

PUBLIC DISCLOSURE

October 30, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Gateway Bank
RSSD #733540**

**112 Main Street
Rison, Arkansas 71665**

Federal Reserve Bank of St. Louis

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

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

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INSTITUTION’S COMMUNITY REINVESTMENT ACT RATING

Gateway Bank is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria:

- The bank’s loan-to-deposit (LTD) ratio is reasonable given the bank’s size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank’s loans and other lending-related activities are originated inside the AAs.
- The geographic distribution of loans reflects a reasonable dispersion throughout the AAs.
- The borrower’s profile analysis reveals reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor this Reserve Bank received any CRA-related complaints since the previous evaluation.

SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council’s (FFIEC’s) *Interagency Examination Procedures for Small Institutions* were utilized to evaluate the bank’s CRA performance. Bank performance under this test is rated within each of the bank’s AAs. The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each AA completed as part of this evaluation.

Assessment Area	Offices		Deposits as of June 30, 2022		Review Procedures
	#	%	\$	%	
Little Rock	3	75.0%	\$33,820	33.7%	Full Scope
Pine Bluff	1	25.0%	\$66,671	66.3%	Limited Scope
TOTAL	4	100%	\$100,491	100%	1 – Full Scope 1 – Limited Scope

In light of branch structure, loan and deposit activity, and the bank’s CRA evaluation history, CRA performance in the Little Rock AA was given primary consideration. In addition to containing the majority of bank facilities, most of the bank’s lending activity during the CRA review period was in the Little Rock AA.

Small business and 1–4 family residential real estate loans were used to evaluate the bank’s lending performance, as these loan categories are considered the bank’s core business lines based on lending volume and the bank’s stated business strategy. The following table includes the corresponding time period for each performance category.

Performance Criterion	Time Period
LTD Ratio	September 30, 2019 – June 30, 2019
Assessment Area Concentration	January 1, 2020 – December 31, 2021
Geographic Distribution of Loans	
Loan Distribution by Borrower’s Profile	
Response to Written CRA Complaints	September 3, 2019 – October 29, 2023

Lending Test analyses often entail comparisons of bank performance to AA demographics and the performance of other lenders, based on Home Mortgage Disclosure Act (HMDA) and CRA aggregate lending data. Unless otherwise noted, AA demographics are based on 2011–2015 American Community Survey data; certain business demographics are based on 2020 and 2021 Dun & Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an AA. Aggregate lending datasets are updated annually and are, therefore, expected to predict more relevant comparisons. In addition, the bank’s lending levels were evaluated in relation to those of comparable financial institutions operating in the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from \$109.2 million to \$230.3 million as of June 30, 2022.

To augment this evaluation, one community contact interview was utilized with a member of the local community to ascertain specific credit needs, opportunities, and local market conditions within the bank’s AAs. Information from this interview also assisted in evaluating the bank’s responsiveness to identified community credit needs and community development opportunities. Key details from this community contact interview are included in the *Description of Assessment Area* section.

DESCRIPTION OF INSTITUTION

Gateway Bank is an intrastate community bank headquartered in Rison, Arkansas. The bank’s characteristics include:

- The bank is a wholly owned subsidiary of Sigma Holdings, Inc., a one-bank holding company. The bank and its holding company are headquartered in Rison, Arkansas.
- The bank has total assets of \$140.6 million as of June 30, 2023. That represents an increase of 82.2 percent since the last evaluation.
- In addition to its main office in Rison, the bank has a full-service branch in Benton and a full-service branch, as well as a non-customer-facing administrative office in Bryant, Arkansas.
- Cash-dispensing-only ATMs are located at the main office and two branches.
- As shown in the following table, the bank’s primary business focus is commercial and 1–4 family residential real estate investment properties.

