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August 1, 2016

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Centennial Bank
RSSD # 973364

904 Avenue O
Lubbock, Texas 79401

Federal Reserve Bank of Dallas
2200 North Pearl Street
Dallas, Texas 75201

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

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INSTITUTION RATING

This institution is rated Satisfactory.

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

Centennial Bank's (bank) performance demonstrates a reasonable responsiveness to the credit needs and an adequate responsiveness to the community development needs of its assessment areas. The bank's performance under the Lending Test is Satisfactory based on the following criteria:

- A substantial majority of Home Mortgage Disclosure Act (HMDA) and small business loans, 82.3% of the number and 78.6% of the dollar volume, originated inside the bank's assessment areas.
- A reasonable net loan-to-deposit ratio (LTD) of 90.1% as of June 30, 2016, with a quarterly average of 78.2% since the previous CRA evaluation, given the institution's resources and competition in the assessment areas.
- A reasonable penetration of loans among individuals of different income levels and businesses of different sizes.
- A reasonable dispersion of loans throughout the institution's assessment areas.

The bank's performance under the Community Development Test is Satisfactory based on the following criteria:

- The institution's Community Development performance demonstrates adequate responsiveness to community development needs in its assessment areas through community development loans, qualified investments, and community development services, as appropriate, considering the institution's capacity and the need and availability of such opportunities for community development in the institution's assessment areas.

INSTITUTION

Scope of Examination

The evaluation was conducted using the CRA intermediate small bank (ISB) performance standards. ISB CRA performance standards evaluate lending using the following criteria:

- Average loan-to-deposit ratio since the last CRA evaluation.
- The overall level of lending within the assessment areas.
- The bank's lending to borrowers of different income levels and businesses and farms of different sizes.
- The bank's geographic distribution of loans within its assessment areas.
- The bank's response to written complaints with respect to CRA performance in the assessment areas.

Each standard is viewed as part of an overall picture of the bank's performance in meeting the credit needs of its assessment areas. Throughout this evaluation, the analyses of distribution for borrower and geography considers all income levels; however, the discussion focuses on performance to low- and moderate-income borrowers and geographies. Unless specifically commented, the performance to middle- and upper-income borrowers and geographies did not impact the conclusions made in this evaluation. There were no complaints received regarding the bank's CRA performance; therefore, this criterion did not factor into evaluating the bank's overall CRA performance.

Home mortgage (HMDA) lending for the period January 1, 2014 through December 31, 2015 was evaluated for this evaluation. In addition, a sample of 99 small business loans originated by the bank between July 1, 2015 and December 31, 2015 was reviewed.

Also under the ISB procedures, the bank's community development (CD) activities were reviewed to determine a community development test rating. The community development test allows flexibility, permitting a bank to apply its resources strategically to the types of community development activities (loans, investments, and/or services) that are most responsive in helping meet community needs. It is expected that a bank will appropriately assess the needs in its community, engage in different types of community development activities based on those needs and the bank's capacity, and that it will take reasonable steps to apply its community development resources strategically to meet those needs. The evaluation was based on qualified community development loans, investments, and services provided by the bank since the conclusion of the previous CRA evaluation as of December 3, 2012. The lending test rating and community development test rating were combined to determine the overall CRA rating.

Description of Institution

Centennial Bank is a commercial bank headquartered in Lubbock, Texas. The bank currently operates in five assessment areas that include the Lubbock Metropolitan Statistical Area (MSA) (Crosby, Lubbock and Lynn Counties); Gillespie and Kerr Counties; Castro, Hale and Swisher Counties; Garza County, and Kendall County. The bank previously took Wheeler County as an assessment area, but it was removed subsequent to the sale of its Shamrock branch in December 2015. The bank currently has a total of thirteen branches, four deposit taking automated teller machines (ATMs), ten cash only ATMs, and two inquiry only ATMs. There are ATMs at all the branches and two off-site cash only ATMs. In addition, there is one loan production office (LPO).

The bank is wholly owned by Commerce Bancshares, Inc. The bank's core lending products include agriculture, commercial, and residential real estate loans. Additionally, the bank is a Small Business Administration (SBA) lender. The bank offers traditional deposit products that include certificates of deposit, checking, money market, negotiable order of withdrawal (NOW), savings, and individual retirement accounts. All loans, deposits, and services are available at each branch location. Since the previous evaluation, the bank merged with Citizens Bank, Slaton, Texas.

The following tables depict the locations of the bank's operations.

Retail Locations				
NAME ADDRESS	TRACT INCOME LEVEL COUNTY	ATM (YES/NO)/ DEPOSIT- TAKING CAPABILITY	LOBBY HOURS	DRIVE-THRU HOURS
Full Service Branches				
Main Branch * Centennial Corporate 904 Avenue O Lubbock, Texas 79401	0007 Middle Lubbock	Yes Deposits	Mon. – Fri. Hours are by appointment	N/A
Upland 7207 82nd Street Lubbock, Texas 79424	0104.07 Upper Lubbock	Yes No Deposits	Mon. – Fri. 9 am to 4 pm	Mon. – Fri. 7:30 am to 6 pm
Quaker 6602 Quaker Avenue Lubbock, Texas 79413	0018.03 Middle Lubbock	Yes No Deposits	Mon. – Fri. 9 am to 4 pm	Mon. – Fri. 7:30 am to 6 pm Sat. 9:00 am to 12 pm
Slaton 103 Texas Avenue Slaton, Texas 79364	0106 Middle Lubbock	Yes No Deposits	Mon. – Fri. 9 am to 3 pm	Mon. – Thurs. 9 am to 4 pm Fri. - 9 am to 6 pm Sat. – 9 am to 12 pm
Plainview 201 West 6th Street Plainview, Texas 79072	9505 Middle Hale	Yes No Deposits	Mon. – Fri. 9 am to 3 pm	Mon. – Fri. 8 am to 4 pm
Plainview West 3201 Olton Road Plainview, Texas 7972	9503 Upper Hale	Yes No Deposits	Mon. - Fri. 9 am to 4 pm	Mon. – Fri. 8 am to 6 pm Sat. 9 am to 12 pm
Hart 424 Broadway Hart, Texas 79043	9503 Middle Castro	No No Deposits	Mon. – Fri. 9 am to 2 pm	Mon. – Fri. 2 pm to 5 pm
Tulia 125 South Austin Tulia, Texas 79088	9503 Middle Swisher	Yes No Deposits	Mon. – Fri. 9 am to 3 pm	Mon. - Fri. 8 am to 6 pm
Post 210 N Broadway Post, Texas 79356	9501 Middle Garza	Yes No Deposits	Mon. - Fri. 9 am to 3 pm	Mon. – Fri. 9 am to 6 pm Sat. 9 am to 12 pm
Kerrville 1145 Junction Highway Kerrville, Texas 78028	9604 Middle Kerr	Yes No Deposits	Mon. - Thurs. 9 am to 3 pm Friday 9 am to 5 pm	Mon. - Fri. 8 am to 6 pm
Kerrville South 207-C Sidney Baker South Kerrville, Texas 78028	9606 Middle Kerr	Yes No Deposits	Mon. – Thurs. 9 am to 4 pm Fri. 9 am to 5 pm	Mon. – Fri. 8 am to 6 pm
Fredericksburg 710 South Adams Fredericksburg, Texas 78624	9505 Middle Gillespie	No No Deposits	Mon. – Fri. 9 am to 3 pm	Mon. – Fri. 8 am to 6 pm
Boerne * 1689 River Road Boerne, Texas 78006	9704.01 Upper Kendall	Yes Deposits	Mon. – Thurs. 9 am to 4 pm Fri. – 9 am to 5 pm	Mon. - Fri. 8 am to 6 pm
Loan Production Office New Braunfels 421 South Seguin Avenue New Braunfels, Texas 78130	3101 Middle Comal	No	Mon.-Fri. Hours are by appointment only	N/A

* The Main and Boerne branches have two ATMs: one in the lobby and one in the drive through; all are deposit taking.

Off Site ATM		
Location	Tract Income Level County	Deposit Taking (Yes/No)
Plainview Yonkers 2401 Yonkers Street Plainview, Texas 79072	9503 Upper Hale	No
Slaton Plaza 615 Hwy 84 Slaton, Texas 79364	0107 Upper Lubbock	No

As of June 30, 2016, the bank reported total assets of approximately \$715.4 million, gross loans of \$528.3 million, total deposits of \$554.5 million, and a net loan-to-deposit ratio of 90.1%. The following table reflects the loan portfolio mix:

Product	6/30/2016 \$(000's)	% of Loans	12/31/2015 \$(000's)	% of Loans
Real Estate				
1-4 Family Residential Construction Loans	8,049	1.5	10,094	1.9
Other Construction Loans & Land Development & Other	50,533	9.6	46,370	8.5
Farm Land	29,182	5.5	34,605	6.4
1-4 Family Residential Secured by First Liens	68,991	13.1	66,063	12.1
1-4 Family Residential Secured by Junior Liens	917	0.2	1,028	0.2
Multifamily	12,936	2.4	13,157	2.4
Nonfarm Nonresidential				
Loans Secured Owner Occupied Nonfarm Nonresidential	81,685	15.5	78,774	14.5
Loans Secured by Other Nonfarm Nonresidential	85,454	16.2	82,875	15.2
Total Real Estate	337,747	63.9	332,966	61.2
Agricultural	64,240	12.2	75,031	13.8
Commercial and Industrial	85,857	16.3	93,084	17.1
Consumer	33,938	6.4	37,487	6.9
Other	181	0.0	95	0.0
Lease Financing	6,349	1.2	5,572	1.0
Gross Loans	528,312	100.0	544,235	100.0

The bank's ability to meet various credit needs of the community has not been hampered by its capacity to lend, its financial condition and size, product offerings, prior performance, legal impediments or other factors. The bank received a Satisfactory rating on its previous CRA performance evaluation dated December 3, 2012 performed by the Federal Reserve Bank of Dallas.

Description of Assessment Areas

Six assessment areas were considered during this evaluation. The first assessment area is the Lubbock MSA Assessment Area. The assessment area is comprised of Crosby, Lubbock, and Lynn counties. It contains 74 census tracts comprised of eight low-income (10.8%), 15 moderate-income (20.3%), 29 middle-income (39.2%), 21 upper-income (28.4%) census tracts, and one tract (1.4%) where the income is unknown. In the Lubbock MSA Assessment Area there are four branches, which hold approximately 16.8% of the bank's total deposits.

Kendall County is the second assessment area. It is part of the San Antonio-New Braunfels, TX MSA. The assessment area contains six census tracts comprised of two middle-income (33.3%) and four upper-income (66.7%) census tracts. In this assessment area there is one branch, which holds approximately 3.8% of the bank's total deposits.

The third is the Castro, Swisher, and Hale Counties Assessment Area. It is not in an MSA and is comprised of Castro, Swisher, and Hale Counties. The assessment area contains 15 census tracts comprised of five moderate-income (33.3%), seven middle-income (46.7%) and three upper-income (20.0 %) census tracts. In this assessment area, there are four branches, which hold approximately 25.1% of the bank's total deposits.

Gillespie and Kerr counties comprise the fourth assessment area and is a non-MSA. The assessment area contains 15 census tracts comprised of one moderate-income (6.7%), eight middle-income (53.3%) and six upper-income (40.0%) census tracts. In this assessment area, there are three branches, which hold approximately 31.5% of the bank's total deposits

Garza County, a non-MSA, is the fifth assessment area. The assessment area is comprised of one middle-income census tract. In this assessment area, there is one branch, which holds approximately 7.5% of the bank's total deposits. It is designated as a distressed geography based on the poverty level of the county.

The sixth assessment area is a non-MSA and is comprised of Wheeler County. The assessment area contains two census tracts comprised of one middle-income and one upper-income census tracts. The branch was sold in December of 2015. As of June 30, 2015, this branch held 8.8% of the bank's deposits.

Both the Lubbock MSA and the Castro, Swisher, and Hale Counties assessment areas were reviewed using full scope procedures. The remaining assessment areas were reviewed using limited scope procedures. Additional information can be seen in the separate assessment area discussions.

