

PUBLIC DISCLOSURE

May 15, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**The Citizens Bank
RSSD #856748**

**655 Saint Louis Street
Batesville, Arkansas 72501**

Federal Reserve Bank of St. Louis

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

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

TABLE OF CONTENTS

I.	Institution	
	a. Institution’s CRA Rating	1
	b. Scope of Examination	1
	c. Description of Institution	3
	d. Conclusions with Respect to Performance Tests	5
	e. Fair Lending or Other Illegal Credit Practices Review	8
II.	North Central Arkansas Nonmetropolitan Statistical Area (full-scope review)	
	a. Description of Institution’s Operations in the North Central Arkansas Assessment Area.....	9
	b. Conclusions with Respect to Performance Tests in the North Central Arkansas Assessment Area.....	12
III.	Fayetteville-Springdale-Rogers, Arkansas Metropolitan Statistical Area (full-scope review)	
	a. Description of Institution’s Operations in the Fayetteville Assessment Area	19
	b. Conclusions with Respect to Performance Tests in the Fayetteville Assessment Area.....	22
IV.	Little Rock-North Little Rock-Conway, Arkansas Metropolitan Statistical Area (limited-scope review)	
	a. Description of Institution’s Operations in the Little Rock Assessment Area.....	28
	b. Conclusions with Respect to Performance Tests in the Little Rock Assessment Area.....	29
V.	Hot Springs, Arkansas Metropolitan Statistical Area (limited-scope review)	
	a. Description of Institution’s Operations in the Hot Springs Assessment Area.....	30
	b. Conclusions with Respect to Performance Tests in the Hot Springs Assessment Area.....	31
VI.	Southeast Arkansas Nonmetropolitan Statistical Area (limited-scope review)	
	a. Description of Institution’s Operations in the Southeast Arkansas Assessment Area.....	32
	b. Conclusions with Respect to Performance Tests in the Southeast Arkansas Assessment Area.....	33
VII.	Clark County, Arkansas Nonmetropolitan Statistical Area (limited-scope review)	
	a. Description of Institution’s Operations in the Clark County Assessment Area.....	34
	b. Conclusions with Respect to Performance Tests in the Clark County Assessment Area.....	35
VIII.	Appendices	
	a. Lending Performance Tables for Limited-Scope Review Assessment Areas	36
	b. Assessment Area Detail	53
	c. Glossary	54

INSTITUTION’S CRA RATING: This institution is rated SATISFACTORY.

The Lending Test is rated:

Satisfactory

The Community Development Test is rated:

Outstanding

The Citizens Bank meets the criteria for a Satisfactory rating based on the evaluation of the bank’s lending and community development activities. The factors supporting the institution’s rating include:

- The loan-to-deposit (LTD) ratio is reasonable given the institution’s size, financial condition, and credit needs of the assessment areas.
- A majority of loans and other lending-related activities are in the assessment areas.
- Distribution of loans to borrowers reflects reasonable penetration among businesses of different revenue sizes and individuals of different income levels, including low- and moderate-income (LMI).
- Geographic distribution of loans reflects an excellent dispersion throughout the assessment areas.
- There were no CRA-related complaints filed against the bank since the previous CRA evaluation.
- The bank’s overall community development performance demonstrates excellent responsiveness to the community development needs of its assessment areas, considering the bank’s capacity and the need and availability of such opportunities for community development in the bank’s assessment areas. The bank has responded to these needs through community development loans, qualified investments, and community development services.

During the COVID-19 pandemic, the bank responded to the needs of the community through its participation in the CARES Act¹ Paycheck Protection Program (PPP). The bank’s participation in the PPP was also considered in the bank’s rating.

SCOPE OF EXAMINATION

The bank’s CRA performance was evaluated using the Federal Financial Institutions Examination Council’s (FFIEC’s) Intermediate Small Bank procedures. These procedures entail two performance tests: the Lending Test and the Community Development Test. Bank performance under these tests is rated at the institution level. The bank maintains operations in six delineated assessment areas within the state of Arkansas.

¹ Coronavirus Aid, Relief, and Economic Security Act, signed into law on March 27, 2020

The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each assessment area completed as part of this evaluation. Deposit information in the following table, as well as deposit information throughout this evaluation, is taken from the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report data as of June 30, 2022.

Assessment Area	Offices		Deposits as of June 30, 2022		Assessment Area Reviews		
	#	%	\$ (000s)	%	Full Scope	Limited Scope	TOTAL
North Central Arkansas	7	41.2%	\$602,389	57.0%	1	0	1
Fayetteville	3	17.6%	\$85,904	8.1%	1	0	1
Hot Springs	2	11.8%	\$45,856	4.3%	0	1	1
Little Rock	2	11.8%	\$179,079	17.0%	0	1	1
Southeast Arkansas	2	11.8%	\$88,492	8.4%	0	1	1
Clark County	1	5.9%	\$55,054	5.2%	0	1	1
OVERALL	17	100%	\$1,056,774	100%	2	4	6

In light of branch structure, loan and deposit activity, and the bank’s CRA evaluation history, CRA performance in the North Central Arkansas and Fayetteville assessment areas were evaluated using full-scope procedures.

Furthermore, small business loans and residential real estate loans were used to evaluate the bank’s lending performance, as these loan categories are considered the bank’s core business lines based on lending volume and the bank’s stated business strategy. Additionally, consumer motor vehicle loans were used to evaluate the bank’s lending performance in the North Central Arkansas nonmetropolitan statistical area (nonMSA) assessment area due to a high volume of consumer motor vehicle lending in that area. Together, the loan activity represented by these credit products is deemed indicative of the bank’s overall lending performance. However, as the bank has a particular emphasis on commercial lending, performance based on the small business loan category carried the most significance toward the bank’s overall performance conclusions. The following table details the performance criterion and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	June 30, 2019 – March 31, 2023
Assessment Area Concentration	January 1, 2021 – December 31, 2021
Loan Distribution by Borrower’s Profile	
Geographic Distribution of Loans	
Response to Written CRA Complaints	April 15, 2019 – May 14, 2023
Community Development Activities	

Lending Test analyses often entail comparisons of bank performance to assessment area demographics and the performance of other lenders, based on Home Mortgage Disclosure Act (HMDA) and CRA aggregate lending data. Unless otherwise noted, assessment area demographics are based on 2015 American Community Survey (ACS) data by the U.S. Census Bureau, and certain business demographics are based on 2021 Dun & Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an assessment area. Aggregate lending datasets are also updated annually and are, therefore, expected to predict more relevant comparisons. In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating in the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from \$1.2 billion to \$1.7 billion as of March 31, 2023.

As part of the Community Development Test, the bank's performance was evaluated using the following criteria, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas.

- The number and dollar amount of community development loans.
- The number and dollar amount of qualified investments and grants.
- The extent to which the bank provides community development services.

The review included community development activities initiated from the date of the bank's previous CRA evaluation to this review date. In addition, investments made prior to the date of the previous CRA evaluation, but still outstanding as of this review date, were also considered.

To augment this evaluation, two community contact interviews were utilized with members of the local community in order to ascertain specific credit needs, opportunities, and local market conditions within the bank's assessment areas. Information from these interviews also assisted in evaluating the bank's responsiveness to identified community credit needs and community development opportunities. Key details from these community contact interviews are included in the *Description of Institution's Operations* section applicable to the assessment area in which they were conducted.

DESCRIPTION OF INSTITUTION

The Citizens Bank is a full-service retail bank offering both consumer and commercial loan and deposit products. The bank is wholly owned by Citizens Bancshares of Batesville, Inc., a one-bank holding company; the bank and its holding company are both headquartered in Batesville, Arkansas. The bank's branch network consists of 17 offices (including the main office); 14 of these branches have full-service automated teller machines (ATMs) on site, while one branch has a cash-dispensing-only ATM. Of the bank's 17 total branches, 15 offer drive-through services. The bank also operates one stand-alone, cash-dispensing-only ATM.

During the review period, the bank opened three branches, closed five branches, relocated one branch, and opened six loan production offices (LPOs). Of the six recently opened LPOs, three are located in the bank's assessment areas. Based on this branch network and other service delivery

systems such as extended banking hours of operation and full-service online banking capabilities, the bank is well positioned to deliver financial services to the entirety of its assessment areas.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credit needs of its customers, and the bank appeared capable of meeting the credit needs of its assessment areas based on its available resources and financial products. As of March 31, 2023, the bank reported total assets of \$1.4 billion. As of the same date, loans and leases outstanding were \$1.2 billion (79.8 percent of total assets), and deposits totaled \$1.3 billion. The bank’s loan portfolio composition by credit category is displayed in the following table.

Distribution of Total Loans as of March 31, 2023		
Credit Category	Amount \$ (000s)	Percentage of Total Loans
Construction and Development	\$144,466	12.9%
Commercial Real Estate	\$439,416	39.1%
Multifamily Residential	\$48,461	4.3%
1–4 Family Residential	\$201,996	18.0%
Farmland	\$144,530	12.9%
Farm Loans	\$13,234	1.2%
Commercial and Industrial	\$93,355	8.3%
Loans to Individuals	\$21,931	2.0%
Total Other Loans	\$15,694	1.4%
TOTAL	\$1,123,083	100%

As indicated by the table above, a significant portion of the bank’s lending resources is directed to commercial loans and loans secured by 1–4 family residential properties. While not reflected in the previous table, it is also worth noting that by number of loans originated, loans to individuals (such as consumer motor vehicle loans) represent a significant product offering for the bank. Consumer loans not related to residential real estate are typically made in smaller dollar amounts relative to other credit products.

The bank received a Satisfactory rating at its previous CRA evaluation conducted by this Reserve Bank on April 15, 2019.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The Citizens Bank meets the standards for a satisfactory Lending Test rating under the Intermediate Small Bank procedures, which evaluate bank performance under the following five criteria, as applicable.

Loan-to-Deposit (LTD) Ratio

One indication of the bank’s overall level of lending activity is its LTD ratio. The table below displays the bank’s average LTD ratio in comparison to those of regional peers. The average LTD ratio represents a 16-quarter average, dating back to the bank’s last CRA evaluation.

LTD Ratio Analysis			
Name	Headquarters	Asset Size \$ (000s) as of March 31, 2023	Average LTD Ratio
The Citizens Bank	Batesville, Arkansas	\$1,407,677	87.6%
Regional Banks	Stuttgart, Arkansas	\$1,676,943	76.2%
	Danville, Arkansas	\$1,274,873	97.4%
	Pine Bluff, Arkansas	\$1,184,259	89.4%

Based on data from the previous table, the bank’s level of lending is generally in line with similar banks in the region. During the review period, the bank’s quarterly LTD ratio experienced a generally stable trend, with a high of 97.2 percent and a low of 80.2 percent. Overall, the bank has a 16-quarter average of 87.6 percent. In comparison, two regional bank peers’ average LTD ratios were higher, while the other was lower; however, all three generally evidenced a similar stable trend during the review period. Therefore, compared to data from regional banks, the bank’s average LTD ratio is reasonable given the bank’s size, financial condition, and credit needs of its assessment areas.

Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank’s assessment areas.

Lending Inside and Outside of Assessment Areas January 1, 2021 through December 31, 2021						
Loan Type	Inside Assessment Areas		Outside Assessment Areas		TOTAL	
Small Business	88	82.2%	19	17.8%	107	100%
	\$16,919	81.3%	\$3,879	18.7%	\$20,798	100%
HMDA	178	80.5%	43	19.5%	221	100%
	\$79,992	82.5%	\$16,941	17.5%	\$96,933	100%
Consumer Motor Vehicle	93	89.4%	11	10.6%	104	100%
	\$1,359	90.2%	\$148	9.8%	\$1,507	100%
TOTAL LOANS	359	83.1%	73	16.9%	432	100%
	\$98,270	82.4%	\$20,968	17.6%	\$119,238	100%

A majority of loans and other lending-related activities were made in the bank’s assessment areas. As shown above, 83.1 percent of the total loans were made inside the assessment areas, accounting for 82.4 percent of the dollar volume of total loans.

