



Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

May 31, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Commercial Bank of Texas, National Association
Charter Number 14371

215 East Main Street
Nacogdoches, TX 75963

Office of the Comptroller of the Currency

1800 NW Loop 281, Suite 306
Longview, TX 75604

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 institution.

Table of Contents

Overall CRA Rating.....	2
Description of Institution	3
Scope of the Evaluation	3
Discriminatory or Other Illegal Credit Practices Review	4
State Rating.....	5
Lending Test	7
Community Development Test.....	9
Appendix A: Scope of Examination	A-1
Appendix B: Summary of MMSA and State Ratings.....	B-1
Appendix C: Definitions and Common Abbreviations.....	C-1
Appendix D: Tables of Performance Data.....	D-1

Overall Community Reinvestment Act (CRA) Rating

Institution's CRA Rating: This institution is rated **Satisfactory**

The lending test is rated: Satisfactory

The community development test is rated: Outstanding

The major factors that support this rating include:

- The lending test rating is based on a reasonable distribution of loans in low- and moderate-income (LMI) geographies, a reasonable distribution of lending to LMI borrowers and businesses of different sizes, a majority of loans purchased or originated are in the assessment areas (AAs), and a reasonable loan-to-deposit (LTD) ratio.
- The community development test rating is based on excellent responsiveness to community development needs in the AAs through community development lending, qualified investments, and community development services in the AA.

Loan-to-Deposit Ratio

Considering the institution's size, financial condition, and credit needs of the AA, the institution's LTD ratio is reasonable. As of December 31, 2021, the institution's quarterly LTD ratio since the previous CRA evaluation averaged 69.55 percent, with a high ratio of 76.96 percent in the third quarter of 2020. We compared the institution's LTD ratio to eight similarly situated financial institutions (peer group banks) with total asset sizes ranging from \$708 million to \$2.6 billion. The peer group's average LTD was 72.85 percent, with a low and high average of 41.83 percent and 99.19 percent, respectively.

Lending in Assessment Area

A majority of the institution's loans are inside its AAs.

The institution originated and purchased 73.6 percent of its total loans inside its AAs during the evaluation period. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	2,081	73.4	756	26.6	2,837	417,988	68.0%	196,513	32.0	614,501
Commercial	17	85	3	15	20	4,550	94.4	270	5.6	4,819
Consumer	19	95	1	5	20	342	95.2	17	4.8	359
Total	2,117	73.6	760	26.4	2,877	422,880	68.24	196,800	31.8	619,679

*Source: Bank Data
Due to rounding, totals may not equal 100.0%*

Description of Institution

Commercial Bank of Texas (CBT or institution) is headquartered in Nacogdoches, Texas with total assets of \$1.27 billion as of December 31, 2021. CBT is wholly owned by Nacogdoches Commercial Bancshares, Inc., a one-bank holding company. The institution's main office is located at 215 East Main Street, Nacogdoches, Texas. In addition, the institution has a total of 22 branches and 47 automatic teller machines (ATMs) located throughout East Texas and the Dallas-Fort Worth area. The institution's market consists of a large portion of East Texas and three counties (Collin, Tarrant, and Denton) located in the Dallas-Plano-Irving metropolitan assessment area (MSA) and the Fort-Worth-Irving-Grapevine MSA.

The institution is a full-service community financial institution providing a wide range of financial products to its customers. The institution offers the same loan and deposit products at each location. Deposit products and services offered include business checking, personal checking, money markets, individual retirement, health savings, and time accounts. Additional services include safe deposit boxes, wire transfers, trust services, cashiers' checks, gift cards, insurance products, night depository, debit cards, mobile banking, remote deposit capture, and internet banking.

As of December 31, 2021, CBT's loan portfolio totaled \$714.9 million or 56.1 percent of total assets. The loan portfolio consists of approximately \$245.8 million in commercial real estate loans, \$184 million in residential real estate loans, \$121.2 million in commercial loans, \$46.1 million in consumer loans, \$4.7 million in agricultural loans, and \$3.5 million in other types of loans.

