



PUBLIC DISCLOSURE

February 03, 2014

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The First National Bank of Fort Smith
Charter Number 1950

602 Garrison Avenue
Fort Smith, AR 72902

Office of the Comptroller of the Currency

Victory Building
1401 West Capitol Avenue
Suite 350
Little Rock, AR 72201

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, and should not 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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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Outstanding**.

The following table indicates the performance level of **The First National Bank of Fort Smith** with respect to the Lending, Investment, and Service Tests:

Performance Levels	First National Bank of Fort Smith Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- The geographic distribution of home mortgage loans and small loans to businesses and farms is excellent.
- The bank has an adequate record of lending to borrowers of different income levels and to businesses and farms of different sizes.
- FNBFS has a significantly positive level of community development loans that were responsive to community needs.
- The level of qualified investments is excellent.
- Branches were readily accessible to geographies and individuals of different income levels in the assessment area.
- FNBFS's performance in providing community development services in the Fort Smith, AR-OK MSA is good.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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 MA/assessment area.

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

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

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities 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.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

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

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

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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

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

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

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

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 multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state 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.

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

Tier One Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Description of Institution

First National Bank of Fort Smith (FNBFS) is the largest locally controlled bank in the city with total assets of \$1.071 billion as of December 31, 2013, and is an intrastate institution. First Bank Corporation, an interstate, non-regional, multi-bank holding company, owns FNBFS, which is the lead bank in the company. First Bank Corporation's assets were \$1.567 billion at December 31, 2013. Affiliate banks include the National Bank of Sallisaw headquartered in Oklahoma and Citizens Bank and Trust headquartered in Van Buren, Arkansas. FNBFS has two non-bank affiliates, Brown-Hiller-Clark (BHC) Insurance and Financial Services, an insurance agency and Realty Appraisals Inc., an appraisal agency. Activities of the other banks were not considered in FNBFS's CRA performance evaluation. Both affiliate banks and the non-bank affiliate are relatively close in proximity to Fort Smith.

FNBFS operates 17 full service locations and 22 automated teller machines (ATMs). There are 13 full service locations in the Fort Smith, AR-OK MSA and four in the Fayetteville-Springdale-Rogers MSA 22220. The main office and eight branches are in Fort Smith, and one each in Barling, Charleston, Greenwood, and Lavaca. A new branch was opened at Chaffee Crossing in Fort Smith on March 19, 2012. There are two branches in Rogers, and one each in Centerton, and Lowell. All branch locations are full-service, with extended hours. There is an ATM at each branch plus five stand-alone ATM's. One branch is located in a low-income census tract (CT) and four in a moderate-income CT.

FNBFS's primary competition includes two mid-size financial institutions: one headquartered in the state of Arkansas: Arvest Bank with total assets of \$14.086 billion; and one headquartered in the state of Mississippi: BancorpSouth with \$13.032 billion in total assets.

Net loans to total assets was 65 percent and equity capital totaled \$135 million, based on the December 31, 2013 Call Report. As of December 31, 2013, loans totaled \$712 million. Strategically, management's focus is on commercial and commercial real estate loans; while delivering a high level of customer service and a concerted effort to help develop the community within which they operate.

FNBFS's loan portfolio composition as reported in the December 31, 2013 Report of Condition and Income is as follows:

Loan Category	\$ (000)	%
Commercial Real Estate Loans	368,553	52%
Commercial Loans	171,582	24%
Residential Real Estate Loans	119,278	17%
Agriculture Loans	36,185	5%
Consumer Loans	15,869	2%
Other Loans	76	0%
Total	711,543	100%

Source: 12/31/2013 Call Report

No financial or legal impediments were identified that limit FNBFS from serving its community. The institution was rated "Outstanding" at the previous CRA examination dated April 12, 2010.

Scope of the Evaluation

Evaluation Period/Products Evaluated

FNB FS is designated as an Intermediate Small Bank (ISB) as total assets for year-end 2013 and 2012 were below the threshold for a large bank. Bank management elected to be evaluated as a large bank for this evaluation.

Conclusions regarding the Lending Test are based on HMDA, small business, and small farm loans from January 1, 2010 through December 31, 2013. The community development lending performance analysis considered loans made since the previous CRA examination and includes loans made from April 12, 2010 through February 3, 2014.

The evaluation period for the Service Test and Investment Test was also from April 12, 2010 through February 3, 2014. The Service Test was evaluated based on branch distribution, hours of operation, branch openings and closings, alternative delivery systems, retail and commercial deposit and loan products and services, and community development services. The Investment Test conclusions are based on an evaluation of qualified community development investments and donations.

Data Integrity

A Data Integrity examination was conducted in April 2013 to determine the accuracy of FNBFS's HMDA, small business, and small farm loan data. We reviewed a sample of loans the bank reported for the years 2010 through 2012. We found the data and the bank's internal controls to be reliable.

