



PUBLIC DISCLOSURE

June 21, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Cottonwood Valley Bank
RSSD# 921655**

**106 Main Street
Cedar Point, Kansas 66843**

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

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.

TABLE OF CONTENTS

Institution’s Community Reinvestment Act Rating..... 2
Scope of Examination 2
Description of Institution..... 2
Description of Assessment Area 3
Conclusions with Respect to Performance Criteria 5
Fair Lending or Other Illegal Credit Practices Review..... 9
Appendix A – Map of the Assessment Area..... 10
Appendix B – Demographic Information 12
Appendix C – Glossary 17

INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

Cottonwood Valley Bank (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria:

- 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 dispersion of loans occurs throughout the bank's AA.
- Lending reflects a reasonable penetration among businesses and farms of different sizes.
- Neither the bank nor the Federal Reserve Bank of Kansas City received any Community Reinvestment Act (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. 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. Lending performance was assessed within the bank's East Central Kansas AA. The following data was reviewed:

- The bank's 19-quarter average NLTD ratio,
- The universe of 27 small business loans and 35 small farm loans, all originated between June 27, 2016 and December 31, 2020.

Equal weighting was applied to both loan products given the similarities in the annual volume of originations and the bank's strategic focus.

DESCRIPTION OF INSTITUTION

The bank is a community bank headquartered in Cedar Point, Kansas. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Cedar Point Bancshares, Inc., a one-bank holding company.
- The bank has total assets of \$38.4 million (MM) as of December 31, 2020.
- In addition to its main office located in Cedar Point, Kansas, the bank operates four additional branch offices in the communities of Florence, Cottonwood Falls, Lincolnvilleville, and Strong City, Kansas. The Florence, Cottonwood Falls, and Lincolnvilleville branches are full-service, while the Cedar Point and Strong City branches offer limited services.

- The bank operates three cash-only automated teller machines (ATMs) from its branches located in Cottonwood Falls, Florence, and Lincolnvile. In addition, a cash-only ATM is located in Strong City, separate from the branch.
- The bank’s primary business focus is agricultural and commercial lending.

TABLE 1 COMPOSITION OF LOAN PORTFOLIO AS OF DECEMBER 31, 2020		
Loan Type	\$(000)	%
Agricultural	4,043	34.4
Commercial	3,718	31.7
Other	3,318	28.3
Consumer	515	4.4
Residential Real Estate	150	1.3
Gross Loans	11,744	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 June 27, 2016 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 THE ASSESSMENT AREA

The bank’s AA is comprised of Dickinson, Morris, Marion, and Chase Counties in their entirety (see Appendix A for an AA map).

- The AA is comprised of 1 moderate-, 11 middle-, and 1 upper-income census tracts. Although the number of census tracts has not changed, the composition of the AA at the prior examination consisted of 12 middle- and 1 upper-income census tracts.
- According to the June 30, 2020 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank had a deposit market share of 3.0 percent which ranked 12th out of 21 FDIC-insured institutions with branch offices operating in the AA.
- Two interviews with members of communities within the bank’s AA were conducted to ascertain the credit needs of the communities, responsiveness of area banks in meeting those needs, and local economic conditions. The community members represented local agricultural and economic development organizations.

**TABLE 2
POPULATION CHANGE**

Area	2010 Population	2015 Population	Percent Change
Chase County, KS	2,790	2,722	(2.4)
Dickinson County, KS	19,754	19,516	(1.2)
Marion County, KS	12,660	12,290	(2.9)
Morris County, KS	5,923	5,750	(2.9)
State of Kansas	2,853,118	2,892,987	1.4

Source: 2010 U.S. Census Bureau Decennial Census
2011-2015 U.S. Census Bureau: American Community Survey

- Main population centers in the AA include the cities of Abilene (6,201 residents), Hillsboro (2,816 residents), Herington (2,268 residents) and Council Grove (2,121 residents). A community member noted much of the AA is made up of small rural communities.
- The AA's 2015 population of 40,278 represents 1.4 percent of the state of Kansas' population.

