



PUBLIC DISCLOSURE

September 18, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Southern Hills Community Bank
Charter Number: 704013

45 E Main St
Leesburg, OH 45135-9601

Office of the Comptroller of the Currency

West Lake Center
4555 Lake Forest Drive, Suite 520
Blue Ash, OH 45242-3760

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 major factors that support this rating include:

- a reasonable overall distribution of home mortgage and consumer loans among both geographies and borrowers of different income levels;
- a reasonable LTD ratio;
- a substantial majority of loans originated and purchased inside the AAs;
- a notable volume of community development (CD) loans that were responsive to credit needs of businesses during the COVID-19 pandemic; and,
- no complaints regarding CRA performance.

Loan-to-Deposit Ratio

Southern Hills Community Bank’s (SHCB or bank) loan-to-deposit (LTD) ratio is reasonable, considering its size, financial condition, and credit needs of the AA(s). SHCB’s quarterly LTD ratio, as calculated on a bank-wide basis, averaged 69.4 percent over the 12-quarter period ending December 31, 2022. During this timeframe, the LTD ratio ranged from 62.1 percent to 83.3 percent. SHCB’s average LTD ratio ranked third of the five banks with total assets of \$82 to \$505 million and headquartered in the AAs. The average for LTD for the other four banks was 69.4 percent with a range from 43.9 percent to 93.9 percent.

Lending in Assessment Area

A substantial majority of the bank’s loans are inside its AAs. By number, SHCB originated and purchased 89 percent of its loans by number inside the AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage includes all home mortgage loans subject to Home Mortgage Disclosure Act (HMDA) reporting and a sample of consumer loans. Extensions of credit by affiliates that may be considered under the other performance criteria are not included.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	249	88.0	34	12.0	283	26,233	82.5	5,560	17.5	31,793
Consumer	74	92.5	6	7.5	80	988	92.2	84	7.8	1,072
Total	323	89.0	40	11.0	363	27,221	82.8	5,644	17.2	32,865

Sources: HMDA data and a consumer loan sample from 2020-2022

Description of Institution

SHCB is an intrastate, federally chartered mutual savings bank headquartered in Leesburg, Ohio. The bank is not owned by a holding company and does not have subsidiaries. SHCB's stated mission is to establish and maintain mutually loyal, high-quality, long-term relationships with their customers, communities, and employees. As such, the bank offers a full array of banking solutions to meet personal or business banking needs. Loan products include closed- and open-end mortgage loans, consumer loans, commercial loans, and farm loans. Deposit products consist of checking and savings accounts, certificates of deposit, and individual retirement accounts. Some other available banking services are safe deposit boxes, debit and automated teller machine (ATM) cards, credit cards, bill payment, telephone banking, online banking, and mobile banking.

The bank did not have any merger/acquisition activity or changes to its branch network during the evaluation period. SHCB primarily serves a three-county market area in southern Ohio from its main office and seven branch locations. The main office and three branches are in Highland County (Leesburg, Greenfield, Lynchburg, and Hillsboro). Two branches are in Adams County (Peebles and West Union) and two branches are in Brown County (Ripley and Georgetown). This market footprint creates one rating area in Ohio with two AAs, the Ohio nonmetropolitan statistical area AA (Ohio Non-MSA AA) and the Cincinnati OH-KY-IN MSA (Cincinnati MSA AA). Additional information regarding these AAs is discussed below under the Description of Institution's Operations in Ohio.

As of December 31, 2022, SHCB had total assets of \$181 million and tier 1 capital of \$26.1 million. SHCB's loans and deposits are concentrated in the Ohio Non-MSA where most of its offices are located. Total deposits were \$155.6 million or 86 percent of total assets, and gross loans and leases were \$106.6 million or 58.9 percent. The loan portfolio composition and lending activity reflects a focus on residential real estate and other consumer lending. By dollar amount, single-family mortgage loans comprise the largest portion of outstanding loans and loan originations during the evaluation period. By number, however, loan originations were most concentrated in consumer non-mortgage loans. In 2020 and 2021, SHCB also originated a notable number of commercial loans under the Small Business Administration's Paycheck Protection Program (SBA's PPP).

The following tables summarize the distribution of deposits by AA and composition of the loan portfolio.

Deposit Distribution June 30, 2022		
	Deposit Amount (000s)	% of Total Deposits
Highland County	\$ 95,086	58.6%
Adams County	\$ 14,665	9.0%
Subtotal Ohio Non-MSA AA	\$ 109,751	67.6%
Brown County	\$ 52,476	32.4%
Subtotal Cincinnati MSA AA	\$ 52,476	32.4%
Total Deposits	\$ 162,227	100.0%
<i>Source: FDIC Summary of Deposits 6-30-22</i>		

Loan Portfolio Composition December 22, 2022			
Loan Category	Amount (000's)	Percent of Total Loans	Percent of Total Assets
Residential Loans	\$70,069	65.7%	38.7%
Farm Loans	\$ 13,894	13.0%	7.7%
Business Loans	\$16,179	15.2%	8.9%
Consumer Loans	\$6,225	5.8%	3.4%
Other Loans	\$ 249	0.2%	0.1%
Total Gross Loans & Leases	\$106,616	100.0%	58.9%

Source: Call Report as of December 31, 2022

SHCB's lending activities are consistent with its size, expertise, financial capacity, and local economic conditions. There are no legal, financial, or other factors that affect its ability to meet the credit needs of its AAs. SHCB received a rating of "Satisfactory" at its prior CRA evaluation dated May 20, 2019.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This evaluation considers the bank's CRA performance from January 1, 2020, to December 31, 2022. The OCC assessed this performance using the Interagency Small Bank examination procedures. These procedures comprise the Lending Test and include the following performance criteria:

- the LTD ratio;
- percentage of originated and purchased loans made inside the AAs;
- lending to borrowers of different income levels and/or businesses of different sizes;
- lending in low- and moderate-income (LMI) areas within the AAs; and,
- the bank's record of acting on written complaints regarding its performance in helping meet the credit needs of the AAs.

