



PUBLIC DISCLOSURE

September 19, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

FNB Community Bank
RSSD# 839255

2911 South Air Depot Boulevard
Midwest City, Oklahoma 73110

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

NOTE: This document is an evaluation of this bank'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 bank. 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 bank.

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

This institution is rated: **Satisfactory**
The Lending Test is rated: **Satisfactory**
The Community Development Test is rated: **Satisfactory**

FNB Community Bank (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria under the Lending and Community Development Tests:

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated inside the AA.
- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects a reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor the Federal Reserve Bank of Kansas City (Reserve Bank) received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation.
- Community development (CD) activity reflects adequate responsiveness to CD needs of its AA.

SCOPE OF EXAMINATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Intermediate Small Institutions* to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy, and market competition, as well as AA demographic and economic characteristics, and credit needs. In addition, available aggregate data for the most recent three years 2018, 2019, and 2020, was referenced for additional perspective to gauge credit demand within the bank's AA. Performance was assessed within the bank's only AA. Examiners reviewed the following data:

- The bank's 17-quarter average NLTD ratio.
- The universe of 117 home mortgage loans reported on the bank's Home Mortgage Disclosure Act (HMDA) Loan/Application Register between January 1, 2020 and December 31, 2021.
- A statistical sample of 61 small business loans, selected from a universe of 88 loans originated between January 1, 2021 and December 31, 2021.
- CD loans, qualified investments, and CD services from September 11, 2018 through December 31, 2021.

The bank’s HMDA lending performance was weighted less heavily than the bank’s small business lending performance in assessing the overall rating due to the bank’s strategic commercial focus and volume of small business loans.

DESCRIPTION OF INSTITUTION

The bank is a community bank headquartered in Midwest City, Oklahoma. The bank’s characteristics include:

- The bank is a wholly owned subsidiary of First Midwest Acquisition Corporation.
- The bank has total assets of \$621.5 million (MM) as of March 31, 2022.
- In addition to its main office in Midwest City, the bank has six additional offices located in Del City, Harrah, Moore, Choctaw, and Midwest City.
- The bank operates 14 cash-only automated teller machines (ATMs); one located in each of the bank’s seven locations, with additional ATMs located off-site; three at Tinker Air Force Base, one at Carl Albert High School, one in Crest Discount Food, one at Del Crest Center, and one at Harp’s Grocery.
- As shown in the table below, the bank’s primary business focus is commercial lending.

Table 1

Composition of Loan Portfolio as of March 31, 2022		
Loan Type	\$(000)	%
Construction and Land Development	23,561	10.0
Farmland	0	0.0
1- to 4-Family Residential Real Estate	30,261	12.9
Multifamily Residential Real Estate	0	0.0
NonFarm NonResidential Real Estate	127,837	54.4
Agricultural	273	0.1
Commercial and Industrial	30,990	13.2
Consumer	16,609	7.1
Other	5,655	2.4
Gross Loans	235,186	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

The bank was rated Satisfactory under the CRA at its September 10, 2018 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.

DESCRIPTION OF ASSESSMENT AREA

The bank’s Oklahoma City Metropolitan AA consists of Oklahoma and Cleveland Counties in their entireties, which are two of the seven counties that comprise the Oklahoma City, Oklahoma Metropolitan Statistical Area (MSA). (See Appendix A for an AA map and Appendix B for additional demographic data).

- The AA is comprised of 28 low-, 96 moderate-, 97 middle-, 73 upper-, and 9 unknown-income census tracts. Although the AA and total number of census tracts remain unchanged, at the previous evaluation the AA was comprised of 31 low-, 87 moderate-, 104 middle-, 77 upper-, and 4 unknown-income tracts.
- According to the June 30, 2021, Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank had a deposit market share of 1.1 percent which ranked 16th out of 64 FDIC-insured depository institutions operating from 303 branch offices in the AA.
- To further augment the CRA performance evaluation, two previously conducted interviews with members of the community within the bank’s AA were reviewed to ascertain the credit needs of area communities, the responsiveness of area banks in meeting those credit needs, and local economic conditions. The community members represented organizations focused on supporting various areas including employment, community services, small business, housing, and other special projects designed to benefit Oklahoma County.