At the last evaluation, the bank had only two assessment areas. The first assessment area consisted of Hale, Swisher, and Castro counties. The second assessment area consisted of Gillespie and Kerr counties. The Lubbock MSA Assessment Area, Garza County Assessment Area, and Wheeler County Assessment Area were added as the result of the Citizens Bank merger on January 19, 2013. The Kendall County Assessment Area was added on April 28, 2014 when a branch was opened in the county. On December 7, 2015, the Wheeler County Assessment Area was removed due to the sale of the Shamrock branch.

Demographic and economic information impacting the bank's performance context are detailed in the separate assessment area discussions. Information was obtained from

publicly available sources including the U.S. Department of Commerce's Bureau of the Census, 2010; American Community Survey (ACS) 2006-2010, the U.S. Department of Labor; the U.S. Department of Housing and Urban Development (HUD); Dun & Bradstreet; and the Texas Workforce Commission.

Conclusions with Respect to Performance Tests

LENDING TEST

The bank's overall performance under the lending test is rated a Satisfactory. The bank's net LTD ratio is reasonable. A substantial majority of loans were extended inside the assessment areas. The distribution of loans to low- and moderate-income borrowers and to businesses of different sizes was reasonable. The geographic dispersion of the bank's lending was reasonable given the performance context. The bank does a reasonable job of meeting the small business and mortgage credit needs of its assessment areas.

The bank's performance under the lending test was analyzed by a review of the HMDA reported by the bank in 2014 and 2015, as well as the small business loans originated by the bank between July 1, 2015 and December 31, 2015. This lending activity totaled 328 loans for a dollar volume of \$47.6 million. The table below provides a breakdown by loan type.

Summary of Lending Activity				
(2014-2015 HMDA and 2015 Small Business Loans)				
Loan Type	#	\$(000s)	# %	\$ %
Home Purchase	168	19,787	51.2	41.6
Refinancing	33	3,747	10.1	7.9
Home Improvement	23	1,938	7.0	4.1
Multi-Family Housing	5	9,168	1.5	19.3
Total HMDA-Related	229	34,640	69.8	72.8
Small Business	99	12,911	30.2	27.2
Total Loans	328	47,551	100.0	100.0

Loan-to-Deposit Ratio

The general purpose of the CRA is to encourage banks to meet the credit needs in their assessment areas while operating in a safe and sound manner. A financial institution's LTD ratio compares the institution's aggregate loan balances outstanding to its total deposits outstanding. The ratio is a measure of an institution's lending volume relative

to its capacity to lend. The average LTD is derived by adding the quarterly LTD ratios and dividing the total by the number of quarters.

The bank's net LTD ratio is reasonable, given the bank's size and financial condition, the credit needs of the assessment area, and the competitive local banking environment. As of June 30, 2016, the net LTD ratio was 90.1%, and the quarterly average since the previous evaluation was 78.2%. The increase in the LTD ratio is attributed, in part, to the merger activity since the last evaluation.

To better understand the bank's performance in relation to its assessment areas, a comparison of four similarly situated local banks was performed. These banks were chosen for analysis based on their proximity and similar size and structure. The similarly situated banks have net LTD ratios ranging from 61.9% to 98.1% as of June 30, 2016. Their quarterly average net LTD ratios ranged from 60.8% to 95.0%. The bank's LTD ratios are similar to the majority of its peers and reflect favorably upon the bank's efforts to meet the credit needs of its communities.

Lending in Assessment Area

A substantial majority of the bank's loans were originated inside its assessment areas. As shown in the table below, the bank extended 270 (82.3%) by number or \$37.4 million (78.6%) by dollar inside its assessment areas.

Lending Inside and Outside the Bank's Assessment Areas								
Loan Type	Inside				Outside			
	#	\$(000s)	# %	\$ %	#	\$(000s)	# %	\$ %
Home Purchase - Conventional	131	15,388	78.0	77.8	37	4,399	22.0	22.2
Refinancing	31	3,570	93.9	95.3	2	177	6.1	4.7
Home Improvement	22	1,898	95.7	97.9	1	40	4.3	2.1
Multi-Family Housing	2	4,972	40.0	54.2	3	4,196	60.0	45.8
Total HMDA-Related	186	25,828	81.2	74.6	43	8,812	18.8	25.4
Small Business	84	11,537	84.8	89.4	15	1,375	15.2	10.6
TOTAL LOANS	270	37,365	82.3	78.6	58	10,187	17.7	21.4

The remaining analyses will be based on loans made inside the bank's assessment areas.

Consistent with the performance standards for an ISB, conclusions about the bank's distribution of lending within its assessment areas considers; the bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses of different revenue sizes; and, the geographic distribution of the bank's loans.

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

Borrower Distribution of Loans

The bank's distribution of lending to borrowers reflects a reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different revenue sizes. The bank was able to meet the credit demands given the performance context in each of the assessment areas. Data supporting this analysis can be seen in detail in the separate assessment area discussions.

Geographic Distribution of Loans

The distribution of the institution's loans among low- and moderate-income geographies reflects a reasonable dispersion throughout the assessment areas. Loans were generally made in close proximity to the bank's branches and there were no conspicuous gaps or anomalies in the lending patterns. This conclusion is based on the bank's performance in each assessment area in comparison to demographic data. The distribution of the remainder of the bank's lending in middle- and upper-income geographies did not affect conclusions about the bank's performance considering its lending in low- and moderate-income geographies. Data supporting this analysis can be seen in detail in the separate assessment area discussions.

Response to Complaints

There were no complaints related to the CRA during the review period. Consequently, the bank's performance in responding to complaints was not considered in evaluating its overall CRA performance.

Fair Lending or Other Illegal Credit Practices Review

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified. The bank is in compliance with the substantive provisions of the anti-discrimination laws and regulations. Established policies and procedures are designed to ensure ongoing compliance with applicable laws and regulations.

COMMUNITY DEVELOPMENT TEST

The bank's responsiveness to community development needs is adequate considering its capacity and the need and available opportunities. The bank has applied its community development resources strategically to meet the substance of community needs, primarily through qualified loans, investments, donations, and social services targeted to low- and moderate-income individuals in its community. Data supporting this analysis can be seen in detail in the separate assessment area discussions.

The table below depicts a summary of the bank's community development activities since the last CRA evaluation the assessment areas. Included in the table are \$8.7 million loans originated by the bank outside of its assessment areas. These consist of two SBA 504 loans made for economic development of areas in close proximity of their assessment area. In addition, the bank participated in a loan to renovate an apartment complex located in a low-income geography providing much needed affordable housing. The bank invested in a pool of mortgage backed securities targeted towards low-to-moderate income borrowers of the San Antonio MSA in the amount of \$1.2 million. These activities were considered because the bank had satisfactorily addressed the community development need inside its primary assessment areas.

COMMUNITY DEVELOPMENT ACTIVITIES									
Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$	#	\$	#	\$	#	\$	Hours
Affordable Housing	4	5,600,799	1	1,154,920	2	3,422	3	1,158,342	96
Community Services	9	4,975,000	0	0	27	186,890	27	186,890	814
Economic Development	5	4,585,599	0	0	0	0	0	0	368
Revitalization and Stabilization	6	6,243,245	21	8,412,770	2	2,000	23	8,414,770	0
Totals	24	21,404,643	22	9,567,690	31	192,312	53	9,760,002	1,278

METROPOLITAN AREA (Full Scope Review)

Description of Institution's Operations in Lubbock MSA

The Lubbock MSA consists of Lubbock, Lynn, and Crosby counties. Since 2010, the population of the assessment area has increased by 7.4%. The median age of the residents is 30 and the median household income is \$45,529. Health care, higher education, and retail are among the top industries in the assessment area. Information by county is shown in the table below.

County	2015 Population Estimate	% Change Since 2010	Major Municipalities
Lubbock	299,453	7.4	City of Lubbock
Lynn	5,724	(3.2)	City of Tahoka
Crosby	5,977	(1.4)	City of Ralls

The bank has four branches in this assessment area. According to the June 30, 2015 FDIC-Insured Summary of Deposits Report, there were 28 financial institutions operating 116 banking offices in the assessment area. The bank ranked 17th with 1.3% of the deposit market share. City Bank and PlainsCapital Bank dominate the market with 17.7% and 17.1% respectively of the deposit share. For 2014, the bank ranked 38th out of 268 HMDA reporters originating 28 of the 8,860 total HMDA originations in the assessment area. In 2015, the bank decreased its ranking among HMDA reports to 39th out of 288. Of the total HMDA originations for the assessment area, the bank only originated 30 mortgage loans.

The table on the following page details selected characteristics of the assessment area.

Lubbock MSA 2015 Assessment Area Demographics								
Income Categories	Tract Distribution		Families By Tract Income		Families < Poverty Level as a % of Families by Tract		Families By Family Income	
	#	%	#	%	#	%	#	%
Low-Income	8	10.8	3,680	5.4	1,331	36.2	14,479	21.2
Moderate-Income	15	20.3	15,052	22.1	3,270	21.7	12,228	17.9
Middle-Income	29	39.2	26,461	38.8	3,056	11.5	13,101	19.2
Upper-Income	21	28.4	22,970	33.7	858	3.7	28,355	41.6
Unknown-Income	1	1.4	0	0.0	0	0.0	0	0.0
Total AA	74	100.0	68,163	100.0	8,515	12.5	68,163	100.0
	Housing Units By Tract	Housing Type By Tract						
		Owner-Occupied			Rental		Vacant	
		#	% By Tract	% By Unit	#	% By Unit	#	% By Unit
Low-Income	8,601	2,597	4.0	30.2	4,734	55.0	1,270	14.8
Moderate-Income	27,075	12,179	19.0	45.0	11,588	42.8	3,308	12.2
Middle-Income	45,743	24,157	37.7	52.8	16,394	35.8	5,192	11.4
Upper-Income	37,884	25,208	39.3	66.5	9,622	25.4	3,054	8.1
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	119,303	64,141	100.0	53.8	42,338	35.5	12,824	10.7
	Total Businesses by Tract		Businesses By Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-Income	726	4.7	658	4.6	67	6.7	1	1.8
Moderate-Income	2,354	15.3	2,164	15.1	177	17.6	13	22.8
Middle-Income	5,987	39.0	5,485	38.4	473	47.0	29	50.9
Upper-Income	6,280	40.9	5,978	41.8	288	28.6	14	24.6
Unknown-Income	9	0.1	7	0.0	2	0.2	0	0.0
Total AA	15,356	100.0	14,292	100.0	1,007	100.0	57	100.0
Percent of Total Businesses:			93.1		6.6		0.4	
	Total Farms by Tract		Farms By Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-Income	7	0.8	7	0.8	0	0.0	0	0.0
Moderate-Income	91	10.8	91	11.0	0	0.0	0	0.0
Middle-Income	430	50.9	417	50.6	13	61.9	0	0.0
Upper-Income	317	37.5	309	37.5	8	38.1	0	0.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	845	100.0	824	100.0	21	100.0	0	0.0
Percent of Total Farms:			97.5		2.5		0.0	

Based on 2015 Dun & Bradstreet information according to 2010 ACS.

Income Characteristics:

According to the 2010 ACS data, the Lubbock MSA contains 74 census tracts: eight low-income, 15 moderate-income, 29 middle-income, 21 upper-income, and one unknown-income. There are 68,163 families in the assessment area. Approximately 21.2% of the families are low-income, 17.9% are moderate-income, 19.2% are middle-income, and 41.6% are upper-income. Of the families in the Lubbock MSA, 12.5% are living in poverty compared to the state's poverty level of 13.0%.

Housing:

According to 2010 ACS information, there are 119,303 housing units in the assessment area with a median age of 35 years. The median housing value is \$100,834. Owner-occupied housing units comprise 53.8% of the housing stock, which is similar to the state average of 57.0%. Of the remaining housing units, 35.5% are rental and 10.7% are vacant units.

