



PUBLIC DISCLOSURE

Date of Evaluation: SEPTEMBER 23, 2019

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Name of Depository Institution: AMERICAN BANK

Institution's Identification Number: 2580243

Address: 4029 WEST TILGHMAN STREET

ALLENTOWNNGOR, PENNSYLVANIA

**FEDERAL RESERVE BANK OF PHILADELPHIA
TEN INDEPENDENCE MALL
PHILADELPHIA, PENNSYLVANIA 19106**

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 the safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

OVERALL CRA RATING: SATISFACTORY

The following table indicates the performance level of American Bank with respect to the lending, investment, and service tests.

PERFORMANCE TEST RATING TABLE

PERFORMANCE LEVELS	American Bank		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		
Low Satisfactory		X	X
Needs to Improve			
Substantial Noncompliance			

*Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

SUMMARY OF MAJOR FACTORS SUPPORTING RATING

Major factors contributing to this rating include:

- A high percentage of loans are made in the bank's assessment area;
- The geographic distribution of loans reflects good penetration throughout the assessment area;
- The distribution of borrowers reflects good penetration among business customers of different sizes and retail customers of different income levels;
- The bank makes a relatively high level of community development loans;
- The bank has an adequate level of qualified community development investments and grants;
and
- The bank provides an adequate level of community development services.

INSTITUTION

DESCRIPTION OF INSTITUTION

American Bank, headquartered in Allentown, Lehigh County, Pennsylvania, is a state-chartered full-service commercial bank with total assets of approximately \$637 million, as of June 30, 2019. The bank has one branch located in the Allentown-Bethlehem-Easton, PA-NJ metropolitan statistical area (Allentown MSA), and operates one commercial loan production office in Blue Bell, Montgomery County, PA, adjacent to the Allentown MSA. The bank operates two automated teller machines (ATMs), one full-service ATM at the branch, and a cash-only ATM at Lehigh Carbon Community College in Schnecksville, Lehigh County, PA. From its two office locations, the bank offers a variety of consumer and commercial banking services.

As of June 30, 2019, American Bank reported \$518 million in total loans, equivalent to 81% of its total assets. The bank's loans increased 24% since the last CRA evaluation, when loans totaled just over \$416 million (as of March 31, 2016). American Bank was rated satisfactory at its previous Community Reinvestment Act (CRA) evaluation dated August 15, 2016.

A review of the bank's June 30, 2019 Consolidated Reports of Condition and Income (Call Report) indicated that by dollar volume, commercial loans were by far the largest segment of the bank's loan portfolio at \$358 million (69%). This category consists of commercial mortgages and commercial and industrial loans. Closed-end loans secured by residential real estate were the second largest segment of the bank's loan portfolio at \$73 million (14%), and multifamily residential loans made up \$37 million, or 7%, of the bank's total loan portfolio. In total, residential real estate loans (including closed-end and open-end residential mortgages, and loans for multifamily properties) accounted for 22% of the bank's loan portfolio.

The composition of the bank's loan portfolio is presented in the following table.

LOANS as of 06/30/2019	\$ (000)	%
Construction & Land Development	41,837	8.1
Loans Secured by Farmland	579	<1
Secured by Residential Properties (Open-end)	6,347	1.2
Secured by Residential Properties (Closed-end)	73,315	14.2
Secured by Multifamily Residential Property	36,711	7.1
Commercial Mortgages	303,519	58.6
Commercial and Industrial	54,535	10.5
Consumer Revolving	32	<1
Credit Cards	469	<1
Other Consumer	384	<1
Automobile Loans	133	<1
TOTAL LOANS	\$517,861	100%

Schedule RC-C, Part II (Loans to Small Businesses and Small Farms) of the Call Report as of June 30, 2019 indicated that just under 30% of American Bank's commercial loans were designated as small business loans, as detailed in the table on the following page.

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AMERICAN BANK Commercial Loan Portfolio		
Loans By Size	Amount Outstanding As of 6/30/2019 (\$000)	Percent
Loans with original amounts of \$100,000 or less	\$5,739	1.6%
Loans with original amounts of \$100,001 through \$250,000	\$17,142	4.8%
Loans with original amounts of \$250,001 to \$1 million	\$82,387	23.0%
Total Small Business Loans	\$105,268	29.4%
Loans greater than \$1 million	\$252,786	70.6%
Total Commercial Loans	\$358,054	100.0%

The bank's asset size and financial condition indicate that it has the ability to effectively meet the credit needs of the assessment area. There are no legal or other impediments that would hamper the bank's ability to meet community credit needs.

Assessment Area

For purposes of the CRA, American Bank has designated its assessment area as the Allentown MSA, which includes Lehigh, Northampton, and Carbon Counties in Pennsylvania, and Warren County in New Jersey. Situated in the area known as the Lehigh Valley, the Allentown MSA includes the cities of Allentown, Bethlehem, and Easton in Pennsylvania and the town of Phillipsburg in New Jersey. There have been no changes to the assessment area since the previous evaluation, and the bank's assessment area was determined to comply with the requirements of the CRA, and does not arbitrarily exclude low- or moderate-income census tracts.

Based on 2010 Census data, the Allentown MSA had 179 census tracts, of which 16 were low-income (9%), 38 were moderate-income (21%), 76 were middle-income (43%), and 49 were upper-income (27%). Of the 16 low-income census tracts, 12 were located in Lehigh County and four were in Northampton County. Of the 38 moderate-income census tracts, 15 were in Lehigh County, 12 were in Northampton County, eight were in Carbon County, and three were in Warren County.

Based on 2015 American Community Survey (ACS) data, the Allentown MSA had 179 census tracts, of which 16 were low-income (9%), 34 were moderate-income (19%), 78 were middle-income (44%), and 51 were upper-income (28%). Of the 16 low-income census tracts, 11 were located in Lehigh County, four were located in Northampton County, and one was located in Carbon County. Of the 34 moderate-income census tracts, 14 were located in Lehigh County, 14 were in Northampton County, three were in Carbon County, and three were in Warren County.

American Bank's performance was evaluated in terms of the demographic and economic context in which the bank operates. Banking in the assessment area is highly competitive. American Bank's local competitors include Lafayette Ambassador Bank, Embassy Bank for the Lehigh Valley, and First Northern Bank and Trust Company, all headquartered in the Lehigh Valley. In addition, super regionals Wells Fargo Bank, N.A.; Branch Banking and Trust Company; PNC Bank, N.A.; and Bank of America, N.A. all have a significant market presence.

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According to the Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report as of June 30, 2019, there were 32 depository institutions operating in the bank's assessment area. These institutions maintained a total of 246 banking offices, holding almost \$17 billion in deposits. American Bank ranked 10th with almost \$478 million in deposits, or nearly 3% of the aggregate retail deposit market in the assessment area. Wells Fargo Bank, N.A. held the largest share of deposits with just under 20% of the deposit market. Branch Banking and Trust Company was ranked second with almost 12% of the market, and PNC Bank, N.A. was ranked third, with 11% of the deposit market. Lafayette Ambassador Bank led the Lehigh Valley-based competitors, ranking fourth, with under 8% of the market, and Embassy Bank for the Lehigh Valley ranked sixth, with nearly 6% of deposits.

The CRA evaluation compared American Bank's home-mortgage lending to the aggregate of all lenders in the market that report real estate loans pursuant to the Home Mortgage Disclosure Act (HMDA). Annual data below provides context on the relative market share for HMDA loans in the assessment area for the years included in the CRA evaluation.

According to 2016 aggregate HMDA data, 23,775 home-mortgage loans were originated or purchased by 503 institutions operating in the Allentown MSA. American Bank ranked 66th among these institutions in 2016, with less than 1% of the market, originating 56 loans and purchasing 7 loans for a total of 63 HMDA-reportable loans. Wells Fargo Bank, N.A. led the home-mortgage market with 3,061 originations and purchases, or about 13% of the market. Quicken Loans, Inc. was ranked second with 1,019 originations and purchases (4%), followed by American Neighborhood Mortgage with 898 loans (just under 4%). Embassy Bank for the Lehigh Valley was ranked highest of local banks, ranking sixth with under 3% of the market.

According to 2017 aggregate HMDA data, 22,919 home-mortgage loans were originated or purchased by 502 institutions operating in the Allentown MSA. American Bank ranked 52nd among these institutions in 2017, with less than 1% of the market, originating 89 HMDA-reportable loans. Again, Wells Fargo Bank, N.A. ranked first with 2,581 originations and purchases (11%), followed by Quicken Loans (968 loans or 4% of the market), and American Neighborhood Mortgage (917 loans or 4% of the market). Embassy Bank for the Lehigh Valley led local banks with 550 loans, or 2% of the market.

The bank's small business lending was also compared to the aggregate of all small business reporters in the assessment area. Small business market share is discussed below for the years included in the CRA evaluation.

According to 2016 aggregate CRA data, 15,650 small business loans were originated or purchased by 121 institutions operating in the Allentown MSA. American Bank ranked 17th among these institutions in 2016, originating 155 small business loans (1%). American Express Bank, FSB ranked first with 2,745 originations (18% of the small business market). PNC Bank, N.A. was second with 1,483 loans (9%), followed by Wells Fargo Bank, N.A., with 1,399 loans (9%). Embassy Bank for the Lehigh Valley led local banks, ranking 13th, with 281 loans (2% of the small business market).

According to 2017 aggregate CRA data, 15,748 small business loans were originated or purchased by 120 institutions operating in the Allentown MSA. American Bank ranked 22nd among these institutions in 2017, originating 88 small business loans (less than 1% of the market). Again, American Express Bank, FSB; PNC Bank, N.A.; and Wells Fargo Bank, N.A. ranked first, second and third, with 19%, 11% and 8% of the market, respectively. Embassy Bank for the Lehigh Valley led local banks, ranking 14th, with less than 2% of the market.