Composition of Loan Portfolio as of June 30, 2023		
Loan Type	Amount \$ (000s)	Percentage of Total Loans
1-4 Family Residential	\$52,773	39.1%
Commercial Real Estate	\$27,396	20.3%
Commercial and Industrial	\$22,238	16.5%
Construction and Development	\$21,377	15.8%
Multifamily Residential	\$5,601	4.1%
Loans to Individuals	\$3,211	2.4%
Farmland	\$1,925	1.4%
Farm Loans	\$579	0.4%
TOTAL	\$135,100	100%
<i>Note: Percentages may not total 100.0% due to rounding.</i>		

The bank was rated Satisfactory under the CRA at its September 3, 2019, performance evaluation. There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

The bank’s overall performance under the Lending Test is satisfactory.

Loan-to-Deposit (LTD) Ratio

This performance criterion evaluates the bank’s average LTD ratio to determine the reasonableness of lending in light of performance context, such as the bank’s capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AAs, and in comparison to similarly situated Federal Deposit Insurance Corporation (FDIC)-insured institutions. The similarly situated institutions were selected based on location, asset size, and loan portfolio.

Comparative LTD Ratios September 30, 2019 – June 30, 2019			
Institution	Location	Asset Size \$ (000s)	LTD Ratio (%)
			16-Quarter Average
Gateway Bank	Rison, Arkansas	\$140,629	101.0%
Similarly Situated Institutions			
Regional Banks	Star City, Arkansas	\$109,160	74.9%
	Sheridan, Arkansas	\$215,595	56.2%
	Dumas, Arkansas	\$230,269	88.0%

Based on data from the previous table, the bank’s level of lending is above that of other banks in the region. During the review period, the LTD ratio experienced slight fluctuation but maintained a 16-quarter average of 101.0 percent. In comparison, the average LTD ratios for the regional peers were lower and had a generally stable trend. The bank’s structure and business model are significant factors in the bank’s high LTD ratio when compared to peers. Therefore, given this information as well as the bank’s size, financial condition, and AA credit needs, the LTD ratio is reasonable.

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AAs.

Lending Inside and Outside the Assessment Areas								
Loan Type	Inside				Outside			
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
Small Business	36	56.3%	\$9,350	62.6%	28	43.8%	\$5,583	37.4%
1–4 Family Residential Real Estate	43	74.1%	\$9,331	72.4%	15	25.9%	\$3,553	27.6%
TOTAL LOANS	79	64.8%	\$18,681	67.2%	43	35.2%	\$9,136	32.8%

A majority of the bank’s loans, by number and dollar, are originated inside the AAs. As shown in the previous table, 64.8 percent of the total loans were made inside the AAs, accounting for 67.2 percent of the total dollar volume of loans.

Geographic and Borrower Distribution

The bank’s distribution of lending by income level of census tract is reasonable, driven by performance in the bank’s Little Rock AA.

Assessment Area	Geographic Distribution of Loans
Little Rock	Reasonable
Pine Bluff	Below
OVERALL	Reasonable

The bank’s performance by borrower’s income/revenue profile is reasonable, based on the analyses of lending in the bank’s two AAs.

Assessment Area	Loan Distribution by Borrower’s Profile
Little Rock	Reasonable
Pine Bluff	Consistent
OVERALL	Reasonable

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

LITTLE ROCK ASSESSMENT AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE LITTLE ROCK ASSESSMENT AREA

The bank’s Little Rock AA (see Appendix B for an AA map) consists of two of the six counties, Pulaski County and Saline County, that comprise the Little Rock-North Little Rock-Conway Metropolitan Statistical Area (Little Rock MSA).

- Since the bank’s previous CRA evaluation, Grant County was removed from the bank’s Little Rock AA delineation.
- According to the June 20, 2022 Federal Deposit Market Share Report, the bank has a market share of 0.1 percent, which ranks 30th out of 35 FDIC-insured depository institutions operating in the AA.
- According to the Bureau of Labor Statistics, the three largest nongovernmental industries in the AA, determined by number of employees, are healthcare and social assistance (18.6 percent), retail trade (12.9 percent), and accommodation and food services (10.3 percent).
- One community contact interview was conducted with an individual from an organization that supports economic development in the AA.