The housing affordability ratio for the assessment area was 42.0. The affordability ratio is defined as the median household income divided by the median housing value. A higher ratio means the housing is considered more affordable, while a low ratio means the housing is considered less affordable. By comparison, the affordability ratio for the state of Texas was 40.2. Therefore, housing in the Lubbock MSA was more affordable compared to the state of Texas.

Labor, Employment, and Economic Characteristics:

The largest non-farm employers by industry in the assessment area are primarily trade and education. Local export statistics indicate crop production and manufacturing are the major exporters in the Lubbock area. The Lubbock MSA has five local colleges and universities with one being a major employer in the area. Transportation is convenient in the city of Lubbock as major interstates and highways connect it to two major east-west Interstate systems: Interstate 20 and Interstate 27. Lubbock is also located on the main line of the Burlington Northern Santé Fe Railway connecting the city to major areas in both the Central and Western United States. Lubbock is home to one of the region's largest health systems between Dallas and Phoenix and it is a major employer for the Lubbock MSA.

According to the 2015 Dun & Bradstreet, 15,356 businesses are located in the assessment area. Of those, 93.1% reported gross annual revenues less than or equal to \$1 million, with 4.6% in low-income, 15.1% in moderate-income, 38.4% in middle-income, and 41.8% in upper-income census tracts.

The unemployment rate for the Lubbock MSA was lower during the review period, 4.0% for 2014, and 3.5% for 2015, than the Texas unemployment rate of 5.1% and 4.5%, respectfully. The unemployment rate in the assessment area was lower than the United States for both 2014 and 2015.

ANNUAL AVERAGE UNEMPLOYMENT RATES		
AREA	2014	2015
Lubbock MSA	4.0%	3.5%
Lubbock County	3.9%	3.4%
Lynn County	4.4%	4.0%
Crosby County	4.7%	4.4%
State of Texas	5.1%	4.5%
United States	6.2%	5.3%

Community Contacts and Credit Needs:

Contact was made with a community leader in the affordable housing financing sector. The contact had been involved in a multi-bank organization that focused on small business lending and financing for builders to construct homes in low- and moderate-income areas. The contact indicated that the financial institutions are proactive and seek to meet the credit needs of the community. Additionally, the contact indicated there are credit needs in the rural areas especially for housing and small businesses.

Conclusions with Respect to Performance Tests in Lubbock MSA

LENDING TO BORROWERS OF DIFFERENT INCOMES AND TO BUSINESSES OF DIFFERENT SIZES

The bank’s distribution of lending to borrowers reflects a reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different revenue sizes. The distribution of the remainder of bank lending to middle- and upper-income borrowers did not affect conclusions about the bank’s performance considering its lending to low- and moderate-income borrowers.

The following table depicts median family income ranges:

Income Level	2014 MSA	2015 MSA
Median Income	\$57,800	\$58,800
Low-income	<\$28,900	<\$29,400
Moderate-income	\$28,900 ≤ \$46,240	\$20,400 ≤ \$47,040
Middle-income	\$46,240 ≤ \$69,360	\$47,040 ≤ \$70,560
Upper-income	>\$69,360	>\$70,560

Residential Real Estate (HMDA) Lending:

The distribution of HMDA loans by borrower income level is reasonable given the high level of competition in the assessment area and the moderate volume of loans originated to low-income borrowers by the aggregate lenders. In 2014 and 2015, aggregate lenders made only 2.8% and 3.1% of their loans to low-income borrowers. In both 2014 and 2015, the bank's performance in lending to moderate-income borrowers was below that of the aggregate. In both years, approximately half of the bank's HMDA loans were reported with unknown income. Generally, this indicates that the loan was for a rental property. There is a demand for rental units as only 53.8% of the housing units are owner-occupied.

The tables on the following pages detail the bank's HMDA lending.

Distribution of 2014 HMDA Loans by Borrower Income Levels Lubbock MSA Assessment Area							
Borrow Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	2.6	1.2	21.2
Moderate	0	0	0.0	0.0	12.3	8.1	17.9
Middle	0	0	0.0	0.0	16.6	14.2	19.2
Upper	11	1,246	57.9	68.2	42.2	52.0	41.6
Unknown	8	581	42.1	31.8	26.4	24.4	0.0
Total	19	1,827	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	3.4	1.7	21.2
Moderate	1	47	16.7	6.4	10.2	5.8	17.9
Middle	0	0	0.0	0.0	15.0	10.7	19.2
Upper	1	52	16.7	7.0	44.3	54.7	41.6
Unknown	4	640	66.7	86.6	27.1	27.2	0.0
Total	6	739	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	6.3	1.2	21.2
Moderate	0	0	0.0	0.0	11.7	4.4	17.9
Middle	0	0	0.0	0.0	15.1	9.7	19.2
Upper	1	49	50.0	44.5	53.0	61.5	41.6
Unknown	1	61	50.0	55.5	13.9	23.2	0.0
Total	2	110	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	2.8	1.2	21.2
Moderate	1	47	3.6	1.5	11.8	7.3	17.9
Middle	0	0	0.0	0.0	16.2	12.9	19.2
Upper	13	1,347	46.4	42.8	42.9	50.2	41.6
Unknown	14	1,754	50.0	55.7	26.3	28.4	0.0
Total	28	3,148	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution of 2015 HMDA Loans by Borrower Income Levels Lubbock MSA Assessment Area							
Borrow Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	2.9	1.5	21.2
Moderate	0	0	0.0	0.0	12.0	8.2	17.9
Middle	4	331	18.2	12.8	16.8	14.3	19.2
Upper	7	540	31.8	20.9	39.6	48.8	41.6
Unknown	11	1,709	50.0	66.2	28.7	27.3	0.0
Total	22	2,580	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	3.2	1.4	21.2
Moderate	1	65	14.3	10.1	7.8	4.1	17.9
Middle	1	40	14.3	6.2	14.4	10.0	19.2
Upper	3	345	42.9	53.8	43.4	52.7	41.6
Unknown	2	191	28.6	29.8	31.1	31.7	0.0
Total	7	641	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	6.7	2.4	21.2
Moderate	0	0	0.0	0.0	8.9	3.7	17.9
Middle	0	0	0.0	0.0	14.4	12.6	19.2
Upper	0	0	0.0	0.0	58.1	64.5	41.6
Unknown	0	0	0.0	0.0	11.8	16.8	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	3.1	1.4	21.2
Moderate	1	65	3.3	0.8	10.9	6.6	17.9
Middle	5	371	16.7	4.8	16.1	12.1	19.2
Upper	10	885	33.3	11.5	41.0	45.7	41.6
Unknown	14	6,400	46.7	82.9	28.9	34.2	0.0
Total	30	7,721	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Small Business Lending

To determine the bank's performance, the small business lending is compared to the number of small businesses located in the assessment area. The CRA defines a small business as one with annual gross revenue of \$1 million or less.

During the sample period, 36 small business loans were originated in this assessment area. Of these loans, 58.3% by number volume and 48.0% by dollar volume were originated to small businesses. Although the bank's lending volume is below the percentage of small business, there is significant competition in the market from both bank and nonbank lenders.

Distribution by Income Level of Business Lubbock MSA 2015 Assessment Area					
Business Revenue	Small Business Loans				% of Businesses by Revenue
	#	\$(000)	# %	\$ %	
\$1MM or less	21	1,968	58.3	48.0	93.1
Over \$1MM	14	2,113	38.9	51.6	6.6
Income Not Known	1	15	2.8	0.4	0.4
Total	36	4,097	100.0	100.0	100.0
Business demographic figures based on 2015 Dun & Bradstreet Data. (NOTE: Total percentages may vary due to automated rounding differences.)					

Geographic Distribution of Loans

The distribution of the institution's loans among low- and moderate-income geographies reflects a reasonable dispersion throughout the assessment area. For this analysis, the geographic distribution of the bank's lending was compared to available demographic information and aggregate lender data. Performance context factors such as population trends, occupancy levels, as well as the performance of other lenders were reviewed when assessing performance. Loans were generally made in close proximity to the bank's branches and there were no conspicuous gaps or anomalies in the lending patterns. The distribution of the remainder of the bank's lending in middle- and upper-income geographies did not affect conclusions about the bank's performance considering its lending in low- and moderate-income geographies. Home purchase loans are the bank's primary HMDA lending product and received the most weight in this analysis.

Residential Real Estate (HMDA) Lending:

Home Purchase Loans

In 2014, the level of lending in low-income tracts materially exceeded the performance of aggregate lenders and the percentage of owner-occupied units. The bank outperformed aggregate lenders in home purchase loans originated in the moderate-income geographies; however, lending volume was below the percentage of owner occupied units.

In 2015, the bank did not originate any home purchase loans in low-income geographies. This is reasonable when compared to the volume or number of only 1.4% of home purchase loans originated by aggregate lenders. Only 4.0% of the owner occupied units are located in low-income geographies. In addition, the bank materially exceeded aggregate lenders in moderate-income tracts, although both the bank and aggregate lenders underperformed compared to the demographics.

Home Refinance Loans

In 2014, the bank did not originate any home refinance loans in low-income geographies. This is reasonable given the performance of the aggregate. The bank's lending performance was lower than aggregate lenders and the percentage of owner-occupied units in moderate-income geographies. The high competition in the assessment area, with the bank holding approximately 0.3% of the HMDA market share, contributes to the limited home refinance lending

In 2015, the bank did not originate any home refinance loans in low-income geographies. This is reasonable when the limited level of lending by aggregate lenders, along with the low percentage of owner-occupied units, is considered. The bank's lending performance well exceeded that of aggregate lenders in moderate-income geographies and the percentage of owner occupied units.

Home Improvement Loans

In 2014, the bank made two home improvement loans; neither were in a low- or moderate-income census tract. In 2015, the bank made no home improvement loans. Home improvement loans are not a material product and were weighted less heavily than other mortgage products.

The tables on the following pages illustrate the assessment area's demographics and HMDA lending for the bank for 2014 and 2015.

Distribution of 2014 HMDA Loans by Income Level of Geography Lubbock MSA Assessment Area							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	4	231	21.1	12.6	1.1	0.8	4.0
Moderate	2	89	10.5	4.9	8.8	4.4	19.0
Middle	7	921	36.8	50.4	36.2	32.5	37.7
Upper	6	586	31.6	32.1	53.9	62.3	39.3
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	19	1,827	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
Low	0	0	0.0	0.0	1.7	0.7	4.0
Moderate	0	0	0.0	0.0	10.4	6.1	19.0
Middle	2	280	33.3	37.9	37.3	30.9	37.7
Upper	4	459	66.7	62.1	50.6	62.3	39.3
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	6	739	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	1.2	1.0	4.0
Moderate	0	0	0.0	0.0	13.6	9.5	19.0
Middle	1	61	50.0	55.5	42.2	37.9	37.7
Upper	1	49	50.0	44.5	43.1	51.6	39.3
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	2	110	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	4	231	14.3	7.3	1.3	0.8	4.0
Moderate	2	89	7.1	2.8	9.3	5.0	19.0
Middle	11	1,734	39.3	55.1	36.7	33.7	37.7
Upper	11	1,094	39.3	34.8	52.7	60.5	39.3
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	28	3,148	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2014 FFIEC census tract designations. ³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 0.0% for aggregate. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution of 2015 HMDA Loans by Income Level of Geography Lubbock MSA Assessment Area							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data¹		% of Owner Occupied Units²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	1.4	0.9	4.0
Moderate	3	380	13.6	14.7	9.6	5.7	19.0
Middle	10	998	45.5	38.7	37.0	33.5	37.7
Upper	9	1,202	40.9	46.6	52.0	59.9	39.3
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	22	2,580	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
Low	0	0	0.0	0.0	1.4	0.9	4.0
Moderate	2	244	28.6	38.1	8.6	4.2	19.0
Middle	4	275	57.1	42.9	34.7	29.9	37.7
Upper	1	122	14.3	19.0	55.3	65.0	39.3
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	7	641	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	1.6	1.8	4.0
Moderate	0	0	0.0	0.0	18.8	10.9	19.0
Middle	0	0	0.0	0.0	37.1	33.0	37.7
Upper	0	0	0.0	0.0	42.5	54.2	39.3
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	1	4,500	3.3	58.3	1.5	1.4	4.0
Moderate	5	624	16.7	8.1	9.7	7.5	19.0
Middle	14	1,273	46.7	16.5	36.5	33.5	37.7
Upper	10	1,324	33.3	17.1	52.4	57.6	39.3
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	30	7,721	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2015 FFIEC census tract designations. ³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 0.0% for aggregate. (NOTE: Total percentages may vary due to automated rounding differences.)							

