



**PUBLIC DISCLOSURE**

April 18, 2022

**COMMUNITY REINVESTMENT ACT  
PERFORMANCE EVALUATION**

FirstCapital Bank of Texas, National Association  
Charter Number 23681

310 West Wall Street  
Suite 1200  
Midland, TX 79701

Office of the Comptroller of the Currency

5001 West Loop 289  
Suite 250  
Lubbock, TX 79414

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 **Satisfactory**.

The lending test is rated: **Satisfactory**

The community development test is rated: **Outstanding**

The major factors that support this rating include:

- A more than reasonable quarterly average net loan-to-deposit ratio of 91.9 percent during the evaluation period.
- A majority of loans sampled are within the bank's assessment areas (AAs).
- FirstCapital Bank of Texas, National Association (FCBT's) geographic distribution of small business and home mortgage loans reflects a reasonable dispersion given the bank's performance context, business strategy, and location.
- FCBT reflects a reasonable penetration of lending among individuals of different income levels and businesses of different sizes.
- FCBT demonstrates excellent responsiveness to the needs of its AAs through community development loans, qualified investments, and community development services.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA(s), the bank's loan-to-deposit ratio (LTD) is more than reasonable.

FCBT's LTD ratio is based on the average quarterly LTD ratio from March 31, 2019, to December 31, 2021, and calculated at the bank level. During the evaluation period, FCBT's LTD ratio was 91.89 percent. Similarly situated institutions had an average quarterly loan-to-deposit ratio of 75.20 percent with a high average of 86.55 and low average of 66.02 percent.

### Lending in Assessment Area

A majority of the bank's loans are inside its assessment areas (AAs).

The bank originated and purchased 84 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	1,118	86.2	179	13.8	1,297	239,588	72.1	92,797	27.9	332,385
Small Business	135	71.4	54	28.6	189	80,143	63.1	46,798	36.9	126,941
<b>Total</b>	<b>1,253</b>	<b>84.3</b>	<b>233</b>	<b>15.6</b>	<b>1,486</b>	<b>319,731</b>	<b>69.6</b>	<b>139,595</b>	<b>30.3</b>	<b>459,326</b>

Loans inside the AA are considered part of the geographical distribution analysis under the Lending Test.

## Description of Institution

FirstCapital Bank of Texas (FCBT) is a community bank located in Midland, Texas and is wholly owned by a one-bank holding company, First Bancshares of Texas, Inc. FCBT has a retail delivery system of 16 full-service banking centers. Branches provide basic products and services and operate from 8am to 5pm, with some locations open on Saturdays from 8am to 12pm. The bank also has interactive teller machines (ITMs) that are available 6am to 10pm each day, excluding major holidays. Internet banking services are also offered at [www.fcbtexas.com](http://www.fcbtexas.com) and consist of bill pay, mobile deposit, and online account opening. A tollfree telephone banking system is also available 24/7.

FCBT has designated the following six assessment areas: Amarillo MSA which is comprised of Potter and Randall Counties; Lubbock MSA which includes Lubbock County; Midland MSA which includes Midland County; Texas Hill Country which is a Non-MSA comprised of Llano, Burnet, and Gillespie Counties; Dallas MSA comprised of Dallas County; and Wichita Falls MSA which includes Wichita and Clay Counties.

FCBT reported total assets of \$2.04 billion as of December 31, 2021. Tier one capital totals \$205.8 million. Net loans totaled \$1.51 billion and represented 73.7 percent of total assets. Residential and commercial lending represent the bank's primary lending focus.

The bank received a Satisfactory rating at its February 25, 2019, CRA examination. FCBT has no legal or financial circumstances that would impede the bank's ability to help meet community credit needs.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The CRA evaluation period is January 1, 2019, through December 31, 2021. The OCC evaluated FCBT using intermediate small bank (ISB) CRA performance standards that include the Lending Test and Community Development (CD) Test. To evaluate the bank's lending performance, the OCC selected a random sample of loans originated during the evaluation period based on identified primary products in the bank's AAs. Primary loan types are those products originated at the highest percentage by number and/or dollar volume of loans and business strategy. During this evaluation period, primary products consisted of commercial and home mortgage loans.

## **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. 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 bank’s overall rating is a blend of the state ratings, and where applicable, multistate ratings.

FCBT has only one rating area which is the State of Texas. The bank’s overall rating is based on full-scope reviews of the six AAs within the state. The MMSA rating and state ratings are based on performance in all bank AAs. Refer to the “Scope” section under each state and MMSA 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, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank’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 Texas<sup>1</sup>:** Satisfactory

**The Lending Test is rated:** Satisfactory

**The Community Development Test is rated:** Outstanding

The major factors that support this rating include:

- FCBT's geographic distribution of small business and home mortgage loans reflects a reasonable dispersion given the bank's performance context, business strategy, and location.
- FCBT reflects a reasonable penetration of lending among individuals of different income levels and businesses of different sizes.
- FCBT demonstrates excellent responsiveness to the needs of its AAs through community development loans, qualified investments, and community development services.

### Description of Institution's Operations in Texas

FCBT is a community bank located in Midland, Texas and is wholly owned by a one-bank holding company, First Bancshares of Texas, Inc. FCBT's asset size totaled just over \$2 billion as of December 31, 2021. The bank has a retail delivery system of 16 full-service banking centers. First Capital Bank of Texas (FCBT) has designated the following six assessment areas: Amarillo MSA which is comprised of Potter and Randall Counties; Lubbock MSA which includes Lubbock County; Midland MSA which includes Midland County; Texas Hill Country which is a Non-MSA comprised of Llano, Burnet, and Gillespie Counties; Dallas County; and Wichita Falls MSA which includes Wichita and Clay Counties. These assessment areas meet legal requirements as they consist of whole geographies and do not arbitrarily exclude any low- or moderate-income census tracts. Please see appendix A for a complete listing of all bank assessment areas.

