



PUBLIC DISCLOSURE

August 29, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Fairview S&LA
Charter 702049

301 N Main St.
Fairview, OK 73737-1624

Office of the Comptroller of the Currency
The Harvey Parkway Building
301 NW 63rd Street, Suite 490
Oklahoma City, OK 73116-7908

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.

TABLE OF CONTENTS

OVERALL CRA RATING..... 1
DESCRIPTION OF INSTITUTION..... 2
SCOPE OF THE EVALUATION..... 3
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW 3
STATE RATING..... 5
 STATE OF OKLAHOMA 5
LENDING TEST 6
APPENDIX A: SCOPE OF EXAMINATION..... A-1
APPENDIX B: SUMMARY OF MMSA AND STATE RATINGS B-1
APPENDIX C: DEFINITIONS AND COMMON ABBREVIATIONS C-1
APPENDIX D: TABLES OF PERFORMANCE DATA..... D-1

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 the full-scope assessment area (AA) in the state of Oklahoma, which is limited to Major County.
- The loan-to-deposit (LTD) ratio is more than reasonable and exceeds the standard for satisfactory performance.
- A majority of the association's loans were originated within the association's AA.
- The distribution of loans to individuals of different incomes and farms of different sizes is reasonable.

Loan-to-Deposit Ratio

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

Fairview S&LA's quarterly LTD ratio since the previous CRA Performance Evaluation (PE) has averaged 91.28 percent. The association's LTD on June 30, 2022 was 85.83 percent. The average LTD was 90 percent at the prior CRA PE. We compared the association's LTD to eight similarly situated banks in the surrounding area. The aggregate average LTD ratio for the competing banks was 52.20 percent, with a low average of 33.77 percent and a high average of 76.90 percent.

Lending in Assessment Area

A majority of the association's loans are inside its assessment area (AA).

Fairview S&LA originated 59 percent of its total loans inside the association's AA during the evaluation period. This analysis included all home mortgages and small farm loans originated in 2019, 2020, and 2021. This analysis is performed at the association, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Table D - 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		
	#	%	#	%		\$	%	\$	%	
Small Farm	51	61.4	32	38.6	83	5,446	60.2	3,598	39.8	9,044
Home Mortgage	51	56.7	39	43.3	90	6,376	52.6	5,735	47.4	12,111
Total	102	59.0	71	41.0	173	11,822	55.9	9,333	44.1	21,155

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

Description of Institution

Fairview S&LA (FSLA) is a \$53 million institution that is headquartered in Fairview, Oklahoma. The association is a federally chartered mutual institution, whose only office is located in Fairview, Oklahoma. The association does not have any affiliates.

The main location and drive-thru facility are located at 301 N. Main Street in Fairview, Oklahoma. A 24-hour access Automated Teller Machine (ATM) is located on the premises. No branches or ATMs have been opened or closed since the prior Community Reinvestment Act (CRA) examination.

FSLA's primary focus is to serve the consumer, agricultural and commercial customers in the AA and surrounding communities. FSLA meets these needs by providing various loan and deposit products and services, as well as Internet Banking and Automated Clearing House services. Traditional loan products are offered such as consumer, home purchase, business and agricultural loans; however, residential and farm loans are the primary lending products offered by FSLA. Since the association offers up to 30-year mortgage loans and a 10-year fixed rate option, they are referred customers from the surrounding banking institutions. Traditional checking and savings accounts, in addition to CDs and IRAs are offered.

As of June 30, 2022, FSLA's total assets equaled \$53 million, of which \$36 million, or 69 percent, were comprised of various types of loans to individuals and businesses. The association's portfolio composition is depicted in the following table.

Loan Portfolio Composition as of June 30, 2022		
Loan Category	\$ (000)	%
Agricultural Loans	\$17,827	48.42%
Residential Real Estate	\$12,275	33.34%
Commercial and Industrial	\$5,731	15.56%
Other	\$987	2.68%
Total	\$36,820	100.00%

There are no known legal, financial, or other factors impeding management's ability to help meet the credit needs of the designated AA. FSLA is involved in and provides support to meet the community's financial needs. The association received an overall rating of "Satisfactory" at the last evaluation dated June 18, 2018.

Scope of the Evaluation

Evaluation Period/Products Evaluated

Examiners completed a full-scope review of FSLA's CRA activities in its AA under the Small Bank CRA procedures. This includes the Lending Test which evaluates the association's record of meeting the credit needs of the AA through its lending activities. Conclusions regarding the Lending Test are based on a sample of 20 agriculture loans and all 51 home mortgage loans. The evaluation period of loans is January 1, 2019 through December 31, 2021. Both loan categories were weighted equally in evaluating performance. All home mortgage loans were sampled due to the easily available income information and the low volume of originations during the assessment period.

The AA has no low- or moderate-income census tracts and therefore a geographical distribution of loans was not performed.

Selection of Areas for Full-Scope Review

In each state where the association has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, association 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, association 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 association's overall rating is a blend of the state ratings, and where applicable, multistate ratings. Fairview S&LA has only one AA in one state. The ratings are based solely on the results of the one AA.