Small Business Lending

The geographic distribution of small business loans is reasonable. The bank made one loan in a low-income census tract. This is reasonable given that only 4.7% of small businesses are located in these census tracts. The bank originated one, or 2.8%, of small business loans during the evaluation period in a moderate-income census tract. This is reasonable given the high level of competition in the assessment area with bank and nonbank lenders.

Distribution by Income Level of Geography Lubbock MSA 2015 Assessment Area					
Census Tract Income Level	Small Business Loans				% of Businesses
	#	\$(000)	# %	\$ %	
Low	1	50	2.8	1.2	4.7
Moderate	1	15	2.8	0.4	15.3
Middle	15	2,343	41.7	57.2	39.0
Upper	19	1,689	52.8	41.2	40.9
Unknown	0	0	0.0	0.0	0.1
Total	36	4,097	100.0	100.0	100.0

The percentages of businesses and farms by tract are based on 2015 Dun & Bradstreet Data and 2015 FFIEC census tract designations.
(NOTE: Total percentages may vary due to automated rounding differences.)

COMMUNITY DEVELOPMENT TEST

The bank’s responsiveness to community development needs is adequate considering its capacity and the need and available opportunities. The bank has applied its community development resources strategically to meet the substance of community needs, primarily through qualified loans, investment initiatives, and social services targeted to low- and moderate-income individuals in its community.

The table on the following page depicts a summary of the bank’s community development activities since the last CRA evaluation the assessment area.

Lubbock MSA Assessment Area									
COMMUNITY DEVELOPMENT ACTIVITIES									
Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$	#	\$	#	\$	#	\$	Hours
Affordable Housing	0	0	0	0	2	3,422	2	3,422	0
Community Services	1	210,000	0	0	10	165,830	10	165,830	182
Economic Development	0	0	0	0	0	0	0	0	0
Revitalization and Stabilization	1	4,500,000	9	5,326,456	2	2,000	11	5,328,456	0
Totals	2	4,710,000	9	5,326,456	14	171,252	23	5,497,708	182

NON-METROPOLITAN AREA (Full Scope Review)

**Description of Institution's Operations in Castro, Swisher, and Hale Counties
Assessment Area**

The counties of Castro, Swisher, and Hale are located in the Panhandle of Texas and are contiguous. Since 2010, the population of the assessment area has declined by an average of 4.6%. The median age of the residents is 36 and the median household income is \$43,717. Agriculture, local government, and retail are among the top industries in the assessment area. Information by county is shown in the table below.

County	2015 Population Estimate	% Change Since 2010	County Seat
Castro	7,656	(4.6)	Dimmit
Swisher	7,533	(4.1)	Tulia
Hale	34,360	(5.3)	Plainview

According to the Federal Financial Institutions Examination Council (FFIEC), all of the assessment area counties contain middle-income census tracts that are designated as distressed. A nonmetropolitan middle-income geography is designated as distressed if it is in a county that meets certain unemployment, poverty, or population loss triggers.

The following chart depicts the reason for the distressed designations.

County	Distressed Middle-Income Tracts		
	Poverty	Unemployment	Population Loss
Castro	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hale	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Swisher	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The bank has four branches in this assessment area. According to the June 30, 2015 FDIC-Insured Summary of Deposits Report, there were 13 financial institutions operating 22 offices in the assessment area. The bank ranked first in deposit market share with 25.1% of the deposit share or \$214.5 million of the \$854.7 million total deposits. In 2014, the bank ranked third out of 84 HMDA reporters and in 2015, it maintained the same ranking among 82 reporters.

Hale County has two branches. According to the June 30, 2015 FDIC-Insured Summary of Deposits Report, there were eight financial institutions operating 12 offices in the county. The bank ranked second in deposit market share with 25.3% of the deposit share or \$141.6 million of the \$460.8 million in total deposits. Happy State Bank and Prosperity Bank ranked first and third, respectively, with 27.1% and 17.0% of the deposit share.

Castro County contains one branch. According to the June 30, 2015 FDIC-Insured Summary of Deposits Report, there were four financial institutions operating five banking offices in the county. The bank ranked second in deposit market share with 21.0%. First United Bank dominates the county with 49.4%, with Peoples Bank holding 18.0% of the deposit share.

Swisher County also contains one branch. According to the June 30, 2015 FDIC-Insured Summary of Deposits Report, there were five financial institutions operating five banking offices in the county. The bank ranked first in deposit market share with 28.0%. Happy State Bank and Kress National bank ranked second and third with 27.2% and 20.6% of the deposit market share.

The table on the following page details selected characteristics of the assessment area.

Castro, Hale, and Swisher Counties 2015 Assessment Area Demographics								
Income Categories	Tract Distribution		Families By Tract Income		Families < Poverty Level as a % of Families by Tract		Families By Family Income	
	#	%	#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	2,800	22.7
Moderate-Income	5	33.3	4,748	38.4	1,163	24.5	2,565	20.8
Middle-Income	7	46.7	4,357	35.3	529	12.1	2,504	20.3
Upper-Income	3	20.0	3,247	26.3	106	3.3	4,483	36.3
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	15	100.0	12,352	100.0	1,798	14.6	12,352	100.0
	Housing Units By Tract	Housing Type By Tract						
		Owner-Occupied			Rental		Vacant	
		#	% By Tract	% By Unit	#	% By Unit	#	% By Unit
Low-Income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-Income	7,722	3,892	34.2	50.4	2,423	31.4	1,407	18.2
Middle-Income	7,386	4,103	36.0	55.6	2,021	27.4	1,262	17.1
Upper-Income	4,908	3,399	29.8	69.3	972	19.8	537	10.9
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	20,016	11,394	100.0	56.9	5,416	27.1	3,206	16.0
	Total Businesses by Tract	Businesses By Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-Income	628	32.7	584	32.7	34	33.0	10	35.7
Middle-Income	662	34.5	611	34.2	39	37.9	12	42.9
Upper-Income	629	32.8	593	33.2	30	29.1	6	21.4
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,919	100.0	1,788	100.0	103	100.0	28	100.0
Percent of Total Businesses:				93.2	5.4	1.5		
	Total Farms by Tract	Farms By Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-Income	104	19.8	98	19.5	6	25.0	0	0.0
Middle-Income	258	49.0	248	49.4	10	41.7	0	0.0
Upper-Income	164	31.2	156	31.1	8	33.3	0	0.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	526	100.0	502	100.0	24	100.0	0	0.0
Percent of Total Farms:				95.4	4.6	0.0		

Based on 2015 Dun & Bradstreet information according to 2010 ACS.

Income Characteristics:

According to the 2010 ACS data, the assessment area contains 15 census tracts: five moderate-income, seven middle-income, and three upper-income. There are 12,352 families in the assessment area. Approximately 22.7% of families are low-income, 20.8% are moderate-income, 20.3% are middle-income, and 36.3% are upper-income. Of the families in the assessment area, 14.6% are living below poverty compared to the state's rate of 13.0%.

Housing:

According to 2010 ACS information, there are approximately 20,016 housing units in the assessment area. Approximately 50.4% of the housing units in moderate-income census tracts are owner-occupied. The high poverty level contributes to the low volume of owner-occupied units. These families may find it difficult to finance the purchase of a home. Owner-occupied housing units comprise 56.9% of the housing stock. Of the remaining housing units, 27.1% are rental and 16.0% are vacant units. Additionally, approximately 6.7% of the population lived in correctional institutions, nursing homes, college dormitories, and other group quarters.

The median housing value is \$70,535 and the median age of the units is 52 years. The housing affordability ratio for the assessment area, as of 2015, was 51.7. The affordability ratio is defined as the median household income divided by the median housing value. A higher ratio means the housing is considered more affordable, while a low ratio means the housing is considered less affordable. By comparison, the affordability ratio for the state of Texas for 2015 was 40.2. Therefore, housing in the assessment area was more affordable compared to the state of Texas. Even though housing is less expensive in the assessment area than in the state, given the poverty level, there may be a need for affordable housing.

Labor, Employment, and Economic Characteristics:

The largest industry sectors by number of employees in the assessment area are retail distribution, education, and local government. The agriculture industry is the largest employment sector in Castro County. Hale County's largest employer is Walmart. The distribution center is centrally located in Plainview. School districts continue to be a large employer in the assessment area as well city and county offices.

Agriculture and construction jobs remain strong in Castro County. Hale County is preparing for a wind energy service. It will provide more permanent jobs to the area. The creation of these jobs is expected to assist the county in recovering from the closing of the area's meat processing center in 2013. Major employment sectors in Swisher County include school districts, a correctional facility, and a hospital.

According to the 2015 Dun & Bradstreet, 1,919 businesses are located in the assessment area. Of those, 93.2% reported gross annual revenues less than or equal

to \$1 million, with 32.7% in moderate-income, 34.2% in middle-income, and 33.1% in upper-income census tracts.

In 2014, the assessment area's unemployment rate was 6.5% compared to the state average of 5.1%. The high unemployment rate is due, in part, to the closing of the meat processing plant in Hale County. The assessment area's unemployment rate dropped to 4.9% in 2015. The table below details the unemployment rates for the counties in the assessment area in 2014 and 2015.

Annual Average Unemployment Rate		
Area	2014	2015
Assessment Area	6.5%	4.9%
Castro County	4.4%	3.5%
Hale County	9.3%	6.4%
Swisher County	6.2%	4.7%
State of Texas	5.1%	4.5%
United States	6.2%	5.3%

Community Contacts and Credit Needs

Contact was made with a community leader from the economic development sector. The contact indicated institutions in the area are actively involved in various areas of the community and seek to meet the credit needs of the community and take an active role in providing financing for low-to-moderate individuals. In addition, contact stated the housing stock is stale and there is demand for new construction.

**Conclusions with Respect to Performance Tests in Castro, Swisher, Hale
Assessment Area**

LENDING TO BORROWERS OF DIFFERENT INCOMES AND TO BUSINESSES OF DIFFERENT SIZES

The bank's distribution of lending to borrowers reflects a reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different revenue sizes. The distribution of the remainder of bank lending to middle- and upper-income borrowers did not affect conclusions about the bank's performance considering its lending to low- and moderate-income borrowers.

The income level ranges used for the analyses are shown in the table below.

Income Level	2014 State Nonmetropolitan	2015 State Nonmetropolitan
Median Income	\$51,600	\$52,800
Low-income	<\$25,800	<\$26,400
Moderate-income	\$25,801 ≤\$41,280	\$26,401 ≤\$42,240
Middle-income	\$41,281 ≤\$61,920	\$42,241 ≤\$63,360
Upper-income	≥\$61,920	≥\$63,360

Residential Real Estate (HMDA) Lending:

The distribution of HMDA loans by borrower income level is reasonable. In both 2014 and 2015, the bank made no loans to low-income borrowers. In 2014 and 2015 aggregate lenders only made 4.9% and 5.7% respectively to low-income borrowers. Approximately 22.7% of the families are low-income and all three counties are distressed due to poverty. Hale County is also distressed due to unemployment. These factors can often make it difficult to qualify for mortgage lending. In both 2014 and 2015, the bank materially exceeded the performance of aggregate lenders to moderate-income borrowers.

The tables on the following pages illustrate the assessment area's demographics and HMDA lending for the bank and aggregate lenders for 2014 and 2015.