We contacted community organizations within each AA to develop community profiles, identify community development opportunities, and measure participation by local financial institutions. A description of each assessment area follows.

#### Midland AA – Midland County

Midland is a thriving community in the heart of the Permian Basin oil region, which is the second largest oil and gas shale formation in the world. Midland is home to large national corporations, expanding family businesses, and entrepreneurs seeking growth opportunities. The oil and gas industry is key to Midland's economy; however, aerospace, ranching, agriculture, health care, retirement, and transportation all play critical roles in Midland's diverse economy. Midland's retail service sector is both regionally based and national chain dominated.

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

Midland County is comprised of 27 census tracts (CT). The county has 1 low-income tract, 5 moderate-income tracts, 12 middle-income tracts, 8 upper-income tracts, and one tract designated N/A. The median family income for Midland County ranged from \$79,100 in 2019 to \$98,000 in 2021. FCBT had a 9.15 percent market share of deposits in Midland County in 2021. Banking competition is strong in the market with the most recent market share report showing twenty-one other banks in the market. Wells Fargo, Community National, Frost Bank, and Bank of America all retain more market share of deposits than FCBT.

Community Contact

Opportunities for bank participation include small business lending to entrepreneurs and lending to LMI borrowers who are trying to enter the housing market. The contact noted that local institutions demonstrate active participation in meeting community credit needs.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: FirstCapital Midland 2021</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	27	3.7	18.5	44.4	29.6	3.7
Population by Geography	151,290	3.1	17.3	45.1	34.5	0.0
Housing Units by Geography	56,735	2.7	14.3	45.7	37.3	0.0
Owner-Occupied Units by Geography	35,449	2.8	13.4	41.8	42.0	0.0
Occupied Rental Units by Geography	17,421	1.9	15.8	53.8	28.5	0.0
Vacant Units by Geography	3,865	5.5	15.7	44.8	34.0	0.0
Businesses by Geography	17,739	1.5	22.2	36.0	39.8	0.6
Farms by Geography	411	0.5	17.8	33.1	48.4	0.2
Family Distribution by Income Level	36,702	21.7	17.5	20.2	40.5	0.0
Household Distribution by Income Level	52,870	23.1	16.9	17.6	42.4	0.0
Median Family Income MSA - 33260 Midland, TX MSA		\$82,297	Median Housing Value			\$177,848
			Median Gross Rent			\$1,083
			Families Below Poverty Level			6.5%
<i>Source: 2015 ACS and 2020 D&amp;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>						

**Lubbock AA – Lubbock County**

Located 115 miles south of Amarillo on Interstate 27, Lubbock is known as the Hub-City of West Texas. The diverse economy is based on education, manufacturing, agriculture, wholesale, and retail trade services, as well as government and health care. Lubbock is home to Texas Tech University, which is also the county’s largest employer. Other large employers include AT&T, Excel Energy, United Supermarkets, and Lubbock ISD.

Lubbock County is comprised of 68 census tracts. The county has 6 low-income tracts, 15 moderate-income tracts, 24 middle-income tracts, and 22 upper-income tracts. One census tract is designated N/A. The median family income in Lubbock County ranged from \$61,900 in 2019 to \$72,800 in 2021. FCBT had a 1.83 percent market share of deposits in 2021. Banking competition is strong in Lubbock County with a total of 28 other financial institutions in the market. Plains Capital Bank, City Bank, Wells Fargo, Prosperity Bank, and Amarillo National Bank have some of the largest market shares of deposits in the county.

### Community Contact

Our contact did not note any specific opportunities for bank participation. The Lubbock economy has remained stable and outperformed some markets in Texas thanks to the lower cost of living and diversification of industries. The need for affordable housing may increase as housing prices continue to rise in the area.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: FirstCapital Lubbock 2021</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	68	8.8	22.1	35.3	32.4	1.5
Population by Geography	290,782	5.6	22.0	39.9	32.5	0.0
Housing Units by Geography	119,565	6.5	21.9	38.1	33.5	0.0
Owner-Occupied Units by Geography	61,164	2.5	16.4	38.1	42.9	0.0
Occupied Rental Units by Geography	46,376	10.6	27.9	38.5	23.0	0.0
Vacant Units by Geography	12,025	10.7	26.6	36.5	26.2	0.0
Businesses by Geography	27,134	3.5	15.2	36.1	45.1	0.1
Farms by Geography	1,229	1.5	8.5	35.2	54.8	0.0
Family Distribution by Income Level	66,941	22.1	16.4	19.5	41.9	0.0
Household Distribution by Income Level	107,540	24.4	16.0	17.7	41.9	0.0
Median Family Income MSA - 31180 Lubbock, TX MSA		\$57,914	Median Housing Value			\$110,016
			Median Gross Rent			\$827
			Families Below Poverty Level			12.5%
<i>Source: 2015 ACS and 2020 D&amp;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>						

### **Amarillo AA – Potter & Randall Counties**

Located 115 miles north of Lubbock on Interstate 27, Amarillo sits at the top of the Texas Panhandle and encompasses both Potter and Randall counties. The Amarillo economy is propelled by the cattle industry, commercial industry – such as Bell Helicopter, BSTX/Pantex Nuclear Facility, Tyson Beef Processors, and tourism along with oil and gas. West Texas A&M University is located just 15 miles south of Amarillo and is the Panhandle’s second largest university behind Texas Tech. The Amarillo medical complex serves a 150-mile radius, reaching into four neighboring states.



Potter and Randall counties contain a total of 63 census tracts. The county has 3 low-income census tracts, 19 moderate-income tracts, 22 middle-income tracts, and 18 upper-income tracts. The county has 1 tract designated N/A. The median family income in Potter and Randall counties ranged from \$71,500 in 2019 to \$71,900 in 2021. FCBT had a 1.18 percent share of market deposits in 2021. Banking competition is strong in the market and includes 27 other financial institutions. Amarillo National Bank dominates the market with a 48 percent share of deposits, followed by Happy State Bank with 16 percent.