To analyze SHCB's performance under the Lending Test, the OCC considered data from a representative sample of the primary loan products. Therefore, the OCC evaluated relevant loan data from all home mortgage loans reported under HMDA and a random sample of consumer loans. No affiliate activity was included.

The borrower and geographic loan distributions were analyzed using two time periods, 2020-2021 and 2022. This is due to census changes that became effective in 2022. For the 2020-2021 analysis period, the demographic data being used is from the 2015 ACS and 2021 Dunn and Bradstreet (D&B). The demographic data for the 2022 analysis period is from the 2020 ACS and 2022 D&B.

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. SHCB operates in a single state, so its overall rating is the same as the rating for the State of Ohio. The State of Ohio rating is based on the performance in all bank AAs. Refer to the "Scope" section under each state 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 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 Ohio

CRA rating for the State of Ohio: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- a reasonable overall distribution of home mortgage and consumer loans among both geographies and borrowers of different income levels;
- a reasonable LTD ratio;
- a substantial majority of loans originated and purchased inside the AAs; and,
- a notable volume of CD loans that were responsive to credit needs of businesses during the COVID-19 pandemic.

Description of Institution's Operations in Ohio

SHCB has eight office locations that primarily serve a three-county area in southern Ohio. All offices have a cash-dispensing ATM. As noted in the Description of Institution section, the counties included in this area form two AAs, the Ohio Non-MSA AA and the Cincinnati MSA AA. Each AA meets the requirements of CRA and does not arbitrarily exclude any LMI areas.

The following information regarding demographic data, job market, housing cost, competition, and credit needs, provides additional context for SHCB's operations in each AA.

Ohio Non-MSA AA

The Ohio Non-MSA AA includes all CTs in Adams and Highland counties plus four additional CTs along the northern border of Highland County. Two of the four additional CTs are in Clinton County, one is in Fayette County, and one is in Ross County. SHCB has six of its eight offices in the Ohio Non-MSA AA; there are four offices in Highland County (Leesburg, Greenfield, Lynchburg, and Hillsboro), and two offices in Adams County (West Union and Peebles). According to demographic data from the 2015 ACS, four of the six office locations were in a moderate-income CT at the start of the evaluation period. The CTs for West Union and Peebles offices are still moderate-income geographies based on updated data from the 2020 ACS. However, the CTs for the Greenfield and Hillsboro offices are now middle-income geographies.

Demographic Data

Table A – Demographic Information of the Assessment Area						
Assessment Area: Ohio Non-MSA (2020-2021)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	19	0.0	47.4	52.6	0.0	0.0
Population by Geography	89,638	0.0	42.9	57.1	0.0	0.0
Housing Units by Geography	39,387	0.0	44.4	55.6	0.0	0.0
Owner-Occupied Units by Geography	24,419	0.0	41.0	59.0	0.0	0.0
Occupied Rental Units by Geography	9,660	0.0	54.8	45.2	0.0	0.0
Vacant Units by Geography	5,308	0.0	41.4	58.6	0.0	0.0
Businesses by Geography	3,933	0.0	50.5	49.5	0.0	0.0
Farms by Geography	529	0.0	25.1	74.9	0.0	0.0
Family Distribution by Income Level	23,844	26.9	20.9	19.4	32.7	0.0
Household Distribution by Income Level	34,079	28.1	17.3	18.7	35.9	0.0
Median Family Income Non-MSAs - OH		\$55,785	Median Housing Value			\$101,373
2021 FFIEC Updated Median Family Income		\$64,700	Median Gross Rent			\$632
			Families Below Poverty Level			15.6%
<i>Source: 2015 ACS and 2021 D&B Data</i>						
<i>Due to rounding, totals may not equal 100.0%</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: Ohio Non-MSA (2022)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	22	0.0	27.3	63.6	9.1	0.0
Population by Geography	89,111	0.0	22.5	66.5	11.0	0.0
Housing Units by Geography	39,658	0.0	26.0	63.5	10.5	0.0
Owner-Occupied Units by Geography	24,347	0.0	21.6	66.5	11.9	0.0
Occupied Rental Units by Geography	9,491	0.0	28.0	64.5	7.5	0.0
Vacant Units by Geography	5,820	0.0	41.3	49.1	9.6	0.0
Businesses by Geography	5,547	0.0	21.9	66.7	11.4	0.0
Farms by Geography	646	0.0	11.5	75.5	13.0	0.0
Family Distribution by Income Level	23,928	24.8	18.4	20.9	35.9	0.0
Household Distribution by Income Level	33,838	28.5	15.8	17.5	38.1	0.0
Median Family Income Non-MSAs - OH		\$66,684	Median Housing Value			\$123,770
2022 FFIEC Updated Median Family Income		\$74,900	Median Gross Rent			\$647
			Families Below Poverty Level			13.0%
<i>Source: 2020 U.S. Census and 2022 D&B Data</i>						
<i>Due to rounding, totals may not equal 100.0%</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Job Market

Business demographic data from the 2020 ACS and 2022 D&B shows the primary industries in the AA are services (30 percent), retail trade (10.8 percent), and agriculture/forestry/fishing (10.4 percent). Other industries include construction (7.8 percent) and finance/insurance/real estate (7 percent). In addition, a notable percentage of establishments are categorized as non-classifiable (20.2% percent).

