

PUBLIC DISCLOSURE

March 4, 2024

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Frost Bank
RSSD # 682563
111 West Houston Street
San Antonio, Texas 78205

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 RATING

INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING: FROST BANK IS RATED SATISFACTORY.

The following table indicates the Community Reinvestment Act (CRA) performance level of Frost Bank (Frost or bank) with respect to the lending, investment, and service tests.

Performance Levels	Frost Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve			
Substantial Non-Compliance			

* The Lending Test is weighted more heavily than the investment and service tests when arriving at an overall rating.

SUMMARY OF MAJOR FACTORS SUPPORTING RATING

Major factors supporting the institution's rating include:

- Lending activity reflects good responsiveness to the credit needs of the assessment areas (AAs).
- A substantial majority of loans are made in the bank's AAs.
- The geographic distribution of loans reflects good penetration throughout the AAs.
- The distribution of loans among individuals of different income levels and businesses of different revenue sizes reflects adequate penetration throughout the AAs.
- A good record of serving the credit needs of low-income individuals and areas and very small businesses.
- Frost is a leader in making community development (CD) loans.
- The bank makes use of innovative and/or flexible lending practices in serving AAs' needs.
- Frost is occasionally in a leadership position given its excellent level of qualified CD investments and grants, particularly those not routinely provided by private investors. In addition, it makes occasional use of innovative and/or complex investments to support CD initiatives.
- The bank exhibits excellent responsiveness to credit and CD needs.
- Delivery systems are accessible to individuals of different income levels throughout the bank's AAs.
- The record of opening and closing of branches has improved the accessibility of its delivery systems, particularly to low- and moderate-income (LMI) geographies and/or LMI individuals.
- Services do not vary in a way that inconveniences the bank's AAs, particularly LMI geographies and/or LMI individuals.
- Frost provides a relatively high level of CD services.

INSTITUTION

DESCRIPTION OF THE INSTITUTION

Frost, a financial institution headquartered in San Antonio, Texas, has the following characteristics:

- As of September 30, 2023, the bank reported total assets of approximately \$48.8 billion and gross loans of \$18.4 billion.
- Cullen/Frost Bankers, Inc., headquartered in San Antonio, Texas, wholly owns the bank.
- Frost operates 195 branch offices and 220 deposit-taking automated teller machines (ATMs) throughout its AAs.
- Since the previous CRA performance evaluation of August 31, 2021, the bank expanded its geographic footprint by opening 29 branches within its AAs.
- The bank offers traditional deposit and loan products to meet the needs of the communities it serves.
 - Frost is predominately a commercial lender, with commercial loans representing 78.4 percent of its loan portfolio as of September 30, 2023.
 - Residential real estate loans comprise a smaller but significant portion of the total loan portfolio. While the bank does not offer traditional 30-year, first lien mortgage loans, Frost extends home equity loans, home equity lines of credit, and home improvement loans.
 - The bank does not originate a material volume of agricultural loans; therefore, these loans are not discussed in this report.
- The bank's ability to meet the credit needs of the communities it serves has not been hampered by its capacity to lend, financial condition and size, product offerings, prior performance, legal impediments, or other factors.

Table 1 reflects Frost's loan portfolio mix as of September 30, 2023.

Table 1
Composition of Loan Portfolio as of September 30, 2023

Loan Type	\$(000)	Percent (%)
Agricultural	57,939	0.3
Commercial	14,428,768	78.4
Consumer	450,967	2.5
Residential Real Estate	2,463,961	13.4
Other	997,631	5.4
Gross Loans	18,399,266	100.0

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

The Federal Reserve Bank of Dallas rated the bank's CRA performance as Satisfactory at the previous performance evaluation dated August 30, 2021. Frost received a High Satisfactory rating under the Lending Test, an Outstanding rating under the Investment Test, and a High Satisfactory rating under the Service Test.

SCOPE OF THE EVALUATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Large Institutions* to evaluate Frost's CRA performance. The evaluation considered performance context, including the bank's asset size, financial condition, business strategy, and market competition, as well as the credit needs and demographic and economic characteristics of the AAs.

As depicted on Table 2, four of the 11 delineated AAs received full-scope reviews. Factors to determine which AAs would receive full-scope reviews include, but are not limited to, the level of the bank's lending, investment, and service activities as well as the availability of opportunities in the AAs; comments received from community groups and the public regarding the institution's CRA performance; population density; the number of other institutions located in the AAs; and the length of time since the most recent full-scope review. The Dallas-Fort Worth (DFW) Metropolitan and the Houston Metropolitan AAs were assigned greater weight as Frost extended the majority of its loans in these AAs.

Table 2

Assessment Area Level of Review	
Assessment Area	Scope of Review Received
San Antonio Metropolitan	Full-Scope
Dallas-Fort Worth (DFW) Metropolitan	Full-Scope
Houston Metropolitan	Full-Scope
Austin Metropolitan	Full-Scope
Brownsville-Harlingen Metropolitan Statistical Area (MSA)	Limited-Scope
College Station Metropolitan	Limited-Scope
Corpus Christi MSA	Limited-Scope
McAllen-Edinburg-Mission MSA	Limited-Scope
Midland Metropolitan	Limited-Scope
Odessa MSA	Limited-Scope
Victoria Metropolitan	Limited-Scope

To evaluate Frost's CRA performance, examiners reviewed the bank's 2021 and 2022 Home Mortgage Disclosure Act (HMDA) and CRA-reported small business and small farm lending data. In addition, examiners considered the CD loans, investments, and services extended from January 1, 2021, through December 31, 2022, including prior period investments that remained on the bank's balance sheet during the current review period. Examiners noted the volume of small business lending exceeds that of HMDA, which aligns with the bank's strategy. Therefore, small business lending carried greater weight when assessing the bank's CRA performance. Additionally, examiners noted the volume of small farm originations within the bank's AAs is insufficient for a meaningful analysis to be conducted; as such, small farm lending was not considered when evaluating the bank's CRA performance.

The evaluation of the bank's CRA performance in the individual AAs includes the use of and comparison to demographic characteristics. The primary sources for the demographic information are 2011-2015 U.S. Census Bureau's American Community Survey (ACS) data, 2020 U.S. Census data, and Dun & Bradstreet (D&B) data for 2021 and 2022. Demographic characteristics of a particular AA are useful in analyzing the bank's record of lending, as they provide a means of estimating loan demand and identifying lending opportunities. To understand small businesses, examiners rely on D&B data, which consists of self-reported data of revenue

size and geographical location by businesses entities. The demographic data should not be construed as defining an expected level of lending in a particular area or to a particular group of borrowers, as the information is used to understand the bank’s performance context.

Examiners interviewed community leaders serving the bank’s AAs receiving a full-scope review to expand on the bank’s performance context and understand the credit needs of such areas. Community contacts included representatives of community-based organizations that promote economic development by supporting small businesses, local municipalities, and affordable housing.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank’s overall lending performance is **High Satisfactory**. Lending activity reflects good responsiveness to AAs’ credit needs. The distribution of loans reflects good geographic dispersion and distribution among borrowers of different income levels and businesses of different revenue sizes. Additionally, Frost is a leader in making CD loans. Although examiners identified opportunities for the bank to lend throughout the AAs’ LMI geographies, the lending distribution in middle- and upper-income geographies did not affect conclusions about Frost’s CRA performance.

Lending Activity

Frost’s overall lending levels reflects good responsiveness to the AAs’ credit needs, taking into consideration performance context such as the bank’s resources and business strategy, as well as external factors such as the COVID-19 pandemic. Table 3 summarizes the bank’s lending activity from January 1, 2021, through December 31, 2022. In alignment with the bank’s strategic focus, Frost extended more small business loans than HMDA and small farm loans during the review period. The bank’s small business lending carried the greatest weight when assessing the overall CRA performance.

Table 3

Summary of Lending Activity				
January 1, 2021 through December 31, 2022				
Loan Type	#	%	\$(000s)	%
Home Purchase	1,273	3.7	334,227	5.8
Refinancing	1,109	3.3	289,512	5.0
Home Improvement	6,991	20.6	982,514	16.9
Multifamily	2	0.0	1,660	0.0
Other Purpose Lines of Credit	1,788	5.3	473,814	8.2
Other Purpose Closed/Exempt	711	2.1	66,509	1.1
Total HMDA	11,874	35.0	2,148,236	37.0
Total Small Business	21,992	64.8	3,649,831	62.9
Total Small Farm	91	0.3	5,472	0.1
Total Loans	33,957	100.0	5,803,539	100.0

Assessment Area Concentration

This performance criterion evaluates the volume and percent of HMDA- and CRA-reportable loans extended inside and outside of the bank’s delineated AAs. As depicted in Table 4, Frost extends a substantial majority of its loans, by number and dollar volume, within its 11 AAs.

Table 4

Lending Inside and Outside the Assessment Area								
Loan Types	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Improvement	6,509	93.1	930,985	94.8	482	6.9	51,529	5.2
Home Purchase - Conventional	1,206	94.7	321,259	96.1	67	5.3	12,968	3.9
Multi-Family Housing	2	100	1,660	100	0	0.0	0	0.0
Other Purpose Closed-End	646	90.9	60,706	91.3	65	9.1	5,803	8.7
Other Purpose LOC	1,696	94.9	457,327	96.5	92	5.1	16,487	3.5
Refinancing	1,054	95	276,985	95.7	55	5	12,527	4.3
Total HMDA	11,113	93.6	2,048,922	95.4	761	6.4	99,314	4.6
Total Small Business	20,794	94.6	3,431,384	94	1,198	5.4	218,447	6.0
Total Small Farm	64	70.3	3,781	69.1	27	29.7	1,691	30.9
TOTAL LOANS	31,971	94.2	5,484,087	94.5	1,986	5.8	319,452	5.5

The remaining loan distribution analyses discussed in this performance evaluation considers only those loans originated within the bank’s AAs. A detailed discussion of the facts and data supporting the overall conclusions for the geographic and borrower distribution and CD lending are presented in the Conclusions with Respect to Performance Criteria section for each AA.

Geographic and Borrower Distribution

The overall geographic distribution of lending reflects good penetration throughout the bank’s AAs. Frost’s overall small business lending reflects excellent penetration among geographies of different income levels, especially LMI geographies, while HMDA lending reflects poor penetration.

Community Development Lending

The bank is a leader in making CD loans. Frost exhibits a good record of serving the credit needs of low-income individuals and areas and very small businesses. As noted in Table 5, Frost extended CD loans for a variety of purposes, with the majority focused on community services. While the number of CD loans extended by the bank since the previous evaluation decreased due to the sunset of the Small Business Administration’s (SBA’s) Payroll Protection Program (PPP) on May 31, 2021, the dollar amount remained comparable to the previous evaluation. The bank’s high dollar volume of CD lending during the current review period reflects favorably on Frost’s responsiveness to the CD needs of the AAs. Specific details regarding the CD lending can be found in the Conclusions with Respect to Performance Tests section for each AA.

Table 5

Community Development Lending All Assessment Areas		
Purpose	Number	\$(000s)
Affordable Housing	32	130,333
Community Services	207	550,531
Economic Development	6	128,000
Revitalization and Stabilization	2	200
Total	247	809,064

INVESTMENT TEST

The bank’s overall Investment Test rating is **Outstanding**. Frost has an excellent level of qualified CD investments and grants, particularly those not routinely provided by private investors. The volume and amount of such investments and grants often positions the bank as a leader. The bank makes occasional use of innovative and/or complex investments, as well as exhibits excellent responsiveness to the CD needs of its AAs. A substantial volume of the bank’s investments focuses on affordable housing, which reflects favorably on Frost’s responsiveness of the CD needs as community contacts indicated affordable housing is a need among the AAs. Moreover, Frost’s CD donations to organizations that provide community services targeted at LMI individuals and families also reflect favorably to the bank’s responsiveness to the AAs’ CD needs.

Table 6 illustrates the bank’s overall level of CD investments. Specific details regarding investments, grants, and donations can be found in the Conclusions with Respect to Performance Tests section for each AA.

Table 6

Investments, Grants, and Donations Assessment Area: All								
Community Development Purpose	Prior Period Investments ¹		Current Investments ²		Donations		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Affordable Housing	9	106,189	156	222,874	35	104	200	329,167
Community Services	4	31,093	13	143,168	639	4,115	656	178,376
Economic Development	1	250	8	5,106	45	2,228	54	7,584
Revitalization and Stabilization	0	0	0	0	8	62	8	62
Total	14	137,532	177	371,148	727	6,509	918	515,189

¹ Book value of investment
² Original market value of investment
Note: Dollar volume totals may not sum perfectly due to rounding.

SERVICE TEST

The bank’s overall Service Test rating is **High Satisfactory**. Frost offers traditional deposit and loan products that do not vary throughout its AAs and meet the needs of the communities it serves. The bank’s delivery systems are accessible to geographies and individuals of different income levels in the delineated AAs. Frost’s record of opening or closing branches has improved the accessibility of its delivery systems, as it opened several new branches within LMI geographies since the previous evaluation, bolstering the overall Service Test rating. Lastly, banking services and hours of

operations do not vary in a way that inconveniences the AAs, particularly in LMI geographies or to LMI individuals.

Table 7

Branch and Full-Service ATM Locations All Assessment Areas							
Tract Income	% of Geographies	% of Population	% of Businesses	Branches		Full-Service ATMs	
				#	%	#	%
Low	10.0	8.8	6.3	12	6.2	14	6.4
Moderate	25.8	24.6	19.8	49	25.1	51	23.2
Middle	29.4	31.2	28.8	47	24.1	58	26.4
Upper	32.2	34.1	43.7	82	42.1	92	41.8
Unknown	2.6	1.3	1.5	5	2.6	5	2.3
Total	100.0	100.0	100.0	195	100.0	220	100.0

Overall, Frost provides a relatively high level of CD services throughout its AAs. Bank representatives extend services to organizations that serve LMI individuals and families in the delineated AAs. Although the volume of CD services has decreased by 39.7 percent since the previous evaluation due to in-person limitations posed by the COVID-19 pandemic, the bank’s performance is still considered responsive due to the high volume of service hours. Frost hosted and partnered with various organizations throughout its AAs during the review period, providing 30,272 hours of CD services to LMI individuals and geographies, as well as businesses with revenues less than \$1 million. Two note-worthy initiatives include:

- St. Vincent De Paul Society (SVDP) Mini Loan Program: Frost partnered with local chapters of the SVDP, to replace payday and auto title loans with high interest rates with low-interest loans, as well as extend financial education and coaching to LMI families and individuals in the bank’s DFW Metropolitan and Austin Metropolitan AAs.
- Small Business Outreach Program: Frost seeks to meet the needs of businesses with annual revenues less than \$1 million by hosting seminars that address relevant topics, such as managing growth, financing options, developing business plans, and working with a commercial banking institution. Frost business bankers shared their subject matter expertise and facilitated engaging conversations. The bank also partnered with local microlenders (i.e., community development financial institutions (CDFIs) and SBA offices) to target small businesses within the AAs.

Table 8

Community Development Services All Assessment Areas		
Purpose	Total Services	Total Hours
Affordable Housing	12	505
Community Services	906	25,854
Economic Development	68	3,905
Revitalization and Stabilization	1	8
Total	987	30,272

Fair Lending or Other Illegal Credit Practices Review

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) established the Consumer Financial Protection Bureau (CFPB). In general, the Dodd-Frank Act gives the CFPB, among other things, primary supervisory authority over insured depository institutions with total assets of more than \$10 billion when assessing compliance with the requirements of federal consumer financial laws. The Federal Reserve System retains authority to enforce compliance with the CRA and certain other consumer compliance laws and regulations. During the review period of this evaluation, the Federal Reserve Bank of Dallas did not cite violations of law involving illegal discrimination or other illegal credit practices that adversely affected the evaluation of the bank's CRA performance. As of the date of this evaluation, the Federal Reserve Bank of Dallas is unaware of any violations of the Equal Credit Opportunity Act or its implementing regulation, or any unfair, deceptive, or abusive acts or practices identified by the CFPB.

SAN ANTONIO METROPOLITAN ASSESSMENT AREA
(Full-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE SAN ANTONIO METROPOLITAN ASSESSMENT AREA

- The San Antonio Metropolitan AA consists of Bexar, Comal, Guadalupe, and Kendall counties, which are part of the San Antonio-New Braunfels, TX MSA. The following San Antonio-New Braunfels, TX MSA counties are excluded from the AA: Atascosa, Bandera, Medina, and Wilson. Refer to Appendix A for an AA map and Appendix B for additional demographic data.
- According to the 2020 American Community Survey (ACS), the AA includes 36 low-income, 141 moderate-income, 140 middle-income, 135 upper-income, and six unknown-income census tracts.
- Frost operates 30 branches in this AA, representing 15.4 percent of the bank's total branches. Since the previous evaluation, the bank opened two branches in the AA, one in a low-income and one in a moderate-income census tract.
- The June 30, 2023, Federal Deposit Insurance Corporation (FDIC) Market Share Report indicates that the bank had a 7.2 percent market share, ranking 3rd out of the 63 FDIC-insured depository institutions operating in the AA.
- In 2022, 801 institutions originated or purchased 79,964 HMDA-reportable loans in the AA. Of those, Frost ranked 26th, originating 784 or 1.0 percent of total loans. Additionally, in 2022, the bank ranked 12th among 200 institutions originating or purchasing CRA-reportable loans, originating 1,019 (1.9 percent) of the 52,761 CRA-reportable loans in the AA.
- A representative from a community-based organization identified affordable housing and mortgage payment assistance as significant needs in the AA. Additionally, a representative from an economic development organization identified access to credit for LMI individuals and families as well as small businesses and entrepreneurs as a need. The community contact also noted that financial institutions should continue to invest in CDFIs, as they support small businesses by providing financing and technical support.

Table 9

Population Change			
Assessment Area: San Antonio Metropolitan			
Area	2015 Population	2020 Population	Percent Change
San Antonio Metropolitan	2,125,955	2,387,810	12.3
Bexar County, TX	1,825,502	2,009,324	10.1
Comal County, TX	119,632	161,501	35.0
Guadalupe County, TX	143,460	172,706	20.4
Kendall County, TX	37,361	44,279	18.5
San Antonio-New Braunfels, TX MSA	2,286,702	2,558,143	11.9
Texas	26,538,614	29,145,505	9.8
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

- As highlighted in Table 9, the AA population experienced significant growth, at 12.3 percent, from 2015 to 2020, exceeding the statewide growth rate of 9.8 percent.
- Bexar County is Texas's fourth most populated county according to 2020 U.S. Census data.

- The counties of Comal and Guadalupe experienced the greatest population growth between 2015 and 2020, at 35.0 percent and 20.4 percent, respectively. The significant population growth is attributed to individuals moving to the region for employment opportunities.
- A community contact noted that there is a significant military and veteran population within the AA, as Fort Sam Houston Army Base, Randolph Air Force Base, and Lackland Air Force Base are located in the AA.

Table 10

Median Family Income Change Assessment Area: San Antonio Metropolitan			
Area	2015 Median Family Income (\$)	2020 Median Family Income (\$)	Percent Change
San Antonio Metropolitan	67,496	73,956	9.6
Bexar County, TX	64,842	70,280	8.4
Comal County, TX	85,557	96,743	13.1
Guadalupe County, TX	79,085	84,928	7.4
Kendall County, TX	96,812	117,734	21.6
San Antonio-New Braunfels, TX MSA	67,989	74,284	9.3
Texas	68,523	76,073	11.0

*Source: 2011 - 2015 U.S. Census Bureau American Community Survey
2016 - 2020 U.S. Census Bureau American Community Survey
Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.*

- The AA's median family income (MFI) increased at lower rate than the state of Texas. However, Comal and Kendall counties exhibited significant MFI increase, at 13.1 percent and 21.6 percent, respectively, compared to the state of Texas and the remaining counties in the AA.
- According to 2020 ACS data, approximately 515,065 families reside in the AA. By family income, 39.2 percent of AA families are considered as LMI.
- According to 2022 FFIEC data, 13.7 percent of AA households lived below the poverty level, which is comparable to the statewide figure of 13.4 percent.

Table 11

Housing Cost Burden Assessment Area: San Antonio Metropolitan						
Area	Cost Burden – Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
San Antonio Metropolitan	79.0	49.1	44.4	58.3	33.6	19.9
Bexar County, TX	79.2	49.0	45.2	57.7	33.6	20.4
Comal County, TX	73.6	54.5	36.4	67.2	35.3	18.4
Guadalupe County, TX	78.0	51.6	37.6	56.7	35.3	17.8
Kendall County, TX	77.9	31.3	36.3	57.8	27.2	17.7
San Antonio-New Braunfels, TX MSA	78.4	48.6	43.9	57.1	32.0	19.5
Texas	78.3	44.6	42.7	57.3	31.0	19.0

*Cost burden is housing cost that equals 30 percent or more of household income.
Source: U.S. Department of Housing and Urban Development (HUD), 2016-2020 Comprehensive Housing Affordability Strategy*

- The housing cost burden for LMI individuals is slightly higher in the AA than the statewide average for both renters and homeowners, as demonstrated in Table 11.
- The 2022 housing affordability ratio¹ in the AA, at 33.1 percent, is slightly below the statewide ratio of 34.1 percent; therefore, AA housing is slightly less affordable than statewide housing. However, the housing affordability ratios for the counties of Kendall and Comal, at 26.1 percent and 27.5 percent, respectively, are notably lower than the overall AA and statewide housing affordability ratios. Thus, housing is less affordable in these two counties.
- Of the housing units in the AA, 56.4 percent are owner-occupied, 35.5 percent are rental, and 8.0 percent are vacant.
- A community contact noted that housing affordability is a significant issue in the AA and noted that it disproportionately impacts veterans in the AA.

Table 12

Unemployment Rates					
Assessment Area: San Antonio Metropolitan					
Area	2018	2019	2020	2021	2022
San Antonio Metropolitan	3.3	3.1	7.4	5.2	3.6
Bexar County, TX	3.4	3.2	7.6	5.3	3.7
Comal County, TX	3.2	3.0	6.1	4.6	3.5
Guadalupe County, TX	3.2	3.0	6.1	4.5	3.4
Kendall County, TX	2.9	2.7	5.1	3.9	3.1
San Antonio-New Braunfels, TX MSA	3.3	3.1	7.3	5.2	3.6
Texas	3.9	3.5	7.7	5.6	3.9

- As noted in Table 12, the AA unemployment rates have been consistently below the statewide rates in the past five years.
- The sharp increase in the 2020 unemployment rates is primarily attributed to the COVID-19 pandemic and the related restrictions placed to combat contagion, such as the executive orders limiting gatherings of certain sizes. As a result, many businesses downsized or closed their operations.
- Following 2020, the AA unemployment rates consistently declined, stabilizing to pre-pandemic levels in 2022.
- Major industries that provide employment opportunities in the AA include retail trade and healthcare and social services. The AA serves as headquarters for four Fortune 500 companies: Valero Energy, USAA, iHeartMedia, and NuStar Energy.
- A representative of an area organization that promotes economic development stated that small businesses in the AA were significantly more impacted by the COVID-19 pandemic than large businesses, with many being forced to close their operations. The representative highlighted a need for loans and technical assistance to support start-up, small businesses, and veteran-owned businesses. The representative also identified a need for loans to support the significant number of veteran-owned small businesses in the AA.

Table 13 below provides additional information about the AA demographic characteristics.

¹ The calculation of the affordability ratio is the median household income divided by median housing value. A higher ratio means housing is more affordable. The housing affordability ratio is derived from 2022 FFIEC Census data.

Table 13

2022 San Antonio Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	36	7.9	29,789	5.8	9,653	32.4	113,501	22.0
Moderate	141	30.8	143,997	28.0	26,088	18.1	88,787	17.2
Middle	140	30.6	160,920	31.2	12,879	8.0	100,755	19.6
Upper	135	29.5	177,962	34.6	6,045	3.4	212,022	41.2
Unknown	6	1.3	2,397	0.5	527	22.0	0	0.0
Total AA	458	100.0	515,065	100.0	55,192	10.7	515,065	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	54,419	19,408	4.1	35.7	29,124	53.5	5,887	10.8
Moderate	255,855	116,101	24.6	45.4	116,466	45.5	23,288	9.1
Middle	257,196	154,096	32.6	59.9	84,456	32.8	18,644	7.2
Upper	265,019	180,630	38.3	68.2	65,356	24.7	19,033	7.2
Unknown	4,270	1,997	0.4	46.8	2,012	47.1	261	6.1
Total AA	836,759	472,232	100.0	56.4	297,414	35.5	67,113	8.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	5,471	5.3	4,842	5.0	587	9.8	42	3.8
Moderate	24,008	23.2	22,189	23.0	1,668	27.9	151	13.7
Middle	28,976	28.0	27,134	28.1	1,583	26.5	259	23.5
Upper	44,440	42.9	41,735	43.3	2,075	34.7	630	57.3
Unknown	627	0.6	548	0.6	61	1.0	18	1.6
Total AA	103,522	100.0	96,448	100.0	5,974	100.0	1,100	100.0
Percentage of Total Businesses:				93.2		5.8		1.1
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	14	1.1	14	1.1	0	0.0	0	0.0
Moderate	164	13.1	161	13.0	3	23.1	0	0.0
Middle	336	26.8	332	26.8	4	30.8	0	0.0
Upper	732	58.4	726	58.5	6	46.2	0	0.0
Unknown	8	0.6	8	0.6	0	0.0	0	0.0
Total AA	1,254	100.0	1,241	100.0	13	100.0	0	0.0
Percentage of Total Farms:				99.0		1.0		0.0
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Frost's performance under the Lending Test in the AA is good. Lending activity reflects good responsiveness to AA credit needs. For this evaluation, small business lending carried more weight than HMDA lending, as it comprised the largest volume of lending in the AA and is a strategic focus for the bank.

Lending Activity

The bank's lending activity reflects good responsiveness to the AA credit needs, using innovative and/or flexible lending programs to serve such needs.

During the review period, the bank demonstrated flexible lending practices through its participation in numerous programs, including the SBA's PPP loans, home equity loans and lines of credit, and disaster relief loans. Loan products and origination volumes are consistent with the credit needs of the AA and align with the bank's strategic focus on commercial lending. While the bank does not offer traditional 30-year mortgage loan products, Frost offers various home lending products such as home equity loans, home equity lines of credits, and unsecured and secured home improvement loans with flexible terms and amounts.

Geographic Distribution of Loans

Frost's geographic distribution of loans reflects good penetration throughout the AA. The bank's small business lending reflects excellent penetration among geographies of different income levels, especially LMI geographies, while home mortgage lending reflects poor penetration. Greater weight was given to small business lending based on the bank's strategic focus on commercial lending and lower level of HMDA lending. Although additional opportunities were identified in Frost's lending patterns throughout the AA, the distribution of the remainder of bank's lending in middle- and upper-income geographies did not affect conclusions about Frost's performance considering its lending in LMI census tracts.

For this evaluation, multifamily lending and purpose not applicable loans were not evaluated due to insufficient volume to conduct a meaningful analysis.

Residential Real Estate (HMDA) Lending

The geographic distribution of the bank's HMDA loans reflects poor penetration throughout the AA when compared to the percent of owner-occupied housing units located in LMI census tracts (the demographic figure) and to aggregate lending data in the AA. In low-income census tracts, the bank's HMDA lending distribution is generally comparable to the performance of aggregate lenders, though both performed below the demographic figure.

Among moderate-income census tracts, the bank's performance was below aggregate lending data during the review period. The bank's performance was comparable to aggregate in 2021; however, it declined in 2022 while aggregate performance improved. Total HMDA lending in the AA decreased significantly during the review period, falling from approximately 123,000 originations in 2021 to 80,000 in 2022. This decrease is primarily attributed to the raising interest rate environment, which made mortgage loans progressively more expensive and resulted in

decreased demand and increased competition among lenders for the shrinking volume of lending opportunities in LMI tracts. The disparity between the bank's performance and that of aggregate lenders reflects negatively on Frost's responsiveness to the credit needs of moderate-income census tracts in the AA, as these geographies contained a significantly larger portion of the AA owner-occupied housing units, at 24.6 percent. Moreover, the bank's performance in moderate-income census tracts received greater weight given increased lending opportunities.

Despite Frost's poor performance, no conspicuous gaps or anomalies were identified in the bank's lending. The distribution of the remainder of bank lending in middle- and upper-income geographies did not affect conclusions about the bank's performance considering its lending in LMI geographies.

Table 14A and Table 14B provide details about the bank's 2021 and 2022 home mortgage lending by income level of geography within the AA.

Home Purchase Lending

The geographic distribution of home purchase lending is poor. The distribution of home purchase loans among low-income census tracts in 2021 was slightly below aggregate lending data and the demographic figure. Among moderate-income census tracts, the bank's 2021 home purchase lending was significantly below aggregate data and the demographic figure.

In 2022, the bank did not originate any home purchase loans in low-income census tracts, though aggregate lenders originated more than 1,000 loans, representing 1.9 percent of total home purchase loans. In moderate-income census tracts, the bank's home purchase lending reflected penetration levels that were improved from 2021 levels, though still below aggregate data. The percent of owner-occupied housing units in moderate income census tracts was significantly higher than the bank's performance and aggregate lending in these census tracts.

Home Refinance Lending

The geographic distribution of home refinance lending is excellent. Although home refinance lending levels decreased from 2021 to 2022, the bank's level of lending in low-income census tracts exceeded aggregate lenders in both years. The distribution of home refinance loans among moderate-income census tracts in 2021, exceeded aggregate lending. In 2022 aggregate home refinance lending performance among moderate-income census tracts increased significantly while the bank's performance declined. Despite this, the bank's 2022 performance among moderate-income census tracts remained comparable to that of aggregate lenders.

Home Improvement Lending

The geographic distribution of home improvement lending is poor. The distribution of the bank's 2021 home improvement loans among low-income census tracts is below aggregate and the demographic figure. In 2022, the bank's home improvement lending in low-income census tracts improved, reflecting performance comparable to aggregate lending. The bank's lending performance among moderate-income census tracts was below the aggregate and the demographic figure during the review period.

Other Purpose Lines of Credit Lending

The geographic distribution of other purpose lines of credit lending is poor. The distribution of 2021 other purpose lines of credit among LMI census tracts is significantly below aggregate data and the demographic figure. In 2022, the bank originated only one other purpose line of credit to a borrower in a low-income census tract in the AA, however, this low level of lending was comparable to aggregate lending performance, reflecting decreased demand for this product in low-income tracts. Among moderate-income geographies, the bank's 2022 performance was improved from 2021, but remained significantly below aggregate lending.

Other Purpose Closed/Exempt Lending

The geographic distribution of other purpose closed or exempt lending is poor. The distribution during the review period among LMI census tracts is below aggregate data and the demographic figure.

Table 14A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography
Assessment Area: San Antonio Metropolitan

Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	1.3	1.7	71	0.4	1.1	0	0.0	1.9	0	0.0	1.1	4.1
Moderate	4	5.1	12.9	895	4.7	8.9	5	9.3	14.5	432	4.1	9.6	24.6
Middle	7	9.0	33.1	1,403	7.3	27.5	14	25.9	37.5	2,189	20.6	31.7	32.6
Upper	66	84.6	52.3	16,812	87.6	62.5	34	63.0	45.6	7,855	73.8	56.9	38.3
Unknown	0	0.0	0.0	0	0.0	0.0	1	1.9	0.6	169	1.6	0.6	0.4
Total	78	100.0	100.0	19,181	100.0	100.0	54	100.0	100.0	10,645	100.0	100.0	100.0
Refinance Loans													
Low	6	5.0	0.9	419	2.0	0.6	2	2.5	1.9	166	0.9	1.0	4.1
Moderate	23	19.2	9.8	2,746	13.3	6.5	12	14.8	16.0	816	4.3	10.3	24.6
Middle	31	25.8	27.4	3,834	18.6	22.2	22	27.2	34.7	3,891	20.4	29.3	32.6
Upper	60	50.0	61.8	13,572	66.0	70.7	45	55.6	46.9	14,208	74.5	58.8	38.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.5	0	0.0	0.5	0.4
Total	120	100.0	100.0	20,571	100.0	100.0	81	100.0	100.0	19,081	100.0	100.0	100.0
Home Improvement Loans													
Low	4	1.0	2.4	312	0.7	1.6	8	1.7	2.0	404	0.7	1.4	4.1
Moderate	36	9.3	16.9	2,935	6.3	13.1	40	8.6	14.3	2,918	4.7	11.4	24.6
Middle	48	12.4	25.0	4,782	10.3	21.5	76	16.3	29.8	7,137	11.6	27.2	32.6
Upper	300	77.3	55.7	38,397	82.7	63.8	338	72.7	53.6	50,893	82.6	59.7	38.3
Unknown	0	0.0	0.0	0	0.0	0.0	3	0.6	0.3	265	0.4	0.2	0.4
Total	388	100.0	100.0	46,426	100.0	100.0	465	100.0	100.0	61,617	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	9.6	0	0.0	5.6	0	0.0	7.0	0	0.0	4.8	9.5
Moderate	0	0.0	42.7	0	0.0	36.3	0	0.0	41.6	0	0.0	33.0	38.7
Middle	0	0.0	25.3	0	0.0	27.8	0	0.0	31.4	0	0.0	33.6	25.7
Upper	0	0.0	22.5	0	0.0	30.3	0	0.0	18.9	0	0.0	26.7	25.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	1.1	0	0.0	1.9	0.7
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	12	1.8	1.4	832	0.8	1.2	12	1.5	1.9	648	0.6	1.5	4.1
Moderate	71	10.4	11.8	7,078	6.7	9.7	71	9.1	15.1	5,302	4.5	12.2	24.6
Middle	102	15.0	30.5	12,734	12.1	25.5	159	20.3	36.5	18,602	15.9	31.5	32.6
Upper	495	72.8	56.3	84,240	80.3	63.6	538	68.6	45.9	91,956	78.6	54.1	38.3
Unknown	0	0.0	0.0	0	0.0	0.0	4	0.5	0.6	434	0.4	0.7	0.4
Total	680	100.0	100.0	104,884	100.0	100.0	784	100.0	100.0	116,942	100.0	100.0	100.0

Source: 2022 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Table 14B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: San Antonio Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												
	2021						2022						Owner Occupied Units %
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	2.2	0	0.0	1.8	1	1.0	0.7	8	0.0	0.4	4.1
Moderate	2	3.6	14.7	192	1.4	9.7	5	5.1	9.2	493	2.5	7.1	24.6
Middle	8	14.3	21.5	2,203	16.4	16.4	24	24.5	25.1	3,883	20.0	21.1	32.6
Upper	46	82.1	61.6	11,011	82.1	72.1	68	69.4	64.6	15,008	77.4	70.4	38.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.5	0	0.0	1.0	0.4
Total	56	100.0	100.0	13,406	100.0	100.0	98	100.0	100.0	19,392	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	1	2.6	3.1	30	0.6	1.4	1	1.2	2.0	70	1.1	1.2	4.1
Moderate	6	15.8	20.6	310	5.8	10.6	9	10.5	19.5	643	10.4	11.6	24.6
Middle	8	21.1	28.3	512	9.7	21.5	23	26.7	29.3	1,502	24.2	23.2	32.6
Upper	23	60.5	48.1	4,448	83.9	66.4	53	61.6	48.7	3,992	64.3	63.4	38.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.5	0	0.0	0.6	0.4
Total	38	100.0	100.0	5,300	100.0	100.0	86	100.0	100.0	6,207	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	3.4	0	0.0	1.9	0	0.0	3.3	0	0.0	3.3	4.1
Moderate	0	0.0	24.3	0	0.0	16.6	0	0.0	27.6	0	0.0	21.3	24.6
Middle	0	0.0	39.3	0	0.0	36.3	0	0.0	49.1	0	0.0	44.3	32.6
Upper	0	0.0	33.0	0	0.0	45.2	0	0.0	19.9	0	0.0	31.0	38.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.1	0	0.0	0.1	0.4
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Small Business Lending

Frost’s geographic distribution of small business loans reflects excellent penetration throughout the AA. As noted in Table 15, the bank’s small business lending among low-income census tracts during the review period exceeds aggregate data and the percent of AA businesses located in these geographies. Although the volume of the bank’s small business loan originations declined sharply between 2021 and 2022, the percent of the loans made to businesses in low-income census tracts grew well above the level of aggregate lending in 2022.

Among moderate-income census tracts, Frost’s small business lending performance exceeded aggregate lenders during the review period. The bank’s performance in moderate-income census tracts also improved between 2021 and 2022, remaining comparable to the demographic figure in 2022.

A community contact noted the need for small business loans within the AA to help small businesses retain and create jobs. Another contact identified a need for lending to small businesses to recover from the COVID-19 pandemic. Moreover, Frost has sustained performance levels despite the economic environment and the conclusion of the SBA’s PPP, in which it was significantly involved.

Table 15

Distribution of 2021 and 2022 Small Business Lending By Income Level of Geography Assessment Area: San Antonio Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Low	198	5.0	3.7	30,340	6.5	4.8	88	8.6	4.7	27,849	10.2	6.2	5.3
Moderate	874	22.1	19.2	95,600	20.5	19.2	239	23.5	20.1	58,802	21.6	20.6	23.2
Middle	1,088	27.5	27.2	135,472	29.0	27.3	221	21.7	26.9	60,051	22.0	24.9	28.0
Upper	1,784	45.1	49.1	202,873	43.5	48.4	456	44.8	47.2	122,946	45.1	47.3	42.9
Unknown	13	0.3	0.2	2,334	0.5	0.2	14	1.4	0.7	3,149	1.2	0.9	0.6
Total	3,957	100.0	100.0	466,619	100.0	100.0	1,018	100.0	100.0	272,797	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey

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

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

The bank’s distribution of lending to borrowers reflects an adequate penetration among individuals of different income levels and businesses of different revenue sizes. Frost generally outperformed aggregate data among low-income borrowers. The bank’s lending distribution to middle- and upper-income borrowers did not affect conclusions about Frost’s performance to LMI.