Borrower and Geographic Distribution

As displayed in the following table, the bank’s overall distribution of lending by income level/revenue profile is reasonable.

Full-Scope Assessment Areas	Loan Distribution by Borrower’s Profile
North Central Arkansas	Reasonable
Fayetteville	Reasonable
OVERALL	REASONABLE

Limited-Scope Assessment Areas	Loan Distribution by Borrower’s Profile
Southeast Arkansas	Consistent
Hot Springs	Consistent
Little Rock	Consistent
Clark County	Exceeds

Additionally, the geographic distribution of loans reflects excellent penetration.

Full-Scope Assessment Areas	Geographic Distribution of Loans
North Central Arkansas	Excellent
Fayetteville	Excellent
OVERALL	EXCELLENT

Limited-Scope Assessment Areas	Geographic Distribution of Loans
Southeast Arkansas	Below
Hot Springs	Consistent
Little Rock	Below
Clark County	Below

Supplemental details regarding the loan distribution by borrower’s profile and geographic distribution of loans are included later in this evaluation under the sections applicable to individual assessment area analyses.

Responses to Complaints

No CRA-related complaints were filed against the bank during this review period (April 15, 2019 – May 14, 2023).

COMMUNITY DEVELOPMENT TEST

The Citizens Bank’s performance under the Community Development Test is rated outstanding. The bank demonstrates excellent responsiveness to the community development needs of its assessment areas, considering the bank’s capacity and the need and availability of such opportunities for community development in the assessment areas.

Full-Scope Assessment Areas	Community Development Test Performance Conclusions
North Central Arkansas	Outstanding
Fayetteville	Outstanding

Limited-Scope Assessment Areas	Community Development Test Performance Conclusions
Southeast Arkansas	Below
Hot Springs	Below
Little Rock	Consistent
Clark County	Below

The bank’s community development responsiveness is excellent in both full-scope assessment areas given the level of community development activities in relation to the level of opportunity. During the review period, the bank made 24 qualifying loans totaling \$42.3 million. Of those loans, several were particularly responsive to the assessment area community development needs, including the following items:

- A \$9.0 million loan to purchase and revitalize a commercial office property located in a moderate-income census tract and in an economic opportunity zone.

- A \$3.4 million loan that retained jobs in a moderate-income census tract.
- Numerous loans to governmental organizations to revitalize and stabilize moderate-income census tracts.
- Numerous loans to businesses providing affordable housing in LMI and distressed middle-income geographies.

Community development investments and donations made in the assessment areas totaled \$24.9 million. This amount included 45 qualified investments totaling approximately \$24.5 million and 318 donations totaling \$337,994. The investments included 38 qualified investments made during the review period totaling \$22.1 million, comprised primarily of school bonds benefitting districts with a majority of students from LMI families. The bank also had seven investments totaling \$2.5 million that were initially made prior to the current CRA review period but were still outstanding as of this review date. Furthermore, the 318 donations were made to 74 separate community development organizations serving the bank's assessment areas. The largest of these donations were made to nonprofit organizations serving LMI families, community service organizations, health service foundations, and organizations providing affordable housing opportunities. The bank also financially sponsored schools serving a majority of students from LMI families, providing financial education and related course materials.

In addition, 34 employees contributed to community development services benefitting 35 different agencies that serve the needs of LMI families and individuals in the bank's assessment areas. Most notably, employees taught financial education classes to students in school districts with a majority-LMI student population. Additionally, employees provided financial expertise through their service on the boards of directors of local nonprofit organizations serving the LMI population.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

NORTH CENTRAL ARKANSAS NONMETROPOLITAN STATISTICAL AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE NORTH CENTRAL ARKANSAS ASSESSMENT AREA

Bank Structure

The bank operates 7 of its 17 branches (41.2 percent) in the North Central Arkansas assessment area. Of the seven offices, four are located in upper-income census tracts, and three are located in middle-income census tracts, including one located in a census tract designated as distressed due to poverty. During the review period, the bank closed two branches, one in a middle-income census tract and one in an upper-income census tract. In addition to the branch facilities, which include full-service ATMs on site, the bank also operates one stand-alone ATM in the assessment area located in an upper-income census tract. Based on the bank's branch and ATM network and other service delivery systems, such as online and mobile banking, the bank is well positioned to deliver financial services to the entire assessment area.

General Demographics

The assessment area is comprised of Independence, Lawrence, Sharp, and Stone counties in their entirety. This represents the bank's largest assessment area and is located in north central Arkansas. The assessment area has a total population of 83,784. Independence County is the most populous in the assessment area with a population of 37,938. Twenty-one census tracts comprise the four counties, including 4 moderate-, 16 middle-, and 1 upper-income census tracts.

According to the FDIC Deposit Market Share Report data as of June 30, 2022, there are 15 FDIC-insured depository institutions in the assessment area that operate 46 offices. The Citizens Bank ranked first in terms of deposit market share, with 24.3 percent of the total assessment area deposit dollars.

Commercial lending products represent a credit need in the assessment area, along with the need for a standard blend of consumer loan products.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown-	TOTAL
Census Tracts	0	4	16	1	0	21
	0.0%	19.0%	76.2%	4.8%	0.0%	100%
Family Population	0	3,871	17,304	685	0	21,860
	0.0%	17.7%	79.2%	3.1%	0.0%	100%

As shown above, the assessment area contains no low-income census tracts and four moderate-income census tracts. These moderate-income geographies represent 19.0 percent of all census tracts in the assessment area, with 17.7 percent of the family population residing in these tracts. The moderate-income geographies are dispersed throughout each of the four counties comprising the assessment area. The majority of census tracts in the assessment area are middle income, and a majority of assessment area families reside within those tracts. In 2021, three of the 16 middle-income census tracts, located in Sharp County, were designated as distressed due to poverty.

Based on 2020 ACS data, the median family income for the assessment area was \$53,299. At the same time, the median family income for nonMSA Arkansas was \$53,702. More recently, the FFIEC estimates the 2021 median family income for nonMSA Arkansas to be \$52,200. The following table displays population percentages of assessment area families by income level compared to the nonMSA Arkansas family population as a whole.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Assessment Area	4,593	4,534	4,220	8,513	21,860
	21.0%	20.7%	19.3%	38.9%	100%
NonMSA Arkansas	63,831	53,700	58,267	123,066	298,864
	21.4%	18.0%	19.5%	41.2%	100%

As shown in the table above, 41.7 percent of families within the assessment area were considered LMI, which is slightly higher than the LMI family percentages of 39.4 percent in nonMSA Arkansas. Furthermore, the percentage of families living below the poverty threshold in the assessment area (16.9 percent) is similar to the 16.6 percent in nonMSA Arkansas. Considering these factors, the assessment area appears of similar affluence to nonMSA Arkansas.

Housing Demographics

The median housing value for the assessment area is \$82,533, which is slightly below the figure for nonMSA Arkansas of \$85,869. In addition, the assessment area housing affordability ratio of 40.3 percent is in line with the nonMSA Arkansas figure of 41.0 percent. Finally, the median gross rent for the assessment area of \$557 per month is slightly below the nonMSA Arkansas figure of \$588 per month. Therefore, based on housing values, income levels, and rental costs, housing costs and affordability in the assessment area appear to be similar to nonMSA Arkansas as a whole.

Industry and Employment Demographics

According to the community contact, the assessment area economy is focused primarily on manufacturing, including a large emphasis on poultry production. According to the U.S. Department of Labor, Bureau of Labor Statistics (BLS), there are 27,052 paid employees in the assessment area in both government and private industries. By percentage of employees, the three largest job categories in the assessment area are government (17.5 percent), manufacturing (16.9 percent), and retail trade (13.9 percent).

The table below details unemployment data from the BLS (not seasonally adjusted) for the assessment area compared to nonMSA Arkansas as a whole.

Unemployment Levels for the Assessment Area		
Time Period (Annual Average)	Assessment Area	NonMSA Arkansas
2019	4.2%	4.2%
2020	6.3%	6.4%
2021	4.3%	4.5%
2022 Year-to-Date (YTD) (January – August)	3.9%	4.2%

As shown in the table above, unemployment levels for the assessment area during the review period are similar to nonMSA Arkansas. Both the assessment area and nonMSA Arkansas experienced increases in unemployment in 2020 due to the economic disruption resulting from the COVID-19 pandemic; however, it appears that each has recovered to near pre-pandemic levels of unemployment, with the assessment area unemployment rate being similar to nonMSA Arkansas.

Community Contact Information

Information from one community contact interview was utilized to help shape the performance context in which the bank’s activities in this assessment area were evaluated. The community contact interview was conducted with an individual specializing in rural business financing and support. The interviewee stated that economic conditions throughout the assessment area have strengthened in recent years, with significant employers retaining their workforce in the area. The contact also stated that the region has a relatively stagnant population that is neither growing nor shrinking. Regarding business and economic development, the contact indicated more small businesses are opening in the assessment area. It was noted that manufacturing, specifically poultry production, is a major employer and economic driver in the assessment area that sustains a lot of jobs. Lastly, the contact indicated homes in the area are older, specifically in Lawrence County. The contact added that while there is some new home development, those homes are not priced affordably for working class families.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE NORTH CENTRAL ARKANSAS ASSESSMENT AREA

LENDING TEST

The bank’s overall distribution of loans by borrower’s income/revenue profile reflects reasonable penetration among businesses of different revenue sizes and borrowers of different income levels. Furthermore, the overall geographic distribution of loans reflects excellent penetration throughout the North Central Arkansas assessment area.

Loan Distribution by Borrower’s Profile

Overall, the bank’s loan distribution by borrower’s profile is reasonable, based on performance from all loan categories reviewed. Performance under the small business loan category is excellent. Greater emphasis is placed on performance in the small business loan category when forming conclusions given the bank’s emphasis on small business lending.

Small business loans were reviewed to determine the bank’s lending levels to businesses of different sizes. The following table shows the distribution of 2021 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Small Business Loans by Revenue and Loan Size Assessment Area: North Central Arkansas								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	34	91.9%	52.6%	\$3,564	74.7%	48.8%	89.2%
	Over \$1 Million/ Unknown	3	8.1%	47.4%	\$1,204	25.3%	51.2%	10.8%
	TOTAL	37	100.0%	100.0%	\$4,768	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	26	70.3%	89.1%	\$747	15.7%	38.2%	
	\$100,001–\$250,000	6	16.2%	7.5%	\$1,133	23.8%	26.3%	
	\$250,001–\$1 Million	5	13.5%	3.5%	\$2,888	60.6%	35.6%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	37	100.0%	100.0%	\$4,768	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	25	73.5%		\$697	19.6%		
	\$100,001–\$250,000	5	14.7%		\$952	26.7%		
	\$250,001–\$1 Million	4	11.8%		\$1,915	53.7%		
	Over \$1 Million	0	0.0%		\$0	0.0%		
	TOTAL	34	100.0%		\$3,564	100.0%		

The bank’s level of lending to small businesses is excellent. The bank originated the most of its small business loans (91.9 percent) to businesses with revenues of \$1 million or less. In comparison, the aggregate lending level for the assessment area was 52.6 percent, and assessment area demographics estimate that 89.2 percent of businesses inside the assessment area had annual

revenues of \$1 million or less. Moreover, the bank originated 73.5 percent of its small business loans in amounts of \$100,000 or less, further evidencing the bank’s willingness to meet the credit needs of small businesses.

Next, HMDA loans were reviewed to determine the bank’s lending to LMI borrowers. Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC (\$52,200 for nonMSA Arkansas as of 2021). The following table shows the distribution of HMDA-reported loans by borrower income level in comparison to family population income demographics for the assessment area. Additionally, 2021 aggregate data for the assessment area is displayed.