Table 2

Population Change			
Assessment Area: Oklahoma City Metropolitan			
Area	2010 Population	2015 Population	Percent Change
Oklahoma City Metropolitan AA	974,388	1,023,094	5.0
Cleveland County, OK	255,755	268,614	5.0
Oklahoma County, OK	718,633	754,480	5.0
Oklahoma City, OK MSA	1,252,987	1,318,408	5.2
Oklahoma	3,751,351	3,849,733	2.6
<i>Source: 2010 U.S. Census Bureau: Decennial Census 2011 – 2015 U.S. Census Bureau: American Community Survey</i>			

- Based on 2015 American Community Survey (ACS) data, Oklahoma County accounts for 73.7 percent of the AA’s total population.
- The counties of Oklahoma and Cleveland are the first and third most populous counties in the state of Oklahoma, respectively.

Table 3

Median Family Income Change			
Assessment Area: Oklahoma City Metropolitan			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Oklahoma City Metropolitan AA	62,756	62,788	0.1
Cleveland County, OK	71,485	70,191	(1.8)
Oklahoma County, OK	59,592	60,346	1.3
Oklahoma City, OK MSA	64,003	64,058	0.1
Oklahoma	58,375	58,029	(0.6)

*Source: 2006 – 2010 U.S. Census Bureau: American Community Survey
2011 – 2015 U.S. Census Bureau: American Community Survey*

Note: Median family incomes have been inflation-adjusted and are expressed in 2015 dollars.

- Based on 2015 ACS data, the percentage of families living below the poverty level was 13.8 percent in Oklahoma County and 8.1 percent in Cleveland County, while levels in the Oklahoma City MSA and the state of Oklahoma were 11.2 percent and 12.4 percent, respectively.

Table 4

Housing Cost Burden						
Assessment Area: Oklahoma City Metropolitan						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Oklahoma City Metropolitan AA	79.4	37.5	41.5	61.2	30.6	17.4
Cleveland County, OK	82.2	43.4	40.6	68.0	32.9	16.5
Oklahoma County, OK	78.6	35.7	41.8	59.2	29.8	17.8
Oklahoma City, OK MSA	77.9	36.5	40.4	59.7	30.9	17.0
Oklahoma	72.2	37.1	38.1	55.1	28.2	16.6

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

Source: U.S. Department of Housing and Urban Development (HUD), 2014-2018 Comprehensive Housing Affordability Strategy

- The percentage of owner-occupied units in the AA at 54.4 percent, is below both the Oklahoma City MSA and statewide figures at 57.6 percent and 56.9 percent, respectively.
- The AA median housing value at \$137,650 is above both the Oklahoma City MSA and statewide figure at \$137,248 and \$117,900, respectively.
- The AA's affordability ratio at 36.4 percent is lower than the Oklahoma City MSA ratio at 37.5 percent and the statewide figure of 39.8 percent, indicating housing in the AA is less affordable when compared to both the MSA and the state of Oklahoma in its entirety. Oklahoma County has the lowest ratio of the two AA counties at 35.6 percent, compared to 38.6 percent in Cleveland County.

Table 5

Unemployment Rates					
Assessment Area: Oklahoma City Metropolitan					
Area	2017	2018	2019	2020	2021
Oklahoma City Metropolitan AA	3.7	3.1	2.9	6.3	3.8
Cleveland County, OK	3.3	2.8	2.7	5.7	3.2
Oklahoma County, OK	3.8	3.2	3.0	6.5	4.1
Oklahoma City, OK MSA	3.6	3.0	2.9	6.2	3.7
Oklahoma	4.0	3.3	3.1	6.2	3.8

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- A community member indicated that oil and gas have traditionally been the largest industries in the area, although this economic sector is cyclical but improving after experiencing a downturn. According to a community member, the aerospace industry has experienced significant growth in Oklahoma City, and growth has also been noted in administrative and support areas like human resources and information technology, illustrating the overall economic strength of the AA.
- According to information from the Greater Oklahoma City Chamber, the major employers in the area include the State of Oklahoma, Tinker Air Force Base, University of Oklahoma, INTEGRIS Health, University of Oklahoma Health Sciences Center, and FAA Mike Monroney Aeronautical Center.

