



## **PUBLIC DISCLOSURE**

January 13, 2022

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

T Bank, National Association  
Charter Number 24467

16200 Dallas Parkway, Suite 190  
Dallas, TX 75248

Office of the Comptroller of the Currency

225 East John Carpenter Freeway  
Suite 900  
Irving, TX 75062

**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:

- The Lending Test rating is based on our full-scope review of the Dallas-Fort Worth (DFW) assessment area (AA).
- The bank's loan-to-deposit (LTD) ratio is more than reasonable, considering the credit needs, and lending opportunities.
- Lending to small businesses is reasonable.
- The bank exhibits a reasonable geographic distribution of loans to small businesses.

### Loan-to-Deposit Ratio

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

The T Bank, National Association (T Bank or bank) quarterly LTD ratio averaged 103.4 percent, since the last CRA performance evaluation. We compared the bank's LTD ratio to three similarly situated banks in the DFW AA market area. The aggregate average LTD ratio for the competing banks was 86.7 percent, with a low average of 53.7 percent and a high average of 111.4 percent.

### Lending in Assessment Area

A majority of the bank's loans are outside its AA.

The bank originated and purchased 40 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria. This conclusion is based on a sample of the bank's primary lending product during the evaluation period. The findings from the analysis factored into the overall analysis of the geographic distribution of lending by income level of the geography. Small business loans are considered the bank's primary lending product and strategic focal point and compose a majority of the bank's loan portfolio.

T Bank's percentage of loans inside the AA is attributed to the bank's national footprint as a United States (U.S.) Small Business Administration (SBA) Preferred Lender. As an SBA Preferred Lender, the bank has a strong network of SBA lenders throughout the U.S., who focus on originating dental loans, the bank's longstanding niche. This strategy has been successful over time, as bank management has developed efficiencies, contacts, and other proprietary advantages, which are critical for a small bank competing within a large metropolitan area. Lending within the AA has also been limited due to challenges in finding SBA lenders within the Dallas-Fort Worth market.

| Lending Inside and Outside of the Assessment Area |                 |             |           |             |            |                                 |             |              |             |                   |
|---|-----------------|-------------|-----------|-------------|------------|---------------------------------|-------------|--------------|-------------|-------------------|
| Loan Category                                     | Number of Loans |             |           |             | Total<br># | Dollar Amount of Loans \$(000s) |             |              |             | Total<br>\$(000s) |
|   | Inside          |             | Outside   |             |            | Inside                          |             | Outside      |             |                   |
|   | #               | %           | #         | %           |            | \$                              | %           | \$           | %           |                   |
| Small Business                                    | 8               | 40.0        | 12        | 60.0        | 20         | 6,237                           | 51.5        | 5,868        | 48.5        | 12,105            |
| <b>Total</b>                                      | <b>8</b>        | <b>40.0</b> | <b>12</b> | <b>60.0</b> | <b>20</b>  | <b>6,237</b>                    | <b>51.5</b> | <b>5,868</b> | <b>48.5</b> | <b>12,105</b>     |

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

## Description of Institution

T Bank is a full-service community bank headquartered in Dallas, Texas (TX). The bank was chartered in November 2004, and is wholly owned by Tectonic Financial, Incorporated, a one bank holding company. T Bank operates from its main office located at 16200 Dallas Parkway in Dallas, TX, Dallas County. There have been no mergers, acquisitions, or openings or closings of any branches since the previous CRA evaluation.

The bank has one AA located in Texas which includes portions of the DFW MSA. The DFW AA consists of Collin, Dallas, Denton, Rockwall, and Tarrant County in its entirety.

T Bank is a full-service commercial bank, offering commercial banking services to small and medium size businesses, business owners, professionals, and individuals who can utilize the bank's unique style of service. The bank has a nationwide footprint and makes loans in 47 different states. Due to the geographic dispersion and mobility of its customer base, T Bank has consistently emphasized the use of alternative delivery systems that include telephone, mobile, internet, mail, and home banking. Management is continuously striving to make its services available to its geographically diverse customer base. The bank provides its customers free ATM access worldwide by reimbursing ATM usage fees. Corporate customers can deposit checks and perform other transactions remotely.

