF INSTITUTION

The Bank & Trust, SSB, a retail savings bank headquartered in Del Rio, Texas, displays the following characteristics:

- The bank is a wholly owned subsidiary of Westex Bancorp, Inc.
- The bank has total assets of \$546 million as of June 30, 2021.
- In addition to its main office, the bank has four offices located in the Del Rio Nonmetropolitan AA and one office located in the San Angelo Metropolitan AA.
- The bank operates seven automatic teller machines (ATMs): one ATM at each one of its branches and a stand-alone ATM. Three of the seven ATMs take deposits.
- As shown in the table below, the bank’s largest segment of its loan portfolio is 1-to-4 family residential real estate loans, which also aligns with the bank’s primary business focus.

Table 1

Composition of Loan Portfolio as of June 30, 2021		
Loan Type	\$(000)	%
Construction and Land Development	14,570	5.0
Farmland	13,990	4.8
1-4 Family Residential Real Estate	152,185	52.5
Multifamily Residential Real Estate	5,345	1.8
Non-Farm Non-Residential Real Estate	39,116	13.5
Agricultural	2,046	0.7
Commercial and Industrial	29,072	10.0
Consumer	11,456	4.0
Other	22,000	7.6
Gross Loans	289,780	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

The bank was rated **Satisfactory** at its July 30, 2018 CRA performance evaluation, with the Lending and CD Tests receiving Satisfactory ratings. There are no known legal, financial, or other factors impeding the bank’s ability to help meet the credit needs of the communities it serves.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

This performance evaluation first discusses the bank’s overall performance, followed by an in-depth evaluation of performance in the Del Rio Nonmetropolitan AA (full-scope review) and a brief discussion of performance in the San Angelo Metropolitan AA (limited-scope review).

The bank’s overall performance under the Lending Test is Satisfactory, as the institution reasonably meets the small business and mortgage credit needs of its AAs. HMDA lending, specifically home purchase loans, was given the greatest weight for this evaluation, as it constitutes the majority of the bank’s lending. The bank’s 12-quarter average NLTD ratio reflects reasonable efforts to extend credit, which the substantial majority was originated inside the institution’s delineated AAs. Moreover, the geographic dispersion of loans throughout the AAs’ census tracts of different income levels is reasonable. Lastly, the distribution of HMDA and small business loans to LMI borrowers and to businesses of different sizes, respectively, is 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, the demographic and economic factors present in the AAs, and in comparison to similarly situated institutions insured by the Federal Deposit Insurance Corporation (FDIC). The similarly situated institutions were selected based on their proximity, similar size, and structure. The bank’s 12-quarter average NLTD ratio is reasonable given the bank’s size and financial condition, the credit needs of the AA, and the competitive local banking environment, as it is similar to the average NLTD ratios for three similarly situated local banks within the same period of time.

Table 2

Comparative NLTD Ratios 9/30/2018 – 6/30/2021			
Institution	Location	Asset Size \$(000)	12-Quarter Average NLTD Ratio (%)
Bank & Trust, SSB	Del Rio, TX	546,252	72.6
Similarly Situated Institutions			
First National Bank	Sonora, TX	548,823	80.2
Texas State Bank	San Angelo, TX	371,535	54.3
Crockett National Bank	San Antonio, TX	802,246	119.3

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AAs. The bank originated a substantial majority of loans, by number and dollar, inside the AAs.

Table 3

Lending Inside and Outside the Assessment Areas								
Loan Types	Inside				Outside			
	#	#%	\$(000s)	%	#	#%	\$(000s)	%
Home Improvement	21	95.5	1,229	91.0	1	4.5	122	9.0
Home Purchase - Conventional	317	84.8	55,377	80.4	57	15.2	13,504	19.6
Multi-Family Housing	5	83.3	1,760	92.4	1	16.7	144	7.6
Other Purpose Closed-End	33	100.0	3,583	100.0	0	0.0	0	0.0
Refinancing	86	90.5	12,468	88.6	9	9.5	1,611	11.4
Total HMDA	462	87.2	74,417	82.9	68	12.8	15,381	17.1
Total Small Business	54	77.1	2,670	74.5	16	22.9	912	25.5
TOTAL LOANS	516	86.0	77,087	82.6	84	14.0	16,293	17.4

The remaining analysis is based on loans made inside the bank’s AAs.

Geographic Distribution of Loans

This performance criterion evaluates the bank’s distribution of lending within its AAs by income level of census tracts with consideration given to the dispersion of loans throughout the AAs. The bank’s overall geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion throughout the AAs. A detailed discussion of the facts and data supporting the overall conclusions are presented in the Conclusions with Respect to Performance Criterion section for the full-scope review AA.

Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes

This performance criterion evaluates the bank’s lending to borrowers of different income levels and businesses of different revenue sizes. The bank’s lending has an overall reasonable distribution among individuals of different income levels and businesses of different sizes in the full-scope AA.

COMMUNITY DEVELOPMENT TEST

The CD Test evaluates the bank’s responsiveness to CD needs of its AAs through the extension of qualified loans, investments, and services considering the bank’s capacity and the need and availability of such opportunities in the bank’s AAs. The bank’s overall CD performance demonstrates adequate responsiveness considering the bank’s capacity and the need and availability of such opportunities for CD in the AAs. In addition, the bank extended a total of 27 investments, including two donations, with the purpose of community services that benefited geographies located within a broader regional area that includes the bank’s AAs. The bank has applied its resources strategically to meet the CD needs, primarily through initiatives and qualified investments targeted to LMI individuals in the AAs.

Table 4

Community Development Activities									
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	#
Affordable Housing	3	1,150	0	0	0	0	0	0	1
Community Services	0	0	25	9,833	23	69	48	9,902	9
Economic Development	2	2,360	0	0	6	9	6	9	7
Revitalization and Stabilization	1	9,000	0	0	0	0	0	0	0
Totals	6	\$12,510	25	\$9,833	29	\$78	54	\$9,911	17

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Compliance with the substantive provisions of antidiscrimination and other consumer protection laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act, was considered as part of this CRA evaluation. No evidence of a pattern or practice of discrimination on a prohibited basis or of other illegal credit practices inconsistent with helping to meet community credit needs was identified.

DEL RIO NONMETROPOLITAN ASSESSMENT AREA
(Full-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN DEL RIO NONMETROPOLITAN ASSESSMENT AREA

The bank's Del Rio Nonmetropolitan AA consists of Kinney, Schleicher, Sutton, and Val Verde counties. These contiguous rural counties are not part of a metropolitan statistical area. Refer to Appendix A for an AA map and Appendix B for additional demographic data.