Borrower Distribution of Residential Real Estate Loans								
Assessment Area: North Central Arkansas								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	Families
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	4	7.5%	6.3%	\$208	3.2%	3.4%	21.0%
	Moderate	1	1.9%	16.8%	\$40	0.6%	12.1%	20.7%
	Middle	7	13.2%	19.3%	\$496	7.6%	17.4%	19.3%
	Upper	35	66.0%	37.7%	\$5,425	82.7%	47.5%	38.9%
	Unknown	6	11.3%	19.8%	\$392	6.0%	19.6%	0.0%
	TOTAL	53	100.0%	100.0%	\$6,561	100.0%	100.0%	100.0%
Refinance	Low	1	4.3%	5.4%	\$45	1.7%	2.8%	21.0%
	Moderate	3	13.0%	11.4%	\$429	15.9%	7.5%	20.7%
	Middle	3	13.0%	18.1%	\$393	14.6%	15.2%	19.3%
	Upper	14	60.9%	45.5%	\$1,713	63.5%	54.4%	38.9%
	Unknown	2	8.7%	19.6%	\$119	4.4%	20.1%	0.0%
	TOTAL	23	100.0%	100.0%	\$2,699	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	7.4%	\$0	0.0%	5.1%	21.0%
	Moderate	1	25.0%	18.5%	\$14	6.7%	14.1%	20.7%
	Middle	0	0.0%	14.8%	\$0	0.0%	20.0%	19.3%
	Upper	3	75.0%	51.9%	\$194	93.3%	52.6%	38.9%
	Unknown	0	0.0%	7.4%	\$0	0.0%	8.2%	0.0%
	TOTAL	4	100.0%	100.0%	\$208	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	21.0%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	20.7%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	19.3%
	Upper	5	83.3%	26.3%	\$2,624	78.2%	14.4%	38.9%
	Unknown	1	16.7%	73.7%	\$733	21.8%	85.6%	0.0%
	TOTAL	6	100.0%	100.0%	\$3,357	100.0%	100.0%	100.0%

Other Purpose LOC	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	21.0%
	Moderate	0	0.0%	12.5%	\$0	0.0%	5.2%	20.7%
	Middle	0	0.0%	25.0%	\$0	0.0%	32.8%	19.3%
	Upper	0	0.0%	62.5%	\$0	0.0%	62.0%	38.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	100.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	9.4%	\$0	0.0%	4.4%	21.0%
	Moderate	2	50.0%	25.0%	\$53	40.2%	21.9%	20.7%
	Middle	1	25.0%	34.4%	\$27	20.5%	30.1%	19.3%
	Upper	1	25.0%	28.1%	\$52	39.4%	35.3%	38.9%
	Unknown	0	0.0%	3.1%	\$0	0.0%	8.3%	0.0%
	TOTAL	4	0.0%	100.0%	\$132	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	21.0%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	20.7%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	19.3%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	38.9%
	Unknown	0	0.0%	100.0%	\$0	0.0%	100.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	100.0%	100.0%	100.0%
HMDA TOTALS	Low	5	5.6%	5.9%	\$253	2.0%	3.0%	21.0%
	Moderate	7	7.8%	14.6%	\$536	4.1%	9.7%	20.7%
	Middle	11	12.2%	18.7%	\$916	7.1%	15.8%	19.3%
	Upper	58	64.4%	40.7%	\$10,008	77.2%	48.3%	38.9%
	Unknown	9	10.0%	20.2%	\$1,244	9.6%	23.2%	0.0%
	TOTAL	90	100.0%	100.0%	\$12,957	100.0%	100.0%	100.0%

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (5.6 percent) is similar to the aggregate lending level to low-income borrowers (5.9 percent) but below the low-income family population figure (21.0 percent), reflecting reasonable performance. The bank's level of lending to moderate-income borrowers (7.8 percent) is below the moderate-income family population percentage (20.7 percent) and below the aggregate lending level to moderate-income borrowers (14.6 percent), reflecting poor performance. When considering performance in both income categories, the bank's overall distribution of loans by borrower's profile is reasonable.

Similar to the two previous categories reviewed, the borrower distribution of consumer motor vehicle loans was also analyzed by the borrower's income profile. The following table displays the distribution of consumer motor vehicle loans by income level of borrower compared to household population income characteristics.

Borrower Distribution of Consumer Motor Vehicle Loans					
Assessment Area: North Central Arkansas					
Borrower Income Levels	2021				
	Bank				Households
	Count		Dollar		
	#	%	\$ (000s)	\$ %	%
Low	16	18.6%	\$105	8.8%	25.1%
Moderate	19	22.1%	\$203	17.1%	16.9%
Middle	21	24.4%	\$334	28.1%	19.7%
Upper	30	34.9%	\$547	46.0%	38.2%
Unknown	0	0.0%	\$0	0.0%	0.0%
TOTAL	86	100.0%	\$1,189	100.0%	100.0%

The bank originated 18.6 percent of its consumer motor vehicle loans to low-income borrowers. This reflects reasonable performance when compared to the household population level of 25.1 percent. Similarly, the bank made 22.1 percent of its consumer motor vehicle loans to moderate-income borrowers, reflecting reasonable performance when compared to the household population level of 16.9 percent. Therefore, the overall distribution of consumer motor vehicle loans is reasonable.

Geographic Distribution of Loans

As noted previously, the assessment area includes no low-income and four moderate-income census tracts, representing 19.0 percent of all assessment area census tracts. Overall, the bank’s geographic distribution of loans in this assessment area reflects excellent penetration throughout these LMI census tracts, based on the small business, HMDA, and consumer motor vehicle loan categories.

The following table displays 2021 small business loan activity by geography income level compared to the location of businesses throughout the bank’s assessment area and 2021 small business aggregate data.

Geographic Distribution of Small Business Loans							
Assessment Area: North Central Arkansas							
Tract Income Levels	2021						
	Count			Dollar			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	%
Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
Moderate	10	27.0%	17.6%	\$1,844	38.7%	16.8%	22.1%
Middle	24	64.9%	74.8%	\$2,829	59.3%	69.2%	70.4%
Upper	3	8.1%	6.8%	\$95	2.0%	13.9%	7.5%
Unknown	0	0.0%	0.8%	\$0	0.0%	0.1%	0.0%
TOTAL	37	100.0%	100.0%	\$4,768	100.0%	100.0%	100.0%

The bank’s percentage of loans in moderate-income census tracts (27.0 percent) is above the aggregate lending level (17.6 percent) and the percentage of small businesses operating in

moderate-income census tracts (22.1 percent), representing excellent performance. As such, the bank’s overall geographic distribution of small business loans is excellent.

Second, the bank’s geographic distribution of HMDA loans was reviewed. The following table displays the geographic distribution of 2021 HMDA loans compared to owner-occupied housing demographics and aggregate performance for the assessment area.

Geographic Distribution of Residential Real Estate Loans Assessment Area: North Central Arkansas								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	13	24.5%	16.2%	\$812	12.4%	16.0%	16.7%
	Middle	36	67.9%	79.3%	\$5,254	80.1%	77.9%	80.0%
	Upper	4	7.5%	4.5%	\$495	7.5%	6.1%	3.3%
	Unknown	0	0.0%	0.1%	\$0	0.0%	0.0%	0.0%
	TOTAL	53	100.0%	100.0%	\$6,561	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	2	8.7%	12.3%	\$543	20.1%	12.6%	16.7%
	Middle	21	91.3%	80.1%	\$2,156	79.9%	76.7%	80.0%
	Upper	0	0.0%	7.6%	\$0	0.0%	10.7%	3.3%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	23	100.0%	100.0%	\$2,699	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	18.5%	\$0	0.0%	15.4%	16.7%
	Middle	4	100.0%	75.9%	\$208	100.0%	72.1%	80.0%
	Upper	0	0.0%	5.6%	\$0	0.0%	12.5%	3.3%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	4	100.0%	100.0%	\$208	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	3	50.0%	36.8%	\$1,376	41.0%	31.3%	19.7%
	Middle	3	50.0%	63.2%	\$1,981	59.0%	68.7%	74.4%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	5.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	6	100.0%	100.0%	\$3,357	100.0%	100.0%	100.0%

Other Purpose LOC	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	25.0%	\$0	0.0%	31.9%	16.7%
	Middle	0	0.0%	68.8%	\$0	0.0%	60.9%	80.0%
	Upper	0	0.0%	6.3%	\$0	0.0%	7.2%	3.3%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	12.5%	\$0	0.0%	9.7%	16.7%
	Middle	4	100.0%	84.4%	\$132	100.0%	77.9%	80.0%
	Upper	0	0.0%	3.1%	\$0	0.0%	12.5%	3.3%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	4	100.0%	100.0%	\$132	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	18.2%	\$0	0.0%	12.6%	16.7%
	Middle	0	0.0%	77.3%	\$0	0.0%	83.2%	80.0%
	Upper	0	0.0%	4.5%	\$0	0.0%	4.2%	3.3%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	18	20.0%	14.9%	\$2,731	21.1%	15.4%	16.7%
	Middle	68	75.6%	79.4%	\$9,731	75.1%	76.9%	80.0%
	Upper	4	4.4%	5.7%	\$495	3.8%	7.7%	3.3%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	90	100.0%	100.0%	\$12,957	100.0%	100.0%	100.0%

The analysis of HMDA loans revealed excellent lending performance to borrowers residing in moderate-income geographies. The bank's total penetration of the moderate-income census tracts by number of loans (20.0 percent) is above the percentage of owner-occupied housing units in moderate-income census tracts (16.7 percent). Additionally, the bank's performance in moderate-income census tracts is above that of other lenders in the assessment area based on aggregate data (14.9 percent). Therefore, the bank's overall geographic distribution of HMDA loans is excellent.

The following table displays the distribution of consumer motor vehicle loans by geographic income level compared to household population income characteristics by tract designation.

Geographic Distribution of Consumer Motor Vehicle Loans					
Assessment Area: North Central Arkansas					
Tract Income Levels	2021				
	Bank				Households
	Count		Dollar		
	#	%	\$ (000s)	\$ %	%
Low	0	0.0%	\$0	0.0%	0.0%
Moderate	14	16.3%	\$146	12.3%	17.7%
Middle	69	80.2%	\$993	83.4%	79.2%
Upper	3	3.5%	\$51	4.3%	3.1%
Unknown	0	0.0%	\$0	0.0%	0.0%
TOTAL	86	100.0%	\$1,190	100.0%	100.0%

The bank originated 16.3 percent of its consumer motor vehicle loans to borrowers residing in moderate-income geographies. This reflects reasonable performance when compared to the household population level of 17.7 percent. Therefore, the bank’s overall geographic distribution of consumer motor vehicle loans is reasonable.

Lastly, based on reviews from the three loan categories, the bank had loan activity in 81.0 percent of all assessment area census tracts. Additionally, the bank originated loans in 75.0 percent of LMI tracts, and there were no conspicuous lending gaps noted in LMI areas. This information supports the conclusion that the bank’s overall geographic distribution of loans is reasonable.

COMMUNITY DEVELOPMENT TEST

The bank demonstrates excellent responsiveness to community development needs within the assessment area, considering the bank’s capacity and the need and availability of such opportunities for community development. The bank addressed these needs through community development loans, qualified investments, and community development services.

During the review period, the bank extended six community development loans totaling \$2.9 million in this assessment area. The loans were made to governmental organizations and businesses for revitalization and stabilization of LMI geographies, businesses providing affordable housing to LMI families and individuals, and businesses retaining jobs in moderate- and middle-income distressed geographies.

The bank made \$4.6 million in qualified investments and donations in this assessment area. This amount includes \$4.0 million in new investments, \$451,579 in prior-period investments still outstanding, and 163 donations totaling \$166,544. Finally, bank personnel provided services to 19 different community development organizations in this assessment area. The majority of these services were provided to organizations providing community service activities targeting LMI individuals in the area. This includes organizations providing affordable housing, healthcare services, and schools with a majority-LMI student population.