Distribution of 2014 HMDA Loans by Borrower Income Levels Castro, Hale, and Swisher Counties							
Borrow Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	5.9	3.6	22.7
Moderate	5	191	23.8	15.0	16.0	11.1	20.8
Middle	7	400	33.3	31.5	22.8	21.3	20.3
Upper	8	578	38.1	45.5	32.0	41.9	36.3
Unknown	1	102	4.8	8.0	23.1	22.0	0.0
Total	21	1,271	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	2.7	0.9	22.7
Moderate	0	0	0.0	0.0	9.8	5.1	20.8
Middle	3	125	50.0	41.0	15.2	8.0	20.3
Upper	3	180	50.0	59.0	43.8	50.8	36.3
Unknown	0	0	0.0	0.0	28.6	35.2	0.0
Total	6	305	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	2.3	0.2	22.7
Moderate	1	70	16.7	21.3	18.6	11.7	20.8
Middle	0	0	0.0	0.0	9.3	2.8	20.3
Upper	5	259	83.3	78.7	62.8	79.0	36.3
Unknown	0	0	0.0	0.0	7.0	6.3	0.0
Total	6	329	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	4.9	2.8	22.7
Moderate	6	261	18.2	13.7	14.8	9.5	20.8
Middle	10	525	30.3	27.6	19.9	17.1	20.3
Upper	16	1,017	48.5	53.4	37.3	44.9	36.3
Unknown	1	102	3.0	5.4	23.1	25.8	0.0
Total	33	1,905	100.0	100.0	100.0	100.0	100.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers.
² The percentage of families is based on 2010 ACS 5-year estimates.
(NOTE: Total percentages may vary due to automated rounding differences.)

Distribution of 2015 HMDA Loans by Borrower Income Levels Castro, Hale, and Swisher Counties							
Borrow Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	7.1	3.8	22.7
Moderate	6	300	40.0	29.6	16.0	11.1	20.8
Middle	3	186	20.0	18.3	22.4	21.7	20.3
Upper	6	529	40.0	52.1	35.6	44.9	36.3
Unknown	0	0	0.0	0.0	18.9	18.5	0.0
Total	15	1,015	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	2.1	1.4	22.7
Moderate	0	0	0.0	0.0	9.3	4.3	20.8
Middle	1	47	33.3	11.2	12.4	8.0	20.3
Upper	2	373	66.7	88.8	39.2	40.7	36.3
Unknown	0	0	0.0	0.0	37.1	45.7	0.0
Total	3	420	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	22.7
Moderate	0	0	0.0	0.0	14.3	7.8	20.8
Middle	1	47	20.0	17.7	8.6	5.9	20.3
Upper	4	218	80.0	82.3	68.6	69.9	36.3
Unknown	0	0	0.0	0.0	8.6	16.3	0.0
Total	5	265	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	5.7	3.1	22.7
Moderate	6	300	26.1	17.6	14.5	9.4	20.8
Middle	5	280	21.7	16.5	19.5	18.0	20.3
Upper	12	1,120	52.2	65.9	38.1	43.5	36.3
Unknown	0	0	0.0	0.0	22.1	26.0	0.0
Total	23	1,700	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Small Business Lending

To determine the bank's performance, the small business lending is compared to the number of small businesses located in the assessment area. The CRA defines a small business as a business with annual gross revenue of \$1 million or less.

During the sample period, 23 small business loans were originated in this assessment area. Of these loans, 87.0% by number and 44.7% by dollar were originated to small businesses. This performance demonstrates the bank's willingness to meet the credit needs of the area's small businesses. The table below details the bank's performance, along with the assessment area's demographics.

Distribution by Income Level of Business					
Castro, Hale, and Swisher Counties Assessment Area					
Business Revenue	Small Business Loans				% of Businesses by Revenue
	#	\$(000)	# %	\$ %	
\$1MM or less	20	899	87.0	44.7	93.2
Over \$1MM	3	1,110	13.0	55.3	5.4
Income Not Known	0	0	0.0	0.0	1.5
Total	23	2,009	100.0	100.0	100.0

Business and farm demographic figures based on 2015 Dun & Bradstreet Data.
(NOTE: Total percentages may vary due to automated rounding differences.)

Geographic Distribution of Loans

The distribution of the institution's loans in moderate-income geographies reflects a reasonable dispersion throughout the assessment area. Loans were generally made in close proximity to the bank's branches and there were no conspicuous gaps or anomalies in the lending patterns. The distribution of the remainder of the bank's lending in middle- and upper-income geographies did not affect conclusions about the bank's performance considering its lending in moderate-income geographies. Performance context issues such as poverty level, population trends, and occupancy levels, as well as the performance of other lenders were reviewed when assessing performance. There are no low-income census tracts in the assessment area.

Residential Real Estate (HMDA) Lending:

The distribution of HMDA loans by income level of geography is reasonable given the high level of families below the poverty level. More weight was given to home purchase loans because 64.3% of the HMDA loans reported during the sample period consisted of this product.

Home Purchase Loans

In 2014, the bank's lending performance was slightly lower than aggregate lenders by number and dollar volume in moderate-income geographies. This is reasonable given the poverty and unemployment in the area.

In 2015, the bank's lending performance was more favorable when compared to aggregate lenders in moderate-income geographies based on number and dollar volume. Aggregate lending decreased in the moderate income geographies while owner occupied units remained the same at 34.2%.

Home Refinance Loans

For both 2014 and 2015, the bank did not originate any home refinance loans in moderate-income geographies. This is reasonable given the poverty and unemployment rates. Aggregate's lending was less than the percentage of owner-occupied units in moderate-income geographies.

Home Improvement Loans

For both 2014 and 2015, the bank's lending performance was more favorable, based on the number of originations, when compared to aggregate lenders in moderate-income geographies and the percentage of owner occupied units. When dollar volume is considered, the bank's performance was below that of aggregate lenders in 2014 but materially exceeded the aggregate in 2015.

The tables on the following pages illustrate the assessment area's demographics and HMDA lending for 2014 and 2015.

Distribution of 2014 HMDA Loans by Income Level of Geography Castro, Hale, and Swisher Counties							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	#%	\$ %	#%	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	3	185	14.3	14.6	23.1	18.2	34.2
Middle	14	829	66.7	65.2	30.6	27.8	36.0
Upper	4	257	19.0	20.2	46.3	54.0	29.8
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	21	1,271	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	21.4	17.3	34.2
Middle	5	236	83.3	77.4	33.9	36.5	36.0
Upper	1	69	16.7	22.6	44.6	46.2	29.8
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	6	305	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	2	114	33.3	34.7	32.6	40.4	34.2
Middle	3	165	50.0	50.2	39.5	30.1	36.0
Upper	1	50	16.7	15.2	27.9	29.5	29.8
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	6	329	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	5	299	15.2	15.7	23.5	18.4	34.2
Middle	22	1,230	66.7	64.6	32.3	30.8	36.0
Upper	6	376	18.2	19.7	44.2	50.8	29.8
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	33	1,905	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2014 FFIEC census tract designations. ³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 0.0% for aggregate. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution of 2015 HMDA Loans by Income Level of Geography Castro, Hale, and Swisher Counties							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	4	204	26.7	20.1	21.1	15.3	34.2
Middle	6	293	40.0	28.9	21.1	15.1	36.0
Upper	5	518	33.3	51.0	57.7	69.6	29.8
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	15	1,015	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	17.5	19.8	34.2
Middle	3	420	100.0	100.0	35.1	35.8	36.0
Upper	0	0	0.0	0.0	47.4	44.4	29.8
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	3	420	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	2	85	40.0	32.1	28.6	18.6	34.2
Middle	1	30	20.0	11.3	25.7	27.6	36.0
Upper	2	150	40.0	56.6	45.7	53.8	29.8
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	5	265	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	6	289	26.1	17.0	21.2	16.6	34.2
Middle	10	743	43.5	43.7	23.9	20.1	36.0
Upper	7	668	30.4	39.3	54.9	63.3	29.8
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	23	1,700	100.0	100.0	100.0	100.0	100.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers.
² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2015 FFIEC census tract designations.
³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 0.0% for aggregate.
(NOTE: Total percentages may vary due to automated rounding differences.)

Small Business Lending

The geographic distribution of small business loans is reasonable. The bank originated four, or 17.4%, for a total of \$190 thousand (9.5%), of small business loans during the evaluation period in moderate-income census tracts. This is less than the percentage of businesses located in these census tracts. This is reasonable given the competition by other bank and nonbank lenders in the assessment area. The middle-income tracts are designated as distressed due to poverty and unemployment. The bank made 65.2% of the small business loans in these tracts demonstrating the bank's willingness to assist small businesses in these geographies.

Distribution by Income Level of Geography					
Castro, Hale, and Swisher Counties 2015 Assessment Area					
Census Tract Income Level	Small Business Loans				% of Businesses
	#	\$(000)	# %	\$ %	
Low	0	0	0.0	0.0	0.0
Moderate	4	190	17.4	9.5	32.7
Middle	15	960	65.2	47.8	34.5
Upper	4	859	17.4	42.8	32.8
Unknown	0	0	0.0	0.0	0.0
Total	23	2,009	100.0	100.0	100.0
The percentages of businesses by tract are based on 2015 Dun & Bradstreet Data and 2015 FFIEC census tract designations. (NOTE: Total percentages may vary due to automated rounding differences.)					

COMMUNITY DEVELOPMENT TEST

The bank's responsiveness to community development needs is adequate considering its capacity and the need and available opportunities. The bank has applied its community development resources strategically to meet the substance of community needs, primarily through qualified loans, investment initiatives, and social services targeted to low- and moderate-income individuals in its community.

The table on the following depicts a summary of the bank's community development activities in this assessment area since the last CRA evaluation.

Castro, Hale, and Swisher Counties									
COMMUNITY DEVELOPMENT ACTIVITIES									
Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$	#	\$	#	\$	#	\$	Hours
Affordable Housing	3	100,799	0	0	0	0	0	0	0
Community Services	5	3,189,500	0	0	9	14,360	9	14,360	418
Economic Development	1	948,000	0	0	0	0	0	0	201
Revitalization and Stabilization	2	855,878	9	2,452,849	0	0	9	2,452,849	0
Totals	11	5,094,177	9	2,452,849	9	14,360	18	2,467,209	619

NON-METROPOLITAN AREAS (Limited Scope Review)

Description of Institution's Operations

- **Garza County Assessment Area**
 - As of June 30, 2016, the bank operated one branch in the assessment area, representing 7.7% of its branches.
 - As of June 30, 2016, the bank had \$41.4 million in deposits in this assessment area, representing a market share of 38.8%. The \$41.4 million also represents 7.5 % of the bank's total deposits.
 - The bank ranked second out of the 32 HMDA reporters in the assessment area representing 13.4% of the market share.
 - The county is distressed due to poverty.
- **Gillespie and Kerr Counties Assessment Area**
 - As of June 30, 2016, the bank operated three branches in the assessment area, representing 23.0% of its branches.
 - As of June 30, 2016, the bank had \$174.79 million in deposits in this assessment area, representing a market share of 8.2%. The \$174.7 million also represents 31.5% of the bank's total deposits.
 - The bank ranked 17th out of the 233 HMDA reporters in the assessment area representing 1.0% of the market share.
- **Kendall County Assessment Area**
 - As of June 30, 2016, the bank operated one branch in the assessment area, representing 7.7% of its branches.
 - As of June 30, 2016, the bank had \$21.0 million in deposits in this assessment area, representing a market share of 2.0%. The \$21.0 million also represents 3.8% of the bank's total deposits.
 - The bank ranked 29th out of the 218 HMDA reporters in the assessment area representing 0.3% of the market share.
- **Wheeler County Assessment Area**
 - **Branch was sold in December 2015.**
 - As of June 30, 2016, the bank operated no branches in the assessment area.
 - As of June 30, 2015, the bank had \$53.2 million in deposits in this assessment area, representing a market share of 16.4%. The \$53.2 million also represents 8.8% of the bank's total deposits.
 - The bank ranked fifth out of the 32 HMDA reporters with 2.0% of the market share.
 - The middle income census tract in this county is designated as underserved based on population size, density, and dispersion.

