



PUBLIC DISCLOSURE

September 5, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

West Valley National Bank
Charter Number 24683

2440 North Litchfield Road
Goodyear, AZ 85395

Office of the Comptroller of the Currency

Santa Ana Office
1551 North Tustin Avenue, Suite 1050
Santa Ana, CA 92705

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

West Valley National Bank's (WVNB or bank) lending performance reflects satisfactory responsiveness to community credit needs. The major factors that support this rating include:

- The bank's loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, and credit needs of its assessment areas (AAs).
- The bank originated a substantial majority of loans inside its AAs.
- The geographic distribution of loans reflects reasonable distribution throughout the AAs.
- Lending activities represent reasonable distribution of loans to businesses of different sizes.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's loan-to-deposit ratio is reasonable.

OCC examiners analyzed the bank's quarterly average LTD ratio for the 12 quarters since the prior Community Reinvestment Act (CRA) examination through December 31, 2021. WVNB's average LTD ratio for this period was 65.9 percent, and ranged from a low of 54.9 percent to a high of 76.5 percent.

For purposes of comparison, we selected four banks that WVNB considers direct competitors for loans and deposits in its AAs. The combined average quarterly LTD ratio for these institutions over the same period was 70.3 percent. Their average LTD ratios ranged from a low of 33.7 percent to a high of 96.9 percent.

Lending in Assessment Area

A substantial majority of the bank's loans are inside its assessment areas.

OCC examiners calculated the percentage of loans inside the bank's AAs from a sample of 40 commercial loans originated or purchased during the evaluation period. With 90.0 percent of the number of loans and 98.8 percent of the total dollar amount of loans, WVNB's inside/outside ratio reflects a substantial majority of the primary loan products originated inside the bank's AAs during the evaluation period and exceeds the standard for satisfactory performance.

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. Lending Test conclusions are based upon loans originated and purchased inside the bank's AAs.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Commercial Loans	36	90.0	4	10.0	40	12,084	98.8	146	1.2	12,230
<i>Source: Evaluation Period: 1/1/2020 - 12/31/2021 Bank Data. Due to rounding, totals may not equal 100.0.</i>										

Description of Institution

West Valley National Bank is an independent, full-service, multistate, community bank headquartered in Goodyear, Arizona. WVNB opened for business in December 2006, and operates a total of four branches. The bank is a wholly owned subsidiary of West Valley Bancorp, Inc. (WVB), a privately owned, one-bank holding company located in Goodyear, Arizona. As of December 31, 2021, WVB reported total assets of \$10.9 million. The bank has no subsidiary or affiliate relationships and has not been involved in any merger or acquisition activity since the prior CRA examination.

WVNB has designated Maricopa County, Arizona, and Clark County, Nevada, as its two assessment areas. The Maricopa County AA includes the entire county, which makes up part of the Phoenix-Mesa-Chandler, AZ Metropolitan Statistical Area (MSA). The Clark County AA includes the whole county, which makes up the entire Las Vegas-Henderson-Paradise, NV MSA. The bank operates three full-service branches within the Maricopa County AA. The main office is located in Goodyear, Arizona, in an upper-income census tract (CT). The Phoenix branch is located in a middle-income CT and the Gila Bend branch is located in a low-income CT. The bank operates one full-service branch within the Clark County AA, in an upper-income CT in Las Vegas. There were no branch openings or closings during the evaluation period.

WVNB's primary focus is offering loan products to meet the needs of small- and medium-size businesses. Loan products include commercial real estate (CRE), commercial and industrial (C&I), Small Business Administration (SBA) lending, revolving lines of credit, auto loans, and overdraft loans. Deposit products include personal and business checking, savings accounts, certificates of deposit, and money market accounts.

WVNB does not offer drive-up teller services, but has one Automatic Teller Machine (ATM) located at the Gila Bend branch. As an accommodation to their customers, the bank has an agreement with US Bank and its MoneyPass network, allowing use of their ATMs free of charge, which includes the ability to make deposits. Night depository services are offered at the Goodyear and Gila Bend branches. WVNB also offers various alternative banking services, including telephone banking, online banking, direct deposit, bill payment, remote deposit capture (RDC), Automated Clearing House (ACH), and cash management services.

As of December 31, 2021, WVNB reported total assets of \$115.2 million, total loans of \$62.1 million, total deposits of \$99.8 million, and tier 1 capital of \$10.8 million. Total loans represented 53.9 percent of total assets. The following table provides a summary of the bank's loan portfolio by major product type.