As of December 31, 2020, the bank had total assets of \$503.7 million and tier 1 capital of \$47.1 million. T Bank's loan portfolio also totaled \$415.4 million, representing 82.5 percent of total assets. The portfolio consists of approximately \$177.8 million (42.8 percent) in commercial real estate loans, \$220.4 million (53.1 percent) in commercial and industrial loans, \$7 million (1.7 percent) in residential real estate loans, and \$10.3 million (2.4 percent) in consumer loans.

Lending to small and mid-size businesses is the bank's primary lending strategy. Residential real estate loans are originated to small business owners, as well as qualified investors. Although T Bank has a small branch footprint in Dallas, it possesses a nationwide geographic footprint. The bank has developed a niche with dental professionals. From January 1, 2018, through December 31, 2020, approximately 30 percent of the number of business loans originated by the bank were to dental professionals located throughout the United States. As a Preferred Lender for the SBA, the bank originates and acquires SBA loans through their internal SBA lending division. The SBA lending division uses a national platform to originate and acquire SBA loans. T Bank has 17 employees devoted to SBA lending, and these employees are located throughout nine states. Moreover, there are SBA loan production offices located in Phoenix, Arizona; Denver, Colorado; Portland, Oregon; Las Vegas, Nevada; Fort Worth, Texas; and Salt Lake City, Utah.

The bank participates in two SBA programs, the SBA 7a loan program and SBA 504 loan program. In addition, the bank participates in the US Department of Agriculture (USDA) Business and Industry Guaranteed Loan Program.

- The SBA 7a program is the SBA's most common loan program, which includes financial help for small businesses with special requirements. This is the best option when real estate is part of a business purchase, but it can also be used for short- and long-term working capital, refinancing business debt, and purchasing furniture, fixtures, or supplies. The SBA guarantees up to 85 percent of loans of \$150,000 or less and 75 percent of the loans greater than \$150,000. The maximum loan amount under this program is \$5 million.
  - T Bank originated 84 loans, for a total of \$136,510,595
- The SBA 504 loan program helps small businesses and entrepreneurs obtain loans, build skills, and gain access to government contracts. The 504 program offers banks a financing tool for eligible small businesses that are looking to create jobs or meet certain public policy goals. This program provides small businesses with long-term financing to acquire and improve major fixed assets. A lender partners with a certified development company (CDC), a specialized SBA-certified nonprofit corporation to finance loan requests. Lender's loan covers 50 percent of a project's cost and is secured by a first lien on the asset. The CDC covers up to 40 percent of the project's cost and is secured by a second lien. The CDC loan is backed by a 100 percent SBA-guaranteed debenture. The borrower contributes equity of at least ten percent of the project's cost. The SBA limits a CDC's financing participation to a maximum of \$5 million for most businesses or \$5.5 million for small manufacturers or specific types of energy-related projects.
  - T Bank originated 11 loans for a total of \$34,577,750
- The purpose of the U.S. Department of Agriculture (USDA) Business and Industry (B&I) Guaranteed Loan Program is to improve the economic and environmental climate in rural communities through the development, improvement, or financing of business, industry, and employment. The program provides guarantees on loans made by private lenders to eligible rural borrowers of up to 60, 70, or 80 percent, depending on loan size. Loans eligible for the B&I program guarantees are generally limited to a maximum of \$10 million per borrower, although in some circumstances larger loan amounts may be approved. The B&I program provides guarantees for loans made to businesses that save or create jobs in rural areas.
  - Although no loans were originated through this program during the review period, the bank still offers this program as a loan product.

T Bank began offering fiduciary services in August 2006 through its trust department. As of December 31, 2020, trust assets under management totaled \$1.5 billion and are primarily composed of collective investment funds. Approximately 9 percent of T Bank's total deposits were associated with the fiduciary services.

The bank's lobby hours are 9:00 a.m. to 4:00 p.m., Monday through Friday, and drive-through hours are 8:00 a.m. to 5:00 p.m. The bank building has an ATM with 24-hour access. Drive-through accepts check and cash deposits only. T Bank's banking programs, hours, and use of technology allow the bank to deliver needed banking and credit services to its AA, including small business owners throughout the AA. T Bank offers on-line banking through its website [www.tbank.com](http://www.tbank.com). Bank customers can utilize on-line banking and the mobile banking app at no charge.