Selection of Areas for Full-Scope Review

The Fort Smith, AR-OK MSA was chosen for the full-scope review. FNBFS's AAs consist of portions of two separate MSAs: the Fort Smith, AR-OK MSA 22900 and the Fayetteville-Springdale-Rogers, AR MSA 22220. For the 2010 through 2011 loan data, approximately 74% of reported loans originated in the Fort Smith, AR-OK MSA and 84% of deposits are in the MSA. For the 2012 through 2013 loan data, approximately 72% of reported loans originated in the Fort Smith, AROK MSA and 87% of deposits are in the MSA. In addition, 13 of the bank's 17 branches are located in this MSA. The Fayetteville-Springdale-Rogers MSA was chosen for the limited-scope review. Refer to the table in Appendix A for more information.

Ratings

The bank's overall rating is based primarily on those areas that received full-scope reviews. More weight was placed on the 2012 through 2013 loan data as these dates are more current and the data is evaluated against the more current 2010 Census demographics. Small loans to businesses received the most weight of the loan products as these loans comprised 79 percent of reported loans for 2010 through 2011 and 2012 through 2013.

Other

A community contact was conducted with a community development agency within the City of Fort Smith that rehabilitates housing in the city center of Fort Smith. The agency receives Community Development Block Grant (CDBG) funds to assist in this effort. The homes are sold to low- and moderate-income individuals who typically receive down payment assistance to purchase the homes. The contact stated that affordable housing is a primary need in the city of Fort Smith.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or Federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Fort Smith, AR-OK MSA is excellent. Small business lending weighed most heavily in the lending test since small business lending represents about 79% of the lending activity reviewed. A significantly large number and dollar amount of affordable housing related community development loans were extended during the review period. Community development loans reflected positively on the bank's performance under the lending test. FNBFS originated a relatively low volume of home mortgage and small farm loans during the evaluation period and the geographic distributions and borrower dispersions for these types of loans do not have consequential impact on the overall conclusions for the Lending Test.

Lending Activity

Refer to Tables 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's lending activity.

The bank's overall lending activity is excellent, considering the strong competition for all types of loans in the bank's AAs. The bank's excellent performance in originating home mortgage loans, small business loans, and small farm loans when compared to its local competitors supports this conclusion. Based upon FDIC Deposit Market Share data as of June 30, 2013, FNBFS achieved an 18.31 percent market share of deposits, ranking first among twenty-two financial institutions in the AA. Based upon 2012 Peer Mortgage Data, FNBFS achieved a 7.94 percent market share of home improvement loans, ranking third among 45 reporting lenders. The bank achieved a 1.44 percent market share of home purchase loans, ranking sixteenth among 107 reporting lenders and achieved a 1.01 percent market share of refinance loans, ranking twenty-first among 155 reporting lenders. These market ranks/shares are excellent when compared to the deposit market rank/share and competition within the AA. FNBFS achieved a 14.55 percent market share of small loans to businesses, ranking first among 45 reporting lenders. FNBFS achieved an 11.79 percent market share of small loans to farms, ranking fourth among 17 reporting lenders.

Distribution of Loans by Income Level of the Geography

The geographic distribution of the bank's lending was excellent. In performing our analysis, we placed greater weight on the bank's lending to small businesses as small loans to businesses represented the majority of the bank's CRA reportable lending activity. We also placed greater weight on the bank's performance in 2012 through 2013 than its performance in 2010 through 2011.

Home Mortgage Loans

The geographic distribution of home mortgage loans is excellent.

Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

In evaluating the geographic distribution of home loans in the Fort Smith AR-OK MSA, it is important to note that there are no low-income census tracts in the AA. As a result, we attributed more weight to the bank's performance in moderate-income tracts, which contain almost 18.0 percent of the owner-occupied housing units.

The bank's geographic distribution of home purchase loans during 2012 through 2013 was excellent. The percentage of loans in moderate-income geographies exceeded the percentage of owner-occupied units in these geographies. The bank's market share in moderate-income census tracts exceeded its overall market share for home purchase loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The bank's geographic distribution of home improvement loans during 2012 through 2013 was excellent. The percentage of loans in moderate-income geographies exceeded the percentage of owner-occupied units in these geographies. The bank's market share in moderate-income census tracts exceeded its overall market share for home improvement loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The bank's geographic distribution of improvement loans during 2012 through 2013 was excellent. The percentage of loans in moderate-income geographies exceeded the percentage of owner-occupied units in these geographies. The bank's market share in moderate-income census tracts exceeded its overall market share for home refinance loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Small Loans to Businesses

The geographic distribution of small loans to businesses is excellent.

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The bank's geographic distribution of small loans to businesses in 2012 through 2013 was excellent. The percentage of loans made in moderate-income geographies exceeded the percentage of businesses in those geographies. The bank's market share in moderate-income geographies exceeded its overall market share for loans to small businesses. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Small Loans to Farms

The geographic distribution of small loans to farms is excellent.

Refer to Table 7 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

The bank's geographic distribution of small loans to farms in 2012 through 2013 is good. The percentage of loans made in moderate-income census tracts was near to the percentage of small farms in those geographies. The bank's market share in moderate-income geographies exceeded its overall market share for loans to small farms. The bank's performance in 2012 was stronger than the performance noted in 2010 through 2011.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed FNBFS's home mortgage, small business, and small farm lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. The bank's AAs consist of whole geographies, meet the requirements of the CRA regulation, and do not arbitrarily exclude any low- or moderate-income areas.