Residential Real Estate (HMDA) Lending

HMDA lending by borrower income in the AA is adequate when compared to demographic characteristics of the community, as well as the performance of aggregate HMDA lenders with loan originations or purchases in the AA. As shown in Table 16A and Table 16B, the bank’s dispersion of home mortgage loans among low-income borrowers in 2021 is above aggregate data but below the percent of AA families classified as low-income. Although the percent of the bank’s HMDA loans made to low-income borrowers decreased in 2022, Frost’s performance remained comparable to that of aggregate lenders.

In 2021, the bank’s home mortgage lending to moderate-income borrowers was below aggregate and the demographic data, despite moderate-income families making up a smaller portion of AA families than any other income category. The bank’s home mortgage lending performance to moderate-income borrowers improved in 2022 but remained below the level of aggregate lending and the demographic figure.

Table 16A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: San Antonio Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	2	2.6	2.3	316	1.6	1.2	0	0.0	1.9	0	0.0	0.9	22.0
Moderate	1	1.3	13.9	45	0.2	9.7	5	9.3	12.9	319	3.0	8.8	17.2
Middle	5	6.4	21.3	1,745	9.1	18.6	6	11.1	20.9	454	4.3	18.2	19.6
Upper	69	88.5	35.6	16,958	88.4	45.4	40	74.1	37.8	9,364	88.0	47.1	41.2
Unknown	1	1.3	26.9	117	0.6	25.2	3	5.6	26.6	508	4.8	25.0	0.0
Total	78	100.0	100.0	19,181	100.0	100.0	54	100.0	100.0	10,645	100.0	100.0	100.0
Refinance Loans													
Low	11	9.2	2.4	634	3.1	1.1	5	6.2	6.1	227	1.2	3.1	22.0
Moderate	13	10.8	8.6	1,316	6.4	5.2	15	18.5	17.2	2,104	11.0	11.4	17.2
Middle	24	20.0	14.9	2,841	13.8	11.3	8	9.9	20.3	838	4.4	16.7	19.6
Upper	61	50.8	35.6	14,281	69.4	41.2	50	61.7	39.1	15,403	80.7	50.6	41.2
Unknown	11	9.2	38.5	1,499	7.3	41.2	3	3.7	17.3	509	2.7	18.2	0.0
Total	120	100.0	100.0	20,571	100.0	100.0	81	100.0	100.0	19,081	100.0	100.0	100.0
Home Improvement Loans													
Low	13	3.4	5.9	484	1.0	3.5	20	4.3	6.3	1,099	1.8	3.6	22.0
Moderate	15	3.9	14.0	1,068	2.3	9.5	26	5.6	15.8	1,629	2.6	11.0	17.2
Middle	45	11.6	20.2	4,220	9.1	16.2	51	11.0	20.4	4,417	7.2	16.0	19.6
Upper	309	79.6	57.0	40,080	86.3	65.9	352	75.7	54.5	53,589	87.0	66.3	41.2
Unknown	6	1.5	2.9	574	1.2	4.9	16	3.4	3.1	883	1.4	3.2	0.0
Total	388	100.0	100.0	46,426	100.0	100.0	465	100.0	100.0	61,617	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	29	4.3	2.4	1,534	1.5	1.2	29	3.7	3.1	1,598	1.4	1.3	22.0
Moderate	36	5.3	11.3	2,968	2.8	7.8	69	8.8	13.9	6,412	5.5	9.3	17.2
Middle	91	13.4	18.2	10,289	9.8	15.4	89	11.4	20.4	7,656	6.5	17.8	19.6
Upper	502	73.8	35.5	87,695	83.6	43.6	568	72.4	38.4	98,888	84.6	47.9	41.2
Unknown	22	3.2	32.5	2,398	2.3	32.1	29	3.7	24.3	2,388	2.0	23.7	0.0
Total	680	100.0	100.0	104,884	100.0	100.0	784	100.0	100.0	116,942	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 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.

Table 16B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: San Antonio Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	7.6	0	0.0	6.5	2	2.0	6.4	200	1.0	5.4	22.0
Moderate	2	3.6	15.2	350	2.6	10.1	11	11.2	13.4	1,767	9.1	10.2	17.2
Middle	8	14.3	17.8	992	7.4	13.6	10	10.2	18.2	1,257	6.5	12.8	19.6
Upper	45	80.4	55.7	11,994	89.5	65.8	72	73.5	57.6	15,880	81.9	66.9	41.2
Unknown	1	1.8	3.7	70	0.5	4.0	3	3.1	4.5	288	1.5	4.7	0.0
Total	56	100.0	100.0	13,406	100.0	100.0	98	100.0	100.0	19,392	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	3	7.9	8.8	100	1.9	4.2	2	2.3	8.8	72	1.2	4.0	22.0
Moderate	5	13.2	16.6	189	3.6	7.6	12	14.0	17.9	593	9.6	11.8	17.2
Middle	9	23.7	19.5	491	9.3	10.9	14	16.3	20.5	690	11.1	14.0	19.6
Upper	18	47.4	50.1	4,382	82.7	68.7	54	62.8	49.2	4,652	74.9	64.4	41.2
Unknown	3	7.9	5.1	138	2.6	8.6	4	4.7	3.7	200	3.2	5.8	0.0
Total	38	100.0	100.0	5,300	100.0	100.0	86	100.0	100.0	6,207	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.4	0	0.0	0.2	0	0.0	2.0	0	0.0	1.1	22.0
Moderate	0	0.0	0.7	0	0.0	0.6	0	0.0	1.1	0	0.0	1.0	17.2
Middle	0	0.0	0.4	0	0.0	0.5	0	0.0	0.2	0	0.0	0.4	19.6
Upper	0	0.0	0.8	0	0.0	1.5	0	0.0	0.2	0	0.0	0.4	41.2
Unknown	0	0.0	97.6	0	0.0	97.3	0	0.0	96.5	0	0.0	97.2	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Small Business Lending

Considering Frost’s performance when compared to the aggregate, the borrower distribution of small business loans by revenue size of businesses is adequate. Table 17 reflects a distribution of the bank’s 2021 small business loans to businesses with revenues of \$1 million or less is above aggregate data but below the percent of small businesses in the AA. While more than 90 percent of AA businesses report annual revenues of \$1 million or less, the demographic figure is not presumed to be representative of loan demand. Frost’s distribution of small business loans to businesses reporting revenues of \$1 million or less reflects favorably on the bank’s responsiveness to the credit needs of businesses in the AA in 2021.

The bank’s distribution of loans to small businesses declined in 2022, falling below aggregate lending data and further below the percent of small businesses in the AA. As noted previously, the total number of the bank’s small business loans decreased significantly in 2022. A large portion of this decrease is attributed to the cessation of the SBA’s PPP. While Frost’s small business loan origination volumes declined among all classifications of borrowers, the largest impact was on businesses with annual revenues of \$1 million or less. Among these borrowers, the total volume of originations fell by more than 2,100 loans. In 2022, the percent of aggregate small business loans made to small businesses increased. This disparity between the bank’s lending performance and that of aggregate small business lenders reflects negatively on Frost’s responsiveness to AA credit needs in 2022.

Table 17

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: San Antonio Metropolitan													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	\$%	\$%	#	%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	2,354	59.5	42.6	106,442	22.8	30.0	251	24.7	46.8	39,939	14.6	32.5	93.2
Over \$1 Million	1,327	33.5		329,497	70.6		609	59.8		199,011	73.0		5.8
Revenue Unknown	276	7.0		30,680	6.6		158	15.5		33,847	12.4		1.1
Total	3,957	100.0		466,619	100.0		1,018	100.0		272,797	100.0		100.0
By Loan Size													
\$100,000 or Less	2,809	71.0	92.6	89,164	19.1	37.5	412	40.5	94.1	22,645	8.3	39.1	
\$100,001 - \$250,000	624	15.8	4.1	101,815	21.8	17.8	246	24.2	3.1	46,260	17.0	15.7	
\$250,001 - \$1 Million	524	13.2	3.3	275,640	59.1	44.7	360	35.4	2.8	203,892	74.7	45.2	
Total	3,957	100.0	100.0	466,619	100.0	100.0	1,018	100.0	100.0	272,797	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	2,182	92.7		58,121	54.6		154	61.4		7,118	17.8		
\$100,001 - \$250,000	110	4.7		16,427	15.4		57	22.7		9,785	24.5		
\$250,001 - \$1 Million	62	2.6		31,894	30.0		40	15.9		23,036	57.7		
Total	2,354	100.0		106,442	100.0		251	100.0		39,939	100.0		

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Community Development Lending

Frost is a leader in making CD loans in the AA. During the review period, Frost originated 88 qualifying CD loans for a total of \$325.8 million, which represents 40.3 percent of the dollar volume of the bank’s total CD lending. While the number of CD loans made during the review period decreased since the previous evaluation, the average dollar amount per loan increased. This is notable as the previous evaluation considered three years’ worth of CD activity, while this evaluation considers two years. Thus, Frost made significant effort to extend CD loans in a shorter time period, which reflects favorably on its responsiveness to the CD needs of the AA.

Frost participated in the SBA’s PPP, which ended in May 2021, cutting off a significant avenue of CD lending for most of the review period. Despite this, the bank remained committed to CD lending and focusing on activities that promote community services for LMI individuals and geographies. Examples of the bank’s CD lending activities that were particularly responsive to the AA credit needs include:

- A \$700,000 line of credit to an organization that provides job skills training and employment opportunities for disabled veterans and other individuals with disabilities. The majority of the organization’s clientele are low-income. A community contact identified employment opportunities for low-income veterans as a significant need in the AA. Thus, this CD loan demonstrates the bank’s responsiveness in meeting the community and credit needs of the AA.

- A \$100 million revolving line of credit to a mental health organization that provides health care for uninsured and LMI families, where 100 percent of clients served are LMI.

Table 18

Community Development Lending Assessment Area: San Antonio Metropolitan		
Purpose	#	\$000s
Affordable Housing	4	7,650
Community Services	82	316,135
Economic Development	2	2,000
Totals	88	325,785

INVESTMENT TEST

Frost’s performance under the Investment Test in the AA is excellent, often positioning the bank as a leader given its significant level of CD investments and grants, particularly those not routinely provided by private investors. The bank makes occasional use of innovative or complex investments to support CD initiatives and exhibits excellent responsiveness to AA needs. Frost’s investments primarily focused on community services and affordable housing, which reflects excellent responsiveness as community contacts emphasized these as CD needs in the AA.

Table 19 illustrates the bank’s CD investments and donations within the AA, including prior period investments that remain on the bank’s ledger, current period investments purchased during the review period, and CD donations made since the previous evaluation. Examples of notable investment and donation activities that reflect Frost’s efforts to meet the CD and credit needs of the AA include:

- A \$26.7 million bond to support a school district where 80 percent of students are economically disadvantaged.
- Twenty-nine investments totaling \$28.3 million in mortgage-backed securities targeted to LMI borrowers.

Table 19

Investment, Grants, and Donations Assessment Area: San Antonio Metropolitan								
Community Development Purpose	Prior Period Investments¹		Current Investments²		Donations		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Affordable Housing	1	39,667	29	28,331	8	30	38	68,028
Community Services	1	5,705	1	26,708	206	2,177	208	34,590
Economic Development	1	250	1	502	7	2,049	9	2,801
Revitalization and Stabilization	0	0	0	0	1	37	1	37
Total	3	45,622	31	55,541	222	4,293	256	105,456

¹ Book value of investment
² Original market value of investment

SERVICE TEST

Frost’s Service Test performance is good. Its retail and CD services reflect good responsiveness to the needs of the AA.

Retail Services

Frost’s delivery systems are accessible to the bank’s geographies and individuals of different income levels in the AA. The distribution of the bank’s 30 branches and 35 ATMs as of September 30, 2023, was compared to the distribution of the population and businesses among the income tract categories within the AA. Table 20 summarizes the bank’s retail locations in the AA.

Table 20

Branch and Full-Service ATM Locations Assessment Area: San Antonio Metropolitan							
Tract Income	% of Geographies	% of Population	% of Businesses	Branches		Full-Service ATMs	
				#	%	#	%
Low	7.9	6.3	5.2	1	3.3	2	5.7
Moderate	30.8	30.2	23.1	8	26.7	9	25.7
Middle	30.6	31.0	28.0	7	23.3	9	25.7
Upper	29.5	32.0	43.1	13	43.3	14	40.0
Unknown	1.3	0.5	0.6	1	3.3	1	2.9
Total	100.0	100.0	100.0	30	100.0	35	100.0

The bank’s record of opening or closing branches has not adversely affected the accessibility of its delivery systems, including to LMI geographies. During the review period, Frost opened two branches, one in a low-income and one in a moderate-income census tract, and closed two branches, one in a moderate-income census tract and the other in an upper-income census tract. Banking services and hours of operations do not vary in a way that inconveniences the needs of the AA, particularly in LMI geographies or to LMI individuals. The level of branch services and hours offered are consistent throughout the AA.

Community Development Services

Frost provides a relatively high level of CD services in the AA. The bank’s employees served in various capacities, including directors and trustees, for CD organizations that aided LMI individuals, for a total of 190 CD services and 7,104 hours. The volume of community services and total hours decreased since the previous evaluation given limited in-person interactions due to the COVID-19 pandemic. Despite the decrease in volume of CD services, the bank’s performance reflects favorably on its responsiveness of meeting the AA needs. Examples of CD services performed by bank employees include:

- An employee serving on the board of directors for a CDFI that supports small business owners and aspiring entrepreneurs by actively educating, advocating, and providing funding for small businesses in the AA.
- Bank employees provided over 30 hours of financial education and resources to LMI individuals as a part of program focused on providing budgeting and money management skills for LMI individuals participating in affordable housing programs.

Table 21 shows the number of hours by type of involvement.

Table 21
Community Development Services
Assessment Area: San Antonio Metropolitan

Purpose	Total Services	Total Hours
Affordable Housing	1	20
Community Services	169	4,984
Economic Development	20	2,100
Revitalization and Stabilization	0	0
Total	190	7,104

DALLAS-FORT WORTH METROPOLITAN ASSESSMENT AREA
(Full-Scope Review)

DESCRIPTION OF THE INSTITUTION’S OPERATIONS IN THE DALLAS-FORT WORTH (DFW) METROPOLITAN ASSESSMENT AREA

- The Dallas-Fort Worth (DFW) Metropolitan AA consists of portions of the Dallas-Plano-Irving Metropolitan Division (MD) and the Fort Worth-Arlington Grapevine MD. The AA includes the counties of Collin, Dallas, Denton, and Rockwall from the Dallas-Plano-Irving MD, excluding the counties of Ellis, Hunt, and Kaufman. In addition, the AA includes Tarrant County from the Fort Worth-Arlington-Grapevine MD while excluding the counties of Johnson, Parker, and Wise Counties. Frost added Rockwall County to the AA since the prior evaluation.
- According to the 2020 ACS, the AA consists of 149 low-income, 402 moderate-income, 434 middle-income, 527 upper-income, and 24 unknown-income census tracts.
- Frost operates 59 branches in this AA, representing 30.3 percent of the bank’s total branches. The bank has significantly grown its presence in the AA since this previous evaluation, adding 18 branches: one in low-income, six in moderate-income, five in middle-income, and six in upper-income census tracts.
- The June 30, 2023, FDIC Market Share Report indicates that Frost had a 1.5 percent market share, ranking 10th out of the 159 FDIC-insured depository institutions operating in the AA.
- In 2022, Frost ranked 15th among 1,053 institutions that originated or purchased 200,713 HMDA-reportable loans in the AA, originating 2,634 or 1.3 percent of total loans. In addition, the bank ranked 19th among 306 institutions originating or purchasing CRA-reportable loans, originating 1,227 of the 218,891, or 0.6 percent, of the CRA-reportable loans in the AA.
- A representative of a local municipality identified a critical need for affordable housing and housing assistance for LMI individuals and families in the AA, as a result of the significant regional population growth and effects of the COVID-19 pandemic. The contact indicated banks should increase their risk appetite to meet the growing need and/or partner with local governments to provide homebuyer education, assistance programs, and/or credit counseling. Additionally, a representative of an organization that promotes economic development through various initiatives in the AA emphasized the need for banks to provide guarantees to CDFIs in assisting small businesses as well as for providing tailored technical assistance to small businesses.

Table 22

Population Change			
Assessment Area: Dallas-Fort Worth (DFW) Metropolitan			
Area	2015 Population	2020 Population	Percent Change
DFW Metropolitan	5,993,595	6,695,066	11.7
Collin County, TX	862,215	1,064,465	23.5
Dallas County, TX	2,485,003	2,613,539	5.2
Denton County, TX	731,851	906,422	23.9
Tarrant County, TX	1,914,526	2,110,640	10.2
Rockwall County, TX	85,536	107,819	26.1
Dallas-Plano-Irving, TX MD	4,519,004	5,129,966	13.5
Fort Worth-Arlington-Grapevine, TX MD	2,252,637	2,507,421	11.3
Texas	26,538,614	29,145,505	9.8
<i>Source: 2020 U.S. Census Bureau Decennial Census 2011-2015 U.S. Census Bureau: American Community Survey</i>			

- As highlighted in Table 22, the AA population experienced significant growth, at 11.7 percent, exceeding the 9.8 percent statewide growth rate noted from 2015 to 2020.
- Notably, the counties of Collin, Denton, and Rockwall experienced the most population growth within the AA, at 23.5 percent, 23.9 percent, and 26.1 percent, respectively.
- A community contact attributed the significant population growth to employment opportunities offered by the nearly 24 Fortune 500 companies headquartered in the AA. Some of these companies include American Airlines, Southwest Airlines, AT&T, Texas Instruments, and ExxonMobil.

Table 23

Median Family Income Change			
Assessment Area: Dallas-Fort Worth (DFW) Metropolitan			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
DFW Metropolitan	77,012	85,376	10.9
Collin County, TX	110,174	118,341	7.4
Dallas County, TX	61,072	69,689	14.1
Denton County, TX	99,628	111,436	11.9
Rockwall County, TX	104,958	113,658	8.3
Tarrant County, TX	76,367	82,856	8.5
Dallas-Plano-Irving, TX MD	77,736	88,315	13.6
Fort Worth-Arlington-Grapevine, TX MD	75,758	82,649	9.1
Texas	68,523	76,073	11.0

*Source: 2011-2015 U.S. Census Bureau: American Community Survey
2016-2020 U.S. Census Bureau: American Community Survey*

Note: Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.

- According to 2020 ACS data, approximately 1,564,950 families reside in the AA, with 39.9 percent of them classified as LMI.
- According to 2022 FFIEC data, 10.2 percent of AA households lived below the poverty level, which is below the statewide figure of 13.4 percent.

Table 24

Housing Cost Burden						
Assessment Area: Dallas-Fort Worth (DFW) Metropolitan						
Area	Cost Burden – Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
DFW Metropolitan	82.1	48.0	42.6	63.9	36.3	20.3
Collin County, TX	84.3	65.1	39.4	68.9	49.3	19.1
Dallas County, TX	80.2	42.0	42.7	61.6	31.2	22.6
Denton County, TX	86.7	56.6	41.7	69.8	48.1	18.8
Rockwall County, TX	80.8	61.0	39.5	70.7	44.3	18.9
Tarrant County, TX	83.5	47.8	44.0	64.1	34.6	19.2
Dallas-Plano-Irving, TX MD	81.3	47.6	42.0	63.0	36.2	20.6
Fort Worth-Arlington-Grapevine, TX MD	82.1	46.5	43.4	61.4	33.0	18.7
Texas	78.3	44.6	42.7	57.3	31.0	19.0

Cost burden is housing cost that equals 30 percent or more of household income.

Source: U.S. Department of Housing and Urban Development (HUD), 2016-2020 Comprehensive Housing Affordability Strategy

- Housing affordability within the AA for low-income renters is a substantially greater burden than the burden on homeowners at any other level.
- The housing cost burden for LMI individuals is greater in the AA than the statewide average for both renters and homeowners, as demonstrated in Table 24.
- The 2022 housing affordability ratio in the AA, at 30.1 percent, is below the statewide ratio of 34.1 percent; therefore, AA housing is less affordable than statewide housing. However, the housing affordability ratio for Rockwall County, at 37.4 percent, is notably higher than the overall AA and statewide housing affordability ratios. Thus, housing is more affordable in Rockwall County than in the AA and the state of Texas.
- Of the housing units in the AA, 53.8 percent are owner-occupied, 39.0 percent are rental, and 7.1 percent are vacant.
- A community contact reported a shortage of affordable housing in the AA, noting that housing affordability is a significant issue impacting LMI households.

Table 25

Unemployment Rates					
Assessment Area: Dallas-Fort Worth (DFW) Metropolitan					
Region	2018	2019	2020	2021	2022
DFW Metropolitan	3.6	3.3	7.2	5.1	3.5
Collin County, TX	3.4	3.1	6.3	4.4	3.2
Dallas County, TX	3.8	3.5	7.8	5.6	3.7
Denton County, TX	3.2	3.0	6.4	4.4	3.2
Tarrant County, TX	3.5	3.3	7.4	5.3	3.6
Rockwall County, TX	3.3	3.1	5.9	4.3	3.3
Dallas-Plano-Irving, TX MD	3.6	3.3	7.1	5.0	3.5
Fort Worth-Arlington-Grapevine, TX MD	3.5	3.3	7.2	5.2	3.6
Texas	3.9	3.5	7.7	5.6	3.9

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- As noted in Table 25, the AA and statewide unemployment rates have been comparable since 2018, albeit the AA rates being slightly below to the statewide rates.
- The COVID-19 pandemic is primarily responsible for the sharp unemployment increase in 2020 given the restrictions placed to combat contagion, such as the executive orders limiting gatherings of certain sizes, that resulted in many businesses downsized or closed their operations. The AA unemployment rates consistently declined after 2020, stabilizing to pre-pandemic levels by 2022.
- Major industries that provide employment opportunities in the AA are healthcare and social services, accommodation and food services, and retail trade.

Table 26 provides additional demographic information about the AA.

Table 26

2022 Dallas-Fort Worth (DFW) Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	149	9.7	132,071	8.2	34,348	26.0	355,311	22.1
Moderate	402	26.2	385,941	24.0	52,960	13.7	277,533	17.2
Middle	434	28.3	479,080	29.8	28,389	5.9	307,449	19.1
Upper	527	34.3	604,922	37.6	16,395	2.7	669,957	41.6
Unknown	24	1.6	8,236	0.5	1,272	15.4	0	0.0
Total AA	1,536	100.0	1,610,250	100.0	133,364	8.3	1,610,250	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	247,532	61,980	4.5	25.0	158,013	63.8	27,539	11.1
Moderate	639,069	270,655	19.8	42.4	316,162	49.5	52,252	8.2
Middle	759,810	423,037	31.0	55.7	288,264	37.9	48,509	6.4
Upper	868,151	605,036	44.3	69.7	213,548	24.6	49,567	5.7
Unknown	23,757	5,212	0.4	21.9	15,068	63.4	3,477	14.6
Total AA	2,538,319	1,365,920	100.0	53.8	991,055	39.0	181,344	7.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	20,906	5.4	19,193	5.4	1,568	6.5	145	3.0
Moderate	75,180	19.4	68,912	19.3	5,621	23.3	647	13.3
Middle	116,212	30.1	107,701	30.1	7,339	30.4	1,172	24.2
Upper	170,811	44.2	158,754	44.4	9,202	38.1	2,855	58.8
Unknown	3,493	0.9	3,062	0.9	397	1.6	34	0.7
Total AA	386,602	100.0	357,622	100.0	24,127	100.0	4,853	100.0
Percentage of Total Businesses:				92.5	6.2	1.3		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	71	2.5	70	2.5	1	2.9	0	0.0
Moderate	346	12.0	340	12.0	6	17.1	0	0.0
Middle	914	31.8	905	31.9	9	25.7	0	0.0
Upper	1,527	53.1	1,506	53.1	19	54.3	2	100.0
Unknown	17	0.6	17	0.6	0	0.0	0	0.0
Total AA	2,875	100.0	2,838	100.0	35	100.0	2	100.0
Percentage of Total Farms:				98.7	1.2	0.1		
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank's performance under the Lending Test in the AA is good. Lending activity reflects good responsiveness to AA credit needs. For this evaluation, small business lending carried more weight, as it comprised the largest volume of lending in the AA and is a strategic focus for the bank.

Lending Activity

The bank's lending activity reflects good responsiveness to the AA credit needs. Frost makes use of innovative and/or flexible lending programs to serve the AA credit needs, including LMI borrowers.

The bank's home mortgage lending in the AA was impacted by rising interest rates and a highly competitive housing market, with many national and regional financial institutions competing for loans. During the review period, Frost demonstrated flexible lending practices through its participation in numerous programs, including the SBA's PPP, home equity loans and home equity lines of credit, and disaster relief loans with flexible repayment terms and lower interest rates for consumer and businesses impacted by disasters in the AA.

Loan products and origination volumes are consistent with the credit needs of the AA and align with the bank's strategic focus on commercial lending. While Frost does not offer traditional 30-year mortgage products, it offers home equity loans, home equity lines of credit, and unsecured and secured home improvement loans that include flexible terms and amounts. The reduction in small business lending during the review period is primarily attributed to the conclusion of the SBA's PPP in May 2021. In late 2022, the bank introduced the SBA Lender Match Program, which connects small business owners and entrepreneurs with SBA products to help meet the credit needs of the small businesses in the AA.

Geographic Distribution of Loans

Frost's geographic distribution of loans reflects good penetration throughout the AA. The bank's small business lending reflects excellent penetration among geographies of different income levels, especially LMI geographies, while home mortgage lending reflects poor penetration. Although the bank made a large volume of both HMDA and small business loans in the AA, small business lending received greater weight based on Frost's strategic focus on commercial lending.

An analysis of Frost's lending distribution in the AA identified additional opportunities for lending in low-income and moderate-income census tracts. The bank's lending in middle- and upper-income geographies is generally skewed toward upper-income geographies; however, the distribution among these tracts did not affect conclusions about Frost's lending performance in LMI geographies.

For this evaluation, multifamily lending and purpose not applicable mortgage loans were not evaluated due to insufficient volume to conduct a meaningful analysis.

Residential Real Estate (HMDA) Lending

The geographic distribution of HMDA loans reflects poor penetration throughout the AA based on the bank's performance compared to the percent of AA owner-occupied housing units located in LMI census tracts (the demographic figures) and to the performance of aggregate lenders. Less than one percent of the bank's 2021 and 2022 home mortgage loans were made in low-income census tracts, notably below the performance of aggregate lenders. The bank's performance was slightly better in 2021. While aggregate lending improved in 2022, Frost's performance declined.

Frost has a notably low level of penetration among low-income census tracts. Of the 149 AA census tracts designated as low-income in 2022, the bank originated or purchase home mortgage loans in nine of these tracts. Similarly, Frost originated or purchased home mortgage loans in ten of the 162 census tracts designated as low-income in 2021.

Among moderate-income census tracts, the bank's home mortgage lending performance was similarly below aggregate data. In 2021 and 2022, the percent of the bank's home mortgage loans made in moderate-income census tract was less than half the percent of aggregate lending among the same category of census tracts. The disproportionate volume of the bank's loans made among middle- and upper-income census tracts in the AA does not reflect favorably on the bank's responsiveness to the credit needs of the LMI geographies.

The distribution of the remainder of bank lending in middle- and upper-income geographies did not affect conclusions about the bank's performance considering its lending in LMI geographies.

Table 27A and Table 27B provide details about the bank's 2021 and 2022 home mortgage lending by income level of geography within the AA.

Home Purchase Lending

The geographic distribution of home purchase lending in the AA is poor. The distribution of home purchase loans among low-income census tracts in 2021 is below aggregate lending data and the demographic figure. Among moderate-income census tracts, the bank's 2021 home purchase lending performance was also well below aggregate data and the demographic figure.

The bank's performance declined in 2022, with no home purchase loan originations in low-income census tracts. This is notable as the more than 1,000 aggregate lenders in the AA, among which the bank ranked 15th in 2022 for total HMDA originations, reported more than 5,500 home purchase loans in low-income census tracts. Among moderate-income census tracts, the bank's home purchase lending also reflected decreased penetration levels compared to 2021 and was significantly below aggregate lending as well as the demographic figure.

Home Refinance Lending

The geographic distribution of the bank's home refinance loans reflects poor penetration throughout the AA. Frost's distribution of 2021 and 2022 home refinance lending among moderate-income census tracts was well below aggregate data and the demographic figure. It is notable that the bank did not originate or purchase any mortgage loans in low-income census tracts in 2022. Moreover, the total volume of home refinance loans originated in the AA decreased sharply from approximately 176,000 home refinance originations in 2021 to less than 55,000 in 2022. This significant decrease of approximately 70 percent is reflective of the nationwide lending

environment during the review period. As interest rates rose, fewer borrowers sought to refinance their home mortgages, resulting in increased competition for lending opportunities. However, the increased competition is generally expected to have a greater impact on smaller institutions.

Home Improvement Lending

The geographic distribution of home improvement lending is poor. The distribution of the bank's 2021 and 2022 home improvement loans among low-income census tracts in the AA was below aggregate and the demographic figure. Similarly, Frost's lending performance in moderate-income census tracts during the review period was also below the aggregate and substantially below the demographic figure. Lending gaps discussed were also identified in the bank's home improvement lending.

Other Purpose Lines of Credit Lending

The geographic distribution of other purpose lines of credit lending is poor. The distribution of 2021 other purpose lines of credit among LMI census tracts is below aggregate data and significantly below the demographic figure. While Frost outperformed aggregate lenders among low-income census tracts in 2022, the bank but fell below the demographic figure. The distribution of 2021 and 2022 lending among moderate-income census tracts was also below the aggregate and substantially below the demographic figure.

Other Purpose Closed/Exempt

The geographic distribution of other purpose closed or exempt lending is poor. In 2021, the bank did not originate or purchase any other purpose closed or exempt loans in low-income census tracts. In 2022, the distribution of other closed or exempt loans among low-income census tracts was below aggregate data and the demographic figure. The bank's lending performance in moderate-income census tracts in 2021 and 2022 was also below the aggregate and the demographic figure.

Table 27A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: Dallas-Fort Worth (DFW) Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	1	0.5	4.0	158	0.3	2.6	0	0.0	4.3	0	0.0	2.1	4.5
Moderate	14	6.4	14.3	1,983	4.0	10.0	11	4.3	14.1	2,555	3.4	9.2	19.8
Middle	29	13.2	32.1	4,884	9.9	26.5	36	14.1	33.8	8,572	11.3	28.8	31.0
Upper	175	79.9	49.4	42,140	85.7	60.6	207	81.2	47.3	64,395	85.2	59.4	44.3
Unknown	0	0.0	0.3	0	0.0	0.3	1	0.4	0.5	100	0.1	0.5	0.4
Total	219	100.0	100.0	49,165	100.0	100.0	255	100.0	100.0	75,622	100.0	100.0	100.0
Refinance Loans													
Low	1	0.5	2.0	36	0.1	1.5	0	0.0	2.7	0	0.0	1.5	4.5
Moderate	13	6.6	10.2	1,708	3.3	6.8	14	8.1	14.2	1,914	4.4	8.9	19.8
Middle	36	18.4	26.8	5,275	10.3	21.0	33	19.1	32.7	6,720	15.4	25.3	31.0
Upper	146	74.5	60.9	44,337	86.3	70.6	126	72.8	49.9	35,072	80.2	63.8	44.3
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.4	0	0.0	0.5	0.4
Total	196	100.0	100.0	51,356	100.0	100.0	173	100.0	100.0	43,706	100.0	100.0	100.0
Home Improvement Loans													
Low	12	1.0	2.7	962	0.6	1.6	9	0.6	2.1	551	0.2	1.4	4.5
Moderate	52	4.1	11.1	3,927	2.4	7.7	69	4.5	10.5	7,720	3.3	7.7	19.8
Middle	209	16.6	23.2	19,428	12.1	17.9	322	20.9	24.1	35,452	15.4	19.1	31.0
Upper	987	78.3	62.9	136,037	84.8	72.7	1,136	73.7	62.8	186,127	80.7	71.3	44.3
Unknown	1	0.1	0.1	100	0.1	0.1	5	0.3	0.5	785	0.3	0.4	0.4
Total	1,261	100.0	100.0	160,454	100.0	100.0	1,541	100.0	100.0	230,635	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	23.8	0	0.0	18.0	0	0.0	17.3	0	0.0	9.9	
Moderate	0	0.0	33.3	0	0.0	24.4	0	0.0	35.8	0	0.0	26.3	29.2
Middle	0	0.0	25.3	0	0.0	29.8	0	0.0	22.0	0	0.0	32.3	28.0
Upper	0	0.0	17.2	0	0.0	27.0	0	0.0	22.9	0	0.0	29.6	23.2
Unknown	0	0.0	0.4	0	0.0	0.8	0	0.0	2.0	0	0.0	1.9	2.1
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	16	0.8	3.0	1,416	0.4	3.1	16	0.6	3.9	1,085	0.2	3.1	
Moderate	90	4.6	12.2	8,310	2.6	9.5	122	4.6	14.2	14,126	2.9	11.6	19.8
Middle	316	16.1	29.1	33,856	10.7	24.0	519	19.7	33.0	66,611	13.8	28.3	31.0
Upper	1,543	78.5	55.6	273,400	86.2	63.2	1,970	74.8	48.5	399,311	82.8	56.2	44.3
Unknown	1	0.1	0.2	100	0.0	0.2	7	0.3	0.5	960	0.2	0.8	0.4
Total	1,966	100.0	100.0	317,082	100.0	100.0	2,634	100.0	100.0	482,093	100.0	100.0	100.0

Source: 2022 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Table 27B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: Dallas-Fort Worth (DFW) Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Other Purpose LOC													
Low	2	0.8	2.0	260	0.5	1.1	4	0.9	0.7	414	0.4	0.3	4.5
Moderate	7	2.9	10.5	488	0.9	6.9	16	3.6	6.9	1,280	1.2	4.6	19.8
Middle	29	11.9	18.2	3,197	6.1	10.5	72	16.0	23.2	11,690	10.6	15.5	31.0
Upper	205	84.4	69.2	48,750	92.5	81.4	357	79.3	68.6	96,721	87.8	79.0	44.3
Unknown	0	0.0	0.1	0	0.0	0.1	1	0.2	0.6	75	0.1	0.6	0.4
Total	243	100.0	100.0	52,695	100.0	100.0	450	100.0	100.0	110,180	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	2.7	0	0.0	1.0	3	1.4	3.3	120	0.5	1.3	4.5
Moderate	4	8.5	14.0	204	6.0	6.1	12	5.6	12.0	657	3.0	5.7	19.8
Middle	13	27.7	23.2	1,072	31.4	12.1	56	26.0	27.3	4,177	19.0	14.4	31.0
Upper	30	63.8	59.9	2,136	62.6	80.5	144	67.0	56.9	16,996	77.4	77.7	44.3
Unknown	0	0.0	0.2	0	0.0	0.3	0	0.0	0.6	0	0.0	0.8	0.4
Total	47	100.0	100.0	3,412	100.0	100.0	215	100.0	100.0	21,950	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	5.0	0	0.0	2.8	0	0.0	11.6	0	0.0	10.3	4.5
Moderate	0	0.0	27.1	0	0.0	25.5	0	0.0	30.8	0	0.0	15.7	19.8
Middle	0	0.0	38.0	0	0.0	30.9	0	0.0	37.9	0	0.0	45.7	31.0
Upper	0	0.0	29.9	0	0.0	40.8	0	0.0	18.6	0	0.0	21.2	44.3
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	1.0	0	0.0	7.1	0.4
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Small Business Lending

The bank’s geographic distribution of small business loans reflects excellent penetration throughout the AA. As noted in Table 28, Frost’s small business lending among low-income census tracts in 2021 and 2022 slightly above aggregate data and the percent of AA businesses located in these geographies. Although the total volume of the bank’s small business loan originations decreased significantly between 2021 and 2022, the percent of the bank’s loans made to businesses in low-income census tracts remained stable.

Among moderate-income census tracts in 2021 and 2022, the bank’s performance was also above aggregate lending and the demographic figure. The bank’s performance declined slightly in 2022, but the decrease was smaller than that of the aggregate lending level. Furthermore, the bank’s performance remained above the demographic figure.

A community contact noted the need for small business loans within the AA to help small businesses retain and create jobs. Another contact identified a need for lending to small businesses to recover from the COVID-19 pandemic. Moreover, Frost has sustained elevated performance levels despite the economic environment and the conclusion of the SBA’s PPP, in which it was significantly involved.

Table 28

Distribution of 2021 and 2022 Small Business Lending By Income Level of Geography Assessment Area: Dallas-Fort Worth (DFW) Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Low	361	7.9	7.4	60,092	9.2	8.6	70	5.7	4.5	22,190	6.1	4.7	5.4
Moderate	995	21.7	19.2	170,333	26.1	21.8	263	21.5	18.2	78,457	21.7	18.7	19.4
Middle	1,142	24.9	24.3	148,970	22.8	22.7	339	27.7	28.3	102,771	28.4	27.4	30.1
Upper	2,064	45.0	48.0	267,160	40.9	45.3	547	44.7	47.8	155,610	43.0	47.9	44.2
Unknown	26	0.6	0.7	7,056	1.1	1.4	6	0.5	0.9	3,000	0.8	1.1	0.9
Total	4,588	100.0	100.0	653,611	100.0	100.0	1,225	100.0	100.0	362,028	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

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

Frost’s distribution of lending to borrowers reflects an adequate penetration among AA borrowers, driven by the bank’s lending to businesses of different revenue sizes, despite poor home mortgage lending distribution.