FAYETTEVILLE-SPRINGDALE-ROGERS, ARKANSAS METROPOLITAN STATISTICAL AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE FAYETTEVILLE ASSESSMENT AREA

Bank Structure

The bank operates 3 of its 17 branches (17.6 percent) in the Fayetteville assessment area. Of the three offices, one is located in an upper-income census tract, one is located in a middle-income census tract, and one is located in a moderate-income census tract. Additionally, two of the three branches have a full-service ATM on site. During this review period, the bank did not open or close any branches in this assessment area. Lastly, the bank operates one LPO in Benton County in the assessment area. Based on the bank's branch and ATM network and other service delivery systems, such as online and mobile banking, the bank is positioned to deliver financial services to the assessment area.

General Demographics

The assessment area is comprised of the entireties of Benton and Washington counties, two of the three counties in the Fayetteville-Springdale-Rogers, Arkansas MSA. The assessment area has a total population of 530,204. Eighty-one census tracts comprise the two counties, including 2 low-, 15 moderate-, 39 middle-, and 25 upper-income census tracts.

According to the FDIC Deposit Market Share Report data as of June 30, 2022, there are 33 FDIC-insured depository institutions in the assessment area that operate 185 offices. The bank, operating three offices in the assessment area (1.6 percent of total branches), ranked 22nd in terms of deposit market share, with 0.5 percent of the total assessment area deposit dollars.

Commercial lending products represent a credit need in the assessment area, along with the need for a standard blend of consumer loan products. Furthermore, information gathered from the community contact confirmed the need for small business loan funding.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown-	TOTAL
Census Tracts	2	15	39	25	0	81
	2.5%	18.5%	48.1%	30.9%	0.0%	100%
Family Population	1,973	21,601	51,079	39,767	0	114,420
	1.7%	18.9%	44.6%	34.8%	0.0%	100%

As shown above, 21.0 percent of the census tracts in the assessment area are LMI geographies, and 20.6 percent of the family population resides in these tracts. The LMI geographies are dispersed throughout Benton and Washington counties, with low- and moderate-income census tracts located within the Springdale area and moderate-income tracts located in the Rogers area.

Based on 2020 ACS data, the median family income for the assessment area was \$76,381, which exceeds the median family income for the state of Arkansas as a whole (\$62,067). More recently, the FFIEC estimates the 2021 median family income for the Fayetteville MSA to be \$71,200. The following table displays population percentages of assessment area families by income level compared to the state of Arkansas family population as a whole.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Assessment Area	22,813	21,158	23,272	47,177	114,420
	19.9%	18.5%	20.3%	41.2%	100%
Arkansas	164,346	134,818	149,580	311,180	759,924
	21.6%	17.7%	19.7%	41.0%	100%

As shown in the table above, 38.4 percent of families within the assessment area are considered LMI, which is comparable to the LMI family percentages of 39.3 percent in the state of Arkansas. Furthermore, the percentage of families living below the poverty threshold in the assessment area (10.9 percent) is similar to, yet below, the statewide figure (14.3 percent). Considering these factors, the assessment area appears of similar affluence to the state of Arkansas as a whole.

Housing Demographics

The median housing value for the assessment area is \$151,265, which is above the figure for the state of Arkansas of \$111,400. In addition, the assessment area housing affordability ratio of 33.2 percent is below the state figure of 37.1 percent. Finally, the median gross rent for the assessment area of \$746 per month is higher than the state figure of \$677 per month. Therefore, based on housing values, income levels, and rental costs, housing in the assessment area appears to be less affordable than in the state overall.

Industry and Employment Demographics

According to the community contact, the assessment area economy is largely reliant on manufacturing, specifically poultry production, transportation, education, and government industries. According to the BLS, there are 248,058 paid employees in the assessment area in both government and private industries. By percentage, the three largest job categories in the assessment area are government (11.5 percent), manufacturing (11.0 percent), and healthcare and social assistance (10.9 percent).

The table below details unemployment data from the BLS (not seasonally adjusted) for the assessment area compared to nonMSA Arkansas as a whole.

Unemployment Levels for the Assessment Area		
Time Period (Annual Average)	Assessment Area	Arkansas
2019	2.5%	3.5%
2020	4.6%	6.1%
2021	2.9%	4.0%
2022 YTD (January – August)	2.5%	3.6%

As shown in the table above, the unemployment levels for the assessment area during the review period are lower than statewide unemployment levels. Both the assessment area and the state unemployment levels experienced increases in unemployment in 2020 due to the economic disruption resulting from the COVID-19 pandemic; however, it appears that each has recovered to near pre-pandemic levels of unemployment, with the assessment area unemployment rate remaining lower than the state of Arkansas.

Community Contact Information

Information from one community contact was utilized to help shape the performance context in which the bank’s activities in this assessment area were evaluated. The community contact interview was conducted with an individual from a local government organization responsible for administering funding to LMI individuals. The interviewee stated that higher-income earners navigated the economic disruptions caused by the COVID-19 pandemic better than lower-income earners. The contact also mentioned that the pandemic affected businesses differently, as some were forced to close due to the disruption, while others were able to open or expand because of new opportunities. The community contact noted small business funding as a credit need, along with education to better understand credit and banking relationships more generally. However, the contact added that local banks are investing in small business development. The contact also indicated the region lacks sufficient affordable housing, with much of the available lower-cost housing stock being older and requiring renovations. Minimum credit score requirements and current mortgage rates present a challenge to potential homebuyers. The contact mentioned outreach to LMI borrowers as an opportunity for banks in the assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE FAYETTEVILLE ASSESSMENT AREA

LENDING TEST

The bank’s overall distribution of loans by borrower’s income/revenue profile reflects reasonable penetration among businesses of different revenue sizes and borrowers of different income levels. Furthermore, the overall geographic distribution of loans reflects excellent penetration throughout the Fayetteville assessment area.

Loan Distribution by Borrower’s Profile

Overall, the bank’s loan distribution by borrower’s profile is reasonable, based on performance from the small business and HMDA loan categories.

The following table shows the distribution of 2021 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Small Business Loans by Revenue and Loan Size Assessment Area: Fayetteville								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	10	76.9%	40.3%	\$5,645	87.9%	36.6%	91.8%
	Over \$1 Million/ Unknown	3	23.1%	59.7%	\$774	12.1%	63.4%	8.2%
	TOTAL	13	100.0%	100.0%	\$6,419	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	1	7.7%	87.7%	\$26	0.4%	29.6%	
	\$100,001–\$250,000	3	23.1%	6.6%	\$420	6.5%	19.7%	
	\$250,001–\$1 Million	8	61.5%	5.7%	\$3,107	48.4%	50.6%	
	Over \$1 Million	1	7.7%	0.0%	\$2,866	44.6%	0.0%	
	TOTAL	13	100.0%	100.0%	\$6,419	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	1	10.0%		\$26	0.5%		
	\$100,001–\$250,000	2	20.0%		\$231	4.1%		
	\$250,001–\$1 Million	6	60.0%		\$2,522	44.7%		
	Over \$1 Million	1	10.0%		\$2,866	50.8%		
	TOTAL	10	100.0%		\$5,645	100.0%		

The bank’s level of lending to small businesses is reasonable. The bank originated the majority of its small business loans (76.9 percent) to businesses with revenues of \$1 million or less. In comparison, the aggregate lending level was 40.3 percent, and Dun & Bradstreet data estimates that 91.8 percent of businesses inside the assessment area had annual revenues of \$1 million or less.

Next, HMDA loans were reviewed to determine the bank’s lending to LMI borrowers. Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC (\$71,200 for the Fayetteville MSA as of Arkansas as of 2021). The following table shows the distribution of HMDA-reported loans by borrower income level in comparison to family population income demographics for the assessment area. Additionally, 2021 aggregate data for the assessment area is displayed.

Borrower Distribution of Residential Real Estate Loans Assessment Area: Fayetteville								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	4.6%	\$0	0.0%	2.6%	19.9%
	Moderate	0	0.0%	14.5%	\$0	0.0%	10.5%	18.5%
	Middle	1	5.3%	18.5%	\$200	3.3%	16.1%	20.3%
	Upper	0	0.0%	40.5%	\$0	0.0%	48.9%	41.2%
	Unknown	18	94.7%	21.9%	\$5,834	96.7%	21.9%	0.0%
	TOTAL	19	100.0%	100.0%	\$6,034	100.0%	100.0%	100.0%
Refinance	Low	1	14.3%	6.0%	\$60	4.3%	3.1%	19.9%
	Moderate	0	0.0%	12.7%	\$0	0.0%	8.5%	18.5%
	Middle	0	0.0%	17.4%	\$0	0.0%	14.2%	20.3%
	Upper	2	28.6%	42.6%	\$456	32.7%	51.5%	41.2%
	Unknown	4	57.1%	21.3%	\$879	63.0%	22.7%	0.0%
	TOTAL	7	100.0%	100.0%	\$1,395	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	4.2%	\$0	0.0%	2.5%	19.9%
	Moderate	1	100.0%	10.1%	\$30	100.0%	5.8%	18.5%
	Middle	0	0.0%	17.5%	\$0	0.0%	12.1%	20.3%
	Upper	0	0.0%	55.0%	\$0	0.0%	62.5%	41.2%
	Unknown	0	0.0%	13.3%	\$0	0.0%	17.1%	0.0%
	TOTAL	1	100.0%	100.0%	\$30	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.4%	\$0	0.0%	0.0%	19.9%
	Moderate	0	0.0%	0.4%	\$0	0.0%	0.0%	18.5%
	Middle	0	0.0%	0.9%	\$0	0.0%	0.1%	20.3%
	Upper	0	0.0%	4.9%	\$0	0.0%	0.7%	41.2%
	Unknown	8	100.0%	93.3%	\$37,039	100.0%	99.2%	0.0%
	TOTAL	8	100.0%	100.0%	\$37,039	100.0%	100.0%	100.0%

Other Purpose LOC	Low	0	0.0%	4.1%	\$0	0.0%	1.8%	19.9%
	Moderate	0	0.0%	10.5%	\$0	0.0%	5.8%	18.5%
	Middle	0	0.0%	14.8%	\$0	0.0%	8.6%	20.3%
	Upper	0	0.0%	56.6%	\$0	0.0%	59.1%	41.2%
	Unknown	0	0.0%	14.1%	\$0	0.0%	24.7%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	10.1%	\$0	0.0%	7.0%	19.9%
	Moderate	0	0.0%	12.3%	\$0	0.0%	8.6%	18.5%
	Middle	1	100.0%	17.1%	\$72	100.0%	12.8%	20.3%
	Upper	0	0.0%	51.8%	\$0	0.0%	63.0%	41.2%
	Unknown	0	0.0%	8.8%	\$0	0.0%	8.6%	0.0%
	TOTAL	1	100.0%	100.0%	\$72	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	1.2%	\$0	0.0%	0.9%	19.9%
	Moderate	0	0.0%	0.6%	\$0	0.0%	0.0%	18.5%
	Middle	0	0.0%	1.2%	\$0	0.0%	1.4%	20.3%
	Upper	0	0.0%	1.2%	\$0	0.0%	2.9%	41.2%
	Unknown	0	0.0%	95.7%	\$0	0.0%	94.8%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	1	2.8%	5.2%	\$60	0.1%	2.5%	19.9%
	Moderate	1	2.8%	13.3%	\$30	0.1%	8.4%	18.5%
	Middle	2	5.6%	17.7%	\$272	0.6%	13.4%	20.3%
	Upper	2	5.6%	41.8%	\$456	1.0%	44.8%	41.2%
	Unknown	30	83.3%	22.0%	\$43,752	98.2%	30.9%	0.0%
	TOTAL	36	100.0%	100.0%	\$44,570	100.0%	100.0%	100.0%

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (2.8 percent) is below the aggregate lending level to low-income borrowers (5.2 percent) and below the low-income family population figure (19.9 percent). The bank's level of lending to moderate-income borrowers (2.8 percent) is below the moderate-income family population percentage (18.5 percent) and below the aggregate lending level to moderate-income borrowers (13.3 percent). However, the bank has a significant number of loans in the assessment area with unknown income reported (83.3 percent). When extracting the unknown-income loans from the totals, the bank's percentage of lending to low-income borrowers (16.7 percent) is above the aggregate lending level but below the low-income family population figure, reflecting reasonable performance. Similarly, when loans with unknown incomes are removed, the percentage of lending to moderate-income borrowers (16.7 percent) is above the aggregate lending level and in line with the demographic comparator, reflecting reasonable performance. When considering performance in both income categories, the bank's overall distribution of loans by borrower's profile is reasonable.