Inside/Outside Ratio

This ratio is a bank-wide calculation, and not calculated by individual rating area or AA. Analysis is limited to bank originations and purchases, and does not include any affiliate data. For the combined four-year evaluation period, FNBFS originated a majority of all loan products inside the bank's AAs (85.9 percent). The percentage in number of loans made inside the AAs by loan type are as follows: home purchase loans (86.6 percent), home refinance loans (85.9 percent), home improvement loans (87.4 percent), small loans to businesses (88.3 percent) and small loans to farms (49.8 percent).

Distribution of Loans by Income Level of the Borrower

The borrower distribution of the bank's lending is adequate. Borrower distribution is affected by a moderate number of borrowers in which no income data is reported because the borrower is not a natural person (such as a corporation, partnership, or other entity that is not a natural person). As noted previously, we placed greater weight on the bank's lending to small businesses as small loans to businesses represented the majority of the bank's CRA reportable lending activity. Additionally, we considered the relatively high poverty level in the assessment areas in our conclusions. In addition, we attributed more weight to the bank's performance in 2012 through 2013 than its performance in 2010 through 2011.

Home Mortgage Loans

The borrower distribution of home mortgage loans is adequate.

Refer to Tables 8, 9, and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home loans in the Fort Smith AR-OK MSA, it is important to note that approximately 17 percent of the families are below the poverty level. This significant level of families living below the poverty level makes it difficult to originate home mortgage loans to low- and moderate-income individuals.

The bank's borrower distribution of home purchase loans during 2012 through 2013 was poor. The percentage of loans to low-income borrowers was well below the percentage of low-income families. The percentage of loans made to moderate-income borrowers was well below the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was well below its overall market share of home purchase loans. The bank's market share of loans to moderate-income borrowers was below its overall market share of home purchase loans. The bank's performance in 2012 through 2013 was not inconsistent with the performance noted in 2010 through 2011.

The bank's borrower distribution of home improvement loans during 2012 through 2013 was good. The percentage of loans to low-income borrowers was equal to the percentage of low-income families. The percentage of loans made to moderate-income borrowers was near to the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share of home improvement loans. The bank's market share of loans to moderate-income borrowers was somewhat lower than its overall market share of home improvement loans. The bank's performance in 2012 through 2013 was not inconsistent with the performance noted in 2010 through 2011.

The bank's borrower distribution of home refinance loans during 2012 through 2013 was adequate. The percentage of loans to low-income borrowers was lower than the percentage of low-income families. The percentage of loans to moderate-income borrowers was somewhat lower than the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share of refinance loans. The bank's market share of loans to moderate-income borrowers was significantly lower than its overall market share of refinance loans. FNBFS had no market share to moderate-income borrowers. The bank's performance in 2012 through 2013 was not inconsistent with the performance noted in 2010 through 2011.

Small Loans to Businesses

Borrower distribution of small loans to businesses is good.

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

Fort Smith AR-OK MSA

The bank's borrower distribution of small loans to businesses in 2012 through 2013 is good. The percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) was near to the percentage of small businesses. Most of the bank's loans originated at \$100 thousand or less. This good performance was enhanced by excellent market share. The bank's market share of loans to small businesses exceeded its overall market share of loans to small businesses. The bank's performance in 2012 through 2013 was not inconsistent with the performance noted in 2010 through 2011.

Small Loans to Farms

Borrower distribution of small loans to farms is good.

Refer to Table 12 in the Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

Fort Smith AR-OK MSA

The bank's borrower distribution of small loans to farms in 2012 through 2013 was good. The bank's borrower distribution of small loans to small farms (farms with gross annual revenue of \$1 million or less) was near to the percentage of small farms. The bank's market share of loans to small farms exceeded its overall market share of loans to small farms. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Community Development Lending

FNBFS had a significantly positive level of community development loans that were responsive to community needs.

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Fort Smith AR-OK MSA

FNBFS's level of CD lending had a significantly positive impact on its overall lending performance in the AA. During the evaluation period, FNBFS originated 23 loans totaling \$10 million in qualified CD loans in the AA during the evaluation period. This volume represented

8.1 percent of allocated Tier One capital. The bank's CD loans were highly responsive to assessment area credit needs, demonstrated leadership, and supported affordable housing initiatives for low- and moderate-income (LMI) individuals, community services targeted to LMI individuals, activities that promoted economic development in the AA, and activities that revitalized or stabilized LMI geographies.

Specific examples of the CD loans originated during this evaluation period include:

- A substantial majority (96 percent) of loans were made for affordable housing, which is an identified need in the assessment area. FNBFS originated 15 loans totaling \$9.6 million to developers who construct or rehabilitate affordable housing for low- and moderate-income individuals. A majority of the borrowers received down payment assistance. The homes range in size from 1,100 square feet to 1,500 square feet. The housing developments are located in moderate-income geographies.
- A \$200,000 loan was made to a rehabilitation facility that provides community development services to low-income patients. The facility offers therapy to children with brain injuries and development issues arising from accidents or birth. Approximately 80 percent of the children at the facility are on Medicaid.
- Two loans totaling \$108,000 were made to individuals who improved and/or repaired their commercial properties located in a moderate-income census tract. Improvement of the properties helped to revitalize and stabilize the moderate-income census tract.