Assessment Area Demographics by Geography Income Level						
Assessment Area: Little Rock						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown-	TOTAL
Census Tracts	10	30	38	36	2	116
	8.6%	25.9%	32.8%	31.0%	1.7%	100%
Family Population	5,842	24,729	47,772	44,139	698	123,130
	4.7%	20.1%	38.8%	35.8%	0.6%	100%

- As noted in the table above, 34.5 percent of the census tracts are LMI geographies, and 24.8 percent of the family population resides in these tracts.

Population Change			
Assessment Area: Little Rock			
Area	2015 Population	2020 Population	Percent Change
Little Rock AA	504,296	522,541	3.6%
Little Rock MSA	722,684	748,031	3.5%
<i>Source: 2011–2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

- As noted in the table, the AA population has experienced a stable growth trend, increasing 3.6 percent during the review period, which is substantially similar to population growth for the entire Little Rock MSA.
- The community contact indicated that the population is growing largely due to the increase of new jobs in the region.

Median Family Income Change Assessment Area: Little Rock			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Little Rock AA	\$66,527	\$72,976	9.7%
Little Rock MSA	\$67,018	\$72,289	7.9%

*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.*

- In 2015 and 2020, the median family income in the AA was in line with that of the Little Rock MSA, with a slightly higher growth rate in the AA over the period.

Unemployment Rates Assessment Area: Little Rock			
Area	2019	2020	2021
Little Rock AA	3.2%	6.9%	4.5%
Little Rock MSA	3.1%	6.4%	4.2%

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- As shown in the preceding table, unemployment levels for the AA remained consistent with the overall MSA levels, with both experiencing a spike in 2020 due to the COVID-19 pandemic. These figures have since declined from their 2020 high.
- The drop in unemployment levels in the AA is consistent with the community contact statement indicating that there has been an influx of jobs within the region.

Housing Cost Burden Assessment Area: Little Rock						
Area	Cost Burden – Renters			Cost Burden – Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Little Rock AA	76.3%	37.9%	42.1%	59.0%	28.4%	16.6%
Little Rock MSA	75.9%	35.7%	41.9%	57.9%	28.3%	16.3%

*Cost burden is housing cost that equals 30% or more of household income.
Source: U.S. Department of Housing and Urban Development, 2015–2019 Comprehensive Housing Affordability Strategy*

- As shown in the table above, housing costs for both renting and owning a home in the AA are similar as compared to the entire Little Rock MSA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE LITTLE ROCK ASSESSMENT AREA

Geographic Distribution of Loans

This performance criterion evaluates the bank’s distribution of lending within its AA by income level of census tracts, with consideration given to the dispersion of loans throughout the AA. The bank’s geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion throughout the AA. More specifically, the bank’s performance for small business loans and 1–4 family residential real estate loans in the LMI census tract is reasonable, and dispersion analysis did not show any conspicuous lending gaps in LMI geographies.

Small Business Lending

The geographic distribution of small business lending is reasonable. While the evaluation did not reflect any small business loans made in low-income census tracts during the review period, the level of lending in moderate-income geographies (26.5 percent) is above the aggregate lending level (18.8 percent) and demographic comparison (20.8 percent).

Distribution of 2020–2021 Small Business Lending by Income Level of Geography							
Assessment Area: Little Rock							
Tract Income Levels	Count			Dollar			Total Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	
Low	0	0.0%	5.2%	\$0	0.0%	6.3%	5.5%
Moderate	9	26.5%	18.8%	\$2,624	28.3%	21.3%	20.8%
Middle	13	38.2%	28.7%	\$3,060	33.0%	23.6%	28.4%
Upper	12	35.3%	46.7%	\$3,585	38.7%	48.5%	45.1%
Unknown	0	0.0%	0.7%	\$0	0.0%	0.3%	0.2%
TOTAL	34	100.0%	100.0%	\$9,269	100.0%	100.0%	100.0%

*Source: 2020 and 2021 FFIEC Census Data
2020 and 2021 Dun & Bradstreet Data
2011–2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0% due to rounding.*

Residential Real Estate Lending

The geographic distribution of home mortgage lending is reasonable. The bank’s overall distribution of residential real estate loans in low-income census tracts (7.3 percent) is above aggregate (1.5 percent) and the demographic figure (3.3 percent). Further, the bank’s lending level to borrowers in moderate-income census tracts (17.1 percent) is above the aggregate (10.6 percent) and in line with the demographic (17.9 percent).