Geographic Distribution of Loans

As noted previously, the assessment area includes 2 low-income and 15 moderate-income census tracts, representing 21.0 percent of all assessment area census tracts. Overall, the bank's

geographic distribution of loans in this assessment area reflects excellent penetration throughout these LMI census tracts, based on the small business and HMDA loan categories.

The following table displays 2021 small business loan activity by geography income level compared to the location of businesses throughout the bank’s assessment area and 2021 small business aggregate data.

Geographic Distribution of Small Business Loans Assessment Area: Fayetteville							
Tract Income Levels	2021						
	Count			Dollar			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	%
Low	0	0.0%	1.5%	\$0	0.0%	2.0%	1.9%
Moderate	4	30.8%	15.2%	\$626	9.8%	14.6%	16.7%
Middle	4	30.8%	44.3%	\$1,591	24.8%	42.6%	45.7%
Upper	5	38.5%	38.2%	\$4,201	65.5%	40.6%	35.7%
Unknown	0	0.0%	0.8%	\$0	0.0%	0.1%	0.0%
TOTAL	13	100.0%	100.0%	\$6,418	100.0%	100.0%	100.0%

As shown in the table, the bank did not originate any loans in the two low-income census tracts. However, very low levels of aggregate lending (1.5 percent) and a small demographic figure (1.9 percent) suggests limited lending opportunity within the assessment area’s low-income census tracts. Therefore, the bank’s performance is considered reasonable. The bank’s percentage of loans in moderate-income census tracts (30.8 percent) is significantly above the aggregate lending level (15.2 percent) and percentage of small businesses operating in moderate-income census tracts (16.7 percent), representing excellent performance. Therefore, the bank’s overall geographic distribution of small business loans is excellent.

Next, the bank’s geographic distribution of HMDA loans was reviewed. The following table displays the geographic distribution of 2021 HMDA loans compared to owner-occupied housing demographics and aggregate performance for the assessment area.

Geographic Distribution of Residential Real Estate Loans Assessment Area: Fayetteville								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	0.5%	\$0	0.0%	0.5%	0.7%
	Moderate	1	5.3%	10.7%	\$190	3.1%	8.8%	15.4%
	Middle	5	26.3%	42.9%	\$719	11.9%	39.6%	46.2%
	Upper	13	68.4%	45.9%	\$5,125	84.9%	51.1%	37.7%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	19	100.0%	100.0%	\$6,034	100.0%	100.0%	100.0%

Refinance	Low	0	0.0%	0.4%	\$0	0.0%	0.3%	0.7%
	Moderate	3	42.9%	10.3%	\$738	52.9%	8.0%	15.4%
	Middle	2	28.6%	40.4%	\$385	27.6%	37.3%	46.2%
	Upper	2	28.6%	48.8%	\$272	19.5%	54.5%	37.7%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	7	100.0%	100.0%	\$1,395	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	0.1%	\$0	0.0%	0.1%	0.7%
	Moderate	0	0.0%	11.2%	\$0	0.0%	9.6%	15.4%
	Middle	1	100.0%	41.0%	\$30	100.0%	38.2%	46.2%
	Upper	0	0.0%	47.7%	\$0	0.0%	52.1%	37.7%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	1	100.0%	100.0%	\$30	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	8.9%	\$0	0.0%	6.9%	11.4%
	Moderate	2	25.0%	23.7%	\$1,878	5.1%	7.0%	28.5%
	Middle	3	37.5%	39.3%	\$16,363	44.2%	32.2%	30.4%
	Upper	3	37.5%	28.1%	\$18,798	50.8%	54.0%	29.8%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	8	100.0%	100.0%	\$37,039	100.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	0.5%	\$0	0.0%	0.1%	0.7%
	Moderate	0	0.0%	9.1%	\$0	0.0%	5.7%	15.4%
	Middle	0	0.0%	39.3%	\$0	0.0%	37.8%	46.2%
	Upper	0	0.0%	51.1%	\$0	0.0%	56.4%	37.7%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	0.8%	\$0	0.0%	0.5%	0.7%
	Moderate	1	100.0%	15.6%	\$72	100.0%	12.0%	15.4%
	Middle	0	0.0%	39.4%	\$0	0.0%	37.6%	46.2%
	Upper	0	0.0%	44.2%	\$0	0.0%	49.9%	37.7%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	1	100.0%	100.0%	\$72	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.6%	\$0	0.0%	0.3%	0.7%
	Moderate	0	0.0%	19.8%	\$0	0.0%	16.8%	15.4%
	Middle	0	0.0%	45.7%	\$0	0.0%	43.5%	46.2%
	Upper	0	0.0%	34.0%	\$0	0.0%	39.4%	37.7%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	0.5%	\$0	0.0%	1.1%	0.7%
	Moderate	7	19.4%	10.7%	\$2,878	6.5%	8.3%	15.4%
	Middle	11	30.6%	41.6%	\$17,497	39.3%	37.8%	46.2%
	Upper	18	50.0%	47.2%	\$24,195	54.3%	52.8%	37.7%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	36	100.0%	100.0%	\$44,570	100.0%	100.0%	100.0%

Similar to the bank's small business lending performance, the bank did not originate any HMDA loans in the assessment area's two low-income census tracts. However, low aggregate lending levels (0.5 percent) and a low level of owner-occupied units in those tracts (0.7 percent) suggests there are limited lending opportunities in these tracts. Therefore, the bank's performance is considered reasonable. The bank's performance in moderate-income geographies is excellent, as the bank's total penetration of moderate-income census tracts by number of loans (19.4 percent) exceeds aggregate lending (10.7 percent) and is above the percentage of owner-occupied housing units (15.4 percent). Considering performance in the low- and moderate-income geographies, the bank's overall geographic distribution of HMDA loans is reasonable.

Lastly, based on reviews from the two loan categories, the bank had loan activity in 39.5 percent of all assessment area census tracts, including a majority of the moderate-income census tracts. Additionally, there were no conspicuous lending gaps noted in LMI areas. This information supports the conclusion that the bank's overall geographic distribution of loans is excellent.

COMMUNITY DEVELOPMENT TEST

The bank demonstrates excellent responsiveness to community development needs within the assessment area, considering the bank's capacity and the need and availability of such opportunities for community development. The bank addressed these needs through community development loans, qualified investments, and community development services.

During the review period, the bank extended six community development loans totaling \$23.6 million in this assessment area. The loans were made to businesses providing affordable housing to LMI families and individuals, which was identified as a need by the community contact, and to businesses retaining jobs in moderate- and middle-income distressed geographies. Furthermore, the bank made \$3.2 million in qualified investments and donations in this assessment area. This amount includes \$2.7 million in new investments, \$426,219 in prior-period investments still outstanding, and 53 donations totaling \$21,013. Finally, bank personnel provided services to three different community development organizations in this assessment area. The services included teaching financial literacy classes to schools with a majority-LMI student population and serving organizations that provide community services to LMI individuals.

LITTLE ROCK-NORTH LITTLE ROCK-CONWAY, ARKANSAS METROPOLITAN STATISTICAL AREA

(Limited-Scope Review)

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

This assessment area includes the entirety of Pulaski County, one of six counties that make up the Little Rock MSA. The bank operates two offices in this assessment area, one of which was opened since the previous evaluation. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	22,138	15,898	16,880	37,958	92,874
	23.8%	17.1%	18.2%	40.9%	100%
Household Population	41,525	25,171	27,159	60,385	154,240
	26.9%	16.3%	17.6%	39.2%	100%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	10	29	24	30	2	95
	10.5%	30.5%	25.3%	31.6%	2.1%	100%
Family Population	5,842	23,025	26,843	36,466	0	92,874
	6.3%	24.8%	28.9%	39.3%	0.8%	100%
Household Population	10,738	40,812	42,667	58,840	1,183	154,240
	7.0%	26.5%	27.7%	38.2%	0.8%	100%
Business Institutions	1,489	5,545	5,097	10,957	58	23,146
	6.4%	24.0%	22.0%	47.3%	0.3%	100%

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

LENDING TEST

The bank's Lending Test performance in this assessment area is consistent with the bank's Lending Test performance in the assessment area within the MSA portion of the state of Arkansas that was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank's Lending Test performance in this assessment area, see the tables in *Appendix A*.

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

COMMUNITY DEVELOPMENT TEST

The bank's Community Development Test performance in this assessment area is consistent with the bank's overall Community Development Test performance. During the review period, the bank originated six community development loans, totaling \$12.7 million, to businesses providing affordable housing to LMI families and revitalizing and stabilizing properties located in LMI and middle-income distressed geographies. Additionally, the bank made new investments totaling \$6.1 million in the form of bonds for school districts with majority-LMI student populations and 27 donations totaling \$81,410 to various organizations providing community services and affordable housing to LMI residents. Finally, bank personnel provided services to four different community development organizations providing community service activities targeting LMI individuals and an organization providing opportunities for new businesses.

HOT SPRINGS, ARKANSAS METROPOLITAN STATISTICAL AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE HOT SPRINGS ASSESSMENT AREA

This assessment area includes Garland County, which makes up the entirety of the Hot Springs MSA. The bank operates two offices in this assessment area. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	6,024	4,346	5,091	10,490	25,951
	23.2%	16.8%	19.6%	40.4%	100%
Household Population	9,870	6,307	6,790	17,323	40,290
	24.5%	15.7%	16.9%	43.0%	100%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	2	4	9	5	0	20
	10.0%	20.0%	45.0%	25.0%	0.0%	100%
Family Population	1,111	3,355	12,371	9,114	0	25,951
	4.3%	12.9%	47.7%	35.1%	0.0%	100%
Household Population	2,348	6,237	18,857	12,848	0	40,290
	5.8%	15.5%	46.8%	31.9%	0.0%	100%
Business Institutions	307	839	1,946	1,334	0	4,426
	6.9%	19.0%	44.0%	30.1%	0.0%	100%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE HOT SPRINGS ASSESSMENT AREA

LENDING TEST

The bank's Lending Test performance in this assessment area is consistent with the bank's Lending Test performance in the assessment area within the MSA portion of the state of Arkansas that was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank's Lending Test performance in this assessment area, see the tables in *Appendix A*.

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

COMMUNITY DEVELOPMENT TEST

The bank's Community Development Test performance in this assessment area is below the bank's overall Community Development Test performance. During the review period, the bank made one community development loan in the amount of \$1 million to a business for purchase and renovation of a building in a downtown business district located in a moderate-income census tract, which created several new jobs. Additionally, the bank made new investments totaling \$7.8 million and had one prior-period investment totaling \$500,095. These investments were in bonds for school districts with LMI student populations. Additionally, two donations totaling \$1,750 were made to an economic development organization. Bank employees provided no community development services during the evaluation period.

SOUTHEAST ARKANSAS NONMETROPOLITAN STATISTICAL AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE SOUTHEAST ARKANSAS ASSESSMENT AREA

This assessment area includes the entireties of Ashley and Drew counties in southeastern Arkansas. The bank operates two offices in this assessment area, one of which was opened since the previous evaluation. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	2,709	1,924	1,748	4,416	10,797
	25.1%	17.8%	16.2%	40.9%	100%
Household Population	4,278	2,384	2,410	6,569	15,641
	27.4%	15.2%	15.4%	42.0%	100%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	0	2	8	2	0	12
	0.0%	16.7%	66.7%	16.7%	0.0%	100%
Family Population	0	2,252	6,745	1,800	0	10,797
	0.0%	20.9%	62.5%	16.7%	0.0%	100%
Household Population	0	3,111	9,410	3,120	0	15,641
	0.0%	19.9%	60.2%	20.0%	0.0%	100%
Business Institutions	0	314	547	353	0	1,214
	0.0%	25.9%	45.1%	29.1%	0.0%	100%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE SOUTHEAST ARKANSAS ASSESSMENT AREA

LENDING TEST

The bank's Lending Test performance in this assessment area is consistent with the bank's Lending Test performance in the assessment area within the nonMSA portion of the state of Arkansas that was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank's Lending Test performance in this assessment area, see the tables in *Appendix A*.