In addition to local schools and county government offices, employers in the AA include:

Key Employers	
Highland County	Candle-lite, Johnson Controls, Weastec, and Greenfield Research
Adams County	Dayton Power & Light, GE Aviation, Columbus Industries, and Adams County Manor
Clinton County	Ahresty Wilmington Corp., CMH Regional Health System, R&L Carriers, and Wilmington College
Fayette County	YUSA Corp, Adena Fayette Medical Center, Wal-mart Store, Inc, and Sugar Creek Packing Co
Ross County	Kenworth Truck Company, Pixelle Specialty Products, YSK Corporation, and Riffle Machine Works
<i>Sources: OhioSE Economic Development and Clinton County Port Authority</i>	

The average annual unemployment rate for the state of Ohio and each county in the AA improved during the three-year evaluation period. The higher annual unemployment rates for 2020 reflect the impact of the COVID-19 pandemic. All counties in the AA experienced a spike in unemployment in April 2020 that was followed by a gradual recovery in 2021. For 2022, the annual unemployment rate was better than or comparable to the pre-pandemic level. The annual rate for Highland, Adams, and Clinton counties remained above the statewide rate, while the annual rate for Fayette and Ross counties remained below it. The following table summarizes the unemployment rates:

Average Annual Unemployment Rates				
	2019	2020	2021	2022
State of Ohio	4.2	8.2	5.1	4.0
Highland County	5.2	8.7	5.8	4.9
Adams County	6.9	9.3	6.4	5.4
Clinton County	4.8	8.4	5.5	4.4
Fayette County	3.9	7.4	4.8	3.9
Ross County	4.2	8.0	4.9	3.8
<i>Source: Bureau of Labor Statistics; Rates Not Seasonally Adjusted</i>				

Housing Cost

A home mortgage loan may not be affordable for all LMI families in the AA. As shown in the table below, the median housing value was at least 2.5 times the annual income of a low-income family and at least 1.5 times the annual income of a moderate-income family. Therefore, some LMI families may not be able to afford and maintain a home or qualify for a mortgage when also considering the down payment requirement, homeowner costs for taxes and insurance, and other debt payments.

Housing Value vs Annual Income		
	2021	2022
Median Housing Value (MHV)	\$101,373	\$123,770
Median Family Income (MFI)	\$81,900	\$97,400
Low Income Level (<50% MFI)	\$40,950	\$48,700
Moderate-Income Level (<80% MFI)	\$65,520	\$77,920
<i>Source: 2015 and 2020 ACS Census; 2021 and 2022 Updated FFIEC MFI</i>		

Competition

Competition for deposits is strong given the number and asset size of each FDIC-insured institution in the AA. As of June 30, 2022, FDIC deposit data showed SHCB and 20 other national, regional, or local banks had a total of 69 offices in Adams, Highland, Clinton, Fayette, and Ross counties. SHCB's six offices with deposits of \$109.8 million represent a market share of 1.6 percent. This market share ranks SHCB 13th among the group. The top competitor, National Cooperative Bank, NA has one office with a market share 39.3 percent. Other top competitors include The Merchants National Bank, Fifth Third Bank, First State Bank, and The Huntington National Bank. The market share for these four banks ranges from 4.9 to 9.8 percent and totals 30.2 percent.

Significant competition for home mortgage loans exists. Aggregate HMDA data shows 213 lenders originated or purchased 3,013 loans in 2021 and 200 lenders originated or purchased 2,319 loans in 2022. Fifth Third Bank, NA was the top lender in 2021 with a market share of 11.8 percent. Other top lenders include First State Bank, The Merchants National Bank, Rocket Mortgage, and US Bank, NA. These top five lenders captured 35.5 percent of the total market share. The same five banks remained top lenders in 2022 and maintained a 35.5 percent of the market share. SHCB ranked seventh in 2021 and sixth in 2022 with a market share 2.9 percent and 3.5 percent, respectively.

Community Contact

The OCC considered the comments of two community contacts. One contact works for an affordable housing agency that provides crisis programs, a food pantry, a financial workshop, health services, housing, meals, and workforce services. The contact noted that the pressing needs of their clients continue to be generational poverty. This contact stated many clients lack basic services and further commented that mental health needs, substance abuse, lack of financial literacy, and lack of childcare are major barriers to employment and advancement. As such, opportunities to help the organization consist of providing general operating support, financing future affordable housing projects, joining the board of directors, and engaging in civic advocacy.

The other contact works for a community action commission with a mission to work within the local community to reduce poverty and revitalize low-income families. This contact noted the highest need is housing and commented there are limited rental properties available, or they are priced too high for their clients. This contact noted opportunities to support the organization include unrestricted funds for emergency services (e.g., rent assistance), funding for an emergency shelter, and low-cost rehab financing for a recovery housing project.