Distribution of 2020–2021 Residential Real Estate Lending by Income Level of Geography							
Assessment Area: Little Rock							
Geographic Income Level	Bank and Aggregate Loans						Owner-Occupied Units %
	Bank		Aggregate	Bank		Aggregate	
	#	# %	# %	\$ (000s)	\$ %	\$ %	
Low	3	7.3%	1.5%	\$1,625	17.8%	1.4%	3.3%
Moderate	7	17.1%	10.6%	\$716	7.8%	7.7%	17.9%
Middle	21	51.2%	38.5%	\$4,231	46.3%	32.7%	40.0%
Upper	9	22.0%	49.3%	\$2,413	26.4%	57.9%	38.4%
Unknown	1	2.4%	0.2%	\$153	1.7%	0.4%	0.4%
TOTAL	41	100.0%	100.0%	\$9,138	100.0%	100.0%	100.0%
<i>Source: 2020 and 2021 FFIEC Census Data</i>							
<i>2011–2015 U.S. Census Bureau: American Community Survey</i>							
<i>Note: Percentages may not total 100.0% due to rounding.</i>							

Loan Distribution by Borrower’s Profile

This performance criterion evaluates the bank’s lending to borrowers of different income levels and businesses of different revenue sizes. The bank’s lending has a reasonable distribution among individuals of different income levels and businesses of different sizes. More specifically, the bank’s performance lending to small businesses is reasonable, and the bank’s performance lending to LMI 1–4 family residential real estate borrowers is reasonable.

Small Business Lending

The borrower distribution of small business lending is reasonable. As displayed in the following table, the bank’s lending to small businesses (52.9 percent) is above aggregate lending levels (36.5 percent) and below the demographic figure (90.4 percent).

Distribution of 2020–2021 Small Business Lending by Revenue Size of Businesses								
Assessment Area: Little Rock								
Business Revenue and Loan Size		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Business Revenue	\$1 Million or Less	18	52.9%	36.5%	\$4,444	47.9%	30.3%	90.4%
	Over \$1 Million/ Unknown	16	47.1%	63.5%	\$4,826	52.1%	69.7%	9.6%
	TOTAL	34	100.0%	100.0%	\$9,270	100.0%	100.00%	100%
Loan Size	\$100,000 or Less	9	26.5%	86.8%	\$743	8.0%	28.7%	
	\$100,001 – \$250,000	9	26.5%	7.3%	\$1,519	16.4%	20.7%	
	\$250,001 – \$1 Million	16	47.1%	5.9%	\$7,008	75.6%	50.7%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	34	100.0%	100.0%	\$9,270	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	4	22.2%		\$371	8.3%		
	\$100,001 – \$250,000	5	27.8%		\$749	16.9%		
	\$250,001 – \$1 Million	9	50.0%		\$3,324	74.8%		
	Over \$1 Million	0	0.00		\$0	0.0%		
	TOTAL	18	100.0%		\$4,444	100.0%		

Source: 2020 and 2021 FFIEC Census Data
2020 and 2021 Dun & Bradstreet Data
2011–2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0% due to rounding.

Residential Real Estate Lending

The bank’s residential real estate loan distribution is reasonable. The bank’s lending to low-income borrowers (2.4 percent) is in line with the aggregate (5.2 percent) and below the demographic comparator (21.7 percent). Lending to moderate-income borrowers (2.4 percent) is below both the aggregate (14.7 percent) and demographic (17.7 percent) figures, reflecting poor performance. Considering the bank’s business model and performance lending to low-income borrowers, overall distribution of residential real estate loans is considered reasonable.