**TABLE 3
MEDIAN FAMILY INCOME CHANGE**

Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Chase County, KS	54,554	59,150	8.4
Dickinson County, KS	56,779	59,447	4.7
Marion County, KS	55,861	60,477	8.3
Morris County, KS	54,167	54,265	0.2
State of Kansas	62,424	66,389	6.4

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

- A community member indicated individuals travel outside of the AA to Sedgwick County for employment. Two major employers within Sedgwick County have increased wages in recent years which has likely contributed to the rise in median family income in Marion and Chase Counties.
- A community member noted fewer farm operations are relying on credit due to farm program payments. Additional revenue from farm programs has led to a greater number of farm operations being able to pay off debt and operate on cash, impacting demand for agricultural credit. However, the community member indicated small farm credit needs are being met in the AA when needed.

**TABLE 4
HOUSING COSTS CHANGE**

Area	Median Housing Value		Percent Change	Median Gross Rent		Percent Change
	2010	2015		2010	2015	
Chase County, KS	86,100	76,600	(11.0)	448	473	5.6
Dickinson County, KS	97,400	108,200	11.1	559	626	12.0
Marion County, KS	80,500	81,600	1.4	496	561	13.1
Morris County, KS	76,400	85,200	11.5	480	619	29.0
State of Kansas	122,600	132,000	7.7	671	757	12.8

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

- A community member indicated that the AA is experiencing a housing shortage, which has likely contributed to a rise in housing values for portions of the AA.
- In addition, a community member noted the AA has many older homes that require repair, creating barriers for prospective homebuyers.

**TABLE 5
UNEMPLOYMENT RATES**

Region	2016	2017	2018	2019	2020
Chase County, KS	3.7	2.6	2.6	2.7	5.5
Dickinson County, KS	4.6	3.8	3.4	3.5	4.9
Marion County, KS	4.3	3.6	3.1	2.9	4.1
Morris County, KS	4.1	3.1	2.7	2.7	3.9
State of Kansas	4.2	3.6	3.3	3.2	5.9

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- A community member noted that many residents in the AA commute to Emporia, Salina, Manhattan, Wichita, and McPherson for employment.
- Major industries in the AA that contribute to employment include agriculture, health care, and local government.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

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 the ratios of similarly situated FDIC-insured institutions. The similarly situated institutions were selected based on location, asset size, and loan portfolio composition.

The bank’s NLTD ratio is reasonable. The bank’s NLTD ratio is below the ratios of the five similarly situated institutions used for this evaluation. The bank’s branches are all located in small rural

communities, with limited loan demand. In contrast, two of the similarly situated institutions operate in communities with higher populations that provide greater opportunity for lending. Further, a community member indicated strong competition exists for financial institutions in the AA, with a large number of institutions operating in neighboring counties that support the small business and small farm credit needs of the AA. Finally, members of the community noted banks in the AA are meeting the credit needs of the area and are willing to provide loans to the local community.

TABLE 6 COMPARATIVE NLTD RATIOS			
Institution	Location	Asset Size (\$000s)	NLTD Ratio (%)
			19 Quarter Average
Cottonwood Valley Bank	Cedar Point, Kansas	38,362	32.2
Hillsboro State Bank	Hillsboro, Kansas	22,158	48.5
The Marion National Bank	Marion, Kansas	25,764	39.2
Farmers State Bank	Dwight, Kansas	16,100	59.1
State Bank of Canton	Canton, Kansas	31,597	43.8

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. A majority of the bank’s loans, by number and dollar, are originated inside the AA.

TABLE 7 LENDING INSIDE AND OUTSIDE THE AA								
Loan Type	Inside				Outside			
	#	\$(000)	#%	\$%	#	\$(000)	#%	\$%
Small Business Loans	18	1,540	66.7	56.6	9	1,179	33.3	43.4
Small Farm Loans	30	1,565	85.7	94.6	5	89	14.3	5.4
Total Loans	48	3,105	77.4	71.0	14	1,268	22.6	29.0

Note: Percentages may not add to 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. The bank’s geographic distribution of loans reflects reasonable dispersion among the different census tracts within the AA.

Small Business Lending

The geographic distribution of small business lending is reasonable. The bank’s level of lending in the moderate-income census tract is comparable to the percentage of AA businesses operating in that tract. No significant gaps in loan dispersion were identified.