Cincinnati MSA AA

The Cincinnati MSA AA consists of Brown County. SHCB has two of its eight offices in this AA. These offices are in Ripley and Georgetown. At the start of the evaluation period, both offices were in a moderate-income CT according to demographic data from the 2015 ACS. Based on updated data from the 2020 ACS, these CTs remain a moderate-income geography.

Demographic Data

Table A – Demographic Information of the Assessment Area						
Assessment Area: Cincinnati MSA AA (2020-2021)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	9	0.0	77.8	22.2	0.0	0.0
Population by Geography	44,247	0.0	74.7	25.3	0.0	0.0
Housing Units by Geography	19,349	0.0	73.8	26.2	0.0	0.0
Owner-Occupied Units by Geography	12,614	0.0	70.1	29.9	0.0	0.0
Occupied Rental Units by Geography	4,058	0.0	86.2	13.8	0.0	0.0
Vacant Units by Geography	2,677	0.0	72.7	27.3	0.0	0.0
Businesses by Geography	1,964	0.0	79.1	20.9	0.0	0.0
Farms by Geography	220	0.0	65.0	35.0	0.0	0.0
Family Distribution by Income Level	12,053	29.3	25.0	22.5	23.2	0.0
Household Distribution by Income Level	16,672	27.2	21.6	20.9	30.3	0.0
Median Family Income MSA - 17140 Cincinnati, OH-KY-IN MSA		\$69,949	Median Housing Value			\$113,509
2021 FFIEC Updated Median Family Income		\$81,900	Median Gross Rent			\$640
			Families Below Poverty Level			12.0%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: Cincinnati MSA AA (2022)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	10	0.0	60.0	40.0	0.0	0.0
Population by Geography	43,676	0.0	53.8	46.2	0.0	0.0
Housing Units by Geography	20,338	0.0	56.7	43.3	0.0	0.0
Owner-Occupied Units by Geography	13,007	0.0	52.2	47.8	0.0	0.0
Occupied Rental Units by Geography	4,804	0.0	67.8	32.2	0.0	0.0
Vacant Units by Geography	2,527	0.0	59.2	40.8	0.0	0.0
Businesses by Geography	2,790	0.0	52.8	47.2	0.0	0.0
Farms by Geography	274	0.0	51.5	48.5	0.0	0.0
Family Distribution by Income Level	12,141	28.6	20.4	25.4	25.7	0.0
Household Distribution by Income Level	17,811	30.3	16.1	19.2	34.5	0.0
Median Family Income MSA - 17140 Cincinnati, OH-KY-IN MSA		\$84,990	Median Housing Value			\$134,233
2022 FFIEC Updated Median Family Income		\$97,400	Median Gross Rent			\$734
			Families Below Poverty Level			12.3%
<i>Source: 2020 U.S. Census and 2022 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>						

Job Market

Business demographic data from the 2020 ACS and 2022 D&B shows the primary industries in the AA are services (29.1 percent) and retail trade (11.5 percent). Other industries include agriculture/forestry/fishing (8.9 percent), construction (8.7 percent), and finance/insurance/real estate (8.4 percent). In addition, a notable percentage of establishments are categorized as non-classifiable (20.5% percent).

According to the Cincinnati Business Courier, the largest Cincinnati area employer is the Kroger Company. Other large employers include Cincinnati Children’s Hospital, TriHealth Inc, University of Cincinnati, and Proctor and Gamble Co.

The average annual unemployment for Brown County improved during the three-year evaluation period. The higher annual rate for 2020 is due to the COVID-19 pandemic. Brown County experienced a spike in the unemployment rate in April 2020 that was followed by a gradual recovery through the end of 2021. For 2022, the unemployment rate was better than the pre-pandemic level but remained above the statewide rate. The following table summarizes the unemployment rates.

Average Annual Unemployment Rates				
	2019	2020	2021	2022
State of Ohio	4.2	8.2	5.1	4.0
Brown County	5.0	8.4	5.4	4.5
<i>Source: Bureau of Labor Statistics; Rates Not Seasonally Adjusted</i>				

Housing Cost

A home mortgage loan may not be affordable for all LMI families in the AA. As shown in the table below, the median housing value was at least 3.8 to 4 times the annual income of a low-income family and at least 2.4 to 2.5 times the annual income of a moderate-income family. Therefore, some LMI families may not be able to afford and maintain a home or qualify for a mortgage when also considering the down payment requirement, homeowner costs for taxes and insurance, and other debt payments.

Housing Value vs Annual Income		
	2021	2022
Median Housing Value (MHV)	\$113,509	\$134,233
Median Family Income (MFI)	\$79,700	\$91,900
Low Income Level (<50% MFI)	\$39,850	\$45,950
Moderate-Income Level (<80% MFI)	\$63,760	\$73,520
<i>Source: 2015 and 2020 ACS Census; 2021 and 2022 Updated FFIEC MFI</i>		

Competition

Competition for deposits is modest given the number and asset size of each FDIC-insured institution in the AA. As of June 30, 2022, FDIC deposit data showed SHCB and five other national, regional, or local banks had a total of 14 offices in Brown County. SHCB's two offices with deposits of \$52.5 million represent a market share of 7.9 percent. This market share ranks SHCB sixth among the group. The top two competitors, Peoples Bank and First State Bank, have four offices each with a market share 33.5 percent and 25.6 percent, respectively. The three remaining competitors have one or two offices and a market share ranging from 9.7 to 12.1 percent.