Distribution of 2020 and 2021 Residential Real Estate Lending by Borrower Income Level							
Assessment Area: Little Rock, Arkansas							
Borrower Income Level	Bank and Aggregate Loans						Families by Family Income %
	Bank		Aggregate	Bank		Aggregate	
	#	# %	# %	\$ (000s)	\$ %	\$ %	
Low	1	2.4%	5.2%	\$224	2.4%	2.6%	21.7%
Moderate	1	2.4%	14.7%	\$225	2.5%	9.9%	17.7%
Middle	8	19.5%	17.6%	\$1,346	14.7%	14.4%	19.1%
Upper	31	75.6%	37.1%	\$7,344	80.4%	44.5%	41.5%
Unknown	0	0.0%	25.3%	\$0	0.0%	28.6%	0.0%
TOTAL	41	100.0%	100.0%	\$9,138	100.0%	100.0%	100.0%

Source: 2020 and 2021 FFIEC Census Data
2011–2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0% due to rounding. Multifamily loans are not included in the borrower distribution analysis.

PINE BLUFF ASSESSMENT AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE PINE BLUFF ASSESSMENT AREA

This AA includes the entirety of Cleveland and Jefferson counties. The bank operates one office in this AA. Additionally, since the last CRA evaluation, the bank added Jefferson County to this AA. The tables below detail key demographics relating to this AA.

Population Change			
Area	2015 Population	2020 Population	Percent Change
Pine Bluff AA	82,058	74,810	-8.8%
Arkansas	2,958,208	3,011,524	1.8%
<i>Source: 2020 U.S. Census Bureau: Decennial Census 2011–2015 U.S. Census Bureau: American Community Survey</i>			

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Pine Bluff AA	\$53,345	\$53,197	-0.3%
Arkansas	\$56,576	\$62,067	9.7%
<i>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.</i>			

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE PINE BLUFF ASSESSMENT AREA

The bank's Lending Test performance in this AA is below the bank's Lending Test performance in the Little Rock AA, as detailed in the following table. For more detailed information relating to the bank's Lending Test performance in this AA, see the tables in *Appendix A*.

Lending Test Criteria	Performance
Geographic Distribution of Loans	Below
Distribution of Loans by Borrower's Profile	Consistent
OVERALL	Below

**APPENDIX A – LENDING PERFORMANCE TABLES FOR LIMITED-SCOPE
REVIEW ASSESSMENT AREA**

Pine Bluff Assessment Area

Distribution of 2020–2021 Small Business Lending By Income Level of Geography							
Census Tract Income Level	Bank Small Business Loans		Aggregate of Peer Data	Bank Small Business Loans		Aggregate of Peer Data	% of Businesses
	#	#%	%	\$ 000s	\$ %	\$ %	
Low	0	0.0%	3.3%	\$0	0.0%	2.5%	5.4%
Moderate	0	0.0%	18.5%	\$0	0.0%	18.1%	21.2%
Middle	1	50.0%	53.4%	\$37	45.7%	53.4%	53.2%
Upper	1	50.0%	24.1%	\$44	54.3%	25.7%	20.1%
Unknown	0	0.0%	0.7%	\$0	0.0%	0.3%	0.0%
TOTAL	2	100.0%	100.0%	\$81	100.0%	100.0%	100.0%
<i>Source: 2020 and 2021 FFIEC Census Data 2020 and 2021 Dun & Bradstreet Data 2011–2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</i>							

Distribution of 2020–2021 Home Mortgage Lending By Income Level of Geography							
Census Tract Income Level	Bank Loans		Aggregate HMDA Data	Bank Loans		Aggregate HMDA Data	% of Owner- Occupied Units
	#	# %	# %	\$	\$ %	\$ %	
Low	0	0.0%	0.5%	\$0	0.0%	0.6%	2.2%
Moderate	0	0.0%	4.7%	\$0	0.0%	2.8%	13.4%
Middle	1	50.0%	55.6%	\$77	40.0%	51.1%	60.5%
Upper	1	50.0%	39.2%	\$116	60.0%	45.5%	23.8%
Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
TOTAL	2	100.0%	100.0%	\$193	100.0%	100.0%	100.0%
<i>Source: 2020 and 2021 FFIEC Census Data 2011–2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</i>							