### Community Contact

The primary need and opportunity for involvement is in affordable housing. Affordable housing is in short supply and expected to strain further as larger companies move into the area in the near future. Bank involvement is strong within the AA.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: FirstCapital Amarillo 2021</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	63	4.8	30.2	34.9	28.6	1.6
Population by Geography	249,134	2.2	29.4	36.7	31.7	0.0
Housing Units by Geography	101,545	2.4	28.8	36.4	32.3	0.0
Owner-Occupied Units by Geography	58,512	1.0	22.9	34.8	41.3	0.0
Occupied Rental Units by Geography	33,485	4.1	37.8	38.9	19.1	0.0
Vacant Units by Geography	9,548	5.4	33.5	37.6	23.5	0.0
Businesses by Geography	18,274	5.6	24.0	30.3	39.9	0.2
Farms by Geography	773	2.5	12.2	27.4	58.0	0.0
Family Distribution by Income Level	61,074	22.0	17.0	19.7	41.3	0.0
Household Distribution by Income Level	91,997	25.1	16.0	17.8	41.1	0.0
Median Family Income MSA - 11100 Amarillo, TX MSA		\$61,673	Median Housing Value			\$121,615
			Median Gross Rent			\$764
			Families Below Poverty Level			12.2%
<i>Source: 2015 ACS and 2020 D&amp;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>						

### **Dallas AA – Dallas County**

Dallas County makes up part of the thriving Dallas/Ft. Worth metroplex area. The city of Dallas is the largest city in Dallas County and the third largest city in Texas after Houston and San Antonio. Dominant sectors of its diverse economy include defense, financial services, information technology, telecommunications, and transportation.

Dallas County contains a total of 529 census tracts. The county is made of 107 low-income tracts, 187 moderate-income tracts, 110 middle-income tracts, and 120 upper-income tracts. The county has 5 census tracts designated N/A. The median family income in Dallas County ranged from \$83,100 in 2019

to \$89,000 in 2021. FCBT has only a 0.01 percent share of market deposits in 2021. Banking competition is fierce in the county with a total of 137 other financial institutions present. Bank of America and JP Morgan Chase hold double-digit market shares with Texas Capital holding the third largest market share at 8.79 percent.

### Community Contact

Our contact noted small business funding as the primary need in northern Dallas County and that financial institutions within the immediate area have a favorable public perception. No specific projects were identified as opportunities for bank involvement.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: FirstCapital Dallas 2021</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	529	20.2	35.3	20.8	22.7	0.9
Population by Geography	2,485,003	19.0	37.9	22.4	20.5	0.2
Housing Units by Geography	964,713	19.5	34.0	22.9	23.3	0.2
Owner-Occupied Units by Geography	451,480	10.0	33.4	25.6	30.8	0.2
Occupied Rental Units by Geography	429,799	27.5	35.0	21.0	16.1	0.3
Vacant Units by Geography	83,434	30.1	32.0	17.7	19.9	0.3
Businesses by Geography	280,118	10.4	25.3	26.3	36.5	1.5
Farms by Geography	3,731	9.5	27.5	24.8	36.9	1.3
Family Distribution by Income Level	576,726	31.5	18.9	17.4	32.2	0.0
Household Distribution by Income Level	881,279	29.5	18.8	17.9	33.8	0.0
Median Family Income MSA - 19124 Dallas-Plano-Irving, TX		\$71,149	Median Housing Value			\$171,738
			Median Gross Rent			\$952
			Families Below Poverty Level			15.9%
<i>Source: 2015 ACS and 2020 D&amp;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>						

## **Texas Hill Country Non-MSA AA – Burnet, Gillespie, & Llano Counties**

### *Marble Falls – Burnet County*

Located at the southern end of Burnet County, Marble Falls is the regional commercial, trade, and service center for a primary trade area of approximately 70,000 residents and a secondary trade area of 150,000 people. Local industry and natural-resource-based recreation are influential in the community and the Baylor Scott & White Medical Center has brought growth and development to the area.

### *Horseshoe Bay – Llano County*

Horseshoe Bay is located in Llano and Burnet counties. It is situated on Lake Lyndon B Johnson and the south branch of the Colorado River. It is known in the region for its drag boat racing and other water sports.

### *Fredericksburg – Gillespie County*

Gillespie County is in west central Texas. Fredericksburg is the county’s largest town and county seat and is located seventy miles west of Austin and sixty-five miles northwest of San Antonio. Fredericksburg is the heart of the rural Texas Hill Country in Central Texas.

The Texas Hill Country Non-MSA assessment area is comprised of 19 census tracts. The AA has no low-income tracts and 1 moderate-income tract. The AA contains 10 middle-income tracts and 8 upper-income tracts. The median family income for the AA ranged from \$57,000 in 2019 to \$60,100 in 2021. FCBT had a 2.65 percent share of market deposits in 2021. Banking competition is strong throughout the area with 21 other financial institutions located there. First United Bank and Trust along with Security State Bank & Trust hold double-digit market shares. JP Morgan Chase has the third largest markets share at 9.68 percent of deposits.