Significant competition for home mortgage loans exists. Aggregate HMDA data shows 184 lenders originated or purchased 1,963 loans in 2021 and 177 lenders originated or purchased 1,514 loans in 2022. Fifth Third Bank, NA was the top lender in 2021 with a market share of 7 percent. Other top lenders include First State Bank, US Bank, NA, Rocket Mortgage, and Peoples Bank. These top five lenders captured 25.1 percent of the total market share. In 2022, First State Bank was the top lender, followed by Fifth Third Bank, NA, Peoples Bank, Rocket Mortgage, and Cross Country Mortgage. The total market share for this group was 27.2 percent. SHCB ranked 27th in 2021 and 26th in 2022 with a market share 1 percent and 1.1 percent, respectively.

Community Contact

The OCC reviewed comments of a community contact from a community action partnership with a mission of working toward the elimination of poverty. As a social service agency, the organization provides diverse services to LMI residents. Some of these services include a housing program, a literacy program, senior services, health services, childcare, energy assistance, and weatherization. The organization also offers a microenterprise development program that gives assistance to low-income entrepreneurs. This program includes business education classes, technical assistance, and loan facilitation.

According to the contact, some of the greatest challenges and needs continue to be (1) the lack of affordable, clean, decent, and safe housing for the LMI sector, (2) a lack of adequate medical/dental professionals and facilities, (3) reliable, affordable transportation for LMI, and (4) the availability of employment opportunities that provide decent wages with health care benefits. This contact also noted that, though rent prices have risen over the last few years, there is still a lack of rental units because

there is not enough turnover of existing apartments. As a result, the contact stated some clients had to return their housing vouchers because they could not find apartments. The contact also commented the homeless population is growing and there are not enough shelters.

The contact mentioned there are several opportunities to help the organization with its funding needs. These include a bank partner(s) to facilitate refinancing and rehabbing of projects developed with LIHTC and sponsor FHLB applications. Other opportunities include support for the microenterprise fund, the Individual Development Account program, and general operating expenses. The contact stated the organization has a need for financial literacy volunteers, board directors, and loan review committee members.

Scope of Evaluation in Ohio

The OCC performed a full-scope review of both AAs in Ohio. Refer to the Table in Appendix A: Scope of Examination for additional information. If the conclusion for the loan distribution differed among the AAs, the OCC weighted the result for each AA based on the concentration of offices, loan volume, and deposit activities. Therefore, the performance in the Ohio Non-MSA received the most weight.

Lending Test

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

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Ohio Non-MSA AA and the Cincinnati MSA AA is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits a reasonable geographic distribution of loans in the State of Ohio. SHCB's overall performance in the Ohio Non-MSA AA and the Cincinnati MSA AA is reasonable. This conclusion takes into consideration the number of owner-occupied housing units (OOHUs) in LMI geographies, SHCB's presence in each AA, and competition. In addition, the OCC considered SHCB's performance in lending to distressed middle-income CTs. The OCC gave more weight to SHCB's performance in 2020-2021 due to the higher volume of loans originated during this period.

Home Mortgage Loans

Ohio Non-MSA AA

The overall geographic distribution of home mortgage loans in the Ohio Non-MSA AA is reasonable. SHCB's stronger performance in 2020-2021 mitigates weaker performance in 2022. During the three-year evaluation period, 57 of 208 loans (26.9 percent) of total home mortgage loans were originated in moderate-income CTs. In addition, SHCB's exhibited reasonable performance in lending to distressed middle-income CTs in Adams County.

- In 2020-2021, SHCB's percentage of home mortgage loans originated or purchased in moderate-income CTs was slightly below the percentage of OOHUs and exceeded the aggregate

percentage. For context, the AA had nine moderate-income CTs with approximately 10,000 OOHUs based on the 2015 ACS. According to 2021 aggregate lending data, 143 lenders originated or purchased 1,118 loans in the moderate-income CTs with the top five lenders capturing 37.5 percent of this market share. SHCB ranked seventh with a 2.8 percent market share.

- In 2022, SHCB's percentage of home mortgage loans originated or purchased in moderate-income CTs was well below the percentage of OOHUs and the aggregate percentage. For context, the AA had six moderate-income CTs with approximately 5,260 OOHUs based on the 2020 ACS. According to 2022 aggregate lending data, 103 lenders originated or purchased 454 loans in the moderate-income CTs with the top five lenders capturing 43.8 percent of this market share. SHCB ranked 15th with a 1.3 percent market share.
- The AA has two distressed middle-income CTs in Adams County. In 2020-2021, SHCB made a total of 27 loans in Adams County with 13 (48.1 percent) of them in the distressed areas. In comparison, the corresponding percentage of OOHUs is 41.6 percent and the aggregate lending percentage is 45 percent. In 2022, SHCB made a total of nine loans in Adams County with five (55.6 percent) of them in the distressed areas. In comparison, the percentage of OOHUs is 28 percent and the aggregate lending percentage is 30.8 percent.

Cincinnati MSA AA

The overall geographic distribution of home mortgage loans in the Cincinnati MSA AA is reasonable. During the three-year evaluation period, 28 of 41 loans (68.3 percent) were originated in moderate-income CTs.