Distribution of 2020–2021 Small Business Lending by Revenue Size of Businesses Assessment Area: Pine Bluff								
Business Revenue and Loan Size		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Business Revenue	\$1 Million or Less	2	100.0%	38.9%	\$81	100.0%	32.6%	91.2%
	Over \$1 Million/ Unknown	0	0.0%	61.1%	\$0	0.0%	67.4%	8.8%
	TOTAL	2	100.0%	100.0%	\$81	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	2	100.0%	91.0%	\$81	100.0%	35.7%	
	\$100,001 – \$250,000	0	0.0%	5.1%	\$0	0.0%	19.2%	
	\$250,001 – \$1 Million	0	0.0%	3.8%	\$0	0.0%	45.1%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	2	100.0%	100.0%	\$81	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	2	100.0%		\$81	100.0%		
	\$100,001 – \$250,000	0	0.0%		\$0	0.0%		
	\$250,001 – \$1 Million	0	0.0%		\$0	0.0%		
	Over \$1 Million	0	0.0%		\$0	0.0%		
	TOTAL	2	100.0%		\$81	100.0%		

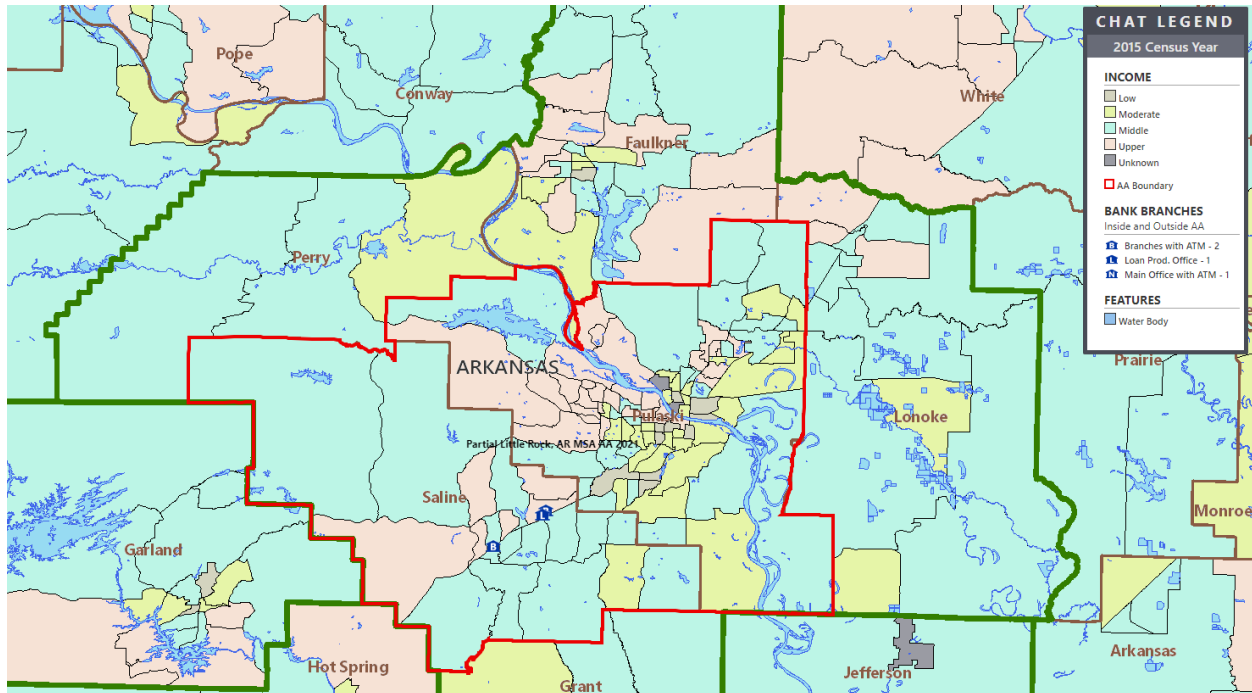
Source: 2020 and 2021 FFIEC Census Data
2020 and 2021 Dun & Bradstreet Data
2011–2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0% due to rounding.