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

COMMUNITY DEVELOPMENT TEST

The bank's Community Development Test performance in this assessment area is below the bank's overall Community Development Test performance. During the review period, the bank made four community development loans, totaling \$1.9 million, to a government organization revitalizing and stabilizing moderate- and middle-income distressed census tracts and a health clinic serving residents in an underserved middle-income geography. The bank made one prior-period investment in the amount of \$250,030 to a school district with LMI student populations but had no current investments. Finally, bank personnel provided services to five different community organizations providing economic development opportunities and affordable housing to LMI families and individuals.

CLARK COUNTY, ARKANSAS NONMETROPOLITAN STATISTICAL AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE CLARK COUNTY ASSESSMENT AREA

This assessment area includes the entirety of Clark County in south central Arkansas. The bank operates one office in this assessment area. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	1,091	829	934	2,478	5,332
	20.5%	15.6%	17.5%	46.5%	100%
Household Population	2,325	1,266	1,505	3,585	8,681
	26.8%	14.6%	17.3%	41.3%	100%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	0	0	4	1	0	5
	0.0%	0.0%	80.0%	20.0%	0.0%	100%
Family Population	0	0	4,525	807	0	5,332
	0.0%	0.0%	84.9%	15.1%	0.0%	100%
Household Population	0	0	7,334	1,347	0	8,681
	0.0%	0.0%	84.5%	15.5%	0.0%	100%
Business Institutions	0	0	652	141	0	793
	0.0%	0.0%	82.2%	17.8%	0.0%	100%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE CLARK COUNTY ASSESSMENT AREA

LENDING TEST

The bank's Lending Test performance in this assessment area is consistent with the bank's Lending Test performance in the assessment area within the nonMSA portion of the state of Arkansas that was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank's Lending Test performance in this assessment area, see the tables in *Appendix A*.

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

COMMUNITY DEVELOPMENT TEST

The bank's Community Development Test performance in this assessment area is below the bank's overall Community Development Test performance. During the review period, the bank made one community development loan in the amount of \$210,000 to revitalize and stabilize a distressed middle-income geography. Additionally, the bank made new investments totaling \$1.4 million to a school district with majority-LMI student populations and 12 donations totaling \$3,600 to various school districts, health organizations, and community service organizations primarily serving LMI individuals and families. Finally, bank personnel provided services to four different community organizations providing community service activities targeting LMI individuals and to organizations providing economic development opportunities.

**LENDING PERFORMANCE TABLES FOR LIMITED-SCOPE REVIEW
ASSESSMENT AREAS**

Little Rock Assessment Area

Small Business Loans by Revenue and Loan Size								
Assessment Area: Little Rock								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total
		Bank		Aggregate	Bank		Aggregate	Businesses
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	15	68.2%	40.1%	\$353	10.0%	33.9%	90.2%
	Over \$1 Million/ Unknown	7	31.8%	59.9%	\$3,177	90.0%	66.1%	9.8%
	TOTAL	22	100.0%	100.0%	\$3,530	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	16	72.7%	88.1%	\$361	10.2%	29.0%	
	\$100,001–\$250,000	1	4.5%	6.5%	\$108	3.1%	20.1%	
	\$250,001–\$1 Million	5	22.7%	5.3%	\$3,061	86.7%	50.9%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	22	100.0%	100.0%	\$3,530	100.0%	100.0%	
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	14	93.3%		\$245	69.4%	
		\$100,001–\$250,000	1	6.7%		\$108	30.6%	
		\$250,001–\$1 Million	0	0.0%		\$0	0.0%	
		Over \$1 Million	0	0.0%		\$0	0.0%	
		TOTAL	15	100.0%		\$353	100.0%	

Borrower Distribution of Residential Real Estate Loans Assessment Area: Little Rock								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	6.7%	\$0	0.0%	3.4%	23.8%
	Moderate	0	0.0%	18.6%	\$0	0.0%	13.4%	17.1%
	Middle	0	0.0%	16.9%	\$0	0.0%	15.4%	18.2%
	Upper	8	47.1%	35.5%	\$2,680	68.1%	46.1%	40.9%
	Unknown	9	52.9%	22.3%	\$1,258	31.9%	21.6%	0.0%
	TOTAL	17	100.0%	100.0%	\$3,938	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	4.3%	\$0	0.0%	2.0%	23.8%
	Moderate	0	0.0%	11.5%	\$0	0.0%	7.1%	17.1%
	Middle	0	0.0%	16.9%	\$0	0.0%	12.9%	18.2%
	Upper	2	33.3%	38.5%	\$409	17.9%	48.8%	40.9%
	Unknown	4	66.7%	28.8%	\$1,880	82.1%	29.1%	0.0%
	TOTAL	6	100.0%	100.0%	\$2,289	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	5.8%	\$0	0.0%	2.7%	23.8%
	Moderate	0	0.0%	11.3%	\$0	0.0%	7.5%	17.1%
	Middle	0	0.0%	20.2%	\$0	0.0%	14.5%	18.2%
	Upper	0	0.0%	53.8%	\$0	0.0%	61.4%	40.9%
	Unknown	0	0.0%	8.9%	\$0	0.0%	13.8%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	23.8%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	17.1%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	18.2%
	Upper	0	0.0%	2.1%	\$0	0.0%	0.3%	40.9%
	Unknown	4	100.0%	97.9%	\$5,722	100.0%	99.7%	0.0%
	TOTAL	4	100.0%	100.0%	\$5,722	100.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	3.6%	\$0	0.0%	1.2%	23.8%
	Moderate	0	0.0%	7.2%	\$0	0.0%	4.3%	17.1%
	Middle	0	0.0%	15.9%	\$0	0.0%	8.3%	18.2%
	Upper	0	0.0%	68.1%	\$0	0.0%	83.6%	40.9%
	Unknown	0	0.0%	5.1%	\$0	0.0%	2.6%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%

Appendix A (continued)

Other Purpose Closed/Exempt	Low	0	0.0%	4.9%	\$0	0.0%	2.6%	23.8%
	Moderate	0	0.0%	18.8%	\$0	0.0%	12.4%	17.1%
	Middle	0	0.0%	18.8%	\$0	0.0%	14.2%	18.2%
	Upper	0	0.0%	56.4%	\$0	0.0%	69.5%	40.9%
	Unknown	0	0.0%	1.1%	\$0	0.0%	1.3%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.7%	\$0	0.0%	0.3%	23.8%
	Moderate	0	0.0%	1.4%	\$0	0.0%	0.9%	17.1%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	18.2%
	Upper	0	0.0%	0.3%	\$0	0.0%	0.5%	40.9%
	Unknown	0	0.0%	97.6%	\$0	0.0%	98.3%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	5.4%	\$0	0.0%	2.5%	23.8%
	Moderate	0	0.0%	14.8%	\$0	0.0%	9.4%	17.1%
	Middle	0	0.0%	16.6%	\$0	0.0%	12.7%	18.2%
	Upper	10	37.0%	37.0%	\$3,089	25.9%	42.7%	40.9%
	Unknown	17	63.0%	26.2%	\$8,860	74.1%	32.7%	0.0%
	TOTAL	27	100.0%	100.0%	\$11,949	100.0%	100.0%	100.0%

Geographic Distribution of Small Business Loans Assessment Area: Little Rock							
Tract Income Levels	2021						
	Count			Dollar			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ 000s	\$ %	\$ %	%
Low	1	4.5%	6.2%	\$68	1.9%	6.6%	6.4%
Moderate	4	18.2%	22.1%	\$1,724	48.8%	23.4%	24.0%
Middle	0	0.0%	21.7%	\$0	0.0%	18.1%	22.0%
Upper	17	77.3%	49.2%	\$1,738	49.2%	51.5%	47.3%
Unknown	0	0.0%	0.7%	\$0	0.0%	0.3%	0.3%
TOTAL	22	100.0%	100.0%	\$3,530	100.0%	100.0%	100.0%

Geographic Distribution of Residential Real Estate Loans								
Assessment Area: Little Rock								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	1	5.9%	2.8%	\$131	3.3%	2.1%	4.4%
	Moderate	4	23.5%	16.5%	\$522	13.3%	9.9%	22.4%
	Middle	4	23.5%	29.0%	\$637	16.2%	24.2%	29.8%
	Upper	8	47.1%	51.3%	\$2,648	67.2%	63.5%	42.9%
	Unknown	0	0.0%	0.4%	0	0.0%	0.3%	0.5%
	TOTAL	17	100.0%	100.0%	\$3,938	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	1.7%	\$0	0.0%	1.9%	4.4%
	Moderate	0	0.0%	12.1%	\$0	0.0%	7.7%	22.4%
	Middle	0	0.0%	26.5%	\$0	0.0%	21.4%	29.8%
	Upper	6	100.0%	59.5%	\$2,289	100.0%	69.0%	42.9%
	Unknown	0	0.0%	0.2%	\$0	0.0%	0.1%	0.5%
	TOTAL	6	100.0%	100.0%	\$2,289	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	2.6%	\$0	0.0%	1.5%	4.4%
	Moderate	0	0.0%	14.4%	\$0	0.0%	11.3%	22.4%
	Middle	0	0.0%	24.8%	\$0	0.0%	18.6%	29.8%
	Upper	0	0.0%	57.9%	\$0	0.0%	68.4%	42.9%
	Unknown	0	0.0%	0.2%	\$0	0.0%	0.3%	0.5%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	6.4%	\$0	0.0%	6.7%	10.6%
	Moderate	1	25.0%	36.4%	\$450	7.9%	25.0%	25.3%
	Middle	2	50.0%	18.6%	\$1,892	33.1%	8.5%	21.7%
	Upper	1	25.0%	35.7%	\$3,380	59.1%	52.1%	42.1%
	Unknown	0	0.0%	2.9%	\$0	0.0%	7.7%	0.3%
	TOTAL	4	100.0%	100.0%	\$5,722	100.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	1.4%	\$0	0.0%	0.6%	4.4%
	Moderate	0	0.0%	15.2%	\$0	0.0%	8.5%	22.4%
	Middle	0	0.0%	17.4%	\$0	0.0%	8.0%	29.8%
	Upper	0	0.0%	65.9%	\$0	0.0%	82.9%	42.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.5%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%

Appendix A (continued)

Other Purpose Closed/Exempt	Low	0	0.0%	3.0%	\$0	0.0%	1.7%	4.4%
	Moderate	0	0.0%	17.3%	\$0	0.0%	9.0%	22.4%
	Middle	0	0.0%	27.4%	\$0	0.0%	15.7%	29.8%
	Upper	0	0.0%	52.3%	\$0	0.0%	73.5%	42.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.5%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	5.8%	\$0	0.0%	2.7%	4.4%
	Moderate	0	0.0%	34.7%	\$0	0.0%	17.7%	22.4%
	Middle	0	0.0%	37.4%	\$0	0.0%	28.0%	29.8%
	Upper	0	0.0%	22.1%	\$0	0.0%	51.6%	42.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.5%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	1	3.7%	2.4%	\$131	1.1%	2.5%	4.4%
	Moderate	5	18.5%	14.9%	\$972	8.1%	10.6%	22.4%
	Middle	6	22.2%	27.8%	\$2,529	21.2%	21.4%	29.8%
	Upper	15	55.6%	54.7%	\$8,317	69.6%	64.7%	42.9%
	Unknown	0	0.0%	0.3%	\$0	0.0%	0.9%	0.5%
	TOTAL	27	100.0%	100.0%	\$11,949	100.0%	100.0%	100.0%