- The bank has not changed its AA since the prior performance evaluation.
- According to the 2015 American Community Survey (ACS), the AA consists of 13 census tracts: three (23.1 percent) are moderate-income tracts, seven (53.8 percent) are middle-income tracts, two (15.4 percent) are upper-income tracts, and one (7.7 percent) is an unknown-income tract.
- All middle-income census tracts within the AA were distressed and/or underserved in 2019. In 2020, only Kinney County was designated as underserved.
- According to the June 30, 2021 FDIC Market Share Report, eight federally insured depository institutions operate 18 branches, holding deposits of \$999.7 million within the AA. The bank ranked first in deposit market share, with \$416.1 million or 41.6 percent of all deposits. Primary competitors in the market include Texas Community Bank (20.2 percent), The First National Bank of Sonora (11.5 percent), and BBVA USA (9.5 percent).
- In 2019, 121 institutions reported HMDA data in the AA. The bank ranked second in market share, with 82 applications or 9.4 percent of the market. Flagstar Bank, FSB led the market with 11.7 percent, and Quicken Loans, LLC ranked third, with 6.9 percent of the market.
- In 2020, 144 institutions reported HMDA data in the AA. The bank ranked first in market share, with 109 applications or 9.3 percent of the market. Town Square Mortgage & Investment and Quicken Loans, LLC followed the bank, with 8.3 and 7.3 percent of the market, respectively.
- Contact with a leader at a community housing authority serving the AA was conducted to ascertain the credit needs of the communities, the responsiveness of area banks in meeting those credit needs, and the local economic conditions.

Table 5

Population Change			
Assessment Area: Del Rio Nonmetropolitan			
Area	2010 Population	2015 Population	Percent Change
Del Rio Nonmetropolitan	60,066	59,747	-0.5%
Kinney County, TX	3,598	3,577	-0.6%
Schleicher County, TX	3,461	3,224	-6.8%
Sutton County, TX	4,128	3,966	-3.9%
Val Verde County, TX	48,879	48,980	0.2%
NonMSA Texas	3,035,664	3,060,473	0.8%
Texas	25,145,561	26,538,614	5.5%
<i>Source: 2010 U.S. Census Bureau Decennial Census 2011 - 2015 U.S. Census Bureau American Community Survey</i>			

- According to the United States Census Bureau, the AA experienced a slight decrease in population when compared to the population in statewide nonmetropolitan areas and the state of Texas as a whole.
- Val Verde County, which contains a substantial majority of the AA's population, experienced a slight growth that still fell below the state of Texas.

Table 6

Median Family Income Change			
Assessment Area: Del Rio Nonmetropolitan			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Del Rio Nonmetropolitan	46,420	50,700	9.2%
Kinney County, TX	33,576	50,379	50.0%
Schleicher County, TX	64,402	67,148	4.3%
Sutton County, TX	70,399	55,743	-20.8%
Val Verde County, TX	43,462	48,944	12.6%
NonMSA Texas	52,524	52,198	-0.6%
Texas	63,314	62,717	-0.9%

*Source: 2006 - 2010 U.S. Census Bureau American Community Survey
2011 - 2015 U.S. Census Bureau American Community Survey
Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.*

- There are approximately 13,868 families in the AA, of which 23.7 percent are low-income, 17.3 percent are moderate-income, 18.5 percent are middle-income, and 40.6 percent are upper income.
- Of the families in the AA, 15.8 percent are living below the poverty rate, which exceeds the family poverty rate for the state of Texas, at 13.5 percent.
- Median family income in the AA had an increasing trend as opposed to the declining trend for the state of Texas. Three of the four counties experienced a noticeable increase in median family income.
- According to Dunn & Bradstreet (D&B), 1,644 businesses operated in the AA in 2020, of which 1,506 or 91.6 percent reported gross revenues less than \$1 million.

Table 7

Housing Cost Burden						
Assessment Area: Del Rio Nonmetropolitan						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Del Rio Nonmetropolitan	64.5%	28.9%	31.7%	50.8%	18.9%	16.2%
Kinney County, TX	40.9%	27.3%	21.9%	34.5%	27.6%	14.5%
Schleicher County, TX	66.7%	0.0%	27.5%	59.4%	18.8%	15.3%
Sutton County, TX	50.6%	0.0%	11.7%	71.4%	16.7%	22.8%
Val Verde County, TX	66.2%	30.4%	34.2%	50.6%	18.3%	15.7%
NonMSA Texas	64.9%	34.3%	35.1%	49.8%	22.6%	16.6%
Texas	77.5%	46.7%	42.4%	59.1%	33.8%	19.4%

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

- In 2020, the AA contained 23,991 housing units with a median age of 40 years.
- The AA median housing value of \$89,715 is lower than the state median housing value of \$136,000.

- The housing in the AA is more affordable compared to the state of Texas given the percentage of housing cost burden.
- The community contact noted the AA is in need of more affordable housing options. This need is depicted above, with more than half of low-income owners and renters who are burdened with housing cost within the AA. This trend is also reflected in Val Verde County, which represents the largest segment of population within the AA.
- Owner-occupied units in the AA comprise 50.9 percent of the housing stock, with rental and vacant properties representing 25.9 percent and 23.2 percent, respectively. Of the owner-occupied housing units, 20.4 percent are in moderate-income census tracts, 57.4 percent are in middle-income census tracts, and 22.2 percent are in upper-income census tracts.