There were no legal or financial factors impeding the bank's ability to help meet credit needs in the DFW AA during the evaluation period. T Bank's CRA performance was rated "Satisfactory" at the prior CRA evaluation dated October 15, 2018.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

We completed a full-scope review of T Bank's CRA activities for the DFW AA under the Small Bank CRA procedures, which includes the lending test. The lending test evaluates the bank's record of meeting the credit needs of the bank's AAs through its lending activities.

Conclusions regarding the lending test are based on the bank's primary lending products. The primary product selected for our review included commercial loans to small businesses, which comprised a significant majority of the bank's loan portfolio. Conclusions for loans to small businesses are based on samples selected from January 1, 2018, to December 31, 2020.

### **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.

T Bank has one state rating area, which is TX. The rating is based on the full-scope review of performance in the bank's single DFW AA.

## **Discriminatory or Other Illegal Credit Practices Review**

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

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

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

## State Rating

### State of Texas

**CRA rating for the State of (Texas)<sup>1</sup>:** Satisfactory

**The Lending Test is rated:** Satisfactory

The major factors that support this rating include:

- The distribution of loans to small businesses reflects a reasonable distribution, by income level.
- The geographic distribution of loans reflects a reasonable distribution throughout the bank's AAs.
- The LTD ratio is more than reasonable. In addition, during the evaluation period, the bank originated 925 SBA PPP loans, totaling \$101.1 million.

### Description of Institution's Operations in Texas

T Bank operates in one AA in the state of Texas as described in the "Description of the Institution" and the "Scope of Evaluation" sections of this performance evaluation. The Board and management have identified portions of the DFW MSA as the AA. The AA is comprised of whole geographies, meets regulatory requirements, and does not arbitrarily exclude any low- to moderate-income (LMI) areas.

Based on FDIC Deposit Market Share data as of June 30, 2020, T Bank had a 0.03 percent deposit market share in Texas and is ranked 172nd out of 498 FDIC insured financial institutions doing business in the state. Nationwide competitors include Charles Schwab Bank, SSB at 19.6 percent deposit market share, JPMorgan Chase 18.1 percent, Bank of America, National Association at 12.8, USAA Federal Savings Bank at 6.3 percent, and Wells Fargo Bank, National Association at 5.9 percent. The top five banking institutions in the state have a combined deposit market share of 62.7 percent.

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



**DFW AA**

| <b>Table A – Demographic Information of the Assessment Area</b>  |           |                       |                              |                          |                         |                       |
|--|-----------|-----------------------|------------------------------|--------------------------|-------------------------|-----------------------|
| <b>Assessment Area: Dallas FW MSA 2020</b>   |           |                       |                              |                          |                         |                       |
| <b>Demographic Characteristics</b>   | <b>#</b>  | <b>Low<br/>% of #</b> | <b>Moderate<br/>% of #</b>   | <b>Middle<br/>% of #</b> | <b>Upper<br/>% of #</b> | <b>NA*<br/>% of #</b> |
| Geographies (Census Tracts)  | 1,186     | 13.7                  | 26.1                         | 25.9                     | 33.7                    | 0.6                   |
| Population by Geography  | 6,079,131 | 11.5                  | 25.7                         | 27.6                     | 35.1                    | 0.1                   |
| Housing Units by Geography   | 2,321,930 | 12.0                  | 24.4                         | 28.2                     | 35.2                    | 0.2                   |
| Owner-Occupied Units by Geography  | 1,253,823 | 5.4                   | 19.8                         | 29.0                     | 45.7                    | 0.1                   |
| Occupied Rental Units by Geography   | 892,752   | 19.4                  | 30.2                         | 27.7                     | 22.4                    | 0.4                   |
| Vacant Units by Geography  | 175,355   | 21.3                  | 28.3                         | 24.6                     | 25.4                    | 0.3                   |
| Businesses by Geography  | 674,632   | 6.9                   | 18.2                         | 26.2                     | 48.1                    | 0.7                   |
| Farms by Geography   | 11,082    | 5.0                   | 16.8                         | 28.8                     | 48.8                    | 0.5                   |
| Family Distribution by Income Level  | 1,475,195 | 23.6                  | 16.3                         | 17.9                     | 42.2                    | 0.0                   |
| Household Distribution by Income Level   | 2,146,575 | 23.9                  | 16.5                         | 17.7                     | 42.0                    | 0.0                   |
| Median Family Income MSA - 19124<br>Dallas-Plano-Irving, TX  |           | \$71,149              | Median Housing Value         |                          |                         | \$180,513             |
| Median Family Income MSA - 23104<br>Fort Worth-Arlington-Grapevine, TX                                   |           | \$69,339              | Median Gross Rent            |                          |                         | \$984                 |
|  |           |                       | Families Below Poverty Level |                          |                         | 11.6%                 |
| <i>Source: 2015 ACS and 2020 D&amp;B Data</i>  |           |                       |                              |                          |                         |                       |
| <i>Due to rounding, totals may not equal 100.0%</i>  |           |                       |                              |                          |                         |                       |
| <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i> |           |                       |                              |                          |                         |                       |