**TABLE 8
DISTRIBUTION OF 2016-2020 SMALL BUSINESS LENDING
BY INCOME LEVEL OF GEOGRAPHY**

Census Tract Income Level	Bank Small Business Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	1	47	5.6	3.1	5.5
Middle	17	1,493	94.4	96.9	79.9
Upper	0	0	0.0	0.0	14.6
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

Small Farm Lending

The geographic distribution of small farm lending is reasonable. Although the bank did not originate any small farm loans in the moderate-income census tract, limited opportunity exists with only 0.3 percent of all farms in the AA located within that census tract. No significant gaps in loan dispersion were identified.

**TABLE 9
DISTRIBUTION OF 2016-2020 SMALL FARM LENDING
BY INCOME LEVEL OF GEOGRAPHY**

Census Tract Income Level	Bank Small Farm Loans				% of Farms
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.3
Middle	30	1,565	100.0	100.0	98.5
Upper	0	0	0.0	0.0	1.3
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

Lending to Businesses and Farms of Different Revenue Sizes

This performance criterion evaluates the bank's lending to businesses and farms of different revenue sizes. The bank's lending has a reasonable penetration among businesses and farms of different sizes.

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank’s lending to businesses with gross annual revenues of \$1MM or less is comparable, by number of loans, to the percentage of total small businesses operating in the AA. All loans to small businesses were for amounts of \$100,000 or less, demonstrating the bank’s willingness to support smaller credit needs.

TABLE 10 DISTRIBUTION OF 2016-2020 SMALL BUSINESS LENDING BY REVENUE SIZE OF BUSINESSES					
	Bank Loans				Total Businesses
	#	\$(000)	#%	%	%
By Revenue					
\$1 Million or Less	16	388	88.9	25.2	88.2
Over \$1 Million	2	1,152	11.1	74.8	8.2
Not Known	0	0	0.0	0.0	3.6
Total	18	1,540	100.0	100.0	100.0
By Loan Size					
\$100,000 or less	16	388	88.9	25.2	
\$100,001 – \$250,000	0	0	0.0	0.0	
\$250,001 – \$1 Million	2	1152	11.1	74.8	
Total	18	1,540	100.0	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or less	16	388	100.0	100.0	
\$100,001 – \$250,000	0	0	0.0	0.0	
\$250,001 – \$1 Million	0	0	0.0	0.0	
Total	16	388	100.0	100.0	
<i>Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>NOTE: Percentages may not add up to 100.0 due to rounding.</i>					

Small Farm Lending

The borrower distribution of small farm lending is reasonable. The bank’s lending to farms with gross annual revenues of \$1MM or less is comparable to the percentage of small farms operating in the AA.