Table 8

Unemployment Rates					
Assessment Area: Del Rio Nonmetropolitan					
Area	2016	2017	2018	2019	2020
Del Rio Nonmetropolitan	6.3%	5.1%	3.9%	3.3%	7.9%
Kinney County, TX	5.8%	5.6%	4.4%	3.6%	6.0%
Schleicher County, TX	5.2%	3.7%	2.8%	2.8%	6.9%
Sutton County, TX	8.0%	5.1%	3.8%	3.7%	9.8%
Val Verde County, TX	6.3%	5.1%	3.9%	3.3%	7.9%
NonMSA Texas	5.6%	4.8%	4.1%	3.7%	7.2%
Texas	4.6%	4.3%	3.9%	3.5%	7.6%

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

- The most common industry clusters in Del Rio include public administration, retail trade, and educational services.
- The highest paying industries include public administration, mining, quarrying, oil/gas extraction, and transportation/warehousing
- Major employers include Laughlin Air Force Base, Government Agencies, San Felipe Del Rio Consolidated Independent School District, and City of Del Rio.
- Prior to the COVID-19 pandemic, the pace of unemployment was improving faster than the state of Texas; however in 2020, the impact of the pandemic devastated the AA with an unemployment rate exceeding that of the state.
- Publicly available information shows small business loans originated or purchased in the AA in moderate-income census tracts totaled 17.8 percent during 2020. This is comparable with the distribution of businesses within the census tracts in the AA. This may be indicative of small business loan demand within the AA in relation to the Paycheck Protection Program (PPP). The bank participated in lending through the SBA's PPP in efforts to help minimize further unemployment and stabilize the negative economic impact of the pandemic.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DEL RIO NONMETROPOLITAN ASSESSMENT AREA

Lending activity reflects reasonable responsiveness to the AA's credit needs. The geographic distribution of loans reflects reasonable distribution throughout the AA. The borrower distribution reflects reasonable reach among borrowers of different income levels and businesses of different revenue sizes. Additionally, the bank adequately responds to CD needs by extending qualified CD loans. During the review period, the bank reported 462 (90.2 percent) of HMDA-reportable loans inside the Del Rio Nonmetropolitan AA while only reporting 54 (10.5 percent) small business loans. Therefore, HMDA lending was given greater weight in determining the bank's Lending Test rating in the AA. While analyses were conducted for the entire review period, the bank's performance is considered consistent with data provided for the most recent two-year period. Details of the bank's mortgage and small business lending and information regarding lending by aggregate lenders can be found in Appendix D.

Geographic Distribution of Loans

The bank's geographic distribution of loans reflects reasonable distribution among the different income-level census tracts and dispersion throughout the AA. The AA has three moderate-income census tracts, which provides limited opportunities for extending HMDA and small business loans. Moreover, all of the middle-income tracts within the AA were classified as distressed and/ or underserved in 2019. In 2020, the AA only contained one distressed and/ or underserved middle-income census tract. Generally, the bank extended loans in close proximity to its branches, and no conspicuous gaps or anomalies in the lending patterns were noted. The distribution of the bank's lending in upper-income geographies did not affect the conclusions about the bank's performance in moderate- and middle-income geographies.

Residential Real Estate (HMDA) Lending

The geographic distribution of HMDA lending is reasonable. Home purchase lending was also given more weight in the analysis of geographic distribution, as home purchases represented the majority of the HMDA loans during the review period. Given the limited volume of refinance, home improvement, and multifamily loans extended by the bank during the review period, these products are not discussed separately.

The geographic distribution of home purchase loans is reasonable. In 2019 and 2020, the bank lagged aggregate lenders in moderate-income census tracts, and both bank and aggregate lagged the demographics. However, the bank outperformed aggregate lenders in middle-income tracts as well as the percentage of owner-occupied units for both years. In 2019, a total of 70.2 percent of loans were extended in census tracts designated as distressed and/or underserved. In 2020, the bank outperformed the demographic by originating 64.9 percent of total loans. Although the total number of distressed and/ or underserved tracts decreased in the AA, the only designated county, Kinney County, produced the largest increase in median family income at 50.0 percent.

Table 9¹

Distribution of 2019 and 2020 Home Mortgage Lending By Income Level of Geography Assessment Area: Del Rio Nonmetropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2019						2020						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	7.7	0	0.0	5.2	2	2.7	7.4	122	0.9	4.0	20.4
Middle	33	70.2	50.3	4,163	63.0	46.2	48	64.9	53.6	8,307	64.3	53.6	57.4
Upper	14	29.8	41.8	2,445	37.0	48.5	24	32.4	39.0	4,500	34.8	42.3	22.2
Unknown	0	0.0	0.2	0	0.0	0.2	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	47	100.0	100.0	6,608	100.0	100.0	74	100.0	100.0	12,929	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	6.4	0	0.0	3.9	2	9.1	4.4	216	5.7	2.2	20.4
Middle	11	73.3	50.0	1,149	82.0	55.0	16	72.7	45.5	3,011	79.6	47.4	57.4
Upper	4	26.7	43.6	252	18.0	41.2	4	18.2	50.2	555	14.7	50.4	22.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	15	100.0	100.0	1,401	100.0	100.0	22	100.0	100.0	3,782	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	28.6	0	0.0	17.6	20.4
Middle	4	80.0	55.6	273	82.0	61.8	3	75.0	71.4	148	89.2	82.4	57.4
Upper	1	20.0	44.4	60	18.0	38.2	1	25.0	0.0	18	10.8	0.0	22.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	5	100.0	100.0	333	100.0	100.0	4	100.0	100.0	166	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	13.8
Middle	3	100.0	0.0	620	100.0	0.0	1	100.0	0.0	240	100.0	0.0	62.0
Upper	0	0.0	100.0	0	0.0	100.0	0	0.0	0.0	0	0.0	0.0	24.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	3	100.0	100.0	620	100.0	100.0	1	100.0	0.0	240	100.0	0.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	7.2	0	0.0	4.8	4	3.7	6.6	338	1.9	3.4	20.4
Middle	62	75.6	51.9	7,584	72.6	49.4	74	67.9	52.2	12,398	69.1	52.0	57.4
Upper	20	24.4	40.8	2,862	27.4	45.7	31	28.4	41.2	5,213	29.0	44.6	22.2
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	82	100.0	100.0	10,446	100.0	100.0	109	100.0	100.0	17,949	100.0	100.0	100.0

Source: 2020 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

¹ Due to limited volume in the Other Purpose Lines of Credit, Other Purpose Closed/Exempt, and Purpose Not Applicable product categories, these categories are not displayed individually, but are included in the total HMDA section of the table.

Small Business Lending

The geographic distribution of small business lending is excellent. For the review period, the bank originated 14 (33.3 percent by number or 29.2 percent by dollar volume) small business loans to businesses in moderate-income census tracts exceeding the demographics of small businesses located in those tracts. Conversely, the bank’s small business lending in the middle- and upper-income census tracts, by number and dollar volume, were below, yet comparable, to the demographic figure. Furthermore, no gaps or lapses in lending were identified within the AA.