- In 2020-2021, SHCB's percentage of home mortgage loans originated or purchased in moderate-income CTs was below both the percentage of OOHUs and the aggregate percentage. The OCC considered the actual number of loans in the moderate-income CTs (16 of 25) was only two loans less than needed to meet the percentage of both comparators (OOHUs and aggregate).
- In 2022, SHCB's percentage of home mortgage loans originated or purchased in moderate-income CTs exceeded the percentage of OOHUs and the aggregate percentage. The OCC considered the actual number of loans in the moderate-income CTs (12 of 16) was three more than needed to meet the demographic comparator (OOHUs) and five more than needed to meet the aggregate comparator.

Refer to Table O in the state of Ohio 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.

Consumer Loans

Ohio Non-MSA AA

The overall geographic distribution of consumer loans in the Ohio Non-MSA AA is reasonable. The OCC's loan sample for the three-year evaluation period consisted of 44 loans from 2020-2021 and 20 loans from 2022. In total, 16 of 64 (25 percent) of the loans sampled were made in moderate-income CTs. The OCC considered loan demand for consumer products is highly concentrated in Highland County where there are fewer households in moderate-income CTs.

- In 2021-2022, SHCB's percentage of consumer loans originated or purchased in moderate-income CTs was below the percentage of households. The OCC considered the actual number of loans in the moderate-income CTs (15 of 44) was five less than needed to meet the percentage of households. The OCC also considered 34 of 44 loans in the sample, or 77.3 percent, were from Highland County. In Highland County, the percentage of bank loans in moderate-income CTs (32.4 percent) is within a reasonable range below the percentage of households of 39.2 percent.
- In 2022, SHCB's percentage of consumer loans originated or purchased in moderate-income CTs was well below the percentage of households. The OCC considered the actual number of loans in the moderate-income CTs (2 of 20) was three less than needed to meet the percentage of households. The OCC also considered 15 of 20 loans in the sample, or 75 percent, were from Highland County. In Highland County, the percentage of bank loans in moderate-income CTs (13.3 percent) is above the percentage of households of 9.2 percent.

Cincinnati MSA AA

The overall geographic distribution of consumer loans in the Cincinnati MSA AA is reasonable. The OCC's loan sample for the three-year evaluation period consisted of 37 loans from 2020-2021 and 25 loans from 2022. In total, 42 of 62 (67.7 percent) of the loans sampled were made in moderate-income CTs.

- In 2020-2021, SHCB's percentage of consumer loans originated or purchased in moderate-income CTs was below the percentage of households. The OCC considered the actual number of loans in the moderate-income CTs (24 of 37) was three less than needed to meet the percentage of households.
- In 2022, SHCB's percentage of consumer loans originated or purchased in moderate-income CTs exceeded the percentage of households. The OCC considered the actual number of loans in the moderate-income CTs (18 of 35) was four more than needed to meet the percentage of households.

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

Lending Gap Analysis

The OCC did not identify any unexplained, conspicuous gaps in the lending distribution.

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. SHCB's overall performance in the Ohio Non-MSA AA and the Cincinnati MSA AA is reasonable. The OCC considered several factors that likely limited lending opportunities to LMI borrowers. These factors include housing costs in relation to median family income, percentage of families and households below poverty, significant competition, pandemic environment, and rising interest rates. In addition, the OCC gave more weight to performance in 2020-2021 due to the higher volume of loans for this period.

Home Mortgage Loans

Ohio Non-MSA AA

The overall borrower distribution of home mortgage loans in the Ohio Non-MSA AA is reasonable. SHCB's performance among low- and moderate-income borrowers for 2020-2021 and 2022 is reasonable given the above-mentioned performance context. Generally, these factors limit lending opportunities to LMI borrowers. In total, SHCB made 11.5 percent of its loans to low-income borrowers and 19.2 percent moderate-income borrowers during the three-year evaluation period.

- In 2020-2021, SHCB's percentage of home mortgage loans to low-income borrowers was well below the percentage of low-income families but exceeded the aggregate percentage. The percentage of home mortgage loans to moderate-income borrowers was near the percentage of moderate-income families and the aggregate percentage. The OCC considered the actual number of loans to low-income borrowers was two more than needed to meet the aggregate percentage. The actual number of loans to moderate-income borrowers was two less than needed to meet the percentage of families and one less than needed to meet the aggregate percentage.
- In 2022, SHCB's percentage of home mortgage loans to low-income borrowers was well below the percentage of low-income families but exceeded the aggregate percentage. The percentage of home mortgage loans to moderate-income borrowers approximated the percentage of moderate-income families but was below the aggregate percentage. The OCC considered the actual number of loans to low-income borrowers was two more than needed to meet the aggregate percentage. The actual number of loans to moderate-income borrowers was three less than needed to meet the aggregate percentage.

Cincinnati MSA AA

The overall borrower distribution of home mortgage loans in the Cincinnati MSA AA is reasonable. SHCB's performance among LMI borrowers for 2020-2021 and 2022 is reasonable given the above-mentioned performance context. Generally, these factors limit lending opportunities to LMI borrowers. In total, SHCB made 14.6 percent of its loans to low-income borrowers and 41.5 percent to moderate-income borrowers during the three-year evaluation period.