According to 2018 aggregate CRA data, 16,207 small business loans were originated or purchased by 117 institutions operating in the Allentown MSA. American Bank ranked 24th among these institutions in 2018, originating 89 small business loans (less than 1%). American Express Bank, FSB led the market with 3,009 loans (19%), followed by Chase Bank USA, N.A. with 1,544 loans (under 10%); and Wells Fargo Bank, N.A. with 1,468 small business loans (9%). Embassy Bank for the Lehigh Valley led local banks, ranking 13th, with less than 2% of the small business market.

Since CRA small business loan reporting includes small business loans issued under corporate credit card arrangements, the reporters with the highest rankings include national credit card originators such as the ones noted above. In 2019, the top ten small business reporters were all national or super regional banks who have large credit card portfolios. Together, these ten institutions comprised 76% of the small business lending market in the Allentown MSA.

To supplement economic, demographic and performance data, and to gain a better perspective on community credit needs, interviews were conducted with two community representatives that operate within the Allentown MSA.

More specifically, discussions were held with a community action group and a small business association located in the assessment area. Community groups identified a need for quality, affordable housing, particularly housing suitable for first-time homebuyers. Housing stock in the urban sections of the assessment area is older and in various states of disrepair. Further, contacts noted that savings products and credit “clean-up” programs would help to better prepare potential first-time homebuyers for successful mortgage relationships with banks, and both are needed in the assessment area.

ECONOMIC CHARACTERISTICS

Located in eastern Pennsylvania, the Allentown MSA is situated between the Philadelphia and New York City metropolitan areas. The Allentown MSA had a population of 821,173 as of the 2010 Census, and a population of 828,232 as of the 2015 ACS update. The Allentown MSA itself is part of the larger New York-Newark, NY-NJ-CT-PA Combined Statistical Area, which contains approximately 23 million people.

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The local economy is in a late expansion phase, and is largely supported by the region’s niche in transportation and warehousing jobs.¹ The Allentown MSA has successfully capitalized on its proximity to major interstate systems, airports, and large northeastern markets, and now boasts the fourth highest concentration of logistics jobs in the northeastern United States. Further, tourism continues to grow, with the addition of another 300-room hotel tower planned in connection with the Sands Bethworks Casino, which was purchased by Wind Creek Hospitality in 2019. Areas of strength in the local economy include downtown revitalization in Allentown, Bethlehem and Easton, which has spurred investment and hiring; proximity to the more expensive New York City and Philadelphia metro divisions; below-average employment volatility; and improving migration patterns. Weaknesses include weak local government finances; aging infrastructure; and an aging population.

The local workforce in the Allentown MSA is primarily service-based, with education and health services representing over 20% of the total jobs in the Allentown MSA. Professional and business services are the second-largest category of workers, comprising over 13% of the total employees in the Allentown MSA. The employment sector is well-diversified, with retail trade, government, leisure and hospitality services and manufacturing each accounting for over 10% of the MSA’s employment sector. The five largest employers in the area are the Lehigh Valley Health Network; St. Luke’s University Health Network; Air Products and Chemicals; Sands Bethworks Gaming, LLC; and Dorney Park/Wildwater Kingdom.

The unemployment rates in the Allentown MSA have been trending downward, but currently exceed statewide rates in Pennsylvania, New Jersey, and the nation as a whole. The highest unemployment rates in the Allentown MSA are present in Carbon County, followed by Lehigh and then Northampton Counties. Seasonally unadjusted unemployment rates for the assessment area are presented in the following table, along with state and nationwide comparators.

American Bank			
Annual Unemployment Rates % (Not Seasonally Adjusted)*			
Geographical Area	2018	2017	2016
United States	3.9	4.4	4.9
Commonwealth of Pennsylvania	4.3	4.9	5.4
Allentown-Bethlehem-Easton, PA MSA	4.5	4.9	5.2
Lehigh County, PA	4.6	5.0	5.3
Northampton County, PA	4.4	4.9	5.2
Carbon County, PA	5.1	5.5	6.0
State of New Jersey	4.1	4.6	5.0
Warren County, NJ	3.8	4.2	4.6

*Source: United States Department of Labor, Bureau of Labor Statistics

¹Source: Moody’s Analytics Precis Report - May 2019

HOUSING

2010 Census Data

According to the 2010 Census, the Allentown assessment area contained 338,833 housing units, of which 67% (228,340 units) were owner-occupied, 25% (84,180) were rental units, and 8% (26,313) were vacant. The overall owner-occupancy rate in the assessment area (67%) was slightly higher than in the Commonwealth as a whole (63%).

The distribution of owner-occupied housing units throughout the assessment area is used as a proxy to estimate demand for residential mortgage lending within such tracts. It is noteworthy that there is a significant disparity between owner-occupancy rates in low- and moderate-income census tracts as compared to owner-occupancy rates in middle- and upper-income census tracts. Of the housing units located in low-income census tracts, only 32% were owner-occupied units. In moderate-income census tracts, 50% of the housing stock was owner-occupied. By contrast, 72% of the housing units in middle-income census tracts were owner-occupied, and in upper-income census tracts, 83% of the housing stock was owner-occupied.

Single family units comprised 78% of the total housing units in the Allentown MSA, two-to-four family units made up 9%, and multifamily units, defined as dwellings consisting of five or more units of housing, comprised 11% of the housing in the MSA. The remaining 3% of housing stock was comprised of mobile homes. The median age of the housing stock in the MSA was 46 years, compared to a statewide median age of 50 years in Pennsylvania. It is noteworthy that the median age of the MSA's housing stock in both low- and moderate-income census tracts was 61 years, making it significantly older than the housing stock in middle- and upper-income census tracts (45 and 30 years, respectively). This may indicate a particular need for home-improvement lending in low- and moderate-income tracts, to rehabilitate the aged housing stock.

According to 2010 Census data, the median housing value in the assessment area was \$215,234, although values varied widely across census tracts. The median value of a home in the assessment area's low-income census tracts was \$110,927, and increased slightly to \$135,257 in moderate-income tracts. In middle-income tracts the median housing value nearly doubled, jumping to \$202,196 and climbed even further, to \$301,915 in upper-income tracts. The MSA's median housing value far surpassed the value in the Commonwealth as a whole (\$159,300), making it more expensive to purchase a home in the MSA than in the Commonwealth.

Similarly, median gross rent (rent plus utilities) in the Allentown MSA (\$828) exceeded the Pennsylvania statewide median gross rent of \$739. Within the MSA, the percentage of renters spending more than 30% of their income on rent was 48%, which was slightly higher than the percentage in the Commonwealth of Pennsylvania (44%), further confirming that housing costs are less affordable in the MSA than in other parts of the state.

2015 ACS Data

According to 2015 ACS data, the Allentown assessment area contained 343,976 housing units, of which 64% (220,521 units) were owner-occupied, 27% (93,784) were rental units, and 9% (29,671) were vacant. Again, the owner-occupancy rate in the MSA (64%) slightly exceeded the rate in the Commonwealth as a whole (61%). Additionally, disparities continued to exist between owner-occupancy rates in low- and moderate-income census tracts compared with those in middle- and upper-income census tracts. Of the housing units in low-income census tracts, only 27% of was owner-occupied, and in moderate-income census tracts, 46% of the housing stock was owner-occupied. By contrast, 67% of the housing in middle-income census tracts was owner-occupied, and 81% of the housing stock was owner-occupied in upper-income tracts. Again, this signals significantly less need for home-mortgage lending in low-income tracts, in particular.

Single family units comprised 77% of the total housing units in the Allentown MSA, while two-to-four family units made up 9%, and multifamily units comprised 12% of the housing in the MSA. The remaining 2% of housing stock comprised of mobile homes. The median age of the housing stock in the MSA is 55 years, making it comparable to the statewide median age of 54 years in Pennsylvania. As in the 2010 Census data, the median age of the MSA's housing stock in both low- and moderate-income census tracts was 61 years, which is older than the median age in middle-income tracts (56 years), and significantly older than the median age in upper-income tracts (38 years).

The median housing value in the assessment area has dropped since the 2010 Census, decreasing from \$215,234 to \$199,777. However, the disparity between housing values in low- and moderate-income areas and the values in middle- and upper-income areas remained. Low-income census tracts had a significant 20% drop in housing values, with a median housing value of \$89,071 reported in the 2015 ACS, and moderate-income census tract housing values dropped slightly to \$132,100. Median housing values in middle-income tracts were \$185,926, and values in upper-income census tracts were \$266,335.

Gross rents and, in turn, rent burden in the assessment area have increased since the 2010 Census. Using 2015 ACS data, median gross rent in the Allentown MSA measured \$941, compared to the Pennsylvania statewide median gross rent of \$840. The percentage of renters spending more than 30% of their income on rent measured 50% in the assessment area, which is higher than the percentage in Pennsylvania (46%).

Borrower Income Data

2010 Census Data

The percentage of low- and moderate-income families is used as a proxy to estimate demand for home-mortgage lending in the assessment area. According to 2010 Census data, of the 215,755 families in the assessment area, 20% were designated as low-income, 18% were designated as moderate-income, 22% were designated as middle-income, and 40% were designated as upper-income. Families living below the poverty level represented 7% of families in the assessment area which compared favorably to the poverty level in the Commonwealth as a whole, at 9%.

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2015 ACS Data

According to 2015 ACS data, of the 214,409 families in the assessment area, 21% were low-income, 18% were moderate-income, 21% were middle-income, and 40% were upper-income. Families living below the poverty level accounted for 8% of the assessment area's population, compared to 9% in Pennsylvania.

For purposes of evaluating the distribution of loans to borrowers of different income levels, incomes were classified based upon U.S. Department of Housing and Urban Development (HUD) annually-adjusted median family income data made available by the Federal Financial Institutions Examination Council (FFIEC). The assessment area's HUD-adjusted median family incomes for the years 2016, 2017, and 2018 are listed in the table below, along with the dollar amounts recognized as low-, moderate-, middle-, and upper-income.

