



## **PUBLIC DISCLOSURE**

January 17, 2023

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

The Citizens National Bank of Park Rapids  
Charter Number: 13692

300 West First Street  
Park Rapids, MN 56470

Office of the Comptroller of the Currency

222 South 9<sup>th</sup> Street  
Suite 800  
Minneapolis, MN 55402

**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 **Outstanding**.

**The Lending Test is rated: Satisfactory.**

**The Optional Community Development (CD) Test is Rated: Outstanding.**

The major factors that support this rating include:

- The bank's loan-to-deposit (LTD) ratio is reasonable.
- The bank originated a majority of its loans inside its assessment area (AA).
- The distribution of loans among borrowers of different income levels is excellent.
- The distribution of loans throughout geographies of different income levels is reasonable.
- There were no CRA related complaints during the evaluation period.
- The bank made a significant volume of CD loans and participated in a significant number of CD service hours, which demonstrated excellent responsiveness to the needs of its AA. CD services and lending had a positive effect on the bank's overall rating.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD ratio is reasonable. The bank's LTD ratio averaged 88.7 percent between March 31, 2019 and December 31, 2021. The bank's quarterly LTD ratio ranged from a low of 81.5 percent in the third quarter of 2021 to a high of 96.4 percent in the third quarter of 2019. The bank ranked second among four similarly situated institutions. Similarly situated institutions are defined as banks operating within the bank's AA with total assets between \$197 million to \$696 million. The following table shows the bank's LTD ratio compared to similarly situated institutions:

<b>Loan-to-Deposit Ratio</b>		
<b>Institution</b>	<b>Total Assets (\$000)</b>	<b>Average LTD Ratio (%)</b>
Midwest Bank	695,332	89.3
<b>The Citizens National Bank of Park Rapids</b>	<b>345,033</b>	<b>88.7</b>
Wadena State Bank	213,430	65.5
Community Development Bank FSB	197,439	62.0

*Source: Call report data from March 31, 2019, to December 31, 2021*

### Lending in Assessment Area

A majority of the bank's loans are inside its AA. The bank originated 87.5 percent of loans by number and 75.6 percent of loans by dollar within its AA. To evaluate the bank's lending inside and outside its AA, we analyzed a sample of 20 home mortgage loans and 20 consumer loans originated during the evaluation period.

The following table shows the bank's lending performance inside and outside its AA.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	16	80.0	4	20.0	20	2,969	74.2	1,030	25.8	3,999
Consumer	19	95.0	1	5.0	20	240	97.2	7	2.8	247
<b>Total</b>	<b>35</b>	<b>87.5</b>	<b>5</b>	<b>12.5</b>	<b>40</b>	<b>3,209</b>	<b>75.6</b>	<b>1,037</b>	<b>24.4</b>	<b>4,246</b>

*Source: Bank Data*

## Description of Institution

The Citizens National Bank of Park Rapids (CNB) is a \$345 million single-state national bank headquartered in Park Rapids, Minnesota (MN). CNB is wholly owned by Park Rapids Bancshares, Inc., a single bank holding company with total assets of 35.1 million as of December 31, 2021. The bank does not have any affiliates or subsidiaries. CNB has one location and does not own or operate any deposit taking ATMs.

CNB is a full-service banking offering traditional banking products and services. As of December 31, 2021, the bank's outstanding loan portfolio totaled \$251.1 million. The loan portfolio by dollar volume is comprised of 47.6 percent business, 32.7 percent home mortgage, 11.2 percent farm, and 8.4 percent consumer. Net loans and leases total 73.9 percent of total assets. Tier 1 capital is \$35.0 million as of December 31, 2021.

CNB has one AA, referred to as the CNB AA. The AA did not change during the evaluation period. There have been no mergers, acquisitions, branch openings, or branch closings since the last CRA evaluation. Refer to the Description of Institution's Operations in Minnesota section for more details on the AA.