West Valley National Bank Loan Portfolio by Major Product Type as of December 31, 2021		
Loan Type	(\$000's)	% of Portfolio
Commercial RE	41,489	66.8
Commercial & Industrial	12,822	20.7
1-4 Family Residential RE	5,211	8.4
Construction	1,778	2.9
Multifamily	680	1.1
Consumer	85	0.1
Total	62,065	100.0

There are no legal, financial, or other factors that impede the bank's ability to help meet the credit needs of the communities it serves. WVNB received a "Satisfactory" rating under the small bank (SB) CRA procedures at the prior CRA examination dated August 19, 2019.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation (PE) assesses the CRA performance of West Valley National Bank using SB CRA examination procedures. We performed a full-scope examination of the bank's two assessment areas. Refer to Appendix A for detailed information.

Consistent with WVNB's business strategy, OCC examiners reviewed the bank's primary product of loans to small businesses. The evaluation period for the lending test was January 1, 2020 through December 31, 2021.

With an evaluation period end date of December 31, 2021, bank qualifying activities performed in response to the significant impact the COVID-19 pandemic had on economies across the United States are addressed in this evaluation. This includes the more than 440 SBA Payment Protection Program (PPP) loans, totaling \$43.6 million, that the bank originated in 2020 and 2021. The bank originated PPP loans to existing customers as well as noncustomers in Arizona, Nevada, and across the United States.

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.

WVNB has two AAs. Equal weighting for the examination was placed on both AAs.

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 Arizona

CRA rating for the State of Arizona: Satisfactory.

The Lending Test is rated: Satisfactory.

The major factors that support this rating include:

- The geographic distribution of loans reflects reasonable distribution throughout the bank's AA.
- Lending activities represent reasonable distribution among businesses of different sizes.

Description of Institution's Operations in Arizona

Maricopa County Assessment Area

WVNB designated Maricopa County, Arizona, as one of its AAs. The county makes up part of the Phoenix-Mesa-Chandler, AZ MSA, and consists of 916 CTs: 105 low-income; 206 moderate-income; 286 middle-income; and 306 upper-income. In addition, 13 CTs do not report data and are listed as unknown. The main branch is located in Goodyear, Arizona, in an upper-income CT. The Phoenix branch is in a middle-income CT, and the Gila Bend branch is in a low-income CT. The AA meets the requirements of the regulation and does not arbitrarily exclude LMI geographies.

WVNB's primary focus is offering loan products to meet the needs of small- and medium-size businesses. Loan products include CRE, C&I, SBA lending, revolving lines of credit, multifamily, commercial and residential construction, auto loans, and overdraft loans. Deposit products include personal and business checking, savings accounts, certificates of deposit, and money market accounts.

Competition in the Maricopa County AA is strong. As of June 30, 2021, the FDIC Deposit Market Share report indicated the bank's deposits inside the AA totaled \$70.4 million and rank 48th in deposit market share with 0.04 percent of the AA's deposits. A total of 58 financial institutions, with a combined 693 branches, competed for approximately \$158 billion of insured deposits in Maricopa County. This includes three nationwide mega-banks with 343 branches that account for 64.6 percent of total deposit market share, representing \$102.1 billion in deposits.

Per the Moody's Analytics report dated May 2023, the Maricopa County economy is a top performer and will outperform the region and the nation due to strong growth in professional services and a housing market that remains robust despite falling prices. The top industries in the AA include professional and business services, education and health services, retail trade, and government. The largest employer within the AA is Banner Health System. Other top employers include Walmart Inc, Fry's Food Stores, Wels Fargo Bank, and Arizona State University.

During the performance evaluation period, the job market experienced large swings in unemployment rates as a result of the COVID-19 pandemic. According to the Bureau of Labor and Statistics in April 2020, the unemployment rate peaked at 12.7 percent within the AA and 13.3 percent in the state. Rates began to decrease and by year-end 2020 had fallen to 6.1 percent in the AA and 6.4 percent in the state. Overall, the AA mean unemployment rate for 2020 and 2021 was 7.3 percent and 4.6 percent,

respectively. This is in-line with the unemployment rate for the state of Arizona, with rates of 7.8 percent and 5.1 percent for 2020 and 2021, respectively.

During the COVID-19 pandemic WVNB never fully closed any branches, but did reduce branch hours as necessary when employees were ill, and had the branches professionally cleaned. Personal protection equipment (PPE) was offered to employees and customers, and bank staff would meet with customers outside of operating hours as an accommodation. The bank also implemented a payment deferral program for customers impacted by the pandemic. As conditions improved, customers returned to paying their loans as agreed and the bank returned to a normal operating schedule for the branches. However the Gila Bend branch now only operates Monday, Wednesday, and Friday due to the limited activity of the branch.