Year	HUD-Adjusted Median Family Income	Low Income (<50%)	Moderate Income (50%-less than 80%)	Middle Income (80%-less than 120%)	Upper Income (120% or Greater)
2016	\$70,900	Less than \$35,450	\$35,450 - \$56,719	\$56,720 - \$85,079	\$85,080 or more
2017	\$75,200	Less than \$37,600	\$37,600 - \$60,159	\$60,160 - \$90,239	\$90,240 or more
2018	\$76,100	Less than \$38,050	\$38,050 - \$60,879	\$60,880 - \$91,319	\$91,320 or more

GEOGRAPHIC BUSINESS DATA2010 Census Data

The percentage of businesses located within designated census tracts is used as a proxy to estimate demand for business credit within such census tracts. According to Dun & Bradstreet, in 2016, there were 34,820 businesses located in the bank's assessment area. Of these, 5% of businesses were located in low-income census tracts, 18% were located in moderate-income tracts, 41% were located in middle-income tracts, and 35% were located in upper-income tracts. Business demographics also revealed that of the 34,820 businesses, 91% were small businesses with gross annual revenues of \$1 million or less.

2015 ACS Data

ACS data reflects a drop in the number of businesses in the assessment area in 2017 (31,822 businesses). Of these, 5% of businesses are located in low-income census tracts, 15% are in moderate-income tracts, 43% are in middle-income tracts, and 37% are in upper-income tracts. Business demographics also revealed that of the 31,822 businesses, 90% were small businesses with gross annual revenues of \$1 million or less.

Finally, in 2018, 37,671 businesses operated in the assessment area. In 2018, 6% of businesses were located in low-income tracts, and 16% were located in moderate-income tracts. Again, the majority of businesses were located in middle- and upper-income tracts (42% and 37%, respectively). According to Dun & Bradstreet data, in 2018, 91% of businesses in the assessment area were small businesses.

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The demographics used to assess the performance context in which American Bank operates are detailed in the tables on the following pages. It should be noted that 2010 Census data is used to compare the bank's lending for 2016, and 2015 ACS data is used to compare the bank's 2017 and 2018 lending.

American Bank Assessment Area Demographics 2016								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	16	8.9	14,207	6.6	4,677	32.9	42,710	19.8
Moderate-income	38	21.2	40,126	18.6	5,861	14.6	39,351	18.2
Middle-income	76	42.5	90,604	42.0	3,698	4.1	47,195	21.9
Upper-income	49	27.4	70,818	32.8	1,628	2.3	86,499	40.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	179	100.0	215,755	100.0	15,864	7.4	215,755	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied		Rental		Vacant		
	#	#	%	%	#	%	#	%
Low-income	24,981	7,998	3.5	32.0	14,309	57.3	2,674	10.7
Moderate-income	73,130	36,660	16.1	50.1	28,562	39.1	7,908	10.8
Middle-income	143,333	102,988	45.1	71.9	29,118	20.3	11,227	7.8
Upper-income	97,389	80,694	35.3	82.9	12,191	12.5	4,504	4.6
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	338,833	228,340	100.0	67.4	84,180	24.8	26,313	7.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	1,890	5.4	1,630	5.2	244	8.5	16	3.7
Moderate-income	6,192	17.8	5,569	17.7	541	18.8	82	19.1
Middle-income	14,407	41.4	13,160	41.8	1,060	36.9	187	43.5
Upper-income	12,331	35.4	11,158	35.4	1,028	35.8	145	33.7
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	34,820	100.0	31,517	100.0	2,873	100.0	430	100.0
	Percentage of Total Businesses:			90.5	8.3		1.2	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	34	5.7	32	5.5	2	16.7	0	0.0
Middle-income	268	44.9	264	45.1	4	33.3	0	0.0
Upper-income	295	49.4	289	49.4	6	50.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	597	100.0	585	100.0	12	100.0	0	0.0
	Percentage of Total Farms:			98.0	2.0		0.0	

Information Based On 2010 Census Data and 2016 Dun & Bradstreet Information

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American Bank Assessment Area Demographics 2017								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	16	8.9	13,315	6.2	4,633	34.8	44,006	20.5
Moderate-income	34	19.0	36,343	17.0	5,648	15.5	38,780	18.1
Middle-income	78	43.6	89,783	41.9	4,747	5.3	45,189	21.1
Upper-income	51	28.5	74,968	35.0	1,890	2.5	86,434	40.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	179	100.0	214,409	100.0	16,918	7.9	214,409	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
	#	#	%	%	#	%	#	%
Low-income	25,037	6,742	3.1	26.9	14,409	57.6	3,886	15.5
Moderate-income	66,903	30,801	14.0	46.0	27,624	41.3	8,478	12.7
Middle-income	146,249	97,346	44.1	66.6	36,765	25.1	12,138	8.3
Upper-income	105,787	85,632	38.8	80.9	14,986	14.2	5,169	4.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	343,976	220,521	100.0	64.1	93,784	27.3	29,671	8.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	1,688	5.3	1,485	5.2	189	6.7	14	3.7
Moderate-income	4,892	15.4	4,330	15.1	514	18.2	48	12.8
Middle-income	13,521	42.5	12,262	42.8	1,085	38.4	174	46.4
Upper-income	11,721	36.8	10,541	36.8	1,041	36.8	139	37.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	31,822	100.0	28,618	100.0	2,829	100.0	375	100.0
Percentage of Total Businesses:				89.9		8.9		1.2
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	2	0.4	2	0.4	0	0.0	0	0.0
Moderate-income	28	5.2	26	4.9	2	14.3	0	0.0
Middle-income	238	43.8	232	43.9	6	42.9	0	0.0
Upper-income	275	50.6	269	50.9	6	42.9	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	543	100.0	529	100.0	14	100.0	0	0.0
Percentage of Total Farms:				97.4		2.6		0.0

Information Based On 2015 ACS Data and 2017 Dun & Bradstreet Information

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American Bank Assessment Area Demographics 2018								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	16	8.9	13,315	6.2	4,633	34.8	44,006	20.5
Moderate-income	34	19.0	36,343	17.0	5,648	15.5	38,780	18.1
Middle-income	78	43.6	89,783	41.9	4,747	5.3	45,189	21.1
Upper-income	51	28.5	74,968	35.0	1,890	2.5	86,434	40.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	179	100.0	214,409	100.0	16,918	7.9	214,409	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-occupied			Rental		Vacant	
	#	#	%	%	#	%	#	%
Low-income	25,037	6,742	3.1	26.9	14,409	57.6	3,886	15.5
Moderate-income	66,903	30,801	14.0	46.0	27,624	41.3	8,478	12.7
Middle-income	146,249	97,346	44.1	66.6	36,765	25.1	12,138	8.3
Upper-income	105,787	85,632	38.8	80.9	14,986	14.2	5,169	4.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	343,976	220,521	100.0	64.1	93,784	27.3	29,671	8.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	2,115	5.6	1,900	5.5	193	6.6	22	4.7
Moderate-income	5,886	15.6	5,288	15.4	534	18.3	64	13.6
Middle-income	15,618	41.5	14,279	41.6	1,118	38.4	221	47.1
Upper-income	14,052	37.3	12,823	37.4	1,067	36.6	162	34.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	37,671	100.0	34,290	100.0	2,912	100.0	469	100.0
	Percentage of Total Businesses:			91.0		7.7		1.2
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low-income	2	0.3	2	0.3	0	0.0	0	0.0
Moderate-income	29	4.7	27	4.4	2	18.2	0	0.0
Middle-income	282	45.3	277	45.3	4	36.4	1	100.0
Upper-income	310	49.8	305	49.9	5	45.5	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	623	100.0	611	100.0	11	100.0	1	100.0
	Percentage of Total Farms:			98.1		1.8		0.2

Information Based On 2015 ACS Data and 2018 Dun & Bradstreet Information

SCOPE OF EXAMINATION

The CRA performance of American Bank was evaluated using the Interagency Large Institution Examination procedures adopted by the Board of Governors of the Federal Reserve System, which includes assessment of performance under the lending, investment, and service tests. The current evaluation of American Bank's CRA performance covers the period from August 16, 2016 through September 23, 2019.

Under the lending test, loan products evaluated included:

- Small business loans reported by the bank, pursuant to CRA, for calendar years 2016, 2017, and 2018;
- Home-purchase and home-improvement loans, and the refinancing of such loans, collectively titled HMDA loans, reported by the bank for calendar years 2016 and 2017²; and
- Other loans that qualified as community development loans during the entire evaluation period (August 16, 2016 through September 23, 2019).

As mentioned previously, American Bank is primarily a commercial lender, with 69% of its portfolio concentrated in commercial real estate and commercial and industrial loans. As a result, for CRA evaluation purposes, American Bank's small business lending was weighted more heavily than its HMDA lending.

American Bank's HMDA and small business loans were compared to the aggregate of all lenders in the assessment area reporting home-mortgage loans pursuant to HMDA, and small business loans pursuant to CRA. These data are reported annually. Examiners also analyzed the demographic characteristics of the assessment area as one way to measure loan demand. Demographic information should not be construed as defining an expected level of lending for a particular loan product, group of borrowers, or geography. Rather, demographic data provides context for the bank's performance in the assessment area where it operates.

For purposes of evaluating the geographic distribution of loans, census tracts were classified on the basis of 2010 U.S. Census data for evaluation year 2016, and on the basis of 2015 ACS data for 2017 and 2018³. The distribution of loans to borrowers of different income levels was analyzed based upon annually-adjusted HUD median family income data made available by the FFIEC. All other demographic indices and statistics presented throughout this evaluation are based on 2010 U.S. Census data for 2016, and on updated 2015 ACS data for 2017 and 2018, unless otherwise noted.

For small business loans, examiners considered Dun & Bradstreet data for comparison purposes. Dun & Bradstreet collects and publishes data on the revenues and locations of local businesses.