Residential Real Estate (HMDA) Lending

The bank’s HMDA lending by borrower income in the AA is poor when compared to demographic characteristics of the community, as well as the performance of aggregate lenders. As shown in Table 29A and Table 29B, Frost’s dispersion of home mortgage loans among low-income borrowers in 2021 and 2022 was below aggregate data and substantially below the demographic figure. During the review period, the bank’s home mortgage lending to moderate-income borrowers was similarly below aggregate lending performance and the percent of AA families classified as moderate-income.

Table 29A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level Assessment Area: Dallas-Fort Worth (DFW) Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	0.5	2.8	57	0.1	1.3	6	2.4	1.9	768	1.0	0.8	22.1
Moderate	13	5.9	14.1	2,980	6.1	9.5	8	3.1	11.2	2,643	3.5	7.0	17.2
Middle	24	11.0	19.3	5,179	10.5	16.5	19	7.5	19.9	3,583	4.7	16.6	19.1
Upper	176	80.4	41.7	39,845	81.0	53.2	217	85.1	43.7	67,218	88.9	55.8	41.6
Unknown	5	2.3	22.1	1,104	2.2	19.4	5	2.0	23.2	1,410	1.9	19.8	0.0
Total	219	100.0	100.0	49,165	100.0	100.0	255	100.0	100.0	75,622	100.0	100.0	100.0
Refinance Loans													
Low	7	3.6	3.3	422	0.8	1.6	8	4.6	7.7	793	1.8	3.8	22.1
Moderate	12	6.1	10.9	2,039	4.0	6.7	11	6.4	16.5	1,301	3.0	10.5	17.2
Middle	19	9.7	17.2	2,909	5.7	13.4	21	12.1	20.7	3,269	7.5	16.4	19.1
Upper	155	79.1	47.2	45,528	88.7	56.9	129	74.6	41.4	37,537	85.9	54.4	41.6
Unknown	3	1.5	21.4	458	0.9	21.5	4	2.3	13.6	806	1.8	14.9	0.0
Total	196	100.0	100.0	51,356	100.0	100.0	173	100.0	100.0	43,706	100.0	100.0	100.0
Home Improvement Loans													
Low	15	1.2	5.0	552	0.3	2.7	18	1.2	5.5	1,366	0.6	3.4	22.1
Moderate	43	3.4	11.0	3,141	2.0	7.3	69	4.5	9.9	4,041	1.8	6.4	17.2
Middle	103	8.2	17.0	7,580	4.7	13.4	145	9.4	17.3	12,216	5.3	12.5	19.1
Upper	1,095	86.8	63.5	148,367	92.5	71.9	1,301	84.4	64.0	211,991	91.9	73.2	41.6
Unknown	5	0.4	3.5	814	0.5	4.7	8	0.5	3.3	1,021	0.4	4.5	0.0
Total	1,261	100.0	100.0	160,454	100.0	100.0	1,541	100.0	100.0	230,635	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	26	1.3	3.1	1,188	0.4	1.5	49	1.9	3.7	4,251	0.9	1.6	22.1
Moderate	86	4.4	12.2	9,949	3.1	8.0	122	4.6	12.5	10,584	2.2	7.7	17.2
Middle	183	9.3	18.0	19,443	6.1	14.8	275	10.4	19.7	29,111	6.0	16.3	19.1
Upper	1,650	83.9	44.6	283,367	89.4	55.1	2,163	82.1	43.6	433,665	90.0	55.8	41.6
Unknown	21	1.1	22.0	3,135	1.0	20.6	25	0.9	20.5	4,482	0.9	18.7	0.0
Total	1,966	100.0	100.0	317,082	100.0	100.0	2,634	100.0	100.0	482,093	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 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.

Table 29B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Dallas-Fort Worth (DFW) Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	1	0.4	6.7	100	0.2	3.6	11	2.4	4.2	947	0.9	2.8	22.1
Moderate	15	6.2	9.3	1,611	3.1	4.7	17	3.8	8.3	1,740	1.6	5.0	17.2
Middle	26	10.7	13.8	3,218	6.1	8.0	58	12.9	16.3	8,207	7.4	10.1	19.1
Upper	193	79.4	66.0	47,007	89.2	79.3	358	79.6	65.5	98,248	89.2	76.7	41.6
Unknown	8	3.3	4.1	759	1.4	4.4	6	1.3	5.6	1,038	0.9	5.4	0.0
Total	243	100.0	100.0	52,695	100.0	100.0	450	100.0	100.0	110,180	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	2	4.3	6.4	57	1.7	2.2	6	2.8	7.7	377	1.7	3.4	22.1
Moderate	3	6.4	13.1	178	5.2	4.9	17	7.9	13.5	859	3.9	6.1	17.2
Middle	11	23.4	14.7	557	16.3	6.8	32	14.9	18.0	1,836	8.4	8.9	19.1
Upper	31	66.0	56.8	2,620	76.8	75.8	158	73.5	53.8	18,671	85.1	69.6	41.6
Unknown	0	0.0	9.0	0	0.0	10.3	2	0.9	6.9	207	0.9	12.1	0.0
Total	47	100.0	100.0	3,412	100.0	100.0	215	100.0	100.0	21,950	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.9	0	0.0	0.5	0	0.0	0.8	0	0.0	0.4	22.1
Moderate	0	0.0	0.7	0	0.0	0.6	0	0.0	0.4	0	0.0	0.3	17.2
Middle	0	0.0	0.3	0	0.0	0.3	0	0.0	0.2	0	0.0	0.2	19.1
Upper	0	0.0	0.4	0	0.0	0.5	0	0.0	0.3	0	0.0	0.7	41.6
Unknown	0	0.0	97.6	0	0.0	98.1	0	0.0	98.4	0	0.0	98.4	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Small Business Lending

Considering Frost’s performance when compared to the aggregate, the borrower distribution of small business loans by revenue size of businesses is adequate. Table 30 reflects a distribution of the bank’s 2021 small business loans to businesses with revenues of \$1 million or less was above aggregate data but below the percent of small businesses in the AA. While more than 92 percent of AA businesses report annual revenues of \$1 million or less, the demographic figure is not presumed to be representative of loan demand. The distribution of Frost’s small business loans to businesses reporting revenues of \$1 million or less reflects favorably on the bank’s responsiveness to the credit needs of businesses in the AA in 2021.

Frost’s distribution of loans to small businesses declined significantly in 2022, falling below aggregate lending data and further below the percent of small businesses in the AA. A large portion of this decrease is attributed to the cessation of the SBA’s PPP. While the bank’s small business loan origination volumes declined among all classifications of borrowers, businesses with annual revenues of \$1 million or less were impacted the most, with a decrease exceeding 2,200 loans. However, aggregate lenders increased the percent of small business lending to businesses with annual revenues of \$1 million or less in 2022. The disparity between the bank’s lending performance and that of aggregate lenders reflects negatively on Frost’s responsiveness to credit needs in the AA in 2022.

Table 30

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Dallas-Fort Worth (DFW) Metropolitan													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	\$%	\$%	#	%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	2,538	55.3	42.7	156,879	24.0	27.2	294	24.0	49.5	55,752	15.4	34.1	92.5
Over \$1 Million	1,601	34.9		431,616	66.0		743	60.7		255,849	70.7		6.2
Revenue Unknown	449	9.8		65,116	10.0		188	15.3		50,427	13.9		1.3
Total	4,588	100.0		653,611	100.0		1,225	100.0		362,028	100.0		100.0
By Loan Size													
\$100,000 or Less	3,023	65.9	92.7	99,552	15.2	37.9	413	33.7	94.7	24,619	6.8	42.7	
\$100,001 - \$250,000	762	16.6	4.0	129,114	19.8	17.2	311	25.4	2.8	58,302	16.1	14.9	
\$250,001 - \$1 Million	803	17.5	3.2	424,945	65.0	44.9	501	40.9	2.4	279,107	77.1	42.4	
Total	4,588	100.0	100.0	653,611	100.0	100.0	1,225	100.0	100.0	362,028	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	2,233	88.0		62,239	39.7		154	52.4		7,943	14.2		
\$100,001 - \$250,000	168	6.6		26,434	16.8		67	22.8		12,183	21.9		
\$250,001 - \$1 Million	137	5.4		68,206	43.5		73	24.8		35,626	63.9		
Total	2,538	100.0		156,879	100.0		294	100.0		55,752	100.0		
Source: 2022 FFIEC Census Data													
2022 Dun & Bradstreet Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Community Development Lending

The bank is a leader in making CD loans in the AA. During the review period, Frost originated a total of 31 qualifying CD loans in the AA, totaling \$91.3 million. The bank originated qualified CD loans in the AA to organizations that provide community services to LMI individuals and geographies. Community services offered by these organizations include extension of health resources, financial education, job training, and affordable housing. These loans were responsive to the AA credit needs, as community contacts identified financial education and affordable housing as needs.

Examples of the bank’s CD lending activities that were considered particularly responsive to the AA credit needs include:

- A \$50.2 million loan to finance the construction of a 324-apartment unit complex, where 51 percent of the units are reserved for residents at 80 percent or below the area median income (AMI).
- A \$1 million line of credit to support funding of a community health center that provides comprehensive primary care services to prevent illness and promote health for LMI communities.
- A \$9.3 million and \$2.5 million lines of credit to promote economic development in a historically underserved geography.

Table 31
Community Development Lending
Assessment Area: Dallas-Fort Worth (DFW) Metropolitan

Purpose	#	\$000s
Affordable Housing	1	50,178
Community Services	29	31,794
Economic Development	0	0
Revitalization and Stabilization	1	9,314
Totals	31	91,286

INVESTMENT TEST

Frost’s performance under the Investment Test in the AA is excellent, often positioning the bank as a leader given its significant level of CD investments and grants, particularly those not routinely provided by private investors. The bank makes occasional use of innovative or complex investments to support CD initiatives and exhibits excellent responsiveness to AA needs. Frost’s investments primarily focused on community services and affordable housing, which reflects excellent responsiveness as community contacts emphasized them as AA needs.

Table 32 illustrates Frost’s CD investments and donations within the AA, including prior period investments that remain on the bank’s ledger, current period investments purchased during the review period, and CD donations made since the previous evaluation. Examples of notable investments and donations that reflect Frost’s efforts to meet the AA needs include:

- \$1.05 million investment to an SBA loan fund established with the primary mission of promoting permanent job creation, retention, and/or improvement for LMI persons who are employed by small businesses.
- Thirty investments, totaling \$73.4 million, in mortgage-backed securities targeted to LMI borrowers.

Table 32
Investments, Grants, and Donations
Assessment Area: Dallas-Fort Worth (DFW) Metropolitan

Community Development Purpose	Prior Period Investments ¹		Current Investments ²		Donations		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Affordable Housing	1	26,369	30	73,414	0	0	31	99,783
Community Services	1	1,000	3	38,725	72	661	76	40,386
Economic Development	0	0	2	1,601	12	104	14	1,705
Revitalization and Stabilization	0	0	0	0	0	0	0	0
Total	2	27,369	35	113,740	48	765	121	141,874

¹ Book value of investment
² Original market value of investment

SERVICE TEST

Frost’s Service Test performance is good. Its retail and CD services reflect good responsiveness to the needs of the AA.

Retail Services

The bank’s delivery systems are accessible to the AA geographies and individuals of different income levels. The distribution of Frost’s 59 branch offices and 65 ATMs as of September 30, 2023, was compared to the distribution of the population and businesses among the income tract categories within the AA. Table 33 summarizes the bank’s retail locations in the AA.

Table 33

Branch and Full-Service ATM Locations Assessment Area: Dallas-Fort Worth (DFW) Metropolitan							
Tract Income	% of Geographies	% of Population	% of Businesses	Branches		Full-Service ATMs	
				#	%	#	%
Low	9.7	9.3	5.4	4	6.8	5	7.7
Moderate	26.2	24.9	19.4	13	22.0	13	20.0
Middle	28.3	30.2	30.1	17	28.8	20	30.7
Upper	34.3	34.7	44.2	25	42.4	27	41.5
Unknown	1.6	0.9	0.9	0.0	0.0	0	0.0
Total	100.0	100.0	100.0	59	100.0	65	100.0

The bank opened 18 branches during the review period, one in a low-income, six in a moderate-income, five in middle-income, and six in upper-income census tracts. The bank did not close any branches during the review period. The bank’s record of opening or closing branches has improved the accessibility of its delivery systems, including to LMI geographies. Banking services and hours of operations do not vary in the AA, particularly in LMI geographies or to LMI individuals. The level of branch services and hours offered are consistent throughout the AA.

Community Development Services

The bank provides a relatively high level of CD services in the AA. The bank’s employees served in various capacities, including directors and trustees, for organizations that offer community services to LMI individuals, extending 288 CD services for a total of 8,507 hours. The volume of community services and total hours decreased since the previous evaluation, as in-person interactions with the AA community were limited due to the COVID-19 pandemic. Despite the decrease in volume of CD services, the bank’s performance reflects favorably on its responsiveness of meeting the AA needs. Examples of CD services performed by bank employees include:

- An employee serving on the board of directors for an organization that develops affordable housing and provides social services to LMI families in the AA.
- Bank employees partnered with a local community center to provide over 76 hours of financial education and resources to LMI homeowners in South Dallas.

Table 34 shows the number of hours by type of involvement.

Table 34

Community Development Services Assessment Area: Dallas-Fort Worth (DFW) Metropolitan		
Purpose	Services	Hours
Affordable Housing	2	95
Community Services	275	7961
Economic Development	11	451
Revitalization and Stabilization	0	0
Total	288	8,507

HOUSTON METROPOLITAN ASSESSMENT AREA
(Full-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE HOUSTON METROPOLITAN ASSESSMENT AREA

- The Houston Metropolitan AA consists of a portion of the Houston MSA, including the counties of Brazoria, Fort Bend, Galveston, Harris, and Montgomery. However, the AA excludes the Houston MSA counties of Austin, Chambers, Liberty, and Waller.
- According to the 2020 American Community Survey (ACS), the AA includes 215 low-income, 385 moderate-income, 408 middle-income, 505 upper-income, and 49 unknown-income census tracts.
- Frost operates 61 branches in this AA, representing 31.3 percent of the bank's total branches. The bank has grown its presence in the AA since the previous evaluation by adding 7 branches within the AA, one in low-income, two in moderate-income, one in middle-income, and three in upper-income census tracts.
- The June 30, 2023, FDIC Market Share Report indicates that the bank had a 2.4 percent market share in the AA, ranking 7th out of the 100 FDIC-insured depository institutions operating in the AA.
- In 2022, 1,022 institutions originated or purchased 179,754 HMDA-reportable loans in the Houston Metropolitan AA. Of those, the bank ranked 29th, originating 1,373 or 0.8 percent of total loans. Additionally, in 2022, the bank ranked 21st among 272 institutions originating or purchasing CRA-reportable loans. The bank originated 1,001 of the 227,417, or 0.4 percent, of the CRA-reportable loans in the AA.
- A community member representing an organization that promotes economic development by supporting small businesses in the AA indicated that affordable housing and access to loans for small businesses are needs within the AA.

Table 35

Population Change			
Assessment Area: Houston Metropolitan			
Area	2015 Population	2020 Population	Percent Change
Houston Metropolitan AA	6,157,183	6,897,080	12.0
Brazoria County, TX	331,741	372,031	12.1
Fort Bend County, TX	658,331	822,779	25.0
Galveston County, TX	308,163	350,682	13.8
Harris County, TX	4,356,362	4,731,145	8.6
Montgomery County, TX	502,586	620,443	23.5
Houston-The Woodlands-Sugar Land, TX MSA	6,346,653	7,122,240	12.2
Texas	26,538,614	29,145,505	9.8
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

- As highlighted in Table 35, the AA population grew significantly from 2015 to 2020, representing a 12.0 percent increase. The AA population growth exceeded the statewide growth rate of 9.8 percent.
- Fort Bend County experienced the greatest population between 2015 and 2020, at 25.0 percent, which is more than double the AA and statewide growth rates. The significant

population growth is attributed to employment opportunities offered by major companies such as Minute Maid and Schlumberger.

Table 36

Median Family Income Change			
Assessment Area: Houston Metropolitan			
Area	2015 Median Family Income (\$)	2020 Median Family Income (\$)	Percent Change
Houston Metropolitan AA	75,604	81,367	7.6
Brazoria County, TX	89,293	96,168	7.7
Fort Bend County, TX	108,399	109,870	1.4
Galveston County, TX	84,895	94,795	11.7
Harris County, TX	67,969	73,274	7.8
Montgomery County, TX	88,680	99,511	12.2
Houston-The Woodlands-Sugar Land, TX MSA	57,030	61,785	8.3
Texas	68,523	76,073	11.0

*Source: 2011 - 2015 U.S. Census Bureau American Community Survey
2016 - 2020 U.S. Census Bureau American Community Survey*

Note: Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.

- According to 2020 ACS, approximately 1,650,859 families reside in the AA. By family income, 40.2 percent of AA families are classified as LMI.
- The AA's MFI increased at a lower rate than the state of Texas, except for Galveston and Montgomery Counties which exceeded the state rate.
- According to 2022 FFIEC data, 12.5 percent of AA households lived below the poverty level, which is below the statewide figure of 13.4 percent.

Table 37

Housing Cost Burden						
Assessment Area: Houston Metropolitan						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Houston Metropolitan AA	81.4	46.5	44.6	60.2	36.4	19.6
Brazoria County, TX	76.3	32.9	39.4	49.4	28.2	16.9
Fort Bend County, TX	76.6	65.7	41.8	70.8	48.2	19.8
Galveston County, TX	80.2	47.0	43.6	59.6	32.1	17.8
Harris County, TX	82.0	45.4	45.7	60.7	35.9	20.3
Montgomery County, TX	80.2	52.3	38.4	54.8	35.5	17.4
Houston-The Woodlands-Sugar Land, TX MSA	81.2	46.2	44.6	59.8	35.9	19.5
Texas	78.3	44.6	42.7	57.3	31.0	19.0

Cost burden is housing cost that equals 30 percent or more of household income

Source: 2016-2020 U.S. Census Bureau: American Community Survey

- Housing affordability within the AA for low-income renters is a substantially greater burden than the burden on homeowners at any other level.
- The housing cost burden for LMI individuals is greater in the AA than the statewide average for both renters and homeowners, as demonstrated in Table 37.

- The 2022 housing affordability ratio in the AA, at 33.1 percent, is below the statewide ratio of 34.1 percent; therefore, AA housing is less affordable than statewide housing.
- Of the housing units in the AA, 55.0 percent are owner-occupied, 36.1 percent are rental, and 8.9 percent are vacant.
- A community contact reported a shortage of affordable housing in the AA, noting that housing affordability is a significant issue impacting LMI households.

Table 38

Unemployment Rates					
Assessment Area: Houston Metropolitan					
Area	2018	2019	2020	2021	2022
Houston Metropolitan AA	4.3	3.8	8.7	6.3	4.2
Brazoria County, TX	4.6	4.2	8.6	6.8	4.5
Fort Bend County, TX	4.0	3.5	7.6	5.9	3.9
Galveston County, TX	4.7	4.1	8.8	6.6	4.4
Harris County, TX	4.4	3.9	9.0	6.4	4.2
Montgomery County, TX	3.8	3.4	7.5	5.8	3.9
Houston-The Woodlands-Sugar Land, TX MSA	4.4	3.8	8.7	6.3	4.2
Texas	3.9	3.5	7.7	5.6	3.9

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Major industries that provide employment opportunities in the AA are healthcare and social services, retail trade, and professional and technical services.
- The AA unemployment rates are consistently above the statewide rates over the past five years.
- The sharp increase in unemployment during 2020, as reflected in Table 38, is primarily attributed to the COVID-19 pandemic that began in March 2020 and the related restrictions placed to combat contagion, such as the executive orders limiting gatherings of certain sizes. As result, many businesses downsized or closed their operations.
- However following 2020, AA unemployment rates consistently declined, and in 2022 AA unemployment rates stabilized to pre-pandemic levels.
- A representative of an area organization that promotes economic development stated that small businesses in the AA were significantly more impacted by the COVID-19 pandemic than large businesses, with many being forced to close their operations. The representative highlighted a need for loans and technical assistance to support start-up, small businesses.

Table 39 provides additional demographic information about the AA.

Table 39

2022 Houston Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	215	13.8	168,037	10.2	54,180	32.2	389,059	23.6
Moderate	385	24.6	377,238	22.9	60,353	16.0	273,834	16.6
Middle	408	26.1	472,141	28.6	36,171	7.7	294,579	17.8
Upper	505	32.3	614,325	37.2	20,536	3.3	693,387	42.0
Unknown	49	3.1	19,118	1.2	4,477	23.4	0	0.0
Total AA	1,562	100.0	1,650,859	100.0	175,717	10.6	1,650,859	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	297,280	71,836	5.1	24.2	187,981	63.2	37,463	12.6
Moderate	604,210	274,443	19.4	45.4	273,153	45.2	56,614	9.4
Middle	714,369	428,552	30.3	60.0	224,956	31.5	60,861	8.5
Upper	903,672	625,964	44.3	69.3	211,220	23.4	66,488	7.4
Unknown	48,212	12,289	0.9	25.5	28,761	59.7	7,162	14.9
Total AA	2,567,743	1,413,084	100.0	55.0	926,071	36.1	228,588	8.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	32,585	8.9	29,507	8.7	2,842	11.7	236	5.3
Moderate	72,249	19.6	65,975	19.5	5,700	23.4	574	12.9
Middle	93,438	25.4	87,016	25.7	5,518	22.7	904	20.3
Upper	163,076	44.3	150,745	44.5	9,682	39.8	2,649	59.6
Unknown	6,387	1.7	5,734	1.7	569	2.3	84	1.9
Total AA	367,735	100.0	338,977	100.0	24,311	100.0	4,447	100.0
Percentage of Total Businesses:				92.2		6.6		1.2
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	87	3.5	84	3.5	3	7.3	0	0.0
Moderate	315	12.8	302	12.5	12	29.3	1	16.7
Middle	713	29.0	699	29.0	10	24.4	4	66.7
Upper	1,307	53.2	1,291	53.6	15	36.6	1	16.7
Unknown	34	1.4	33	1.4	1	2.4	0	0.0
Total AA	2,456	100.0	2,409	100.0	41	100.0	6	100.0
Percentage of Total Farms:				98.1		1.7		0.2
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Frost's performance under the Lending Test in the Houston Metropolitan AA is good. Lending activity reflects good responsiveness to AA credit needs. For this evaluation, small business lending carried more weight, as it comprised the largest volume of lending in the AA and is a strategic focus for the bank.

Lending Activity

The bank's lending activity reflects good responsiveness to the AA credit needs. Frost makes use of innovative and/or flexible lending programs to serve the AA, including LMI borrowers and census tracts.

Frost's decreased level of home mortgage lending is attributed to rising interest rates and a highly competitive housing market within the AA, with many national and regional financial institutions competing for loans. During the review period, the bank exhibited flexible lending practices through its participation in numerous programs, including the SBA's PPP, home equity loans, and home equity lines of credit with flexible terms.

The reduction in small business lending is primarily due to the conclusion of the SBA's PPP in May 2021 and rising interest rate environment. Loan products and origination volumes are consistent with the credit needs of the AA and align with the bank's strategic focus on commercial lending. While the bank does not offer traditional 30-year mortgage products, it offers home equity loans, home equity lines of credit, and unsecured and secured home improvement loans.

Geographic Distribution of Loans

Frost's geographic distribution of loans reflects good penetration throughout the AA. The bank's small business lending reflects excellent penetration among geographies of different income levels, especially LMI geographies, while home mortgage lending reflects poor penetration. Greater weight was given to small business lending by geography based on the bank's strategic focus on commercial lending and lower level of HMDA lending.

The bank extended loans throughout the AA. While a lower level of lending in Brazoria County was noted, the bank's branch presence is isolated to the far northern region of the county and geographies with decreased levels of lending are located in the southern region of the county. There were no conspicuous gaps or anomalies in the lending patterns that are unexplained by performance context. The distribution of the remainder of bank lending in middle- and upper-income geographies did not affect conclusions about the bank's performance considering its lending in LMI geographies.

For this evaluation, multifamily, other purpose closed or exempt, and other purpose not applicable lending was not evaluated due to insufficient volume to conduct a meaningful analysis.

Residential Real Estate (HMDA) Lending

The geographic distribution of the bank's HMDA loans reflects poor penetration throughout the AA when comparing Frost's performance to the percent of AA owner-occupied housing units located in LMI census tracts (the demographic figure) and to aggregate lending data. In low-income census tracts, the bank's HMDA lending distribution is generally comparable to the performance of aggregate lenders, though below the demographic figure. Neither the bank's performance nor aggregate lending data matched the demographic figure, which may be indicative of lower demand most likely due to inflated housing costs in the AA and the sharp rise in interest rates during the review period.

Among moderate-income census tracts, Frost's performance was below aggregate lending data in 2021 and 2022. The bank's distribution of HMDA loans in moderate-income tracts declined in 2022 while aggregate performance improved. This disparity reflects negatively on Frost's responsiveness to the housing-related credit needs of moderate-income census tracts in the AA, as aggregate lending data serves as a proxy for loan demand. Frost's performance in moderate-income geographies carried more weight than its performance in low-income census tracts given greater opportunity to extend credit based on the percent of owner-occupied housing in the AA moderate-income geographies (19.4 percent) almost quadrupling the percent of such housing in low-income census tracts (5.1 percent).

Home Purchase Lending

The geographic distribution of home purchase lending is poor. The bank's distribution of home purchase loans in low-income census tracts in 2021 was slightly below aggregate lending data, with neither meeting the demographic figure. Frost's home purchase lending in low-income census tracts improved in 2022 when compared to 2021; however, it remained slightly below aggregate lending.

Frost's home purchase lending in moderate-income census tracts was significantly below the aggregate data and the demographic figure in 2021. In 2022, the bank's home purchase lending reflected lower penetration levels than in 2021 even though aggregate lending improved, resulting in a wider performance gap. It is noteworthy that the percent of owner-occupied housing units in moderate income census tracts was significantly higher than the bank's performance and aggregate lending in these census tracts, which may indicate lower loan demand.

Home Refinance Lending

The geographic distribution of home refinance lending in the AA is good. The bank's distribution of home refinance loans among low-income census tracts in 2021 and 2022 outpaced aggregate lending but was below the demographic figure. The bank's lending performance in 2021 also exceeded than aggregate lending performance. In 2022, Frost's performance in moderate-income tracts declined, with aggregate lending outpacing the bank's performance.

Home Improvement Lending

The geographic distribution of home improvement lending in the AA is poor. The bank's distribution of home improvement loans in 2021 among low-income census tracts was below aggregate data and the demographic figure. In 2022, the bank's home improvement lending in low-income census tracts improved, reflecting performance comparable to aggregate lending.

The bank's lending performance among moderate-income census tracts was below the aggregate and the demographic figure during the review period.

Other Purpose Lines of Credit Lending

The geographic distribution of the bank's other purpose lines of credit in the AA is adequate. During the review period, Frost's other purpose lines of credit performance among low-income census tracts was comparable to aggregate lending data, though below the demographic figure. In 2021, the bank's performance in moderate-income census tracts was slightly below aggregate lending. While the percent of the bank's other purpose lines of credit originated in moderate-income census tracts declined in 2022, aggregate lending decreased by a wider margin, resulting in Frost's performance being comparable.

Other purpose Closed/Exempt Lending

The geographic distribution of other purpose closed or exempt lending is adequate. The distribution of the bank's 2021 other closed or exempt loans among LMI census tracts is slightly below aggregate data and the demographic figure. The bank's performance in 2022 increased among low-income census tracts, matching aggregate data despite remaining below the demographic figure. Among moderate-income census tracts, the bank's performance decreased in 2022, falling below aggregate data and the demographic figure.

Table 40A and Table 40B provide details about the bank's 2021 and 2022 home mortgage lending by income level of geography within the AA.

Table 40A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Houston Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	2	1.9	3.0	483	1.9	2.2	2	2.4	3.7	388	2.2	2.5	5.1
Moderate	6	5.8	13.9	1,121	4.4	10.0	3	3.6	15.5	445	2.5	11.0	19.4
Middle	14	13.5	28.3	2,885	11.4	22.7	19	22.6	31.9	3,106	17.7	27.3	30.3
Upper	82	78.8	54.7	20,714	82.2	64.9	60	71.4	47.9	13,658	77.6	58.3	44.3
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	1.0	0	0.0	0.9	0.9
Total	104	100.0	100.0	25,203	100.0	100.0	84	100.0	100.0	17,597	100.0	100.0	100.0
Refinance Loans													
Low	6	4.8	2.1	1,399	5.4	1.5	3	3.3	3.1	467	1.7	2.0	5.1
Moderate	19	15.3	10.1	2,006	7.7	7.0	9	9.9	15.0	1,273	4.6	10.0	19.4
Middle	29	23.4	24.5	4,423	16.9	18.8	21	23.1	31.1	3,694	13.3	24.8	30.3
Upper	70	56.5	63.3	18,321	70.1	72.6	58	63.7	49.9	22,294	80.4	62.5	44.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.9	0	0.0	0.8	0.9
Total	124	100.0	100.0	26,149	100.0	100.0	91	100.0	100.0	27,728	100.0	100.0	100.0
Home Improvement Loans													
Low	14	1.7	2.8	1,125	1.3	2.1	16	1.9	3.2	1,047	1.0	2.5	5.1
Moderate	47	5.6	13.8	3,164	3.7	10.2	46	5.3	12.2	4,031	3.8	8.8	19.4
Middle	105	12.4	21.1	8,972	10.6	15.5	139	16.1	25.3	14,449	13.6	20.3	30.3
Upper	680	80.4	62.2	71,632	84.4	72.2	658	76.3	58.5	86,285	81.2	67.6	44.3
Unknown	0	0.0	0.0	0	0.0	0.0	3	0.3	0.8	404	0.4	0.8	0.9
Total	846	100.0	100.0	84,893	100.0	100.0	862	100.0	100.0	106,216	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	23.1	0	0.0	16.6	0	0.0	19.4	0	0.0	12.7	22.9
Moderate	0	0.0	31.0	0	0.0	23.3	0	0.0	28.1	0	0.0	20.0	26.4
Middle	0	0.0	19.1	0	0.0	20.8	0	0.0	21.9	0	0.0	28.0	21.2
Upper	1	100.0	26.6	1,405	100.0	38.5	0	0.0	27.0	0	0.0	34.1	25.3
Unknown	0	0.0	0.2	0	0.0	0.8	0	0.0	3.5	0	0.0	5.3	4.2
Total	1	100.0	100.0	1,405	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	25	2.0	2.6	3,296	1.9	2.8	27	2.0	3.6	2,363	1.1	3.8	5.1
Moderate	89	7.0	12.3	9,147	5.2	9.6	82	6.0	15.4	9,316	4.5	11.9	19.4
Middle	178	14.0	26.6	20,815	11.9	21.1	235	17.1	31.5	28,367	13.6	26.9	30.3
Upper	983	77.1	58.4	141,634	81.0	66.4	1,023	74.5	48.6	168,048	80.5	56.0	44.3
Unknown	0	0.0	0.1	0	0.0	0.1	6	0.4	0.9	650	0.3	1.4	0.9
Total	1,275	100.0	100.0	174,892	100.0	100.0	1,373	100.0	100.0	208,744	100.0	100.0	100.0

Source: 2022 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Table 40B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: Houston Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	%	\$(000)	#	%	#%	\$(000)	%	\$(000)	
Other Purpose LOC													
Low	2	1.3	2.1	234	0.7	1.4	3	1.3	2.1	286	0.6	1.6	5.1
Moderate	11	7.2	9.3	2,550	7.8	6.0	16	6.9	7.7	2,896	5.9	5.2	19.4
Middle	19	12.4	19.1	3,511	10.7	12.9	35	15.0	23.5	5,832	11.9	17.9	30.3
Upper	121	79.1	69.5	26,515	80.8	79.7	177	76.0	66.0	39,870	81.2	74.6	44.3
Unknown	0	0.0	0.0	0	0.0	0.0	2	0.9	0.7	208	0.4	0.6	0.9
Total	153	100.0	100.0	32,810	100.0	100.0	233	100.0	100.0	49,092	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	1	2.1	3.4	55	1.2	1.7	3	2.9	2.9	175	2.2	1.8	5.1
Moderate	6	12.8	13.8	306	6.9	6.0	8	7.8	14.9	671	8.3	8.0	19.4
Middle	11	23.4	26.0	1,024	23.1	14.0	21	20.4	29.3	1,286	15.9	18.4	30.3
Upper	29	61.7	56.8	3,047	68.8	78.2	70	68.0	52.4	5,941	73.2	70.8	44.3
Unknown	0	0.0	0.0	0	0.0	0.0	1	1.0	0.5	38	0.5	1.1	0.9
Total	47	100.0	100.0	4,432	100.0	100.0	103	100.0	100.0	8,111	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	3.4	0	0.0	2.2	0	0.0	4.1	0	0.0	6.7	5.1
Moderate	0	0.0	20.5	0	0.0	14.6	0	0.0	25.8	0	0.0	18.7	19.4
Middle	0	0.0	40.5	0	0.0	38.8	0	0.0	39.9	0	0.0	35.6	30.3
Upper	0	0.0	35.7	0	0.0	44.4	0	0.0	29.4	0	0.0	38.2	44.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.9	0	0.0	0.8	0.9
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Small Business Lending

The bank’s geographic distribution of small business loans reflects excellent penetration throughout the AA. As noted in Table 41, Frost’s small business lending among low-income census tracts in 2021 exceeds aggregate data and the percent of businesses located in these geographies. While the bank’s small business lending among low-income census tracts in 2022 remains above aggregate data, it fell slightly below the demographic figure.

Among moderate-income census tracts, Frost’s small business lending performance exceeded aggregate lending during the review period. The bank’s performance in moderate-income census tracts also improved between 2021 and 2022, raising above the demographic figure in 2022.

Table 41

Distribution of 2021 and 2022 Small Business Lending By Income Level of Geography													
Assessment Area: Houston Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Low	414	11.1	9.5	77,739	14.2	11.7	87	8.7	8.0	29,165	9.3	9.4	8.9
Moderate	703	18.8	18.2	105,285	19.3	19.5	217	21.7	18.2	74,009	23.6	20.3	19.6
Middle	736	19.7	23.9	113,558	20.8	22.8	223	22.3	25.4	67,809	21.6	24.2	25.4
Upper	1,869	50.1	47.8	249,177	45.6	45.7	460	46.0	46.4	139,229	44.4	44.4	44.3
Unknown	10	0.3	0.1	799	0.1	0.1	14	1.4	1.5	3,575	1.1	1.5	1.7
Total	3,732	100.0	100.0	546,558	100.0	100.0	1,001	100.0	100.0	313,787	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

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

Frost’s lending distribution reflects an adequate penetration among individuals of different income levels and businesses of different revenue sizes. The bank’s lending distribution to middle- and upper-income borrowers did not affect conclusions about its performance to LMI.

Residential Real Estate (HMDA) Lending

HMDA lending by borrower income in the AA is poor when compared to demographic figures and the performance of aggregate lenders. As shown in Table 42A and Table 42B, the bank’s dispersion of home mortgage loans among low-income borrowers in 2021 is comparable to aggregate data but substantially below the percent of AA families classified as low-income. Although the percent of the bank’s HMDA loans made to low-income borrowers increased in 2022, the bank’s performance remained below aggregate lending.

The percent of the bank’s home mortgage loans made to moderate-income borrowers was less than half the percent of aggregate lending to the same income level of borrower. Frost’s home mortgage lending performance to moderate-income borrowers improved in 2022; however, the disparity between the bank’s performance and that of aggregate lending increased.