We reviewed several recent community contacts servicing the Maricopa County AA. The contacts identified affordable housing, access to food, and the need for affordable health care as the primary needs in this AA. Banks have been receptive to helping the community needs, but it is somewhat limited. Donations primarily come from bank employees, rather than the institutions. The contacts stated banks should be providing more donations to local Community Development Financial Institutions (CDFIs). However, it was noted that banks do provide guidance to entrepreneurs on how to get started and direct them to CDFIs for funding.

The information in the following table provides Maricopa County AA demographic information for 2021.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Maricopa County AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	916	11.5	22.5	31.2	33.4	1.4
Population by Geography	4,018,143	11.1	22.9	31.3	34.4	0.3
Housing Units by Geography	1,668,555	9.8	23.4	33.3	33.4	0.1
Owner-Occupied Units by Geography	875,327	4.6	18.8	34.7	41.9	0.0
Occupied Rental Units by Geography	567,191	17.1	29.4	31.2	21.9	0.3
Vacant Units by Geography	226,037	11.8	25.6	33.2	29.3	0.2
Businesses by Geography	792,533	7.0	15.2	29.5	47.8	0.5
Farms by Geography	12,656	7.2	18.5	28.9	45.1	0.3
Family Distribution by Income Level	945,115	21.8	16.9	19.2	42.2	0.0
Household Distribution by Income Level	1,442,518	23.3	16.3	17.7	42.7	0.0
Median Family Income MSA - 38060 Phoenix-Mesa-Chandler, AZ MSA		\$63,686	Median Housing Value			\$203,811
			Median Gross Rent			\$993
			Families Below Poverty Level			12.6%
<i>Source: 2015 ACS and 2021 D&B Data. Due to rounding, totals may not equal 100.0%. (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in Arizona

The CRA evaluation determines the bank's record of meeting community credit needs. OCC examiners uses a combination of bank and examiner generated loan and/or demographic reports to assess the bank's CRA performance. Consistent with WVNB's business strategy, the bank's primary lending product is loans to small businesses. The evaluation period for the lending test is January 1, 2020 through December 31, 2021.

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Maricopa County AA is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the State.

Small Loans to Businesses

Refer to Table Q in the state of Arizona 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.

The bank originated and purchased 5.0 percent of small loans to businesses in low-income CTs, which was slightly lower than the 7.0 percent of businesses and aggregate lending of 6.6 percent, reflecting reasonable distribution. The bank originated and purchased 15.0 percent of small loans to businesses in moderate-income CTs, which was near to the 15.2 percent of businesses and 16.2 percent of aggregate lending in these CTs. This represents reasonable distribution.

Lending Gap Analysis

OCC examiners reviewed summary reports and maps and analyzed the bank's small business lending activity over the evaluation period to identify any gaps in geographic distribution of loans. The examiners did not identify any unexplained conspicuous gaps in the bank's AA.

Distribution of Loans by Income Level of the Borrower

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

Small Loans to Businesses

Refer to Table R in the state of Arizona 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.

Table R shows that the 20.0 percent of loans originated by the bank to businesses with revenues less than or equal to \$1 million is significantly below the 92.1 percent of businesses and the aggregate peer data of 48.0 percent in the Maricopa County AA and reflects very poor distribution.

However, PPP loans originated in 2020 and 2021 did not require collection of Gross Annual Revenue (GAR) data. Consequently, the percentages of bank loans are significantly lower when compared with AA demographic and aggregate percentages and analysis would not be meaningful. As a result, we analyzed the distribution by using loan size as a proxy for revenue of the borrower.

Therefore, using loan size as a proxy for revenue of the borrower, the table below shows that approximately 97.5 percent of the number of loans originated and purchased by the bank were in amounts equal to or less than \$1 million. This represents excellent distribution in the Maricopa County AA. In addition, approximately 70.9 percent were loans in amounts equal to or less than \$100 thousand, reflecting responsiveness to the lending needs of small businesses.

Borrower Distribution of Loans to Businesses by Loan Size in Maricopa County AA				
Loan Size	Number of Loans	Percent of Number	Dollar Volume of Loans	Percent of Dollar Volume
\$0 - \$100,000	225	70.9	6,873,003	14.2
\$100,001 - \$250,000	51	16.1	8,142,111	16.9
\$250,001 - \$500,000	16	5.1	5,610,522	11.6
\$500,001 - \$1,000,000	17	5.4	12,414,836	25.7
Total	309	97.5	33,040,472	68.4
Over \$1,000,000	8	2.5	15,224,400	31.6

Responses to Complaints

During the evaluation period, WVNB did not receive any complaints relative to the bank’s CRA performance.