Conclusions with Respect to Performance Tests

Through the use of available facts and data, including performance and demographic information, each assessment area's performance was evaluated and compared with the bank's performance in the full scope assessment areas. The conclusions regarding performance are provided in the table below. Please refer to the tables in Appendix A for information regarding these areas. Additional information regarding detailed demographic information and the HMDA and CRA lending for the limited scope assessment areas can be found in Appendix B.

Assessment Area	Lending Test	Community Development Test
Garza	Consistent	Consistent
Gillespie and Kerr	Consistent	Consistent
Kendall	Below	Below
Wheeler	Below	Below

The bank's lending and community development performance in the Garza County and Gillespie and Kerr County assessment areas is consistent with the lending in the full scope assessment areas. The lending and community development performance for the Kendall and Wheeler assessment areas is below that of the full scope assessment areas due to low or no lending in low- and moderate-income census tracts and the volume of community development activity. However, the performance in the limited-scope assessment areas did not change the bank's overall rating.

APPENDICES

Appendix A– Non-metropolitan Limited Scope Assessment Area Demographics

Garza County Assessment Area 2015 Assessment Area Demographics								
Income Categories	Tract Distribution		Families By Tract Income		Families < Poverty Level as a % of Families by Tract		Families By Family Income	
	#	%	#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	309	26.2
Moderate-Income	0	0.0	0	0.0	0	0.0	132	11.2
Middle-Income	1	100.0	1,179	100.0	211	17.9	196	16.6
Upper-Income	0	0.0	0	0.0	0	0.0	542	46.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1	100.0	1,179	100.0	211	17.9	1,179	100.0
Housing Units By Tract	Housing Type By Tract							
	Owner-Occupied				Rental		Vacant	
	#	% By Tract	% By Unit	#	% By Unit	#	% By Unit	
Low-Income	0	0	0.0	0	0.0	0	0.0	
Moderate-Income	0	0	0.0	0	0.0	0	0.0	
Middle-Income	2,053	1,199	100.0	58.4	450	21.9	404	19.7
Upper-Income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	2,053	1,199	100.0	58.4	450	21.9	404	19.7
Total Businesses by Tract	Businesses By Tract & Revenue Size							
	Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-Income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-Income	195	100.0	180	100.0	11	100.0	4	100.0
Upper-Income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	195	100.0	180	100.0	11	100.0	4	100.0
Percent of Total Businesses:				92.3	5.6		2.1	
Total Farms by Tract	Farms By Tract & Revenue Size							
	Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-Income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-Income	37	100.0	36	100.0	1	100.0	0	0.0
Upper-Income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	37	100.0	36	100.0	1	100.0	0	0.0
Percent of Total Farms:				97.3	2.7		0.0	

Based on 2015 Dun & Bradstreet information according to 2010 ACS.

Gillespie and Kerr Counties Assessment Area 2015 Assessment Area Demographics								
Income Categories	Tract Distribution		Families By Tract Income		Families < Poverty Level as a % of Families by Tract		Families By Family Income	
	#	%	#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	3,333	15.5
Moderate-Income	1	6.7	592	2.7	95	16.0	3,546	16.4
Middle-Income	8	53.3	12,300	57.1	1,394	11.3	4,204	19.5
Upper-Income	6	40.0	8,666	40.2	381	4.4	10,475	48.6
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	15	100.0	21,558	100.0	1,870	8.7	21,558	100.0
	Housing Units By Tract	Housing Type By Tract						
		Owner-Occupied			Rental		Vacant	
		#	% By Tract	% By Unit	#	% By Unit	#	% By Unit
Low-Income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-Income	855	392	1.7	45.8	367	42.9	96	11.2
Middle-Income	20,719	12,779	56.1	61.7	5,036	24.3	2,904	14.0
Upper-Income	14,020	9,623	42.2	68.6	2,501	17.8	1,896	13.5
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	35,594	22,794	100.0	64.0	7,904	22.2	4,896	13.8
	Total Businesses by Tract		Businesses By Tract & Revenue Size					
	#	%	Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-Income	63	1.1	58	1.1	5	2.1	0	0.0
Middle-Income	3,406	60.2	3,228	59.9	159	66.0	19	63.3
Upper-Income	2,189	38.7	2,101	39.0	77	32.0	11	36.7
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	5,658	100.0	5,387	100.0	241	100.0	30	100.0
Percent of Total Businesses:				95.2	4.3		0.5	
	Total Farms by Tract		Farms By Tract & Revenue Size					
	#	%	Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-Income	2	0.6	2	0.6	0	0.0	0	0.0
Middle-Income	168	52.5	168	52.8	0	0.0	0	0.0
Upper-Income	150	46.9	148	46.5	2	100.0	0	0.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	320	100.0	318	100.0	2	100.0	0	0.0
Percent of Total Farms:				99.4	0.6		0.0	

Based on 2015 Dun & Bradstreet information according to 2010 ACS.

Kendall County Assessment Area 2015 Assessment Area Demographics								
Income Categories	Tract Distribution		Families By Tract Income		Families < Poverty Level as a % of Families by Tract		Families By Family Income	
	#	%	#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	1,102	11.9
Moderate-Income	0	0.0	0	0.0	0	0.0	1,197	12.9
Middle-Income	2	33.3	3,105	33.5	263	8.5	1,470	15.8
Upper-Income	4	66.7	6,172	66.5	135	2.2	5,508	59.4
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6	100.0	9,277	100.0	398	4.3	9,277	100.0
	Housing Units By Tract	Housing Type By Tract						
		Owner-Occupied			Rental		Vacant	
		#	% By Tract	% By Unit	#	% By Unit	#	% By Unit
Low-Income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-Income	0	0	0.0	0.0	0	0.0	0	0.0
Middle-Income	5,410	2,865	31.5	53.0	1,667	30.8	878	16.2
Upper-Income	8,098	6,220	68.5	76.8	1,303	16.1	575	7.1
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	13,508	9,085	100.0	67.3	2,970	22.0	1,453	10.8
	Total Businesses by Tract	Businesses By Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-Income	0	0	0.0	0	0.0	0	0.0	
Moderate-Income	0	0	0.0	0	0.0	0	0.0	
Middle-Income	1,158	39.1	1,109	39.6	36	24.7	13	86.7
Upper-Income	1,805	60.9	1,693	60.4	110	75.3	2	13.3
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	2,963	100.0	2,802	100.0	146	100.0	15	100.0
Percent of Total Businesses:				94.6		4.9		0.5
	Total Farms by Tract	Farms By Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-Income	0	0	0.0	0	0.0	0	0.0	
Moderate-Income	0	0	0.0	0	0.0	0	0.0	
Middle-Income	62	44.9	62	44.9	0	0.0	0	0.0
Upper-Income	76	55.1	76	55.1	0	0.0	0	0.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	138	100.0	138	100.0	0	0.0	0	0.0
Percent of Total Farms:				100.0		0.0		0.0

Based on 2015 Dun & Bradstreet information according to 2010 ACS.

Wheeler County Assessment Area 2015 Assessment Area Demographics								
Income Categories	Tract Distribution		Families By Tract Income		Families < Poverty Level as a % of Families by Tract		Families By Family Income	
	#	%	#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	326	21.7
Moderate-Income	0	0.0	0	0.0	0	0.0	238	15.8
Middle-Income	1	50.0	675	44.9	79	11.7	220	14.6
Upper-Income	1	50.0	828	55.1	57	6.9	719	47.8
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	2	100.0	1,503	100.0	136	9.0	1,503	100.0
	Housing Units By Tract	Housing Type By Tract						
		Owner-Occupied		Rental		Vacant		
		#	% By Tract	% By Unit	#	% By Unit	#	% By Unit
Low-Income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-Income	0	0	0.0	0.0	0	0.0	0	0.0
Middle-Income	1,292	844	50.5	65.3	218	16.9	230	17.8
Upper-Income	1,279	826	49.5	64.6	225	17.6	228	17.8
Unknown-Income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	2,571	1,670	100.0	65.0	443	17.2	458	17.8
	Total Businesses by Tract		Businesses By Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-Income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-Income	160	50.0	149	51.0	9	47.4	2	22.2
Upper-Income	160	50.0	143	49.0	10	52.6	7	77.8
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	320	100.0	292	100.0	19	100.0	9	100.0
Percent of Total Businesses:			91.3		5.9		2.8	
	Total Farms by Tract		Farms By Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low-Income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-Income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-Income	27	38.6	27	39.7	0	0.0	0	0.0
Upper-Income	43	61.4	41	60.3	2	100.0	0	0.0
Unknown-Income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	70	100.0	68	100.0	2	100.0	0	0.0
Percent of Total Farms:			97.1		2.9		0.0	

Based on 2015 Dun & Bradstreet information according to 2010 ACS.

**Appendix B – Non-Metropolitan Limited Scope Assessment Area Loan and CD
Tables**

Garza County:

Distribution of 2014 HMDA Loans by Income Level of Geography Garza County Assessment Area							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
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	11	987	100.0	100.0	100.0	100.0	100.0
Upper	0	0	0.0	0.0	0.0	0.0	0.0
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	11	987	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0	0.0
Middle	1	107	100.0	100.0	100.0	100.0	100.0
Upper	0	0	0.0	0.0	0.0	0.0	0.0
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	1	107	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
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	50	100.0	100.0	100.0	100.0	100.0
Upper	0	0	0.0	0.0	0.0	0.0	0.0
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	2	50	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
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	14	1,144	100.0	100.0	100.0	100.0	100.0
Upper	0	0	0.0	0.0	0.0	0.0	0.0
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	14	1,144	100.0	100.0	100.0	100.0	100.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers.
² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2014 FFIEC census tract designations.
³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 0.0% for aggregate.
(NOTE: Total percentages may vary due to automated rounding differences.)

Distribution of 2015 HMDA Loans by Income Level of Geography Garza County Assessment Area							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
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	6	229	100.0	100.0	98.0	100.0	100.0
Upper	0	0	0.0	0.0	0.0	0.0	0.0
Unknown ³	0	0	0.0	0.0	2.0	0.0	0.0
Total	6	229	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
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	77	100.0	100.0	100.0	100.0	100.0
Upper	0	0	0.0	0.0	0.0	0.0	0.0
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	2	77	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0	0.0
Middle	1	814	100.0	100.0	100.0	100.0	100.0
Upper	0	0	0.0	0.0	0.0	0.0	0.0
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	1	814	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
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	9	1,120	100.0	100.0	98.5	96.9	100.0
Upper	0	0	0.0	0.0	0.0	0.0	0.0
Unknown ³	0	0	0.0	0.0	1.5	3.1	0.0
Total	9	1,120	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2015 FFIEC census tract designations. ³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 1.5% for aggregate. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution by Income Level of Geography					
Garza County 2015 Assessment Area					
Census Tract Income Level	Small Business Loans				% of Businesses
	#	\$(000)	# %	\$ %	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0
Middle	6	277	100.0	100.0	100.0
Upper	0	0	0.0	0.0	0.0
Unknown	0	0	0.0	0.0	0.0
Total	6	277	100.0	100.0	100.0

The percentages of businesses by tract are based on 2015 Dun & Bradstreet Data and 2015 FFIEC census tract designations.
(NOTE: Total percentages may vary due to automated rounding differences.)