There are no legal, financial, or other factors impending the bank's ability to help meet the credit needs in its AA. The bank received a Satisfactory rating at the prior CRA examination dated January 13, 2020.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We evaluated CNB's CRA performance using small bank performance standards, which consists of the Lending Test. The evaluation period for the LTD ratio analysis is March 31, 2019 to December 31, 2021. Complaint review covers January 12, 2019 to January 17, 2023. The evaluation period for the remaining portions of the Lending Test is January 1, 2019 to December 31, 2021.

The evaluation period for the optional CD Test is from January 1, 2019, to December 31, 2021. We reviewed CD loans, donations, and services submitted by bank management. Activities meeting the definition of CD are included in this evaluation.

To determine the bank's lending performance in its AA, we selected primary products based on the number and dollar volume of loan originations during the evaluation period. We determined the bank's primary products to be home mortgage loans and consumer loans. The table below shows the bank's loan originations and purchases during the evaluation period.

<b>Loan Originations &amp; Purchases 2019-2021</b>				
<b>Loan Type</b>	<b>Number of Loans</b>		<b>Dollar of Loans</b>	
	<b>#</b>	<b>%</b>	<b>\$ (000s)</b>	<b>%</b>
Consumer	2,710	55.0	42,175	10.0
Home	784	15.9	141,434	35.0
Business	996	20.2	132,002	33.0
Farm	441	8.9	88,169	22.0
<b>Total</b>	<b>4,931</b>	<b>100.0</b>	<b>403,780</b>	<b>100.0</b>
<i>Source: Bank data.</i>				

We also reviewed the financial, economic, and environmental factors in the AA to determine the bank's lending performance. Additionally, we contacted a local community member with knowledge of the economic conditions and demographics to understand the credit needs of the AA.

### Selection of Areas for Full-Scope Review

The CNB AA was selected for a full-scope review since it is the bank's only AA. Refer to the Minnesota State Rating section and Appendix A, Scope of Examination, for more details on the AA.

### Ratings

CNB's overall rating is based on the lending performance in the state of Minnesota. The Minnesota state rating is based on the performance in the CNB AA. We evaluated the bank's lending performance using the following performance criteria: the LTD ratio, lending in the AA, distribution of loans to geographies of different income levels, lending to borrowers of different income levels, and responses to CRA-related complaints. Consumer loans carried more weight based on overall lending volume during the evaluation period.

The CD Test is optional for small banks. CNB elected to have CD loans, investments, and services considered in this performance evaluation. CD performance in the CNB AA was considered in the Minnesota state rating and the bank's overall rating.

## **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 Minnesota

**CRA rating for the State of Minnesota:** Outstanding

**The Lending Test is rated:** Satisfactory

**The Optional CD Test is Rated:** Outstanding.

The major factors that support this rating include:

- The distribution of loans among borrowers of different income levels is excellent.
- The distribution of loans throughout geographies of different income levels is reasonable.
- There were no CRA related complaints during the evaluation period.
- The bank made a significant volume of CD loans and participated in a significant number of CD service hours, which demonstrated excellent responsiveness to the needs of its AA. CD services and lending had a positive effect on the bank's overall rating.

### Description of Institution's Operations in Minnesota

CNB's AA consists of the southern portion of Hubbard County, eastern portion of Becker County, the norther portion of Wadena County, and the western portfolio of Cass County. The AA is in a non-MSA area of Minnesota. The AA consists of ten census tracts (CT). During the evaluation period, there was one moderate-income CT and nine middle-income CTs. There were no changes to the AA since the prior CRA exam. The table on the following page provides demographic information on the CNB AA.

Competition is moderate within the bank's market. The June 30, 2022 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, indicated there are 21 deposit-taking institutions with 34 branches operating in the bank's AA. CNB ranks fourth with 10.8 percent share of the deposit market. CNB's deposits totaled \$309 million. The top three largest competitors are First National Bank North with a deposit share of 16.9 percent, Bremer Bank, N.A. with a deposit share of 16.8 percent, and Midwest Bank with a deposit share of 12.3 percent.