- In 2020-2021, SHCB's percentage of home mortgage loans to low-income borrowers was below the percentage of low-income families but exceeded the aggregate percentage. The percentage of home mortgage loans to moderate-income borrowers exceeded both the percentage of moderate-income families and the aggregate percentage. The OCC considered the actual number of loans to low-income borrowers was two less than needed to meet the percentage of families but two more than needed to meet the aggregate percentage. The actual number of loans to moderate-income borrowers was two more than needed to meet both the percentage of families and the aggregate percentage.
- In 2022, SHCB's percentage of home mortgage loans to low-income borrowers was well below the percentage of low-income families and the aggregate percentage. The percentage of home mortgage loans to moderate-income borrowers was well above both the percentage of moderate-income families and the aggregate percentage. The OCC considered the actual number of loans to low-income borrowers was two less than needed to meet the aggregate percentage. The actual number of loans to moderate-income borrowers was six more than needed to meet the percentage of families and five more than needed to meet the aggregate percentage.

Refer to Table P in the state of Ohio 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.

Consumer Loans

Ohio Non-MSA AA

The overall borrower distribution of consumer loans in the Ohio Non-MSA AA is reasonable. The OCC considered the impact of loans for which no borrower income was available. Borrower income was not available for those borrowers with deposit-secured loans. Additionally, the OCC considered the actual number of loans made was near to the number needed to meet the percentage of households in most cases. In total, SHCB made 9.4 percent of its consumer loans to low-income borrowers and 12.5 percent to moderate-income borrowers during the three-year evaluation period.

- In 2020-2021, SHCB's percentage of consumer loans to low-income borrowers was well below the percentage of low-income households. The percentage of consumer loans to moderate-income borrowers was below the percentage of moderate-income households. The OCC considered the actual number of loans to low-income borrowers was 10 less than needed to meet the percentage of low-income households. In addition, the actual number of loans to moderate-income borrowers was two less than needed to meet the percentage of households. There were two loans for which borrower income was not available. Of the 42 loans with borrower income data, 4.8 percent were to low-income households and 14.3 percent were to moderate-income households.
- In 2022, SHCB's percentage of consumer loans to low-income borrowers was below the percentage of low-income households. Also, the percentage of consumer loans to moderate-income borrowers was below the percentage of moderate-income households. The OCC considered the actual number of loans to low-income borrowers was two less than needed to meet the percentage of households. In addition, the actual number of loans to moderate-income borrowers was one less than needed to meet the percentage of households. There was one loan for which borrower income was not available. Of the 19 loans with income, 21.1 percent were to low-income households and 10.5 percent were to moderate-income households.

Cincinnati MSA AA

The overall borrower distribution of consumer loans in the Cincinnati MSA AA is reasonable. The OCC considered the impact of loans for which no borrower income was available. Borrower income was not available for those borrowers with deposit-secured loans. In total, SHCB made 9.6 percent of its consumer loans to low-income borrowers and 20.9 percent to moderate-income borrowers during the three-year evaluation period. Of the 41 loans with income, 14.6 percent were to low-income households and 31.7 percent were to moderate-income households.

- In 2020-2021, SHCB's percentage of consumer loans to low-income borrowers was well below the percentage of low-income households. The percentage of consumer loans to moderate-income borrowers was below the percentage of moderate-income households. The OCC considered the actual number of loans to low-income borrowers was six less than needed to meet the percentage of households. In addition, the actual number of loans to moderate-income borrowers was four less than needed to meet the percentage of households. There were 15 loans for which borrower income was not available. Of the 22 loans with borrower income data, 18.2 percent were to low-income households and 22.7 percent were to moderate-income households.

- In 2022, SHCB’s percentage of home mortgage loans to low-income borrowers was well below the percentage of low-income households. The percentage of home mortgage loans to moderate-income borrowers exceeded the percentage of moderate-income households. The OCC considered the actual number of loans to low-income borrowers was six less than needed to meet the aggregate percentage. The actual number of loans to moderate-income borrowers was three more than needed to meet the percentage of households. There were six loans for which borrower income was not available. Of the 19 loans with income, 10.5 percent were to low-income households and 42.1 percent were to moderate-income households.

Refer to Table V in the state of Ohio section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s consumer loan originations and purchases.

Responses to Complaints

SHCB did not receive any complaints regarding its CRA performance during the evaluation period.

Community Development Lending

SHCB exhibits excellent responsiveness to CD lending needs, considering its capacity, business strategy, and the availability of such opportunities in the AAs. CD lending had a neutral impact on the bank’s Lending Test rating. In 2020 and 2021, SHCB offered loans through the SBA PPP. This loan program was developed to help businesses keep their workforce employed during the COVID-19 pandemic.

SHCB’s participation in the SBA PPP was responsive to credit needs of businesses and enhanced the credit availability of this loan product. In 2020 and 2021, SHCB originated 304 PPP loans totaling nearly \$5.1 million or 19.4 percent of tier 1 capital as of December 31, 2022. The following table summarizes the number and dollar amount of PPP loans that qualified as CD loans. Loans made before October 1, 2020, were qualified under the 1995 Rule, while loans made after this date were qualified under to the June 2020 Rule.