There are no legal, financial, or other factors impeding the institution's ability to meet the credit needs in its AA. The institution's CRA performance was previously evaluated as of June 24, 2019. The institution received an overall rating of "Satisfactory".

Scope of the Evaluation

Evaluation Period/Products Evaluated

The Office of the Comptroller of the Currency (OCC) evaluated the CRA performance of CBT using Intermediate Small Bank performance criteria, which includes the lending test as well as the community development test. The evaluation covered the period from January 1, 2019, through December 31, 2021. In evaluating the institution's lending performance, examiners reviewed commercial, home mortgage, and consumer lending, consistent with the institution's lending focus.

Selection of Areas for Full-Scope Review

In each state where the institution has an office, one or more of the AAs within that state was selected for a full-scope review. For purposes of this evaluation, institution-delineated AAs located within the same MSA, multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, institution delineated non-MSA AAs within the same state are combined and evaluated as a single AA. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to Appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The institution's overall rating is a blend of the state ratings, and where applicable, multistate ratings.

CBT operates in one state and has three AAs and three primary loan products that received consideration. Greater weight was placed on the non-MSA AA as approximately 89.8 percent of the institution's deposits are located in this AA.

The state ratings are based on performance in all institution AAs. Refer to the "Scope" section under each state Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, financial) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the institution, or in any AA by an affiliate whose loans have been considered as part of the institution's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Texas

CRA rating for the State of Texas¹: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- A majority of the institution's loans were originated within the AAs.
- The institution exhibits reasonable geographic distribution of loans to LMI geographies.
- The institution exhibits reasonable distribution of loans to individuals of different income levels and businesses of different sizes.
- The institution has an outstanding level of community development loans, investments, and services.

Description of Institution's Operations in Texas

CBT operates in three AAs in the state of Texas as mentioned in the "Description of Institution" and the "Scope of the Evaluation" sections. The AAs are comprised of the non-MSA AA, Dallas-Plano-Irving MSA AA, and the Tarrant County MSA AA.

The institution's primary business focus is commercial lending, home mortgage loans and consumer loans. Competitors include other state and federal community financial institutions, credit unions, and some of the largest financial institutions that have a nationwide footprint as well as nonbank financial entities that compete for consumer loans.

According to the Federal Deposit Insurance Corporation (FDIC) Summary of Deposits Report, the institution's deposits totaled \$1.05 billion as of June 30, 2021, with 89.8 percent of deposits coming from the non-MSA AA, 6.6 percent from the Dallas-Plano-Irving MSA AA, and 3.6 percent from the Tarrant County MSA AA. Additionally, the institution has 10.7 percent of the market share in the non-MSA AA, which is the largest deposit market share of the 47 financial institutions in the non-MSA AA. Conversely, the institution has 0.16 percent market share in the Dallas-Plano-Irving MSA AA and 0.25 percent in the Tarrant MSA AA.

¹ This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within a MMSA.

Non-MSA Assessment Area

Table A – Demographic Information of the Assessment Area						
Assessment Area: Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	78	3.9	21.8	61.5	11.5	1.3
Population by Geography	353,434	2.7	19.2	63.8	12.4	1.9
Housing Units by Geography	153,767	2.9	17.9	67.5	11.6	0.1
Owner-Occupied Units by Geography	84,539	1.8	12.8	72.5	13.0	0.0
Occupied Rental Units by Geography	40,517	5.6	29.7	53.4	11.2	0.1
Vacant Units by Geography	28,711	2.4	16.5	73.0	8.0	0.1
Businesses by Geography	22,078	3.3	22.7	60.9	13.1	0.0
Farms by Geography	1,016	1.2	8.3	73.2	17.3	0.0
Family Distribution by Income Level	87,011	22.3	18.0	20.2	39.5	0.0
Household Distribution by Income Level	125,056	25.6	16.0	17.3	41.1	0.0
Median Family Income Non-MSAs - TX		\$52,198	Median Housing Value			\$92,040
			Median Gross Rent			\$717
			Families Below Poverty Level			14.8%
<i>Source: 2015 ACS and 2020 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The non-MSA AA consists of 78 tracts consisting of three low-, 17 moderate-, 48 middle- and nine upper-income tracts and one tract with no designation. The AA is made up of Anderson, Angelina, Delta, Lamar, Nacogdoches, Rains, San Augustine, and Wood counties in their entirety as well as portions of Cherokee, Houston, and Trinity counties.