Hot Springs Assessment Area

Small Business Loans by Revenue and Loan Size Assessment Area: Hot Springs								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	7	100.0%	41.6%	\$1,186	100.0%	40.9%	92.8%
	Over \$1 Million/ Unknown	0	0.0%	58.4%	\$0	0.0%	59.1%	7.2%
	TOTAL	7	100.0%	100.0%	\$1,186	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	4	57.1%	89.1%	\$129	10.9%	30.7%	
	\$100,001–\$250,000	0	0.0%	7.0%	\$0	0.0%	25.5%	
	\$250,001–\$1 Million	3	42.9%	3.9%	\$1,057	89.1%	43.8%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	7	100.0%	100.0%	\$1,186	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	4	57.1%		\$129	10.9%		
	\$100,001–\$250,000	0	0.0%		\$0	0.0%		
	\$250,001–\$1 Million	3	42.9%		\$1,057	89.1%		
	Over \$1 Million	0	0.0%		\$0	0.0%		
	TOTAL	7	100.0%		\$1,186	100.0%		

Borrower Distribution of Residential Real Estate Loans Assessment Area: Hot Springs								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	5.1%	\$0	0.0%	2.4%	23.2%
	Moderate	0	0.0%	15.6%	\$0	0.0%	10.0%	16.7%
	Middle	2	20.0%	17.5%	\$224	10.1%	14.2%	19.6%
	Upper	4	40.0%	41.1%	\$1,161	52.5%	51.0%	40.4%
	Unknown	4	40.0%	20.8%	\$825	37.3%	22.5%	0.0%
	TOTAL	10	100.0%	100.0%	\$2,210	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	5.9%	\$0	0.0%	2.7%	23.2%
	Moderate	0	0.0%	15.2%	\$0	0.0%	9.4%	16.7%
	Middle	1	33.3%	17.0%	\$165	49.3%	13.3%	19.6%
	Upper	2	66.7%	39.2%	\$170	50.7%	50.8%	40.4%
	Unknown	0	0.0%	22.8%	\$0	0.0%	23.8%	0.0%
	TOTAL	3	100.0%	100.0%	\$335	100.0%	100.0%	100.0%

Appendix A (continued)

Home Improvement	Low	0	0.0%	7.9%	\$0	0.0%	3.3%	23.2%
	Moderate	1	100.0%	11.5%	\$48	100.0%	6.3%	16.7%
	Middle	0	0.0%	22.4%	\$0	0.0%	15.5%	19.6%
	Upper	0	0.0%	49.7%	\$0	0.0%	63.0%	40.4%
	Unknown	0	0.0%	8.5%	\$0	0.0%	11.9%	0.0%
	TOTAL	1	100.0%	100.0%	\$48	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	23.2%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	16.7%
	Middle	0	0.0%	6.3%	\$0	0.0%	0.7%	19.6%
	Upper	0	0.0%	9.4%	\$0	0.0%	11.2%	40.4%
	Unknown	0	0.0%	84.4%	\$0	0.0%	88.2%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	5.6%	\$0	0.0%	2.8%	23.2%
	Moderate	0	0.0%	11.1%	\$0	0.0%	5.5%	16.7%
	Middle	0	0.0%	20.4%	\$0	0.0%	16.9%	19.6%
	Upper	0	0.0%	55.6%	\$0	0.0%	62.7%	40.4%
	Unknown	0	0.0%	7.4%	\$0	0.0%	12.2%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	8.3%	\$0	0.0%	4.4%	23.2%
	Moderate	0	0.0%	29.2%	\$0	0.0%	20.3%	16.7%
	Middle	0	0.0%	8.3%	\$0	0.0%	7.1%	19.6%
	Upper	0	0.0%	52.1%	\$0	0.0%	66.0%	40.4%
	Unknown	0	0.0%	2.1%	\$0	0.0%	2.2%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	2.5%	\$0	0.0%	1.3%	23.2%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	16.7%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	19.6%
	Upper	0	0.0%	5.0%	\$0	0.0%	3.1%	40.4%
	Unknown	0	0.0%	92.5%	\$0	0.0%	95.7%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	5.5%	\$0	0.0%	2.5%	23.2%
	Moderate	1	7.1%	15.1%	\$48	1.9%	9.3%	16.7%
	Middle	3	21.4%	17.1%	\$389	15.0%	13.2%	19.6%
	Upper	6	42.9%	40.3%	\$1,331	51.3%	49.3%	40.4%
	Unknown	4	28.6%	21.9%	\$825	31.8%	25.8%	0.0%
	TOTAL	14	100.0%	100.0%	\$2,593	100.0%	100.0%	100.0%

Geographic Distribution of Small Business Loans Assessment Area: Hot Springs							
Tract Income Levels	2021						
	Count			Dollar			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ 000s	\$ %	\$ %	%
Low	0	0.0%	4.8%	\$0	0.0%	3.3%	6.9%
Moderate	2	28.6%	19.9%	\$34	2.9%	23.9%	19.0%
Middle	1	14.3%	43.6%	\$14	1.2%	45.4%	44.0%
Upper	4	57.1%	31.1%	\$1,138	96.0%	27.2%	30.1%
Unknown	0	0.0%	0.7%	\$0	0.0%	0.2%	0.0%
TOTAL	7	100.0%	100.0%	\$1,186	100.0%	100.0%	100.0%

Geographic Distribution of Residential Real Estate Loans Assessment Area: Hot Springs								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	1	10.0%	3.4%	\$180	8.1%	1.7%	3.4%
	Moderate	1	10.0%	8.7%	\$108	4.9%	6.7%	11.8%
	Middle	3	30.0%	47.4%	\$351	15.9%	42.2%	49.1%
	Upper	5	50.0%	40.5%	\$1,571	71.1%	49.4%	35.6%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	10	100.0%	100.0%	\$2,210	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	1.9%	\$0	0.0%	0.9%	3.4%
	Moderate	1	33.3%	6.6%	\$37	11.0%	5.4%	11.8%
	Middle	2	66.7%	44.2%	\$298	89.0%	38.9%	49.1%
	Upper	0	0.0%	47.3%	\$0	0.0%	54.8%	35.6%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	3	100.0%	100.0%	\$335	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	3.6%	\$0	0.0%	1.9%	3.4%
	Moderate	0	0.0%	5.5%	\$0	0.0%	3.9%	11.8%
	Middle	1	100.0%	52.1%	\$48	100.0%	43.1%	49.1%
	Upper	0	0.0%	38.8%	\$0	0.0%	51.0%	35.6%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	1	100.0%	100.0%	\$48	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	25.0%	\$0	0.0%	6.3%	8.0%
	Moderate	0	0.0%	12.5%	\$0	0.0%	4.6%	25.4%
	Middle	0	0.0%	34.4%	\$0	0.0%	13.1%	49.1%
	Upper	0	0.0%	28.1%	\$0	0.0%	76.0%	17.5%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%

Appendix A (continued)

Other Purpose LOC	Low	0	0.0%	3.7%	\$0	0.0%	1.4%	3.4%
	Moderate	0	0.0%	7.4%	\$0	0.0%	2.5%	11.8%
	Middle	0	0.0%	44.4%	\$0	0.0%	32.8%	49.1%
	Upper	0	0.0%	44.4%	\$0	0.0%	63.3%	35.6%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	6.3%	\$0	0.0%	2.9%	3.4%
	Moderate	0	0.0%	6.3%	\$0	0.0%	5.1%	11.8%
	Middle	0	0.0%	52.1%	\$0	0.0%	50.7%	49.1%
	Upper	0	0.0%	35.4%	\$0	0.0%	41.3%	35.6%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	3.4%
	Moderate	0	0.0%	7.5%	\$0	0.0%	3.6%	11.8%
	Middle	0	0.0%	42.5%	\$0	0.0%	38.2%	49.1%
	Upper	0	0.0%	50.0%	\$0	0.0%	58.2%	35.6%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	1	7.1%	2.9%	\$180	6.9%	1.6%	3.4%
	Moderate	2	14.3%	7.7%	\$145	5.6%	6.0%	11.8%
	Middle	6	42.9%	46.1%	\$697	26.9%	39.6%	49.1%
	Upper	5	35.7%	43.4%	\$1,571	60.6%	52.8%	35.6%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	14	100.0%	100.0%	\$2,593	100.0%	100.0%	100.0%

Southwest Arkansas Assessment Area

Small Business Loans by Revenue and Loan Size Assessment Area: Southeast Arkansas								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	3	50.0%	27.2%	\$721	81.5%	27.7%	87.7%
	Over \$1 Million/ Unknown	3	50.0%	72.8%	\$164	18.5%	72.3%	12.3%
	TOTAL	6	100.0%	100.0%	\$885	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	4	66.7%	92.4%	\$166	18.8%	33.6%	
	\$100,001–\$250,000	1	16.7%	3.9%	\$119	13.4%	16.3%	
	\$250,001–\$1 Million	1	16.7%	3.6%	\$600	67.8%	50.1%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	6	100.0%	100.0%	\$885	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	2	66.7%		\$121	16.8%		
	\$100,001–\$250,000	0	0.0%		\$0	0.0%		
	\$250,001–\$1 Million	1	33.3%		\$600	83.2%		
	Over \$1 Million	0	0.0%		\$0	0.0%		
	TOTAL	3	100.0%		\$721	100.0%		

Borrower Distribution of Residential Real Estate Loans Assessment Area: Southeast Arkansas								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	1	16.7%	4.0%	\$44	6.5%	1.9%	25.1%
	Moderate	1	16.7%	14.6%	\$60	8.9%	9.5%	17.8%
	Middle	2	33.3%	23.1%	\$92	13.6%	21.7%	16.2%
	Upper	1	16.7%	36.2%	\$171	25.3%	44.9%	40.9%
	Unknown	1	16.7%	22.1%	\$309	45.7%	22.0%	0.0%
	TOTAL	6	100.0%	100.0%	\$676	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	3.1%	\$0	0.0%	1.2%	25.1%
	Moderate	0	0.0%	8.8%	\$0	0.0%	5.7%	17.8%
	Middle	0	0.0%	17.1%	\$0	0.0%	15.8%	16.2%
	Upper	0	0.0%	49.1%	\$0	0.0%	57.0%	40.9%
	Unknown	0	0.0%	21.8%	\$0	0.0%	20.4%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%

Appendix A (continued)

Home Improvement	Low	0	0.0%	25.0%	\$0	0.0%	10.6%	25.1%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	17.8%
	Middle	0	0.0%	50.0%	\$0	0.0%	86.4%	16.2%
	Upper	0	0.0%	25.0%	\$0	0.0%	3.0%	40.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	25.1%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	17.8%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	16.2%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	40.9%
	Unknown	0	0.0%	100.0%	\$0	0.0%	100.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	25.1%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	17.8%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	16.2%
	Upper	0	0.0%	100.0%	\$0	0.0%	100.0%	40.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	25.1%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	17.8%
	Middle	0	0.0%	33.3%	\$0	0.0%	36.7%	16.2%
	Upper	0	0.0%	66.7%	\$0	0.0%	63.3%	40.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	25.1%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	17.8%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	16.2%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	40.9%
	Unknown	0	0.0%	100.0%	\$0	0.0%	100.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	1	16.7%	3.6%	\$44	6.5%	1.6%	25.1%
	Moderate	1	16.7%	11.3%	\$60	8.9%	7.4%	17.8%
	Middle	2	33.3%	20.0%	\$92	13.6%	18.7%	16.2%
	Upper	1	16.7%	41.8%	\$171	25.3%	49.9%	40.9%
	Unknown	1	16.7%	23.3%	\$309	45.7%	22.4%	0.0%
	TOTAL	6	100.0%	100.0%	\$676	100.0%	100.0%	100.0%

Geographic Distribution of Small Business Loans Assessment Area: Southeast Arkansas							
Tract Income Levels	2021						
	Count			Dollar			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ 000s	\$ %	\$ %	%
Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
Moderate	1	16.7%	20.2%	\$92	10.4%	14.9%	25.9%
Middle	2	33.3%	58.1%	\$630	71.1%	60.7%	45.1%
Upper	3	50.0%	19.8%	\$164	18.5%	24.1%	29.1%
Unknown	0	0.0%	2.0%	\$0	0.0%	0.2%	0.0%
TOTAL	6	100.0%	100.0%	\$886	100.0%	100.0%	100.0%