We contacted the Park Rapids Chamber of Commerce to better understand the local economy and the financial needs of the community. The contact indicated the area is a mix of residential, agriculture, businesses, and tourism. The contact stated many businesses rely on summer tourism. They indicated 2020 and 2021 were strong years for the community, which was largely due to people relocating during the coronavirus pandemic, resulting in more tourism for the area. The contact indicated the community performs well in assisting low-income individuals with the food shelf, affordable housing, and other non-profit organizations. The contact stated that local banks were heavily involved in assisting banks with Paycheck Protection Program (PPP) loans. The contact indicated there are opportunities in the area that need bank financing. The contact listed CNB as one of the top financial institutions in Park Rapids that is active in the community.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: CNB AA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	10	0.0	10.0	90.0	0.0	0.0
Population by Geography	29,569	0.0	10.6	89.4	0.0	0.0
Housing Units by Geography	21,821	0.0	11.6	88.4	0.0	0.0
Owner-Occupied Units by Geography	10,108	0.0	11.8	88.2	0.0	0.0
Occupied Rental Units by Geography	2,738	0.0	11.3	88.7	0.0	0.0
Vacant Units by Geography	8,975	0.0	11.5	88.5	0.0	0.0
Businesses by Geography	2,801	0.0	10.1	89.9	0.0	0.0
Farms by Geography	168	0.0	10.1	89.9	0.0	0.0
Family Distribution by Income Level	8,699	23.9	20.2	24.4	31.5	0.0
Household Distribution by Income Level	12,846	25.8	18.3	20.1	35.9	0.0
Median Family Income Non-MSAs - MN		\$63,045	Median Housing Value			\$177,206
			Median Gross Rent			\$639
			Families Below Poverty Level			9.6%
<i>Source: 2015 ACS and 2021 D&amp;B Data</i>						
<i>Due to rounding, totals may not equal 100.0%</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

## Scope of Evaluation in Minnesota

The Minnesota state rating is based solely on the performance in the CNB AA. We based the Lending Test conclusions for the CNB AA on home mortgage loans and consumer loans, which are the bank's primary products. Refer to Appendix A for additional information on the AA under review.

## LENDING TEST

The bank's performance under the Lending Test in the State of Minnesota is rated satisfactory.

## Conclusions for Area Receiving a Full-Scope Review

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

## Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the State of Minnesota. The AA included one moderate-income CT during the evaluation period. There were no low-income CTs in the AA during the evaluation period.

The one moderate-income CT is located about 23 miles from the bank. Towns in this CT are located even further from the bank, including Hackensack (30 miles), Backus (40 miles), and Pine River (45

miles). This CT includes 11.6 percent of the AA's housing units. The vacancy rate in this CT is high at 40.7 percent. The competition in this area is also high, with two banks in the main cities of the CT, Backus and Hackensack.

### ***Home Mortgage Loans***

Refer to Table O in the State of Minnesota 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.

CNB exhibits a reasonable distribution of home mortgage loans across different income level geographies in the AA, given the performance context noted above. The proportion of home mortgage loans in moderate-income geographies is below the percentage of owner-occupied housing and aggregate lending of home mortgage loans in those geographies.

### ***Consumer Loans***

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

CNB exhibits a reasonable distribution of consumer loans across different income level geographies in the AA, given the performance context noted above. The proportion of consumer loans in moderate-income geographies is below the percentage of households in those geographies.

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

The bank exhibits an excellent distribution of loans to individuals of different income levels.

### ***Home Mortgage Loans***

Refer to Table P in the State of Minnesota 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.

The bank's home mortgage lending to borrowers of different income levels is reasonable. The bank's lending to moderate-income borrowers exceeded the percentage of moderate-income families in the AA and aggregate performance. The bank's lending to low-income borrowers is significantly lower than the percentage of low-income families in the AA but near to aggregate lending performance. With 9.6 percent of families living below poverty level, this may limit lending opportunities for LMI families.

### ***Consumer Loans***

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

The bank's distribution of consumer loans among borrowers of different income levels is excellent. The bank's performance lending to moderate-income borrowers significantly exceeded the percentage of moderate-income households in the AA. The bank's performance lending to low-income borrowers exceeded the percentage of low-income households in the AA.