Community Development Loans – Federal Disaster Area

In addition to the community development loans that benefit the bank's assessment areas, FNBFS originated 39 qualified CD loans, totaling \$3.5 million, located in Joplin, Missouri, a federal designated disaster area. The loans were to construct much needed housing in the city of Joplin. A devastating tornado (EF5) struck Joplin, MO on May 22, 2011. The tornado consumed a 1-mile path through the city and caused \$2.8 billion in property damages.

Community Development Loans – Outside the Assessment Area

FNB FS originated eight CD loans totaling \$8.5 million outside of the assessment area. The purpose of the loans were to construct affordable housing. The loans were primarily constructed in moderate-income census tracts.

Product Innovation and Flexibility

FNBFS does not offer innovative loan products. All mortgage loans are retained in-house; therefore, the loans are not subject to government guarantees which offer some flexibility in underwriting. FNBFS does offer Small Business Administration (SBA) loans, which offer more flexible underwriting due to the government guaranty. For the evaluation periods, FNBFS originated 23 SBA loans totaling \$5.5 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Benton-Washington Counties assessment area is not inconsistent with the bank's overall "Outstanding" performance under the lending test. In the Benton-Washington Counties assessment area, FNBS originated 75 CD loans totaling \$6.1 million. Refer to the Tables 1 through 12 in Appendix C for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated "*Outstanding*". Based on the full-scope reviews, the bank's performance in the Fort Smith MSA #22900 is excellent.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Fort Smith, AR-OK MSA

The level of qualified investments is excellent. Qualifying investments are investments, deposits, membership shares or grants that have as their primary purpose community development, as defined in the CRA regulation. During the evaluation period, FNBFS made 65 investments totaling \$18.5 million. This represents approximately 14.9% of Tier One Capital for the AA. The bank's qualified investments are centered in school district bonds targeted to low- and moderate-income areas, low-income housing tax credits, and donations with the primary purpose of affordable housing, community development services, and activities that revitalize/stabilize low- and moderate-income areas.

Investment opportunities in the bank's assessment area are numerous. FNBFS has done an excellent job in seeking out these opportunities. Following are some examples of the investments:

- FNBFS made 23 low-income investment housing tax credit investments to organizations that provide affordable housing to low- and moderate-income individuals and families. These investments totaled \$9.9 million. The bank has also made an additional four low-income investment housing tax credits outside the bank's assessment area that totaled \$440,749.
- FNBFS made 40 investments totaling \$8.6 million to school district bonds that provide services to low- and moderate-income individuals and families.
- FNBFS made two donations totaling over \$1 thousand to organizations that offer financial services to low- and moderate-income areas.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Fayetteville-Springdale MSA #22220 is weaker than the bank's overall "Outstanding" performance under the Investment Test. FNBFS has been in the Fayetteville-Springdale MSA since December 2008. Benton and Washington Counties are heavily banked with 25 financial institutions. The bank's presence in this market is small. Refer to Table 14 in Appendix C for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Fort Smith, AR-OK MSA is excellent.

Retail Banking Services

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

FNBFS's branch distribution in the AA is excellent for both the 2000 and 2010 census period. Branches were readily accessible to geographies and individuals of different income levels in the assessment area. There were not any branches located within low-income geographies. There were four branches located in moderate-income census tracts. The percentage of branches in moderate-income census tracts exceeded the percentage of the population in moderate-income census tracts for both evaluation periods.

FNBFS's retail banking system, including the quantity, quality, and accessibility of services, is excellent. The primary delivery system for its retail banking services is the branch network. While banking hours are adjusted based on the local area's banking needs, branches opening at 7:00 am and close at 6:00 pm. Saturday banking is available at most locations from 9:00 am to 2:00 pm. Loan and deposit products are available at all branch locations. All of the bank's ATMs and telephone banking services provide 24-hour service, and are available in English and Spanish.

Alternative delivery systems include ATM/debit/point of sale services, telephone and Internet banking services, and bank by mail services. The use of these services is monitored, but not by any particular income level of the user. The availability of these services does not factor into the rating for the Service Test.