Community Contact

The community has seen strong post-pandemic growth. Housing prices continue to increase with retirees moving into the area. The AA is primarily comprised of middle- to upper-income families, but LMI neighborhoods do exist outside Marble Falls proper. Non-profits have been fully funded, and LMI families do have plentiful resources available. Banks within the community have served its credit needs and are visible throughout the community and serve on non-profit boards.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: FirstCapital Hill Country AA 2021</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	19	0.0	5.3	52.6	42.1	0.0
Population by Geography	88,865	0.0	7.0	52.8	40.2	0.0
Housing Units by Geography	48,871	0.0	6.8	50.2	43.0	0.0
Owner-Occupied Units by Geography	27,203	0.0	6.4	49.1	44.5	0.0
Occupied Rental Units by Geography	8,968	0.0	4.1	62.6	33.3	0.0
Vacant Units by Geography	12,700	0.0	9.5	43.8	46.7	0.0
Businesses by Geography	9,836	0.0	3.1	54.3	42.7	0.0
Farms by Geography	565	0.0	1.1	46.7	52.2	0.0
Family Distribution by Income Level	24,936	17.8	14.1	17.9	50.2	0.0
Household Distribution by Income Level	36,171	18.7	15.8	15.5	50.0	0.0
Median Family Income Non-MSAs - TX		\$52,198	Median Housing Value			\$185,103
			Median Gross Rent			\$836
			Families Below Poverty Level			9.8%
<i>Source: 2015 ACS and 2020 D&amp;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>						

**Wichita Falls AA – Clay & Wichita Counties**

Wichita Falls is a proud military community and home to Sheppard Air Force Base. The base brings the community a unique perspective on diversity and inclusivity as the employ people from all over the

nation and up to 14 different NATO countries as part of the Euro-NATO Joint Jet Pilot Training Program. Wichita Falls is business-friendly environment at encourage local expansion and recruitment.

Clay and Wichita Counties are comprised of a total of 40 census tracts. The AA contains 4 low-income tracts, 12 moderate-income tracts, 11 middle-income tracts, and 12 upper-income tracts. The area has one tract designated N/A. The median family income in the AA ranged from \$59,600 in 2019 to \$69,000 in 2021. FCBT has the fourth largest deposit market share at 11.35 percent in 2021. Competition in area is strong with 18 other financial institutions located in the area. The top three deposit market shares fell to American National Bank & Trust, Wells Fargo, and First National Bank.

### Community Contact

Our contact identified multiple opportunities for participation including a new business park currently under construction and mixed-use development opportunities in the planning stages or early construction stages. Small business and first-time homebuyer funding are the primary needs in the area. Public perception of local financial institutions is favorable, and most institutions are actively involved in CD activities.

**Table A – Demographic Information of the Assessment Area**

**Assessment Area: FirstCapital Wichita Falls 2021**

<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	40	10.0	30.0	27.5	30.0	2.5
Population by Geography	142,436	5.7	22.5	33.1	38.7	0.0
Housing Units by Geography	61,033	6.5	25.1	31.9	36.5	0.0
Owner-Occupied Units by Geography	32,914	5.4	21.2	34.3	39.0	0.0
Occupied Rental Units by Geography	19,173	7.6	29.6	25.2	37.6	0.0
Vacant Units by Geography	8,946	8.5	29.7	36.9	24.9	0.0
Businesses by Geography	9,133	4.3	29.6	22.7	43.2	0.1
Farms by Geography	321	3.4	17.1	38.3	41.1	0.0
Family Distribution by Income Level	33,688	22.1	16.7	20.6	40.6	0.0
Household Distribution by Income Level	52,087	24.2	16.5	18.4	40.9	0.0
Median Family Income MSA - 48660 Wichita Falls, TX MSA		\$57,690	Median Housing Value			\$95,763
			Median Gross Rent			\$762
			Families Below Poverty Level			12.8%
<i>Source: 2015 ACS and 2020 D&amp;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>						

## Scope of Evaluation in Texas

As previously noted, the institution has six AAs within the state. Each AA received a full-scope review. Refer to the table in appendix A for a list of all AAs under review. Consistent with the institution's primary lending focus, commercial and home mortgage loans were analyzed.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS**

### **LENDING TEST**

The bank's performance under the Lending Test in Texas is rated Satisfactory.

### **Conclusions for Areas Receiving Full-Scope Reviews**

Based on full-scope reviews, the bank's lending performance in the state of Texas is reasonable.

### **Distribution of Loans by Income Level of the Geography**

The bank 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 bank's home mortgage loan originations and purchases.

#### **Midland County AA**

The geographic distribution of home mortgage loans is reasonable. FCBT falls below the demographic for low- income tracts but is consistent with the aggregate measure. FCBT is below the demographic for moderate-income tracts, but is consistent with the aggregate measure. Aggregate lending is low due to limited opportunities given that there is only one low-income CT in the AA.

#### **Lubbock County AA**

The geographic distribution of home mortgage loans is excellent. FCBT's originations significantly exceeded both the demographic and aggregate lending in low- and moderate-income tracts.

#### **Amarillo AA**

The geographic distribution of home mortgage loans is reasonable. FCBT is equal to the demographic and exceeds the aggregate in lending within low-income tracts. It exceeded both the demographic and aggregate for moderate-income tracts.

#### **Dallas County AA**

The geographic distribution of home mortgage loans is reasonable. FCBT exceeded both the demographic and aggregate for lending within low-income tracts. It lagged behind the demographic but exceeded the aggregate measure for moderate-income tracts.

#### **Texas Hill Country AA**

The geographic distribution of home mortgage loans is reasonable. No loans were generated within low- or moderate-income tracts. The AA does not contain any low-income tracts and only one moderate-income tract. Demographic and aggregate measures for the moderate-income tract are low at 6.4 percent and 6.5 percent, respectively. Lending opportunities are hindered by the bank's lack of locations within the sole moderate-income tract and significant level of competition within the AA.

#### Clay-Wichita Counties AA

The geographic distribution of home mortgage loans is reasonable. FCBT lags the demographic but exceeds the aggregate in lending within low-income tracts. It significantly exceeds both measures for lending within moderate-income tracts.

#### ***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 bank's originations and purchases of small loans to businesses.

#### Midland County AA

The geographic distribution of commercial loans reflects reasonable penetration. Lending in moderate-income tracts is excellent. The bank exceeded both the demographic and aggregate. There were no loans generated in low-income tracts. This is comparable to the minimal lending reported by the demographic and aggregate data. There is only one low-income tract out of the 27 in the Midland AA. This income tract is located in the southeast corner of Midland proper and comprised primarily of residential development greatly limiting any opportunities for commercial lending.