CBT has 18 of its 23 branches within the non-MSA AA, including its main branch, located at 215 Main Street, Nacogdoches, Texas. Other cities and communities located in the AA include Appleby, Chireno, Cushing, Garrison, Lufkin, Diboll, Burke, Hudson, Huntington, Zavalla, Wells, Kennard, Grapeland, Crocket, Elkhart, Frankston, Palestine, San Augustine, Roxton, Cooper, Honey Grove, Paris, Emory, and Alba.

The economy in the institution's AA is stable. It benefits from Stephen F Austin State University and Angelina College. Additionally, the AA has a large healthcare sector, strong agriculture production, and a stable manufacturing sector. Examiners conducted a community contact in conjunction with this performance evaluation to gain an understanding of the general community needs. During our discussion, the contact stated the community needs more home building because the housing supply is limited.

Scope of Evaluation in Texas

As discussed earlier, the institution has three AAs. The non-MSA AA received a full-scope review because over 89 percent of the institution's deposits are in this AA. Refer to the table in Appendix A for a list of all AAs under review. Consistent with the institution's primary lending focus, commercial, agricultural, and consumer loans were analyzed. As previously mentioned, greater weight was placed on the non-MSA AA because a significant majority of the institution's deposits are located there.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

LENDING TEST

The institution's performance under the lending test in Texas is rated satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the institution's lending performance in the state of Texas is reasonable.

Distribution of Loans by Income Level of the Geography

The institution exhibits reasonable geographic distribution of loans in the state.

Home Mortgage Loans

Refer to Table O in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the institution's home mortgage loan originations and purchases.

Non-MSA AA

The geographic distribution of home mortgage loans is reasonable. The institution's home mortgage lending in the low-income geographies is lower than the percentage of owner-occupied housing units but it is near to the aggregate lending in the AA. The institution's home mortgage lending in the moderate-income geographies is near to the demographic and exceeds the aggregate lending in the AA.

Small Loans to Businesses

Refer to Table Q in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the institution's originations and purchases of small loans to businesses.

Non-MSA AA

The geographic distribution of small loans to businesses reflects reasonable distribution throughout the AA. There was no small business lending in the low-income geographies, however lending in the moderate-income geographies was near to the percentage of businesses located in those moderate-income geographies and the aggregate lending in those geographies. While lending in the low-income census tracts typically reflects poor distribution, there are only three low-income census tracts out of 78 located in the AA, representing less than 4 percent of all geographies. Additionally, the percentage of businesses in the low-income geographies is low at 3.3 percent, therefore overall distribution is reasonable.

Consumer Loans

Refer to Table U in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the institution's consumer loan originations and purchases.

Non-MSA AA

The geographic distribution of consumer loans is reasonable. There was no consumer lending in the low-income geographies, however lending in the moderate-income geographies was near to the percentage of households located in those moderate-income geographies. While lending in the low-income census tracts typically reflects poor distribution, there are only three low-income census tracts out of 78 located in the AA representing less than 4 percent of all geographies. Additionally, the percentage of households in those geographies is low at 3.0 percent. Therefore, based on performance context and the performance in the moderate-income geographies, distribution is reasonable.

Lending Gap Analysis

The institution's loan originations in LMI geographies during the evaluation period did not reflect any unexplained conspicuous lending gaps.

Distribution of Loans by Income Level of the Borrower

The institution exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the institution.

Home Mortgage Loans

Refer to Table P in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the institution's home mortgage loan originations and purchases.