**TABLE 11
DISTRIBUTION OF 2016-2020 SMALL FARM LENDING
BY REVENUE SIZE OF FARMS**

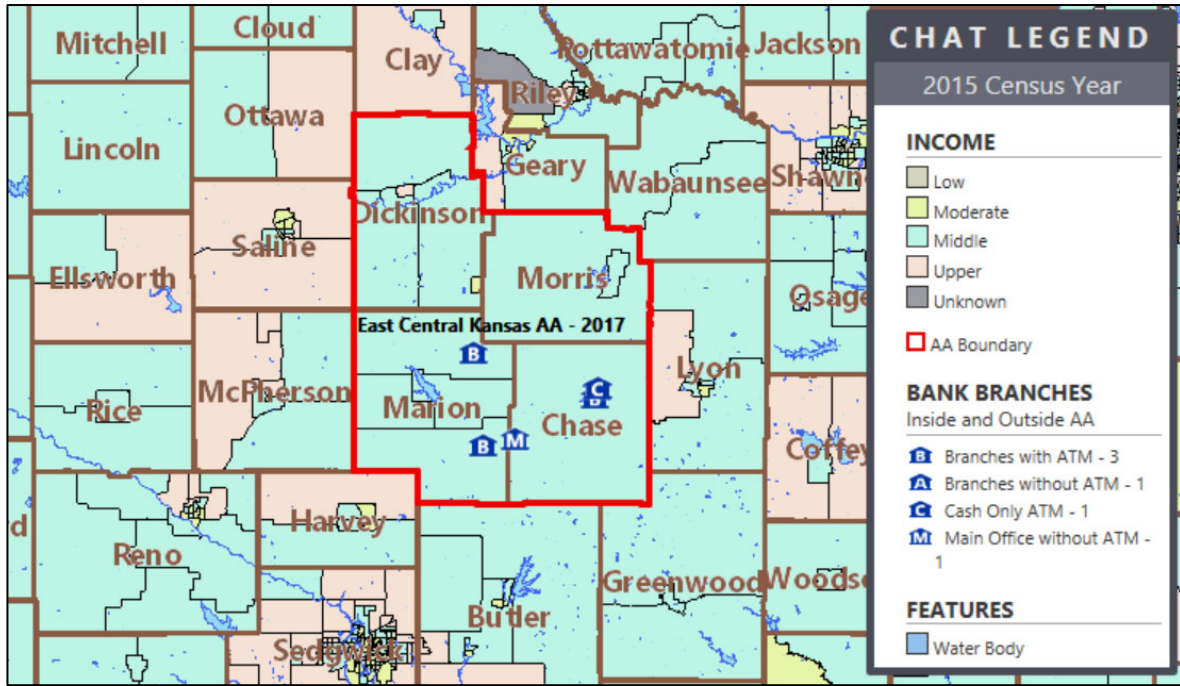
	Bank Loans				Total Farms
	#	\$(000)	#%	\$%	%
By Revenue					
\$1 Million or Less	30	1,565	100.0	100.0	98.5
Over \$1 Million	0	0	0.0	0.0	1.5
Not Known	0	0	0.0	0.0	0.0
Total	30	1,565	100.0	100.0	100.0
By Loan Size					
\$100,000 or less	26	849	86.7	54.3	
\$100,001 – \$250,000	4	716	13.3	45.7	
\$250,001 – \$500,000	0	0	0.0	0.0	
Total	30	1,565	100.0	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or less	26	849	86.7	54.3	
\$100,001 – \$250,000	4	716	13.3	45.7	
\$250,001 – \$500,000	0	0	0.0	0.0	
Total	30	1,565	100.0	100.0	
<i>Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i> NOTE: Percentages may not add up to 100.0 due to rounding.					

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

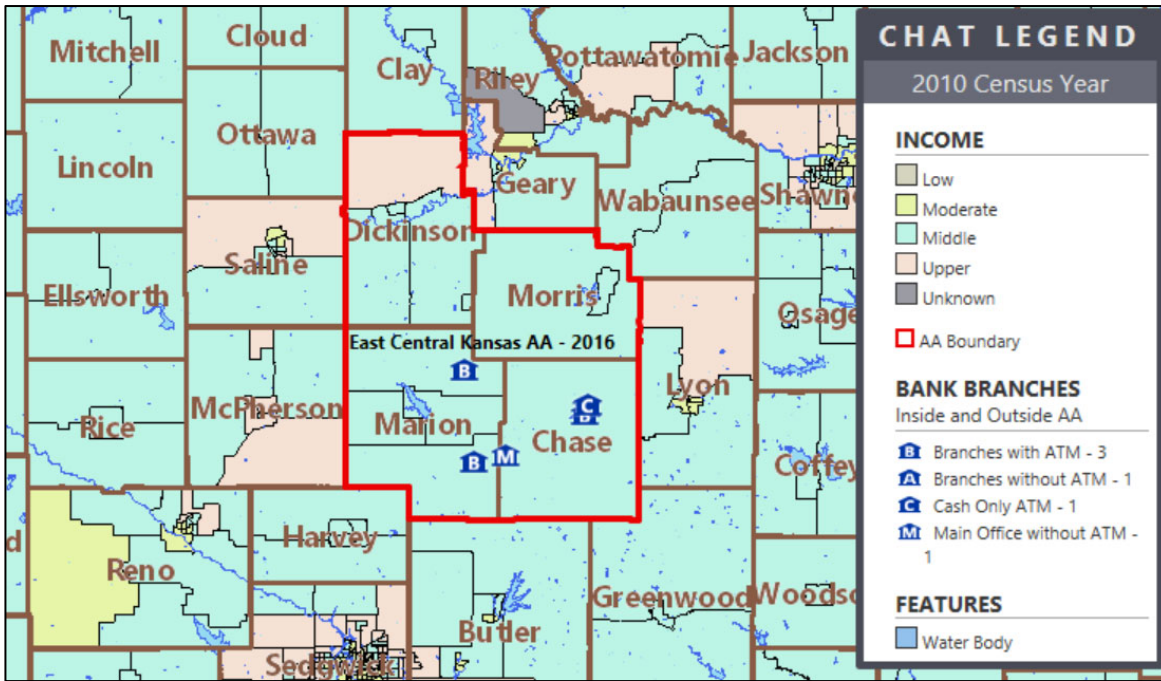
An evaluation of the bank's fair lending activities was conducted during the examination to determine compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act. No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – MAP OF THE ASSESSMENT AREA