#### Lubbock County AA

The geographic distribution of commercial loans reflects reasonable penetration. FCBT was consistent with the demographic and exceeded the aggregate in lending within moderate-income tracts. There were no loans generated in low-income tracts. This is comparable to the minimal lending reported by the demographic and aggregate data. Only 6 out of 68 CTs are designated low-income tracts within the AA. The bank has no branches located adjacent to or within these low-income tracts. The tracts are concentrated in residential areas that limit commercial activity. Opportunities are further limited by the significant level of competition within the area.

#### Amarillo AA

The geographic distribution of commercial loans reflects reasonable penetration. FCBT was consistent with both the demographic and aggregate lending within low-income tracts. Lending within moderate-income tracts reflects poor distribution. The bank significantly lagged the demographic and aggregate lending in this area. Moderate-income tracts are comprised of residential and rural areas limiting commercial lending. The area is also dominated by Amarillo National Bank with its main location and multiple branch locations located within these tracts.

#### Dallas County AA

The geographic distribution of commercial loans reflects reasonable penetration. Lending in moderate-income tracts is excellent. The bank significantly exceeded both the demographic and aggregate. Its lending distribution lagged both measures in low-income tracts. The bank only has one branch in this AA that is located a great distance from the low-income tracts. It also faces extreme competition with larger institutions better positioned to serve these tracts.

#### Texas Hill Country AA

The geographic distribution of commercial loans reflects excellent penetration. The AA does not contain any low-income tracts. The bank's lending distribution within moderate-income CTs significantly exceeded both the demographic and aggregate measures.

#### Clay-Wichita Counties AA

The geographic distribution of commercial loans reflects reasonable penetration. FCBT was consistent with both the demographic and aggregate lending within moderate-income tracts. There were no loans generated in low-income tracts. This is comparable to the low level of lending reported by the demographic and aggregate data. Only 4 of the 40 CTs within the AA are designated low-income tracts. These tracts are also located in rural and residential areas, limiting opportunities for commercial lending.

#### ***Lending Gap Analysis***

There were no unexplained conspicuous gaps based on geographic distribution of loans, branch locations, and the performance context.

#### **Distribution of Loans by Income Level of the Borrower**

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

#### ***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 bank's home mortgage loan originations and purchases.

A high percentage of income data was unavailable for many of the AAs which likely skews the results. Banks are not required to report income data for residential loans made to non-natural persons subject to the HMDA reporting requirements. More weight was placed on geographic distribution given the data availability.

#### Midland County AA

The distribution of home mortgage loans is reasonable among borrowers of different income levels. The bank lagged the demographic but exceeded the aggregate in lending to low-income borrowers. It lagged both measures in moderate-income distribution. The AA has a high median housing value of \$177,848 that provides a barrier for lower income individuals to qualify for traditional home mortgage products. We noted roughly 28 percent of loans had no income information.

Lubbock County AA

The distribution of home mortgage loans is poor among borrowers of different income levels. The bank's borrower distribution falls below both the demographic and aggregate for lending to low- and moderate-income borrowers. We noted roughly 65 percent of loans had no income information since banks are not required to report income data for residential loans made to small business entities subject to the HMDA reporting requirements. Therefore, more weight was placed on the geographic distribution.

Amarillo AA

The distribution of home mortgage loans is poor among borrowers of different income levels. The bank's borrower distribution falls below both the demographic and aggregate for lending to low- and moderate-income borrowers. Approximately 72 percent of borrowers had no income available for analysis that likely causes skewed results. We noted roughly 72 percent of loans had no income information since banks are not required to report income data for residential loans made to small business entities subject to the HMDA reporting requirements. Therefore, more weight was placed on the geographic distribution.

Dallas County AA

No data for lending to low- and moderate-income level borrowers was available for analysis. We noted roughly 92 percent of loans had no income information since banks are not required to report income data for residential loans made to small business entities subject to the HMDA reporting requirements. Therefore, a borrower distribution analysis was not meaningful.

Texas Hill Country AA

The distribution of home mortgage loans is reasonable among borrowers of different income levels. No income information was available for low-income borrower distribution analysis. FCBT lagged the demographic but was in line with the aggregate in lending to moderate-income borrowers. We noted roughly 31 percent of loans had no income information since banks are not required to report income data for residential loans made to small business entities subject to the HMDA reporting requirements.

Clay-Wichita Counties AA

The distribution of home mortgage loans is reasonable among borrowers of different income levels. The bank lagged the demographic but exceeded the aggregate in lending to low-income borrowers. It lagged both measures in moderate-income distribution. Approximately 41 percent of borrowers had no income data available for analysis that likely skews results. We noted roughly 41 percent of loans had no income information since banks are not required to report income data for residential loans made to small business entities subject to the HMDA reporting requirements.

***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 bank's originations and purchases of small loans to businesses.

Midland County AA



The distribution of loans to small businesses is reasonable among businesses with revenues less than \$1 million. The bank lagged the demographic but exceeded the aggregate lending to small businesses in the AA

Lubbock County AA

The distribution of loans to small businesses is reasonable among businesses with revenues less than \$1 million. The bank lagged the demographic but significantly exceeded the aggregate lending to small businesses in the AA.

Amarillo AA

The distribution of loans to small businesses is reasonable among businesses with revenues less than \$1 million. The bank lagged the demographic but exceeded the aggregate lending to small businesses in the AA.

Dallas County AA

The distribution of loans to small businesses is reasonable among businesses with revenues less than \$1 million. The bank lagged the demographic and the aggregate lending to small businesses in the AA. Banking competition is high in the county with a total of 137 other financial institutions present. Bank of America and JP Morgan Chase hold double-digit market shares with Texas Capital holding the third largest market share at 8.79 percent. Distribution is reasonable considering this performance context.