During the evaluation period, there was one branch opening in the Fort Smith MSA. No branches were closed. Branch hours and services did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Community Development Services

FNBFS's performance in providing community development services in the Fort Smith, AR-OK MSA is good. Community development services focused primarily on community services targeted to low- and moderate-income individuals. The bank's community development services are primarily centered in financial literacy and technical assistance to organizations that serve low-and moderate- income individuals and families. Other organizations supported provide for affordable housing, individual counseling services for financial needs, economic development, and revitalization/stabilization of low- and moderate-income census tracts. During the evaluation period bank employees participated in 16 organizations in the assessment area that qualified under the definition of community development services. Bank employees participated in various community development organizations by serving as Board members, committee members, and program participants. Following is a portion of the bank's community development services that were targeted to low- and moderate-income individuals and small businesses located within the bank's AA:

- **Central Business Improvement District (CBID)** - The bank actively participates in this program that directs activities to revitalize/stabilize the downtown Fort Smith business district. This portion of the MSA is located in a moderate-income CT.
- **Innovation and Entrepreneurship Program** - The program is a partnership with the University of Arkansas Fort Smith, Fort Smith Entrepreneurship Center, area high schools, and FNBFS. Bank staff member assist in providing various financial training programs to area students. These training programs are focused on small business performance and financial planning.
- **Dollars and Sense Program** - Staff members teach financial literacy to students in 11 area schools all located with-in the AA. The program consists of teaching lifelong learning skills for saving money and setting financial goals. As part of the program, the bank opens savings accounts for the students and denotes \$5 to open each account. The bank opened 216 accounts for students during 2010, 277 in 2011, 386 in 2012, and 229 in 2013. There are currently 1,781 accounts at the bank opened under this program, with total deposits of \$727 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Benton-Washington Counties areas is not inconsistent with the bank's overall performance under the service test. For the 2000 Census data, the bank's performance in Benton-Washington Counties is not inconsistent with the bank's overall performance. However, the 2010 Census data shows the bank's performance under the service test in the Benton-Washington Counties area to be slightly weaker than the bank's overall performance under the service test. Performance differences in these areas were based on weaker branch distribution during the 2010 Census period the weaker branch distribution was not significant enough to impact the bank's overall rating.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): (01/01/2010 to 12/31/2013) Investment and Service Tests and CD Loans: (04/12/2010 to 02/03/2014)	
Financial Institution		Products Reviewed
First National Bank of Fort Smith Fort Smith, Arkansas		Home mortgage loans, small loans to businesses, small loans to farms.
Affiliate(s)	Affiliate Relationship	Products Reviewed
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Fort Smith, AR-OK MSA #22900	Full-Scope	
Fayetteville-Rogers-Springdale, AR MSA #22220	Limited-Scope	

Appendix B: Market Profiles for Full-Scope Areas

Fort Smith AR-OK MSA 2010

Demographic Information for Full Scope Area: Fort Smith AR-OK MSA 2010						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	43	0.00	27.91	48.84	23.26	0.00
Population by Geography	212,142	0.00	24.19	51.83	23.98	0.00
Owner-Occupied Housing by Geography	54,512	0.00	17.59	55.37	27.04	0.00
Business by Geography	13,944	0.00	27.27	45.14	27.58	0.00
Farms by Geography	526	0.00	14.45	62.55	23.00	0.00
Family Distribution by Income Level	56,499	20.15	18.10	19.25	42.51	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	21,606	0.00	33.83	50.26	15.90	0.00
Median Family Income HUD Adjusted Median Family Income for 2013 Households Below Poverty Level		46,201 47,000 17%	Median Housing Value Unemployment Rate (December 2013)		101,233 7.60%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2013 HUD updated MFI

Fort Smith, AR-OK MSA 22900

The Fort Smith MSA 22900 consists of five counties: Sebastian, Franklin, and Crawford Counties in Arkansas and Leflore and Sequoyah County in Oklahoma. FNBFS assessment area (AA) has all of Sebastian and Crawford County and parts of Franklin, Leflore, and Sequoyah County. The main office is located in Fort Smith which is adjacent to the Oklahoma border. Bank branches are all located in Arkansas. Several CTs in Franklin, LeFlore, and Sequoyah Counties were excluded due to the geographical distance from Fort Smith, Arkansas. There are no low-income tracts in the AA. The AA is comprised of 12 moderate-income census tracts, 21 middle-income CTs, and 10 upper-income CTs. The general area covered by the AA area has not changed; however, due to the increase in population since the 2000 census, the number of CT has increased. The 2010 census has 43 CTs in comparison to the 37 CTs identified in the 2000 census. Since the 2000 census, the level of low and moderate-income CT have remained fairly consistent with a higher level of middle-income CTs and no low-income CTs.

Competitors include a number of financial institutions consisting of branches of larger national and state banks and savings and loans institutions operating in the Fort Smith MSA. During the evaluation period, the primary competitors for financial services included Arvest Bank, Bancorp South Bank, Bank of the Ozarks, Citizens' Bank and Trust Company, and Regions

Bank. FNBFS has the largest deposit market share in the AA at 18.31%, with Arvest Bank ranked second with 14.56%.

Based on 2010 census data, the population of the Fort Smith MSA was 298,592, a 9.30% growth from the 2000 census where the population totaled 273,170. Fort Smith is the largest city in Sebastian County. Fort Smith is the major manufacturing, trade, and transportation center in Western Arkansas. Overall, the local economy is stabilizing and showing signs of improvement. The Fort Smith MSA unemployment rate, not seasonally adjusted, is 7.60% as of December 2013. This is higher than the US average at 6.5%.