Table 42A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Houston Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	\$%	\$%	#	%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	1.0	2.3	232	0.9	1.1	1	1.2	2.6	82	0.5	1.2	23.6
Moderate	2	1.9	14.1	610	2.4	9.4	2	2.4	13.9	330	1.9	9.1	16.6
Middle	15	14.4	20.4	2,981	11.8	16.9	6	7.1	20.3	553	3.1	16.9	17.8
Upper	82	78.8	40.9	19,696	78.1	52.9	74	88.1	40.6	16,575	94.2	52.5	42.0
Unknown	4	3.8	22.4	1,684	6.7	19.6	1	1.2	22.6	57	0.3	20.3	0.0
Total	104	100.0	100.0	25,203	100.0	100.0	84	100.0	100.0	17,597	100.0	100.0	100.0
Refinance Loans													
Low	4	3.2	2.5	192	0.7	1.2	4	4.4	6.9	383	1.4	3.5	23.6
Moderate	19	15.3	9.3	1,621	6.2	5.6	9	9.9	16.7	1,648	5.9	10.8	16.6
Middle	15	12.1	16.6	1,602	6.1	12.2	16	17.6	21.0	2,340	8.4	16.5	17.8
Upper	79	63.7	48.6	21,598	82.6	58.6	59	64.8	41.7	22,796	82.2	54.4	42.0
Unknown	7	5.6	23.0	1,136	4.3	22.4	3	3.3	13.7	561	2.0	14.9	0.0
Total	124	100.0	100.0	26,149	100.0	100.0	91	100.0	100.0	27,728	100.0	100.0	100.0
Home Improvement Loans													
Low	10	1.2	5.3	534	0.6	2.7	21	2.4	6.0	1,120	1.1	3.7	23.6
Moderate	30	3.5	10.2	2,369	2.8	6.7	36	4.2	12.7	2,832	2.7	8.9	16.6
Middle	77	9.1	17.7	5,427	6.4	13.2	76	8.8	18.4	5,442	5.1	13.9	17.8
Upper	722	85.3	63.8	76,086	89.6	73.1	723	83.9	60.5	96,156	90.5	70.6	42.0
Unknown	7	0.8	3.1	477	0.6	4.4	6	0.7	2.4	666	0.6	2.9	0.0
Total	846	100.0	100.0	84,893	100.0	100.0	862	100.0	100.0	106,216	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	21	1.6	2.4	1,395	0.8	1.1	38	2.8	3.7	2,308	1.1	1.7	23.6
Moderate	66	5.2	11.7	6,133	3.5	7.7	75	5.5	14.4	7,194	3.4	9.4	16.6
Middle	126	9.9	18.4	12,799	7.4	14.8	140	10.2	20.1	13,356	6.4	16.7	17.8
Upper	1,042	81.8	44.3	149,663	86.3	55.3	1,102	80.3	41.2	183,995	88.1	53.0	42.0
Unknown	19	1.5	23.2	3,497	2.0	21.1	18	1.3	20.6	1,891	0.9	19.3	0.0
Total	1,274	100.0	100.0	173,487	100.0	100.0	1,373	100.0	100.0	208,744	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 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.

Table 42B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Houston Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	4	2.6	5.8	312	1.0	2.7	6	2.6	6.4	500	1.0	4.3	23.6
Moderate	8	5.2	10.3	1,042	3.2	6.2	17	7.3	11.2	1,916	3.9	6.5	16.6
Middle	9	5.9	15.7	1,862	5.7	10.4	21	9.0	15.7	3,650	7.4	10.9	17.8
Upper	131	85.6	65.4	29,394	89.6	77.9	184	79.0	62.1	42,583	86.7	73.8	42.0
Unknown	1	0.7	2.8	200	0.6	2.9	5	2.1	4.6	443	0.9	4.5	0.0
Total	153	100.0	100.0	32,810	100.0	100.0	233	100.0	100.0	49,092	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	2	4.3	5.6	125	2.8	2.8	6	5.8	7.4	223	2.7	4.1	23.6
Moderate	7	14.9	13.5	491	11.1	6.7	11	10.7	16.4	468	5.8	9.1	16.6
Middle	10	21.3	17.6	927	20.9	8.8	21	20.4	19.3	1,371	16.9	11.0	17.8
Upper	28	59.6	57.1	2,889	65.2	70.2	62	60.2	50.3	5,885	72.6	64.0	42.0
Unknown	0	0.0	6.2	0	0.0	11.4	3	2.9	6.6	164	2.0	11.9	0.0
Total	47	100.0	100.0	4,432	100.0	100.0	103	100.0	100.0	8,111	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.6	0	0.0	0.3	0	0.0	1.4	0	0.0	0.8	23.6
Moderate	0	0.0	0.9	0	0.0	0.7	0	0.0	1.3	0	0.0	1.1	16.6
Middle	0	0.0	0.3	0	0.0	0.3	0	0.0	0.4	0	0.0	0.4	17.8
Upper	0	0.0	0.4	0	0.0	0.5	0	0.0	0.2	0	0.0	0.3	42.0
Unknown	0	0.0	97.9	0	0.0	98.3	0	0.0	96.7	0	0.0	97.4	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Small Business Lending

Frost’s borrower distribution of small business loans by revenue size of businesses is adequate. As noted in Table 43, the bank’s 2021 distribution of small business loans to businesses with revenues of \$1 million or less was above aggregate data but below the percent of small businesses in the AA. While more than 92 percent of AA businesses report annual revenues of \$1 million or less, the demographic figure is not presumed to be representative of loan demand. The distribution of the bank’s small business loans to businesses reporting revenues of \$1 million or less reflects favorably on the bank’s responsiveness to the credit needs of AA businesses in 2021.

The bank’s distribution of loans to small businesses declined significantly in 2022, falling well below aggregate lending data and further below the percent of small businesses in the AA. As noted previously, the total number of the bank’s small business loans decreased significantly in 2022. A large portion of this decrease is attributed to the cessation of the SBA’s PPP, a program under which the bank originated a large volume of small business loans. While the bank’s small business loan origination volumes declined among all classifications of borrowers, the largest impact was on businesses with annual revenues of \$1 million or less, which saw a reduction of over 1,700 loans. Conversely, the percent of aggregate lenders extending small business loans to small businesses increased in 2022. This disparity between the bank’s lending performance

and that of aggregate small business lenders reflects negatively on Frost’s responsiveness to credit needs in the AA in 2022.

Table 43

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Houston Metropolitan													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	\$%	\$%	#	%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	1,997	53.5	42.1	120,032	22.0	27.4	238	23.8	50.2	43,624	13.9	35.6	92.2
Over \$1 Million	1,444	38.7		400,212	73.2		653	65.2		236,577	75.4		6.6
Revenue Unknown	291	7.8		26,314	4.8		110	11.0		33,586	10.7		1.2
Total	3,732	100.0		546,558	100.0		1,001	100.0		313,787	100.0		100.0
By Loan Size													
\$100,000 or Less	2,391	64.1	93.0	80,138	14.7	38.5	325	32.5	94.9	19,254	6.1	42.6	
\$100,001 - \$250,000	666	17.8	3.9	111,787	20.5	17.1	258	25.8	2.7	47,509	15.1	14.9	
\$250,001 - \$1 Million	675	18.1	3.2	354,633	64.9	44.4	418	41.8	2.4	247,024	78.7	42.5	
Total	3,732	100.0	100.0	546,558	100.0	100.0	1,001	100.0	100.0	313,787	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	1,767	88.5		49,356	41.1		122	51.3		6,396	14.7		
\$100,001 - \$250,000	132	6.6		21,122	17.6		65	27.3		10,724	24.6		
\$250,001 - \$1 Million	98	4.9		49,554	41.3		51	21.4		26,504	60.8		
Total	1,997	100.0		120,032	100.0		238	100.0		43,624	100.0		
Source: 2022 FFIEC Census Data													
2022 Dun & Bradstreet Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Community Development Lending

Frost is a leader in making CD loans in the AA, originating a total of 44 qualifying loans, totaling \$186.3 million. The CD loans originated in the AA were extended to support activities that provide community services to LMI individuals and geographies. Community services offered by these organizations provided health resources, financial education, job training, and affordable housing. These loans were responsive to the AA credit needs, as community contacts identified financial education and affordable housing as needs.

Examples of the bank’s CD lending activities that were considered particularly responsive to the AA credit needs include:

- An \$8 million and \$6 million lines of credit to help rehabilitate and construct affordable housing for residents designated as 80 percent and below AMI.
- A \$10.8 million line of credit to support a local women’s shelter. Funding will support expansion of the shelter to increase the organization’s capacity to serve from 120 to 360 individuals upon completion.
- A \$2.5 million loan to finance a multifamily housing project, with 100 percent of units benefiting LMI.

Table 44

Community Development Lending		
Purpose	#	\$000s
Affordable Housing	10	17,818
Community Services	32	43,503
Economic Development	2	125,000
Revitalization and Stabilization	0	0
Totals	44	186,321

INVESTMENT TEST

The bank’s performance under the Investment Test in the AA is excellent. Frost is often in a leadership position given its significant level of CD investments and grants, particularly those not routinely provided by private investors. The bank makes occasional use of innovative or complex investments to support CD initiatives and exhibits excellent responsiveness to AA needs. Frost’s investments primarily focused on community services and affordable housing, which reflects excellent responsiveness as community contacts emphasized the need for affordable housing and community services in the AA.

Table 45 illustrates the bank’s CD investments and donations, including prior period investments that remain on the bank’s ledger, current period investments purchased during the review period, and CD donations made since the previous evaluation.

Examples of notable investments and donations that reflect Frost’s efforts to meet the CD needs of the AA include:

- A \$22.3 million bond to a school where 80 percent of students are economically advantaged.
- Seventy-seven investments in mortgage-backed securities targeted to LMI borrowers.

Table 45

Investments, Grants, and Donations Assessment Area: Houston Metropolitan								
Community Development Purpose	Prior Period Investments ¹		Current Investments ²		Donations		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Affordable Housing	1	18,467	32	63,200	4	12	37	81,679
Community Services	1	14,642	3	44,615	133	602	137	59,859
Economic Development	0	0	2	1,130	7	25	9	1,155
Revitalization and Stabilization	0	0	0	0	0	0	0	0
Total	2	33,109	37	108,945	144	639	183	142,693

¹ Book value of investment
² Original market value of investment

SERVICE TEST

Frost’s performance under the Service Test is good, with the bank’s retail and CD services reflecting good responsiveness to the AA needs.

Retail Services

Frost’s delivery systems are accessible to the AA geographies and individuals of different income levels. The distribution of the bank’s 61 branch offices and 69 ATMs as of September 30, 2023, was compared to the distribution of the population and businesses among the income tract categories within the AA. Table 46 summarizes the bank’s retail locations in the AA.

Table 46

Branch and Full-Service ATM Locations Assessment Area: Houston Metropolitan							
Tract Income	% of Geographies	% of Population	% of Businesses	Branches		Full-Service ATMs	
				#	%	#	%
Low	13.8	11.1	8.8	6	9.8	6	8.7
Moderate	24.6	23.5	19.6	16	26.2	17	24.6
Middle	26.1	27.9	25.4	12	19.7	16	23.2
Upper	32.3	35.8	44.4	24	39.3	27	39.1
Unknown	3.1	1.8	1.7	3	4.9	3	4.4
Total	100.0	100.0	100.0	61	100.0	69	100

The bank's record of opening or closing branches has improved the accessibility of its delivery systems, including to LMI geographies. Frost opened seven branches during the review period: one in low-income, two in moderate-income, one in middle-income, and three in upper-income census tracts. The bank closed four branches during the review period: one in moderate-income and three in upper-income census tracts. Banking services and hours of operations do not vary in the AA, particularly in LMI geographies or to LMI individuals. The level of branch services and hours offered are consistent throughout the AA.

Community Development Services

Frost provides a relatively high level of CD services in the AA. The bank’s employees served in various capacities, including directors and trustees, for organizations providing community services to LMI individuals, extending 196 services for a total of 6,576 hours. While the volume of community services and total hours decreased since the previous evaluation due to limited in-person interactions during to the COVID-19 pandemic, Frost’s performance reflects favorably on its responsiveness of the AA needs. Examples of services performed by bank employees include:

- Bank employees provided financial education and resources to over 301 youth at an elementary school where over 95% of the students are LMI.
- An employee served on the board of directors for an organization that provides affordable housing, social services, and financial education to LMI individuals and families.

Table 47 shows the number of hours by type of involvement.

Table 47

Community Development Services Assessment Area: Houston Metropolitan		
Purpose	Total Services	Total Hours
Affordable Housing	0	0
Community Services	183	6,190
Economic Development	13	386
Revitalization and Stabilization	0	0
Total	196	6,576

AUSTIN METROPOLITAN ASSESSMENT AREA
(Full-Scope Review)

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE AUSTIN METROPOLITAN ASSESSMENT AREA

- The Austin Metropolitan AA consists of the following counties located in the Austin-Round Rock, TX MSA: Hays, Travis, and Williamson. The AA excludes the MSA's counties of Bastrop and Caldwell.
- According to the 2020 ACS, the AA includes 33 low-income, 110 moderate-income, 162 middle-income, 148 upper-income, and 18 unknown-income census tracts.
- Frost operates 20 branches in this AA, representing 10.3 percent of its total branches. The bank added two branches within the AA since the previous evaluation: one in a moderate-income and one in an upper-income census tract.
- The June 30, 2023, FDIC Market Share Report indicates that Frost had a 7.9 percent market share, ranking 5th out of the 70 FDIC-insured depository institutions operating in the AA.
- In 2022, Frost ranked 20th among 875 institutions that originated or purchased HMDA-reportable loans, originating 1,160 or 1.3 percent of the 87,579 total loans in the AA. Additionally, the bank ranked 16th among 239 institutions originating or purchasing CRA-reportable loans, originating 468, or 0.6 percent, of the 75,446 total loans in the AA.
- A community member representing an organization that promotes economic development by supporting small businesses listed homelessness, housing affordability, and small business lending as the AA's main concerns.

Table 48

Population Change Assessment Area: Austin Metropolitan			
Area	2015 Population	2020 Population	Percent Change
Austin Metropolitan AA	1,772,799	2,140,272	20.7
Hays County, TX	177,562	241,067	35.8
Travis County, TX	1,121,645	1,290,188	15.0
Williamson County, TX	473,592	609,017	28.6
Austin-Round Rock-Georgetown, TX MSA	1,889,094	2,283,371	20.9
Texas	26,538,614	29,145,505	9.8
<i>Source: 2020 U.S. Census Bureau Decennial Census 2011-2015 U.S. Census Bureau: American Community Survey</i>			

- As highlighted in Table 48, the AA population grew by 20.7 percent between 2015 and 2020, more than doubling the statewide growth rate of 9.8 percent. Hays County experienced the greatest population growth during this period, at 35.8 percent.
- The significant population growth is attributed to University of Texas at Austin, which has a student enrollment of roughly 40,000, and to employment opportunities from major companies such as Dell, Tesla, Whole Foods, and HEB.

Table 49

Median Family Income Change Assessment Area: Austin Metropolitan			
Area	2015 Median Family Income (\$)	2020 Median Family Income (\$)	Percent Change
Austin Metropolitan AA	86,316	101,746	17.9
Hays County, TX	83,951	86,376	2.9
Travis County, TX	84,880	103,154	21.5
Williamson County, TX	92,692	104,621	12.9
Austin-Round Rock-Georgetown, TX MSA	86,310	100,215	16.1
Texas	68,523	76,073	11.0

*Source: 2011-2015 U.S. Census Bureau: American Community Survey
2016-2020 U.S. Census Bureau: American Community Survey*

Note: Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.

- As noted in Table 49, the AA’s MFI is significantly greater than the state of Texas.
- According to 2020 ACS, approximately 467,283 families reside in the AA, of which 38.1 percent are classified as LMI.
- The 2022 FFIEC data indicate that 9.6 percent of AA households live below the poverty level, which is below the statewide figure of 13.4 percent. Generally, more affluent households are found in Williamson County, as only 5.8 percent of them live below the poverty level.

Table 50

Housing Cost Burden Assessment Area: Austin Metropolitan						
Area	Cost Burden – Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Austin Metropolitan AA	83.3	45.4	42.9	69.4	38.9	20.7
Hays County, TX	78.6	28.2	50.0	64.2	33.0	20.7
Travis County, TX	83.4	47.9	42.6	69.5	39.9	21.6
Williamson County, TX	87.1	44.8	41.0	71.5	40.0	18.8
Austin-Round Rock-Georgetown, TX MSA	82.8	44.6	42.9	67.0	36.6	20.4
Texas	78.3	44.6	42.7	57.3	31.0	19.0

Cost burden is housing cost that equals 30 percent or more of household income.

Source: U.S. Department of Housing and Urban Development (HUD), 2016-2020 Comprehensive Housing Affordability Strategy

- The housing affordability for low-income renters in the AA is a substantially greater burden than the burden on homeowners at any other level.
- The housing cost burden for LMI individuals is greater in the AA than the statewide average for both renters and homeowners, as demonstrated in Table 50.
- The 2022 housing affordability ratio in the AA, at 26.0 percent, is below the statewide ratio of 34.1 percent; therefore, AA housing affordability is less affordable than statewide housing.
- Of the housing units in the AA, 53.8 percent are owner-occupied, 39.5 percent are rental, and 6.7 percent are vacant.
- A representative of an economic development organization reported the shortage of affordable housing in the AA impacts LMI households, noting a substantial homeless population.

Table 51

Unemployment Rates					
Assessment Area: Austin Metropolitan					
Region	2018	2019	2020	2021	2022
Austin Metropolitan AA	2.9	2.7	6.2	4.1	2.9
Hays County, TX	3.0	2.8	6.3	4.1	3.0
Travis County, TX	2.9	2.6	6.4	4.1	2.8
Williamson County, TX	3.1	2.8	5.8	4.0	2.9
Austin-Round Rock-Georgetown, TX MSA	3.0	2.7	6.2	4.1	2.9
Texas	3.9	3.5	7.7	5.6	3.9

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- As noted in Table 51, the AA unemployment rates have been consistently below the statewide rates in the past five years. The low unemployment rates within the AA are generally attributed to significant employment opportunities offered by companies headquartered within the AA. Some of the major companies include Dell, Tesla, Whole Foods, and HEB.
- The sharp increase in unemployment in 2020 is primarily attributed to the COVID-19 pandemic and the related restrictions placed to combat contagion, such as the executive orders limiting gatherings of certain sizes, which resulted in many businesses downsizing or closing operations.
- Following 2020, the AA unemployment rates have declined, stabilizing to pre-pandemic levels in 2022.
- Major industries that provide employment opportunities in the AA include professional and technical services, healthcare and social services, and retail trade.
- A representative of an organization that promotes economic development stated that small businesses in the AA were significantly more impacted by the COVID-19 pandemic than large businesses, with many being forced to close their operations. The representative highlighted a need for loans and technical assistance to support start-up, small businesses.

Table 52 provides additional demographic information about the AA.

Table 52

2022 Austin Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	33	7.0	26,065	5.6	5,809	22.3	96,764	20.7
Moderate	110	23.4	99,512	21.3	10,092	10.1	81,102	17.4
Middle	162	34.4	172,544	36.9	8,779	5.1	98,070	21.0
Upper	148	31.4	165,430	35.4	4,097	2.5	191,347	40.9
Unknown	18	3.8	3,732	0.8	1,047	28.1	0	0.0
Total AA	471	100.0	467,283	100.0	29,824	6.4	467,283	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	56,440	12,202	2.8	21.6	39,041	69.2	5,197	9.2
Moderate	187,108	76,833	17.6	41.1	97,670	52.2	12,605	6.7
Middle	293,929	170,692	39.1	58.1	104,761	35.6	18,476	6.3
Upper	259,408	174,475	40.0	67.3	68,482	26.4	16,451	6.3
Unknown	13,997	2,208	0.5	15.8	10,004	71.5	1,785	12.8
Total AA	810,882	436,410	100.0	53.8	319,958	39.5	54,514	6.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	4,827	3.9	4,386	3.8	389	5.5	52	2.8
Moderate	21,400	17.2	19,691	17.0	1,486	21.2	223	11.8
Middle	37,967	30.5	35,527	30.8	1,997	28.5	443	23.5
Upper	56,459	45.4	52,531	45.5	2,836	40.4	1,092	58.0
Unknown	3,770	3.0	3,386	2.9	310	4.4	74	3.9
Total AA	124,423	100.0	115,521	100.0	7,018	100.0	1,884	100.0
Percentage of Total Businesses:				92.8	5.6	1.5		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	38	2.8	36	2.7	2	15.4	0	0.0
Moderate	233	17.1	226	16.7	7	53.8	0	0.0
Middle	437	32.0	436	32.2	1	7.7	0	0.0
Upper	637	46.7	635	47.0	2	15.4	0	0.0
Unknown	20	1.5	19	1.4	1	7.7	0	0.0
Total AA	1,365	100.0	1,352	100.0	13	100.0	0	0.0
Percentage of Total Farms:				99.0	1.0	0.0		
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Frost's performance under the Lending Test in the Austin Metropolitan AA is good. Lending activity reflects good responsiveness to AA credit needs. For this evaluation, small business lending carried more weight, as it comprised the largest volume of lending in the AA and is a strategic focus for the bank.

Lending Activity

The bank's lending activity reflects good responsiveness to AA credit needs. Frost makes use of innovative and/or flexible lending programs to serve AA credit needs, including LMI borrowers.

During the review period, the bank demonstrated flexible lending practices through its participation in numerous programs, including the SBA's PPP, home equity loans and home equity lines of credit with flexible terms, and disaster relief loans with flexible repayment terms and lower interest rates for consumer and businesses impacted by disasters in the AA. The bank's level of small business lending declined during the review period, which is attributed to the conclusion of the SBA's PPP in May 2021 and the rising interest rate environment. Loan products and origination volumes noted are generally consistent with the AA credit needs and align with the bank's strategic focus as a commercial lender. While Frost does not originate or purchase traditional 30-year mortgage loans, it offers home equity loans, home equity lines of credit, and unsecured and secured home improvement loans that include flexible terms and amounts.

Of note is the bank's home refinance lending activity. Total home refinance lending reported by aggregate lenders in the AA decreased from approximately 78,000 loans in 2021 to 23,000 loans in 2022. Despite this substantial decline in lending, the bank's home refinance lending in the AA remained constant. This reflects favorably on Frost's commitment to serving the credit needs of the AA.

Geographic Distribution of Loans

The bank's geographic distribution of loans reflects good penetration throughout the AA. The bank's small business lending reflects excellent penetration among geographies of different income levels, especially LMI geographies, while home mortgage lending reflects poor penetration. Greater weight was given to small business lending based on the bank's strategic focus on commercial lending and lower level of HMDA lending. Loans were generally made in proximity to the bank's branches and no conspicuous gaps or anomalies in the lending patterns were identified.

The distribution of the remainder of bank lending in middle- and upper-income geographies did not affect conclusions about the bank's performance considering its lending in LMI geographies.

For this evaluation, multifamily and purpose not applicable lending was not evaluated due to insufficient volume to conduct a meaningful analysis.

Residential Real Estate (HMDA) Lending

The geographic distribution of the bank's HMDA loans reflects poor penetration throughout the AA based on a review of Frost's performance compared to the percent of AA owner-occupied housing units located in LMI census tracts (the demographic figure) and to aggregate lending data.

In low-income census tracts, the bank's HMDA lending distribution during the review period was generally comparable to the performance of aggregate lenders, though below the demographic figure.

Among moderate-income census tracts, Frost's performance was below aggregate lending data during the review period. While the bank's performance improved in 2022, the aggregate lenders' performance also improved, resulting in a wider margin between the bank's performance and that of aggregate lenders. This disparity reflects unfavorably on Frost's responsiveness to the housing-related credit needs of moderate-income census tracts in the AA, as aggregate lending data is used as an indicator of loan demand. The bank's performance in moderate-income census tracts greater weight given they contained a significantly larger portion of AA owner-occupied housing units (17.6 percent) than the low-income census tracts (2.8 percent).

Home Purchase Lending

The geographic distribution of HMDA loans reflects poor penetration throughout the AA. The distribution of the bank's home purchase lending among low-income census tracts was comparable to aggregate lending data and the demographic figure during the review period. Despite an increase in the total number of home purchase originations in 2022, the bank's penetration of low-income tracts declined. However, this decline was matched by a decrease in aggregate lending performance, which remained at a comparable level to the bank's lending.

Among moderate-income census tracts, Frost's home mortgage lending was notably below aggregate lending and the demographic figure during the review period. While aggregate lending reflected performance similar to the demographic figure, the bank's dispersion of home mortgage loans among moderate-income census tracts was below both comparators in 2021. The bank's performance declined in 2022, falling further below aggregate lending and the demographic figures.

Home Refinance Lending

The geographic distribution of home refinance loans reflects poor penetration throughout the AA. The bank's distribution of 2021 home refinance lending among low-income census tracts was above the aggregate data and the demographic figure. However, the bank's performance declined in 2022, falling slightly below aggregate lenders and the demographic figure. The distribution of the bank's 2021 and 2022 home refinance lending among moderate-income census tracts was below aggregate data and the demographic figure.

Home Improvement Lending

The geographic distribution of home improvement lending is adequate. The distribution of the bank's home improvement loans among low-income census tracts was comparable to aggregate performance in 2021 and surpassed aggregate lending in 2022. Among moderate-income census

tracts, the bank's home improvement lending performance was below the aggregate and the demographic figure during the review period.

Other Purpose Lines of Credit Lending

The geographic distribution of the bank's other purpose lines of credit is good. The bank's 2021 lending in LMI census tracts was above aggregate lending in both categories, despite being below the demographic figures. In 2022, the bank's other purpose lines of credit made in these census tracts represented performance comparable to the levels reflected in aggregate lending data, though remaining below the demographic figure.

Other purpose Closed/Exempt Lending

The geographic distribution of other purpose closed or exempt lending is good. While the bank made no other purpose closed end or exempt loans in low-income census tracts in 2021, the bank's performance in 2022 was above aggregate lending and the demographic figure. Among moderate-income census tracts, the bank's performance was above aggregate lending in 2021 but fell below aggregate in 2022.

Table 53A and Table 53B provide details about the bank's 2021 and 2022 home mortgage lending by income level of geography within the AA.

Table 53A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Austin Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	6	4.0	4.1	994	2.2	3.7	3	1.6	2.0	328	0.5	1.6	2.8
Moderate	12	7.9	14.2	1,819	4.0	10.8	20	10.6	19.3	4,653	7.6	15.4	17.6
Middle	36	23.8	46.7	7,637	16.9	38.9	44	23.3	44.2	9,463	15.6	38.0	39.1
Upper	97	64.2	34.7	34,834	76.9	46.5	121	64.0	33.9	46,350	76.2	44.5	40.0
Unknown	0	0.0	0.2	0	0.0	0.2	1	0.5	0.7	35	0.1	0.6	0.5
Total	151	100.0	100.0	45,284	100.0	100.0	189	100.0	100.0	60,829	100.0	100.0	100.0
Refinance Loans													
Low	4	3.8	3.1	1,107	3.3	3.0	1	1.0	2.1	238	0.5	1.5	2.8
Moderate	7	6.7	11.6	959	2.8	8.9	9	8.6	16.4	2,335	5.2	12.2	17.6
Middle	27	26.0	39.8	6,175	18.2	33.6	31	29.5	41.5	7,924	17.5	32.4	39.1
Upper	66	63.5	45.3	25,716	75.7	54.3	64	61.0	39.6	34,667	76.8	53.4	40.0
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.4	0	0.0	0.4	0.5
Total	104	100.0	100.0	33,957	100.0	100.0	105	100.0	100.0	45,164	100.0	100.0	100.0
Home Improvement Loans													
Low	9	2.0	3.0	1,052	1.1	2.9	8	1.5	1.3	694	0.5	1.1	2.8
Moderate	28	6.2	9.1	3,710	3.9	7.6	50	9.3	13.1	8,216	6.3	9.2	17.6
Middle	118	26.2	36.5	19,671	20.7	30.8	130	24.2	34.8	20,026	15.3	24.5	39.1
Upper	296	65.6	51.3	70,596	74.3	58.5	348	64.7	50.4	101,237	77.5	64.9	40.0
Unknown	0	0.0	0.2	0	0.0	0.3	2	0.4	0.4	415	0.3	0.3	0.5
Total	451	100.0	100.0	95,029	100.0	100.0	538	100.0	100.0	130,588	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	22.4	0	0.0	14.3	0	0.0	15.4	0	0.0	12.1	13.4
Moderate	0	0.0	24.4	0	0.0	24.3	0	0.0	28.8	0	0.0	31.4	27.6
Middle	0	0.0	28.8	0	0.0	34.7	0	0.0	31.3	0	0.0	30.2	30.0
Upper	0	0.0	21.8	0	0.0	24.1	0	0.0	20.7	0	0.0	22.8	25.2
Unknown	0	0.0	2.6	0	0.0	2.5	0	0.0	3.8	0	0.0	3.5	3.7
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	23	2.6	3.6	3,880	1.7	3.8	17	1.5	2.0	1,876	0.5	2.6	2.8
Moderate	57	6.5	12.8	7,438	3.3	10.4	106	9.1	18.1	20,699	5.7	16.0	17.6
Middle	227	26.0	42.8	43,658	19.2	36.1	275	23.7	42.8	50,240	13.8	35.4	39.1
Upper	566	64.8	40.6	172,435	75.7	49.5	757	65.3	36.5	290,074	79.7	45.1	40.0
Unknown	1	0.1	0.2	300	0.1	0.3	5	0.4	0.6	1,222	0.3	0.8	0.5
Total	874	100.0	100.0	227,711	100.0	100.0	1,160	100.0	100.0	364,111	100.0	100.0	100.0

Source: 2022 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Table 53B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: Austin Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	4	2.7	2.5	727	1.4	1.5	3	1.1	1.3	546	0.5	0.6	2.8
Moderate	8	5.3	3.8	864	1.7	2.7	22	8.0	9.0	5,093	4.2	5.2	17.6
Middle	37	24.7	31.8	9,311	18.1	18.2	47	17.2	31.7	9,941	8.2	19.7	39.1
Upper	100	66.7	62.0	40,218	78.2	77.6	200	73.0	58.0	104,432	86.5	74.5	40.0
Unknown	1	0.7	0.0	300	0.6	0.0	2	0.7	0.0	772	0.6	0.0	0.5
Total	150	100.0	100.0	51,420	100.0	100.0	274	100.0	100.0	120,784	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	2.3	0	0.0	1.3	2	3.7	1.4	70	1.0	0.6	2.8
Moderate	2	11.1	9.2	86	4.3	3.5	5	9.3	12.8	402	6.0	5.8	17.6
Middle	9	50.0	34.1	864	42.8	18.0	23	42.6	33.6	2,886	42.8	14.8	39.1
Upper	7	38.9	54.2	1,071	53.0	77.2	24	44.4	51.5	3,388	50.2	78.1	40.0
Unknown	0	0.0	0.2	0	0.0	0.0	0	0.0	0.7	0	0.0	0.7	0.5
Total	18	100.0	100.0	2,021	100.0	100.0	54	100.0	100.0	6,746	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	4.6	0	0.0	7.7	0	0.0	6.0	0	0.0	7.2	2.8
Moderate	0	0.0	23.2	0	0.0	17.7	0	0.0	32.0	0	0.0	36.5	17.6
Middle	0	0.0	50.1	0	0.0	44.6	0	0.0	44.8	0	0.0	30.7	39.1
Upper	0	0.0	22.0	0	0.0	29.9	0	0.0	16.9	0	0.0	25.6	40.0
Unknown	0	0.0	0.1	0	0.0	0.0	0	0.0	0.2	0	0.0	0.0	0.5
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Small Business Lending

The bank’s geographic distribution of small business loans reflects excellent penetration throughout the AA. As noted in Table 54, Frost’s small business lending among low-income census tracts in 2021 exceeds aggregate data and the percent of AA businesses located in these geographies. In 2022, the bank’s performance in low-income census tracts remained above aggregate lending data but fell below the demographic figure.

Among moderate-income census tracts, Frost’s small business lending performance exceeded aggregate lending during the review period. The bank’s performance in moderate-income census tracts also improved between 2021 and 2022, raising above the demographic figure in 2022.

A community contact noted the need for small business loans within the AA to help small businesses retain and create jobs. Moreover, Frost sustained performance levels despite the rising interest rates, economic environment, and the conclusion of the SBA’s PPP.

Table 54

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Austin Metropolitan													
	Bank And Aggregate Loans By Year												
	2021						2022						Total Businesses %
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#	\$(000)	%	\$(000)	#	%	#	\$(000)	%	\$(000)	
By Revenue													
\$1 Million or Less	1,119	57.3	45.0	62,793	23.8	28.4	115	24.6	49.0	19,779	15.2	34.3	92.8
Over \$1 Million	677	34.7		181,353	68.8		270	57.7		89,201	68.5		5.6
Revenue Unknown	157	8.0		19,573	7.4		83	17.7		21,163	16.3		1.5
Total	1,953	100.0		263,719	100.0		468	100.0		130,143	100.0		100.0
By Loan Size													
\$100,000 or Less	1,288	65.9	93.3	42,897	16.3	39.5	184	39.3	95.0	10,658	8.2	44.9	
\$100,001 - \$250,000	349	17.9	3.7	56,295	21.3	16.9	104	22.2	2.7	19,360	14.9	14.7	
\$250,001 - \$1 Million	316	16.2	2.9	164,527	62.4	43.6	180	38.5	2.3	100,125	76.9	40.4	
Total	1,953	100.0	100.0	263,719	100.0	100.0	468	100.0	100.0	130,143	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	1,004	89.7		28,130	44.8		72	62.6		3,399	17.2		
\$100,001 - \$250,000	67	6.0		9,735	15.5		16	13.9		2,990	15.1		
\$250,001 - \$1 Million	48	4.3		24,928	39.7		27	23.5		13,390	67.7		
Total	1,119	100.0		62,793	100.0		115	100.0		19,779	100.0		

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

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

The bank’s distribution of lending to borrowers reflects an adequate penetration among individuals of different income levels and businesses of different revenue sizes. Frost’s lending distribution to middle- and upper-income borrowers did not affect conclusions about its performance to LMI borrowers.

Residential Real Estate (HMDA) Lending

The distribution of the bank’s home mortgage lending among borrowers of different income levels in the AA is poor when compared to demographic characteristics of the community, as well as the performance of aggregate lenders. As shown in Table 55A and Table 55B, the bank’s dispersion of home mortgage loans among low-income borrowers was below aggregate lending data and the demographic figure during the review period. Frost’s lending to moderate-income borrowers was significantly below aggregate lending data in 2021 and 2022.

Frost increased the volume of home mortgage lending in 2022 as well as the percent of such loans extended to LMI borrowers, which generally reflects improved performance. However, the bank’s lending performance among LMI borrowers remained significantly below aggregate lending performance, reflecting unfavorably on the bank’s responsiveness to the credit needs of LMI borrowers in the AA.

The remainder of the bank’s home mortgage loan originations to middle- and upper-income borrowers was heavily skewed toward upper-income. The bank originated approximately 80 percent of its home mortgage loans to upper-income borrowers in the AA, despite only 40.9 percent of AA families being classified as upper-income.

Table 55A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Austin Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	3	2.0	2.1	480	1.1	0.9	1	0.5	1.8	315	0.5	0.7	20.7
Moderate	10	6.6	12.0	1,812	4.0	7.6	18	9.5	10.6	4,375	7.2	6.6	17.4
Middle	12	7.9	17.7	4,700	10.4	14.4	26	13.8	19.7	6,879	11.3	16.0	21.0
Upper	123	81.5	47.0	37,326	82.4	57.4	143	75.7	47.7	48,331	79.5	56.8	40.9
Unknown	3	2.0	21.1	966	2.1	19.7	1	0.5	20.2	929	1.5	19.8	0.0
Total	151	100.0	100.0	45,284	100.0	100.0	189	100.0	100.0	60,829	100.0	100.0	100.0
Refinance Loans													
Low	1	1.0	3.5	70	0.2	1.9	2	1.9	7.8	104	0.2	4.2	20.7
Moderate	6	5.8	12.8	624	1.8	8.5	3	2.9	17.3	423	0.9	11.0	17.4
Middle	12	11.5	18.8	2,703	8.0	15.7	14	13.3	21.0	3,847	8.5	16.5	21.0
Upper	82	78.8	44.2	29,887	88.0	53.2	84	80.0	40.9	40,429	89.5	52.3	40.9
Unknown	3	2.9	20.8	673	2.0	20.7	2	1.9	12.9	361	0.8	16.1	0.0
Total	104	100.0	100.0	33,957	100.0	100.0	105	100.0	100.0	45,164	100.0	100.0	100.0
Home Improvement Loans													
Low	6	1.3	3.6	247	0.3	1.7	8	1.5	5.6	764	0.6	3.0	20.7
Moderate	17	3.8	11.4	1,522	1.6	7.6	25	4.6	12.1	3,838	2.9	6.4	17.4
Middle	37	8.2	19.7	3,929	4.1	15.3	73	13.6	20.4	9,327	7.1	13.4	21.0
Upper	389	86.3	61.6	89,080	93.7	68.0	429	79.7	60.3	116,339	89.1	73.9	40.9
Unknown	2	0.4	3.7	251	0.3	7.4	3	0.6	1.6	320	0.2	3.3	0.0
Total	451	100.0	100.0	95,029	100.0	100.0	538	100.0	100.0	130,588	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	13	1.5	2.9	1,075	0.5	1.4	18	1.6	3.7	2,243	0.6	1.6	20.7
Moderate	43	4.9	12.3	5,804	2.5	7.9	68	5.9	12.4	11,997	3.3	7.5	17.4
Middle	84	9.6	18.2	14,656	6.4	14.8	147	12.7	20.0	26,729	7.3	15.8	21.0
Upper	724	82.8	45.8	203,788	89.5	55.6	917	79.1	46.4	320,909	88.1	56.1	40.9
Unknown	10	1.1	20.9	2,388	1.0	20.2	10	0.9	17.5	2,233	0.6	18.9	0.0
Total	874	100.0	100.0	227,711	100.0	100.0	1,160	100.0	100.0	364,111	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 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.