Texas Hill Country AA

The distribution of loans to small businesses is reasonable among businesses with revenues less than \$1 million. The bank lagged the demographic but significantly exceeded the aggregate lending to small businesses in the AA.

Clay-Wichita Counties AA

The distribution of loans to small businesses is reasonable among businesses with revenues less than \$1 million. The bank exceeded the demographic and significantly exceeded the aggregate lending to small businesses in the AA.

**Responses to Complaints**

There were no complaints filed with the bank during the evaluation period. However, the OCC received one CRA-related comment letter in April 2022 from a local community development corporation. The comment letter discussed the bank's branch expansion into the Dallas Metroplex during 2019 and the bank has been working with this local community-based organization and others.

**COMMUNITY DEVELOPMENT TEST**

The bank's performance under the Community Development Test in the state of Texas is rated Outstanding.

## Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank exhibits excellent responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas.

### Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Midland	12	24	13,783	15
Amarillo	12	24	23,577	25
Lubbock	4	8	9,065	10
Wichita Falls	3	6	7,230	8
Dallas	13	27	27,543	30
Non-MSA	0	0	0	0
BSA	5	10	11,551	12

The level of CD lending reflects an excellent responsiveness to the CD needs of the AAs. FCBT originated 49 qualifying CD loans during the evaluation period totaling \$92.7 million, which represents 46 percent of tier one capital, 88 percent by dollar and 90 percent by number of CD loans, benefitted the bank's AAs.

FCBT originated 13 loans totaling 27.5 million in qualified CD loans in the Dallas AA. It originated 12 qualified CD loans totaling \$23.6 million in the Amarillo AA. Twelve loans totaling \$13.8 million were originated in the Midland AA. The bank originated 3 loans totaling \$7.2 million in the Wichita Falls AA and 5 loans totaling \$11.6 million in the broader statewide area (BSA). No CD loans were generated within the Non-MSA as opportunities are rare given the lack of LMI and underserved areas within the AA.

#### Midland County AA

The bank's level of CD loans demonstrates excellent responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Examples of qualified loans in the Midland County AA include:

- Two loans totaling \$5 million for a guidance line of credit to a used car dealership located in moderate-income CTs that spurs economic development and job creation. The dealership employs 8 LMI individuals out of its 15 total.
- One loan totaling \$3.1 million to rehab a 3-story office building located in a moderate-income CT that will be used to operate a drug rehab facility.

#### Lubbock County AA

The bank's level of CD loans demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Examples of qualified loans in the Lubbock County AA include:

- One loan totaling \$6 million for construction of a hotel located in a low-income CT that will provide jobs and revitalize the surrounding area.
- One loan totaling \$1.6 million to purchase a hotel in a moderate-income CT that will create jobs for LMI individuals.

#### Amarillo AA

The bank's level of CD loans demonstrates excellent responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Examples of qualified loans in the Amarillo AA include:

- Four loans totaling \$17.8 million to revitalize a moderate tract within an Amarillo tax increment reinvestment zone.
- Three loans totaling \$4.5 million to a business located in a low-income tract and that provides 21 jobs for LMI workers out of a total of 27 employees.

#### Dallas County AA

The bank's level of CD loans demonstrates excellent responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Example of qualified loans in the Dallas County AA include:

- Three loans totaling \$6.5 million for purchase of three apartment complexes located in low-income CTs that will provide affordable housing.
- One loan totaling \$4.1 million for purchase of an apartment complex located in a low-income CT that will provide affordable housing.

#### Texas Hill Country AA

The bank's level of CD services demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA. Affluent neighborhoods comprise the majority of this AA, limiting opportunities to lend funds towards community development or LMI support programs. Competition is also strong for the area further limiting any opportunities.

Clay-Wichita Counties AA

The bank's level of CD loans demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Example of qualified loans in the Clay-Wichita Counties AA include:

- Two loans totaling \$5.2 million used to purchase inventory and provide working capital to a company located in a moderate-income CT that provides 24 of 30 full-time jobs to LMI workers.
- One loan totaling \$2.1 million to a medical office facility operating in a moderate-income CT that serves Medicaid-eligible patients.

**Number and Amount of Qualified Investments**

The Community Development Investments Table, shown below, sets forth the information and data used to evaluate the bank's level of CD investments. The table includes all current and prior period CD investments.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Midland	1	1,388	40	562	41	24	1,950	19		
Amarillo			59	1,137	59	34	1,137	11		
Lubbock			42	110	42	24	110	1		
Wichita Falls			11	2,223	11	6	2,223	22		
Dallas			13	1,924	13	8	1,924	19		
Non-MSA			3	4	3	2	4	0		
BSA			3	2,796	3	2	2,796	28		

\* 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 level of CD investments reflects an adequate responsiveness to CD needs in the state. FCBT made 172 qualified investments, grants, and donations totaling \$10.1 million. One-hundred sixty-nine of the investments totaling \$7.3 million were made directly in the bank's AAs. All qualified investments specifically benefited low- or moderate-income individuals or supported organizations whose major purpose is revitalizing areas within the AAs. Remaining qualified investments benefited the broader state-wide area.

Midland County AA

The bank's level of CD investments demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Examples of qualified investments in the Midland County AA include:

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

- Six donations totaling \$27,325 to a nonprofit organization that provides a vast network of support services to community programs that direct efforts to support LMI individuals.
- One donation totaling \$10,000 to a nonprofit organization that is dedicated to providing affordable housing within the community.

### Lubbock County AA

The bank's level of CD investments demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Examples of qualified investments in the Lubbock County AA include:

- Nine donations totaling \$59,110 to a nonprofit organization that provides a vast network of support services to community programs that direct efforts to support LMI individuals.
- Five donations totaling \$9,500 to a local foodbank that serves the entirety of Lubbock County.