Table 10

Distribution of Small Business Lending By Income Level of Geography					
July 1 - December 31, 2020					
Assessment Area: Del Rio Nonmetropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	14	33.3	693	29.2	18.1
Middle	22	52.4	1,226	51.7	58.8
Upper	6	14.3	453	19.1	23.1
Unknown	0	0.0	0	0.0	0.1
Tract-Unk	0	0.0	0	0.0	
Total	42	100.0	2,371	100.0	100.0

*Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey*

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

Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes

The bank’s lending has a reasonable distribution among individuals of different income levels and businesses of different sizes. The distribution of both HMDA and small business loans is reasonable, as the bank performed comparable to or above aggregate lenders in originating loans to LMI borrowers during the review period. The distribution of the remainder of the bank’s lending to middle- and upper-income borrowers did not affect conclusions about the bank’s performance considering its lending to LMI borrowers. In addition, the bank’s lending to businesses of different revenue levels is reasonable, as an equal effort was made to originate small business loans in the AA with annual revenues of \$1 million or less.

Residential Real Estate (HMDA) Lending

The borrower distribution of HMDA lending is reasonable. The bank’s lending to LMI borrowers was significantly lower than AA demographics. Several factors may account for the low level of lending compared to AA demographics, including limited options of affordable housing within the AA as noted by the community contact. Moreover, the bank’s ability to originate HMDA loans to LMI families, which comprise 41.0 percent of the AA families, may be affected by the challenges LMI families may face in meeting loan underwriting criteria.

The bank's borrower distribution of home purchase lending in the AA during the review period is adequate. In 2019, the bank originated or purchased three or 6.4 percent by number of home purchase loans to borrowers in moderate-income census tracts, which is below the performance of aggregate lenders, at 10.4 percent by number. However, both the bank and aggregate lenders fell below the demographic of the assessment area. In 2020, the bank's performance slightly improved, originating or purchasing seven or 9.5 percent of home purchase loans in moderate-income census tracts. The bank's performance once again fell below the performance of aggregate lenders, which originated or purchased 12.8 percent by number in these tracts. Both the bank and aggregate lenders fell below the demographic of the assessment area. Only 17.3 percent of owner-occupied housing units were located within moderate-income census tracts during the review period, which indicate there may not be a high demand for home purchase loans.

Table 11²

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Del Rio Nonmetropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2019						2020						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	0	0.0	2.7	0	0.0	1.5	1	1.4	2.8	35	0.3	1.3	23.7
Moderate	3	6.4	10.4	163	2.5	6.1	7	9.5	12.8	783	6.1	7.4	17.3
Middle	4	8.5	26.2	388	5.9	21.8	17	23.0	29.0	2,054	15.9	23.3	18.5
Upper	35	74.5	47.8	5,758	87.1	55.7	48	64.9	45.8	9,953	77.0	56.1	40.6
Unknown	5	10.6	12.8	299	4.5	14.9	1	1.4	9.5	104	0.8	11.9	0.0
Total	47	100.0	100.0	6,608	100.0	100.0	74	100.0	100.0	12,929	100.0	100.0	100.0
Refinance Loans													
Low	1	6.7	1.9	42	3.0	1.1	0	0.0	0.6	0	0.0	0.5	23.7
Moderate	2	13.3	7.7	133	9.5	4.1	1	4.5	2.2	71	1.9	1.3	17.3
Middle	2	13.3	17.9	128	9.1	10.4	3	13.6	7.8	439	11.6	5.6	18.5
Upper	10	66.7	44.9	1,098	78.4	54.4	17	77.3	39.2	2,857	75.5	39.3	40.6
Unknown	0	0.0	27.6	0	0.0	29.9	1	4.5	50.2	415	11.0	53.3	0.0
Total	15	100.0	100.0	1,401	100.0	100.0	22	100.0	100.0	3,782	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	23.7
Moderate	0	0.0	11.1	0	0.0	1.4	1	25.0	14.3	18	10.8	2.7	17.3
Middle	1	20.0	33.3	30	9.0	30.7	1	25.0	0.0	30	18.1	0.0	18.5
Upper	4	80.0	44.4	303	91.0	65.2	2	50.0	71.4	118	71.1	87.5	40.6
Unknown	0	0.0	11.1	0	0.0	2.7	0	0.0	14.3	0	0.0	9.9	0.0
Total	5	100.0	100.0	333	100.0	100.0	4	100.0	100.0	166	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	2	2.5	2.7	87	0.9	1.5	2	1.9	2.0	75	0.4	1.0	23.7
Moderate	8	10.1	9.5	600	6.1	5.5	10	9.3	8.9	917	5.2	5.1	17.3
Middle	9	11.4	23.8	636	6.5	18.9	22	20.4	21.2	2,723	15.4	16.6	18.5
Upper	55	69.6	46.4	8,204	83.5	55.4	71	65.7	41.8	13,440	75.9	48.9	40.6
Unknown	5	6.3	17.7	299	3.0	18.7	3	2.8	26.1	554	3.1	28.5	0.0
Total	79	100.0	100.0	9,826	100.0	100.0	108	100.0	100.0	17,709	100.0	100.0	100.0
<p>Source: 2020 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.</p>													

² Due to limited volume in the Other Purpose Line of Credit, Other Purpose Closed/Exempt, and Purpose Not Applicable product categories, these categories are not displayed individually but are included in the total HMDA section of the table.

Small Business Lending

The borrower distribution of small business lending is reasonable. According to 2020 D&B data, 91.6 percent of businesses in the AA are considered small businesses. During the review period, the bank’s lending to small businesses by both number and dollar volume is below demographics. As shown in the table below, loans to businesses that are not small businesses received credit at a higher rate than the distribution of such businesses in the area. Although the bank’s performance is below demographics, a high level of competition from large institutions located within the AA can be a factor. Further, of the total loans reviewed, 33.3 percent by number and 43.9 percent by dollar, represent businesses with unknown revenues, which can be attributed to PPP lending. Using loan size as a proxy for business size, as typically, small businesses require smaller dollar credits, it is noted that the bank extended 83.3 percent of the business loans in amounts of \$100,000 or less.

Table 12

Distribution of Small Business Lending By Revenue Size of Businesses					
July 1 - December 31, 2020					
Assessment Area: Del Rio Nonmetropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	21	50.0	897	37.8	91.6
Over \$1 Million	7	16.7	434	18.3	6.8
Revenue Unknown	14	33.3	1,040	43.9	1.6
Total	42	100.0	2,371	100.0	100.0
By Loan Size					
\$100,000 or Less	35	83.3	914	38.5	
\$100,001 - \$250,000	6	14.3	1,057	44.6	
\$250,001 - \$1 Million	1	2.4	400	16.9	
Total	42	100.0	2,371	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	18	85.7	406	45.3	
\$100,001 - \$250,000	3	14.3	491	54.7	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	21	100.0	897	100.0	
<i>Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

COMMUNITY DEVELOPMENT TEST

The bank’s CD performance demonstrates adequate responsiveness. The bank has applied its resources strategically to meet the CD needs of the AA, primarily through initiatives to LMI individuals in the communities it serves.