Table 6

Small Business Loan Trends					
Assessment Area: Oklahoma City Metropolitan					
Area	2016	2017	2018	2019	2020
Oklahoma City Metropolitan AA	17,579	17,759	17,217	22,097	26,536
Cleveland County, OK	3,566	3,615	3,507	4,489	5,459
Oklahoma County, OK	14,013	14,144	13,710	17,608	21,077
Oklahoma City, OK MSA	21,600	21,959	21,424	27,523	32,685
Oklahoma	53,776	55,813	56,117	64,639	74,506

Source: FFIEC CRA Aggregate Data

- Table 6 reflects increasing demand for small business loans over time, including a growth rate of 33.8 percent in the AA between 2016 and 2020. Aside from a slight downturn in several areas in 2018, the growth in small business loan originations was notable in all areas during 2019 and 2020.
- A community representative indicated that several financial institutions in the area have been historically strong small business lenders. Conversely, many banks have also targeted large industry business banking needs that have recently moved into Oklahoma City.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank’s overall lending test performance is Satisfactory. Regarding the evaluation of HMDA lending, emphasis was placed on the bank’s performance in comparison to aggregate lending data (aggregate lenders), which is considered representative of credit demand. Additionally, home mortgage lending was evaluated collectively, versus by individual sub-product, to provide a more meaningful analysis due to an overall limited volume of originations.

Furthermore, while not formally considered as part of the lending test analysis, the bank originated a significant volume of the Small Business Administration’s Paycheck Protection Program loans during the Coronavirus health pandemic. This pandemic placed significant financial burden on consumers, small businesses, and small farms nationwide, and the bank’s response warrants special mention in this evaluation.

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank’s average NLTD ratio to determine the reasonableness of lending in light of performance context, such as the bank’s capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AA, and in comparison, to similarly situated FDIC-insured institutions. The similarly situated institutions were selected based on asset size, similar lending portfolio compositions, and geographic proximity to the bank. The bank’s NLTD ratio is reasonable. While the bank’s average NLTD is lower than the five similarly situated banks, it is considered reasonable given the bank obtains a large portion of its deposits from public entities, which the bank is unable to lend against. Additionally, the bank has experienced less loan demand as small businesses and customers received government funding in the previous two years, which has in turn increased the number of the bank’s depositors and associated deposit volume.

Table 7

Comparative NLTD Ratios March 31, 2018 – March 31, 2022			
Institution	Location	Asset Size \$(000)	NLTD Ratio (%)
			17 Quarter Average
FNB Community Bank	Midwest City, Oklahoma	621,516	52.0
Similarly Situated Institutions			
Legacy Bank	Hinton, Oklahoma	797,484	105.6
Frontier State Bank	Oklahoma City, Oklahoma	494,757	96.9
First Liberty Bank	Oklahoma City, Oklahoma	553,160	93.5
Valliance Bank	Oklahoma City, Oklahoma	587,277	96.1
First National Bank of Oklahoma	Oklahoma City, Oklahoma	758,349	86.8

Assessment Area Concentration

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

Table 8

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%
Home Purchase - Conventional	27	87.1	4,338	85.7	4	12.9	726	14.3
Home Improvement	20	95.2	922	92.5	1	4.8	75	7.5
Other Purpose Closed-End	15	88.2	707	92.2	2	11.8	60	7.8
Refinancing	41	85.4	3,714	81.8	7	14.6	826	18.2
Total HMDA related	103	88.0	9,681	85.2	14	12.0	1,687	14.8
Small Business	57	93.4	9,756	92.3	4	6.6	812	7.7
Total Loans	160	89.9	19,437	88.6	18	10.1	2,499	11.4

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

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. The presence of multiple competing institutions in and around the LMI census tracts as well as the proximity from the bank’s offices to these tracts, particularly the LMI census tracts in Oklahoma County, were considered in the analysis.