State Rating

State of Nevada

CRA rating for the State of Nevada: Satisfactory.

The Lending Test is rated: Satisfactory.

The major factors that support this rating include:

- The geographic distribution of loans reflects reasonable distribution throughout the bank's AA.
- Lending activities represent reasonable distribution among businesses of different sizes.

Description of Institution's Operations in Nevada

Clark County Assessment Area

WVNB has designated Clark County, Nevada as its AA. The Clark County AA includes the whole county, which makes up the entire Las Vegas-Henderson-Paradise, NV MSA. The AA is comprised of 487 CTs: 28 low-income; 128 moderate-income; 181 middle-income; and 149 upper-income. There is only one CT that does not report data and is listed as unknown. The bank opened the sole Nevada branch in January 2019, which is located in an upper-income CT. The AA meets the requirements of the regulation and does not arbitrarily exclude LMI geographies.

WVNB's primary focus is offering loan products to meet the needs of small- and medium-size businesses. Loan products include CRE, C&I, SBA lending, revolving lines of credit, multifamily, commercial and residential construction, auto loans, and overdraft loans. Deposit products include personal and business checking, savings accounts, certificates of deposit, and money market accounts. The Las Vegas branch offers the same services and products as the branches in Maricopa County. However, it does not have an ATM. To assist customers, the bank has an agreement with US Bank and its MoneyPass network allowing use of their ATMs free of charge, which includes the ability to make deposits.

Competition from other financial institutions in the Clark County AA is strong. As of June 30, 2021, the FDIC Deposit Market Share report indicated the bank's deposits inside the AA totaled \$35.5 million and rank 37th in deposit market share with 0.03 percent of the AA's deposits. A total of 42 financial institutions, with a combined 300 branches competed for over \$104.3 billion of insured deposits in Clark County. This includes three nationwide mega-banks with 118 branches that account for 53.4 percent of total deposit market share, representing \$55.5 billion in deposits.

Per the Moody's Analytics report dated March 2023, the Clark County economy is a top performer in the West. Growth in total nonfarm employment continues to outpace the regional and national averages due to strength in goods-producing industries and healthcare. The outsize leisure and hospitality industry has risen near its pre-pandemic level of employment. The top industries in the AA include leisure and hospitality services, professional and business services, education and health services, and retail trade. The largest employer within the AA is the Federal Government, which includes the Department of Defense as there is a U.S. Air Force base located in the county. Other top employers include casino and

resort organizations, e.g. Mandalay Bay Resort & Casino, Las Vegas Sands Corp., Caesars Entertainment Corp., and MGM Resorts International.

During the evaluation period, the Clark County AA experienced large swings in unemployment rates due to the COVID-19 pandemic, and the loss of tourism and gaming revenue. According to the Bureau of Labor and Statistics, in April 2020 the unemployment rate peaked at 34 percent within the AA and 30.3 percent in the state of Nevada. Rates began to decrease and by year-end 2020 had fallen to 11.1 percent in the AA and to 9.5 percent in the state. Overall, the AA mean unemployment rate for 2020 and 2021 was 15.7 percent and 8 percent, respectively. The significant difference between the AA and the state’s unemployment rate is due to the high reliance on the gaming and tourism industry within Las Vegas, which is within the AA.

We reviewed a recent community contact and conducted a new one with an organization servicing the Clark County AA. The contact noted that the economic conditions in the area have improved significantly since the COVID-19 pandemic eased. They indicated that banks in the area provide some donations and volunteers, but more can and needs to be done. The contact noted that there is need for more financial literacy programs, which banks in the area should be working with the non-profit organizations in the area to provide.

The information in the following table provides Clark County AA demographic information for 2021.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Clark County AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	487	5.7	26.3	37.2	30.6	0.2
Population by Geography	2,035,572	5.0	25.3	39.2	30.3	0.2
Housing Units by Geography	857,131	5.6	24.9	38.7	30.6	0.2
Owner-Occupied Units by Geography	380,425	1.9	16.9	41.7	39.5	0.0
Occupied Rental Units by Geography	344,021	8.7	33.0	36.9	21.1	0.2
Vacant Units by Geography	132,685	8.1	27.0	34.8	29.5	0.6
Businesses by Geography	137,264	3.8	20.8	38.7	36.1	0.6
Farms by Geography	1,912	2.1	19.7	39.9	38.2	0.2
Family Distribution by Income Level	465,442	20.7	18.4	20.5	40.5	0.0
Household Distribution by Income Level	724,446	22.6	17.0	18.8	41.6	0.0
Median Family Income MSA - 29820 Las Vegas-Henderson-Paradise, NV MSA		\$59,993	Median Housing Value			\$169,213
			Median Gross Rent			\$1,032
			Families Below Poverty Level			11.9%
<i>Source: 2015 ACS and 2021 D&B Data. 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 Nevada

The CRA evaluation determines the bank’s record of meeting community credit needs. OCC examiners uses a combination of bank and examiner generated loan and/or demographic reports to assess the

bank's CRA performance. Consistent with WVNB's business strategy, the bank's primary product is loans to small businesses. The evaluation period for the lending test is January 1, 2020 through December 31, 2021.