Table 55B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Austin Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	1	0.7	5.0	178	0.3	4.1	4	1.5	5.2	833	0.7	4.7	20.7
Moderate	9	6.0	6.8	1,830	3.6	3.3	16	5.8	9.4	3,029	2.5	4.1	17.4
Middle	17	11.3	12.3	2,885	5.6	6.4	23	8.4	19.4	5,798	4.8	9.7	21.0
Upper	121	80.7	71.0	46,029	89.5	80.0	227	82.8	60.4	110,501	91.5	68.4	40.9
Unknown	2	1.3	5.0	498	1.0	6.3	4	1.5	5.5	623	0.5	13.0	0.0
Total	150	100.0	100.0	51,420	100.0	100.0	274	100.0	100.0	120,784	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	2	11.1	4.7	100	4.9	1.7	3	5.6	5.7	227	3.4	2.3	20.7
Moderate	1	5.6	9.5	16	0.8	2.7	6	11.1	13.3	332	4.9	4.6	17.4
Middle	6	33.3	13.5	439	21.7	4.6	11	20.4	20.3	878	13.0	7.2	21.0
Upper	9	50.0	64.9	1,466	72.5	74.4	34	63.0	55.0	5,309	78.7	66.3	40.9
Unknown	0	0.0	7.5	0	0.0	16.6	0	0.0	5.7	0	0.0	19.6	0.0
Total	18	100.0	100.0	2,021	100.0	100.0	54	100.0	100.0	6,746	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.9	0	0.0	0.4	0	0.0	3.2	0	0.0	0.9	20.7
Moderate	0	0.0	1.3	0	0.0	0.8	0	0.0	0.2	0	0.0	0.1	17.4
Middle	0	0.0	0.4	0	0.0	0.4	0	0.0	0.2	0	0.0	0.1	21.0
Upper	0	0.0	0.5	0	0.0	1.1	0	0.0	0.5	0	0.0	0.9	40.9
Unknown	0	0.0	96.8	0	0.0	97.3	0	0.0	95.8	0	0.0	98.0	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Small Business Lending

Frost’s distribution of small business loans to businesses of different revenue sizes is adequate. As noted in Table 56, the bank’s distribution of small business loans to businesses with revenues of \$1 million or less in 2021 exceeded aggregate data but was below the percent of small businesses in the AA. While more than 92 percent of AA businesses reported annual revenues of \$1 million or less, the demographic figure is not presumed to be representative of loan demand. The distribution of the bank’s small business loans to businesses reporting revenues of \$1 million or less reflects favorably on Frost’s responsiveness to the credit needs of AA businesses in 2021.

The bank’s distribution of small business loans to small businesses declined in 2022, falling significantly below aggregate lending data and further below the percent of small businesses in the AA. As noted previously, the total number of the bank’s small business loans decreased significantly in 2022 due primarily to the cessation of the SBA’s PPP. While the bank’s small business loan origination volumes declined among all classifications of borrowers, the largest impact was on businesses with annual revenues of \$1 million or less, which experienced a decrease of approximately 1,500 loans. Despite the decline in volume, the percent of aggregate small business loans made to small businesses increased in 2022. The disparity between the bank’s lending performance and that of aggregate lenders reflects negatively on the Frost’s responsiveness to credit needs of AA businesses in 2022.

Table 56

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Austin Metropolitan													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	1,119	57.3	45.0	62,793	23.8	28.4	115	24.6	49.0	19,779	15.2	34.3	92.8
Over \$1 Million	677	34.7		181,353	68.8		270	57.7		89,201	68.5		5.6
Revenue Unknown	157	8.0		19,573	7.4		83	17.7		21,163	16.3		1.5
Total	1,953	100.0		263,719	100.0		468	100.0		130,143	100.0		100.0
By Loan Size													
\$100,000 or Less	1,288	65.9	93.3	42,897	16.3	39.5	184	39.3	95.0	10,658	8.2	44.9	
\$100,001 - \$250,000	349	17.9	3.7	56,295	21.3	16.9	104	22.2	2.7	19,360	14.9	14.7	
\$250,001 - \$1 Million	316	16.2	2.9	164,527	62.4	43.6	180	38.5	2.3	100,125	76.9	40.4	
Total	1,953	100.0	100.0	263,719	100.0	100.0	468	100.0	100.0	130,143	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	1,004	89.7		28,130	44.8		72	62.6		3,399	17.2		
\$100,001 - \$250,000	67	6.0		9,735	15.5		16	13.9		2,990	15.1		
\$250,001 - \$1 Million	48	4.3		24,928	39.7		27	23.5		13,390	67.7		
Total	1,119	100.0		62,793	100.0		115	100.0		19,779	100.0		
<small>Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</small>													

Community Development Lending

Frost makes a relatively high-level CD loans in the AA, originated a total of 41 qualifying loans, totaling \$126.5 million. While the number of loans decreased by 37.3 percent, the average loan amount increased. The CD loans originated in the AA were extended to support activities that provide community services for LMI individuals and geographies. Community services offered by these organizations include health resources, financial education, and affordable housing. These loans were considered particularly responsive, as a community contact identified significant need for financial education and affordable housing within the AA.

Examples of the bank’s CD lending activities that were considered particularly responsive to the AA credit needs include:

- A \$10 million line of credit to support an affordable housing organization provide down payment assistance and affordable housing opportunities for residents at 60 percent and below AMI.
- A \$23.4 million loan to support the construction of a 275-unit multifamily housing development, where 100 percent of the units are reserved for LMI individuals and families.
- A \$3.3 million loan to an organization that constructs and provides affordable housing for LMI populations.
- An \$8.5 million loan to assist with the construction of four health clinics, where 100 percent of the clients served are LMI.

Table 57

Community Development Lending Assessment Area: Austin Metropolitan		
Purpose	#	\$000s
Affordable Housing	9	46,020
Community Services	28	79,270
Economic Development	2	1,000
Revitalization and Stabilization	2	200
Totals	41	126,490

INVESTMENT TEST

The bank's performance under the Investment Test in the AA is excellent. Frost is often in a leadership position given its significant level of CD investments and grants, particularly those not routinely provided by private investors. The bank makes occasional use of innovative or complex investments to support CD initiatives and exhibits excellent responsiveness to AA needs. Frost has a strategic focus in the AA to invest in affordable housing initiatives that benefit LMI families and individuals. Thus, Frost's investments primarily focused on community services and affordable housing, which reflects excellent responsiveness as community contacts emphasized the need for affordable housing in the AA.

Table 58 illustrates the bank's CD investments and donations within the AA, including prior period investments that remain on the bank's ledger, current period investments purchased during the review period, and CD donations made since the previous evaluation. Examples of notable investment and donation activities that reflect Frost's efforts to meet the CD and credit needs of the AA include:

- A \$220,000 investment in a housing conservancy fund to purchase multifamily property, where at least 51 percent of residents are LMI. This investment aids in providing affordable housing to LMI individuals and families in the AA.
- Twenty-five investments totaling \$60.1 million in mortgage-backed securities targeted to LMI borrowers.

Table 58

Investments, Grants, and Donations Assessment Area: Austin Metropolitan								
Community Development Purpose	Prior Period Investments¹		Current Investments²		Donations		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Affordable Housing	1	14,938	25	45,396	19	55	45	60,389
Community Services	0	0	1	10,220	97	293	98	10,513
Economic Development	0	0	1	894	9	28	10	922
Revitalization and Stabilization	0	0	0	0	7	25	7	25
Total	1	14,938	27	56,510	132	401	160	71,849

¹ Book value of investment
² Original market value of investment

SERVICE TEST

The bank’s Service Test performance is good. Its retail and CD services reflect good responsiveness to the needs of the AA.

Retail Services

Frost’s delivery systems are accessible to individuals of different income levels and businesses of different revenue sizes throughout the AA. The distribution of the bank’s 20 branch offices and 22 ATMs as of September 30, 2023, was compared to the distribution of the population and businesses among the income tract categories within the AA and summarized in Table 59 .

Table 59

Branch and Full-Service ATM Locations Assessment Area: Austin Metropolitan							
Tract Income	% of Geographies	% of Population	% of Businesses	Branches		Full-Service ATMs	
				#	%	#	%
Low	7.0	6.8	3.9	1	5.0	1	4.6
Moderate	23.4	23.1	17.2	6	30.0	7	31.8
Middle	34.4	36.4	30.5	3	15.0	3	13.6
Upper	32.1	32.1	45.4	9	45.0	10	45.5
Unknown	1.6	1.6	30.0	1	5.0	1	4.6
Total	100.0	100.0	100.0	20	100.0	22	100.0

*Numbers may not equal 100 due to rounding

The bank's record of opening or closing branches has improved the accessibility of its delivery systems, including to LMI geographies. Frost opened two branches in the AA (one in a moderate-income and one in an upper-income census tract) and closed one branch in an upper-income census tract during the review period. Banking services and hours of operations do not vary in a way that inconveniences the AA, particularly LMI geographies or individuals. The level of branch services and hours offered are consistent throughout the AA.

Community Development Services

Frost provides a relatively high level of CD services in the AA. The bank’s employees served in various capacities, including directors and trustees, for organizations providing community services that aided LMI individuals, extending 112 CD services for a total of 3,196 hours. The volume of community services and total hours decreased since the previous evaluation given limited in-person interactions due to the COVID-19 pandemic. Despite the decrease in volume of CD services, Frost’s performance reflects favorably on its responsiveness of the AA needs. Examples of services performed by bank employees include:

- Bank employees provided over 124 hours of financial education and resources to high school students where over 82 percents of the students are LMI.
- An employee serving on the board of directors for an organization that provides financial education and technical assistance to small businesses in the AA.

Table 60 shows the number of hours by type of involvement.

Table 60

Community Development Services Assessment Area: Austin Metropolitan		
Purpose	Services	Hours
Affordable Housing	7	150
Community Services	93	2,325
Economic Development	12	721
Revitalization and Stabilization	0	0
Total	112	3,196

METROPOLITAN ASSESSMENT AREAS
(Limited-Scope Review)

DESCRIPTION OF OPERATIONS IN LIMITED-SCOPE METROPOLITAN ASSESSMENT AREAS

Brownsville-Harlingen MSA Assessment Area

- As of September 30, 2023, the bank operated two branches in the AA, representing 1.0 percent of its total branches.
- The AA is comprised of the entirety of the Brownsville-Harlingen MSA, which consists of Cameron County.
- As of June 30, 2023, Frost had \$311.7 million in deposits in this AA, representing a market share of 5.0 percent and 0.8 percent of the bank's total deposits.
- In 2022, the bank ranked 49th of the 334 institutions that originated or purchase 5,800 HMDA-reportable loans in the AA. Frost originated 20 or 0.3 percent of the total HMDA-reportable loans. Additionally, the bank ranked 25th of the 97 institutions originating or purchasing CRA-reportable loans in 2022. Frost originated 56 of the 8,017, or 0.7 percent, of the CRA-reportable loans in the AA.
- The AA consists of 122 census tracts: three low-, 37 moderate-, 45 middle-, 33 upper-, and four unknown-income tracts.
- Based on the 2020 ACS, the total population of the AA was 421,017, representing 1.4 percent of the population for the state of Texas.
- The AA includes 98,120 families: 24.3 percent low-, 17.1 percent moderate-, 17.0 percent middle-, 41.6 percent upper-income.

College Station Metropolitan Assessment Area

- As of September 30, 2023, the bank operated two branches in the AA, representing 1.0 percent of its total branches.
- The AA is comprised of the entirety of Brazos County.
- As of June 30, 2023, Frost had \$73.4 million in deposits in this AA, representing a market share of 1.1 percent and 0.2 percent of the bank's total deposits.
- In 2022, 391 institutions originated or purchased 5,585 HMDA-reportable loans in the AA. Of those, the bank ranked 45th, originating 15 or 0.3 percent of total loans. Additionally, in 2022, the bank ranked 36th among 94 institutions originating or purchasing CRA-reportable loans. The bank originated six of the 5,230, or 0.1 percent, of the CRA-reportable loans in the AA.
- The AA consists of 63 census tracts: eight low-, 17 moderate-, 13 middle-, 20 upper-, and five unknown-income tracts.
- Based on 2020 ACS data, the total population of the AA was 233,849, representing 0.8 percent of the population for the state of Texas.
- The AA includes 46,221 families: 23.6 percent low-, 16.6 percent moderate-, 17.3 percent middle-, and 42.5 percent upper-income.

Corpus Christi MSA Assessment Area

- As of September 30, 2023, the bank operated nine branches in the AA, representing 4.6 percent of its total branches.
- The AA comprises the entirety of the Corpus Christi MSA, which consists of the counties of Nueces and San Patricio.
- As of June 30, 2023, Frost had \$1.9 billion in deposits in this AA, representing a market share of 24.0 percent and 4.5 percent of the bank's total deposits.

- In 2022, 441 institutions originated or purchased 10,258 HMDA-reportable loans in the AA. Of those, the bank ranked 43rd, originating 55 or 0.5 percent of total loans. Additionally, the bank ranked 14th among 98 institutions originating or purchasing CRA-reportable loans in 2022. Frost originated 132 of the 7,998, or 1.7 percent of the CRA-reportable loans in the AA.
- The AA consists of 113 census tracts: four low-, 30 moderate-, 44 middle-, 32 upper-, and three unknown-income tracts.
- Based on 2020 ACS data, the total population was 421,933, representing 1.5 percent of the population for the state of Texas.
- The AA includes 105,170 families: 23.3 percent low-, 16.5 percent moderate-, 18.5 percent middle-, and 41.7 percent upper-income.

McAllen-Edinburg-Mission MSA Assessment Area

- As of September 30, 2023, the bank operated four branches in the AA, representing 2.1 percent of its total branches.
- The AA is comprised of entirety of the McAllen-Edinburg-Mission MSA, which consists exclusively of the Hidalgo County.
- As of June 30, 2023, Frost had \$851.9 million in deposits in this AA, representing a market share of 6.0 percent and 2.1 percent of the bank's total deposits.
- In 2022, 366 institutions originated or purchased 11,764 HMDA-reportable loans in the AA. Of those, Frost ranked 50th, originating 39 or 0.3 percent of total loans. Additionally, the bank ranked 21st among 122 institutions originating or purchasing CRA-reportable loans in 2022. Frost originated 175 of the 17,521, or 1.0 percent, of the CRA-reportable loans in the AA.
- The AA consists of 212 census tracts: 13 low-, 47 moderate-, 80 middle-, 63 upper-, and nine unknown-income tracts.
- Based on 2020 ACS data, the total AA population was 870,781, representing 3.0 percent of the population for state of Texas.
- The AA includes 195,687 families: 26.1 percent low-, 15.2 percent moderate-, 16.2 percent middle-, and 42.5 percent upper-income.

Midland Metropolitan Assessment Area

- As of September 30, 2023, the bank operated four branches in the AA, representing 2.1 percent of its total branches.
- The AA is comprised of entirety of Midland County.
- As of June 30, 2023, Frost had \$1.5 billion in deposits in this AA, representing a market share of 17.2 percent and 3.66 percent of the bank's total deposits.
- In 2022, 325 institutions originated or purchased 6,199 HMDA-reportable loans in the AA. Of those, Frost ranked 28th, originating 49 or 0.8 percent of total loans. Additionally, the bank ranked 13th of 108 institutions originating or purchasing CRA-reportable loans in 2022. Frost originated 122 of the 6,339, or 1.9 percent, of the CRA-reportable loans in the AA.
- The AA consists of 37 census tracts: two low-, seven moderate-, 14 middle-, 12 upper-, and two unknown-income tracts.
- Based on 2020 ACS data, the total population of the AA was 169,983, representing 0.6 percent of the population for the state of Texas.
- The AA includes 39,642 families: 21.6 percent low-, 17.3 percent moderate-, 19.2 percent middle-, and 41.9 percent upper-income.

Odessa MSA Assessment Area

- As of September 30, 2023, the bank operated three branches in the AA, representing 1.5 percent of its total branches.

- The AA is comprised of entirety of the Odessa MSA, which consists exclusively of Ector County.
- As of June 30, 2023, Frost had \$513.6 million in deposits in this AA, representing a market share of 14.3 percent and 1.3 percent of the bank’s total deposits.
- In 2022, 251 institutions originated or purchased 4,487 HMDA-reportable loans in the AA. Of those, the bank ranked 49th, originating seven or 0.2 percent of the total loans. Additionally, Frost ranked 18th of 89 institutions that originated or purchased CRA-reportable loans. The bank originated 66 of the 4,394, or 1.5 percent, of the CRA-reportable loans in the AA.
- The AA consists of 33 census tracts: 10 moderate-, 14 middle-, and nine upper-income tracts.
- Based on 2020 ACS data, the total population of the AA was 165,171, representing 0.6 percent of the population for the state of Texas.
- The AA includes 36,914 families: 22.9 percent low-, 18.2 percent moderate-, 17.31percent middle-, and 41.7 percent upper-income.

Victoria Metropolitan Assessment Area

- As of September 30, 2023, the bank operated one branch in the AA, representing 0.5 percent of its total branches.
- The AA is comprised exclusively of Victoria County, which is part of the Victoria, TX MSA. The AA excludes Goliad County.
- As of June 30, 2023, Frost had 118.8 million in deposits in this AA, representing a market share of 5.0 percent and 0.3 percent of the bank’s total deposits.
- In 2022, 200 institutions originated or purchased 1,697 HMDA-reportable loans in the AA. Of those, the bank ranked 28th, originating six or 0.4 percent of the total loans. Additionally, the bank ranked 20th of the 58 institutions originating or purchasing CRA-reportable loans in the AA. Frost originated ten of the 1,989, or 0.5 percent, of the CRA-reportable loans.
- The AA consists of 25 census tracts: two low-, seven moderate-, nine middle-, six upper-, and one unknown-income tracts.
- Based on 2020 ACS data, the total population of the AA was 91,319, representing 0.3 percent of the population for the state of Texas.
- The AA includes 22,172 families: 22.5 percent low-, 17.4 percent moderate-, 19.0 percent middle-, and 41.1 percent upper-income.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Appendix C contains detailed performance and demographic information reviewed for the AAs receiving a limited-scope review. Table 61 discusses conclusions regarding the bank’s performance.

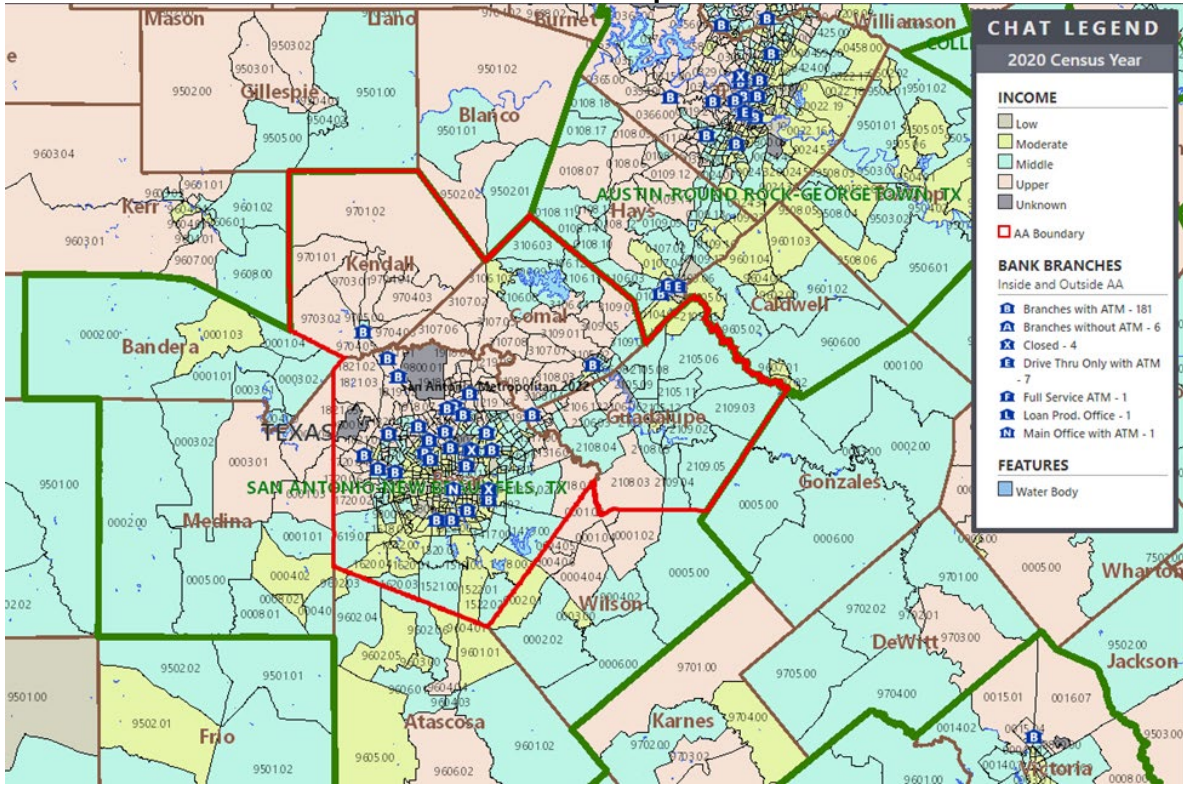
Table 61

Assessment Area	Lending Test	Investment Test	Service Test
Brownsville-Harlingen MSA	Consistent	Consistent	Consistent
College Station Metropolitan	Consistent	Below	Below
Corpus Christi MSA	Consistent	Consistent	Consistent
McAllen-Edinburg-Mission MSA	Consistent	Consistent	Consistent
Midland Metropolitan	Consistent	Below	Below
Odessa MSA	Consistent	Below	Below
Victoria Metropolitan	Consistent	Below	Below

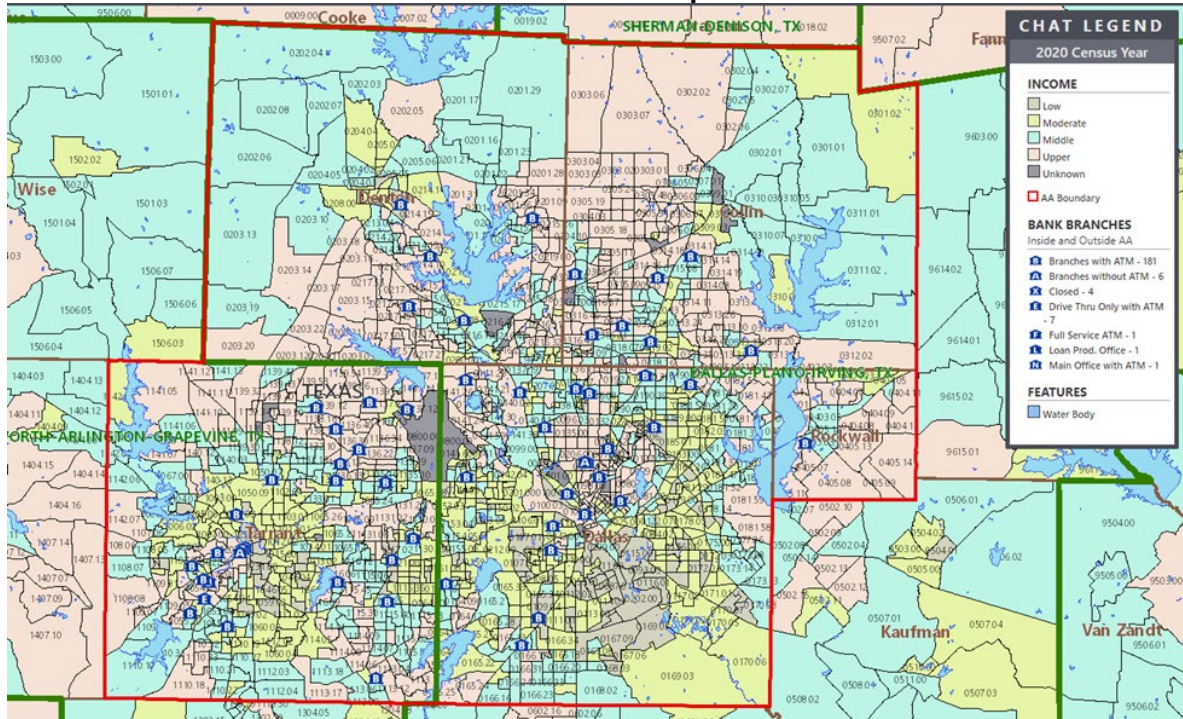
Given few opportunities for CD activities and the bank's limited presence in the College Station Metropolitan, Midland Metropolitan, Odessa MSA, and Victoria Metropolitan AAs, the institution's investment and service performance are below the institution's overall performance. However, it does not change the overall rating for the institution.

APPENDIX A – MAPS OF THE ASSESSMENT AREAS

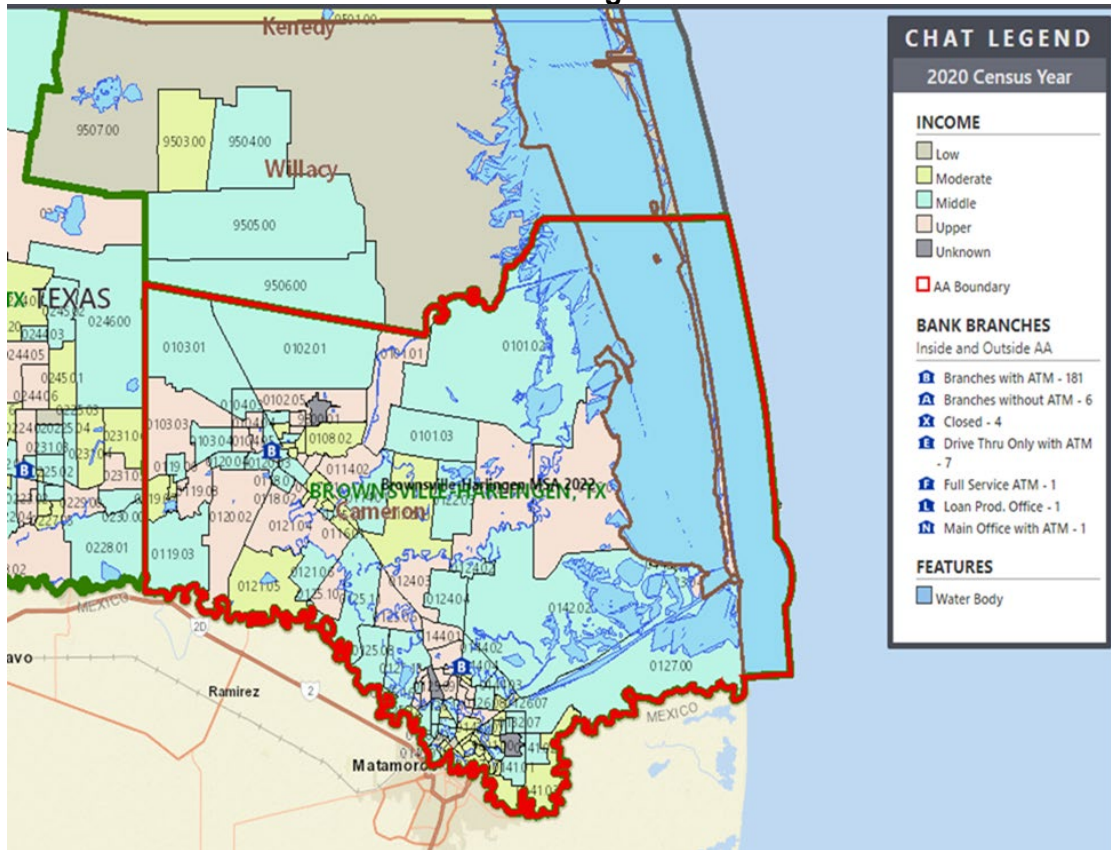
San Antonio Metropolitan AA



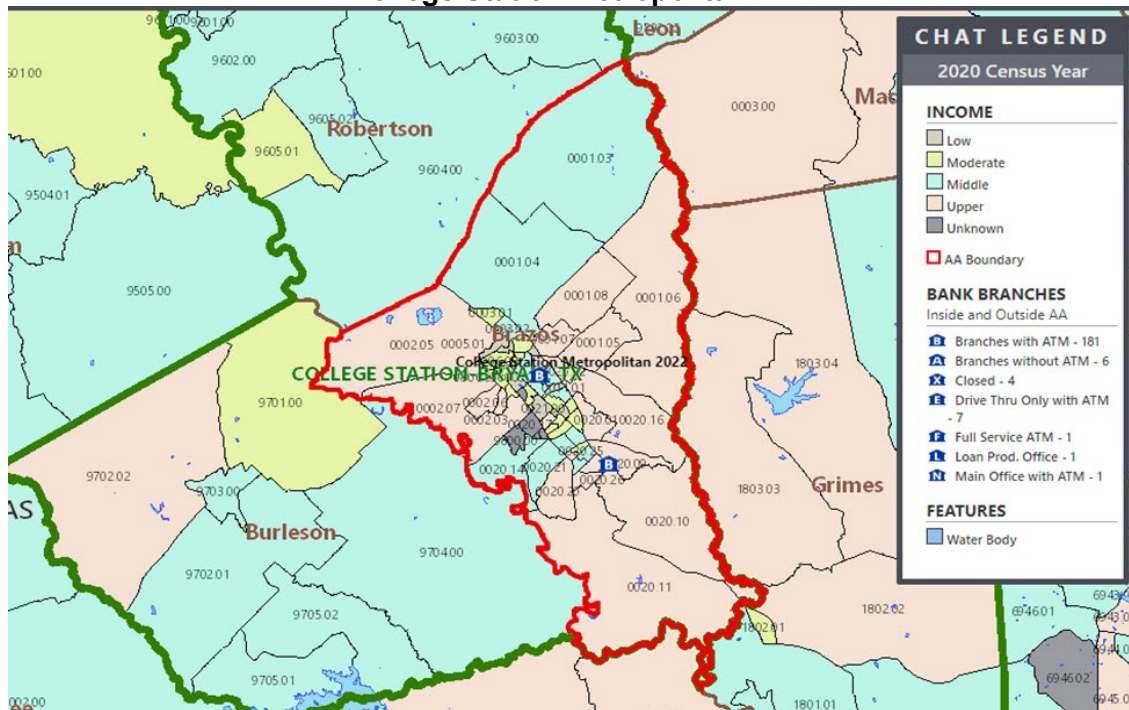
Dallas-Fort Worth Metropolitan AA

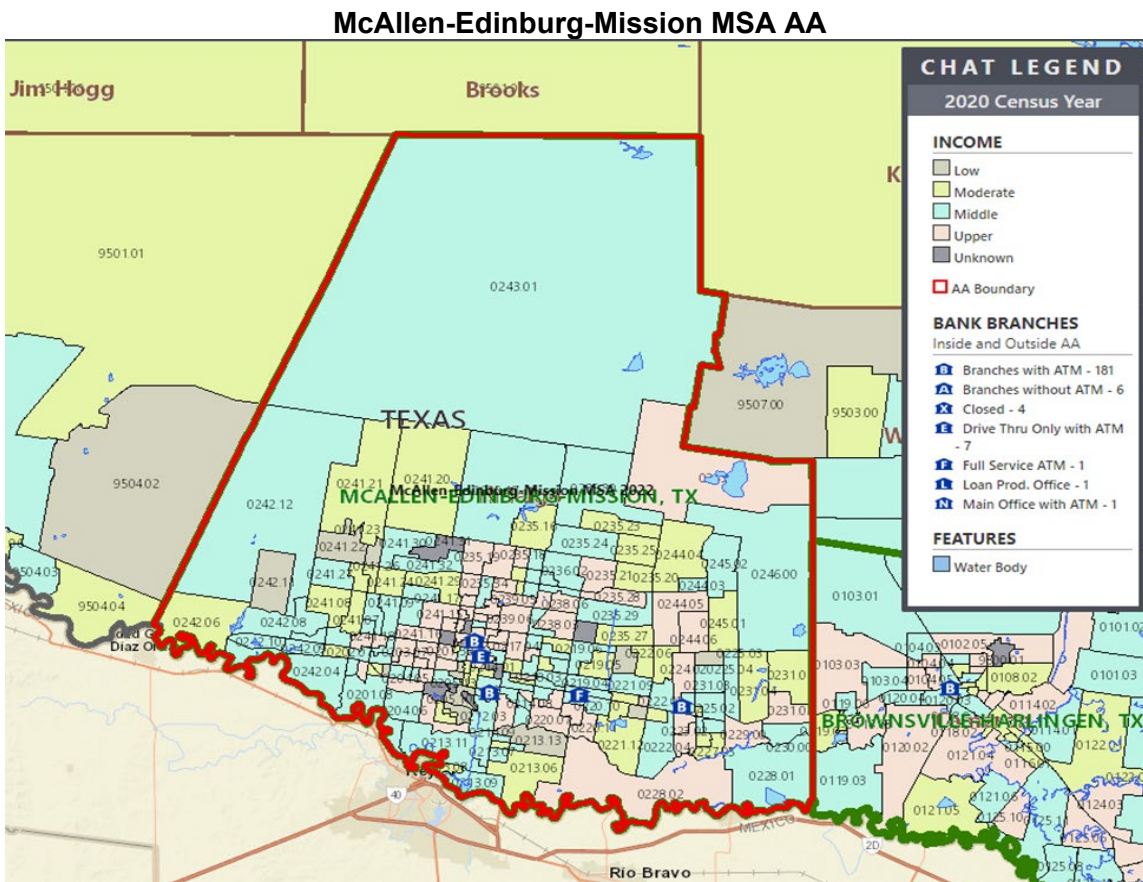
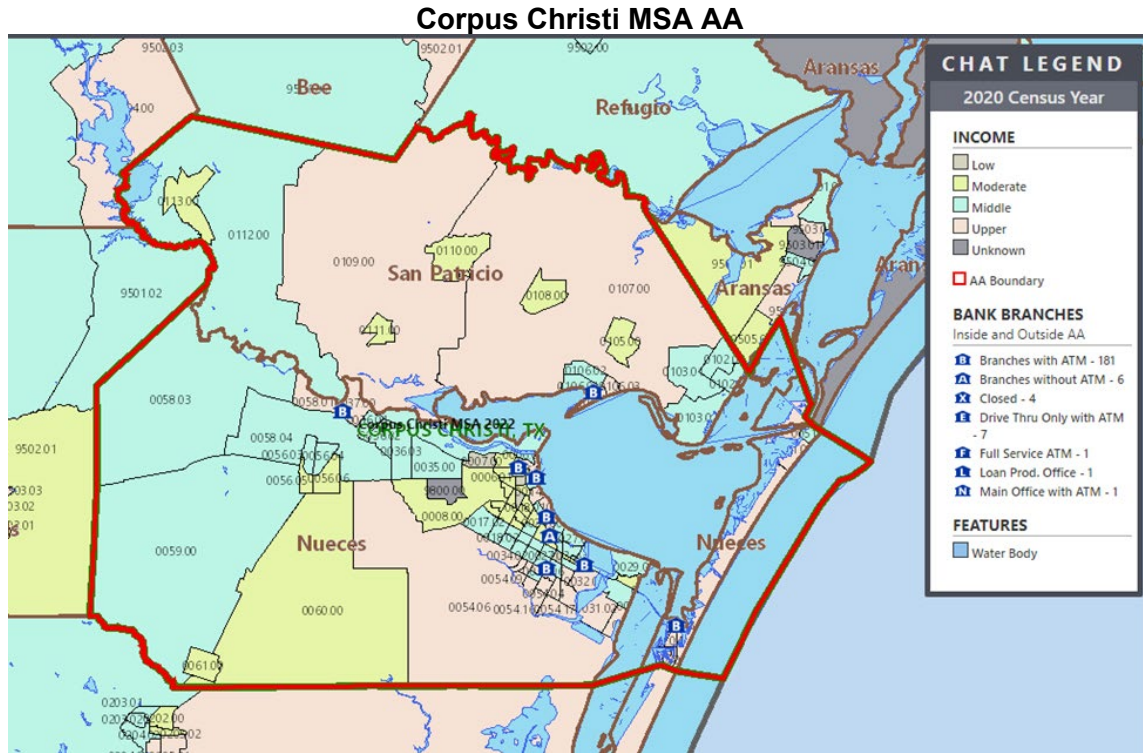