Distribution of 2020–2021 Home Mortgage Lending by Borrower Income Level Assessment Area: Pine Bluff							
Borrower Income Level	Bank Loans		Aggregate HMDA Data	Bank Loans		Aggregate HMDA Data	Families by Family Income %
	#	# %	# %	\$	\$ %	\$ %	
Low	0	0.0%	4.6%	\$0	0.0%	2.5%	24.0%
Moderate	0	0.0%	14.8%	\$0	0.0%	10.8%	15.1%
Middle	0	0.0%	17.2%	\$0	0.0%	15.4%	18.3%
Upper	2	100.0%	28.1%	\$193	100.0%	32.9%	42.6%
Unknown	0	0.0%	35.3%	\$0	0.0%	38.4%	0.0%
TOTAL	2	100.0%	100.0%	\$193	100.0%	100.0%	100.0%

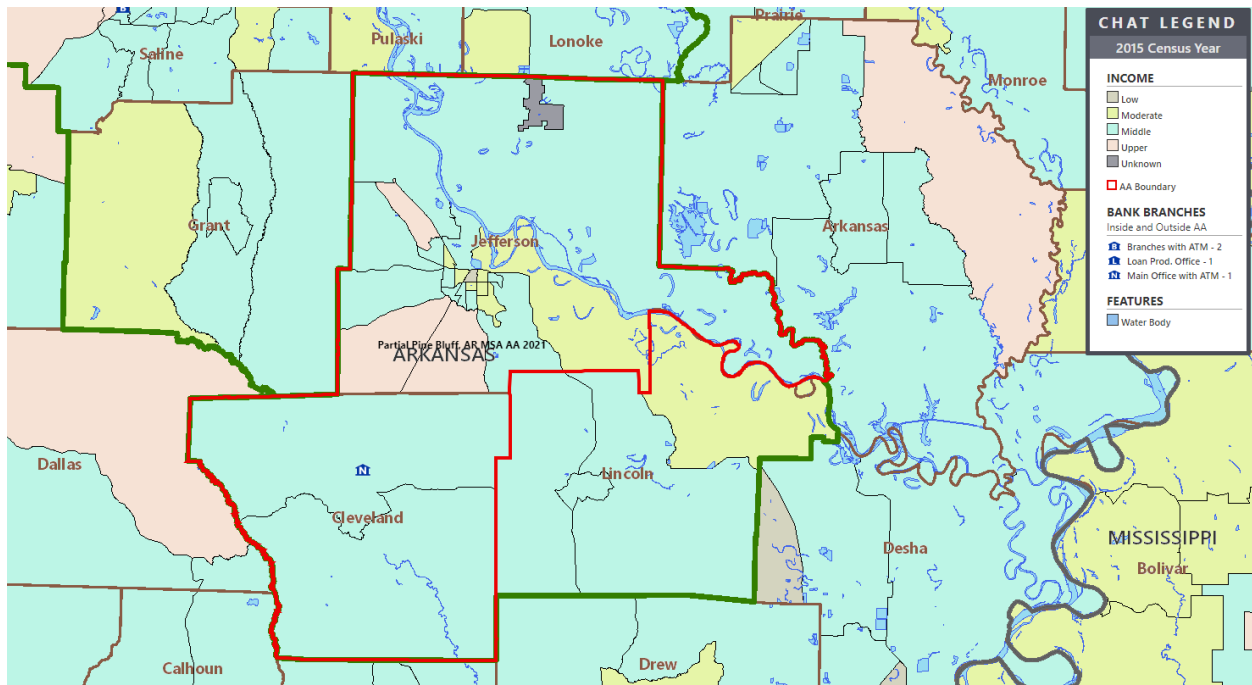
Source: 2020 and 2021 FFIEC Census Data
2011–2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

APPENDIX B – MAP OF THE ASSESSMENT AREAS

Little Rock Assessment Area



Pine Bluff Assessment Area



APPENDIX C – GLOSSARY

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

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

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

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

Community development: An activity associated with one of the following five descriptions: (1) affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; (4) activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and geographies.

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

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

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20

percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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

Full-scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders who 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 applicants; the amount of loan requested; and the disposition of the application (e.g., approved, denied, and withdrawn).

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

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

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

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

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

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

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

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

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

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

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

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

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

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

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

strategic plan banks.

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

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

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

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are secured by either 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): That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

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

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