² At the time of the evaluation, HMDA data reported from January 1, 2018 to December 31, 2018 was not available for analysis and thus was not considered in this performance evaluation.

³ According to FFIEC policy, 2015 ACS data is used to analyze 2017 and 2018 lending data, while previous years use 2010 Census data for comparison.

American Bank's community development loans, qualified investments, and community development services for the entire evaluation period were reviewed to assess the bank's performance under the community development portions of the lending, investment, and service tests.

Finally, as detailed previously, to supplement economic, demographic and performance data, examiners also conducted two community contacts in the assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Performance under the lending test is rated high satisfactory.

The lending test evaluates an institution's lending activities based on the following factors:

- Lending activity in the assessment area;
- Concentration of lending within the assessment area, including small business and HMDA lending;
- Distribution of loans to businesses of different sizes, including small businesses, and borrowers of different income levels, including low- and moderate-income borrowers;
- Geographic distribution of loans, including loans originated in low- and moderate-income census tracts;
- Responsiveness to the credit needs of very small businesses, and highly economically disadvantaged census tracts and low-income persons;
- Innovativeness and flexibility of lending practices; and
- Community development lending activities.

Lending Activity

Overall, American Bank's lending levels reflect excellent responsiveness to its assessment area's credit needs. As of June 30, 2019, net loans represented 80% of average assets, exceeding the same measure for the peer group⁴, at 70%. Further, American Bank's loan-to-deposit ratio measured 107% as of June 30, 2019, again significantly exceeding the peer group's ratio, at 83%. American Bank's small business and HMDA lending activity during the evaluation period is summarized in the table on the following page.

⁴ American Bank's Uniform Bank Performance Report peer group includes insured commercial banks having assets between \$300 million and \$1 billion.

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Summary of Lending Activity

Loan Type	#	%	\$(000s)	%
Total Consumer related	0	0.0	0	0.0
Home Improvement	19	<0.1	2,004	<0.1
Home Purchase	135	0.1	27,990	0.1
Multi-Family Housing	19	<0.1	11,471	0.1
Refinancing	53	0.1	13,399	0.1
Total HMDA related	226	24.1	54,864	24.4
Small Business - Secured by Real Estate	300	32.0	67,796	30.2
Small Business	412	43.9	102,128	45.4
Total Small Business related	712	75.9	169,924	75.6
Total Small Farm related	0	0.0	0	0.0
TOTAL LOANS	938	100.0	224,788	100.0

Note: Affiliate loans include only loans originated or purchased within the bank's assessment areas.

Assessment Area Concentration

An analysis was performed to determine the volume of loans extended inside and outside of the bank's assessment area. The analysis considered an evaluation of American Bank's small business and home-mortgage loans. A high percentage of loans were made in the bank's assessment area. With respect to small business loans, 81% of the number of small business loans reported were extended within the bank's assessment area, while 73% of the aggregate dollar amount of small business loans reported were extended in the assessment area. This performance was slightly below the performance at the previous evaluation, when 88% of small business loans by number, and 84% by dollar volume, were made within the assessment area.

With respect to HMDA loans, 83% of the total number of HMDA loans reported during the evaluation period and 71% of aggregate dollar amount of HMDA loans reported were extended in the assessment area. Again, current assessment area concentration performance declined slightly since the previous evaluation, when 89% of HMDA loans by number, and 83% by dollar volume were made inside the assessment area.

Overall, 82% of the bank's loans by number, and 72% of loans by dollar volume were made within the assessment area during the current evaluation period. At the previous evaluation, 88% of loans were made in the assessment area by number, while 84% were inside the assessment area by dollar volume.

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The table below shows the distribution of lending inside and outside the bank’s assessment area.

American Bank								
Lending Inside and Outside the Assessment Area*								
Loan Type	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Improvement	18	94.7	\$1,958	97.7	1	5.3	\$46	2.3
Home Purchase - Conventional	91	82.0	\$16,982	73.5	20	18.0	\$6,131	26.5
Home Purchase – FHA	1	100.0	\$112	100.0	0	0.0	\$0	0.0
Multifamily Housing	12	63.2	\$4,860	42.4	7	36.8	\$6,611	57.6
Refinancing	30	90.9	\$8,736	93.2	3	9.1	\$638	6.8
Total HMDA related	152	83.1	\$32,648	70.9	31	16.9	\$13,426	29.1
Small Business - Secured by Real Estate	245	81.7	\$52,676	77.7	55	18.3	\$15,120	22.3
Small Business	332	80.6	\$71,024	69.5	80	19.4	\$31,104	30.5
Total Small Business related	577	81.0	\$123,700	72.8	135	19.0	\$46,224	27.2
TOTAL LOANS	729	81.5	\$156,348	72.4	166	18.5	\$59,650	27.6

*Does not include affiliate lending.

Distribution of Loans by Revenue Size of Business and Borrower Income Level⁵

Given the assessment area’s demographics and economic characteristics, the distribution of borrowers reflects good penetration among businesses of different sizes, including small businesses, and individuals of different income levels, including low- and moderate-income individuals. As indicated previously, small business lending was provided greater weight in determining the bank’s overall borrower distribution performance.

Lending to Businesses of Different Sizes

An analysis of American Bank’s distribution of loans to businesses reflects good penetration among business customers of different sizes, including small businesses. For purposes of this evaluation, a small business loan is defined as a commercial loan with an origination amount of \$1 million or less. Small business loans are further quantified to identify those loans to businesses with gross annual revenues of \$1 million or less, namely, small businesses.

The number of businesses operating in the Allentown MSA is used as a proxy to estimate demand for business credit in the assessment area. According to available business data, there were 34,820 businesses operating in the assessment area in 2016, 31,517 (91%) of which were designated as small businesses reporting revenues of less than \$1 million. In 2017, 31,822 businesses were operating in the assessment area, 90% of which (28,618) were designated as small businesses. Finally, in 2018, 37,671 businesses were operating in the assessment area, 91% of which (34,290) were designated as small businesses.

⁵The information used to evaluate lending activity by **Error! Reference source not found.**American Bank is detailed in the Loan Distribution Tables contained in the Appendix.

2010 Census Data

In 2016, American Bank's small business lending was good. The bank originated 155 small business loans aggregating more than \$28 million within the assessment area. Of the loans originated, 61% were extended to small businesses. American Bank's performance exceeded that of aggregate lenders, who made 50% of all small business loans to small businesses.

Small business lending data were further analyzed to determine the extent of loans originated in an amount of \$100 thousand or less, as such loans generally address the borrowing needs of very small businesses. Thus, added weight is given to such loans in determining whether an institution is meeting the credit needs of smaller businesses. Of the small business loans American Bank reported in 2016, 54% were extended in an amount of \$100 thousand or less. This was notably below the aggregate level of 93%. However, it is noted that the aggregate lenders' high percentage of small business loans is driven by small business credit card lending. Credit card-related loans, which are reported as small business loans for CRA purposes, are generally originated in lower dollar amounts, thereby skewing aggregate small business loan data. As mentioned previously, the top ten CRA small business lenders in the Allentown MSA are all national or super regional banks with substantial credit card portfolios.

2015 ACS Data

In 2017, American Bank's small business borrower distribution was good. The bank originated 88 small business loans aggregating more than \$19 million within the assessment area. Of the loans originated, 64% were extended to small businesses. By comparison, based on 2017 aggregate data for all reporting lenders, 51% of all small business loans were extended to small businesses.

Of the small business loans American Bank reported in 2017, 40% were extended in an amount of \$100 thousand or less. For the aggregate in 2017, 93% were extended in an amount of \$100 thousand or less.

Finally, in 2018, American Bank's small business lending was good. American Bank originated 89 small business loans aggregating nearly \$24 million within the assessment area. Of the loans originated, 62% were extended to small businesses. By comparison, based on 2018 aggregate data for all reporting lenders, 47% of all small business loans were extended to small businesses.

Of the small business loans American Bank reported in 2018, 40% were extended in an amount of \$100 thousand or less. For the aggregate in 2018, 93% of small business loans were extended in an amount of \$100 thousand or less.

Over the evaluation period, American Bank originated an additional 245 small business loans which were secured by residential real estate and not reportable for purposes of CRA. These loans aggregated just under \$53 million. Data presented below is meant for contextual purposes only.

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Of the 245 small business loans secured by residential real estate, 96 were originated in 2016 aggregating \$18 million. Of those 96 loans, 88 (92%) were extended to small businesses, and 44% were extended in amounts of \$100 thousand or less.

In 2017, 70 of the 245 small businesses loans secured by residential real estate were originated, aggregating \$16 million. Of those 70 loans, 59 (84%) were extended to small businesses, and 30% were extended in amounts of \$100 thousand or less.

In 2018, 79 of the 245 loans were originated, aggregating \$18 million. Of those 79 loans, 57 (72%) were extended to small businesses, and 38% were extended in amounts of \$100 thousand or less.

Home-Mortgage Lending

Error! Reference source not found.American Bank’s distribution of home-mortgage loans among borrowers of different income levels, including low- and moderate-income borrowers, was poor.

For purposes of evaluating the distribution of loans to borrowers of different income levels, incomes are classified based upon annually-adjusted median family income data made available by the FFIEC. The respective percentages of low- and moderate-income families in the assessment area are used as proxies to estimate demand for home-mortgage credit. Generally, the higher the percentages of low- and moderate-income families in an assessment area, the greater the demand for credit among low- and moderate-income individuals and families within the assessment area. According to the 2010 Census, nearly 40% of households in the Allentown MSA are considered low- or moderate-income. More specifically, 20% of families in the assessment area were low-income, 18% were moderate-income, 22% were middle-income, and 40% were upper-income. Very little change was noted in 2015 ACS-updated demographic information.