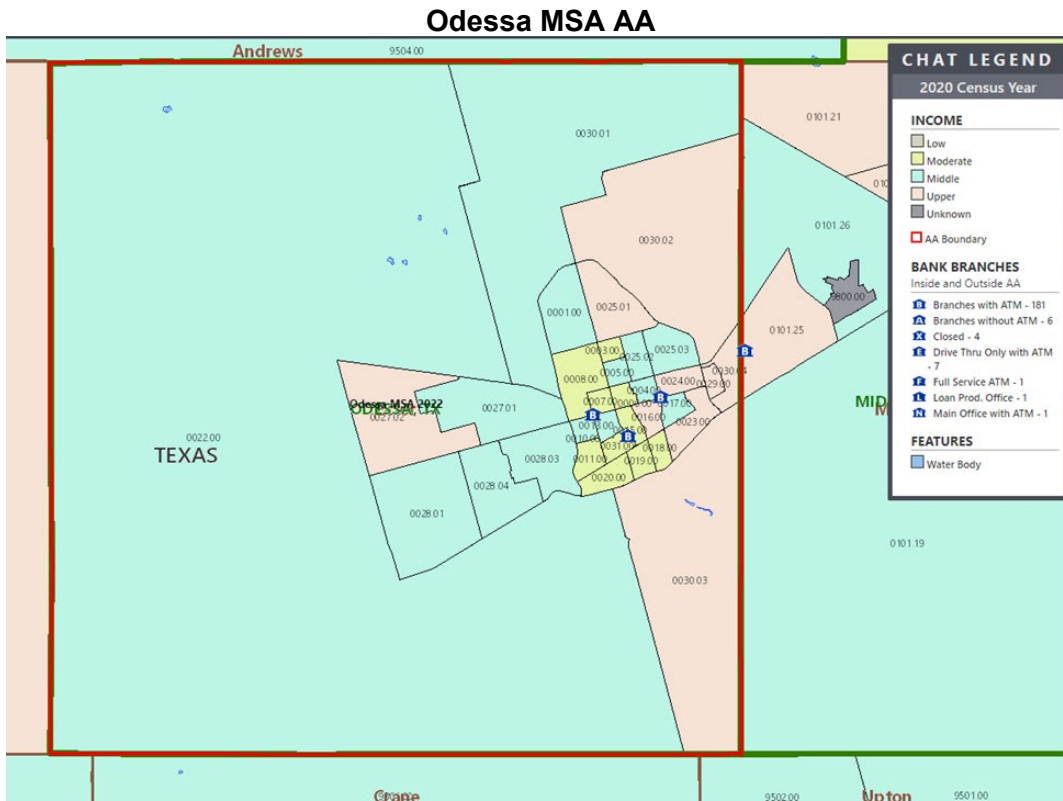
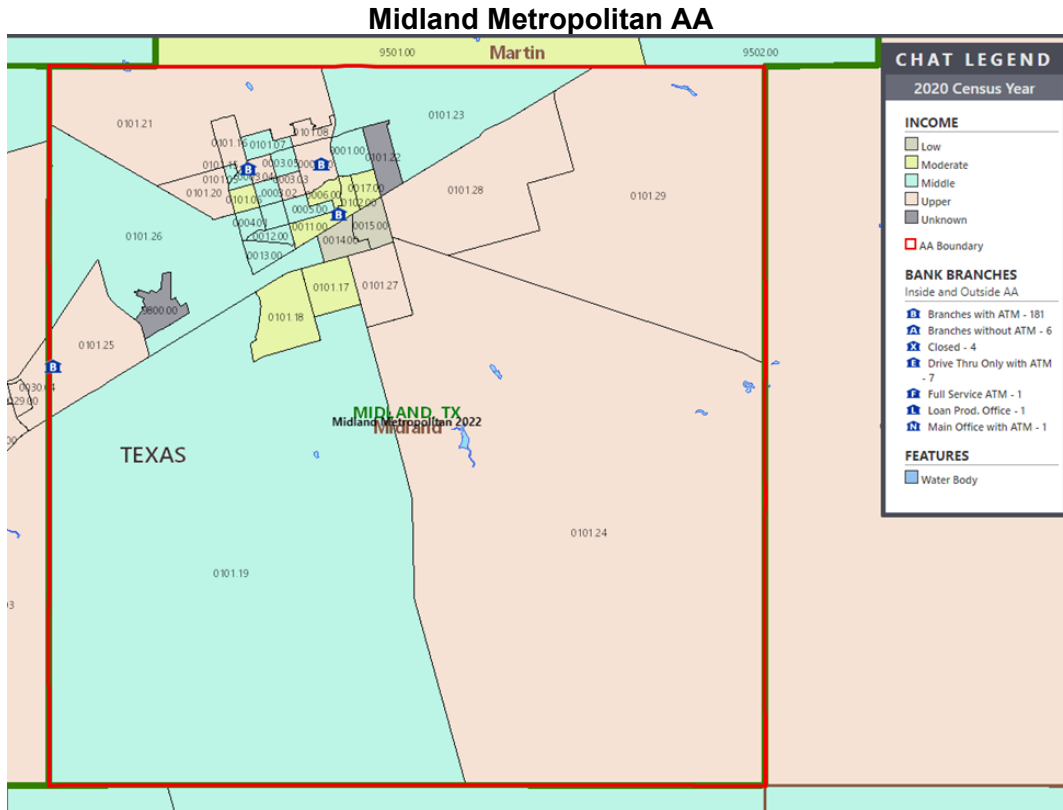
Brownsville-Harlingen MSA AA



College Station Metropolitan AA







APPENDIX B – FULL-SCOPE ASSESSMENT AREAS DEMOGRAPHIC INFORMATION

Table B-1

2021 San Antonio Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	34	8.0	29,841	6.0	11,272	37.8	112,900	22.6
Moderate	137	32.2	141,360	28.3	29,924	21.2	86,400	17.3
Middle	115	27.1	140,042	28.1	14,250	10.2	95,332	19.1
Upper	135	31.8	187,810	37.6	7,760	4.1	204,433	41.0
Unknown	4	0.9	12	0.0	0	0.0	0	0.0
Total AA	425	100.0	499,065	100.0	63,206	12.7	499,065	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	50,050	19,972	4.5	39.9	23,392	46.7	6,686	13.4
Moderate	239,252	105,911	23.9	44.3	108,898	45.5	24,443	10.2
Middle	231,088	125,036	28.2	54.1	85,662	37.1	20,390	8.8
Upper	272,949	191,708	43.3	70.2	64,683	23.7	16,558	6.1
Unknown	12	12	0.0	100.0	0	0.0	0	0.0
Total AA	793,351	442,639	100.0	55.8	282,635	35.6	68,077	8.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	4,468	4.4	3,963	4.2	475	7.9	30	3.1
Moderate	20,728	20.4	19,222	20.3	1,386	23.2	120	12.5
Middle	29,578	29.2	27,398	29.0	1,953	32.6	227	23.7
Upper	46,458	45.8	43,754	46.3	2,127	35.5	577	60.3
Unknown	193	0.2	147	0.2	43	0.7	3	0.3
Total AA	101,425	100.0	94,484	100.0	5,984	100.0	957	100.0
Percentage of Total Businesses:				93.2	5.9	0.9		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	16	1.3	14	1.1	2	18.2	0	0.0
Moderate	128	10.0	127	10.1	1	9.1	0	0.0
Middle	348	27.3	346	27.4	2	18.2	0	0.0
Upper	782	61.4	776	61.4	6	54.5	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,274	100.0	1,263	100.0	11	100.0	0	0.0
Percentage of Total Farms:				99.1	0.9	0.0		

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table B-2

2021 Dallas-Fort Worth (DFW) Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	162	13.8	147,087	10.1	50,423	34.3	343,856	23.7
Moderate	310	26.4	345,887	23.8	65,725	19.0	237,301	16.3
Middle	302	25.7	403,196	27.8	33,186	8.2	260,082	17.9
Upper	394	33.5	554,345	38.2	19,594	3.5	610,764	42.1
Unknown	7	0.6	1,488	0.1	273	18.3	0	0.0
Total AA	1,175	100.0	1,452,003	100.0	169,201	11.7	1,452,003	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	278,544	67,915	5.5	24.4	173,254	62.2	37,375	13.4
Moderate	567,302	248,345	20.2	43.8	269,335	47.5	49,622	8.7
Middle	639,419	353,546	28.7	55.3	243,386	38.1	42,487	6.6
Upper	801,705	559,894	45.5	69.8	198,062	24.7	43,749	5.5
Unknown	4,922	1,248	0.1	25.4	3,133	63.7	541	11.0
Total AA	2,291,892	1,230,948	100.0	53.7	887,170	38.7	173,774	7.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	29,260	7.9	26,318	7.6	2,714	11.4	228	5.4
Moderate	73,653	19.8	67,022	19.4	6,094	25.6	537	12.8
Middle	96,366	25.9	89,654	26.0	5,803	24.4	909	21.6
Upper	171,012	45.9	159,882	46.4	8,637	36.3	2,493	59.3
Unknown	2,320	0.6	1,717	0.5	567	2.4	36	0.9
Total AA	372,611	100.0	344,593	100.0	23,815	100.0	4,203	100.0
Percentage of Total Businesses:				92.5		6.4		1.1
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	96	3.4	92	3.3	4	11.8	0	0.0
Moderate	302	10.8	297	10.7	5	14.7	0	0.0
Middle	796	28.4	791	28.6	5	14.7	0	0.0
Upper	1,598	57.1	1,577	57.0	19	55.9	2	100.0
Unknown	9	0.3	8	0.3	1	2.9	0	0.0
Total AA	2,801	100.0	2,765	100.0	34	100.0	2	100.0
Percentage of Total Farms:				98.7		1.2		0.1
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table B-3

2021 Houston Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	158	15.2	159,612	10.8	57,230	35.9	362,116	24.4
Moderate	302	29.1	358,696	24.2	70,103	19.5	238,045	16.0
Middle	258	24.8	406,320	27.4	41,170	10.1	252,221	17.0
Upper	312	30.0	556,835	37.5	21,449	3.9	631,386	42.6
Unknown	9	0.9	2,305	0.2	999	43.3	0	0.0
Total AA	1,039	100.0	1,483,768	100.0	190,951	12.9	1,483,768	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	291,630	67,997	5.4	23.3	178,152	61.1	45,481	15.6
Moderate	584,643	265,840	21.0	45.5	253,118	43.3	65,685	11.2
Middle	616,393	363,015	28.6	58.9	202,026	32.8	51,352	8.3
Upper	831,143	569,614	44.9	68.5	200,009	24.1	61,520	7.4
Unknown	6,183	789	0.1	12.8	4,770	77.1	624	10.1
Total AA	2,329,992	1,267,255	100.0	54.4	838,075	36.0	224,662	9.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	35,090	9.9	31,319	9.6	3,531	14.5	240	6.3
Moderate	66,930	18.9	61,066	18.8	5,403	22.2	461	12.1
Middle	83,628	23.6	77,723	23.9	5,213	21.4	692	18.2
Upper	167,432	47.3	154,856	47.6	10,172	41.8	2,404	63.2
Unknown	647	0.2	596	0.2	44	0.2	7	0.2
Total AA	353,727	100.0	325,560	100.0	24,363	100.0	3,804	100.0
Percentage of Total Businesses:				92.0		6.9		1.1
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	86	3.6	81	3.4	5	12.5	0	0.0
Moderate	274	11.4	263	11.1	9	22.5	2	28.6
Middle	734	30.4	719	30.4	11	27.5	4	57.1
Upper	1,315	54.5	1,299	54.9	15	37.5	1	14.3
Unknown	3	0.1	3	0.1	0	0.0	0	0.0
Total AA	2,412	100.0	2,365	100.0	40	100.0	7	100.0
Percentage of Total Farms:				98.1		1.7		0.3
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table B-4

2021 Austin Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	37	11.1	33,566	8.4	10,948	32.6	88,879	22.1
Moderate	67	20.2	70,973	17.7	11,936	16.8	66,079	16.5
Middle	121	36.4	153,648	38.3	10,164	6.6	79,163	19.7
Upper	101	30.4	141,722	35.3	3,775	2.7	167,144	41.7
Unknown	6	1.8	1,356	0.3	723	53.3	0	0.0
Total AA	332	100.0	401,265	100.0	37,546	9.4	401,265	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	75,528	15,212	4.1	20.1	53,398	70.7	6,918	9.2
Moderate	131,578	58,510	15.8	44.5	62,984	47.9	10,084	7.7
Middle	264,991	146,646	39.5	55.3	99,203	37.4	19,142	7.2
Upper	225,053	150,325	40.5	66.8	59,344	26.4	15,384	6.8
Unknown	6,623	712	0.2	10.8	5,039	76.1	872	13.2
Total AA	703,773	371,405	100.0	52.8	279,968	39.8	52,400	7.4
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	8,338	6.9	7,561	6.8	703	10.1	74	4.4
Moderate	15,516	12.9	14,391	12.9	980	14.1	145	8.6
Middle	40,562	33.7	37,833	33.9	2,258	32.6	471	28.1
Upper	54,528	45.3	50,738	45.4	2,871	41.4	919	54.7
Unknown	1,379	1.1	1,186	1.1	123	1.8	70	4.2
Total AA	120,323	100.0	111,709	100.0	6,935	100.0	1,679	100.0
Percentage of Total Businesses:				92.8	5.8	1.4		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	44	3.2	41	3.1	3	23.1	0	0.0
Moderate	169	12.5	163	12.2	6	46.2	0	0.0
Middle	524	38.7	524	39.1	0	0.0	0	0.0
Upper	612	45.2	609	45.4	3	23.1	0	0.0
Unknown	5	0.4	4	0.3	1	7.7	0	0.0
Total AA	1,354	100.0	1,341	100.0	13	100.0	0	0.0
Percentage of Total Farms:				99.0	1.0	0.0		
Source: 2021 FFIEC Census Data 2021 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 – METROPOLITAN LIMITED-SCOPE ASSESSMENT AREAS

TABLE C-1

2022 Brownsville-Harlingen MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	3	2.5	1,911	1.9	956	50.0	23,835	24.3
Moderate	37	30.3	24,842	25.3	8,677	34.9	16,770	17.1
Middle	45	36.9	39,280	40.0	9,109	23.2	16,686	17.0
Upper	33	27.0	31,314	31.9	4,050	12.9	40,829	41.6
Unknown	4	3.3	773	0.8	352	45.5	0	0.0
Total AA	122	100.0	98,120	100.0	23,144	23.6	98,120	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	3,035	1,025	1.2	33.8	1,600	52.7	410	13.5
Moderate	36,867	17,071	20.3	46.3	15,159	41.1	4,637	12.6
Middle	59,284	34,861	41.5	58.8	16,248	27.4	8,175	13.8
Upper	52,390	30,542	36.3	58.3	9,568	18.3	12,280	23.4
Unknown	968	555	0.7	57.3	339	35.0	74	7.6
Total AA	152,544	84,054	100.0	55.1	42,914	28.1	25,576	16.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	360	2.9	344	3.0	14	1.9	2	1.6
Moderate	3,457	28.3	3,184	28.0	246	33.5	27	21.3
Middle	4,206	34.4	3,906	34.4	257	35.0	43	33.9
Upper	4,070	33.3	3,806	33.5	210	28.6	54	42.5
Unknown	139	1.1	131	1.2	7	1.0	1	0.8
Total AA	12,232	100.0	11,371	100.0	734	100.0	127	100.0
Percentage of Total Businesses:				93.0		6.0		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	2	1.1	2	1.1	0	0.0	0	0.0
Moderate	22	12.0	20	11.3	1	16.7	1	100.0
Middle	72	39.1	71	40.1	1	16.7	0	0.0
Upper	86	46.7	82	46.3	4	66.7	0	0.0
Unknown	2	1.1	2	1.1	0	0.0	0	0.0
Total AA	184	100.0	177	100.0	6	100.0	1	100.0
Percentage of Total Farms:				96.2		3.3		0.5

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-2

2021 Brownsville-Harlingen MSA 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	23,636	24.6
Moderate	35	40.2	31,176	32.5	13,235	42.5	15,934	16.6
Middle	25	28.7	29,773	31.0	8,861	29.8	15,109	15.7
Upper	24	27.6	35,042	36.5	6,280	17.9	41,312	43.0
Unknown	3	3.4	0	0.0	0	0.0	0	0.0
Total AA	87	100.0	95,991	100.0	28,376	29.6	95,991	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	43,679	23,552	29.1	53.9	15,266	35.0	4,861	11.1
Middle	43,828	24,219	29.9	55.3	13,684	31.2	5,925	13.5
Upper	57,687	33,114	40.9	57.4	11,262	19.5	13,311	23.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	145,194	80,885	100.0	55.7	40,212	27.7	24,097	16.6
	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	3,685	30.3	3,439	30.4	223	30.1	23	22.3
Middle	3,435	28.2	3,115	27.5	294	39.6	26	25.2
Upper	5,029	41.3	4,752	42.0	223	30.1	54	52.4
Unknown	14	0.1	12	0.1	2	0.3	0	0.0
Total AA	12,163	100.0	11,318	100.0	742	100.0	103	100.0
Percentage of Total Businesses:				93.1	6.1	0.8		
	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	41	22.2	39	21.9	1	16.7	1	100.0
Middle	56	30.3	55	30.9	1	16.7	0	0.0
Upper	88	47.6	84	47.2	4	66.7	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	185	100.0	178	100.0	6	100.0	1	100.0
Percentage of Total Farms:				96.2	3.2	0.5		
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-3A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Brownsville-Harlingen MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	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	0.7	0	0.0	0.4	1.2
Moderate	0	0.0	14.1	0	0.0	10.8	0	0.0	13.8	0	0.0	10.7	20.3
Middle	0	0.0	25.1	0	0.0	22.8	1	50.0	35.9	108	57.4	34.5	41.5
Upper	0	0.0	60.9	0	0.0	66.5	1	50.0	49.2	80	42.6	54.2	36.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.4	0	0.0	0.3	0.7
Total	0	0.0	100.0	0	0.0	100.0	2	100.0	100.0	188	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.6	0	0.0	0.6	1.2
Moderate	1	16.7	10.8	31	7.5	10.0	0	0.0	10.9	0	0.0	7.7	20.3
Middle	2	33.3	24.7	200	48.4	23.1	1	100.0	34.8	69	100.0	33.4	41.5
Upper	3	50.0	64.5	182	44.1	66.9	0	0.0	53.2	0	0.0	57.9	36.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.4	0	0.0	0.4	0.7
Total	6	100.0	100.0	413	100.0	100.0	1	100.0	100.0	69	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	1.4	0	0.0	1.6	1.2
Moderate	0	0.0	21.4	0	0.0	14.3	0	0.0	9.9	0	0.0	5.0	20.3
Middle	3	23.1	23.8	114	10.8	19.0	3	30.0	50.7	184	21.7	60.6	41.5
Upper	10	76.9	54.8	943	89.2	66.7	7	70.0	38.0	665	78.3	32.8	36.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.7
Total	13	100.0	100.0	1,057	100.0	100.0	10	100.0	100.0	849	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	8.9	0	0.0	1.6	
Moderate	0	0.0	28.9	0	0.0	55.8	0	0.0	24.4	0	0.0	22.8	30.1
Middle	0	0.0	52.6	0	0.0	29.6	1	100.0	42.2	255	100.0	31.0	24.6
Upper	0	0.0	18.4	0	0.0	14.6	0	0.0	22.2	0	0.0	36.7	42.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	2.2	0	0.0	8.0	0.6
Total	0	0.0	100.0	0	0.0	100.0	1	100.0	100.0	255	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.7	0	0.0	0.5	
Moderate	1	4.2	13.0	31	1.7	12.6	0	0.0	13.1	0	0.0	11.2	20.3
Middle	5	20.8	25.0	314	17.1	23.1	10	50.0	35.8	1,184	58.1	34.0	41.5
Upper	18	75.0	61.9	1,495	81.3	64.3	10	50.0	50.0	854	41.9	53.3	36.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.4	0	0.0	1.0	0.7
Total	24	100.0	100.0	1,840	100.0	100.0	20	100.0	100.0	2,038	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-3B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: Brownsville-Harlingen MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	#	#%	#%	\$(000)	%	%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	1.2
Moderate	0	0.0	28.6	0	0.0	18.2	0	0.0	5.0	0	0.0	2.7	20.3
Middle	0	0.0	35.7	0	0.0	36.6	1	100.0	20.0	240	100.0	20.6	41.5
Upper	1	100.0	35.7	185	100.0	45.2	0	0.0	72.5	0	0.0	71.5	36.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	2.5	0	0.0	5.2	0.7
Total	1	100.0	100.0	185	100.0	100.0	1	100.0	100.0	240	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.8	0	0.0	0.3	1.2
Moderate	0	0.0	20.0	0	0.0	14.9	0	0.0	12.3	0	0.0	9.5	20.3
Middle	0	0.0	16.7	0	0.0	14.8	3	60.0	34.6	328	75.1	27.6	41.5
Upper	4	100.0	63.3	185	100.0	70.3	2	40.0	52.3	109	24.9	62.6	36.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.7
Total	4	100.0	100.0	185	100.0	100.0	5	100.0	100.0	437	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.9	0	0.0	0.1	1.2
Moderate	0	0.0	14.3	0	0.0	10.0	0	0.0	15.7	0	0.0	10.3	20.3
Middle	0	0.0	26.6	0	0.0	20.8	0	0.0	37.4	0	0.0	38.8	41.5
Upper	0	0.0	59.1	0	0.0	69.2	0	0.0	46.1	0	0.0	50.7	36.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.7
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-4

Distribution of 2021 and 2022 Small Business Lending By Income Level of Geography Assessment Area: Brownsville-Harlingen MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	#	#%	#%	\$(000)	%	%	
Low	0	0.0	0.0	0	0.0	0.0	1	1.8	1.8	300	2.8	1.1	2.9
Moderate	86	29.5	29.5	9,672	35.0	27.7	17	30.9	25.3	2,170	20.3	26.5	28.3
Middle	108	37.0	28.6	9,836	35.5	33.2	27	49.1	36.1	6,383	59.8	32.5	34.4
Upper	98	33.6	40.9	8,164	29.5	38.6	10	18.2	35.3	1,813	17.0	37.8	33.3
Unknown	0	0.0	0.2	0	0.0	0.3	0	0.0	0.9	0	0.0	1.9	1.1
Total	292	100.0	100.0	27,672	100.0	100.0	55	100.0	100.0	10,666	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-5A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Brownsville-Harlingen MSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#	\$(000)	%	%	#	%	#	\$(000)	%	%	
Home Purchase Loans													
Low	0	0.0	0.4	0	0.0	0.2	0	0.0	0.6	0	0.0	0.2	24.3
Moderate	0	0.0	5.0	0	0.0	2.8	0	0.0	6.0	0	0.0	3.2	17.1
Middle	0	0.0	13.8	0	0.0	10.2	0	0.0	16.1	0	0.0	12.0	17.0
Upper	0	0.0	53.0	0	0.0	60.9	2	100.0	52.5	188	100.0	60.1	41.6
Unknown	0	0.0	27.8	0	0.0	25.9	0	0.0	24.9	0	0.0	24.4	0.0
Total	0	0.0	100.0	0	0.0	100.0	2	100.0	100.0	188	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.6	0	0.0	0.2	0	0.0	2.1	0	0.0	1.0	24.3
Moderate	0	0.0	4.3	0	0.0	2.3	0	0.0	7.3	0	0.0	4.5	17.1
Middle	0	0.0	11.2	0	0.0	7.7	0	0.0	16.3	0	0.0	11.9	17.0
Upper	6	100.0	54.6	413	100.0	58.2	1	100.0	56.7	69	100.0	62.8	41.6
Unknown	0	0.0	29.3	0	0.0	31.6	0	0.0	17.6	0	0.0	19.7	0.0
Total	6	100.0	100.0	413	100.0	100.0	1	100.0	100.0	69	100.0	100.0	100.0
Home Improvement Loans													
Low	1	7.7	0.0	40	3.8	0.0	0	0.0	1.4	0	0.0	0.8	24.3
Moderate	1	7.7	19.0	30	2.8	13.7	1	10.0	9.9	50	5.9	5.8	17.1
Middle	0	0.0	4.8	0	0.0	7.7	1	10.0	25.4	47	5.5	19.2	17.0
Upper	11	84.6	76.2	987	93.4	78.5	8	80.0	60.6	752	88.6	71.3	41.6
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	2.8	0	0.0	2.9	0.0
Total	13	100.0	100.0	1,057	100.0	100.0	10	100.0	100.0	849	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	1	4.2	0.5	40	2.2	0.2	0	0.0	1.2	0	0.0	0.4	24.3
Moderate	3	12.5	4.8	133	7.2	2.7	1	5.3	6.4	50	2.8	3.5	17.1
Middle	0	0.0	12.6	0	0.0	9.2	1	5.3	16.1	47	2.6	12.0	17.0
Upper	20	83.3	52.8	1,667	90.6	59.5	16	84.2	53.0	1,642	92.1	60.4	41.6
Unknown	0	0.0	29.3	0	0.0	28.4	1	5.3	23.4	44	2.5	23.6	0.0
Total	24	100.0	100.0	1,840	100.0	100.0	19	100.0	100.0	1,783	100.0	100.0	100.0
Source: 2022 FFIEC Census Data													
2016-2020 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.													

Table C-5B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Brownsville-Harlingen MSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#	%	\$(000)	%	#	%	\$(000)	%	#	%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	2.5	0	0.0	2.5	24.3
Moderate	0	0.0	7.1	0	0.0	5.2	0	0.0	7.5	0	0.0	4.4	17.1
Middle	0	0.0	14.3	0	0.0	13.0	0	0.0	30.0	0	0.0	23.6	17.0
Upper	1	100.0	78.6	185	100.0	81.8	1	100.0	57.5	240	100.0	65.9	41.6
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	2.5	0	0.0	3.7	0.0
Total	1	100.0	100.0	185	100.0	100.0	1	100.0	100.0	240	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	1.7	0	0.0	0.9	0	0.0	3.1	0	0.0	1.8	24.3
Moderate	2	50.0	10.0	103	55.7	5.8	0	0.0	8.5	0	0.0	4.4	17.1
Middle	0	0.0	18.3	0	0.0	10.5	0	0.0	16.2	0	0.0	12.8	17.0
Upper	2	50.0	65.0	82	44.3	75.0	4	80.0	66.2	393	89.9	69.9	41.6
Unknown	0	0.0	5.0	0	0.0	7.9	1	20.0	6.2	44	10.1	11.1	0.0
Total	4	100.0	100.0	185	100.0	100.0	5	100.0	100.0	437	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.6	0	0.0	0.3	0	0.0	8.7	0	0.0	3.7	24.3
Moderate	0	0.0	2.6	0	0.0	1.0	0	0.0	6.1	0	0.0	3.1	17.1
Middle	0	0.0	0.6	0	0.0	0.4	0	0.0	3.5	0	0.0	2.2	17.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	1.7	0	0.0	2.7	41.6
Unknown	0	0.0	96.1	0	0.0	98.3	0	0.0	80.0	0	0.0	88.3	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-6

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Brownsville-Harlingen MSA													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#	%	\$(000)	%	#	%	\$(000)	%	#	%	
By Revenue													
\$1 Million or Less	176	60.3	37.1	10,209	36.9	32.9	18	32.7	49.6	889	8.3	37.2	93.0
Over \$1 Million	79	27.1		16,255	58.7		34	61.8		9,364	87.8		6.0
Revenue Unknown	37	12.7		1,208	4.4		3	5.5		413	3.9		1.0
Total	292	100.0		27,672	100.0		55	100.0		10,666	100.0		100.0
By Loan Size													
\$100,000 or Less	218	74.7	93.6	6,191	22.4	43.7	27	49.1	93.2	1,458	13.7	40.0	
\$100,001 - \$250,000	49	16.8	3.8	8,654	31.3	18.6	18	32.7	4.2	3,133	29.4	20.1	
\$250,001 - \$1 Million	25	8.6	2.5	12,827	46.4	37.7	10	18.2	2.7	6,075	57.0	39.9	
Total	292	100.0	100.0	27,672	100.0	100.0	55	100.0	100.0	10,666	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	154	87.5		3,498	34.3		17	94.4		743	83.6		
\$100,001 - \$250,000	15	8.5		2,887	28.3		1	5.6		146	16.4		
\$250,001 - \$1 Million	7	4.0		3,824	37.5		0	0.0		0	0.0		
Total	176	100.0		10,209	100.0		18	100.0		889	100.0		

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-7

2022 College Station Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	8	12.7	3,283	7.1	1,319	40.2	10,890	23.6
Moderate	17	27.0	10,602	22.9	2,376	22.4	7,683	16.6
Middle	13	20.6	12,892	27.9	1,067	8.3	8,007	17.3
Upper	20	31.7	18,593	40.2	836	4.5	19,641	42.5
Unknown	5	7.9	851	1.8	514	60.4	0	0.0
Total AA	63	100.0	46,221	100.0	6,112	13.2	46,221	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	8,502	1,614	4.2	19.0	5,729	67.4	1,159	13.6
Moderate	25,694	6,004	15.7	23.4	16,367	63.7	3,323	12.9
Middle	23,610	11,257	29.4	47.7	10,220	43.3	2,133	9.0
Upper	29,227	19,303	50.4	66.0	7,229	24.7	2,695	9.2
Unknown	4,798	112	0.3	2.3	3,679	76.7	1,007	21.0
Total AA	91,831	38,290	100.0	41.7	43,224	47.1	10,317	11.2
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	734	8.9	666	8.7	62	11.6	6	5.8
Moderate	1,701	20.6	1,593	20.9	93	17.4	15	14.6
Middle	2,213	26.8	2,047	26.9	146	27.3	20	19.4
Upper	3,528	42.8	3,233	42.5	233	43.6	62	60.2
Unknown	74	0.9	73	1.0	1	0.2	0	0.0
Total AA	8,250	100.0	7,612	100.0	535	100.0	103	100.0
Percentage of Total Businesses:				92.3		6.5		1.2
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	3	1.9	3	1.9	0	0.0	0	0.0
Moderate	8	5.2	8	5.2	0	0.0	0	0.0
Middle	50	32.3	50	32.3	0	0.0	0	0.0
Upper	94	60.6	94	60.6	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	155	100.0	155	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-8

2021 College Station Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	5	11.9	2,340	5.8	902	38.5	9,931	24.5
Moderate	13	31.0	13,450	33.2	3,395	25.2	6,403	15.8
Middle	10	23.8	9,667	23.9	1,022	10.6	6,834	16.9
Upper	12	28.6	15,017	37.1	440	2.9	17,306	42.8
Unknown	2	4.8	0	0.0	0	0.0	0	0.0
Total AA	42	100.0	40,474	100.0	5,759	14.2	40,474	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	11,283	748	2.3	6.6	9,087	80.5	1,448	12.8
Moderate	28,349	9,113	27.6	32.1	16,188	57.1	3,048	10.8
Middle	18,963	7,792	23.6	41.1	9,347	49.3	1,824	9.6
Upper	23,321	15,425	46.6	66.1	6,158	26.4	1,738	7.5
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	81,916	33,078	100.0	40.4	40,780	49.8	8,058	9.8
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	484	6.0	462	6.2	20	3.7	2	2.2
Moderate	2,101	25.9	1,922	25.7	163	30.4	16	17.4
Middle	2,192	27.1	2,019	27.0	154	28.7	19	20.7
Upper	3,295	40.7	3,047	40.8	193	35.9	55	59.8
Unknown	27	0.3	20	0.3	7	1.3	0	0.0
Total AA	8,099	100.0	7,470	100.0	537	100.0	92	100.0
Percentage of Total Businesses:				92.2		6.6		1.1
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	3	1.9	3	1.9	0	0.0	0	0.0
Moderate	31	19.5	31	19.6	0	0.0	0	0.0
Middle	35	22.0	35	22.2	0	0.0	0	0.0
Upper	90	56.6	89	56.3	1	100.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	159	100.0	158	100.0	1	100.0	0	0.0
Percentage of Total Farms:				99.4		0.6		0.0
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-9A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: College Station Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	100.0	5.0	441	100.0	4.9	0	0.0	4.6	0	0.0	3.6	4.2
Moderate	0	0.0	27.5	0	0.0	21.9	0	0.0	14.0	0	0.0	9.7	15.7
Middle	0	0.0	24.5	0	0.0	23.2	1	25.0	26.5	191	30.1	23.5	29.4
Upper	0	0.0	43.0	0	0.0	50.0	3	75.0	53.7	443	69.9	62.4	50.4
Unknown	0	0.0	0.1	0	0.0	0.0	0	0.0	1.2	0	0.0	0.8	0.3
Total	1	100.0	100.0	441	100.0	100.0	4	100.0	100.0	634	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	2.7	0	0.0	3.1	0	0.0	2.7	0	0.0	1.8	4.2
Moderate	0	0.0	14.7	0	0.0	11.9	0	0.0	12.3	0	0.0	9.2	15.7
Middle	0	0.0	23.6	0	0.0	21.5	0	0.0	27.6	0	0.0	22.9	29.4
Upper	0	0.0	59.0	0	0.0	63.6	0	0.0	56.2	0	0.0	65.3	50.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	1.1	0	0.0	0.8	0.3
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	3.1	0	0.0	2.9	0	0.0	2.9	0	0.0	4.8	4.2
Moderate	0	0.0	14.6	0	0.0	15.7	0	0.0	10.8	0	0.0	14.0	15.7
Middle	1	20.0	33.3	73	10.7	34.8	1	12.5	22.5	22	2.2	20.7	29.4
Upper	4	80.0	49.0	611	89.3	46.5	7	87.5	60.8	992	97.8	56.9	50.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	2.9	0	0.0	3.6	0.3
Total	5	100.0	100.0	684	100.0	100.0	8	100.0	100.0	1,014	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	14.9	0	0.0	23.8	0	0.0	21.8	0	0.0	24.7	14.7
Moderate	0	0.0	48.9	0	0.0	41.6	0	0.0	40.0	0	0.0	37.8	38.3
Middle	0	0.0	23.4	0	0.0	11.9	0	0.0	21.8	0	0.0	23.9	14.7
Upper	0	0.0	12.8	0	0.0	22.7	0	0.0	10.9	0	0.0	11.8	17.8
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	5.5	0	0.0	1.8	14.5
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	1	12.5	4.1	441	30.4	5.4	0	0.0	4.4	0	0.0	7.2	4.2
Moderate	0	0.0	22.7	0	0.0	19.7	0	0.0	13.8	0	0.0	14.7	15.7
Middle	1	12.5	24.2	73	5.0	21.9	4	26.7	26.7	377	20.0	23.6	29.4
Upper	6	75.0	48.9	939	64.6	53.0	11	73.3	53.9	1,510	80.0	53.4	50.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	1.3	0	0.0	1.0	0.3
Total	8	100.0	100.0	1,453	100.0	100.0	15	100.0	100.0	1,887	100.0	100.0	100.0

Source: 2022 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Table C-9B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: College Station Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	4.2
Moderate	0	0.0	11.8	0	0.0	32.2	0	0.0	2.6	0	0.0	1.7	15.7
Middle	0	0.0	17.6	0	0.0	15.5	1	50.0	31.6	64	46.0	23.1	29.4
Upper	1	100.0	70.6	282	100.0	52.3	1	50.0	65.8	75	54.0	75.2	50.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.3
Total	1	100.0	100.0	282	100.0	100.0	2	100.0	100.0	139	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	2.1	0	0.0	1.6	0	0.0	2.4	0	0.0	2.7	4.2
Moderate	0	0.0	22.9	0	0.0	22.5	0	0.0	9.4	0	0.0	5.1	15.7
Middle	0	0.0	14.6	0	0.0	11.4	1	100.0	31.8	100	100.0	34.2	29.4
Upper	1	100.0	60.4	46	100.0	64.6	0	0.0	55.3	0	0.0	57.1	50.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	1.2	0	0.0	0.9	0.3
Total	1	100.0	100.0	46	100.0	100.0	1	100.0	100.0	100	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	4.0	0	0.0	2.0	4.2
Moderate	0	0.0	36.1	0	0.0	38.4	0	0.0	24.0	0	0.0	10.3	15.7
Middle	0	0.0	30.6	0	0.0	28.1	0	0.0	28.0	0	0.0	35.1	29.4
Upper	0	0.0	33.3	0	0.0	33.5	0	0.0	44.0	0	0.0	52.6	50.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.3
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-10

Distribution of 2021 and 2022 Small Business Lending By Income Level of Geography Assessment Area: College Station Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Low	1	14.3	4.5	69	3.1	3.9	0	0.0	6.3	0	0.0	8.6	8.9
Moderate	4	57.1	26.1	1,585	71.3	30.1	1	16.7	18.6	345	16.1	19.5	20.6
Middle	0	0.0	25.0	0	0.0	25.0	0	0.0	26.4	0	0.0	22.0	26.8
Upper	2	28.6	43.2	570	25.6	40.4	5	83.3	47.2	1,800	83.9	48.0	42.8
Unknown	0	0.0	0.1	0	0.0	0.4	0	0.0	0.6	0	0.0	1.6	0.9
Total	7	100.0	100.0	2,224	100.0	100.0	6	100.0	100.0	2,145	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-11A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: College Station Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%		
Home Purchase Loans													
Low	0	0.0	2.0	0	0.0	1.2	0	0.0	1.9	0	0.0	1.1	23.6
Moderate	0	0.0	13.1	0	0.0	10.0	0	0.0	10.9	0	0.0	7.6	16.6
Middle	0	0.0	18.5	0	0.0	16.8	1	25.0	17.9	94	14.8	15.3	17.3
Upper	0	0.0	44.2	0	0.0	51.9	3	75.0	47.8	540	85.2	55.9	42.5
Unknown	1	100.0	22.2	441	100.0	20.1	0	0.0	21.5	0	0.0	20.1	0.0
Total	1	100.0	100.0	441	100.0	100.0	4	100.0	100.0	634	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	2.0	0	0.0	1.1	0	0.0	6.4	0	0.0	4.3	23.6
Moderate	0	0.0	9.4	0	0.0	6.0	0	0.0	10.0	0	0.0	6.1	16.6
Middle	0	0.0	15.5	0	0.0	11.6	0	0.0	19.8	0	0.0	15.7	17.3
Upper	0	0.0	50.2	0	0.0	57.0	0	0.0	47.4	0	0.0	57.3	42.5
Unknown	0	0.0	22.9	0	0.0	24.4	0	0.0	16.4	0	0.0	16.6	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
Home Improvement Loans													
Low	0	0.0	2.1	0	0.0	0.9	0	0.0	2.0	0	0.0	1.4	23.6
Moderate	0	0.0	6.3	0	0.0	4.8	0	0.0	14.7	0	0.0	9.0	16.6
Middle	0	0.0	19.8	0	0.0	15.8	3	37.5	12.7	112	11.0	8.0	17.3
Upper	5	100.0	65.6	684	100.0	69.4	5	62.5	57.8	902	89.0	64.6	42.5
Unknown	0	0.0	6.3	0	0.0	9.1	0	0.0	12.7	0	0.0	17.1	0.0
Total	5	100.0	100.0	684	100.0	100.0	8	100.0	100.0	1,014	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	0	0.0	2.0	0	0.0	1.1	0	0.0	2.7	0	0.0	1.6	23.6
Moderate	0	0.0	11.6	0	0.0	8.5	0	0.0	10.8	0	0.0	7.4	16.6
Middle	1	12.5	17.3	46	3.2	14.8	5	33.3	18.0	306	16.2	15.3	17.3
Upper	6	75.0	46.7	966	66.5	54.0	10	66.7	48.0	1,581	83.8	56.3	42.5
Unknown	1	12.5	22.4	441	30.4	21.6	0	0.0	20.5	0	0.0	19.5	0.0
Total	8	100.0	100.0	1,453	100.0	100.0	15	100.0	100.0	1,887	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 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.