Home Mortgage Lending

The geographic distribution of total home mortgage lending is reasonable. In both 2020 and 2021, the bank did not originate any loans in the AA’s low-income census tracts, where performance was below both aggregate lending data and the demographic figure. However, the bank’s home mortgage lending in the moderate-income census tracts was comparable to both aggregate lending data and the demographic figure in 2021 and above both aggregate lending data and the demographic figure in 2020.

Although some lending gaps were noted in portions of the AA, particularly the AA’s low-income tracts, they were not considered significant given competition in the AA and the bank’s proximity to these census tracts.

Table 9

Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Oklahoma City Metropolitan													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2020						2021						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	\$ %	\$ %	#	%	%	\$(000)	\$ %	\$ %	
Home Purchase Loans													
Lo w	0	0.0	2.6	0	0.0	1.5	0	0.0	3.0	0	0.0	1.8	4.4
Mo d e r a t e	6	28.6	16.7	749	22.3	10.9	1	16.7	17.2	132	13.4	11.3	21.2
M i d d l e	13	61.9	32.7	2,023	60.4	27.1	5	83.3	32.8	854	86.6	27.1	37.3
U p p e r	1	4.8	48.0	80	2.4	60.3	0	0.0	46.8	0	0.0	59.5	36.9
U n k n o w n	1	4.8	0.1	500	14.9	0.2	0	0.0	0.2	0	0.0	0.3	0.1
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	21	100.0	100.0	3,352	100.0	100.0	6	100.0	100.0	986	100.0	100.0	100.0
Refinance Loans													
Lo w	0	0.0	1.3	0	0.0	0.6	0	0.0	1.6	0	0.0	0.9	4.4
Mo d e r a t e	5	25.0	10.2	295	17.2	6.2	2	9.5	12.8	112	5.6	8.1	21.2
M i d d l e	10	50.0	29.5	952	55.5	22.6	12	57.1	32.8	1,094	54.7	26.2	37.3
U p p e r	5	25.0	58.9	467	27.2	70.4	7	33.3	52.7	794	39.7	64.6	36.9
U n k n o w n	0	0.0	0.2	0	0.0	0.3	0	0.0	0.1	0	0.0	0.2	0.1
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	20	100.0	100.0	1,714	100.0	100.0	21	100.0	100.0	2,000	100.0	100.0	100.0
Home Improvement Loans													
Lo w	0	0.0	3.8	0	0.0	2.7	0	0.0	3.5	0	0.0	2.3	4.4
Mo d e r a t e	3	27.3	13.5	117	27.3	9.6	2	22.2	14.9	138	28.0	11.1	21.2
M i d d l e	3	27.3	35.5	73	17.0	28.3	5	55.6	31.8	214	43.4	25.3	37.3
U p p e r	5	45.5	47.1	239	55.7	58.9	2	22.2	49.7	141	28.6	61.2	36.9
U n k n o w n	0	0.0	0.1	0	0.0	0.5	0	0.0	0.1	0	0.0	0.1	0.1
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	11	100.0	100.0	429	100.0	100.0	9	100.0	100.0	493	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Lo w	0	0.0	10.7	0	0.0	4.6	0	0.0	13.2	0	0.0	4.6	9.0
Mo d e r a t e	0	0.0	41.6	0	0.0	30.2	0	0.0	42.9	0	0.0	38.2	41.2
M i d d l e	0	0.0	28.5	0	0.0	31.9	0	0.0	29.1	0	0.0	30.7	30.6
U p p e r	0	0.0	18.6	0	0.0	32.7	0	0.0	14.4	0	0.0	22.7	17.8
U n k n o w n	0	0.0	0.7	0	0.0	0.6	0	0.0	0.3	0	0.0	3.8	14
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	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 %
Lo w	0	0.0	2.2	0	0.0	1.3	0	0.0	2.5	0	0.0	1.7	4.4
Mo d e r a t e	16	26.7	14.2	1,254	21.6	10.2	6	14.0	15.4	525	13.5	12.1	21.2
M i d d l e	29	48.3	31.6	3,187	55.0	25.6	28	65.1	32.9	2,428	62.4	27.1	37.3
U p p e r	14	23.3	52.0	852	14.7	62.6	9	20.9	49.0	935	24.0	58.6	36.9
U n k n o w n	1	1.7	0.2	500	8.6	0.3	0	0.0	0.2	0	0.0	0.5	0.1
T r a c t - U n k	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
T o t a l	60	100.0	100.0	5,793	100.0	100.0	43	100.0	100.0	3,888	100.0	100.0	100.0

Source: 2021 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.
Due to limited volume in the Other Purpose LOC, Other Purpose Closed/Exempt, and Purpose Not Applicable product categories, these categories are not displayed individually but are included in the total HMDA section of the table.