The Fort Smith area relied heavily on manufacturing and food processing; however, during the recent years, manufacturing jobs have declined and other industries have prospered. One of the largest employers in Fort Smith, Whirlpool Corporation, closed the plant on June 29, 2012, which caused over 900 employees to lose their jobs. In addition, the \$100 million Mitsubishi Wind Turbine Plant set to open in 2012 has been indefinitely delayed, resulting in an additional 300 plus job loss in manufacturing jobs for the region.

Per the December 2013 Bureau of Labor Statistics, the leading industries include trade, transportation, utilities, education, manufacturing, general medical and surgical hospitals, and government positions. Fort Smith is home to several large employers including the OK Industries, Sparks Health System, Mercy Medical Center, Baldor Electric Company, Arkansas Best, and Rheem Manufacturing Company. The largest growing sector is education and health services. Per the Fort Smith Times Record dated February 18, 2014, the Fort Smith Regional Healthcare Foundation has unveiled plans to build a 200-acre medical school in the Chaffee Crossing area. Initial estimates indicate an annual economic impact of around \$75 – 100 million in addition to the employment of 65 professors and additional physicians once the students graduate.

FNBFS continues to be one of the largest small business lenders in the Fort Smith MSA. According to 2013 Business Demographic Data, there were 13,944 businesses in the AA. Of those, 9,942 or 71.30% were businesses with annual gross revenues of less than \$1 million. Of the 526 farms in the AA, 98.67% reported annual gross revenues of less than \$1 million. This is a decline in the number of businesses outlined in the 2010 Business Demographic data.

Housing statistics from 2010 U.S. Census Demographic data show that there are 90,199 housing units in the AA. About 60.44% are owner-occupied and 29.37% are renter occupied. The average monthly rent was \$573. The median housing value was \$101,233. According to the community contact, there is a need for affordable low-income housing, but only a limited number of developers are able to build affordable homes. Additionally, high unemployment rates and poverty levels make it harder for low-income families to qualify despite their desire to purchase homes.

Appendix C: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and

purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

LENDING VOLUME												
Geography: ARKANSAS						Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011						
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Fort Smith AR-OK MSA 2000	74.29	199	19,519	992	96,497	52	3,278	14	7,840	1,257	127,134	84.44
Limited Review:												
Benton-Washington Counties 2000	25.71	107	39,885	308	30,682	1	31	19	1,521	435	72,119	15.56

* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 01, 2011 to December 31, 2011.

*** Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: ARKANSAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011						Market Share (%) by Geography [*]				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans						
Full Review:																
Fort Smith AR-OK MSA 2000	80	64.52	0.00	0.00	5.12	8.75	76.29	68.75	18.59	22.50	1.03	0.00	1.89	1.10	0.58	
Limited Review:																
Benton-Washington Counties 2000	44	35.48	0.00	0.00	3.72	2.27	83.02	72.73	13.26	25.00	0.33	0.00	0.00	0.33	0.34	

^{*} Based on 2011 Peer Mortgage Data (USPR)

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Fort Smith AR-OK MSA 2000	60	76.92	0.00	0.00	5.12	6.67	76.29	63.33	18.59	30.00	6.95	0.00	7.14	7.43	5.00	
Limited Review:																
Benton-Washington Counties 2000	18	23.08	0.00	0.00	3.72	5.56	83.02	66.67	13.26	27.78	3.64	0.00	0.00	3.49	5.13	

* Based on 2011 Peer Mortgage Data (USPR)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: ARKANSAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography [*]				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans					
Full Review:															
Fort Smith AR-OK MSA 2000	53	56.38	0.00	0.00	5.12	11.32	76.29	64.15	18.59	24.53	0.65	0.00	5.97	0.53	0.51
Limited Review:															
Benton-Washington Counties 2000	41	43.62	0.00	0.00	3.72	2.44	83.02	65.85	13.26	31.71	0.06	0.00	0.00	0.07	0.00

^{*} Based on 2011 Peer Mortgage Data (USPR)

^{**} Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: ARKANSAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011						Market Share (%) by Geography [*]				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% of MF Units ^{***}	% BANK Loans ^{****}	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans						
Full Review:																
Fort Smith AR-OK MSA 2000	6	60.00	0.00	0.00	11.71	16.67	57.20	83.33	31.09	0.00	6.25	0.00	11.11	5.88	0.00	
Limited Review:																
Benton-Washington Counties 2000	4	40.00	0.00	0.00	16.91	25.00	70.64	50.00	12.45	25.00	10.71	0.00	0.00	8.70	33.33	

^{*} Based on 2011 Peer Mortgage Data (USPR)

^{**} Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

^{***} Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

^{****} Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans						
Full Review:																
Fort Smith AR-OK MSA 2000	992	76.31	0.00	0.00	9.32	15.12	66.13	59.58	24.56	25.30	15.70	0.00	24.92	14.83	18.17	
Limited Review:																
Benton-Washington Counties 2000	308	23.69	0.00	0.00	8.06	11.04	76.07	70.78	15.87	18.18	3.19	0.00	3.07	3.39	3.06	