Table C-11B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: College Station Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	\$%	\$%	#	%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	23.6
Moderate	0	0.0	11.8	0	0.0	4.1	0	0.0	10.5	0	0.0	8.2	16.6
Middle	0	0.0	23.5	0	0.0	21.4	0	0.0	23.7	0	0.0	18.5	17.3
Upper	1	100.0	64.7	282	100.0	74.4	2	100.0	63.2	139	100.0	72.3	42.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	2.6	0	0.0	1.0	0.0
Total	1	100.0	100.0	282	100.0	100.0	2	100.0	100.0	139	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	4.2	0	0.0	1.8	0	0.0	5.9	0	0.0	3.3	23.6
Moderate	0	0.0	10.4	0	0.0	7.8	0	0.0	15.3	0	0.0	6.8	16.6
Middle	1	100.0	8.3	46	100.0	7.1	1	100.0	16.5	100	100.0	14.5	17.3
Upper	0	0.0	77.1	0	0.0	83.3	0	0.0	57.6	0	0.0	73.2	42.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	4.7	0	0.0	2.2	0.0
Total	1	100.0	100.0	46	100.0	100.0	1	100.0	100.0	100	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	2.8	0	0.0	3.6	0	0.0	4.0	0	0.0	1.0	23.6
Moderate	0	0.0	5.6	0	0.0	11.3	0	0.0	0.0	0	0.0	0.0	16.6
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	17.3
Upper	0	0.0	2.8	0	0.0	3.1	0	0.0	0.0	0	0.0	0.0	42.5
Unknown	0	0.0	88.9	0	0.0	82.0	0	0.0	96.0	0	0.0	99.0	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-12

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: College Station Metropolitan													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	\$%	\$%	#	%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	5	71.4	46.9	1,075	48.3	37.8	3	50.0	51.9	890	41.5	42.1	92.3
Over \$1 Million	2	28.6		1,149	51.7		2	33.3		910	42.4		6.5
Revenue Unknown	0	0.0		0	0.0		1	16.7		345	16.1		1.2
Total	7	100.0		2,224	100.0	100.0	6	100.0		2,145	100.0	100.0	100.0
By Loan Size													
\$100,000 or Less	2	28.6	89.4	90	4.0	32.0	0	0.0	92.5	0	0.0	34.9	
\$100,001 - \$250,000	2	28.6	6.0	280	12.6	19.4	1	16.7	4.1	190	8.9	17.5	
\$250,001 - \$1 Million	3	42.9	4.6	1,854	83.4	48.6	5	83.3	3.4	1,955	91.1	47.6	
Total	7	100.0	100.0	2,224	100.0	100.0	6	100.0	100.0	2,145	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	2	40.0		90	8.4		0	0.0		0	0.0		
\$100,001 - \$250,000	1	20.0		130	12.1		1	33.3		190	21.3		
\$250,001 - \$1 Million	2	40.0		855	79.5		2	66.7		700	78.7		
Total	5	100.0		1,075	100.0		3	100.0		890	100.0		

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-13

2022 Corpus Christi MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	4	3.5	4,161	4.0	1,527	36.7	24,471	23.3
Moderate	30	26.5	26,459	25.2	5,256	19.9	17,403	16.5
Middle	44	38.9	41,174	39.1	4,740	11.5	19,422	18.5
Upper	32	28.3	33,376	31.7	1,470	4.4	43,874	41.7
Unknown	3	2.7	0	0.0	0	0.0	0	0.0
Total AA	113	100.0	105,170	100.0	12,993	12.4	105,170	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	7,459	2,498	2.7	33.5	4,145	55.6	816	10.9
Moderate	43,470	22,175	24.0	51.0	15,382	35.4	5,913	13.6
Middle	71,084	34,971	37.8	49.2	27,305	38.4	8,808	12.4
Upper	56,772	32,793	35.5	57.8	14,635	25.8	9,344	16.5
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	178,785	92,437	100.0	51.7	61,467	34.4	24,881	13.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	597	3.5	547	3.5	44	3.9	6	2.9
Moderate	3,432	20.0	3,049	19.3	343	30.6	40	19.5
Middle	6,730	39.2	6,245	39.5	413	36.8	72	35.1
Upper	6,355	37.0	5,955	37.6	315	28.1	85	41.5
Unknown	39	0.2	30	0.2	7	0.6	2	1.0
Total AA	17,153	100.0	15,826	100.0	1,122	100.0	205	100.0
Percentage of Total Businesses:				92.3		6.5		1.2
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	3	0.9	3	0.9	0	0.0	0	0.0
Moderate	66	19.0	62	18.5	4	33.3	0	0.0
Middle	95	27.4	92	27.5	3	25.0	0	0.0
Upper	182	52.4	177	52.8	5	41.7	0	0.0
Unknown	1	0.3	1	0.3	0	0.0	0	0.0
Total AA	347	100.0	335	100.0	12	100.0	0	0.0
Percentage of Total Farms:				96.5		3.5		0.0
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-14

2021 Corpus Christi MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	6	6.1	5,034	4.8	2,007	39.9	23,674	22.7
Moderate	27	27.6	29,640	28.4	6,292	21.2	18,124	17.4
Middle	34	34.7	37,780	36.2	4,295	11.4	19,016	18.2
Upper	28	28.6	31,825	30.5	1,635	5.1	43,472	41.7
Unknown	3	3.1	7	0.0	0	0.0	0	0.0
Total AA	98	100.0	104,286	100.0	14,229	13.6	104,286	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	8,893	3,062	3.5	34.4	4,327	48.7	1,504	16.9
Moderate	49,007	23,332	26.5	47.6	19,828	40.5	5,847	11.9
Middle	61,637	31,891	36.2	51.7	21,312	34.6	8,434	13.7
Upper	51,752	29,703	33.8	57.4	16,219	31.3	5,830	11.3
Unknown	7	7	0.0	100.0	0	0.0	0	0.0
Total AA	171,296	87,995	100.0	51.4	61,686	36.0	21,615	12.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	539	3.2	496	3.2	37	3.3	6	3.0
Moderate	5,009	29.4	4,538	28.9	416	37.0	55	27.2
Middle	6,018	35.4	5,458	34.8	486	43.2	74	36.6
Upper	5,417	31.8	5,173	33.0	179	15.9	65	32.2
Unknown	35	0.2	26	0.2	7	0.6	2	1.0
Total AA	17,018	100.0	15,691	100.0	1,125	100.0	202	100.0
Percentage of Total Businesses:				92.2	6.6	1.2		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	5	1.4	5	1.5	0	0.0	0	0.0
Moderate	83	23.4	78	22.7	5	45.5	0	0.0
Middle	114	32.2	109	31.8	5	45.5	0	0.0
Upper	150	42.4	149	43.4	1	9.1	0	0.0
Unknown	2	0.6	2	0.6	0	0.0	0	0.0
Total AA	354	100.0	343	100.0	11	100.0	0	0.0
Percentage of Total Farms:				96.9	3.1	0.0		
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-15A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Corpus Christi MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	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	1.1	0	0.0	0.5	2.7
Moderate	2	20.0	12.2	84	2.6	7.2	0	0.0	11.2	0	0.0	5.9	24.0
Middle	3	30.0	34.7	1,772	55.8	33.9	0	0.0	33.1	0	0.0	27.3	37.8
Upper	5	50.0	52.6	1,317	41.5	58.6	4	100.0	54.6	1,125	100.0	66.3	35.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	10	100.0	100.0	3,173	100.0	100.0	4	100.0	100.0	1,125	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.3	0	0.0	0.2	0	0.0	1.1	0	0.0	0.5	2.7
Moderate	1	11.1	10.2	81	6.5	6.8	0	0.0	12.8	0	0.0	7.6	24.0
Middle	3	33.3	32.5	184	14.7	30.5	3	50.0	37.3	180	35.2	33.6	37.8
Upper	5	55.6	57.0	983	78.8	62.5	3	50.0	48.8	332	64.8	58.3	35.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	9	100.0	100.0	1,248	100.0	100.0	6	100.0	100.0	512	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	1.7	0	0.0	0.7	0	0.0	0.0	0	0.0	0.0	2.7
Moderate	2	8.7	14.0	50	3.5	9.5	3	10.0	15.9	180	5.3	11.0	24.0
Middle	5	21.7	38.0	264	18.2	36.8	12	40.0	37.6	1,099	32.2	45.9	37.8
Upper	16	69.6	46.3	1,133	78.3	53.0	15	50.0	46.5	2,133	62.5	43.2	35.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	23	100.0	100.0	1,447	100.0	100.0	30	100.0	100.0	3,412	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	6.3	0	0.0	2.1	5.5
Moderate	0	0.0	19.4	0	0.0	4.6	0	0.0	14.6	0	0.0	3.6	10.1
Middle	0	0.0	44.4	0	0.0	31.7	0	0.0	37.5	0	0.0	52.1	50.3
Upper	0	0.0	36.1	0	0.0	63.7	0	0.0	41.7	0	0.0	42.2	34.1
Unknown	0	0.0	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	0.4	0	0.0	0.2	0	0.0	1.1	0	0.0	0.8	2.7
Moderate	5	9.4	11.7	215	2.8	7.1	3	5.5	12.1	180	2.4	5.9	24.0
Middle	14	26.4	34.0	2,503	32.9	32.7	19	34.5	34.4	1,733	22.8	32.3	37.8
Upper	34	64.2	53.8	4,889	64.3	60.0	33	60.0	52.4	5,686	74.8	61.0	35.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	53	100.0	100.0	7,607	100.0	100.0	55	100.0	100.0	7,599	100.0	100.0	100.0

Source: 2022 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Table C-15B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Corpus Christi MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	2.7
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	7.4	0	0.0	5.8	24.0
Middle	2	40.0	52.9	230	18.1	46.8	3	30.0	33.3	404	18.5	24.0	37.8
Upper	3	60.0	47.1	1,040	81.9	53.2	7	70.0	59.3	1,781	81.5	70.2	35.5
Unknown	0	0.0	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	1,270	100.0	100.0	10	100.0	100.0	2,185	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	2.3	0	0.0	0.5	0	0.0	1.7	0	0.0	1.3	2.7
Moderate	0	0.0	26.0	0	0.0	12.0	0	0.0	19.9	0	0.0	12.5	24.0
Middle	1	16.7	39.7	53	11.3	48.8	1	20.0	37.2	50	13.7	31.4	37.8
Upper	5	83.3	32.1	416	88.7	38.7	4	80.0	41.1	315	86.3	54.9	35.5
Unknown	0	0.0	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	469	100.0	100.0	5	100.0	100.0	365	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	3.5	0	0.0	2.7	2.7
Moderate	0	0.0	23.5	0	0.0	18.0	0	0.0	25.9	0	0.0	13.2	24.0
Middle	0	0.0	43.3	0	0.0	38.5	0	0.0	42.4	0	0.0	44.7	37.8
Upper	0	0.0	33.2	0	0.0	43.5	0	0.0	28.2	0	0.0	39.5	35.5
Unknown	0	0.0	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-16

Distribution of 2021 and 2022 Small Business Lending By Income Level of Geography													
Assessment Area: Corpus Christi MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Low	11	1.7	2.1	1,591	2.2	2.6	3	2.3	2.7	1,320	3.5	2.4	3.5
Moderate	202	31.6	26.8	20,884	28.8	30.6	37	28.0	18.4	11,186	29.3	23.3	20.0
Middle	238	37.2	36.2	30,026	41.5	41.9	46	34.8	35.2	11,427	29.9	34.7	39.2
Upper	188	29.4	33.4	19,928	27.5	24.6	46	34.8	42.4	14,284	37.4	39.1	37.0
Unknown	0	0.0	0.0	0	0.0	0.1	0	0.0	0.0	0	0.0	0.0	0.2
Total	639	100.0	100.0	72,429	100.0	100.0	132	100.0	100.0	38,217	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-17A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Corpus Christi MSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	1.9	0	0.0	0.9	0	0.0	2.4	0	0.0	1.0	23.3
Moderate	1	10.0	10.9	100	3.2	6.7	0	0.0	12.8	0	0.0	8.1	16.5
Middle	0	0.0	19.1	0	0.0	15.2	0	0.0	20.2	0	0.0	17.1	18.5
Upper	8	80.0	44.4	1,573	49.6	55.6	4	100.0	39.5	1,125	100.0	52.3	41.7
Unknown	1	10.0	23.8	1,500	47.3	21.6	0	0.0	25.1	0	0.0	21.5	0.0
Total	10	100.0	100.0	3,173	100.0	100.0	4	100.0	1,125	100.0	100.0	100.0	100.0
Refinance Loans													
Low	2	22.2	2.4	133	10.7	1.1	0	0.0	6.9	0	0.0	3.4	23.3
Moderate	0	0.0	8.0	0	0.0	4.8	0	0.0	15.8	0	0.0	10.5	16.5
Middle	3	33.3	15.3	161	12.9	11.4	1	16.7	22.0	95	18.6	17.9	18.5
Upper	3	33.3	42.2	873	70.0	48.3	3	50.0	38.4	307	60.0	47.4	41.7
Unknown	1	11.1	32.1	81	6.5	34.4	2	33.3	16.8	110	21.5	20.8	0.0
Total	9	100.0	100.0	1,248	100.0	100.0	6	100.0	100.0	512	100.0	100.0	100.0
Home Improvement Loans													
Low	1	4.3	7.4	25	1.7	5.2	1	3.3	5.1	13	0.4	3.1	23.3
Moderate	4	17.4	9.1	183	12.6	4.9	3	10.0	26.1	165	4.8	19.6	16.5
Middle	3	13.0	16.5	94	6.5	11.7	8	26.7	12.1	441	12.9	10.7	18.5
Upper	15	65.2	54.5	1,145	79.1	61.2	17	56.7	50.3	2,753	80.7	60.4	41.7
Unknown	0	0.0	12.4	0	0.0	17.0	1	3.3	6.4	40	1.2	6.2	0.0
Total	23	100.0	100.0	1,447	100.0	100.0	30	100.0	100.0	3,412	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	5	9.4	2.1	241	3.2	1.0	3	5.5	3.6	167	2.2	1.5	23.3
Moderate	5	9.4	9.6	283	3.7	6.0	4	7.3	13.7	195	2.6	8.7	16.5
Middle	9	17.0	17.2	487	6.4	13.6	10	18.2	20.2	571	7.5	17.1	18.5
Upper	32	60.4	42.8	5,015	65.9	52.5	35	63.6	38.8	6,516	85.7	51.1	41.7
Unknown	2	3.8	28.3	1,581	20.8	27.0	3	5.5	23.7	150	2.0	21.7	0.0
Total	53	100.0	100.0	7,607	100.0	100.0	55	100.0	100.0	7,599	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 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.

Table C-17B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Corpus Christi MSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	%	%	#	%	#%	\$(000)	%	%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	1	10.0	11.1	104	4.8	5.2	23.3
Moderate	0	0.0	11.8	0	0.0	10.0	0	0.0	7.4	0	0.0	4.2	16.5
Middle	1	20.0	23.5	80	6.3	28.9	0	0.0	11.1	0	0.0	22.9	18.5
Upper	4	80.0	58.8	1,190	93.7	55.0	9	90.0	63.0	2,081	95.2	63.6	41.7
Unknown	0	0.0	5.9	0	0.0	6.1	0	0.0	7.4	0	0.0	4.1	0.0
Total	5	100.0	100.0	1,270	100.0	100.0	10	100.0	100.0	2,185	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	2	33.3	3.8	83	17.7	0.9	1	20.0	10.8	50	13.7	5.8	23.3
Moderate	0	0.0	22.1	0	0.0	10.9	1	20.0	21.6	30	8.2	15.8	16.5
Middle	2	33.3	22.9	152	32.4	9.9	1	20.0	21.6	35	9.6	16.2	18.5
Upper	2	33.3	43.5	234	49.9	69.8	2	40.0	38.5	250	68.5	50.5	41.7
Unknown	0	0.0	7.6	0	0.0	8.6	0	0.0	7.4	0	0.0	11.7	0.0
Total	6	100.0	100.0	469	100.0	100.0	5	100.0	100.0	365	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	1.1	0	0.0	0.3	0	0.0	1.2	0	0.0	0.2	23.3
Moderate	0	0.0	0.4	0	0.0	0.4	0	0.0	1.2	0	0.0	1.0	16.5
Middle	0	0.0	2.2	0	0.0	2.3	0	0.0	0.6	0	0.0	1.8	18.5
Upper	0	0.0	0.4	0	0.0	0.6	0	0.0	0.6	0	0.0	1.5	41.7
Unknown	0	0.0	96.0	0	0.0	96.5	0	0.0	96.5	0	0.0	95.5	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-18

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses														
Assessment Area: Corpus Christi MSA														
	Bank And Aggregate Loans By Year													Total Businesses %
	2021						2022							
	Bank		Agg		Bank		Agg		Bank		Agg			
	#	%	#%	\$(000)	%	%	#	%	#%	\$(000)	%	%		
By Revenue														
\$1 Million or Less	392	61.3	39.4	20,611	28.5	30.0	43	32.6	46.5	9,482	24.8	33.4	92.3	
Over \$1 Million	168	26.3		42,850	59.2		61	46.2		21,247	55.6		6.5	
Revenue Unknown	79	12.4		8,968	12.4		28	21.2		7,488	19.6		1.2	
Total	639	100.0		72,429	100.0		132	100.0		38,217	100.0		100.0	
By Loan Size														
\$100,000 or Less	467	73.1	90.9	13,506	18.6	34.0	51	38.6	92.9	2,810	7.4	35.7		
\$100,001 - \$250,000	99	15.5	5.2	17,171	23.7	20.2	24	18.2	4.1	4,743	12.4	18.4		
\$250,001 - \$1 Million	73	11.4	3.9	41,752	57.6	45.8	57	43.2	3.1	30,664	80.2	45.9		
Total	639	100.0	100.0	72,429	100.0	100.0	132	100.0	100.0	38,217	100.0	100.0		
By Loan Size and Revenues \$1 Million or Less														
\$100,000 or Less	358	91.3		8,891	43.1		24	55.8		1,098	11.6			
\$100,001 - \$250,000	18	4.6		2,706	13.1		3	7.0		460	4.9			
\$250,001 - \$1 Million	16	4.1		9,014	43.7		16	37.2		7,924	83.6			
Total	392	100.0		20,611	100.0		43	100.0		9,482	100.0			

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-19

2022 McAllen-Edinburg-Mission MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	13	6.1	10,756	5.5	5,801	53.9	50,999	26.1
Moderate	47	22.2	38,833	19.8	14,091	36.3	29,827	15.2
Middle	80	37.7	78,619	40.2	19,196	24.4	31,732	16.2
Upper	63	29.7	62,820	32.1	9,451	15.0	83,129	42.5
Unknown	9	4.2	4,659	2.4	1,275	27.4	0	0.0
Total AA	212	100.0	195,687	100.0	49,814	25.5	195,687	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	14,129	8,476	5.1	60.0	4,449	31.5	1,204	8.5
Moderate	56,747	31,448	19.0	55.4	17,783	31.3	7,516	13.2
Middle	115,103	67,372	40.6	58.5	29,733	25.8	17,998	15.6
Upper	89,026	54,784	33.0	61.5	24,009	27.0	10,233	11.5
Unknown	6,375	3,713	2.2	58.2	2,111	33.1	551	8.6
Total AA	281,380	165,793	100.0	58.9	78,085	27.8	37,502	13.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	882	3.2	824	3.1	48	3.2	10	4.5
Moderate	4,322	15.5	4,023	15.4	271	18.1	28	12.6
Middle	10,405	37.3	9,717	37.1	590	39.4	98	44.1
Upper	11,327	40.6	10,709	40.9	539	36.0	79	35.6
Unknown	953	3.4	895	3.4	51	3.4	7	3.2
Total AA	27,889	100.0	26,168	100.0	1,499	100.0	222	100.0
Percentage of Total Businesses:				93.8		5.4		0.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	4	1.2	4	1.3	0	0.0	0	0.0
Moderate	65	19.1	56	17.7	9	36.0	0	0.0
Middle	132	38.7	123	38.9	9	36.0	0	0.0
Upper	134	39.3	127	40.2	7	28.0	0	0.0
Unknown	6	1.8	6	1.9	0	0.0	0	0.0
Total AA	341	100.0	316	100.0	25	100.0	0	0.0
Percentage of Total Farms:				92.7		7.3		0.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-20

2021 McAllen-Edinburg-Mission MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	0.9	2,741	1.5	1,854	67.6	46,048	25.1
Moderate	32	28.3	48,286	26.3	21,103	43.7	29,886	16.3
Middle	46	40.7	76,106	41.5	22,358	29.4	28,262	15.4
Upper	31	27.4	55,935	30.5	9,440	16.9	79,139	43.2
Unknown	3	2.7	267	0.1	108	40.4	0	0.0
Total AA	113	100.0	183,335	100.0	54,863	29.9	183,335	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	3,162	2,091	1.4	66.1	828	26.2	243	7.7
Moderate	65,913	37,566	24.6	57.0	20,071	30.5	8,276	12.6
Middle	108,000	64,456	42.3	59.7	28,114	26.0	15,430	14.3
Upper	80,442	48,068	31.5	59.8	22,371	27.8	10,003	12.4
Unknown	609	371	0.2	60.9	85	14.0	153	25.1
Total AA	258,126	152,552	100.0	59.1	71,469	27.7	34,105	13.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	106	0.4	100	0.4	5	0.3	1	0.5
Moderate	5,449	19.9	5,069	19.7	336	22.5	44	22.8
Middle	9,428	34.4	8,839	34.4	529	35.4	60	31.1
Upper	12,382	45.2	11,674	45.4	620	41.4	88	45.6
Unknown	45	0.2	39	0.2	6	0.4	0	0.0
Total AA	27,410	100.0	25,721	100.0	1,496	100.0	193	100.0
Percentage of Total Businesses:				93.8		5.5		0.7
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	7	2.0	6	1.9	1	4.0	0	0.0
Moderate	66	19.3	61	19.2	5	20.0	0	0.0
Middle	136	39.8	123	38.8	13	52.0	0	0.0
Upper	127	37.1	122	38.5	5	20.0	0	0.0
Unknown	6	1.8	5	1.6	1	4.0	0	0.0
Total AA	342	100.0	317	100.0	25	100.0	0	0.0
Percentage of Total Farms:				92.7		7.3		0.0

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-21A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: McAllen-Edinburg-Mission MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#	\$(000)	%	#	%	\$(000)	%	#	\$(000)	%	
Home Purchase Loans													
Low	0	0.0	0.3	0	0.0	0.3	0	0.0	1.5	0	0.0	1.0	5.1
Moderate	0	0.0	13.7	0	0.0	11.5	1	20.0	9.2	296	31.5	8.0	19.0
Middle	1	20.0	39.3	95	12.0	36.4	1	20.0	41.0	253	26.9	37.9	40.6
Upper	4	80.0	46.6	695	88.0	51.7	3	60.0	44.1	391	41.6	48.1	33.0
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	4.2	0	0.0	5.1	2.2
Total	5	100.0	100.0	790	100.0	100.0	5	100.0	100.0	940	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.3	0	0.0	0.3	0	0.0	1.5	0	0.0	1.3	5.1
Moderate	1	5.9	11.2	103	7.4	10.2	1	14.3	10.3	93	14.1	9.5	19.0
Middle	6	35.3	34.8	440	31.4	32.8	2	28.6	36.7	283	42.9	34.5	40.6
Upper	10	58.8	53.6	858	61.2	56.5	4	57.1	48.6	284	43.0	51.9	33.0
Unknown	0	0.0	0.2	0	0.0	0.2	0	0.0	2.8	0	0.0	2.8	2.2
Total	17	100.0	100.0	1,401	100.0	100.0	7	100.0	100.0	660	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	1.3	0	0.0	0.9	0	0.0	0.9	0	0.0	0.5	5.1
Moderate	2	14.3	15.6	94	10.3	17.0	3	15.8	11.0	608	39.7	8.4	19.0
Middle	3	21.4	40.3	99	10.8	35.1	8	42.1	39.4	513	33.5	42.0	40.6
Upper	9	64.3	42.9	723	78.9	47.0	7	36.8	44.0	321	21.0	45.4	33.0
Unknown	0	0.0	0.0	0	0.0	0.0	1	5.3	4.6	90	5.9	3.7	2.2
Total	14	100.0	100.0	916	100.0	100.0	19	100.0	100.0	1,532	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	4.1	0	0.0	3.4	
Moderate	0	0.0	10.4	0	0.0	2.8	0	0.0	17.3	0	0.0	20.6	23.4
Middle	0	0.0	44.3	0	0.0	43.7	0	0.0	38.8	0	0.0	34.8	31.3
Upper	0	0.0	45.2	0	0.0	53.5	0	0.0	38.8	0	0.0	40.5	36.1
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	1.0	0	0.0	0.8	3.5
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	0.3	0	0.0	0.3	0	0.0	1.6	0	0.0	1.3	
Moderate	4	9.1	12.6	272	7.3	10.5	6	15.4	9.7	1,047	28.5	9.3	19.0
Middle	15	34.1	37.6	863	23.2	35.6	15	38.5	39.7	1,358	36.9	36.8	40.6
Upper	25	56.8	49.3	2,586	69.5	53.5	16	41.0	45.3	1,071	29.1	48.4	33.0
Unknown	0	0.0	0.2	0	0.0	0.1	2	5.1	3.8	201	5.5	4.2	2.2
Total	44	100.0	100.0	3,721	100.0	100.0	39	100.0	100.0	3,677	100.0	100.0	100.0
Source: 2022 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Table C-21B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: McAllen-Edinburg-Mission MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	5.1
Moderate	0	0.0	10.0	0	0.0	8.2	1	25.0	16.2	50	15.2	14.7	19.0
Middle	0	0.0	44.0	0	0.0	46.7	3	75.0	26.5	279	84.8	21.3	40.6
Upper	2	100.0	46.0	310	100.0	45.1	0	0.0	54.4	0	0.0	56.2	33.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	2.9	0	0.0	7.7	2.2
Total	2	100.0	100.0	310	100.0	100.0	4	100.0	100.0	329	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	1.5	0	0.0	0.5	0	0.0	3.0	0	0.0	2.2	5.1
Moderate	1	16.7	19.3	75	24.7	11.1	0	0.0	15.3	0	0.0	11.8	19.0
Middle	5	83.3	43.7	229	75.3	38.7	1	25.0	36.9	30	13.9	29.2	40.6
Upper	0	0.0	35.6	0	0.0	49.7	2	50.0	41.8	75	34.7	53.6	33.0
Unknown	0	0.0	0.0	0	0.0	0.0	1	25.0	3.0	111	51.4	3.1	2.2
Total	6	100.0	100.0	304	100.0	100.0	4	100.0	100.0	216	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	2.2	0	0.0	1.1	5.1
Moderate	0	0.0	9.9	0	0.0	7.0	0	0.0	7.5	0	0.0	5.9	19.0
Middle	0	0.0	42.0	0	0.0	41.4	0	0.0	38.2	0	0.0	36.9	40.6
Upper	0	0.0	48.2	0	0.0	51.5	0	0.0	48.4	0	0.0	53.1	33.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	3.8	0	0.0	3.1	2.2
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-22

Distribution of 2021 and 2022 Small Business Lending By Income Level of Geography													
Assessment Area: McAllen-Edinburg-Mission MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	0	0.0	0.6	0	0.0	0.4	1	0.6	3.0	15	0.0	2.6	3.2
Moderate	99	17.7	19.1	11,535	16.5	19.4	20	11.4	15.5	6,396	11.6	15.7	15.5
Middle	180	32.1	35.2	24,170	34.6	34.6	66	37.7	36.5	20,662	37.3	37.9	37.3
Upper	279	49.8	44.0	33,642	48.2	44.9	84	48.0	40.8	25,866	46.8	39.5	40.6
Unknown	2	0.4	0.3	419	0.6	0.2	4	2.3	3.5	2,384	4.3	4.0	3.4
Total	560	100.0	100.0	69,766	100.0	100.0	175	100.0	100.0	55,323	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-23A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: McAllen-Edinburg-Mission MSA													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg	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	0.6	0	0.0	0.3	26.1
Moderate	0	0.0	4.6	0	0.0	2.6	0	0.0	4.3	0	0.0	2.4	15.2
Middle	0	0.0	14.0	0	0.0	10.6	0	0.0	14.6	0	0.0	11.0	16.2
Upper	3	60.0	49.1	625	79.1	54.9	5	100.0	50.2	940	100.0	56.6	42.5
Unknown	2	40.0	31.8	165	20.9	31.5	0	0.0	30.3	0	0.0	29.8	0.0
Total	5	100.0	100.0	790	100.0	100.0	5	100.0	100.0	940	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.6	0	0.0	0.2	1	14.3	1.0	18	2.7	0.3	26.1
Moderate	0	0.0	3.3	0	0.0	1.8	0	0.0	6.5	0	0.0	3.6	15.2
Middle	4	23.5	8.7	229	16.3	6.1	0	0.0	15.2	0	0.0	10.7	16.2
Upper	12	70.6	55.6	1,068	76.2	57.3	4	57.1	55.8	451	68.3	60.4	42.5
Unknown	1	5.9	31.8	104	7.4	34.5	2	28.6	21.6	191	28.9	25.0	0.0
Total	17	100.0	100.0	1,401	100.0	100.0	7	100.0	100.0	660	100.0	100.0	100.0
Home Improvement Loans													
Low	1	7.1	1.3	38	4.1	0.4	1	5.3	5.5	17	1.1	3.4	26.1
Moderate	4	28.6	10.4	140	15.3	8.0	0	0.0	10.1	0	0.0	8.5	15.2
Middle	1	7.1	18.2	18	2.0	16.7	3	15.8	22.9	115	7.5	21.8	16.2
Upper	8	57.1	66.2	720	78.6	68.5	14	73.7	58.7	1,310	85.5	62.1	42.5
Unknown	0	0.0	3.9	0	0.0	6.4	1	5.3	2.8	90	5.9	4.3	0.0
Total	14	100.0	100.0	916	100.0	100.0	19	100.0	100.0	1,532	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	2	4.5	0.5	68	1.8	0.2	2	5.1	0.8	35	1.0	0.3	26.1
Moderate	5	11.4	4.2	188	5.1	2.4	0	0.0	5.1	0	0.0	2.8	15.2
Middle	6	13.6	11.7	427	11.5	8.8	3	7.7	14.7	115	3.1	10.9	16.2
Upper	28	63.6	51.1	2,769	74.4	55.4	31	79.5	51.3	3,246	88.3	57.3	42.5
Unknown	3	6.8	32.5	269	7.2	33.2	3	7.7	28.2	281	7.6	28.7	0.0
Total	44	100.0	100.0	3,721	100.0	100.0	39	100.0	100.0	3,677	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 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.

Table C-23B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													Families by Family Income %
Assessment Area: McAllen-Edinburg-Mission MSA													
Borrower Income Level	Bank And Aggregate Loans By Year												
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
#	#%	#%	\$(000)	%	%	#	#%	#%	\$(000)	%	%		
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	4.4	0	0.0	6.7	26.1
Moderate	0	0.0	6.0	0	0.0	4.1	0	0.0	11.8	0	0.0	9.8	15.2
Middle	1	50.0	16.0	180	58.1	12.8	0	0.0	14.7	0	0.0	15.5	16.2
Upper	1	50.0	78.0	130	41.9	83.1	4	100.0	69.1	329	100.0	68.0	42.5
Unknown	0	0.0	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	310	100.0	100.0	4	100.0	100.0	329	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	1	16.7	2.2	30	9.9	0.9	0	0.0	3.4	0	0.0	1.4	26.1
Moderate	1	16.7	19.3	48	15.8	11.2	0	0.0	10.8	0	0.0	6.4	15.2
Middle	0	0.0	17.0	0	0.0	12.7	0	0.0	17.5	0	0.0	12.4	16.2
Upper	4	66.7	59.3	226	74.3	62.1	4	100.0	62.7	216	100.0	71.2	42.5
Unknown	0	0.0	2.2	0	0.0	13.1	0	0.0	5.6	0	0.0	8.7	0.0
Total	6	100.0	100.0	304	100.0	100.0	4	100.0	100.0	216	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.5	0	0.0	0.3	26.1
Moderate	0	0.0	0.7	0	0.0	0.3	0	0.0	3.2	0	0.0	1.7	15.2
Middle	0	0.0	0.4	0	0.0	0.1	0	0.0	0.5	0	0.0	0.4	16.2
Upper	0	0.0	0.4	0	0.0	0.6	0	0.0	1.1	0	0.0	3.4	42.5
Unknown	0	0.0	98.5	0	0.0	98.9	0	0.0	94.6	0	0.0	94.2	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-24

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: McAllen-Edinburg-Mission MSA													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	#	#%	#%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	342	61.1	37.2	19,902	28.5	30.1	63	36.0	45.6	11,823	21.4	33.2	93.8
Over \$1 Million	169	30.2		47,301	67.8		92	52.6		38,941	70.4		5.4
Revenue Unknown	49	8.8		2,563	3.7		20	11.4		4,559	8.2		0.8
Total	560	100.0		69,766	100.0		175	100.0		55,323	100.0		100.0
By Loan Size													
\$100,000 or Less	395	70.5	93.5	11,310	16.2	43.5	50	28.6	93.4	2,645	4.8	40.3	
\$100,001 - \$250,000	76	13.6	4.0	12,912	18.5	19.1	48	27.4	3.8	8,851	16.0	18.4	
\$250,001 - \$1 Million	89	15.9	2.6	45,544	65.3	37.3	77	44.0	2.8	43,827	79.2	41.4	
Total	560	100.0	100.0	69,766	100.0	100.0	175	100.0	100.0	55,323	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	303	88.6		7,460	37.5		33	52.4		1,573	13.3		
\$100,001 - \$250,000	17	5.0		2,919	14.7		13	20.6		2,390	20.2		
\$250,001 - \$1 Million	22	6.4		9,523	47.8		17	27.0		7,860	66.5		
Total	342	100.0		19,902	100.0		63	100.0		11,823	100.0		
Source: 2022 FFIEC Census Data													
2022 Dun & Bradstreet Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Table C-25

2022 Midland Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	5.4	2,395	6.0	633	26.4	8,552	21.6
Moderate	7	18.9	6,686	16.9	1,052	15.7	6,862	17.3
Middle	14	37.8	17,937	45.2	1,181	6.6	7,604	19.2
Upper	12	32.4	12,381	31.2	318	2.6	16,624	41.9
Unknown	2	5.4	243	0.6	0	0.0	0	0.0
Total AA	37	100.0	39,642	100.0	3,184	8.0	39,642	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	3,876	1,993	5.2	51.4	1,493	38.5	390	10.1
Moderate	10,966	6,337	16.4	57.8	3,457	31.5	1,172	10.7
Middle	28,352	16,252	42.1	57.3	10,494	37.0	1,606	5.7
Upper	18,685	13,793	35.7	73.8	3,820	20.4	1,072	5.7
Unknown	448	268	0.7	59.8	10	2.2	170	37.9
Total AA	62,327	38,643	100.0	62.0	19,274	30.9	4,410	7.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	392	4.3	353	4.4	37	4.2	2	1.8
Moderate	2,196	24.3	1,886	23.4	277	31.7	33	30.0
Middle	3,245	35.9	2,937	36.5	281	32.2	27	24.5
Upper	3,091	34.2	2,790	34.7	255	29.2	46	41.8
Unknown	107	1.2	82	1.0	23	2.6	2	1.8
Total AA	9,031	100.0	8,048	100.0	873	100.0	110	100.0
Percentage of Total Businesses:				89.1		9.7		1.2
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	2	1.2	2	1.2	0	0.0	0	0.0
Moderate	36	21.1	35	20.6	1	100.0	0	0.0
Middle	41	24.0	41	24.1	0	0.0	0	0.0
Upper	92	53.8	92	54.1	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	171	100.0	170	100.0	1	100.0	0	0.0
Percentage of Total Farms:				99.4		0.6		0.0
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-26