Community Development Loans				
Assessment Area	Total Loans			
	#	% of Total #	\$ (000's)	% of Total \$
Ohio Non-MSA AA	161	61.7%	\$ 2,615	60.7%
Cincinnati MSA AA	76	29.1%	\$ 1,027	23.8%
Ohio Statewide	24	9.2%	\$ 666	15.5%
Totals	261	100.0%	\$ 4,308	100.0%

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 12/31/2022	
Bank Products Reviewed:	Home mortgage loans and consumer loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	Not Applicable	Not Applicable
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State of Indiana		
Ohio Non-MSA	Full Scope	Adams and Highland Counties, Clinton County (CTs 9650.00 and 9652.00), Fayette County (CT 9264.00), and Ross County (CT 9557.00)
Cincinnati MSA	Full Scope	Brown County

Appendix B: Summary of MMSA and State Ratings

RATINGS	
Southern Hills Community Bank	
Overall Bank:	Lending Test Rating
Southern Hills Community Bank	Satisfactory
MMSA or State:	
State of Ohio	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 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.

- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank’s assessment area.
- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million, and 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2020-21
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Cincinnati MSA	25	2,540	16.3	1,963	0.0	0.0	0.0	70.1	64.0	72.5	29.9	36.0	27.5	0.0	0.0	0.0	0.0	0.0	0.0	
Ohio Non-MSA	128	12,418	83.7	3,013	0.0	0.0	0.0	41.0	39.8	37.1	59.0	60.2	62.9	0.0	0.0	0.0	0.0	0.0	0.0	
Total	153	14,958	100.0	4,976	0.0	0.0	0.0	50.9	43.8	51.1	49.1	56.2	48.9	0.0	0.0	0.0	0.0	0.0	0.0	

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

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2022
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Cincinnati MSA	16	2,215	16.7	1,514	0.0	0.0	0.0	52.2	75.0	43.3	47.8	25.0	56.7	0.0	0.0	0.0	0.0	0.0	0.0	
Ohio Non-MSA	80	9,060	83.3	2,319	0.0	0.0	0.0	21.6	7.5	19.6	66.5	63.8	69.3	11.9	28.8	11.1	0.0	0.0	0.0	
Total	96	11,275	100.0	3,833	0.0	0.0	0.0	32.2	18.8	28.9	60.0	57.3	64.4	7.8	24.0	6.7	0.0	0.0	0.0	

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020-21
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Cincinnati MSA	25	2,540	16.3	1,963	29.3	20.0	12.8	25.0	32.0	24.5	22.5	12.0	21.9	23.2	28.0	22.2	0.0	8.0	18.7
Ohio Non-MSA	128	12,418	83.7	3,013	26.9	10.2	8.3	20.9	19.5	20.4	19.4	26.6	23.2	32.7	38.3	29.9	0.0	5.5	18.2
Total	153	14,958	100.0	4,976	27.7	11.8	10.1	22.3	21.6	22.0	20.5	24.2	22.7	29.5	36.6	26.8	0.0	5.9	18.4

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Cincinnati MSA	16	2,215	16.7	1,514	28.6	6.3	19.1	20.4	56.3	27.0	25.4	18.8	22.0	25.7	18.8	17.6	0.0	0.0	14.3
Ohio Non-MSA	80	9,060	83.3	2,319	24.8	13.8	10.8	18.4	18.8	22.4	20.9	22.5	26.5	35.9	40.0	25.8	0.0	5.0	14.4
Total	96	11,275	100.0	3,833	26.1	12.5	14.1	19.1	25.0	24.2	22.4	21.9	24.7	32.5	36.5	22.6	0.0	4.2	14.3

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2020-21	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Cincinnati MSA	37	370	54.3	0.0	0.0	74.0	64.9	26.0	35.1	0.0	0.0	0.0	0.0	
Ohio Non-MSA	44	589	45.7	0.0	0.0	44.9	34.1	55.1	65.9	0.0	0.0	0.0	0.0	
Total	81	959	100.0	0.0	0.0	54.5	48.1	45.5	51.9	0.0	0.0	0.0	0.0	

Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data.
Due to rounding, totals may not equal 100.0%

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2022	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Cincinnati MSA	25	290	55.6	0.0	0.0	56.4	72.0	43.6	28.0	0.0	0.0	0.0	0.0	
Ohio Non-MSA	20	254	44.4	0.0	0.0	23.4	10.0	65.9	70.0	10.7	20.0	0.0	0.0	
Total	45	544	100.0	0.0	0.0	34.8	44.4	58.2	46.7	7.0	8.9	0.0	0.0	

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data.
Due to rounding, totals may not equal 100.0%

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower														2020-21
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Cincinnati MSA	37	370	54.3	27.2	10.8	21.6	13.5	20.9	16.2	30.3	18.9	0.0	40.5	
Ohio Non-MSA	44	589	45.7	28.1	4.5	17.3	13.6	18.7	29.5	35.9	47.7	0.0	4.5	
Total	81	959	100.0	27.8	7.4	18.7	13.6	19.5	23.5	34.0	34.6	0.0	21.0	

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data.
Due to rounding, totals may not equal 100.0%*

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower														2022
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Cincinnati MSA	25	290	55.6	30.3	8.0	16.1	32.0	19.2	28.0	34.5	8.0	0.0	24.0	
Ohio Non-MSA	20	254	44.4	28.5	20.0	15.8	10.0	17.5	20.0	38.1	45.0	0.0	5.0	
Total	45	544	100.0	29.1	13.3	15.9	22.2	18.1	24.4	36.9	24.4	0.0	15.6	

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data.
Due to rounding, totals may not equal 100.0%*