During the review period, the bank originated three loans for the purpose of affordable housing within Val Verde County, which was a distressed county. The loan funds were applied to secure

affordable homes in an area where there has been very little residential development for several years and a defined need as expressed by the community contact. In addition, the bank's donations were focused heavily on community service purposes while also extending approximately 824 hours participating in CD services.

The table below depicts a summary of the bank's CD activities within the AA since the previous CRA evaluation.

Table 13

Community Development Activity Assessment Area: Del Rio Nonmetropolitan									
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services #
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	
Affordable Housing	3	1,150	0	0	0	0	0	0	1
Community Services	0	0	0	0	21	62	21	62	6
Economic Development	1	660	0	0	0	0	0	0	6
Revitalization and Stabilization	0	0	0	0	6	9	6	9	0
Totals	4	\$1,810	0	\$0	27	\$71	27	\$71	13

SAN ANGELO METROPOLITAN ASSESSMENT AREA
(Limited-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN SAN ANGELO METROPOLITAN AA

The San Angelo Metropolitan AA consists of Tom Green County. The bank has one branch within the AA. As of June 30, 2020, the bank had \$77.2 million in deposits in this AA, representing a market share of 2.5 percent and 1.6 percent of the bank's total deposits in Texas. Given the bank's limited lending activity in the AA, a limited-scope review was conducted. Moreover, the bank's performance in this AA carried the least weight when rating the overall bank's performance in meeting the credit and CD needs of the communities it serves.

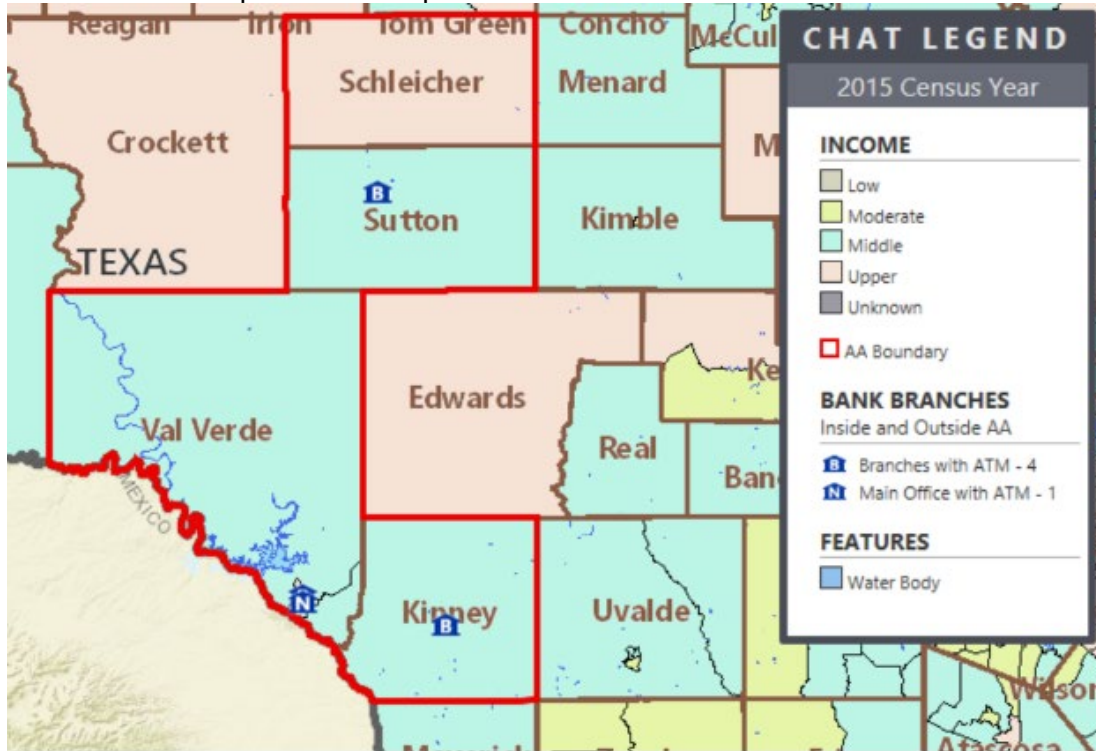
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SAN ANGELO METROPOLITAN AA

Through the use of available facts and data, including performance and demographic information, the AA's performance was evaluated and compared with the bank's performance in the state of Texas.

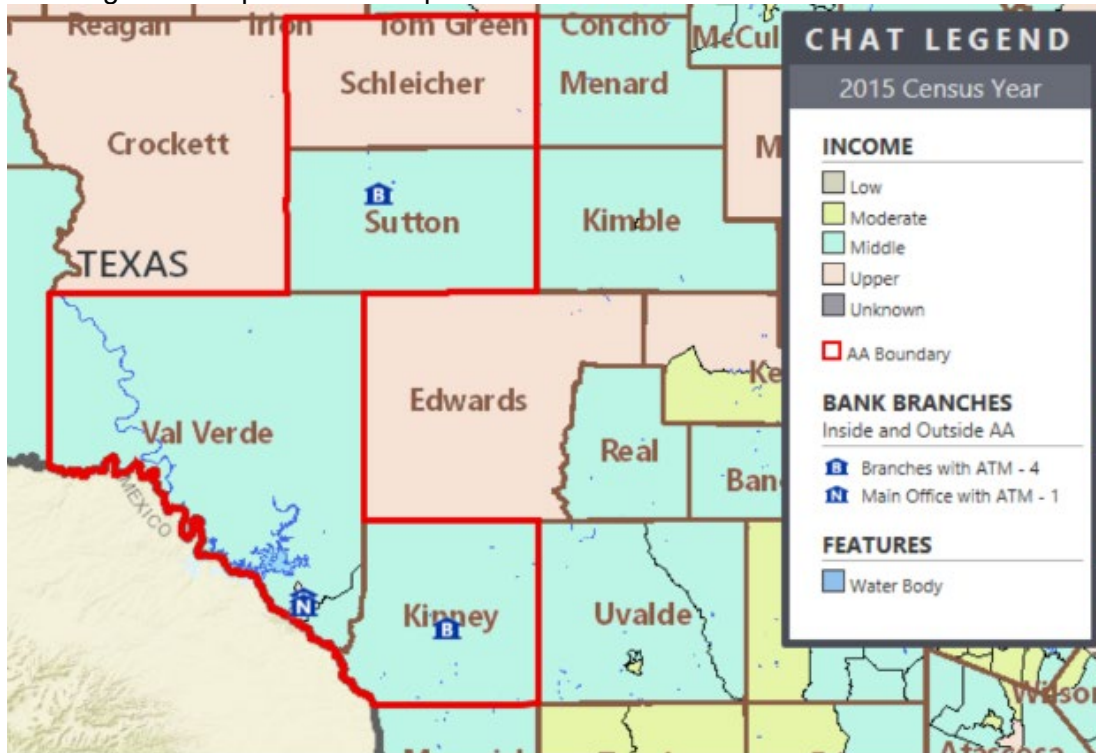
The institution's lending performance in the San Angelo AA is consistent with the institution's lending performance overall. Under the Lending Test, the dispersion of loans as well as the distribution of lending by income level of borrower and revenue size of businesses were consistent with the AA receiving a full-scope review. Additionally, the bank's CD performance in the AA is below the institution's overall CD performance. The bank originated one qualified loan within the AA, totaling \$1.7 million. Please refer to the tables in the Appendices for information on small business and HMDA lending in this AA.