Small Business Lending

The geographic distribution of small business lending is reasonable. The percentage of small business loans originated in low-income census tracts was above the demographic figure, while lending to businesses in the moderate-income census tracts was below the demographic figure. Loan dispersion in the AA was also evaluated, and no lending gaps were noted.

Table 10

Distribution of 2021 Small Business Lending By Income Level of Geography					
Assessment Area: Oklahoma City Metropolitan					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	8	14.0	859	8.8	5.3
Moderate	9	15.8	1,863	19.1	24.7
Middle	25	43.9	4,740	48.6	32.5
Upper	14	24.6	2,274	23.3	33.6
Unknown	1	1.8	20	0.2	3.8
Tract-Unk	0	0.0	0	0.0	
Total	57	100.0	9,756	100.0	100.0

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.

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

This performance criterion evaluates the bank’s lending to borrowers of different income levels and businesses of different revenue sizes. The bank’s lending has a reasonable distribution among individuals of different income levels and businesses of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. In 2021, the bank’s total home mortgage lending to low-income borrowers was comparable to the aggregate lending data, but below the demographic figure while the bank’s lending to moderate-income borrowers was above the aggregate lending data, and comparable to the demographic figure. In 2020, the bank’s home mortgage lending performance was consistent with the lending performance in 2021.

Table 11

Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Oklahoma City Metropolitan													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2020						2021						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	# %	\$ (000)	\$ %	\$ %	#	%	# %	\$ (000)	\$ %	\$ %	
Home Purchase Loans													
Lo w	0	0.0	6.7	0	0.0	3.8	0	0.0	5.5	0	0.0	3.1	22.7
Mo d e r a t e	0	0.0	19.5	0	0.0	14.8	1	16.7	16.0	10	1.0	11.8	17.3
M i d d l e	2	9.5	19.2	160	4.8	18.2	0	0.0	16.9	0	0.0	15.8	19.9
U p p e r	2	9.5	33.1	254	7.6	44.5	1	16.7	31.5	300	30.4	41.7	40.1
U n k n o w n	17	81.0	21.5	2,938	87.6	18.7	4	66.7	30.1	676	68.6	27.6	0.0
T o t a l	21	100.0	100.0	3,352	100.0	100.0	6	100.0	100.0	986	100.0	100.0	100.0
Re finance Loans													
Lo w	2	10.0	3.4	136	7.9	14	1	4.8	4.3	61	3.1	2.0	22.7
Mo d e r a t e	3	15.0	10.7	186	10.9	6.4	5	23.8	12.3	271	13.6	7.8	17.3
M i d d l e	3	15.0	15.4	238	13.9	11.8	4	19.0	16.9	207	10.4	13.5	19.9
U p p e r	5	25.0	41.7	487	28.4	51.1	7	33.3	36.0	1,175	58.8	44.6	40.1
U n k n o w n	7	35.0	28.8	667	38.9	29.2	4	19.0	30.5	286	14.3	32.1	0.0
T o t a l	20	100.0	100.0	1,714	100.0	100.0	21	100.0	100.0	2,000	100.0	100.0	100.0
Home Improvement Loans													
Lo w	0	0.0	6.4	0	0.0	3.2	0	0.0	6.4	0	0.0	3.7	22.7
Mo d e r a t e	2	18.2	13.0	70	16.3	8.9	2	22.2	12.2	26	5.3	8.2	17.3
M i d d l e	3	27.3	19.9	73	17.0	13.6	0	0.0	19.8	0	0.0	14.6	19.9
U p p e r	3	27.3	49.9	71	16.6	61.7	5	55.6	51.3	308	62.5	58.5	40.1
U n k n o w n	3	27.3	10.7	215	50.1	12.6	2	22.2	10.4	159	32.3	14.9	0.0
T o t a l	11	100.0	100.0	429	100.0	100.0	9	100.0	100.0	493	100.0	100.0	100.0
Total Home Mortgage Loans													
Lo w	3	5.0	5.0	154	2.7	2.6	2	4.7	4.9	91	2.3	2.6	22.7
Mo d e r a t e	7	11.7	14.9	347	6.0	10.6	8	18.6	14.1	307	7.9	10.0	17.3
M i d d l e	12	20.0	16.9	609	10.5	14.8	5	11.6	16.8	222	5.7	14.7	19.9
U p p e r	11	18.3	36.2	863	14.9	46.8	17	39.5	33.7	2,004	51.5	42.9	40.1
U n k n o w n	27	45.0	27.1	3,820	65.9	25.1	11	25.6	30.5	1,264	32.5	29.7	0.0
T o t a l	60	100.0	100.0	5,793	100.0	100.0	43	100.0	100.0	3,888	100.0	100.0	100.0
<p>Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding. Due to limited volume in the Other Purpose LOC, Other Purpose Closed/Exempt, and Purpose Not Applicable product categories, these categories are not displayed individually but are included in the total HMDA section of the table.</p>													