It is noted that American Bank is not a significant originator of home-mortgage loans in the Allentown MSA, making less than 1% of the total HMDA-reportable loans in the assessment area in each of the years examined. As mentioned previously, only data from years 2016 and 2017 are included in this home-mortgage lending analysis.

The following tables compare American Bank’s home-mortgage lending to aggregate home-mortgage lending levels, using median family income as a proxy for loan demand.

American Bank Distribution of HMDA Loans by Borrower Income Level			
Income Level	% Families by Family Income (2010 Census)	2016	
		% American Bank Lending	% Aggregate Comparison
Low	19.8	4.7	6.4
Moderate	18.2	12.3	16.9
Middle	21.9	8.5	21.1
Upper	40.1	44.3	36.8
Unknown	0.0	30.2	18.8
Total	100%	100%	100%

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American Bank Distribution of HMDA Loans by Borrower Income Level			
Income Level	% Families by Family Income (2015 ACS)	2017	
		% American Bank Lending	% Aggregate Comparison
Low	20.5	1.1	8.2
Moderate	18.1	4.5	19.2
Middle	21.1	16.9	21.1
Upper	40.3	55.1	33.8
Unknown	0.0	22.5	17.7
Total	100%	100%	100%

Lending to Low-Income Borrowers

Overall, American Bank’s lending to low-income borrowers was poor.

2010 Census Data

American Bank’s lending in 2016 to low-income borrowers was adequate. In 2016, American Bank originated 5% of its HMDA loans to low-income borrowers, compared to 20% of the assessment area families categorized as low-income and an aggregate lending level of 6%. Categorized by product type, American Bank originated 6% of its home-purchase loans (4 loans), and 3% of its refinance loans (1 loan) to low-income borrowers in 2016. None of the bank’s 2016 home-improvement or multifamily loans were originated to low-income borrowers. Aggregate lenders originated 8% of home-purchase loans, 4% of refinance loans, 7% of home-improvement loans, and no multifamily loans to low-income borrowers in 2016.

2015 ACS Data

American Bank’s lending in 2017 to low-income borrowers was poor. In 2017, American Bank originated only one of its HMDA-reportable loans (1%) to low-income borrowers. This performance was far below the proxy of 21%, and also trailed aggregate lenders, who made 8% of HMDA loans to low-income borrowers in 2017. Categorized by product type, American Bank originated only one of its home-purchase loans (2%) to low-income borrowers in 2017. None of the bank’s 2017 refinance loans, home-improvement loans, or multifamily loans were originated to low-income borrowers. Comparatively, aggregate lenders made 9% of home-purchase loans, 7% of refinance loans, 8% of home-improvement loans, and no multifamily loans to low-income borrowers.

Although American Bank’s lending to low-income borrowers was poor during the evaluation period, this performance must be considered within the bank’s overall performance context, which takes into account a variety of factors, including the bank’s business strategy, opportunities for lending within the MSA, and the assessment area’s overall economic characteristics. American Bank is primarily a commercial lender, is not a significant mortgage lender in the assessment area, and operates in a highly competitive banking market.

Further, as noted previously, owner-occupied housing in the Allentown MSA is concentrated mainly in middle- and upper-income tracts. More specifically, using 2010 Census data, only 32% of housing units in low-income census tracts were owner-occupied. Using 2015 ACS data, this measure dropped to 27%. These data show the relative scarcity of owner-occupied units to which HMDA lending is possible.

Finally, using 2010 Census data, 29% of low-income families were living below the poverty level. This measure was similar using 2015 ACS data (27%). Viewed through a different lens, of the households in the assessment area's low-income census tracts, 25% received some form of public assistance. Based on 2015 ACS data, 27% of households in low-income tracts received public assistance. These factors make it difficult for potential low-income borrowers to save the customary down payment and closing costs associated with conventional home-mortgage financing.

Lending to Moderate-Income Borrowers

American Bank's lending to moderate-income borrowers was poor.

2010 Census Data

American Bank's lending in 2016 to moderate-income borrowers was adequate. In 2016, American Bank originated 12% of its HMDA-reportable loans to moderate-income borrowers, compared to the proxy of 18% of the assessment area families categorized as moderate-income. By comparison, aggregate HMDA data show that 17% of HMDA loans in the Allentown MSA were originated to moderate-income borrowers in 2016. By product type, 9% of the bank's home-purchase loans (6 loans), 20% of refinance loans (6 loans), 16% of home-improvement loans (1 loan) and no multifamily loans were made to moderate-income borrowers. In comparison, aggregate lenders made 20% of home-purchase loans, 13% of refinance loans, 16% of home-improvement loans, and no multifamily loans to moderate-income borrowers in 2016.

2015 ACS Data

American Bank's lending in 2017 to moderate-income borrowers was poor.

In 2017, American Bank originated 5% of its HMDA-reportable loans to moderate-income borrowers, compared to 18% of the assessment area families categorized as moderate-income. By comparison, aggregate HMDA data show that 19% of all HMDA loans in the Allentown MSA were originated to moderate-income borrowers in 2017. By product, 6% of American Bank's home-purchase loans (3 loans), 5% of refinance loans (1 loan), and no home-improvement or multifamily loans were made to moderate-income borrowers. By comparison, aggregate lenders made 21% of home-purchase loans, 16% of refinance loans, 17% of home-improvement loans, and no multifamily loans to moderate-income families in 2017.

Like low-income borrowers, moderate-income borrowers face similar home ownership challenges, which are taken into consideration when assessing the performance of American Bank and aggregate lenders.

Geographic Distribution of Loans

An analysis of the geographic distribution of small business and home-mortgage loans was conducted to determine the dispersion of loans among different census tracts within the assessment area, with a focus on loan penetration in low- and moderate-income census tracts. Overall, the analysis reflects good dispersion of loans throughout the assessment area. It is noted that as with borrower distribution analysis, small business lending was provided greater weight in determining the bank's overall geographic borrower distribution performance due to the volume, by number and dollar amount, of the bank's small business loans.

Lending to Businesses of Different Sizes

The geographic distribution of American Bank's small business loans reflects excellent penetration throughout the assessment area, in the context of the assessment area's demographic and economic characteristics, during the evaluation period.

The geographic distribution of businesses in the assessment area by census tract type is used as a proxy for small business loan demand. Generally, the greater the number of businesses located in a tract, the greater the demand for small business credit in the tract. According to Dun & Bradstreet data, in 2016, 5% of businesses were located in low-income census tracts, and 18% of businesses were in moderate-income tracts. In 2017, 5% of businesses were located in low-income tracts and 15% of businesses were in moderate-income tracts. Finally, in 2018, 6% of businesses were located in low-income tracts and 16% of businesses were in moderate-income tracts. Each year, the vast majority of businesses were located in middle- and upper-income census tracts.

Lending in Low-Income Census Tracts

American Bank's overall small business lending in low-income census tracts was good.

2010 Census Data

American Bank's small business lending in low-income tracts in 2016 was good. In 2016, American Bank originated 5% of its small business loans in low-income census tracts, aligning with both the 5% proxy and 5% aggregate lending levels.

2015 ACS Data

Small business lending in low-income tracts in 2017 was excellent. In 2017, American Bank originated 9% of its small business loans in low-income census tracts, exceeding the proxy and aggregate lending levels (both 5%).

In 2018, American Bank's lending in low-income tracts dropped, and was considered to be adequate. The bank originated 3% of its small business loans in low-income census tracts, falling short of the 6% proxy and 5% aggregate lending levels.

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Lending in Moderate-Income Census Tracts

American Bank’s overall small business lending in moderate-income tracts was excellent.

2010 Census Data

The bank’s small business lending in moderate-income tracts in 2016 was excellent. The bank originated 24% of its loans in moderate-income tracts, exceeding both the 18% proxy and 17% aggregate lending levels.

2015 ACS Data

The bank’s geographic distribution of lending in moderate-income tracts was excellent in 2017. The bank originated 30% of its loans in moderate-income tracts, significantly exceeding both the 15% proxy and aggregate lending levels.

Similarly, small business lending in moderate-income tracts in 2018 was excellent. The bank originated 25% of its loans in moderate-income tracts, greatly exceeding the 16% proxy and 15% aggregate lending levels.

The tables on the following page recap American Bank’s lending levels by census tract type, in comparison to the respective loan demand proxies of each tract type, and to aggregate lending levels from 2016 to 2018.

American Bank Geographic Distribution of Small Business Loans			
Income Level	% Businesses by Tract Income Level (2016)	2016	
		% American Lending	% Aggregate Lending
		Low	5.4
Moderate	17.8	23.9	16.6
Middle	41.4	42.6	39.4
Upper	35.4	29.0	39.3
Unknown	0.0	0.0	0.0
Total	100%	100%	100%

American Bank Geographic Distribution of Small Business Loans						
Income Level	% Businesses by Tract Income Level (2017)	% Businesses by Tract Income Level (2018)	2017		2018	
			% American Lending	% Aggregate Lending	% American Lending	% Aggregate Lending
			Low	5.3	5.6	9.1
Moderate	15.4	15.6	29.5	15.2	24.7	15.2
Middle	42.5	41.5	36.4	39.3	29.2	38.7
Upper	36.8	37.3	25.0	39.6	42.7	39.8
Unknown	0.0	0.0	0.0	1.2	0.0	1.2
Total	100%	100%	100%	100%	100%	100%

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Over the evaluation period, American Bank originated an additional 245 small business loans secured by residential real estate that are not reportable for purposes of CRA. Therefore, the data presented below is to provide additional context, and not for direct analysis purposes.

Of these 245 small business loans, American Bank originated 96 of these loans in 2016, with 16% originated in low-income census tracts and 23% in moderate-income tracts. In 2017, the bank originated 70 such loans, with 7% originated in low-income census tracts and 20% in moderate-income tracts. Finally, in 2018, 79 loans were originated, with 18% in low-income tracts and 20% in moderate-income tracts.