The DFW AA is comprised of all of Collin, Dallas, Denton, Rockwall, and Tarrant Counties, Texas. According to the 2015 American Community Survey (ACS) U.S. Census data, the AA consists of 1,186 census tracts (CTs) of which 162 are low-income CTs and 310 are moderate-income CTs.

T Bank's deposit market share of 0.07 percent ranked 56th out of 155 FDIC insured financial institutions in the DFW AA. The primary deposit competitors include Charles Schwab Bank, SSB with one branch and a market share of 40.7 percent, Bank of America, National Association with 135 branches and a market share of 18.3 percent, J P Morgan Chase Bank, National Association with 204 branches and a market share of 12.2 percent, Texas Capital Bank, National Association with seven branches and a market share of 3.8 percent, Charles Schwab Premier Bank, SSB with one branch and a market share of 3.6 percent, and Wells Fargo Bank, National Association with 152 branches and a market share of 3.4 percent. These nationwide banks account for a total market share of 82.0 percent of the DFW AA total deposits. Given the high competition and the bank's business model, a significant portion of its deposits are obtained through listing services.

***Employment Factors***

The unemployment rate for the DFW AA is 4.7 percent according to the 2015 ACS data. In April 2020, the unemployment rate was at its highest during the evaluation period at 12.5 percent and at the height of the COVID-19 pandemic. According to the U.S. Bureau of Labor and Statistics, the unemployment rate for the state of Texas, as of December 31, 2020, was 6.9 percent, up from 4.1 percent in January 2018.

The national unemployment rate as of January 2018 was 4.0 percent and grew to 6.7 percent as of December 31, 2020.

As of November 2021, Moody's Analytics noted the AA's strengths included stable demand for professional services and favorable opportunities for employment with distribution centers. These strengths are due to the AA having numerous headquarters and growing international trade needs which drive demand for labor at distribution centers. These factors support the AA's favorable migration trends and age structure. Weaknesses are exposure to volatile high-tech employment positions and diminishing housing affordability as the metro division matures. The demand for single-family housing is expected to increase. Employment in professional services has recovered better than other jobs as many in professional services are able to work-at-home. Uber is moving its corporate headquarters to this area, which could potentially employ 3,000 people. Charles Schwab moved its headquarters from the San Francisco Bay Area, which involved 2,500 employees relocating to the DFW area. The AA prevailed because of its central location, business-friendly environment, well-educated labor force, and lower cost of living.

The top five employers in the AA are Walmart, Inc., at 34,000, American Airlines at 33,000, Baylor Scott & White Health at 24,088, Lockheed Martin at 20,500, and US Southwestern Medical Center at 18,665. Federal employment in the AA is at 30,364 while the state employment is at 53,541. Total employment is 2.6 million people.

Demographic data for the AA also reflects a population of approximately 6.1 million, with 11.6 percent of the population living below poverty.

## **LENDING TEST**

The bank's performance under the Lending Test in Texas is rated Satisfactory. Lending to small businesses is reasonable, and the geographic distribution of loans to borrowers of different income levels is also reasonable.

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

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

#### ***Small Loans to Businesses***

The bank's lending in LMI census tracts exceeds the percentage of businesses and peer aggregate data in those geographies. Refer to Table Q in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

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

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

### ***Small Loans to Businesses***

The bank's distribution of loans to small businesses is reasonable. The percentage of bank loans to businesses with revenues less than \$1 million exceeds peer aggregate data. While the bank's percentage of loans to businesses with less than \$1 million in revenues is less than the percentage of small businesses in the AA, this is reasonable when considering the nature of the bank's lending focus, which is in nationwide SBA lending and dental lending. Given the highly specialized and complex nature of dentistry, these offices generally have revenues exceeding \$1 million.