2021 Midland 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	3.7	1,134	3.1	126	11.1	7,960	21.7
Moderate	5	18.5	5,395	14.7	913	16.9	6,439	17.5
Middle	12	44.4	16,123	43.9	888	5.5	7,425	20.2
Upper	8	29.6	14,050	38.3	466	3.3	14,878	40.5
Unknown	1	3.7	0	0.0	0	0.0	0	0.0
Total AA	27	100.0	36,702	100.0	2,393	6.5	36,702	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,549	1,007	2.8	65.0	329	21.2	213	13.8
Moderate	8,097	4,745	13.4	58.6	2,744	33.9	608	7.5
Middle	25,924	14,815	41.8	57.1	9,379	36.2	1,730	6.7
Upper	21,165	14,882	42.0	70.3	4,969	23.5	1,314	6.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	56,735	35,449	100.0	62.5	17,421	30.7	3,865	6.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	161	1.8	144	1.8	16	1.9	1	1.0
Moderate	2,011	22.6	1,718	21.7	264	30.6	29	29.3
Middle	3,346	37.7	2,954	37.3	366	42.5	26	26.3
Upper	3,316	37.3	3,073	38.8	202	23.4	41	41.4
Unknown	50	0.6	34	0.4	14	1.6	2	2.0
Total AA	8,884	100.0	7,923	100.0	862	100.0	99	100.0
Percentage of Total Businesses:				89.2	9.7	1.1		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	1	0.6	1	0.6	0	0.0	0	0.0
Moderate	27	15.6	26	15.1	1	100.0	0	0.0
Middle	43	24.9	43	25.0	0	0.0	0	0.0
Upper	102	59.0	102	59.3	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	173	100.0	172	100.0	1	100.0	0	0.0
Percentage of Total Farms:				99.4	0.6	0.0		
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-27A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: Midland Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	1	10.0	1.2	100	4.8	0.8	0	0.0	2.3	0	0.0	1.3	5.2
Moderate	1	10.0	7.3	101	4.8	4.9	1	4.2	8.1	91	1.5	6.1	16.4
Middle	2	20.0	35.9	358	17.1	31.9	14	58.3	52.6	2,832	47.2	44.1	42.1
Upper	6	60.0	55.6	1,533	73.3	62.4	9	37.5	36.0	3,077	51.3	47.5	35.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	1.0	0	0.0	1.0	0.7
Total	10	100.0	100.0	2,092	100.0	100.0	24	100.0	100.0	6,000	100.0	100.0	100.0
Refinance Loans													
Low	1	14.3	1.1	146	3.5	0.7	0	0.0	1.7	0	0.0	0.9	5.2
Moderate	0	0.0	5.6	0	0.0	3.9	1	25.0	12.5	128	22.8	9.6	16.4
Middle	3	42.9	38.0	1,233	30.0	32.2	3	75.0	45.8	433	77.2	37.8	42.1
Upper	3	42.9	55.2	2,734	66.5	63.2	0	0.0	39.3	0	0.0	50.9	35.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.7	0	0.0	0.8	0.7
Total	7	100.0	100.0	4,113	100.0	100.0	4	100.0	100.0	561	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	1.8	0	0.0	2.1	0	0.0	0.0	0	0.0	0.0	5.2
Moderate	0	0.0	14.3	0	0.0	8.4	2	15.4	11.8	432	23.3	15.4	16.4
Middle	4	40.0	46.4	674	43.1	44.5	4	30.8	41.2	557	30.1	26.3	42.1
Upper	6	60.0	37.5	891	56.9	45.0	7	53.8	47.1	863	46.6	58.2	35.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.7
Total	10	100.0	100.0	1,565	100.0	100.0	13	100.0	100.0	1,852	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	25.0	0	0.0	83.5	0	0.0	0.0	0	0.0	0.0	6.8
Moderate	0	0.0	50.0	0	0.0	11.5	0	0.0	0.0	0	0.0	0.0	12.2
Middle	0	0.0	25.0	0	0.0	5.0	0	0.0	83.3	0	0.0	70.9	52.6
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	16.7	0	0.0	29.1	28.4
Unknown	0	0.0	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	2	6.3	1.2	246	2.8	2.0	1	2.0	2.2	50	0.5	1.2	5.2
Moderate	1	3.1	6.9	101	1.2	4.7	4	8.2	8.7	651	6.7	6.2	16.4
Middle	10	31.3	36.9	2,315	26.5	31.7	26	53.1	51.7	4,927	50.4	44.6	42.1
Upper	19	59.4	55.0	6,071	69.5	61.6	18	36.7	36.4	4,157	42.5	47.0	35.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	1.0	0	0.0	0.9	0.7
Total	32	100.0	100.0	8,733	100.0	100.0	49	100.0	100.0	9,785	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-27B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Midland Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												
	2021						2022						Owner Occupied Units %
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	№%	№%	\$(000)	№%	№%	#	№%	№%	\$(000)	№%	№%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	5.2
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	15.4	0	0.0	9.6	16.4
Middle	1	25.0	25.0	50	5.8	17.5	2	50.0	53.8	895	80.5	63.5	42.1
Upper	3	75.0	75.0	813	94.2	82.5	2	50.0	30.8	217	19.5	26.9	35.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.7
Total	4	100.0	100.0	863	100.0	100.0	4	100.0	100.0	1,112	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	0.0	0	0.0	0.0	1	25.0	3.0	50	19.2	2.5	5.2
Moderate	0	0.0	7.7	0	0.0	2.9	0	0.0	18.2	0	0.0	11.8	16.4
Middle	0	0.0	38.5	0	0.0	26.8	3	75.0	21.2	210	80.8	13.6	42.1
Upper	1	100.0	53.8	100	100.0	70.3	0	0.0	57.6	0	0.0	72.1	35.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.7
Total	1	100.0	100.0	100	100.0	100.0	4	100.0	100.0	260	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	1.7	0	0.0	1.7	0	0.0	0.0	0	0.0	0.0	5.2
Moderate	0	0.0	17.8	0	0.0	12.3	0	0.0	11.7	0	0.0	7.4	16.4
Middle	0	0.0	49.2	0	0.0	47.1	0	0.0	66.7	0	0.0	69.6	42.1
Upper	0	0.0	31.4	0	0.0	38.9	0	0.0	21.7	0	0.0	22.9	35.7
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.7
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Source: 2022 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Table C-28A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Midland Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	1	10.0	4.9	100	4.8	2.8	0	0.0	7.2	0	0.0	4.4	21.6
Moderate	0	0.0	19.8	0	0.0	15.6	0	0.0	20.3	0	0.0	16.1	17.3
Middle	0	0.0	19.8	0	0.0	19.0	1	4.2	21.8	50	0.8	22.1	19.2
Upper	7	70.0	30.5	1,737	83.0	40.5	9	37.5	24.0	3,093	51.6	34.6	41.9
Unknown	2	20.0	25.1	255	12.2	22.2	14	58.3	26.8	2,857	47.6	22.8	0.0
Total	10	100.0	100.0	2,092	100.0	100.0	24	100.0	100.0	6,000	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	3.3	0	0.0	1.8	2	50.0	10.1	223	39.8	5.7	21.6
Moderate	2	28.6	11.0	181	4.4	7.6	0	0.0	18.8	0	0.0	14.0	17.3
Middle	0	0.0	19.0	0	0.0	16.5	0	0.0	24.4	0	0.0	23.4	19.2
Upper	4	57.1	35.7	3,316	80.6	42.4	0	0.0	27.0	0	0.0	36.7	41.9
Unknown	1	14.3	31.0	616	15.0	31.7	2	50.0	19.6	338	60.2	20.1	0.0
Total	7	100.0	100.0	4,113	100.0	100.0	4	100.0	100.0	561	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	8.9	0	0.0	5.6	2	15.4	9.8	52	2.8	3.1	21.6
Moderate	2	20.0	10.7	100	6.4	19.1	0	0.0	15.7	0	0.0	13.3	17.3
Middle	1	10.0	12.5	339	21.7	9.7	3	23.1	17.6	235	12.7	11.0	19.2
Upper	7	70.0	57.1	1,126	71.9	51.9	7	53.8	45.1	1,515	81.8	65.6	41.9
Unknown	0	0.0	10.7	0	0.0	13.8	1	7.7	11.8	50	2.7	7.0	0.0
Total	10	100.0	100.0	1,565	100.0	100.0	13	100.0	100.0	1,852	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	2	6.3	4.3	150	1.7	2.4	4	8.2	7.6	275	2.8	4.5	21.6
Moderate	4	12.5	16.3	281	3.2	12.7	4	8.2	19.9	310	3.2	15.8	17.3
Middle	1	3.1	19.1	339	3.9	17.9	5	10.2	21.8	335	3.4	22.0	19.2
Upper	22	68.8	32.2	7,092	81.2	41.0	19	38.8	24.4	5,620	57.4	34.9	41.9
Unknown	3	9.4	28.1	871	10.0	26.0	17	34.7	26.3	3,245	33.2	22.7	0.0
Total	32	100.0	100.0	8,733	100.0	100.0	49	100.0	100.0	9,785	100.0	100.0	100.0
Source: 2022 FFIEC Census Data													
2016-2020 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.													

Table C-28B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Midland Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Other Purpose LOC													
Low	1	25.0	25.0	50	5.8	17.5	0	0.0	30.8	0	0.0	23.8	21.6
Moderate	0	0.0	0.0	0	0.0	0.0	1	25.0	7.7	100	9.0	5.3	17.3
Middle	0	0.0	25.0	0	0.0	22.4	0	0.0	15.4	0	0.0	15.4	19.2
Upper	3	75.0	50.0	813	94.2	60.1	3	75.0	38.5	1,012	91.0	47.1	41.9
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	7.7	0	0.0	8.4	0.0
Total	4	100.0	100.0	863	100.0	100.0	4	100.0	100.0	1,112	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	3.8	0	0.0	2.0	0	0.0	15.2	0	0.0	6.9	21.6
Moderate	0	0.0	11.5	0	0.0	6.9	3	75.0	27.3	210	80.8	25.3	17.3
Middle	0	0.0	3.8	0	0.0	1.6	1	25.0	21.2	50	19.2	15.8	19.2
Upper	1	100.0	61.5	100	100.0	64.2	0	0.0	33.3	0	0.0	44.5	41.9
Unknown	0	0.0	19.2	0	0.0	25.4	0	0.0	3.0	0	0.0	7.5	0.0
Total	1	100.0	100.0	100	100.0	100.0	4	100.0	100.0	260	100.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	1.7	0	0.0	0.4	21.6
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	17.3
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	19.2
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	41.9
Unknown	0	0.0	100.0	0	0.0	100.0	0	0.0	98.3	0	0.0	99.6	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-29

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Midland Metropolitan													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	%	\$%	#	%	#%	\$(000)	%	\$%	
By Revenue													
\$1 Million or Less	193	50.3	37.4	15,040	24.1	28.8	47	38.5	42.6	8,872	26.9	35.5	89.1
Over \$1 Million	140	36.5		41,193	66.1		51	41.8		20,131	61.1		9.7
Revenue Unknown	51	13.3		6,083	9.8		24	19.7		3,959	12.0		1.2
Total	384	100.0		62,316	100.0		122	100.0		32,962	100.0		100.0
By Loan Size													
\$100,000 or Less	233	60.7	85.4	8,096	13.0	24.6	56	45.9	88.5	3,381	10.3	28.0	
\$100,001 - \$250,000	81	21.1	7.7	14,267	22.9	20.0	20	16.4	5.5	4,027	12.2	16.6	
\$250,001 - \$1 Million	70	18.2	6.9	39,953	64.1	55.4	46	37.7	6.1	25,554	77.5	55.5	
Total	384	100.0	100.0	62,316	100.0	100.0	122	100.0	100.0	32,962	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	163	84.5		5,036	33.5		30	63.8		1,872	21.1		
\$100,001 - \$250,000	19	9.8		3,643	24.2		7	14.9		1,415	15.9		
\$250,001 - \$1 Million	11	5.7		6,361	42.3		10	21.3		5,585	63.0		
Total	193	100.0		15,040	100.0		47	100.0		8,872	100.0		
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

Table C-30

2022 Odessa MSA 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	8,467	22.9
Moderate	10	30.3	10,169	27.5	1,672	16.4	6,728	18.2
Middle	14	42.4	15,940	43.2	1,422	8.9	6,330	17.1
Upper	9	27.3	10,805	29.3	660	6.1	15,389	41.7
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	33	100.0	36,914	100.0	3,754	10.2	36,914	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	17,179	8,856	25.2	51.6	6,415	37.3	1,908	11.1
Middle	24,698	15,679	44.7	63.5	6,699	27.1	2,320	9.4
Upper	17,278	10,571	30.1	61.2	5,382	31.1	1,325	7.7
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	59,155	35,106	100.0	59.3	18,496	31.3	5,553	9.4
	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	1,845	28.2	1,604	27.2	230	38.1	11	28.2
Middle	2,638	40.3	2,420	41.0	207	34.3	11	28.2
Upper	2,058	31.5	1,874	31.8	167	27.6	17	43.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6,541	100.0	5,898	100.0	604	100.0	39	100.0
Percentage of Total Businesses:				90.2	9.2	0.6		
	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	4	9.5	4	9.5	0	0.0	0	0.0
Middle	21	50.0	21	50.0	0	0.0	0	0.0
Upper	17	40.5	17	40.5	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	42	100.0	42	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0	0.0	0.0		
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-31

2021 Odessa MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	3.6	842	2.3	271	32.2	7,906	21.8
Moderate	6	21.4	7,896	21.8	1,378	17.5	6,255	17.3
Middle	12	42.9	14,767	40.8	1,701	11.5	7,419	20.5
Upper	9	32.1	12,699	35.1	632	5.0	14,624	40.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	28	100.0	36,204	100.0	3,982	11.0	36,204	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,278	539	1.6	42.2	606	47.4	133	10.4
Moderate	12,372	7,231	21.4	58.4	4,028	32.6	1,113	9.0
Middle	21,636	14,399	42.7	66.6	5,453	25.2	1,784	8.2
Upper	20,071	11,564	34.3	57.6	7,048	35.1	1,459	7.3
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	55,357	33,733	100.0	60.9	17,135	31.0	4,489	8.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	65	1.0	58	1.0	7	1.1	0	0.0
Moderate	1,488	23.4	1,314	23.0	164	26.9	10	28.6
Middle	2,235	35.2	1,988	34.9	240	39.4	7	20.0
Upper	2,559	40.3	2,343	41.1	198	32.5	18	51.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6,347	100.0	5,703	100.0	609	100.0	35	100.0
Percentage of Total Businesses:				89.9	9.6	0.6		
	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	6	14.3	6	14.3	0	0.0	0	0.0
Middle	12	28.6	12	28.6	0	0.0	0	0.0
Upper	24	57.1	24	57.1	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	42	100.0	42	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0	0.0	0.0		
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-32A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Odessa MSA													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#	\$	#	\$	#	\$	#	\$	#	\$	
Home Purchase Loans													
Low	0	0.0	0.9	0	0.0	0.7	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	7.8	0	0.0	6.1	1	25.0	10.0	117	6.9	6.2	25.2
Middle	0	0.0	21.7	0	0.0	17.6	1	25.0	39.3	1,160	68.8	38.7	44.7
Upper	2	100.0	69.5	265	100.0	75.6	2	50.0	50.7	408	24.2	55.1	30.1
Unknown	0	0.0	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	265	100.0	100.0	4	100.0	100.0	1,685	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	1.1	0	0.0	0.7	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	5.6	0	0.0	4.7	0	0.0	10.4	0	0.0	7.2	25.2
Middle	0	0.0	20.8	0	0.0	16.7	1	100.0	40.8	100	100.0	35.9	44.7
Upper	0	0.0	72.4	0	0.0	77.9	0	0.0	48.9	0	0.0	56.9	30.1
Unknown	0	0.0	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	1	100.0	100.0	100	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	1.2	0	0.0	0.9	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	20.0	0	0.0	18.5	0	0.0	31.9	0	0.0	21.3	25.2
Middle	1	33.3	43.5	30	34.5	45.7	1	50.0	37.7	95	59.4	37.7	44.7
Upper	2	66.7	35.3	57	65.5	35.0	1	50.0	30.4	65	40.6	41.0	30.1
Unknown	0	0.0	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	87	100.0	100.0	2	100.0	100.0	160	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	25.0	0	0.0	40.7	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	75.0	0	0.0	59.3	0	0.0	40.0	0	0.0	13.1	29.6
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	40.0	0	0.0	53.5	35.6
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	20.0	0	0.0	33.4	34.8
Unknown	0	0.0	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	1.0	0	0.0	0.9	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	14.3	7.3	234	30.9	5.9	1	14.3	10.6	117	6.0	6.7	25.2
Middle	1	14.3	22.2	30	4.0	17.6	3	42.9	39.6	1,355	69.7	38.9	44.7
Upper	5	71.4	69.5	494	65.2	75.6	3	42.9	49.8	473	24.3	54.4	30.1
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	7	100.0	100.0	758	100.0	100.0	7	100.0	100.0	1,945	100.0	100.0	100.0

Source: 2022 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Table C-32B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Odessa MSA													
Geographic Income Level	Bank And Aggregate Loans By Year											Owner Occupied Units %	
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank			Agg
	#	#%	#%	\$(000)	%	\$%	#	#%	#%	\$(000)	%		\$%
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	50.0	0.0	234	57.6	0.0	0	0.0	0.0	0	0.0	0.0	25.2
Middle	0	0.0	50.0	0	0.0	85.8	0	0.0	80.0	0	0.0	93.8	44.7
Upper	1	50.0	50.0	172	42.4	14.2	0	0.0	20.0	0	0.0	6.2	30.1
Unknown	0	0.0	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	406	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt													
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	16.7	0	0.0	10.7	0	0.0	16.7	0	0.0	13.2	25.2
Middle	0	0.0	33.3	0	0.0	23.7	0	0.0	38.9	0	0.0	33.3	44.7
Upper	0	0.0	50.0	0	0.0	65.7	0	0.0	44.4	0	0.0	53.5	30.1
Unknown	0	0.0	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
Purpose Not Applicable													
Low	0	0.0	0.9	0	0.0	0.6	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	4.3	0	0.0	2.8	0	0.0	21.9	0	0.0	12.4	25.2
Middle	0	0.0	43.1	0	0.0	31.6	0	0.0	45.3	0	0.0	45.2	44.7
Upper	0	0.0	51.7	0	0.0	64.9	0	0.0	32.8	0	0.0	42.4	30.1
Unknown	0	0.0	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-33

Distribution of 2021 and 2022 Small Business Lending By Income Level of Geography													
Assessment Area: Odessa MSA													
Geographic Income Level	Bank And Aggregate Loans By Year											Total Businesses %	
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank			Agg
	#	#%	#%	\$(000)	%	\$%	#	#%	#%	\$(000)	%		\$%
Low	9	2.4	1.2	216	0.8	1.4	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	115	30.1	20.2	8,989	33.0	20.0	36	54.5	22.0	7,227	50.9	22.9	28.2
Middle	156	40.8	35.6	9,164	33.6	39.2	13	19.7	41.4	2,600	18.3	38.4	40.3
Upper	102	26.7	42.0	8,888	32.6	39.3	17	25.8	34.9	4,376	30.8	38.2	31.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	382	100.0	100.0	27,257	100.0	100.0	66	100.0	100.0	14,203	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-34A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Odessa MSA													
Borrower Income Level	Bank And Aggregate Loans By Year											Families by Family Income %	
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank			Agg
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%		%
Home Purchase Loans													
Low	0	0.0	5.8	0	0.0	3.9	0	0.0	4.7	0	0.0	2.9	22.9
Moderate	0	0.0	21.9	0	0.0	19.0	0	0.0	21.6	0	0.0	18.6	18.2
Middle	1	50.0	22.6	59	22.3	23.6	0	0.0	23.3	0	0.0	24.7	17.1
Upper	0	0.0	18.5	0	0.0	24.6	2	50.0	18.5	1,360	80.7	25.1	41.7
Unknown	1	50.0	31.1	206	77.7	28.9	2	50.0	31.9	325	19.3	28.7	0.0
Total	2	100.0	100.0	265	100.0	100.0	4	100.0	100.0	1,685	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	3.2	0	0.0	1.8	0	0.0	7.2	0	0.0	3.8	22.9
Moderate	0	0.0	11.4	0	0.0	8.2	0	0.0	19.3	0	0.0	13.8	18.2
Middle	0	0.0	20.1	0	0.0	17.9	1	100.0	20.4	100	100.0	18.6	17.1
Upper	0	0.0	26.6	0	0.0	31.1	0	0.0	31.8	0	0.0	38.9	41.7
Unknown	0	0.0	38.7	0	0.0	41.1	0	0.0	21.3	0	0.0	24.9	0.0
Total	0	0.0	100.0	0	0.0	100.0	1	100.0	100.0	100	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	15.3	0	0.0	10.6	0	0.0	18.8	0	0.0	11.3	22.9
Moderate	0	0.0	17.6	0	0.0	16.8	1	50.0	14.5	65	40.6	11.0	18.2
Middle	1	33.3	25.9	30	34.5	20.5	0	0.0	23.2	0	0.0	18.1	17.1
Upper	2	66.7	36.5	57	65.5	46.9	1	50.0	40.6	95	59.4	55.7	41.7
Unknown	0	0.0	4.7	0	0.0	5.1	0	0.0	2.9	0	0.0	3.9	0.0
Total	3	100.0	100.0	87	100.0	100.0	2	100.0	100.0	160	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	0	0.0	5.0	0	0.0	3.2	0	0.0	5.2	0	0.0	3.1	22.9
Moderate	0	0.0	18.1	0	0.0	15.2	1	14.3	21.0	65	3.3	17.8	18.2
Middle	2	28.6	21.4	89	11.7	21.4	1	14.3	22.6	100	5.1	23.7	17.1
Upper	4	57.1	21.0	463	61.1	26.6	3	42.9	20.4	1,455	74.8	26.9	41.7
Unknown	1	14.3	34.5	206	27.2	33.5	2	28.6	30.8	325	16.7	28.4	0.0
Total	7	100.0	100.0	758	100.0	100.0	7	100.0	100.0	1,945	100.0	100.0	100.0
Source: 2022 FFIEC Census Data													
2016-2020 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.													

Table C-35B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Odessa MSA													
Borrower Income Level	Bank And Aggregate Loans By Year											Families by Family Income %	
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank			Agg
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	22.9
Moderate	0	0.0	50.0	0	0.0	85.8	0	0.0	20.0	0	0.0	4.9	18.2
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	60.0	0	0.0	37.8	17.1
Upper	2	100.0	50.0	406	100.0	14.2	0	0.0	20.0	0	0.0	57.3	41.7
Unknown	0	0.0	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	406	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	8.3	0	0.0	5.2	0	0.0	5.6	0	0.0	2.9	22.9
Moderate	0	0.0	41.7	0	0.0	25.0	0	0.0	50.0	0	0.0	33.2	18.2
Middle	0	0.0	8.3	0	0.0	6.0	0	0.0	11.1	0	0.0	8.1	17.1
Upper	0	0.0	25.0	0	0.0	36.9	0	0.0	27.8	0	0.0	49.7	41.7
Unknown	0	0.0	16.7	0	0.0	26.9	0	0.0	5.6	0	0.0	6.1	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
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	6.3	0	0.0	2.1	22.9
Moderate	0	0.0	1.7	0	0.0	1.0	0	0.0	0.0	0	0.0	0.0	18.2
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	17.1
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	1.6	0	0.0	3.5	41.7
Unknown	0	0.0	98.3	0	0.0	99.0	0	0.0	92.2	0	0.0	94.4	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
Source: 2022 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Table C-36

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Odessa MSA													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	263	68.8	30.2	7,883	28.9	16.7	21	31.8	37.6	2,806	19.8	22.8	90.2
Over \$1 Million	76	19.9		17,546	64.4		42	63.6		11,098	78.1		9.2
Revenue Unknown	43	11.3		1,828	6.7		3	4.5		299	2.1		0.6
Total	382	100.0		27,257	100.0		66	100.0		14,203	100.0		100.0
By Loan Size													
\$100,000 or Less	320	83.8	88.1	8,343	30.6	28.2	37	56.1	91.3	2,129	15.0	36.4	
\$100,001 - \$250,000	36	9.4	6.5	5,211	19.1	20.6	12	18.2	5.1	2,321	16.3	20.3	
\$250,001 - \$1 Million	26	6.8	5.4	13,703	50.3	51.2	17	25.8	3.5	9,753	68.7	43.2	
Total	382	100.0	100.0	27,257	100.0	100.0	66	100.0	100.0	14,203	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	253	96.2		5,889	74.7		16	76.2		865	30.8		
\$100,001 - \$250,000	8	3.0		1,254	15.9		1	4.8		105	3.7		
\$250,001 - \$1 Million	2	0.8		740	9.4		4	19.0		1,836	65.4		
Total	263	100.0		7,883	100.0		21	100.0		2,806	100.0		
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

Table C-37

2022 Victoria Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	8.0	1,224	5.5	358	29.2	4,997	22.5
Moderate	7	28.0	5,087	22.9	1,119	22.0	3,858	17.4
Middle	9	36.0	8,798	39.7	838	9.5	4,212	19.0
Upper	6	24.0	7,063	31.9	222	3.1	9,105	41.1
Unknown	1	4.0	0	0.0	0	0.0	0	0.0
Total AA	25	100.0	22,172	100.0	2,537	11.4	22,172	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	2,073	1,108	5.1	53.4	602	29.0	363	17.5
Moderate	9,784	4,449	20.3	45.5	3,948	40.4	1,387	14.2
Middle	14,672	8,818	40.3	60.1	3,979	27.1	1,875	12.8
Upper	10,735	7,497	34.3	69.8	2,119	19.7	1,119	10.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	37,264	21,872	100.0	58.7	10,648	28.6	4,744	12.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	152	3.9	138	3.8	12	4.0	2	5.4
Moderate	1,239	31.6	1,106	30.8	124	41.5	9	24.3
Middle	1,429	36.4	1,301	36.2	113	37.8	15	40.5
Upper	1,104	28.1	1,044	29.1	49	16.4	11	29.7
Unknown	2	0.1	1	0.0	1	0.3	0	0.0
Total AA	3,926	100.0	3,590	100.0	299	100.0	37	100.0
Percentage of Total Businesses:				91.4	7.6	0.9		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	1	0.9	1	1.0	0	0.0	0	0.0
Moderate	22	20.8	21	20.2	1	50.0	0	0.0
Middle	40	37.7	40	38.5	0	0.0	0	0.0
Upper	43	40.6	42	40.4	1	50.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	106	100.0	104	100.0	2	100.0	0	0.0
Percentage of Total Farms:				98.1	1.9	0.0		
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-38

2021 Victoria 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	4.3	779	3.4	233	29.9	5,406	23.5
Moderate	8	34.8	7,513	32.6	1,675	22.3	3,893	16.9
Middle	7	30.4	5,731	24.9	563	9.8	4,157	18.0
Upper	6	26.1	9,028	39.2	392	4.3	9,595	41.6
Unknown	1	4.3	0	0.0	0	0.0	0	0.0
Total AA	23	100.0	23,051	100.0	2,863	12.4	23,051	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,222	466	2.2	38.1	621	50.8	135	11.0
Moderate	12,285	5,698	26.6	46.4	5,333	43.4	1,254	10.2
Middle	9,190	5,239	24.5	57.0	2,824	30.7	1,127	12.3
Upper	13,179	10,000	46.7	75.9	2,329	17.7	850	6.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	35,876	21,403	100.0	59.7	11,107	31.0	3,366	9.4
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	84	2.2	80	2.3	4	1.4	0	0.0
Moderate	1,411	36.4	1,267	35.8	133	44.9	11	33.3
Middle	937	24.2	842	23.8	86	29.1	9	27.3
Upper	1,439	37.2	1,354	38.2	72	24.3	13	39.4
Unknown	2	0.1	1	0.0	1	0.3	0	0.0
Total AA	3,873	100.0	3,544	100.0	296	100.0	33	100.0
Percentage of Total Businesses:				91.5		7.6		0.9
	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	14	12.6	14	12.8	0	0.0	0	0.0
Middle	41	36.9	40	36.7	1	50.0	0	0.0
Upper	56	50.5	55	50.5	1	50.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	111	100.0	109	100.0	2	100.0	0	0.0
Percentage of Total Farms:				98.2		1.8		0.0
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Table C-39A

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: Victoria Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	#%	\$(000)	%	%	#	%	#%	\$(000)	%	%	
Home Purchase Loans													
Low	0	0.0	1.3	0	0.0	0.7	0	0.0	1.9	0	0.0	1.0	5.1
Moderate	0	0.0	18.4	0	0.0	13.5	0	0.0	15.6	0	0.0	10.1	20.3
Middle	0	0.0	27.3	0	0.0	25.3	0	0.0	40.1	0	0.0	37.3	40.3
Upper	1	100.0	53.0	400	100.0	60.5	0	0.0	42.4	0	0.0	51.6	34.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	1	100.0	100.0	400	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.7	0	0.0	0.4	0	0.0	0.9	0	0.0	0.4	5.1
Moderate	1	50.0	19.5	80	40.8	14.3	0	0.0	12.2	0	0.0	8.3	20.3
Middle	0	0.0	20.7	0	0.0	19.8	0	0.0	41.7	0	0.0	36.1	40.3
Upper	1	50.0	59.0	116	59.2	65.5	0	0.0	45.1	0	0.0	55.3	34.3
Unknown	0	0.0	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	196	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	3.7	0	0.0	1.6	5.1
Moderate	0	0.0	21.7	0	0.0	23.3	0	0.0	14.8	0	0.0	13.4	20.3
Middle	1	33.3	17.4	83	39.5	13.0	2	50.0	40.7	242	70.8	42.8	40.3
Upper	2	66.7	60.9	127	60.5	63.6	2	50.0	40.7	100	29.2	42.3	34.3
Unknown	0	0.0	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	210	100.0	100.0	4	100.0	100.0	342	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	
Moderate	0	0.0	12.5	0	0.0	0.6	0	0.0	0.0	0	0.0	0.0	36.2
Middle	0	0.0	62.5	0	0.0	66.9	0	0.0	77.8	0	0.0	28.2	29.0
Upper	0	0.0	25.0	0	0.0	32.6	0	0.0	22.2	0	0.0	71.8	34.4
Unknown	0	0.0	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	1.0	0	0.0	0.5	0	0.0	1.8	0	0.0	0.8	
Moderate	2	25.0	19.1	125	13.3	12.8	0	0.0	15.2	0	0.0	8.9	20.3
Middle	1	12.5	24.9	83	8.8	27.0	3	50.0	40.6	331	68.8	36.0	40.3
Upper	5	62.5	55.0	731	77.8	59.7	3	50.0	42.5	150	31.2	54.3	34.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	8	100.0	100.0	939	100.0	100.0	6	100.0	100.0	481	100.0	100.0	100.0

Source: 2022 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Table C-39B

Distribution of 2021 and 2022 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Victoria Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	#	#%	#%	\$(000)	%	%	
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	5.1
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	20.3
Middle	0	0.0	0.0	0	0.0	0.0	1	50.0	100.0	89	64.0	100.0	40.3
Upper	1	100.0	0.0	88	100.0	0.0	1	50.0	0.0	50	36.0	0.0	34.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	1	100.0	0.0	88	100.0	0.0	2	100.0	100.0	139	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	5.1
Moderate	1	100.0	20.0	45	100.0	14.5	0	0.0	29.2	0	0.0	29.8	20.3
Middle	0	0.0	20.0	0	0.0	22.3	0	0.0	33.3	0	0.0	28.5	40.3
Upper	0	0.0	60.0	0	0.0	63.3	0	0.0	37.5	0	0.0	41.6	34.3
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	1	100.0	100.0	45	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	3.7	0	0.0	2.5	5.1
Moderate	0	0.0	35.3	0	0.0	28.5	0	0.0	25.9	0	0.0	17.8	20.3
Middle	0	0.0	29.4	0	0.0	21.0	0	0.0	40.7	0	0.0	36.8	40.3
Upper	0	0.0	35.3	0	0.0	50.4	0	0.0	29.6	0	0.0	42.9	34.3
Unknown	0	0.0	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-40

Distribution of 2021 and 2022 Small Business Lending By Income Level of Geography													
Assessment Area: Victoria Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	#	#%	#%	\$(000)	%	%	
Low	0	0.0	2.5	0	0.0	1.8	0	0.0	4.9	0	0.0	5.2	3.9
Moderate	12	54.5	32.2	1,620	40.0	33.8	5	50.0	25.0	1,296	44.8	31.4	31.6
Middle	3	13.6	24.2	1,201	29.6	24.4	1	10.0	37.0	30	1.0	36.8	36.4
Upper	7	31.8	39.3	1,230	30.4	39.9	4	40.0	32.1	1,565	54.1	26.4	28.1
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.1
Total	22	100.0	100.0	4,051	100.0	100.0	10	100.0	100.0	2,891	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-41A

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level Assessment Area: Victoria Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2021						2022						
	Bank			Agg			Bank			Agg			
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	4.6	0	0.0	2.5	0	0.0	2.8	0	0.0	1.4	22.5
Moderate	0	0.0	15.6	0	0.0	11.7	0	0.0	13.1	0	0.0	8.7	17.4
Middle	0	0.0	21.8	0	0.0	19.7	0	0.0	22.0	0	0.0	19.2	19.0
Upper	1	100.0	32.7	400	100.0	42.1	0	0.0	39.8	0	0.0	50.2	41.1
Unknown	0	0.0	25.3	0	0.0	24.0	0	0.0	22.3	0	0.0	20.5	0.0
Total	1	100.0	100.0	400	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Refinance Loans													
Low	0	0.0	2.1	0	0.0	1.1	0	0.0	6.0	0	0.0	2.7	22.5
Moderate	0	0.0	10.5	0	0.0	7.0	0	0.0	14.1	0	0.0	8.6	17.4
Middle	0	0.0	16.8	0	0.0	14.1	0	0.0	17.2	0	0.0	15.3	19.0
Upper	2	100.0	38.5	196	100.0	45.5	0	0.0	44.5	0	0.0	54.4	41.1
Unknown	0	0.0	32.1	0	0.0	32.3	0	0.0	18.2	0	0.0	19.0	0.0
Total	2	100.0	100.0	196	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	13.0	0	0.0	7.9	0	0.0	3.7	0	0.0	3.1	22.5
Moderate	1	33.3	8.7	30	14.3	5.3	0	0.0	11.1	0	0.0	11.9	17.4
Middle	0	0.0	17.4	0	0.0	15.4	0	0.0	18.5	0	0.0	14.7	19.0
Upper	2	66.7	43.5	180	85.7	56.8	3	75.0	63.0	312	91.2	67.4	41.1
Unknown	0	0.0	17.4	0	0.0	14.5	1	25.0	3.7	30	8.8	2.9	0.0
Total	3	100.0	100.0	210	100.0	100.0	4	100.0	100.0	342	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	0	0.0	3.8	0	0.0	2.0	0	0.0	3.6	0	0.0	1.7	22.5
Moderate	2	25.0	13.5	75	8.0	9.9	0	0.0	13.0	0	0.0	8.7	17.4
Middle	1	12.5	19.7	88	9.4	17.5	0	0.0	20.6	0	0.0	18.4	19.0
Upper	5	62.5	34.6	776	82.6	43.3	5	83.3	40.5	451	93.8	50.8	41.1
Unknown	0	0.0	28.4	0	0.0	27.2	1	16.7	22.2	30	6.2	20.4	0.0
Total	8	100.0	100.0	939	100.0	100.0	6	100.0	100.0	481	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 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.

Table C-41B

Distribution of 2021 and 2022 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Victoria Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year											Families by Family Income %	
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank			Agg
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%		%
Other Purpose LOC													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	22.5
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	17.4
Middle	1	100.0	0.0	88	100.0	0.0	0	0.0	0.0	0	0.0	0.0	19.0
Upper	0	0.0	0.0	0	0.0	0.0	2	100.0	100.0	139	100.0	100.0	41.1
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Total	1	100.0	0.0	88	100.0	0.0	2	100.0	100.0	139	100.0	100.0	100.0
Other Purpose Closed/Exempt													
Low	0	0.0	8.0	0	0.0	3.0	0	0.0	20.8	0	0.0	15.0	22.5
Moderate	1	100.0	20.0	45	100.0	10.0	0	0.0	12.5	0	0.0	13.5	17.4
Middle	0	0.0	24.0	0	0.0	14.2	0	0.0	12.5	0	0.0	15.0	19.0
Upper	0	0.0	44.0	0	0.0	68.7	0	0.0	45.8	0	0.0	44.4	41.1
Unknown	0	0.0	4.0	0	0.0	4.2	0	0.0	8.3	0	0.0	12.1	0.0
Total	1	100.0	100.0	45	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable													
Low	0	0.0	2.9	0	0.0	1.4	0	0.0	0.0	0	0.0	0.0	22.5
Moderate	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	17.4
Middle	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	19.0
Upper	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	41.1
Unknown	0	0.0	97.1	0	0.0	98.6	0	0.0	100.0	0	0.0	100.0	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

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Table C-42

Distribution of 2021 and 2022 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Victoria Metropolitan													
	Bank And Aggregate Loans By Year												Total Businesses %
	2021						2022						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	11	50.0	42.1	729	18.0	27.1	6	60.0	51.5	1,353	46.8	36.5	91.4
Over \$1 Million	9	40.9		3,286	81.1		3	30.0		1,338	46.3		7.6
Revenue Unknown	2	9.1		36	0.9		1	10.0		200	6.9		0.9
Total	22	100.0		4,051	100.0		10	100.0		2,891	100.0		100.0
By Loan Size													
\$100,000 or Less	13	59.1	89.1	515	12.7	30.6	3	30.0	92.1	145	5.0	39.0	
\$100,001 - \$250,000	1	4.5	5.9	175	4.3	18.7	2	20.0	4.8	400	13.8	19.7	
\$250,001 - \$1 Million	8	36.4	5.0	3,361	83.0	50.8	5	50.0	3.2	2,346	81.1	41.3	
Total	22	100.0	100.0	4,051	100.0	100.0	10	100.0	100.0	2,891	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	10	90.9		379	52.0		3	50.0		145	10.7		
\$100,001 - \$250,000	0	0.0		0	0.0		0	0.0		0	0.0		
\$250,001 - \$1 Million	1	9.1		350	48.0		3	50.0		1,208	89.3		
Total	11	100.0		729	100.0		6	100.0		1,353	100.0		

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

APPENDIX D – GLOSSARY

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

Census tract: A small, relatively permanent statistical subdivision of a county. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts average about 4,000 inhabitants, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to the population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All Agencies have adopted the following language:

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

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

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

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 income of the applicants; the amount of loan requested; and the disposition of the application (for example, approved, denied, or 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.

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

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

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

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

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

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

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

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

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

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

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

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

Upper-income: Individual income that is 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.