Home-Mortgage Lending

American Bank’s geographic distribution of home-mortgage loans reflects good dispersion throughout the assessment area, taking into consideration the bank’s business strategy and the demographics and economic characteristics of the assessment area. It is noted that the bank originates a limited number of home-mortgage loans, and that there is significant competition in the assessment area.

As previously noted, the percentage of owner-occupied housing units contained within designated census tracts is used as a proxy to estimate demand for residential mortgage lending within such tracts. Generally, the higher the level of owner-occupied residential dwellings within a census tract, the greater the demand for home-mortgage credit in the tract.

According to 2010 Census data, only 4% of owner-occupied housing stock was located in low-income census tracts in the assessment area and 16% in moderate-income tracts. The majority of owner-occupied housing was located in middle- and upper-income census tracts (45% and 35%, respectively). Using 2015 ACS data, 3% of owner-occupied housing was located in low-income tracts, and 14% was located in moderate-income tracts. Again, the majority of owner-occupied units were located in middle- and upper-income tracts (44% and 39%, respectively). The limited number of owner-occupied housing units in low- and moderate-income tracts poses a significant challenge to lending in these areas.

The table below presents American Bank’s geographic HMDA lending distribution for 2016 and 2017, in comparison to the applicable owner-occupancy housing proxy, and the aggregate level of lending in the assessment area.

American Bank Geographic Distribution of HMDA Loans			
Income Level	% Owner-Occupied Units (2010 Census)	2016	
		% American Lending	% Aggregate Lending
		Low	3.5
Moderate	16.1	15.1	14.5
Middle	45.1	47.2	43.0
Upper	35.3	27.4	39.6
Unknown	0.0	0.0	0.0
Total	100%	100%	100%

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American Bank Geographic Distribution of HMDA Loans			
Income Level	% Owner-Occupied Units (2015 ACS)	2017	
		% American Lending	% Aggregate Lending
		Low	3.1
Moderate	14.0	7.9	15.6
Middle	44.1	34.8	42.2
Upper	38.8	50.6	38.9
Unknown	0.0	0.0	0.0
Total	100%	100%	100%

Lending in Low-Income Census Tracts

Overall, for the period under review, American Bank’s overall HMDA lending in low-income tracts was good.

2010 Census Data

American Bank’s lending in low-income census tracts in 2016 was excellent. In 2016, American Bank originated 106 HMDA-reportable loans in its assessment area, aggregating \$23 million. The bank originated 10% of these loans (11 loans) in low-income census tracts, which was above both the 4% proxy and the 3% aggregate lending level. By loan type, 8% of the bank’s home-purchase loans (5 loans), 10% of refinance loans (3 loans), 75% of multifamily loans (3 loans), and no home-improvement loans were made in low-income census tracts. In comparison, aggregate lenders made 3% of home-purchase loans, 2% of refinance loans, 2% of home-improvement loans, and 19% of multifamily loans in low-income census tracts.

2015 ACS Data

American Bank’s lending in low-income census tracts in 2017 declined, but was considered to be good. In 2017, American Bank originated 89 HMDA-reportable loans in its assessment area, aggregating over \$18 million. The bank originated nearly 7% of these loans (6 loans) in low-income census tracts, which was above the proxy and aggregate lending levels, both which were 3%. By product, American Bank originated 8% of home-purchase loans (4 loans), 25% of multifamily loans (2 loans), and no refinance or home-improvement loans in low-income tracts. In comparison, aggregate lenders made 4% of home-purchase loans, 3% of refinance loans, 3% of home-improvement loans, and 22% of multifamily loans in low-income census tracts.

Lending in Moderate-Income Census Tracts

For the period under review, American Bank’s overall HMDA lending in moderate-income tracts was good.

2010 Census Data

American Bank's lending in moderate-income census tracts in 2016 was good. The bank originated 15% of HMDA loans (16 loans) in moderate-income census tracts, which was slightly below the 16% proxy, but in-line with the 15% aggregate lending level. By product, 18% of home-purchase loans (12 loans), 3% of refinance loans (1 loan), 33% of home-improvement loans (2 loans), and 25% of multifamily loans (1 loan) were made in moderate-income tracts. Aggregate lenders made 16% of home-purchase loans, 12% of refinance loans, 16% of home-improvement loans, and 39% of multifamily loans in moderate-income census tracts.

2015 ACS Data

American Bank's lending in moderate-income census tracts in 2017 was adequate. The bank originated 8% of HMDA loans (7 loans) in moderate-income census tracts, which was below both the 14% proxy and the 16% aggregate lending level. By product, American Bank made 6% of home-purchase loans (3 loans), 5% of refinance loans (1 loan), 38% of multifamily loans (3 loans), and no home-improvement loans to moderate-income tracts. Aggregate lenders made 17% of home-purchase loans, 13% of refinance loans, 11% of home-improvement loans, and 29% of multifamily loans within moderate-income tracts.

Responsiveness to Credit Needs

American Bank exhibits an adequate record of serving the credit needs of very small businesses, and low- and moderate-income individuals and areas, consistent with safe and sound banking practices. In addition to serving affordable housing needs through its retail HMDA lending, American Bank offers a number of targeted home loan programs, as discussed in more detail below. It is noted that affordable housing was the primary credit need identified in the assessment area by both community contacts.

Innovative and/or Flexible Lending Practices

American Bank makes use of innovative and/or flexible lending practices in serving assessment area needs.

To address the credit needs of small businesses in its assessment area, American Bank participates as a U.S. Small Business Administration (SBA) lender. The bank offers multiple SBA products to appeal to the needs of small businesses. As of September 23, 2019, the bank held \$7.9 million in outstanding SBA loans.

Often, the home-mortgage credit needs of low- and moderate-income individuals and families can be addressed more effectively by alternative mortgage products. In an effort to address the credit needs of such borrowers in its assessment area, American Bank participates in programs for first-time homebuyers through the Pennsylvania Housing Finance Agency (PHFA), the Neighborhood Housing Services of the Lehigh Valley, and the Federal Home Loan Bank of Pittsburgh's First Front Door Program. Through these programs, the bank makes home-mortgage loans to low- and moderate-income borrowers in conjunction with grants and forgivable loans. The programs have income parameters that effectively restrict them to low- and moderate-income borrowers. The programs also offer down payment and closing cost assistance for qualified buyers.

Throughout the evaluation period, American Bank extended \$2.7 million in loans under the aforementioned programs. Specifically, the bank granted seven PHFA-sponsored loans totaling \$931 thousand, three USDA loans totaling \$714 thousand, seven FHA loans totaling \$922 thousand, and one Freddie Mac Home Possible loan totaling \$88 thousand.

Community Development Lending

American Bank made a relatively high level of community development loans in the assessment area. During the evaluation period, the bank originated nine community development loans aggregating \$9.4 million. Of the total community development loan dollars extended, \$6.6 million, or 70%, supported revitalization/stabilization efforts (three loans), \$2.6 million (28%) supported affordable housing (five loans), and the remaining \$193 thousand, or 2% (one loan), promoted economic development in the Allentown MSA. The dollar value of American Bank's community development lending is slightly higher during this CRA evaluation period than during the prior one, when the bank made four community development loans, which totaled \$8.6 million.

Nearly \$3.4 million went to a participation loan to a developer acquiring six parcels located in Bethlehem, PA's City Revitalization & Improvement Zone (CRIZ). The former mixed-use properties stood mostly vacant and in blighted condition prior to the acquisition. The developer demolished the existing buildings and began construction on a new, six-story, mixed-use office building. The project will provide construction jobs during the building phase, and once the building is complete, existing businesses will move in and new businesses will be able to lease the remaining available space.

Another large portion of community development dollars, \$2.6 million, were for a commercial mortgage to a local labor union acquiring and renovating a new headquarters and training center. This new building, located just outside of the Neighborhood Improvement Zone (NIZ) in a low-income tract in Allentown, PA, will provide the union with more space for job training and apprenticeship programs for electrical workers in the Lehigh Valley.

INVESTMENT TEST

The investment test evaluates a financial institution's level of qualified investments that serve low- or moderate-income areas or individuals, together with the innovativeness and complexity of such investments, and their responsiveness to credit and community development needs. Qualified investments made prior to the previous evaluation, which are still outstanding, are considered under the test. For purposes of the CRA, the term qualified investment has been defined to include: a lawful investment; deposit; membership share; or grant, including a donation or in-kind contribution of property that has as its primary purpose, community development.

Performance under the investment test is rated low satisfactory.

Volume of Investment and Grant Activity

American Bank has an adequate level of qualified community development investments and grants. During the evaluation period, community development investments totaled \$428 thousand. This represents a decrease from the investment and grant amount from the previous evaluation (\$519 thousand).

Of the total investments, \$425 thousand promoted the provision of community development services, including a significant level of grants that support education initiatives in the assessment area's urban centers where education improvement is considered a core element of the neighborhood revitalization strategy. The remaining \$3 thousand support affordable housing in the assessment area.

Responsiveness to Credit and Community Development Needs

American Bank exhibits adequate responsiveness to credit and community development needs of the assessment area. Most of the bank's qualified investments and donations support community services to low- and moderate-income individuals in the assessment area's primary cities (Allentown, Bethlehem, and Easton), including those that support education programs.

Community Development Initiatives

American Bank makes rare use of innovative and/or complex investments to support community development initiatives. As noted previously, most of the bank's investment activity consisted of grant activity and donations related to community services to low- and moderate-income individuals.

SERVICE TEST

The service test evaluates the financial services provided by a financial institution using the following characteristics:

- The accessibility of delivery mechanisms within an assessment area, including the distribution of an institution's branch offices and alternative delivery mechanisms;
- The impact of changes in branch locations upon low- and moderate-income census tracts or low- and moderate-income persons in the assessment area;
- The reasonableness of business hours and services in meeting assessment area needs; and
- The extent to which an institution provides community development services.