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Clark County AA is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the AA.

Small Loans to Businesses

Refer to Table Q in the state of Nevada 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.

The bank did not originate or purchase any small loans to businesses in low-income CTs, reflecting very poor distribution. However, with the percentage of businesses at 3.8 percent and aggregate lending at 3.0 percent, and considering there are only 28 low-income CTs in the AA, the opportunities for lending are limited. The bank originated or purchased 50.0 percent of small loans to businesses in moderate-income CTs, which was significantly higher than the 20.8 percent of businesses and 18.4 percent of aggregate lending in these CTs. This represents excellent distribution.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed the bank's small business lending activity over the evaluation period to identify any gaps in geographic distribution of loans. As previously discussed, the bank did not lend in low-income CTs. However, considering there are only 28 low-income CTs in the AA, the opportunities for lending are limited.

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 and farms of different sizes, given the product lines offered by the bank.

Small Loans to Businesses

Refer to Table R in the state of Nevada 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.

Table R shows that the 20.0 percent of loans originated by the bank to businesses with revenues less than or equal to \$1 million is significantly below the 86.8 percent of businesses and the aggregate peer data of 43.6 percent in the Clark County AA and reflects very poor distribution.

However, PPP loans originated in 2020 and 2021 did not require collection of GAR data. Consequently, the percentages of bank loans are significantly lower when compared with AA demographic and aggregate percentages and analysis would not be meaningful. As a result, we analyzed the distribution by using loan size as a proxy for revenue of the borrower.

Therefore, using loan size as a proxy for revenue of the borrower, the table below shows that approximately 84.3 percent of the number of loans originated and purchased by the bank were in amounts equal to or less than \$1 million. This represents excellent distribution in the Clark County AA. In addition, 37.1 percent were loans in amounts equal to or less than \$100 thousand, reflecting responsiveness to the lending needs of small businesses.

Borrower Distribution of Loans to Businesses by Loan Size in Clark County AA				
Loan Size	Number of Loans	Percent of Number	Dollar Volume of Loans	Percent of Dollar Volume
\$0 - \$100,000	26	37.1	1,292,540	4.1
\$100,001 - \$250,000	20	28.6	3,012,362	9.4
\$250,001 - \$500,000	7	10.0	2,432,260	7.6
\$500,001 - \$1,000,000	6	8.6	4,058,773	12.8
Total	59	84.3	10,795,935	33.9
Over \$1,000,000	11	15.7	21,037,303	66.1

Responses to Complaints

During the evaluation period, WVNB did not receive any complaints relative to the bank’s CRA performance.

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:	01/01/2020 to 12/31/2021	
Bank Products Reviewed:	Small business loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
N/A		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Arizona		
Maricopa County	Full-scope	Part of #38060 Phoenix-Mesa-Chandler, AZ MSA
Nevada		
Clark County	Full-scope	#29820 Las Vegas-Henderson-Paradise, NV MSA

Appendix B: Summary of MMSA and State Ratings

RATINGS	West Valley National Bank
Overall Bank:	Lending Test Rating
West Valley National Bank	Satisfactory
MMSA or State:	
Arizona	Satisfactory
Nevada	Satisfactory

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 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

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 30th 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 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.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

State of Arizona

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020-2021		
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$ (000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
Maricopa County AA	20	4,960	100.0	133,594	7.0	5.0	6.6	15.2	15.0	16.2	29.5	45.0	27.7	47.8	35.0	48.9	0.5	0.0	0.7		

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2020-2021	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Maricopa County AA	20	4,960	100.0	133,594	92.1	20.0	48.0	1.8	5.0	6.1	75.0		

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

State of Nevada

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020-2021		
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$ (000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
Clark County AA	20	7,397	100.0	73,338	3.8	0.0	3.0	20.8	50.0	18.4	38.7	30.0	38.8	36.1	20.0	39.4	0.6	0.0	0.4		

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2020-2021	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Clark County AA	20	7,397	100.0	73,338	86.8	20.0	43.6	4.3	5.0	8.9	75.0		

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.