* Based on 2011 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2011).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
Fort Smith AR-OK MSA 2000	52	98.11	0.00	0.00	2.78	0.00	80.15	88.46	17.07	11.54	23.45	0.00	0.00	24.63	13.33	
Limited Review:																
Benton-Washington Counties 2000	1	1.89	0.00	0.00	3.25	0.00	82.66	100.00	14.09	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2011 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2011).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share [*]				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{**}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}						
Full Review:																
Fort Smith AR-OK MSA 2000	80	64.52	18.04	2.04	17.08	12.24	22.91	14.29	41.96	71.43	0.93	0.95	0.55	0.86	1.20	
Limited Review:																
Benton-Washington Counties 2000	44	35.48	15.62	0.00	18.00	6.25	24.54	6.25	41.85	87.50	0.17	0.00	0.00	0.00	0.38	

^{*} Based on 2011 Peer Mortgage Data (USPR)

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 34.7% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Fort Smith AR-OK MSA 2000	60	76.92	18.04	22.03	17.08	15.25	22.91	20.34	41.96	42.37	7.23	10.42	7.69	9.00	5.14	
Limited Review:																
Benton-Washington Counties 2000	18	23.08	15.62	17.65	18.00	35.29	24.54	23.53	41.85	23.53	3.47	4.00	5.36	5.97	0.90	

* Based on 2011 Peer Mortgage Data (USPR)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2000 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.6% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share [†]				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}						
Full Review:																
Fort Smith AR-OK MSA 2000	53	56.38	18.04	4.08	17.08	32.65	22.91	18.37	41.96	44.90	0.61	0.00	1.52	0.75	0.35	
Limited Review:																
Benton-Washington Counties 2000	41	43.62	15.62	15.38	18.00	12.82	24.54	25.64	41.85	46.15	0.07	0.39	0.16	0.12	0.00	

[†] Based on 2011 Peer Mortgage Data (USPR)

^{**} Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 6.4% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: ARKANSAS			Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Fort Smith AR-OK MSA 2000	992	76.31	68.99	63.91	71.57	19.56	8.87	15.70	24.87
Limited Review:									
Benton-Washington Counties 2000	308	23.69	69.20	68.18	68.18	23.38	8.44	3.19	3.78

* Based on 2011 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 9.23% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: ARKANSAS			Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Fort Smith AR-OK MSA 2000	52	98.11	98.14	86.54	78.85	17.31	3.85	23.45	26.11
Limited Review:									
Benton-Washington Counties 2000	1	1.89	97.83	100.00	100.00	0.00	0.00	0.00	0.00

* Based on 2011 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2011).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 11.32% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: ARKANSAS									
Evaluation Period: APRIL 12, 2010 TO DECEMBER 31, 2011									
Assessment Area:	Prior Period Investments [*]		Current Period Investments		Total Investments			Unfunded Commitments ^{**}	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Fort Smith AR-OK MSA 2000	0	0	38	10,172	38	10,172	92.37	0	0
Limited Review:									
Benton-Washington Counties 2000	0	0	6	840	6	840	7.63	0	0

^{*} 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

^{**} 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: ARKANSAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Fort Smith AR-OK MSA 2000	84.44	12	75.00	0.00	33.33	33.33	33.33	0	0	0	0	0	0	0.00	7.28	74.68	18.03
Limited Review:																	
Benton-Washington Counties 2000	15.56	4	25.00	0.00	25.00	50.00	25.00	0	0	0	0	0	0	0.00	6.00	80.81	13.20

Table 1. Lending Volume

LENDING VOLUME		Geography: ARKANSAS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013						
Assessment Area (2013):	% of Rated Area Loans (#) in MA/AA [*]	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans ^{**}		Total Reported Loans		% of Rated Area Deposits in MA/AA ^{***}
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Fort Smith AR-OK MSA 2010	71.76	211	19,501	993	90,837	42	3,468	9	2,191	1,255	115,997	87.03
Limited Review:												
Benton-Washington Counties 2010	28.24	57	5,591	369	57,049	12	1,334	56	4,615	494	68,589	12.97

^{*} Loan Data as of December 31, 2013. Rated area refers to either state or multi-state MA rating area.

^{**} The evaluation period for Community Development Loans is from January 01, 2013 to December 31, 2013.

^{***} Deposit Data as of June 30, 2013. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: ARKANSAS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013						Market Share (%) by Geography [*]				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans						
Full Review:																
Fort Smith AR-OK MSA 2010	85	70.83	0.00	0.00	17.59	27.06	55.37	47.06	27.04	25.88	1.44	0.00	2.36	1.51	0.88	
Limited Review:																
Benton-Washington Counties 2010	35	29.17	1.04	2.86	11.61	8.57	51.39	37.14	35.96	51.43	0.16	3.45	0.18	0.22	0.08	

^{*} Based on 2012 Peer Mortgage Data (USPR)

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Fort Smith AR-OK MSA 2010	72	84.71	0.00	0.00	17.59	25.00	55.37	50.00	27.04	25.00	7.98	0.00	18.75	5.67	6.67	
Limited Review:																
Benton-Washington Counties 2010	13	15.29	1.04	0.00	11.61	15.38	51.39	61.54	35.96	23.08	2.12	0.00	2.78	1.98	2.22	