Non-MSA AA

The borrower distribution of home mortgage lending to LMI borrowers in the AA is reasonable. The institution's lending to low-income borrowers is significantly lower than the percentage of families identified as low-income, however, it is near to the aggregate lending. The institution's lending to moderate-income borrowers is somewhat below the percentage of families identified as moderate-income and near to the aggregate lending in the AA. Demographics show that it is difficult for low-income families to obtain affordable housing with the median family income at \$59,000, with low-income families making approximately \$29,500, and the median housing value of \$92,000. Additionally, the poverty level is high at over 18 percent. Therefore, based on performance context and the near to aggregate lending to LMI borrowers, the overall home mortgage lending is reasonable.

Small Loans to Businesses

Refer to Table R in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the institution's originations and purchases of small loans to businesses.

Non-MSA AA

The borrower distribution of loans to businesses of different sizes is excellent. The institution's lending to small businesses is near to the percentage of businesses with revenues less than or equal to \$1 million dollars in the AA and significantly exceeds the aggregate lending.

Consumer Loans

Refer to Table V in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the institution's consumer loan originations and purchases.

Non-MSA AA

The borrower distribution of consumer loans to LMI individuals is reasonable. The institution did not make any loans to low-income borrowers and lending to moderate-income borrowers is somewhat lower than the number of moderate-income households in the AA. While the institution's performance is less than the AA demographics, data shows the poverty rate in the AA is high at almost 19 percent. Additionally, the median household income in the AA is \$42,000 and low-income households make approximately \$21,000, making it difficult to afford or qualify for traditional financing.

Responses to Complaints

There were no complaints related to the institution's CRA performance within the State of Texas during the review period.

Conclusions for Areas Receiving Limited Scope Reviews

Based on limited-scope reviews, the institution's performance under the lending test in the Dallas-Plano-Irving MSA and Tarrant County MSA AAs is consistent with the institution's overall performance under the lending test in the full scope area.

COMMUNITY DEVELOPMENT TEST

The institution's performance under the community development test in the state of Texas is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the institution exhibits excellent responsiveness to community development needs in the state 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 AA.

Number and Amount of Community Development Loans

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the institution's level of community development lending. The table includes all community development loans, including multifamily loans that also qualify as community development loans.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full-Scope Review				
Non-MSA	33	86.9	18,218	89.9
Limited-Scope Reviews				
Dallas-Plano-Irving MSA	4	10.5	1,387	6.8
Tarrant County MSA	1	2.6	672	3.3
Total	38	100.0	20,277	100.0

Non-MSA AA

The level of community development lending demonstrates excellent responsiveness to the community development needs in the AA. The institution originated 33 loans in the AA totaling \$18.2 million, representing 19 percent of allocated tier 1 capital.

Noteworthy examples of community development loans in the AA include:

- A \$2.5 million loan to an economic development company to finance a facility in a business park located in a middle-income underserved census tract that will provide new jobs to LMI individuals as well as revitalize an underserved area.
- A \$663,000 loan to purchase commercial building space in a moderate-income census tract that will revitalize the area by attracting new businesses to the LMI area.
- A \$408,000 loan to finance a restaurant to be located in an underserved/distressed middle-income census tract that will create jobs for LMI individuals.

Number and Amount of Qualified Investments

Assessment Area	Qualified Investments									
	Prior Period*		Current Period		Total				Unfunded Commitments*	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full-Scope Reviews										
Non-MSA	1	726	105	662	106	92.2	1,388	41.5	-	-
Limited-Scope Review										
Dallas-Plano-Irving MSA	-	-	6	1,947	6	5.2	1,947	58.3	-	-
Tarrant County MSA	-	-	3	5	3	2.6	5	0.2	-	-
Total	1	726	114	2,614	115	100.0	3,340	100.0	-	-

* Prior Period Investments' means investments made in a previous evaluation 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.