### Amarillo AA

The bank's level of CD investments demonstrates excellent responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Examples of qualified investments in the Amarillo AA include:

- Three donations totaling \$53,571 to fund operations and funding reserve of a community development financial institution serving the Texas panhandle.
- Seven donations totaling \$38,395 to a nonprofit organization that provides a vast network of support services to community programs that direct efforts to support LMI individuals.

### Dallas County AA

The bank's level of CD investments demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Example of qualified investments in the Dallas County AA include:

- Four donations totaling \$20,000 to a child advocacy center that provides support for abused and neglected children.
- Three donations totaling \$18,000 to a service organization that provides therapeutic services for children in need.

### Texas Hill Country AA

The bank's level of CD services demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA. Affluent neighborhoods comprise the majority of this AA, limiting opportunities to invest in community development or LMI support programs.

Example of qualified services in the Texas Hill Country AA include:

- One donation totaling \$2,500 to a medical care facility that serves Medicaid-eligible patients.

- One donation totaling \$1,250 to a service program that supports needs of abused and neglected children.

### Clay-Wichita Counties AA

The bank's level of CD investments demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Example of qualified investments in the Clay-Wichita Counties AA include:

- Two donations totaling \$8,112 to a nonprofit organization that provides a vast network of support services to community programs that direct efforts to support LMI individuals.
- Four donations totaling \$6,500 to a children's advocacy organization that supports child abuse victims and their non-offending family members.

### **Extent to Which the Bank Provides Community Development Services**

The level of CD services reflects an adequate responsiveness to CD needs in the bank's assessment areas with respect to the number of contributed hours, the number of employees actively involved, and the number and diversity of the type of non-profit organizations they serve. The bank met this need primarily through bank employee financial expertise and volunteer support during the pandemic. CD activities are responsive to the needs of low- and moderate-income individuals. FCBT provided CD services to 69 organizations and FCBT employees provided 2,927 service hours to agencies and organizations engaged in CD activity. The majority of service hours (756 or 26 percent) occurred in the Midland AA. Employees contributed 657 service hours, or 22 percent, in the Texas Hill Country AA, 604 service hours, or 21 percent, in the Amarillo AA, and 558 service hours, or 19 percent, in the Lubbock AA. The remainder of service hours were split between the Wichita Falls and Dallas AAs. Historical service opportunities were hindered due to shutdowns and restrictions enforced in response to the COVID-19 pandemic. Despite restrictions, the bank was able to provide similar levels of aggregate service hours as the prior evaluation.

### Midland County AA

The bank's level of CD services demonstrates excellent responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Examples of qualified services in the Midland County AA include:

- 191 hours provided by employees serving on the board of a local non-profit organization. The organization provides a wide range of needed services including healthcare, financial education, and LMI housing programs.
- 141 hours provided by multiple employees delivering financial education to LMI students within Midland ISD.

### Lubbock County AA

The bank's level of CD services demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Examples of qualified services in the Lubbock County AA include:

- 251 hours provided by two employees that served as a board member or mentor for a local non-profit organization. The organization provides professional and financial guidance to underserved youth in the community.
- 106 hours provided by multiple employees that volunteered to distribute food to impoverished families in the community.

Amarillo AA

The bank's level of CD services demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Examples of qualified services in the Amarillo AA include:

- 98 hours by one employee that serves on the board of a homeless shelter that provides meals and temporary shelter to LMI individuals.
- 68 hours by two employees that serve on the board or directors of a local nonprofit organization. The organization provides temporary housing for Medicaid-qualified families that are in Amarillo for child medical treatments.

Dallas County AA

The bank's level of CD services demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Example of qualified services in the Dallas County AA include:

- 58 hours by one employee that serves on the finance committee of a non-profit organization that provides vital services for abused and neglected children.

Texas Hill Country AA

The bank's level of CD services demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Example of qualified services in the Texas Hill Country AA include:

- 410 hours by one employee that serves on the finance committee of a non-profit organization that provides affordable housing to the community.

Clay-Wichita Counties AA

The bank's level of CD services demonstrates reasonable responsiveness to the needs of this AA when considering the bank's capacity and the need and availability of such opportunities in this AA.

Example of qualified services in the Dallas County AA include:

- 51 hours by one employee that serves on the community fund committee of a non-profit organization that provides support to multiple agencies responsible for child welfare, education, and shelter.

## Appendix A: Scope of Examination

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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 MSA(s) and non-MSA(s) 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”.

<b>Time Period Reviewed:</b>	01/01/2019 – 12/31/2021	
<b>Bank Products Reviewed:</b>	Home mortgage, small business loans Community development loans, qualified investments, community development services	
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>State</b>		
Texas		
Midland County	Full-Scope	
Lubbock County	Full-Scope	
Amarillo	Full-Scope	
Clay-Wichita Counties	Full-Scope	
Texas Hill Country Non-MSA	Full-Scope	
Dallas County	Full-Scope	



## Appendix B: Summary of MMSA and State Ratings

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RATINGS FirstCapital Bank of Texas			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
	Satisfactory	Outstanding	Satisfactory
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

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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 bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA 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/assessment area.

**Census Tract (CT):** 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 (CSA):** 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 (CD):** 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 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 low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, 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, 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 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 conduct 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 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 institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau 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 (FFIEC) 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 Metropolitan Statistical Area 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 multi-state metropolitan statistical 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 statistical area, the institution will receive a rating for the multi-state metropolitan statistical 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) 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 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

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of 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 are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