Distribution of 2014 HMDA Loans by Borrower Income Levels Garza County Assessment Area							
Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	#%	\$%	#%	\$%	
Home Purchase Loans							
Low	0	0	0.0	0.0	2.9	0.8	26.2
Moderate	1	45	9.1	4.6	11.4	5.8	11.2
Middle	2	115	18.2	11.7	20.0	9.1	16.6
Upper	7	732	63.6	74.2	37.1	26.6	46.0
Unknown	1	95	9.1	9.6	28.6	57.6	0.0
Total	11	987	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	0.0	0.0	26.2
Moderate	0	0	0.0	0.0	0.0	0.0	11.2
Middle	0	0	0.0	0.0	0.0	0.0	16.6
Upper	1	107	100.0	100.0	87.5	94.5	46.0
Unknown	0	0	0.0	0.0	12.5	5.5	0.0
Total	1	107	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	9.1	14.4	26.2
Moderate	0	0	0.0	0.0	18.2	5.9	11.2
Middle	1	22	50.0	44.0	27.3	25.2	16.6
Upper	1	28	50.0	56.0	36.4	21.9	46.0
Unknown	0	0	0.0	0.0	9.1	32.7	0.0
Total	2	50	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	3.7	1.3	26.2
Moderate	1	45	7.1	3.9	11.1	4.5	11.2
Middle	3	137	21.4	12.0	18.5	7.9	16.6
Upper	9	867	64.3	75.8	44.4	41.4	46.0
Unknown	1	95	7.1	8.3	22.2	44.9	0.0
Total	14	1,144	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution of 2015 HMDA Loans by Borrower Income Levels Garza County Assessment Area							
Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	0.0	0.0	26.2
Moderate	0	0	0.0	0.0	24.0	17.9	11.2
Middle	3	146	50.0	63.8	12.0	10.7	16.6
Upper	3	83	50.0	36.2	40.0	45.5	46.0
Unknown	0	0	0.0	0.0	24.0	26.0	0.0
Total	6	229	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	1	24	50.0	31.2	6.7	1.3	26.2
Moderate	0	0	0.0	0.0	6.7	2.7	11.2
Middle	0	0	0.0	0.0	20.0	13.1	16.6
Upper	1	53	50.0	68.8	40.0	59.4	46.0
Unknown	0	0	0.0	0.0	26.7	23.4	0.0
Total	2	77	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	26.2
Moderate	0	0	0.0	0.0	0.0	0.0	11.2
Middle	0	0	0.0	0.0	0.0	0.0	16.6
Upper	0	0	0.0	0.0	50.0	7.1	46.0
Unknown	1	814	100.0	100.0	50.0	92.9	0.0
Total	1	814	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	1	24	11.1	2.1	1.5	0.3	26.2
Moderate	0	0	0.0	0.0	19.4	11.8	11.2
Middle	3	146	33.3	13.0	13.4	10.0	16.6
Upper	4	136	44.4	12.1	40.3	44.3	46.0
Unknown	1	814	11.1	72.7	25.4	33.5	0.0
Total	9	1,120	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution by Income Level of Business Garza County 2015 Assessment Area					
Business Revenue	Small Business Loans				% of Businesses by Revenue
	#	\$(000)	# %	\$ %	
\$1MM or less	2	128	33.3	46.2	92.3
Over \$1MM	4	149	66.7	53.8	5.6
Income Not Known	0	0	0.0	0.0	2.1
Total	6	277	100.0	100.0	100.0

Business demographic figures based on 2015 Dun & Bradstreet Data.
(NOTE: Total percentages may vary due to automated rounding differences.)

Garza County Assessment Area Community Development Activities									
Purpose	Community Development Loans		Qualified Investments						Community Development Services Hours
			Investments		Donations		Total Investments		
	#	\$	#	\$	#	\$	#	\$	
Affordable Housing	0	0	0	0	0	0	0	0	0
Community Services	0	0	0	0	2	1,000	2	1,000	20
Economic Development	0	0	0	0	0	0	0	0	0
Revitalization and Stabilization	1	814,000	3	633,466	0	0	3	633,466	0
Totals	1	814,000	3	633,466	2	1,000	5	634,466	20

Gillespie and Kerr Counties:

Distribution of 2014 HMDA Loans by Income Level of Geography Gillespie and Kerr Counties Assessment Area							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	2.5	1.9	1.7
Middle	7	1,064	41.2	36.2	50.0	45.5	56.1
Upper	10	1,877	58.8	63.8	47.5	52.6	42.2
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	17	2,941	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	2.2	1.7	1.7
Middle	2	145	66.7	65.3	54.2	48.2	56.1
Upper	1	77	33.3	34.7	43.5	50.2	42.2
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	3	222	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0	1.7
Middle	2	150	66.7	85.7	55.0	40.7	56.1
Upper	1	25	33.3	14.3	45.0	59.3	42.2
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	3	175	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	2.3	1.8	1.7
Middle	11	1,359	47.8	40.7	51.8	46.9	56.1
Upper	12	1,979	52.2	59.3	45.9	51.3	42.2
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	23	3,338	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2014 FFIEC census tract designations. ³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 0.0% for aggregate. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution of 2015 HMDA Loans by Borrower Income Levels Gillespie and Kerr Counties Assessment Area							
Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	1.6	0.6	15.5
Moderate	0	0	0.0	0.0	10.0	5.6	16.4
Middle	1	165	7.7	6.2	20.0	13.9	19.5
Upper	10	2,214	76.9	83.6	53.5	64.9	48.6
Unknown	2	270	15.4	10.2	14.9	15.0	0.0
Total	13	2,649	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	3.2	1.2	15.5
Moderate	0	0	0.0	0.0	8.6	4.2	16.4
Middle	0	0	0.0	0.0	12.8	8.5	19.5
Upper	2	1,020	100.0	100.0	52.4	63.7	48.6
Unknown	0	0	0.0	0.0	23.0	22.5	0.0
Total	2	1,020	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	1	25	50.0	25.0	6.9	1.2	15.5
Moderate	0	0	0.0	0.0	4.2	2.4	16.4
Middle	0	0	0.0	0.0	16.7	13.2	19.5
Upper	1	75	50.0	75.0	68.1	74.1	48.6
Unknown	0	0	0.0	0.0	4.2	9.2	0.0
Total	2	100	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	1	25	5.9	0.7	2.4	0.8	15.5
Moderate	0	0	0.0	0.0	9.3	5.0	16.4
Middle	1	165	5.9	4.4	17.4	11.9	19.5
Upper	13	3,309	76.5	87.8	53.7	64.0	48.6
Unknown	2	270	11.8	7.2	17.3	18.4	0.0
Total	17	3,769	100.0	100.0	100.0	100.0	100.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers.
² The percentage of families is based on 2010 ACS 5-year estimates.
(NOTE: Total percentages may vary due to automated rounding differences.)

Distribution by Income Level of Geography Gillespie and Kerr Counties 2015 Assessment Area					
Census Tract Income Level	Small Business Loans				% of Businesses
	#	\$(000)	# %	\$ %	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	1.1
Middle	14	3,768	77.8	75.9	60.2
Upper	4	1,194	22.2	24.1	38.7
Unknown	0	0	0.0	0.0	0.0
Total	18	4,962	100.0	100.0	100.0

The percentages of businesses by tract are based on 2015 Dun & Bradstreet Data and 2015 FFIEC census tract designations.
(NOTE: Total percentages may vary due to automated rounding differences.)

Distribution of 2014 HMDA Loans by Borrower Income Levels Gillespie and Kerr Counties Assessment Area							
Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	#%	\$%	#%	\$%	
Home Purchase Loans							
Low	1	75	5.9	2.6	2.5	0.9	15.5
Moderate	2	145	11.8	4.9	11.5	5.9	16.4
Middle	1	105	5.9	3.6	16.7	11.8	19.5
Upper	12	2,444	70.6	83.1	57.4	68.0	48.6
Unknown	1	172	5.9	5.8	12.0	13.3	0.0
Total	17	2,941	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	2.7	1.4	15.5
Moderate	0	0	0.0	0.0	7.8	4.2	16.4
Middle	0	0	0.0	0.0	19.0	13.1	19.5
Upper	2	119	66.7	53.6	52.5	63.4	48.6
Unknown	1	103	33.3	46.4	18.1	17.9	0.0
Total	3	222	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	3.3	1.8	15.5
Moderate	1	50	33.3	28.6	11.7	3.8	16.4
Middle	0	0	0.0	0.0	15.0	7.1	19.5
Upper	2	125	66.7	71.4	58.3	66.2	48.6
Unknown	0	0	0.0	0.0	11.7	21.1	0.0
Total	3	175	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	1	75	4.3	2.2	2.6	1.1	15.5
Moderate	3	195	13.0	5.8	10.2	5.2	16.4
Middle	1	105	4.3	3.1	17.3	11.9	19.5
Upper	16	2,688	69.6	80.5	55.5	65.5	48.6
Unknown	2	275	8.7	8.2	14.4	16.3	0.0
Total	23	3,338	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution of 2015 HMDA Loans by Borrower Income Levels Gillespie and Kerr Counties Assessment Area							
Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	1.6	0.6	15.5
Moderate	0	0	0.0	0.0	10.0	5.6	16.4
Middle	1	165	7.7	6.2	20.0	13.9	19.5
Upper	10	2,214	76.9	83.6	53.5	64.9	48.6
Unknown	2	270	15.4	10.2	14.9	15.0	0.0
Total	13	2,649	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	3.2	1.2	15.5
Moderate	0	0	0.0	0.0	8.6	4.2	16.4
Middle	0	0	0.0	0.0	12.8	8.5	19.5
Upper	2	1,020	100.0	100.0	52.4	63.7	48.6
Unknown	0	0	0.0	0.0	23.0	22.5	0.0
Total	2	1,020	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	1	25	50.0	25.0	6.9	1.2	15.5
Moderate	0	0	0.0	0.0	4.2	2.4	16.4
Middle	0	0	0.0	0.0	16.7	13.2	19.5
Upper	1	75	50.0	75.0	68.1	74.1	48.6
Unknown	0	0	0.0	0.0	4.2	9.2	0.0
Total	2	100	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	1	25	5.9	0.7	2.4	0.8	15.5
Moderate	0	0	0.0	0.0	9.3	5.0	16.4
Middle	1	165	5.9	4.4	17.4	11.9	19.5
Upper	13	3,309	76.5	87.8	53.7	64.0	48.6
Unknown	2	270	11.8	7.2	17.3	18.4	0.0
Total	17	3,769	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution by Income Level of Geography Gillespie and Kerr Counties 2015 Assessment Area					
Census Tract Income Level	Small Business Loans				% of Businesses
	#	\$(000)	# %	\$ %	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	1.1
Middle	14	3,768	77.8	75.9	60.2
Upper	4	1,194	22.2	24.1	38.7
Unknown	0	0	0.0	0.0	0.0
Total	18	4,962	100.0	100.0	100.0

The percentages of businesses by tract are based on 2015 Dun & Bradstreet Data and 2015 FFIEC census tract designations.
(NOTE: Total percentages may vary due to automated rounding differences.)

Gillespie and Kerr Counties Assessment Area Community Development Activities									
Purpose	Community Development Loans		Qualified Investments						Community Development Services Hours
			Investments		Donations		Total Investments		
	#	\$	#	\$	#	\$	#	\$	
Affordable Housing	0	0	0	0	0	0	0	0	96
Community Services	1	70,500	0	0	1	3,000	1	3,000	144
Economic Development	2	1,176,780	0	0	0	0	0	0	125
Revitalization and Stabilization	1	20,000	0	0	0	0	0	0	0
Totals	4	1,267,280	0	0	1	3,000	1	3,000	365

Kendall County:

Distribution of 2014 HMDA Loans by Income Level of Geography Kendall County Assessment Area							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	%	\$ %	# %	\$ %	
Home Purchase Loans							
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	0.0	0.0	22.8	19.0	31.5
Upper	1	200	100.0	100.0	77.2	81.0	68.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	1	200	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
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	0.0	0.0	21.7	13.0	31.5
Upper	0	0	0.0	0.0	78.3	87.0	68.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Home Improvement Loans							
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	0.0	0.0	28.8	17.8	31.5
Upper	0	0	0.0	0.0	71.2	82.2	68.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Total Home Mortgage Loans							
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	0.0	0.0	22.9	17.8	31.5
Upper	1	200	100.0	100.0	77.1	82.2	68.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	1	200	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2014 FFIEC census tract designations. ³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 0.0% for aggregate. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution of 2015 HMDA Loans by Income Level of Geography Kendall County Assessment Area							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
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	222	50.0	14.3	21.6	15.8	31.5
Upper	2	1,328	50.0	85.7	78.4	84.2	68.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	4	1,550	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
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	0.0	0.0	21.3	13.3	31.5
Upper	0	0	0.0	0.0	78.7	86.7	68.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Home Improvement Loans							
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	0.0	0.0	37.0	37.7	31.5
Upper	0	0	0.0	0.0	63.0	62.3	68.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Total Home Mortgage Loans							
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	222	50.0	14.3	22.1	16.4	31.5
Upper	2	1,328	50.0	85.7	77.9	83.6	68.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	4	1,550	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2015 FFIEC census tract designations. ³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 0.0% for aggregate. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution by Income Level of Geography Kendall County 2015 Assessment Area					
Census Tract Income Level	Small Business Loans				% of Businesses
	#	\$(000)	# %	\$ %	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0
Middle	0	0	0.0	0.0	39.1
Upper	1	191	100.0	100.0	60.9
Unknown	0	0	0.0	0.0	0.0
Total	1	191	100.0	100.0	100.0
The percentages of businesses by tract are based on 2015 Dun & Bradstreet Data and 2015 FFIEC census tract designations. (NOTE: Total percentages may vary due to automated rounding differences.)					