2017-2020



2016



APPENDIX B – DEMOGRAPHIC INFORMATION

TABLE B-1 2020 EAST CENTRAL KANSAS 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	1,822	16.7	
Moderate	1	7.7	612	5.6	58	9.5	2,012	18.4	
Middle	11	84.6	8,987	82.1	614	6.8	2,607	23.8	
Upper	1	7.7	1,341	12.3	100	7.5	4,499	41.1	
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	
Total AA	13	100.0	10,940	100.0	772	7.1	10,940	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	1,336	703	5.8	52.6	272	20.4	361	27	
Middle	15,999	10,096	82.8	63.1	2,990	18.7	2,913	18.2	
Upper	2,352	1,401	11.5	59.6	684	29.1	267	11.4	
Unknown	0	0	0.0	0.0	0	0.0	0	0.0	
Total AA	19,687	12,200	100.0	62.0	3,946	20.0	3,541	18.0	
	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	93	5.5	82	5.5	9	6.4	2	3.3	
Middle	1,363	79.9	1,197	79.6	110	78.6	56	91.8	
Upper	249	14.6	225	15	21	15	3	4.9	
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	
Total AA	1,705	100.0	1,504	100.0	140	100.0	61	100.0	
Percentage of Total Businesses:				88.2	8.2	3.6			
	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	1	0.3	1	0.3	0	0.0	0	0.0	
Middle	392	98.5	386	98.5	6	100	0	0.0	
Upper	5	1.3	5	1.3	0	0.0	0	0.0	
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	
Total AA	398	100.0	392	100.0	6	100.0	0	0.0	
Percentage of Total Farms:				98.5	1.5	0.0			
<p>Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>NOTE: Percentages may not add up to 100.0 due to rounding.</p>									

**TABLE B-2
2019 EAST CENTRAL KANSAS 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	1,822	16.7
Moderate	1	7.7	612	5.6	58	9.5	2,012	18.4
Middle	11	84.6	8,987	82.1	614	6.8	2,607	23.8
Upper	1	7.7	1,341	12.3	100	7.5	4,499	41.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	13	100.0	10,940	100.0	772	7.1	10,940	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	1,336	703	5.8	52.6	272	20.4	361	27
Middle	15,999	10,096	82.8	63.1	2,990	18.7	2,913	18.2
Upper	2,352	1,401	11.5	59.6	684	29.1	267	11.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	19,687	12,200	100.0	62.0	3,946	20.0	3,541	18.0
	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	95	5.5	85	5.6	8	5.5	2	3.3
Middle	1,371	79.9	1,195	79.3	117	80.1	59	91.8
Upper	251	14.6	226	15	21	14.4	4	4.9
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,717	100.0	1,506	100.0	146	100.0	65	100.0
Percentage of Total Businesses:				87.7		8.5		3.8
	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	1	0.3	1	0.3	0	0.0	0	0.0
Middle	393	98.3	387	98.2	6	100	0	0.0
Upper	6	1.5	6	1.5	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	400	100.0	394	100.0	6	100.0	0	0.0
Percentage of Total Farms:				98.5		1.5		0.0