The MMSA rating and state ratings are based on performance in all association AAs. Refer to the "Scope" section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) in determining a national association's or federal savings association's (collectively, association) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the association, or in any AA by an affiliate whose loans have been considered as part of the association'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 Consumer Financial Protection Bureau, 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 Oklahoma

CRA rating for the State of Oklahoma¹: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The distribution of loans to individuals of different incomes and business of different sizes is reasonable.

Description of Institution's Operations in Oklahoma

The association operates one location in their AA in the state of Oklahoma. The AA consists of three Census Tracts (CTs) in Major County. One of the CTs is categorized as middle-income and the other two are upper-income. There are no low- or moderate-income CTs in the AA. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies.

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

Oklahoma non-MSA AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Fairview S&LA 2021						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	3	0.0	0.0	33.3	66.7	0.0
Population by Geography	7,700	0.0	0.0	18.1	81.9	0.0
Housing Units by Geography	3,651	0.0	0.0	22.7	77.3	0.0
Owner-Occupied Units by Geography	2,273	0.0	0.0	20.2	79.8	0.0
Occupied Rental Units by Geography	778	0.0	0.0	18.4	81.6	0.0
Vacant Units by Geography	600	0.0	0.0	37.3	62.7	0.0
Businesses by Geography	720	0.0	0.0	17.1	82.9	0.0
Farms by Geography	89	0.0	0.0	34.8	65.2	0.0
Family Distribution by Income Level	2,181	14.9	11.5	22.2	51.4	0.0
Household Distribution by Income Level	3,051	19.1	11.3	17.3	52.2	0.0
Median Family Income Non-MSAs - OK		\$51,491	Median Housing Value			\$91,159
			Median Gross Rent			\$549
			Families Below Poverty Level			10.6%
<i>Source: 2015 ACS and 2020 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>						

Community Contact

We reviewed one community contact conducted within the AA to gain a better understanding of the credit needs in the area, as well as the local economic condition. The organization has a focus of economic development in the area and increasing job opportunities. The contact indicated that the need is for mortgage and business loans and the other noted community development projects. The contact noted the competition for customers is high due to number of financial institutions in the area and believe the local banks are meeting those needs. The contact indicated that the local economy is impacted by oil and gas activity as well as drought and crop prices.

Scope of Evaluation in Oklahoma

FSLA has only one AA which consists of three CTs in Major County in the state of Oklahoma. The AA received a full-scope review. There are no limited-scope area reviews.

LENDING TEST

The association's performance under the Lending Test in Oklahoma is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the association's performance in the Oklahoma non-MSA AA is good.

Distribution of Loans by Income Level of the Geography

An analysis of the geographic distribution of loans sampled would not be meaningful as there are no low- or moderate-income census tracts in the AA.

Distribution of Loans by Income Level of the Borrower

The association exhibits a reasonable distribution of loans to individuals of different income levels and farms of different sizes, given the product lines offered by the association. The borrower distribution reflected poor penetration for home mortgage loans and excellent penetration for small farm loans for overall reasonable penetration.

The overall distribution of home mortgage loans to low- or moderate-income borrowers is poor when considering there were no loans to low-income borrowers and low penetration to moderate-income borrowers. A lack of penetration to low-income borrowers is expected given the barriers for low-income persons to purchase a home. A low-income family earns less than \$29,050 annually and the median housing value is \$91,159. The ability of a low-income family to meet the association's required 20 percent down payment, taxes, insurance, and utility bills would make purchasing a house difficult for most low-income families.

There are additional factors affecting the housing market in the AA. Available housing in the area is currently limited due to oil and gas employees that need housing. Fairview also has two multi-family housing complexes that provide rent subsidized housing for low-income persons.

Home Mortgage Loans

Refer to Table P in the state of Oklahoma section of Appendix D for the facts and data used to evaluate the borrower distribution of the association's home mortgage loan originations and purchases.

Small Loans to Farms

Refer to Table T in the state of Oklahoma section of Appendix D for the facts and data used to evaluate the borrower distribution of the association's originations and purchases of small loans to farms.

Responses to Complaints

There were no complaints related to FSLA's CRA performance within Oklahoma.

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:	1/1/2019 to 12/31/2021	
Association Products Reviewed:	Small Farm Home Mortgage	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State – Oklahoma		
Oklahoma non-MSA	Full-Scope	Major County

Appendix B: Summary of MMSA and State Ratings

RATINGS	Fairview S&LA
Overall Association:	Lending Test Rating
Fairview S&LA	Satisfactory
MMSA or State:	
Oklahoma	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, an association subsidiary is controlled by the association 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 an association's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the association, and to take this record into account when evaluating certain corporate applications filed by the association.

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 “association” include activities of any affiliates that the association 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 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 association 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 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 association 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 P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2019-21	
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	
Major County	51	6,376	100	106	14.9	0.0	0.9	11.5	1.2	15.1	22.2	10.1	17.0	51.4	88.7	50.0	0.0	--	17.0	
Total	51	6,376	100	106	14.9	0.0	0.9	11.5	1.2	15.1	22.2	10.1	17.0	51.4	88.7	50.0	0.0	--	17.0	

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

Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues												2019-21	
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans		
Major County	20	2,133	100	26	98.9	100	50.0	0.0	0.0	1.1	--		
Total	20	2,133	100	26	98.9	100	50.0	0.0	0.0	1.1	--		

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