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 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 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 bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. 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 bank 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 bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- 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 bank 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.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																<b>2019-21</b>		
	<b>Total Home Mortgage Loans</b>			<b>Low-Income Tracts</b>			<b>Moderate-Income Tracts</b>			<b>Middle-Income Tracts</b>			<b>Upper-Income Tracts</b>			<b>Not Available-Income Tracts</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
Texas Hill Country AA	55	23,883	4.9	0.0	0.0	0.0	6.4	0.0	6.5	49.1	23.6	44.8	44.5	76.4	48.7	0.0	0.0	0.0
Amarillo AA	521	83,989	46.6	1.0	1.0	0.2	22.9	25.0	8.4	34.8	46.3	30.1	41.3	27.8	61.3	0.0	0.0	0.0
Dallas County AA	50	37,146	4.5	10.0	12.0	7.9	33.4	32.0	23.6	25.6	44.0	27.3	30.8	12.0	40.7	0.2	0.0	0.5
Lubbock County AA	212	38,929	19	2.5	8.0	1.2	16.4	22.2	7.4	38.2	46.7	41.2	42.9	23.1	50.3	0.0	0.0	0.0
Midland County AA	90	27,475	8.1	2.8	1.1	1.3	13.4	5.6	5.9	41.8	31.1	35.8	42.0	62.2	56.9	0.0	0.0	0.0
Clay-Wichita Counties AA	190	28,166	17	5.4	3.2	1.5	21.2	36.8	14.7	34.3	30.0	30.5	39.0	30.0	53.3	0.0	0.0	0.0
<b>Total</b>	<b>1,118</b>	<b>239,588</b>	<b>100</b>	<b>7.5</b>	<b>3.1</b>	<b>5.5</b>	<b>28.1</b>	<b>24.0</b>	<b>18.2</b>	<b>29.8</b>	<b>41.1</b>	<b>30.5</b>	<b>34.4</b>	<b>31.8</b>	<b>45.5</b>	<b>0.1</b>	<b>0.0</b>	<b>0.3</b>

Source: 2015 ACS Census; 01/01/2019 - 12/31/2021 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																<b>2019-21</b>		
	<b>Total Home Mortgage Loans</b>			<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
Texas Hill Country AA	55	23,883	5.7	17.8	--	1.0	14.1	5.3	5.9	17.9	16.7	10.9	50.2	56.4	66.1	0.0	30.9	16.0
Amarillo AA	521	83,989	48.7	22.0	1.6	3.3	17.0	2.5	11.6	19.7	5.0	17.8	41.3	19.2	41.2	0.0	72.2	26.0
Dallas County AA	50	37,146	6.2	31.5	--	5.3	18.9	--	15.0	17.4	5.0	17.4	32.2	11.5	44.7	0.0	92.0	17.6
Lubbock County AA	212	38,929	23.3	22.1	1.1	2.6	16.4	3.7	11.1	19.5	2.8	17.4	41.9	29.7	45.8	0.0	64.6	23.0
Midland County AA	90	27,475	8.7	21.7	4.5	3.1	17.5	4.4	13.9	20.2	7.4	19.7	40.5	61.1	42.5	0.0	27.8	20.8
Clay-Wichita Counties AA	190	28,166	17	22.1	5.3	3.5	16.7	5.3	11.5	20.6	8.9	20.5	40.6	39.5	35.9	0.0	41.1	28.6
<b>Total</b>	<b>1,118</b>	<b>239,58</b>	<b>100</b>	<b>28.7</b>	<b>1.7</b>	<b>4.5</b>	<b>18.3</b>	<b>2.9</b>	<b>13.7</b>	<b>18.0</b>	<b>5.5</b>	<b>17.5</b>	<b>35.0</b>	<b>29.2</b>	<b>44.9</b>	<b>0.0</b>	<b>60.7</b>	<b>19.5</b>

Source: 2015 ACS Census ; 01/01/2019 - 12/31/2021 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**

**2019-21**

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
Texas Hill Country AA	20	9,877	14.8	0.0	0.0	0.0	3.1	10	3.4	54.3	40	49.6	42.7	50	47.0	0.0	0.0	0.0
Amarillo AA	20	6,121	14.8	5.6	5.0	5.3	24.0	10.0	21.5	30.3	20.0	30.1	39.9	65.0	43.0	0.2	0.0	0.0
Dallas County AA	20	31,457	14.8	10.4	5.0	11.0	25.3	35.0	27.2	26.3	15.0	25.1	36.5	45.0	34.9	1.5	0.0	1.7
Lubbock County AA	26	7,665	19.2	3.5	0.0	2.9	15.2	15.4	13.4	36.1	30.7	35.4	45.1	53.9	48.3	0.1	0.0	0.0
Midland County AA	24	20,244	17.7	1.5	0.0	2.2	22.2	29.2	19.8	36.0	33.3	36.2	39.8	37.5	41.5	0.6	0.0	0.4
Clay-Wichita Counties AA	25	4,779	18.5	4.3	0.0	4.9	29.6	32	28.0	22.7	24	22.6	43.2	44	44.5	0.1	0.0	0.0
<b>Total</b>	135	80,143	100	8.7	1.5	9.1	23.9	22.2	24.5	28.4	27.4	27.6	37.8	48.9	37.5	1.2	0.0	1.3

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2019-21</b>	
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>				<b>Businesses with Revenues &lt;= 1MM</b>			<b>Businesses with Revenues &gt; 1MM</b>		<b>Businesses with Revenues Not Available</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	
Texas Hill Country AA	20	9,877	14.8	3,604	88.8	70.0	44.5	3.1	30.0	8.1	0.0	
Amarillo AA	20	6,121	14.8	7,801	84.3	50.0	48.9	4.5	50.0	11.2	0.0	
Dallas County AA	20	31,457	14.8	78,005	86.8	30.0	35.3	4.9	70.0	8.3	0.0	
Lubbock County AA	26	7,665	19.2	8,031	86.1	69.2	35.1	3.9	26.9	10.0	3.9	
Midland County AA	24	20,244	17.7	5,404	84.4	58.3	34.5	5.4	41.7	10.3	0.0	
Clay-Wichita Counties AA	25	4,779	18.5	1,473	81.7	84.0	32.7	5.1	16.0	13.1	0.0	
<b>Total</b>	135	80,143	100	104,318	86.4	61.5	36.6	4.8	38.5	8.8	0.0	

*Source: 2020 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*