Geographic Distribution of Residential Real Estate Loans Assessment Area: Southeast Arkansas								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	26.9%	\$0	0.0%	25.3%	17.5%
	Middle	5	83.3%	46.5%	\$505	74.7%	38.8%	65.5%
	Upper	1	16.7%	26.6%	\$171	25.3%	35.9%	16.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	6	100.0%	100.0%	\$676	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	21.6%	\$0	0.0%	21.8%	17.5%
	Middle	0	0.0%	55.1%	\$0	0.0%	52.8%	65.5%
	Upper	0	0.0%	23.4%	\$0	0.0%	25.4%	16.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	50.0%	\$0	0.0%	86.4%	17.5%
	Middle	0	0.0%	50.0%	\$0	0.0%	13.6%	65.5%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	16.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	66.7%	\$0	0.0%	86.9%	32.9%
	Middle	0	0.0%	33.3%	\$0	0.0%	13.1%	14.0%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	53.1%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%

Appendix A (continued)

Other Purpose LOC	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	100.0%	\$0	0.0%	100.0%	17.5%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	65.5%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	16.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	50.0%	\$0	0.0%	56.3%	17.5%
	Middle	0	0.0%	33.3%	\$0	0.0%	29.2%	65.5%
	Upper	0	0.0%	16.7%	\$0	0.0%	14.5%	16.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	9.1%	\$0	0.0%	12.6%	17.5%
	Middle	0	0.0%	54.5%	\$0	0.0%	51.9%	65.5%
	Upper	0	0.0%	36.4%	\$0	0.0%	35.5%	16.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	24.8%	\$0	0.0%	24.4%	17.5%
	Middle	5	83.3%	50.4%	\$505	74.7%	45.2%	65.5%
	Upper	1	16.7%	24.8%	\$171	25.3%	30.4%	16.9%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	6	100.0%	100.0%	\$676	100.0%	100.0%	100.0%

Clark County Assessment Area

Small Business Loans by Revenue and Loan Size								
Assessment Area: Clark County								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	3	100.0%	43.7%	\$131	100.0%	46.0%	91.9%
	Over \$1 Million/ Unknown	0	0.0%	56.3%	\$0	0.0%	54.0%	8.1%
	TOTAL	3	100.0%	100.0%	\$131	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	3	100.0%	90.7%	\$131	100.0%	43.1%	
	\$100,001–\$250,000	0	0.0%	7.1%	\$0	0.0%	30.9%	
	\$250,001–\$1 Million	0	0.0%	2.2%	\$0	0.0%	26.1%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	3	100.0%	100.0%	\$131	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	3	100.0%		\$131	100.0%		
	\$100,001–\$250,000	0	0.0%		\$0	0.0%		
	\$250,001–\$1 Million	0	0.0%		\$0	0.0%		
	Over \$1 Million	0	0.0%		\$0	0.0%		
	TOTAL	3	100.0%		\$131	100.0%		

Borrower Distribution of Residential Real Estate Loans								
Assessment Area: Clark County								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	2.6%	\$0	0.0%	1.7%	20.5%
	Moderate	1	33.3%	11.1%	\$155	29.0%	9.7%	15.5%
	Middle	0	0.0%	24.5%	\$0	0.0%	22.9%	17.5%
	Upper	1	33.3%	37.3%	\$237	44.4%	41.5%	46.5%
	Unknown	1	33.3%	24.5%	\$142	26.6%	24.2%	0.0%
	TOTAL	3	100.0%	100.0%	\$534	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	0.5%	\$0	0.0%	0.1%	20.5%
	Moderate	0	0.0%	9.1%	\$0	0.0%	5.9%	15.5%
	Middle	0	0.0%	17.8%	\$0	0.0%	15.8%	17.5%
	Upper	0	0.0%	48.4%	\$0	0.0%	52.4%	46.5%
	Unknown	0	0.0%	24.2%	\$0	0.0%	25.8%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%

Appendix A (continued)

Home Improvement	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	20.5%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	15.5%
	Middle	0	0.0%	16.7%	\$0	0.0%	5.6%	17.5%
	Upper	0	0.0%	83.3%	\$0	0.0%	94.4%	46.5%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	20.5%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	15.5%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	17.5%
	Upper	0	0.0%	14.3%	\$0	0.0%	2.0%	46.5%
	Unknown	2	100.0%	85.7%	\$6,713	100.0%	98.0%	0.0%
	TOTAL	2	100.0%	100.0%	\$6,713	100.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	20.5%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	15.5%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	17.5%
	Upper	0	0.0%	100.0%	\$0	0.0%	100.0%	46.5%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	20.5%
	Moderate	0	0.0%	25.0%	\$0	0.0%	2.9%	15.5%
	Middle	0	0.0%	25.0%	\$0	0.0%	2.9%	17.5%
	Upper	0	0.0%	50.0%	\$0	0.0%	94.2%	46.5%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	20.5%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	15.5%
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	17.5%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	46.5%
	Unknown	0	0.0%	100.0%	\$0	0.0%	100.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	1.6%	\$0	0.0%	0.9%	20.5%
	Moderate	1	20.0%	10.0%	\$155	2.1%	7.3%	15.5%
	Middle	0	0.0%	21.2%	\$0	0.0%	17.8%	17.5%
	Upper	1	20.0%	41.8%	\$237	3.3%	41.6%	46.5%
	Unknown	3	60.0%	25.4%	\$6,855	94.6%	32.3%	0.0%
	TOTAL	5	100.0%	100.0%	\$7,247	100.0%	100.0%	100.0%

Geographic Distribution of Small Business Loans Assessment Area: Clark County							
Tract Income Levels	2021						
	Count			Dollar			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ 000s	\$ %	\$ %	%
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	3	100.0%	83.2%	\$131	100.0%	84.0%	82.2%
Upper	0	0.0%	16.4%	\$0	0.0%	15.9%	17.8%
Unknown	0	0.0%	0.4%	\$0	0.0%	0.1%	0.0%
TOTAL	3	100.0%	100.0%	\$131	100.0%	100.0%	100.0%

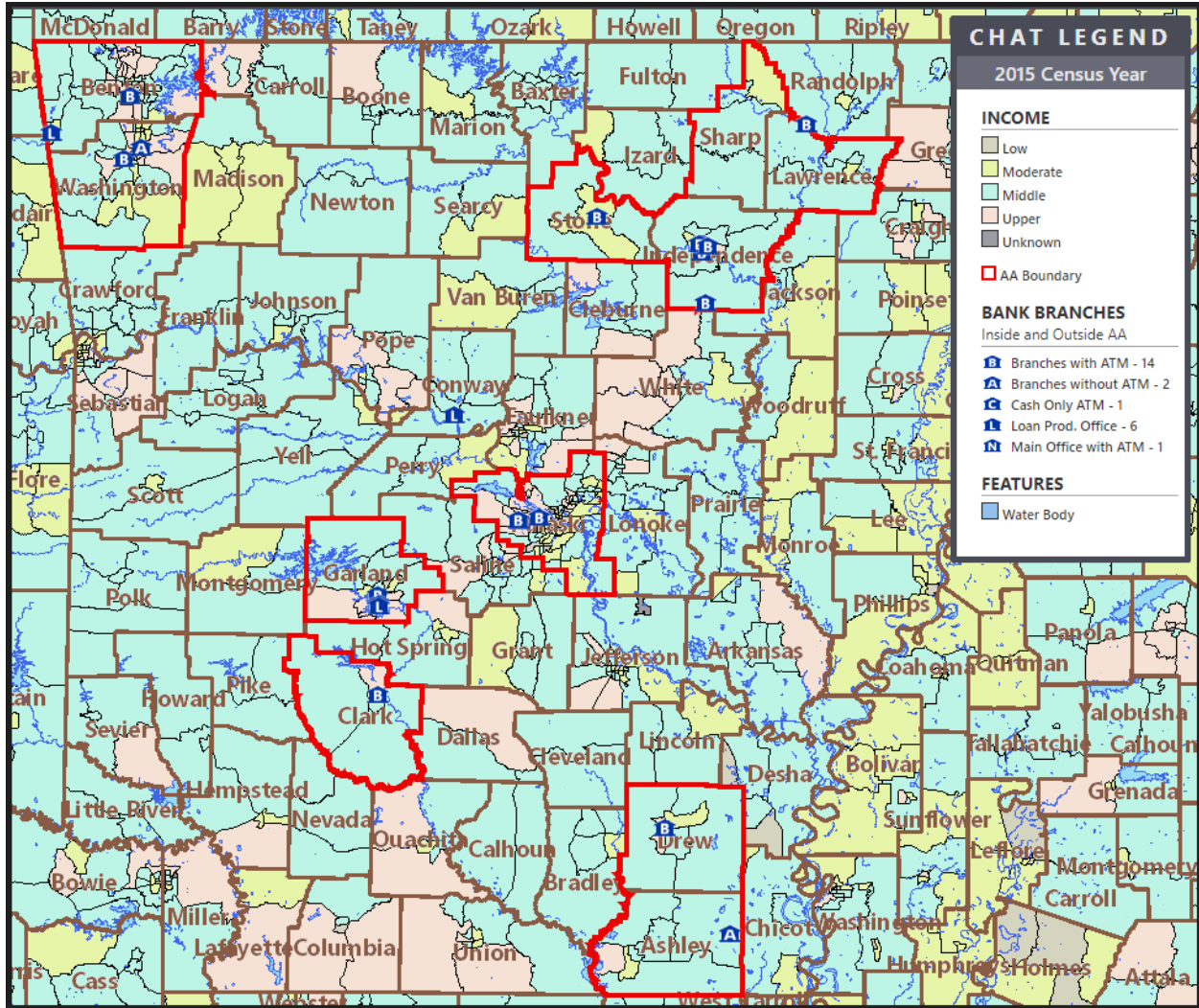
Geographic Distribution of Residential Real Estate Loans Assessment Area: Clark County								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Middle	2	66.7%	80.1%	\$297	55.6%	77.3%	85.0%
	Upper	1	33.3%	19.9%	\$237	44.4%	22.7%	15.0%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	3	100.0%	100.0%	\$534	100.0%	100.0%	100.0%
Refinance	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	0	0.0%	75.8%	\$0	0.0%	73.6%	85.0%
	Upper	0	0.0%	23.7%	\$0	0.0%	26.1%	15.0%
	Unknown	0	0.0%	0.5%	\$0	0.0%	0.3%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	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	0	0.0%	50.0%	\$0	0.0%	48.6%	85.0%
	Upper	0	0.0%	50.0%	\$0	0.0%	51.4%	15.0%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Multifamily	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	100.0%	85.7%	\$6,713	100.0%	96.8%	80.3%
	Upper	0	0.0%	14.3%	\$0	0.0%	3.2%	19.7%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	2	100.0%	100.0%	\$6,713	100.0%	100.0%	100.0%

Appendix A (continued)

Other Purpose LOC	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	0	0.0%	100.0%	\$0	0.0%	100.0%	85.0%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	15.0%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Middle	0	0.0%	100.0%	\$0	0.0%	100.0%	85.0%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	15.0%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Middle	0	0.0%	80.0%	\$0	0.0%	84.2%	85.0%
	Upper	0	0.0%	20.0%	\$0	0.0%	15.8%	15.0%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	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	4	80.0%	78.3%	\$7,010	96.7%	77.9%	85.0%
	Upper	1	20.0%	21.5%	\$237	3.3%	22.0%	15.0%
	Unknown	0	0.0%	0.2%	\$0	0.0%	0.1%	0.0%
	TOTAL	5	100.0%	100.0%	\$7,247	100.0%	100.0%	100.0%

ASSESSMENT AREA DETAIL

The Citizens Bank, Batesville, Arkansas
Assessment Area



GLOSSARY

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

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

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

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

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

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

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

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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

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

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

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

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

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

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

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

Appendix C (continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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