Performance under the service test is rated low satisfactory.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to the bank's geographies and individuals of different income levels in its assessment area. The bank operates just one banking office, located in an upper-income census tract. The branch office is located within a five-mile radius of many of the assessment area's low- and moderate-income census tracts. The bank also operates two ATMs, one located in an upper-income tract at the branch office and the other in a middle-income census tract on the campus of Lehigh Carbon Community College in Schnecksville, PA. The ATMs are linked to the Allpoint and Accel ATM networks. Membership in these surcharge-free networks enhances affordable accessibility throughout the assessment area. Further, the institution will rebate up to \$4.75 of ATM fees charged by other institutions, with a maximum rebate of \$10 during a statement cycle, provided that daily balance requirements are met.

Further, American Bank operates a fully transactional website that allows consumers to conduct transactions through an online system (<http://www.ambk.com>). Online banking, offered at no charge to bank customers, allows customers to apply for loans, open deposit accounts, or pay bills online. Customers can also monitor account balances or transaction histories and transfer funds between accounts. Online banking access is available through a customer's personal computer, smartphone browser, or via mobile phone application.

Finally, the bank offers bank-by-phone services at no cost to customers, through which customers can contact a customer service representative to assist with checking account balances, transferring funds between accounts, placing stop payments, obtaining recent account histories, and reordering checks.

Changes in Branch Locations

The bank did not open or close any branches during the evaluation period, and therefore this element of the service test did not affect the outcome of the service test evaluation.

Reasonableness of Business Hours and Services in Meeting Assessment Area Needs

Services do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income census tracts or individuals. The bank's single office location has extended hours on Thursdays and Fridays, and offers Saturday morning banking hours.

Bank Products

American Bank also offers the following banking products, which help address the needs of the community and its residents.

- Forever Free Checking, a non-interest bearing account with no monthly service charge, no minimum balance requirement, and unlimited check-writing. The account offers free online access through online banking and the AMBK banking app, along with account access through the bank's customer service telephone line. This checking account provides greater access to banking services for low- and moderate-income customers.
- Community Checking, an account offered to area non-profit organizations. This interest bearing account, with no minimum balance requirement and no maintenance or per-item fees, supports local community organizations.

Community Development Services

American Bank provides an adequate level of community development services in its assessment area. Over the evaluation period, a number of employees, members of management, and board members have served on the boards of numerous community organizations. Some notable examples include:

- A board member serves on the board and as a member of the development and steering committees of South Side Vision, an initiative of the Community Action Development Corporation of Bethlehem (CADCB), which focuses on economic sustainability, housing, public spaces, safety and wellbeing, and community engagement and communication in the Bethlehem area.
- An officer serves on the board of Allentown Workforce Initiative, a community effort to employ residents of the City of Allentown at new facilities within the Neighborhood Improvement Zone.
- An officer serves on the board and also provides homeownership counseling for first-time homebuyers through Neighborhood Housing Services of Lehigh Valley (NHS). NHS is a nonprofit community organization established to provide affordable housing services to low- and moderate-income families and individuals. It is noted that homeownership counseling services were a need identified by community contacts.
- An officer serves on the board of the Community Lenders Community Development Corporation, a community development corporation that originates and services loans which provide housing for low- and moderate-income persons in the community.
- An officer serves on the board of Lehigh Economic Advancement Project, which handles state-assisted loan programs through Lehigh Valley Economic Development Council (LVEDC). LVEDC promotes economic development in the Lehigh Valley to create and retain jobs in the area.
- An officer serves on the advisory board for Community Action Financial Services (CAFS), a program of the Community Action Committee of the Lehigh Valley. Advisory board members give input on the homeownership counseling program services provided by CAFS, which include first-time homebuyer seminars, pre-settlement counseling, and pre-purchase counseling.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES

American Bank is in compliance with the substantive provisions of the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practices, inconsistent with helping to meet community credit needs, was identified.

CRA APPENDICES

CRA APPENDIX A: 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 or 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 its 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: All Agencies have adopted the following language.

- (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-
 - (i) Low-or moderate-income geographies;
 - (ii) Designated disaster areas; or
 - (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board of Governors, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - A. Rates of poverty, unemployment, and population loss; or
 - B. Population size, density, and dispersion. Activities revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals; or
- (5) Loans, investments, and services that-
 - (i) Support, enable or facilitate projects or activities that meet the "eligible uses" criteria described in Section 2301(c) of the Housing and Economic Recovery Act of 2008 (HERA), Public Law 110-289, 122 Stat. 2654, as amended, and are conducted in designated target areas identified in plans approved by the United States Department of Housing and Urban Development in accordance with the Neighborhood Stabilization Program (NSP);
 - (ii) Are provided no later than two years after the last date funds appropriated for the NSP are required to be spent by grantees; and
 - (iii) Benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or areas outside the bank's assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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

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

Full-scope review: Performance under the lending, investment, and service tests 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 under the lending, investment, and service tests 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) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in loans to small farms as defined in the instructions for preparation of the 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.

CRA APPENDIX B: SMALL BUSINESS LOAN DISTRIBUTION TABLES

LARGE INSTITUTION PERFORMANCE EVALUATION
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2016 SMALL BUSINESS LOAN DISTRIBUTION TABLE

Income Categories	SMALL BUSINESS				SMALL BUSINESS SECURED BY REAL ESTATE			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	By Tract Income							
Low	7	4.5%	910	3.2%	15	15.6%	3,812	21.0%
Moderate	37	23.9%	6,096	21.5%	22	22.9%	2,767	15.2%
Middle	66	42.6%	11,151	39.3%	36	37.5%	5,592	30.8%
Upper	45	29.0%	10,191	35.9%	23	24.0%	5,979	32.9%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	155	100.0%	28,348	100.0%	96	100.0%	18,150	100.0%
	By Revenue							
Total \$1 Million or Less	94	60.6%	16,992	59.9%	88	91.7%	15,419	85.0%
Over \$1 Million	61	39.4%	11,356	40.1%	8	8.3%	2,731	15.0%
Not Known	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	155	100.0%	28,348	100.0%	96	100.0%	18,150	100.0%
	By Loan Size							
\$100,000 or less	83	53.5%	4,766	16.8%	42	43.8%	2,724	15.0%
\$100,001 - \$250,000	36	23.2%	6,624	23.4%	37	38.5%	5,715	31.5%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	36	23.2%	16,958	59.8%	17	17.7%	9,711	53.5%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	155	100.0%	28,348	100.0%	96	100.0%	18,150	100.0%
	By Loan Size and Revenue \$1 Million or Less							
\$100,000 or less	56	59.6%	3,102	18.3%	41	46.6%	2,670	17.3%
\$100,001 - \$250,000	16	17.0%	2,911	17.1%	33	37.5%	4,987	32.3%
\$250,001 - \$1 Million (Bus)- \$500k (Farm)	22	23.4%	10,979	64.6%	14	15.9%	7,762	50.3%
Over \$1 Million (Bus) -\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	94	100.0%	16,992	100.0%	88	100.0%	15,419	100.0%

LARGE INSTITUTION PERFORMANCE EVALUATION
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2017 SMALL BUSINESS LOAN DISTRIBUTION TABLE

Income Categories	SMALL BUSINESS				SMALL BUSINESS SECURED BY REAL ESTATE			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	By Tract Income							
Low	8	9.1%	2,965	15.5%	5	7.1%	1,495	9.3%
Moderate	26	29.5%	4,917	25.7%	14	20.0%	2,196	13.6%
Middle	32	36.4%	5,767	30.2%	26	37.1%	6,189	38.4%
Upper	22	25.0%	5,468	28.6%	25	35.7%	6,226	38.7%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	88	100.0%	19,117	100.0%	70	100.0%	16,106	100.0%
	By Revenue							
Total \$1 Million or Less	56	63.6%	11,277	59.0%	59	84.3%	14,402	89.4%
Over \$1 Million	32	36.4%	7,840	41.0%	9	12.9%	1,375	8.5%
Not Known	0	0.0%	0	0.0%	2	2.9%	329	2.0%
Total	88	100.0%	19,117	100.0%	70	100.0%	16,106	100.0%
	By Loan Size							
\$100,000 or less	35	39.8%	1,957	10.2%	21	30.0%	1,563	9.7%
\$100,001 - \$250,000	31	35.2%	5,736	30.0%	29	41.4%	4,448	27.6%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	22	25.0%	11,424	59.8%	20	28.6%	10,095	62.7%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	88	100.0%	19,117	100.0%	70	100.0%	16,106	100.0%
	By Loan Size and Revenue \$1 Million or Less							
\$100,000 or less	20	35.7%	1,083	9.6%	17	28.8%	1,313	9.1%
\$100,001 - \$250,000	22	39.3%	3,870	34.3%	24	40.7%	3,551	24.7%
\$250,001 - \$1 Million (Bus)- \$500k (Farm)	14	25.0%	6,324	56.1%	18	30.5%	9,538	66.2%
Over \$1 Million (Bus) -\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	56	100.0%	11,277	100.0%	59	100.0%	14,402	100.0%

**LARGE INSTITUTION PERFORMANCE EVALUATION
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2018 SMALL BUSINESS LOAN DISTRIBUTION TABLE