The Qualified Investment Table, shown above, set forth the information and data used to evaluate the institution's level of qualified community development investments. These tables include all community development investment, including prior period investments that remain outstanding as of the examination date. Total investments represent 3.1 percent of tier-1 capital.

Non-MSA AA

The institution's performance reflects excellent responsiveness to community development needs in the AA. During the evaluation period, the institution made 106 qualified investments totaling almost \$1.4 million. Qualified investments include one prior period investment, one current period investment, and 104 donations. The prior period investment is a mutual fund of community development investments. The current period investment is a mortgage-backed security collateralized by multi-family properties that are affordable to LMI individuals and families across the country, including the AA. The donations were made to local organizations that provide community services to LMI individuals as well as affordable housing. Total investments represent 1.5 percent of allocated tier-1 capital.

Extent to Which the Bank Provides Community Development Services

The level of community development services in the non-MSA AA is excellent.

Non-MSA AA

The level of qualified community development services in the AA indicates excellent responsiveness to the needs of the community. Twenty-seven employees provided 2,029.5 hours of service to 26 organizations. Services included providing financial literacy and serving in leadership roles by serving as board or committee members for various organizations.

Examples of community development services in the AA include:

- Providing financial literacy to students and schools where a majority of the students are economically disadvantaged.
- Serving on the board of a local economic development corporation that assists small businesses.

- Serving on the board of an organization that provides affordable housing.
- Serving on the board of an organization that provides community services to LMI individuals and geographies.

Conclusions for Areas Receiving Limited Scope Reviews

Based on limited-scope reviews, the institution's performance under the community development test in the Dallas-Plano-Irving MSA and Tarrant County MSA AAs is consistent with the institution's overall performance under the community development test in the full-scope area.

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 MSAs and non-MSAs 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:	01/01/2019 to 12/31/2021	
Bank Products Reviewed:	Home mortgage, small business, consumer loans Community development loans, qualified investments, community development services	
Affiliate	Affiliate Relationship	Products Reviewed
		Home mortgage, small business, consumer loans Community development loans, qualified investments, community development services
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
MMSA(s)		
None		
Texas		
Non-MSA	Full-Scope	Commercial, Home Mortgage and Consumer
Dallas-Plano-Irving	Limited-Scope	Commercial and Home Mortgage
Tarrant County	Limited-Scope	Commercial

Appendix B: Summary of MMSA and State Ratings

RATINGS		COMMERCIAL BANK OF TEXAS, NA	
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
Commercial Bank of Texas	Satisfactory	Outstanding	Satisfactory
MMSA or State:			
Texas	Satisfactory	Outstanding	Satisfactory

(*) The lending test and Community development test carry equal weight in the overall rating.

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in 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. For example, a financial institution subsidiary is controlled by the financial institution and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders (Home Mortgage Disclosure Act or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/AA.

Census Tract: A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances. Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area: A geographic entity consisting of two or more adjacent core based statistical areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development: Affordable housing (including multifamily rental housing) for LMI individuals; community services targeted to LMI individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize LMI geographies, distressed, or underserved non metropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act: The statute that requires the OCC to evaluate a financial institution's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the financial institution, and to take this record into account when evaluating certain corporate applications filed by the financial institution.

Consumer Loan: A loan 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, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals

the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full-Scope Review: Performance under the lending, investment, and service tests is analyzed considering performance context, quantitative factors (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 U.S. Bureau of the Census in the most recent decennial census.

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

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

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

Limited-Scope Review: Performance under the lending, investment, and service tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

Market Share: The number of loans originated and purchased by the financial institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/AA.

Median Family Income: The median income determined by the U.S. Bureau of the Census every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council 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, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a core based statistical area that contains an urbanized population of at least 2.5 million. A metropolitan division consists of one or more main/secondary counties that represent an employment

center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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.

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

Small Loan to Business: A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (call report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan to Farm: 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.

Tier 1 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.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All MMSA, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the institution 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 are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all Home Mortgage Disclosure Act or CRA-reporting lenders in the MMSA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this performance evaluation.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the institution in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the institution to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/AA. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the institution in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare institution loan data to aggregate data from geographic areas larger than the institution’s AA.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the institution to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the institution 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 aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the institution's AA.

- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500,000) originated and purchased by the institution to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the institution in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the institution to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/AA.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																2019-2021		
	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Non-MSA	1,770	317,858	77.8	1.8	0.5	0.8	12.8	11.0	8.8	72.5	66.3	73.9	13.0	22.3	16.4	0.0	0.0	0.0
Dallas-Plano-Irving MSA	266	90,768	22.2	0.5	1.1	0.2	6.5	13.5	4.4	19.1	18.4	19.1	73.8	66.9	76.3	0.1	0.0	0.1
Total	2,036	408,626	100.0	1.5	0.80	0.5	8.6	11.5	7.0	33.1	60.7	26.6	57.5	27.0	66.0	0.0	0.0	0.0

Source: 2015 ACS Census; 01/01/2019 - 12/21/2021 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																2019-2021		
	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate
Non-MSA	1,770	317,858	77.8	22.3	2.0	2.6	18.0	10.6	11.8	20.2	18.4	18.3	39.5	60.6	48.5	0.0	8.4	18.8
Dallas-Plano-Irving MSA	266	90,768	22.2	13.1	1.5	1.6	12.6	6.8	9.1	16.9	12.4	18.6	57.3	74.4	55.7	0.0	4.9	15.0
Total	2,036	408,626	100.0	15.4	1.9	1.8	14.0	10.3	9.4	17.6	17.6	18.2	53.0	62.4	55.3	0.0	7.8	15.3

Source: 2015 ACS Census ; 01/01/2019 - 12/21/2021 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																	2019-2021		
Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available- Income Tracts			
	#	\$	% of Total	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Non MSA	20	6,512	33.3	3.3	0.0	2.3	22.7	20.0	21.8	60.9	65.0	61.7	13.1	15.0	14.2	0.0	0.0	0.0	
Dallas-Plano-Irving MSA	20	5,404	33.3	2.8	0.0	3.8	7.9	20.0	9.1	20.9	20.0	17.1	68.2	60.0	69.9	0.3	0.0	0.2	
Tarrant County MSA	20	1,959	33.3	0.4	0.0	0.3	15.5	20.0	16.7	24.8	35.0	22.6	58.7	45.0	60.0	0.5	0.0	0.3	
Total	40	11,916	100	2.3	0.0	2.8	11.2	20.0	12.2	24.3	40.0	22.9	61.4	40.0	62.6	0.3	0/0	0.2	

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2019-2021	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Non MSA	20	6,512	33.3	6,662	83.9	80.0	41.5	4.3	20.0	11.8	0.0		
Dallas-Plano-Irving MSA	20	5,404	33.3	40,095	90.6	85.0	41.6	2.8	15.0	6.6	0.0		
Tarrant County MSA	20	1,959	33.3	13,620	88.5	80.0	40.1	3.0	20.0	8.5	0.0		
Total	40	11,916	100	60,377	89.4	81.7	41.2	3.0	18.3	7.6	--		

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography												2019-2021	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Non MSA	20	323	100.0	3.0	0.0	18.3	15.0	66.3	75.0	12.4	10.0	0.0	0.0
Non MSA	20	323	100.0	3.0	0.0	18.3	15.0	66.3	75.0	12.4	10.0	0.0	0.0

*ce: 2015 ACS Census; 01/01/2019 - 12/21/2021 Bank Data.
Due to rounding, totals may not equal 100.0%*

Table V: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower												2019-2021	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Non MSA	20	323	100.0	25.6	0.0	16.0	10.0	17.3	15.0	41.1	75.0	0.0	0.0
Total	20	323	100.0	25.6	0.0	16.0	10.0	17.3	15.0	41.1	75.0	0.0	0.0

*ce: 2015 ACS Census; 01/01/2019 - 12/21/2021 Bank Data.
Due to rounding, totals may not equal 100.0%*