Source: 2019 FFIEC Census Data
2019 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-3
2018 EAST CENTRAL KANSAS 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	1,801	16.5
Moderate	1	7.7	612	5.6	58	9.5	1,993	18.2
Middle	11	84.6	8,987	82.1	614	6.8	2,604	23.8
Upper	1	7.7	1,341	12.3	100	7.5	4,542	41.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	13	100.0	10,940	100.0	772	7.1	10,940	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	1,336	703	5.8	52.6	272	20.4	361	27
Middle	15,999	10,096	82.8	63.1	2,990	18.7	2,913	18.2
Upper	2,352	1,401	11.5	59.6	684	29.1	267	11.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	19,687	12,200	100.0	62.0	3,946	20.0	3,541	18.0
	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	92	5.3	82	5.4	8	5.5	2	3.3
Middle	1,385	79.7	1,211	79.2	116	80.0	58	91.8
Upper	260	15.0	236	15.4	21	14.5	3	4.9
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,737	100.0	1,529	100.0	145	100.0	63	100.0
Percentage of Total Businesses:			88.0		8.3		3.6	
	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	0	0.0	0	0.0	0	0.0	0	0.0
Middle	400	98.5	394	98.5	6	100	0	0.0
Upper	6	1.5	6	1.5	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	406	100.0	400	100.0	6	100.0	0	0.0
Percentage of Total Farms:			98.5		1.5		0.0	

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-4
2017 EAST CENTRAL KANSAS 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	1,801	16.5
Moderate	1	7.7	612	5.6	58	9.5	1,993	18.2
Middle	11	84.6	8,987	82.1	614	6.8	2,604	23.8
Upper	1	7.7	1,341	12.3	100	7.5	4,542	41.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	13	100.0	10,940	100.0	772	7.1	10,940	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	1,336	703	5.8	52.6	272	20.4	361	27
Middle	15,999	10,096	82.8	63.1	2,990	18.7	2,913	18.2
Upper	2,352	1,401	11.5	59.6	684	29.1	267	11.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	19,687	12,200	100.0	62.0	3,946	20.0	3,541	18.0
	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	85	5.3	74	5.3	8	5.6	3	5.2
Middle	1,263	79.2	1,098	78.8	113	79.6	52	89.7
Upper	246	15.4	222	15.9	21	14.8	3	5.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,594	100.0	1,394	100.0	142	100.0	58	100.0
Percentage of Total Businesses:				87.5		8.9		3.6
	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	0	0.0	0	0.0	0	0.0	0	0.0
Middle	410	97.6	404	97.6	6	100	0	0.0
Upper	10	2.4	10	2.4	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	420	100.0	414	100.0	6	100.0	0	0.0
Percentage of Total Farms:				98.6		1.4		0.0

Source: 2017 FFIEC Census Data
2017 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-5
2016 EAST CENTRAL KANSAS 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	1,771	15.5
Moderate	0	0.0	0	0.0	0	0.0	2,070	18.1
Middle	12	92.3	10,372	90.9	783	7.5	2,657	23.3
Upper	1	7.7	1,039	9.1	87	8.4	4,913	43.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	13	100.0	11,411	100.0	870	7.6	11,411	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	0	0	0.0	0.0	0	0.0	0	0.0
Middle	17,891	11,687	91.3	65.3	3,229	18	2,975	16.6
Upper	1,731	1,115	8.7	64.4	370	21.4	246	14.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	19,622	12,802	100.0	65.2	3,599	18.3	3,221	16.4
	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	0	0.0	0	0.0	0	0.0	0	0.0
Middle	1,615	91	1,425	90.8	131	93.6	59	89.4
Upper	160	9	144	9.2	9	6.4	7	10.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,775	100.0	1,569	100.0	140	100.0	66	100.0
Percentage of Total Businesses:				88.4		7.9		3.7
	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	0	0.0	0	0.0	0	0.0	0	0.0
Middle	458	89.8	452	89.7	6	100	0	0.0
Upper	52	10.2	52	10.3	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	510	100.0	504	100.0	6	100.0	0	0.0
Percentage of Total Farms:				98.8		1.2		0.0

Source: 2016 FFIEC Census Data
2016 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 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, 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 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 refinancings 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.

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.

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 instructions for preparation of the Consolidated Report 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.

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.