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

### **Responses to Complaints**

T Bank received no CRA-related complaints during the evaluation period.

# 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”.

|   |                               |  |
|---|-------------------------------|--|
| <b>Time Period Reviewed:</b>                            | 01/01/2018 to 12/31/2020      |  |
| <b>Bank Products Reviewed:</b>                          | Small business loans          |  |
| <b>Affiliate(s)</b>                                     | <b>Affiliate Relationship</b> | <b>Products Reviewed</b>                                     |
| Not Applicable  |                               |  |
| <b>List of Assessment Areas and Type of Examination</b> |                               |  |
| <b>Rating and Assessment Areas</b>                      | <b>Type of Exam</b>           | <b>Other Information</b>                                     |
|   |                               |  |
| <b>Texas</b>  |                               |  |
| DFW AA  | Full-Scope                    | All of Collin, Dallas, Denton, Rockwall, & Tarrant counties. |
|   |                               |  |

## Appendix B: Summary of MMSA and State Ratings

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| RATINGS                      | T Bank, National Association |
|------------------------------|------------------------------|
| Overall Bank:                | Lending Test Rating          |
| T Bank, National Association | Satisfactory                 |
| State:                       |                              |
| Texas                        | Satisfactory                 |

## Appendix C: Definitions and Common Abbreviations

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

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

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

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

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

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

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

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



**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

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

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

- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- 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

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2018-20**

| Assessment Area: | Total Loans to Small Businesses |               |              |                | Low-Income Tracts |              |            | Moderate-Income Tracts |              |             | Middle-Income Tracts |              |             | Upper-Income Tracts |              |             | Not Available-Income Tracts |              |            |
|------------------|---------------------------------|---------------|--------------|----------------|-------------------|--------------|------------|------------------------|--------------|-------------|----------------------|--------------|-------------|---------------------|--------------|-------------|-----------------------------|--------------|------------|
|                  | #                               | \$            | % of Total   | Overall Market | % Businesses      | % Bank Loans | Aggregate  | % Businesses           | % Bank Loans | Aggregate   | % Businesses         | % Bank Loans | Aggregate   | % Businesses        | % Bank Loans | Aggregate   | % Businesses                | % Bank Loans | Aggregate  |
| DFW AA           | 20                              | 13,151        | 100.0        | 171,740        | 6.9               | 20.0         | 7.0        | 18.2                   | 25.0         | 19.3        | 26.2                 | 30.0         | 24.0        | 48.1                | 25.0         | 49.0        | 0.7                         | 0.0          | 0.7        |
| <b>Total</b>     | <b>20</b>                       | <b>13,151</b> | <b>100.0</b> | <b>171,740</b> | <b>6.9</b>        | <b>20.0</b>  | <b>7.0</b> | <b>18.2</b>            | <b>25.0</b>  | <b>19.3</b> | <b>26.2</b>          | <b>30.0</b>  | <b>24.0</b> | <b>48.1</b>         | <b>25.0</b>  | <b>49.0</b> | <b>0.7</b>                  | <b>0.0</b>   | <b>0.7</b> |

Source: 2020 D&B Data; 01/01/2018 - 12/21/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2018-20**

| Assessment Area: | Total Loans to Small Businesses |               |              |                | Businesses with Revenues <= 1MM |              |             | Businesses with Revenues > 1MM |              | Businesses with Revenues Not Available |              |
|------------------|---------------------------------|---------------|--------------|----------------|---------------------------------|--------------|-------------|--------------------------------|--------------|--|--------------|
|                  | #                               | \$            | % of Total   | Overall Market | % Businesses                    | % Bank Loans | Aggregate   | % Businesses                   | % Bank Loans | % Businesses                           | % Bank Loans |
| DFW AA           | 20                              | 13,151        | 100.0        | 171,740        | 88.3                            | 75.0         | 47.2        | 3.9                            | 15.0         | 7.8                                    | 10.0         |
| <b>Total</b>     | <b>20</b>                       | <b>13,151</b> | <b>100.0</b> | <b>171,740</b> | <b>88.3</b>                     | <b>75.0</b>  | <b>47.2</b> | <b>3.9</b>                     | <b>15.0</b>  | <b>7.8</b>                             | <b>10.0</b>  |

Source: 2020 D&B Data; 01/01/2018 - 12/21/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%