APPENDIX A – MAPS OF THE ASSESSMENT AREAS

Del Rio Nonmetropolitan AA Map



San Angelo Metropolitan AA Map



APPENDIX B – DEMOGRAPHIC INFORMATION

2020 Del Rio Nonmetropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	3,286	23.7
Moderate	3	23.1	2,816	20.3	654	23.2	2,393	17.3
Middle	7	53.8	8,087	58.3	1,269	15.7	2,560	18.5
Upper	2	15.4	2,965	21.4	262	8.8	5,629	40.6
Unknown	1	7.7	0	0.0	0	0.0	0	0.0
Total AA	13	100.0	13,868	100.0	2,185	15.8	13,868	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	4,201	2,487	20.4	59.2	1,110	26.4	604	14.4
Middle	14,913	7,007	57.4	47.0	3,834	25.7	4,072	27.3
Upper	4,877	2,712	22.2	55.6	1,273	26.1	892	18.3
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	23,991	12,206	100.0	50.9	6,217	25.9	5,568	23.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	298	18.1	278	18.5	17	15.2	3	11.5
Middle	966	58.8	876	58.2	72	64.3	18	69.2
Upper	379	23.1	351	23.3	23	20.5	5	19.2
Unknown	1	0.1	1	0.1	0	0.0	0	0.0
Total AA	1,644	100.0	1,506	100.0	112	100.0	26	100.0
Percentage of Total Businesses:				91.6		6.8		1.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	8	7.5	7	6.7	1	100.0	0	0.0
Middle	81	76.4	80	76.9	0	0.0	1	100.0
Upper	17	16.0	17	16.3	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	106	100.0	104	100.0	1	100.0	1	100.0
Percentage of Total Farms:				98.1		0.9		0.9
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey								
Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX C – LIMITED-SCOPE REVIEW ASSESSMENT AREA TABLES

Distribution of 2019 and 2020 Home Mortgage Lending By Income Level of Geography Assessment Area: San Angelo Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2019						2020						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	0.5	0	0.0	0.3	0	0.0	0.5	0	0.0	0.3	1.4
Moderate	6	13.6	17.1	537	6.3	12.0	5	12.8	14.6	892	10.0	10.3	25.2
Middle	18	40.9	54.8	3,202	37.7	53.0	16	41.0	55.0	3,892	43.4	52.7	49.4
Upper	20	45.5	27.7	4,762	56.0	34.8	18	46.2	30.0	4,178	46.6	36.6	23.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	44	100.0	100.0	8,501	100.0	100.0	39	100.0	100.0	8,962	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.3	0	0.0	0.1	0	0.0	0.3	0	0.0	0.2	1.4
Moderate	0	0.0	13.2	0	0.0	7.0	1	6.7	10.8	100	3.8	7.1	25.2
Middle	3	50.0	52.0	505	40.7	47.5	6	40.0	51.4	840	31.9	47.8	49.4
Upper	3	50.0	34.4	736	59.3	45.3	8	53.3	37.5	1,690	64.3	44.9	23.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	6	100.0	100.0	1,241	100.0	100.0	15	100.0	100.0	2,630	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	1.4	0	0.0	0.9	0	0.0	0.0	0	0.0	0.0	1.4
Moderate	0	0.0	20.3	0	0.0	13.0	0	0.0	2.3	0	0.0	0.8	25.2
Middle	1	50.0	41.9	93	66.4	41.0	0	0.0	41.9	0	0.0	36.8	49.4
Upper	1	50.0	36.5	47	33.6	45.2	0	0.0	55.8	0	0.0	62.4	23.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	2	100.0	100.0	140	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	9.1	0	0.0	8.5	0	0.0	15.4	0	0.0	3.6	5.7
Moderate	0	0.0	63.6	0	0.0	60.3	0	0.0	7.7	0	0.0	1.4	27.8
Middle	0	0.0	27.3	0	0.0	31.2	0	0.0	61.5	0	0.0	77.4	59.4
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	15.4	0	0.0	17.6	7.1
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	0.5	0	0.0	0.5	0	0.0	0.4	0	0.0	0.5	1.4
Moderate	6	11.5	16.6	537	5.4	12.7	6	10.7	13.4	992	8.3	8.6	25.2
Middle	22	42.3	53.9	3,800	38.5	51.0	22	39.3	53.6	4,732	39.5	52.6	49.4
Upper	24	46.2	29.0	5,545	56.1	35.7	28	50.0	32.6	6,270	52.3	38.2	23.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	52	100.0	100.0	9,882	100.0	100.0	56	100.0	100.0	11,994	100.0	100.0	100.0
<p>Source: 2020 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</p>													