* Based on 2012 Peer Mortgage Data (USPR)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: ARKANSAS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
Full Review:															
Fort Smith AR-OK MSA 2010	52	86.67	0.00	0.00	17.59	32.69	55.37	46.15	27.04	21.15	0.97	0.00	3.29	0.77	0.50
Limited Review:															
Benton-Washington Counties 2010	8	13.33	1.04	0.00	11.61	12.50	51.39	75.00	35.96	12.50	0.08	0.00	0.00	0.18	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: ARKANSAS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography [*]				
	#	% of Total ^{**}	% of MF Units ^{***}	% BANK Loans ^{****}	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Fort Smith AR-OK MSA 2010	2	66.67	0.00	0.00	35.54	100.00	29.62	0.00	34.84	0.00	5.41	0.00	10.53	0.00	0.00
Limited Review:															
Benton-Washington Counties 2010	1	33.33	3.63	0.00	29.35	0.00	46.77	100.00	20.25	0.00	0.00	0.00	0.00	0.00	0.00

^{*} Based on 2012 Peer Mortgage Data (USPR)

^{**} Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

^{***} Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

^{****} Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans						
Full Review:																
Fort Smith AR-OK MSA 2010	993	72.91	0.00	0.00	27.27	29.81	45.14	39.78	27.58	30.41	14.55	0.00	16.72	13.64	18.58	
Limited Review:																
Benton-Washington Counties 2010	369	27.09	1.67	6.50	17.73	7.32	47.14	37.67	33.45	48.51	3.46	7.76	1.43	2.88	5.29	

* Based on 2012 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2013).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
Fort Smith AR-OK MSA 2010	42	77.78	0.00	0.00	14.45	14.29	62.55	78.57	23.00	7.14	11.79	0.00	16.92	11.73	3.13	
Limited Review:																
Benton-Washington Counties 2010	12	22.22	1.12	0.00	7.20	16.67	53.76	75.00	37.92	8.33	1.40	0.00	0.00	1.47	1.23	

* Based on 2012 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2013).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share [*]				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families [*]	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}						
Full Review:																
Fort Smith AR-OK MSA 2010	85	70.83	20.15	4.62	18.10	7.69	19.25	20.00	42.51	67.69	1.23	0.38	0.95	1.26	1.60	
Limited Review:																
Benton-Washington Counties 2010	35	29.17	18.00	5.88	18.09	17.65	20.82	23.53	43.09	52.94	0.13	0.00	0.12	0.12	0.18	

^{*} Based on 2012 Peer Mortgage Data (USPR)

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 31.7% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share*				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families**	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Fort Smith AR-OK MSA 2010	72	84.71	20.15	20.00	18.10	15.71	19.25	22.86	42.51	41.43	8.40	18.42	6.25	10.89	5.62	
Limited Review:																
Benton-Washington Counties 2010	13	15.29	18.00	8.33	18.09	8.33	20.82	25.00	43.09	58.33	2.33	5.56	1.96	1.27	2.25	

* Based on 2012 Peer Mortgage Data (USPR)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 3.5% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: ARKANSAS					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share [†]				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}						
Full Review:																
Fort Smith AR-OK MSA 2010	52	86.67	20.15	6.67	18.10	10.00	19.25	10.00	42.51	73.33	0.50	0.93	0.00	0.00	0.79	
Limited Review:																
Benton-Washington Counties 2010	8	13.33	18.00	12.50	18.09	0.00	20.82	25.00	43.09	62.50	0.08	0.19	0.00	0.14	0.07	

[†] Based on 2012 Peer Mortgage Data (USPR)

^{**} Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 36.7% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: ARKANSAS			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Fort Smith AR-OK MSA 2010	993	72.91	71.30	61.83	74.82	14.70	10.47	14.55	26.40
Limited Review:									
Benton-Washington Counties 2010	369	27.09	72.21	49.32	41.19	34.69	24.12	3.46	4.64

* Based on 2012 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 11.89% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: ARKANSAS			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Fort Smith AR-OK MSA 2010	42	77.78	98.67	80.95	76.19	16.67	7.14	11.79	15.64
Limited Review:									
Benton-Washington Counties 2010	12	22.22	97.28	100.00	66.67	25.00	8.33	1.40	1.67

* Based on 2012 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2013).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 12.96% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: ARKANSAS									
Evaluation Period: JANUARY 1, 2011 TO FEBRUARY 3, 2014									
Assessment Area:	Prior Period Investments [*]		Current Period Investments		Total Investments			Unfunded Commitments ^{**}	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Fort Smith AR-OK MSA 2010	0	0	28	8,345	28	8,345	94.24	0	0
Limited Review:									
Benton-Washington Counties 2010	0	0	3	510	3	510	5.76	0	0

^{*} 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

^{**} 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: ARKANSAS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Fort Smith AR-OK MSA 2010	87.03	13	76.47	0.00	30.77	38.46	30.77	1	0	0	0	1	0	0.00	24.19	51.83	23.98
Limited Review:																	
Benton-Washington Counties 2010	12.97	4	23.53	25.00	0.00	25.00	50.00	0	0	0	0	0	0	1.59	17.98	50.02	30.41