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank’s lending to small businesses with revenues of \$1MM or less was comparable to the demographic figure. Further, 79.0 percent of the bank’s small business loans were originated for amounts of \$250,000 or less, demonstrating the bank’s willingness to meet the typically smaller credit needs of small business entities.

Table 12

Distribution of 2021 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Oklahoma City Metropolitan					
	Bank Loans				Total Businesses
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	38	66.7	6,199	63.5	91.2
Over \$1 Million	19	33.3	3,556	36.4	7.7
Revenue Unknown	0	0.0	0	0.0	1.1
Total	57	100.0	9,756	100.0	100.0
By Loan Size					
\$100,000 or Less	36	63.2	1,378	14.1	
\$100,001 - \$250,000	9	15.8	1,630	16.7	
\$250,001 - \$1 Million	12	21.1	6,748	69.2	
Total	57	100.0	9,756	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	25	65.8	907	14.6	
\$100,001 - \$250,000	5	13.2	938	15.1	
\$250,001 - \$1 Million	8	21.1	4,354	70.2	
Total	38	100.0	6,199	100.0	
<i>Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau; American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

COMMUNITY DEVELOPMENT TEST

The CD test evaluates the bank’s responsiveness to CD needs of its AA through CD loans, qualified investments, and CD services, considering the bank’s capacity and the need and availability of such opportunities in the bank’s AA.

The bank’s overall CD test performance is Satisfactory and demonstrates adequate responsiveness. A few of the notable, qualified CD activities include:

- The bank extended five loans in the amount of \$20MM to the Del City Economic Development Authority to revitalize and stabilize blighted areas of the city.
- The bank provided 14 qualified investments for approximately \$6MM for school bonds inside the bank’s AA, to improve and expand school buildings, provide equipment, materials, and educational programs for LMI schools and districts.
- The bank also provided 22 qualified investments outside of the bank’s AA for approximately \$12MM, which is notable as the bank is considered responsive to the credit needs within the bank’s AA.
- Bank employees provided approximately 533 hours of financial expertise to various community organizations such as, a local behavioral health center that supports primarily LMI individuals and local schools where greater than 50.0 percent of the student population are eligible for free and reduced lunch.