Distribution of 2018 Home Mortgage Lending By Income Level of Geography							
Assessment Area: San Angelo Metropolitan							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Home Purchase Loans							
Low	1	2.8	0.3	68	1.0	0.1	1.4
Moderate	3	8.3	14.7	221	3.2	9.3	25.2
Middle	19	52.8	54.1	3,481	50.3	52.2	49.4
Upper	13	36.1	30.9	3,148	45.5	38.4	23.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	36	100.0	100.0	6,918	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	0.2	0	0.0	0.0	1.4
Moderate	1	12.5	16.0	148	8.1	9.7	25.2
Middle	2	25.0	52.7	796	43.4	45.8	49.4
Upper	5	62.5	31.1	889	48.5	44.4	23.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	8	100.0	100.0	1,833	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	0.0	0	0.0	0.0	1.4
Moderate	3	60.0	20.0	219	72.0	15.0	25.2
Middle	0	0.0	52.9	0	0.0	48.0	49.4
Upper	2	40.0	27.1	85	28.0	36.9	23.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	5	100.0	100.0	304	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	1	100.0	6.3	900	100.0	23.3	5.7
Moderate	0	0.0	37.5	0	0.0	3.4	27.8
Middle	0	0.0	31.3	0	0.0	34.5	59.4
Upper	0	0.0	25.0	0	0.0	38.8	7.1
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	1	100.0	100.0	900	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	2	4.0	0.3	968	9.7	1.7	1.4
Moderate	7	14.0	15.5	588	5.9	9.0	25.2
Middle	21	42.0	54.0	4,277	43.0	50.6	49.4
Upper	20	40.0	30.2	4,122	41.4	38.7	23.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	50	100.0	100.0	9,955	100.0	100.0	100.0
Source: 2018 FFIEC Census Data 2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

Distribution of 2019 and 2020 Home Mortgage Lending By Borrower Income Level													
Assessment Area: San Angelo Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2019						2020						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#	\$(000)	%	%	#	%	#	\$(000)	%	%	
Home Purchase Loans													
Low	1	2.3	3.9	43	0.5	1.9	0	0.0	5.0	0	0.0	2.7	21.6
Moderate	6	13.6	14.1	807	9.5	9.4	0	0.0	16.8	0	0.0	12.5	18.2
Middle	4	9.1	26.2	632	7.4	23.6	7	17.9	24.4	1,239	13.8	22.9	20.7
Upper	24	54.5	39.6	6,071	71.4	49.9	31	79.5	40.9	7,548	84.2	49.1	39.4
Unknown	9	20.5	16.2	948	11.2	15.1	1	2.6	12.9	175	2.0	12.8	0.0
Total	44	100.0	100.0	8,501	100.0	100.0	39	100.0	100.0	8,962	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	3.6	0	0.0	1.5	0	0.0	1.6	0	0.0	0.6	21.6
Moderate	0	0.0	12.1	0	0.0	6.2	1	6.7	6.9	75	2.9	4.2	18.2
Middle	2	33.3	16.1	343	27.6	11.4	4	26.7	13.1	463	17.6	10.1	20.7
Upper	2	33.3	45.1	600	48.3	55.7	9	60.0	41.4	1,972	75.0	46.8	39.4
Unknown	2	33.3	23.1	298	24.0	25.1	1	6.7	37.0	120	4.6	38.3	0.0
Total	6	100.0	100.0	1,241	100.0	100.0	15	100.0	100.0	2,630	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	10.8	0	0.0	6.1	0	0.0	9.3	0	0.0	4.7	21.6
Moderate	0	0.0	13.5	0	0.0	10.9	0	0.0	2.3	0	0.0	3.1	18.2
Middle	0	0.0	9.5	0	0.0	5.7	0	0.0	16.3	0	0.0	18.9	20.7
Upper	2	100.0	64.9	140	100.0	73.2	0	0.0	69.8	0	0.0	72.1	39.4
Unknown	0	0.0	1.4	0	0.0	4.1	0	0.0	2.3	0	0.0	1.2	0.0
Total	2	100.0	100.0	140	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													
Low	1	1.9	4.0	43	0.4	1.9	0	0.0	3.5	0	0.0	1.8	21.6
Moderate	6	11.5	13.5	807	8.2	8.8	1	1.8	12.1	75	0.6	8.8	18.2
Middle	6	11.5	23.2	975	9.9	20.6	11	19.6	18.8	1,702	14.2	17.1	20.7
Upper	28	53.8	40.7	6,811	68.9	50.9	42	75.0	39.6	9,922	82.7	47.1	39.4
Unknown	11	21.2	18.7	1,246	12.6	17.8	2	3.6	26.0	295	2.5	25.2	0.0
Total	52	100.0	100.0	9,882	100.0	100.0	56	100.0	100.0	11,994	100.0	100.0	100.0
Source: 2020 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2018 Home Mortgage Lending By Borrower Income Level							
Assessment Area: San Angelo Metropolitan							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	1	2.8	4.5	64	0.9	2.3	21.5
Moderate	0	0.0	15.1	0	0.0	11.2	18.2
Middle	3	8.3	22.4	568	8.2	21.2	20.7
Upper	30	83.3	38.1	6,151	88.9	47.5	39.5
Unknown	2	5.6	19.9	135	2.0	17.9	0.0
Total	36	100.0	100.0	6,918	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	5.9	0	0.0	2.7	21.5
Moderate	1	12.5	13.0	38	2.1	7.9	18.2
Middle	2	25.0	15.5	158	8.6	12.7	20.7
Upper	4	50.0	48.0	1,489	81.2	58.9	39.5
Unknown	1	12.5	17.7	148	8.1	17.8	0.0
Total	8	100.0	100.0	1,833	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	5.7	0	0.0	7.2	21.5
Moderate	0	0.0	11.4	0	0.0	8.5	18.2
Middle	1	20.0	14.3	30	9.9	8.8	20.7
Upper	4	80.0	58.6	274	90.1	55.6	39.5
Unknown	0	0.0	10.0	0	0.0	20.0	0.0
Total	5	100.0	100.0	304	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	1	2.0	4.8	64	0.7	2.4	21.5
Moderate	1	2.0	14.3	38	0.4	10.4	18.2
Middle	6	12.2	20.3	756	8.3	19.1	20.7
Upper	38	77.6	39.5	7,914	87.4	48.5	39.5
Unknown	3	6.1	21.2	283	3.1	19.6	0.0
Total	49	100.0	100.0	9,055	100.0	100.0	100.0
<p>Source: 2018 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.</p>							

Distribution of Small Business Lending By Income Level of Geography					
July 1 - December 31, 2020					
Assessment Area: San Angelo Metropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	11.2
Moderate	2	16.7	23	7.7	21.6
Middle	7	58.3	207	69.2	43.7
Upper	3	25.0	69	23.1	23.3
Unknown	0	0.0	0	0.0	0.3
Tract-Unk	0	0.0	0	0.0	
Total	12	100.0	299	100.0	100.0