Distribution of 2014 HMDA Loans by Borrower Income Levels Kendall County Assessment Area							
Borrow Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	0.8	0.2	11.9
Moderate	0	0	0.0	0.0	4.8	2.6	12.9
Middle	0	0	0.0	0.0	9.9	6.8	15.8
Upper	1	200	100.0	100.0	68.2	76.0	59.4
Unknown	0	0	0.0	0.0	16.3	14.5	0.0
Total	1	200	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	0.7	0.3	11.9
Moderate	0	0	0.0	0.0	2.4	0.9	12.9
Middle	0	0	0.0	0.0	9.3	4.3	15.8
Upper	0	0	0.0	0.0	69.9	78.1	59.4
Unknown	0	0	0.0	0.0	17.7	16.5	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	4.5	0.2	11.9
Moderate	0	0	0.0	0.0	4.5	3.2	12.9
Middle	0	0	0.0	0.0	13.6	8.5	15.8
Upper	0	0	0.0	0.0	69.7	80.2	59.4
Unknown	0	0	0.0	0.0	7.6	8.0	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	1.0	0.2	11.9
Moderate	0	0	0.0	0.0	4.0	2.0	12.9
Middle	0	0	0.0	0.0	9.9	5.9	15.8
Upper	1	200	100.0	100.0	68.7	76.0	59.4
Unknown	0	0	0.0	0.0	16.4	15.9	0.0
Total	1	200	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution of 2015 HMDA Loans by Borrower Income Levels Kendall County Assessment Area							
Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	0.8	0.2	11.9
Moderate	0	0	0.0	0.0	3.9	1.8	12.9
Middle	0	0	0.0	0.0	15.0	10.3	15.8
Upper	3	1,410	75.0	91.0	65.0	73.5	59.4
Unknown	1	140	25.0	9.0	15.3	14.2	0.0
Total	4	1,550	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	1.9	0.7	11.9
Moderate	0	0	0.0	0.0	4.7	1.6	12.9
Middle	0	0	0.0	0.0	10.8	5.4	15.8
Upper	0	0	0.0	0.0	63.5	74.4	59.4
Unknown	0	0	0.0	0.0	19.0	17.9	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	5.6	0.5	11.9
Moderate	0	0	0.0	0.0	5.6	0.3	12.9
Middle	0	0	0.0	0.0	11.1	8.6	15.8
Upper	0	0	0.0	0.0	72.2	89.0	59.4
Unknown	0	0	0.0	0.0	5.6	1.6	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	1.4	0.4	11.9
Moderate	0	0	0.0	0.0	4.3	1.7	12.9
Middle	0	0	0.0	0.0	13.3	8.2	15.8
Upper	3	1,410	75.0	91.0	64.6	72.9	59.4
Unknown	1	140	25.0	9.0	16.5	16.9	0.0
Total	4	1,550	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution by Income Level of Business Kendall County 2015 Assessment Area					
Business Revenue	Small Business Loans				% of Businesses by Revenue
	#	\$(000)	# %	\$ %	
\$1MM or less	1	191	100.0	100.0	94.6
Over \$1MM	0	0	0.0	0.0	4.9
Income Not Known	0	0	0.0	0.0	0.5
Total	1	191	100.0	100.0	100.0

Business and farm demographic figures based on 2015 Dun & Bradstreet Data.
(NOTE: Total percentages may vary due to automated rounding differences.)

Kendall County Assessment Area									
Community Development Activities									
Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$	#	\$	#	\$	#	\$	Hours
Affordable Housing	0	0	0	0	0	0	0	0	0
Community Services	0	0	0	0	5	2,700	5	2,700	0
Economic Development	1	800,000	0	0	0	0	0	0	0
Revitalization and Stabilization	0	0	0	0	0	0	0	0	0
Totals	1	800,000	0	0	5	2,700	5	2,700	0

Wheeler County:

Distribution of 2014 HMDA Loans by Income Level of Geography Wheeler County Assessment Area							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
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	139	100.0	100.0	54.9	50.7	50.5
Upper	0	0	0.0	0.0	45.1	49.3	49.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	2	139	100.0	100.0	100.0	100.0	100.0
Home Refinance Loans							
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	0.0	0.0	64.3	49.1	50.5
Upper	0	0	0.0	0.0	35.7	50.9	49.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0	0.0
Middle	1	55	100.0	100.0	66.7	44.1	50.5
Upper	0	0	0.0	0.0	33.3	55.9	49.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	1	55	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
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	194	100.0	100.0	57.7	50.2	50.5
Upper	0	0	0.0	0.0	42.3	49.8	49.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	3	194	100.0	100.0	100.0	100.0	100.0

¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers.
² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2014 FFIEC census tract designations.
³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 0.0% for aggregate.
(NOTE: Total percentages may vary due to automated rounding differences.)

Distribution of 2015 HMDA Loans by Income Level of Geography Wheeler County Assessment Area							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Owner Occupied Units ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
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	0.0	0.0	41.2	42.2	50.5
Upper	0	0	0.0	0.0	52.9	57.7	49.5
Unknown ³	0	0	0.0	0.0	5.9	0.1	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Home Refinance Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0	0.0
Middle	1	39	100.0	100.0	66.7	60.2	50.5
Upper	0	0	0.0	0.0	33.3	39.8	49.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	1	39	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
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	0.0	0.0	66.7	75.6	50.5
Upper	0	0	0.0	0.0	33.3	24.4	49.5
Unknown ³	0	0	0.0	0.0	0.0	0.0	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0	0.0
Middle	1	39	100.0	100.0	49.0	45.7	50.5
Upper	0	0	0.0	0.0	46.9	47.2	49.5
Unknown ³	0	0	0.0	0.0	4.1	7.1	0.0
Total	1	39	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of owner-occupied housing units by tract is based on 2010 ACS 5-year estimates and 2015 FFIEC census tract designations. ³ Only includes loans with unreported geocode information. Does not include loans in tracts where the income category is 'unknown', which is 0.0% for the bank and 4.1% for aggregate. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution by Income Level of Geography					
Wheeler County 2015 Assessment Area					
Census Tract Income Level	Small Business Loans				% of Businesses
	#	\$(000)	# %	\$ %	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0
Middle	0	0	0.0	0.0	50.0
Upper	0	0	0.0	0.0	50.0
Unknown	0	0	0.0	0.0	0.0
Total	0	0	0.0	0.0	100.0

The percentages of businesses by tract are based on 2015 Dun & Bradstreet Data and 2015 FFIEC census tract designations.
(NOTE: Total percentages may vary due to automated rounding differences.)

Distribution of 2014 HMDA Loans by Borrower Income Levels Wheeler County Assessment Area							
Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	2.0	1.5	21.7
Moderate	0	0	0.0	0.0	13.7	10.9	15.8
Middle	1	16	50.0	11.5	17.6	13.4	14.6
Upper	0	0	0.0	0.0	45.1	53.1	47.8
Unknown	1	123	50.0	88.5	21.6	21.1	0.0
Total	2	139	100.0	100.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	7.1	2.6	21.7
Moderate	0	0	0.0	0.0	0.0	0.0	15.8
Middle	0	0	0.0	0.0	21.4	20.4	14.6
Upper	0	0	0.0	0.0	64.3	62.3	47.8
Unknown	0	0	0.0	0.0	7.1	14.7	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	21.7
Moderate	0	0	0.0	0.0	0.0	0.0	15.8
Middle	0	0	0.0	0.0	33.3	9.0	14.6
Upper	1	55	100.0	100.0	66.7	91.0	47.8
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Total	1	55	100.0	100.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	2.8	1.7	21.7
Moderate	0	0	0.0	0.0	9.9	8.2	15.8
Middle	1	16	33.3	8.2	19.7	14.8	14.6
Upper	1	55	33.3	28.4	50.7	56.2	47.8
Unknown	1	123	33.3	63.4	16.9	19.1	0.0
Total	3	194	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution of 2015 HMDA Loans by Borrower Income Levels Wheeler County Assessment Area							
Borrower Income Level	Bank Loans				Aggregate HMDA Data ¹		% of Families ²
	#	\$(000s)	# %	\$ %	# %	\$ %	
Home Purchase Loans							
Low	0	0	0.0	0.0	0.0	0.0	21.7
Moderate	0	0	0.0	0.0	17.6	8.0	15.8
Middle	0	0	0.0	0.0	11.8	8.8	14.6
Upper	0	0	0.0	0.0	47.1	60.6	47.8
Unknown	0	0	0.0	0.0	23.5	22.6	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Refinanced Loans							
Low	0	0	0.0	0.0	11.1	3.3	21.7
Moderate	1	39	100.0	100.0	33.3	13.4	15.8
Middle	0	0	0.0	0.0	11.1	13.5	14.6
Upper	0	0	0.0	0.0	22.2	39.5	47.8
Unknown	0	0	0.0	0.0	22.2	30.4	0.0
Total	1	39	100.0	100.0	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	21.7
Moderate	0	0	0.0	0.0	0.0	0.0	15.8
Middle	0	0	0.0	0.0	33.3	24.4	14.6
Upper	0	0	0.0	0.0	50.0	34.5	47.8
Unknown	0	0	0.0	0.0	16.7	41.2	0.0
Total	0	0	0.0	0.0	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	0	0	0.0	0.0	2.0	0.9	21.7
Moderate	1	39	100.0	100.0	18.4	9.2	15.8
Middle	0	0	0.0	0.0	14.3	10.8	14.6
Upper	0	0	0.0	0.0	42.9	53.5	47.8
Unknown	0	0	0.0	0.0	22.4	25.6	0.0
Total	1	39	100.0	100.0	100.0	100.0	100.0
¹ Aggregate loan data reflects all loan originations in the bank's AA reported by all HMDA LAR filers. ² The percentage of families is based on 2010 ACS 5-year estimates. (NOTE: Total percentages may vary due to automated rounding differences.)							

Distribution by Income Level of Business Wheeler County 2015 Assessment Area					
Business Revenue	Small Business Loans				% of Businesses by Revenue
	#	\$(000)	# %	\$ %	
\$1MM or less	0	0	0.0	0.0	91.3
Over \$1MM	0	0	0.0	0.0	5.9
Income Not Known	0	0	0.0	0.0	2.8
Total	0	0	0.0	0.0	100.0

Business and farm demographic figures based on 2015 Dun & Bradstreet Data.
(NOTE: Total percentages may vary due to automated rounding differences.)

Wheeler County Assessment Area									
Community Development Activities: January 1, 2013 – December 31, 2015									
Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$	#	\$	#	\$	#	\$	Hours
Affordable Housing	0	0	0	0	0	0	0	0	0
Community Services	0	0	0	0	0	0	0	0	50
Economic Development	0	0	0	0	0	0	0	0	42
Revitalization and Stabilization	0	0	0	0	0	0	0	0	0
Totals	0	0	0	0	0	0	0	0	92

GLOSSARY

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

Census tract: A small, relatively permanent statistical subdivision of a county. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts average about 4,000 inhabitants, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to the population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All Agencies have adopted the following language:

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

- c. Benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or areas outside the bank's assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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

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

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

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

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

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

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 geography.

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

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

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

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

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

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

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

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

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

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

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

Upper-income: Individual income that is 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..