Table 13

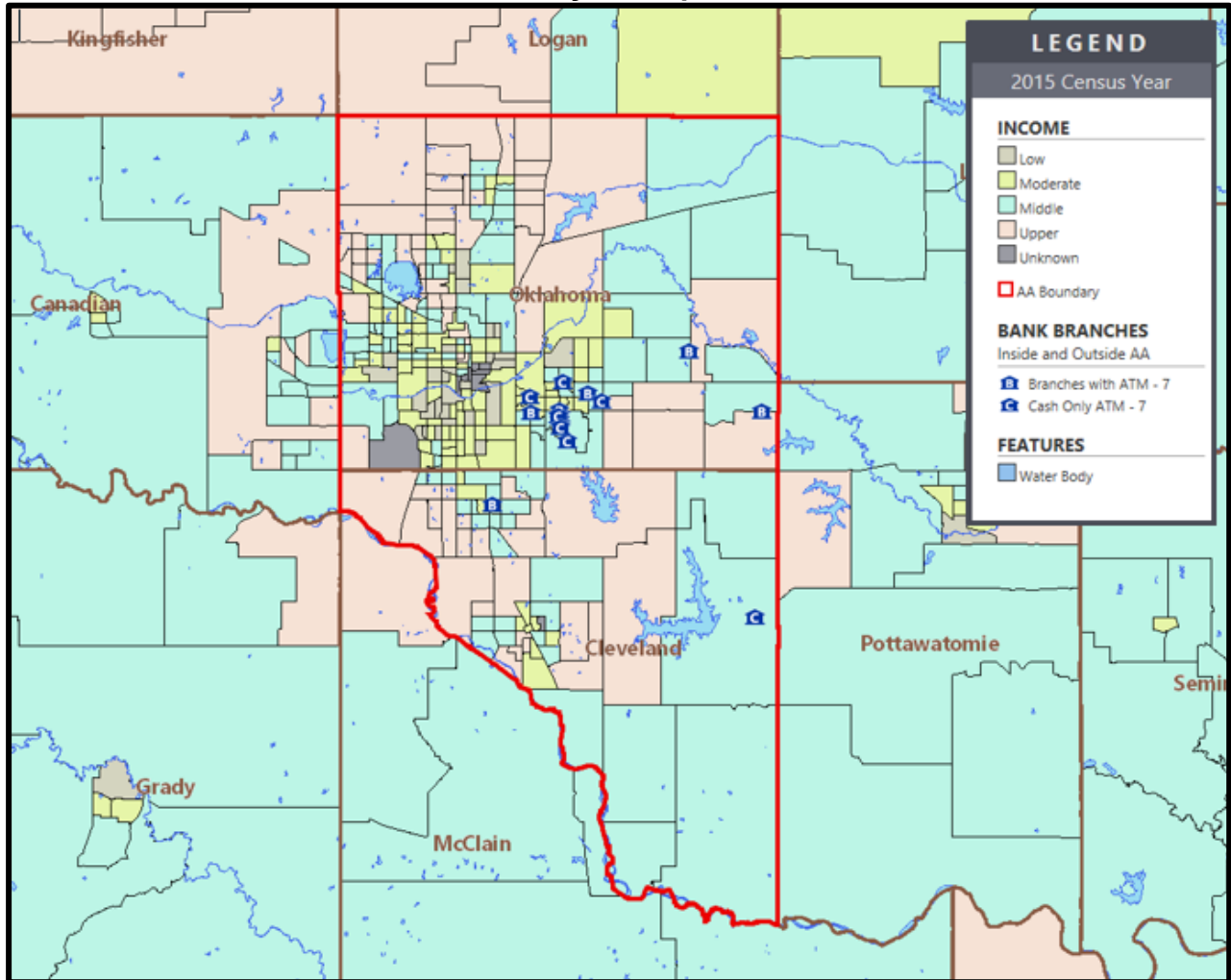
Community Development Activity									
Assessment Area: Oklahoma City Metropolitan									
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
	#	\$(000)	Investments		Donations		Total Investments		
			#	\$(000)	#	\$(000)	#	\$(000)	
Affordable Housing					6	7	6	7	4
Community Services	3	2,000	13	6,045	20	23	33	6,068	14
Economic Development			1	500			1	500	
Revitalization and Stabilization	4	20,000	3	1,233			3	1,233	
Totals	7	22,000	17	7,778	26	30	43	7,808	18