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

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

Distribution of Small Business Lending By Revenue Size of Businesses					
July 1 - December 31, 2020					
Assessment Area: San Angelo Metropolitan					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
By Revenue					
\$1 Million or Less	5	41.7	65	21.7	91.7
Over \$1 Million	1	8.3	75	25.1	7.4
Revenue Unknown	6	50.0	159	53.2	0.9
Total	12	100.0	299	100.0	100.0
By Loan Size					
\$100,000 or Less	12	100.0	299	100.0	
\$100,001 - \$250,000	0	0.0	0	0.0	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	12	100.0	299	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	5	100.0	65	100.0	
\$100,001 - \$250,000	0	0.0	0	0.0	
\$250,001 - \$1 Million	0	0.0	0	0.0	
Total	5	100.0	65	100.0	

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

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

2020 San Angelo Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	4.0	436	1.6	134	30.7	5,932	21.6
Moderate	8	32.0	6,831	24.9	1,258	18.4	5,001	18.2
Middle	11	44.0	14,319	52.2	1,125	7.9	5,686	20.7
Upper	4	16.0	5,832	21.3	426	7.3	10,799	39.4
Unknown	1	4.0	0	0.0	0	0.0	0	0.0
Total AA	25	100.0	27,418	100.0	2,943	10.7	27,418	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,137	375	1.4	33.0	580	51.0	182	16.0
Moderate	13,616	6,678	25.2	49.0	4,663	34.2	2,275	16.7
Middle	23,275	13,082	49.4	56.2	8,817	37.9	1,376	5.9
Upper	9,339	6,330	23.9	67.8	2,300	24.6	709	7.6
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	47,367	26,465	100.0	55.9	16,360	34.5	4,542	9.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	549	11.2	477	10.6	65	18.0	7	16.3
Moderate	1,057	21.6	954	21.2	94	26.0	9	20.9
Middle	2,138	43.7	1,971	43.9	148	40.9	19	44.2
Upper	1,139	23.3	1,079	24.0	52	14.4	8	18.6
Unknown	14	0.3	11	0.2	3	0.8	0	0.0
Total AA	4,897	100.0	4,492	100.0	362	100.0	43	100.0
Percentage of Total Businesses:				91.7		7.4		0.9
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	15	5.9	14	5.8	0	0.0	1	100.0
Moderate	15	5.9	15	6.2	0	0.0	0	0.0
Middle	80	31.6	79	32.5	1	11.1	0	0.0
Upper	143	56.5	135	55.6	8	88.9	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	253	100.0	243	100.0	9	100.0	1	100.0
Percentage of Total Farms:				96.0		3.6		0.4
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX D – NONMETROPOLITAN FULL-SCOPE ASSESSMENT AREA LOAN TABLES

Distribution of 2018 Home Mortgage Lending By Income Level of Geography Assessment Area: Del Rio Nonmetropolitan							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	2	2.6	6.8	73	0.6	4.2	20.4
Middle	49	63.6	47.4	7,377	64.4	41.6	57.4
Upper	26	33.8	45.8	4,009	35.0	54.2	22.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	77	100.0	100.0	11,459	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	2	10.0	6.8	125	7.9	6.4	20.4
Middle	14	70.0	55.3	1,128	71.3	49.8	57.4
Upper	4	20.0	37.9	328	20.7	43.7	22.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	20	100.0	100.0	1,581	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	16.7	0	0.0	7.9	20.4
Middle	5	100.0	33.3	286	100.0	37.5	57.4
Upper	0	0.0	50.0	0	0.0	54.5	22.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	5	100.0	100.0	286	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	0.0	0	0.0	0.0	13.8
Middle	0	0.0	25.0	0	0.0	0.6	62.0
Upper	0	0.0	75.0	0	0.0	99.4	24.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	5	4.4	7.8	278	2.0	4.5	20.4
Middle	75	66.4	49.0	9,404	66.3	40.6	57.4
Upper	33	29.2	43.2	4,509	31.8	55.0	22.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	113	100.0	100.0	14,191	100.0	100.0	100.0
Source: 2018 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

Distribution of 2018 Home Mortgage Lending By Borrower Income Level							
Assessment Area: Del Rio Nonmetropolitan							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	
Home Purchase Loans							
Low	4	5.2	2.9	222	1.9	1.6	23.6
Moderate	9	11.7	12.1	748	6.5	7.9	17.2
Middle	7	9.1	22.6	558	4.9	19.5	18.5
Upper	54	70.1	48.1	9,442	82.4	57.2	40.7
Unknown	3	3.9	14.2	489	4.3	13.7	0.0
Total	77	100.0	100.0	11,459	100.0	100.0	100.0
Refinance Loans							
Low	2	10.0	4.9	99	6.3	2.3	23.6
Moderate	1	5.0	7.8	18	1.1	4.2	17.2
Middle	4	20.0	18.4	355	22.5	14.2	18.5
Upper	13	65.0	57.3	1,109	70.1	65.4	40.7
Unknown	0	0.0	11.7	0	0.0	13.9	0.0
Total	20	100.0	100.0	1,581	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	16.7	0	0.0	7.9	23.6
Moderate	0	0.0	0.0	0	0.0	0.0	17.2
Middle	1	20.0	0.0	39	13.6	0.0	18.5
Upper	4	80.0	83.3	247	86.4	92.1	40.7
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Total	5	100.0	100.0	286	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	6	5.3	3.5	321	2.3	1.7	23.6
Moderate	12	10.6	11.1	823	5.8	7.3	17.2
Middle	15	13.3	20.8	1,163	8.2	18.1	18.5
Upper	77	68.1	48.9	11,395	80.3	58.5	40.7
Unknown	3	2.7	15.8	489	3.4	14.3	0.0
Total	113	100.0	100.0	14,191	100.0	100.0	100.0
Source: 2018 FFIEC Census Data							
2011-2015 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

APPENDIX E – GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income geographies.

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

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

Full-scope review: Performance is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans,

loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-scope review: Performance is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

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

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

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

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

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

Nonmetropolitan area (NonMSA): Any area that is not located within an MSA.

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

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

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

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

state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area. For these institutions, no state ratings will be received unless the bank also maintains deposit facilities outside of the multistate metropolitan area. CRA activity is captured in either a state rating or a multistate metropolitan area rating, but not both.

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

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

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