Income Categories	SMALL BUSINESS				SMALL BUSINESS SECURED BY REAL ESTATE			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	By Tract Income							
Low	3	3.4%	2,045	8.7%	14	17.7%	4,564	24.8%
Moderate	22	24.7%	5,517	23.4%	16	20.3%	2,832	15.4%
Middle	26	29.2%	5,361	22.8%	30	38.0%	7,009	38.1%
Upper	38	42.7%	10,636	45.1%	19	24.1%	4,015	21.8%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	89	100.0%	23,559	100.0%	79	100.0%	18,420	100.0%
	By Revenue							
Total \$1 Million or Less	55	61.8%	15,377	65.3%	57	72.2%	12,067	65.5%
Over \$1 Million	26	29.2%	4,979	21.1%	10	12.7%	2,467	13.4%
Not Known	8	9.0%	3,203	13.6%	12	15.2%	3,886	21.1%
Total	89	100.0%	23,559	100.0%	79	100.0%	18,420	100.0%
	By Loan Size							
\$100,000 or less	36	40.4%	2,182	9.3%	30	38.0%	2,170	11.8%
\$100,001 - \$250,000	24	27.0%	4,385	18.6%	27	34.2%	4,686	25.4%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	29	32.6%	16,992	72.1%	22	27.8%	11,564	62.8%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	89	100.0%	23,559	100.0%	79	100.0%	18,420	100.0%
	By Loan Size and Revenue \$1 Million or Less							
\$100,000 or less	17	30.9%	923	6.0%	22	38.6%	1,566	13.0%
\$100,001 - \$250,000	19	34.5%	3,379	22.0%	20	35.1%	3,418	28.3%
\$250,001 - \$1 Million (Bus)- \$500k (Farm)	19	34.5%	11,075	72.0%	15	26.3%	7,083	58.7%
Over \$1 Million (Bus) -\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	55	100.0%	15,377	100.0%	57	100.0%	12,067	100.0%

CRA APPENDIX C: HMDA LOAN DISTRIBUTION TABLES

**LARGE INSTITUTION PERFORMANCE EVALUATION
SEPTEMBER 2019**

2016 HMDA LOAN DISTRIBUTION TABLE

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	5	7.6%	288	2.3%	4	6.1%	403	3.2%
Moderate	12	18.2%	858	6.9%	6	9.1%	776	6.2%
Middle	34	51.5%	7,084	57.0%	6	9.1%	950	7.6%
Upper	15	22.7%	4,195	33.8%	29	43.9%	8,132	65.4%
Unknown	0	0.0%	0	0.0%	21	31.8%	2,164	17.4%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	66	100.0%	12,425	100.0%	66	100.0%	12,425	100.0%
	Refinance							
Low	3	10.0%	694	7.7%	1	3.3%	200	2.2%
Moderate	1	3.3%	74	0.8%	6	20.0%	727	8.1%
Middle	14	46.7%	5,577	61.8%	3	10.0%	535	5.9%
Upper	12	40.0%	2,684	29.7%	16	53.3%	3,510	38.9%
Unknown	0	0.0%	0	0.0%	4	13.3%	4,057	44.9%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	30	100.0%	9,029	100.0%	30	100.0%	9,029	100.0%
	Home Improvement							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	2	33.3%	91	21.9%	1	16.7%	75	18.1%
Middle	2	33.3%	117	28.2%	0	0.0%	0	0.0%
Upper	2	33.3%	207	49.9%	2	33.3%	57	13.7%
Unknown	0	0.0%	0	0.0%	3	50.0%	283	68.2%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	6	100.0%	415	100.0%	6	100.0%	415	100.0%
	Multi-Family							
Low	3	75.0%	908	80.5%	0	0.0%	0	0.0%
Moderate	1	25.0%	220	19.5%	0	0.0%	0	0.0%
Middle	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	4	100.0%	1,128	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	4	100.0%	1,128	100.0%	4	100.0%	1,128	100.0%
	HMDA Totals							
Low	11	10.4%	1,890	8.2%	5	4.7%	603	2.6%
Moderate	16	15.1%	1,243	5.4%	13	12.3%	1,578	6.9%
Middle	50	47.2%	12,778	55.6%	9	8.5%	1,485	6.5%
Upper	29	27.4%	7,086	30.8%	47	44.3%	11,699	50.9%
Unknown	0	0.0%	0	0.0%	32	30.2%	7,632	33.2%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	106	100.0%	22,997	100.0%	106	100.0%	22,997	100.0%

LARGE INSTITUTION PERFORMANCE EVALUATION
SEPTEMBER 2019

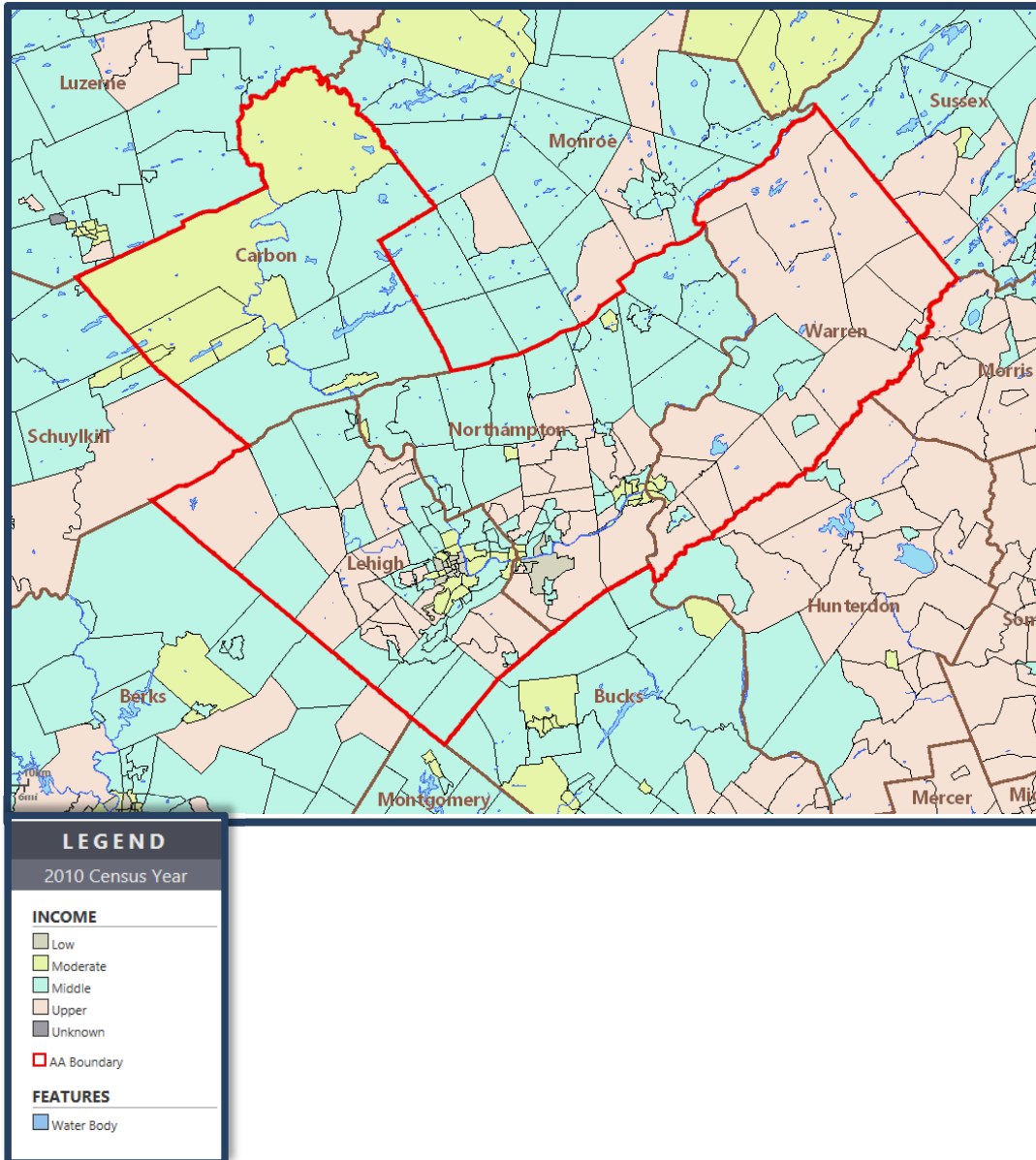
2017 HMDA LOAN DISTRIBUTION TABLE

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	4	8.2%	219	2.3%	1	2.0%	95	1.0%
Moderate	3	6.1%	267	2.8%	3	6.1%	444	4.7%
Middle	18	36.7%	3,146	33.3%	7	14.3%	896	9.5%
Upper	24	49.0%	5,802	61.5%	27	55.1%	6,406	67.9%
Unknown	0	0.0%	0	0.0%	11	22.4%	1,593	16.9%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	49	100.0%	9,434	100.0%	49	100.0%	9,434	100.0%
	Refinance							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	5.0%	100	2.7%	1	5.0%	130	3.5%
Middle	8	40.0%	1,219	32.7%	6	30.0%	989	26.5%
Upper	11	55.0%	2,413	64.7%	12	60.0%	2,264	60.7%
Unknown	0	0.0%	0	0.0%	1	5.0%	349	9.4%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	20	100.0%	3,732	100.0%	20	100.0%	3,732	100.0%
	Home Improvement							
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	2	16.7%	200	13.0%	2	16.7%	230	14.9%
Upper	10	83.3%	1,343	87.0%	10	83.3%	1,313	85.1%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	12	100.0%	1,543	100.0%	12	100.0%	1,543	100.0%
	Multi-Family							
Low	2	25.0%	498	13.3%	0	0.0%	0	0.0%
Moderate	3	37.5%	1,370	36.7%	0	0.0%	0	0.0%
Middle	3	37.5%	1,864	49.9%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	8	100.0%	3,732	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	8	100.0%	3,732	100.0%	8	100.0%	3,732	100.0%
	HMDA Totals							
Low	6	6.7%	717	3.9%	1	1.1%	95	0.5%
Moderate	7	7.9%	1,737	9.4%	4	4.5%	574	3.1%
Middle	31	34.8%	6,429	34.9%	15	16.9%	2,115	11.5%
Upper	45	50.6%	9,558	51.8%	49	55.1%	9,983	54.1%
Unknown	0	0.0%	0	0.0%	20	22.5%	5,674	30.8%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	89	100.0%	18,441	100.0%	89	100.0%	18,441	100.0%

CRA APPENDIX D: ASSESSMENT AREA MAPS

ASSESSMENT AREA

2010 Census Data



2015 ACS Data