## **Responses to Complaints**

CNB did not receive any CRA related complaints during the evaluation period.

## **COMMUNITY DEVELOPMENT**

CD activities are optional for banks evaluated using small bank CRA procedures. At its option, a bank may request to have CD activities considered. CNB elected to have CD loans, investments, and services considered in this performance evaluation.

Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs through CD loans and CD services, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AA. Performance related to CD activities had a positive effect on the bank's rating in the state.

### **Number and Amount of Community Development Loans**

CNB exhibits excellent responsiveness to CD lending needs in the AA. CNB originated 297 CD loans totaling \$11.5 million benefiting the CNB AA during the evaluation period. CD lending represents 32.8 percent of tier 1 capital. CD loans included 295 qualified Paycheck Protection Program (PPP) loans originated in 2021 totaling \$7.6 million and two other loans totaling \$3.8 million. PPP loans were a flexible loan product and the bank's PPP lending demonstrated excellent responsiveness to identified needs of small businesses struggling from the coronavirus pandemic. Excluding the PPP loans, CD lending represents 11.0 percent of tier 1 capital. The two other loans totaling \$3.8 million were participations to the Hubbard County Housing and Redevelopment Authority to build a 28-unit apartment complex. The apartments are targeted at the Hubbard County Workforce who make \$10 to \$12 an hour, which would house low-income individuals.

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

CNB exhibits excellent responsiveness to CD service hour needs in the AA. During the evaluation period, six employees provided 824 hours to seven qualified CD organizations benefiting the CNB AA. All service hours were in leadership roles. Service activities are summarized below:

- One employee provided financial education to students.
- One employee served as secretary of an organization providing low-income rental housing.
- Two employees served as secretary and board member for community organizations providing community services to LMI individuals, including a local food shelf and the Salvation Army.
- Four employees served as board members/chair for organizations providing community services to LMI or promoting economic development in the AA.

# Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the 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>	01/01/2019 to 12/31/2021	
<b>Bank Products Reviewed:</b>	Home mortgage and consumer loans	
<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>Minnesota</b>		
CNB AA	Full-Scope	Portions of Hubbard, Becker, Cass, and Wadena, Counties Hubbard County CTs: 702, 703, 704, 705, 706, 707 Becker County CT: 4501 Cass County CTs: 9400.01, 9606 Wadena County CT: 4801

## Appendix B: Summary of MMSA and State Ratings

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<b>RATINGS</b>			
<b>The Citizens National Bank of Park Rapids</b>			
<b>Overall Bank:</b>	<b>Lending Test Rating</b>	<b>Optional Community Development Testing Rating</b>	<b>Overall Bank/State Rating</b>
The Citizens National Bank of Park Rapids	Satisfactory	Outstanding	Outstanding
<b>State:</b>			
Minnesota	Satisfactory	Outstanding	Outstanding

## 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 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.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2019-21</b>		
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		
CNB AA	60	10,656	100	1,496	0.0	0.0	0.0	11.8	5.0	12.4	88.2	95.0	87.6	0.0	0.0	0.0	0.0	0.0	0.0		
<i>Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.                      Due to rounding, totals may not equal 100.0%</i>																					

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2019-21</b>		
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		
CNB AA	60	10,656	100	1,496	23.9	3.3	6.7	20.2	26.7	15.6	24.4	30.0	21.2	31.5	40.0	44.0	0.0	0.0	12.5		
<i>Source: 2015 ACS ; 01/01/2019 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.                      Due to rounding, totals may not equal 100.0%</i>																					

<b>Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography</b>													<b>2019-21</b>	
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	
CNB AA	20	262	100	0.0	0.0	11.7	0.0	88.3	100	0.0	0.0	0.0	0.0	
<i>Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data.                      Due to rounding, totals may not equal 100.0%</i>														

<b>Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower</b>													<b>2019-21</b>	
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	
CNB AA	20	262	100	25.8	30.0	18.3	40.0	20.1	20.0	35.9	10.0	0.0	0.0	
<i>Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data.                      Due to rounding, totals may not equal 100.0%</i>														