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

APPENDIX A – MAP OF THE ASSESSMENT AREA

Oklahoma City Metropolitan AA



**APPENDIX B – DEMOGRAPHIC INFORMATION
Table B-1**

2021 Oklahoma City Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	28	9.2	17,042	6.9	6,224	36.5	56,104	22.7
Moderate	96	31.7	62,233	25.2	12,916	20.8	42,834	17.3
Middle	97	32.0	86,576	35.0	8,006	9.2	49,087	19.9
Upper	73	24.1	80,921	32.7	3,037	3.8	99,087	40.1
Unknown	9	3.0	340	0.1	119	35.0	0	0.0
Total AA	303	100.0	247,112	100.0	30,302	12.3	247,112	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied		Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	33,484	10,466	4.4	31.3	17,502	52.3	5,516	16.5
Moderate	128,241	50,338	21.2	39.3	60,584	47.2	17,319	13.5
Middle	150,835	88,435	37.3	58.6	48,406	32.1	13,994	9.3
Upper	121,716	87,461	36.9	71.9	26,185	21.5	8,070	6.6
Unknown	1,583	195	0.1	12.3	1,094	69.1	294	18.6
Total AA	435,859	236,895	100.0	54.4	153,771	35.3	45,193	10.4
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	2,746	5.3	2,359	5.0	370	9.3	17	3.0
Moderate	12,680	24.7	11,446	24.4	1,108	27.8	126	22.5
Middle	16,693	32.5	15,253	32.6	1,260	31.7	180	32.1
Upper	17,289	33.6	16,157	34.5	931	23.4	201	35.8
Unknown	1,974	3.8	1,626	3.5	311	7.8	37	6.6
Total AA	51,382	100.0	46,841	100.0	3,980	100.0	561	100.0
Percentage of Total Businesses:				91.2		7.7		1.1
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	15	2.8	14	2.7	1	11.1	0	0.0
Moderate	71	13.4	66	12.7	5	55.6	0	0.0
Middle	180	34.1	179	34.5	1	11.1	0	0.0
Upper	258	48.9	256	49.3	2	22.2	0	0.0
Unknown	4	0.8	4	0.8	0	0.0	0	0.0
Total AA	528	100.0	519	100.0	9	100.0	0	0.0
Percentage of Total Farms:				98.3		1.7		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

2020 Oklahoma City Metropolitan AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	28	9.2	17,042	6.9	6,224	36.5	56,104	22.7
Moderate	96	31.7	62,233	25.2	12,916	20.8	42,834	17.3
Middle	97	32.0	86,576	35.0	8,006	9.2	49,087	19.9
Upper	73	24.1	80,921	32.7	3,037	3.8	99,087	40.1
Unknown	9	3.0	340	0.1	119	35.0	0	0.0
Total AA	303	100.0	247,112	100.0	30,302	12.3	247,112	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	33,484	10,466	4.4	31.3	17,502	52.3	5,516	16.5
Moderate	128,241	50,338	21.2	39.3	60,584	47.2	17,319	13.5
Middle	150,835	88,435	37.3	58.6	48,406	32.1	13,994	9.3
Upper	121,716	87,461	36.9	71.9	26,185	21.5	8,070	6.6
Unknown	1,583	195	0.1	12.3	1,094	69.1	294	18.6
Total AA	435,859	236,895	100.0	54.4	153,771	35.3	45,193	10.4
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	2,806	5.3	2,404	5.0	386	9.4	16	3.1
Moderate	12,956	24.6	11,668	24.3	1,166	28.3	122	23.5
Middle	17,157	32.6	15,719	32.8	1,281	31.1	157	30.2
Upper	17,707	33.7	16,539	34.5	972	23.6	196	37.7
Unknown	1,961	3.7	1,619	3.4	313	7.6	29	5.6
Total AA	52,587	100.0	47,949	100.0	4,118	100.0	520	100.0
Percentage of Total Businesses:			91.2		7.8		1.0	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	16	2.9	15	2.8	1	10.0	0	0.0
Moderate	70	12.7	66	12.2	4	40.0	0	0.0
Middle	177	32.2	176	32.6	1	10.0	0	0.0
Upper	284	51.6	280	51.9	4	40.0	0	0.0
Unknown	3	0.5	3	0.6	0	0.0	0	0.0
Total AA	550	100.0	540	100.0	10	100.0	0	0.0
Percentage of Total Farms:			98.2		1.8		0.0	
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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