



## **PUBLIC DISCLOSURE**

April 18, 2022

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

City National Bank  
Charter Number: 17652

1465 West Second Avenue  
Corsicana, TX 75110

Office of the Comptroller of the Currency  
Dallas Field Office  
225 E. 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 performance in the bank's assessment area (AA).
- The Loan-To-Deposit (LTD) ratio is reasonable.
- A majority of the bank's loans are inside its AA.
- The geographic distribution of loans across geographies of different income levels is reasonable.
- The borrower distribution of loans to borrowers of different income levels and businesses of different sizes is reasonable.

## **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 reasonable. The LTD ratio is calculated on a bank-wide basis. The bank's quarterly average LTD ratio during the evaluation period was 78.9 percent. We compared the bank's LTD ratio to similarly situated institutions operating in the area. The average LTD ratio for the peer banks was 55.6 percent.

## **Lending in Assessment Area**

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

The bank originated and purchased 85.0 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank level. The Lending Test included a review of the bank's small loans to businesses and consumer loans; therefore, other loan categories are not included in the table. The findings from this analysis factored into the overall analysis of the geographic distribution of lending by income level of the geography.

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		
	#	%	#	%		\$	%	\$	%	
Consumer										
2019	19	95.0	1	5.0	20	223	97.3	6	2.7	229
2020	19	95.0	1	5.0	20	228	95.2	11	4.8	239
2021	19	95.0	1	5.0	20	415	98.9	5	1.1	420
<b>Subtotal</b>	<b>57</b>	<b>95.0</b>	<b>3</b>	<b>5.0</b>	<b>60</b>	<b>866</b>	<b>97.5</b>	<b>22</b>	<b>2.5</b>	<b>888</b>
Small Business										
2019	17	85.0	3	15.0	20	1,893	73.4	687	26.6	2,580
2020	16	80.0	4	20.0	20	1,034	89.7	119	10.3	1,153
2021	12	60.0	8	40.0	20	2,901	77.3	852	22.7	3,754
<b>Subtotal</b>	<b>45</b>	<b>75.0</b>	<b>15</b>	<b>25.0</b>	<b>60</b>	<b>5,828</b>	<b>77.8</b>	<b>1,658</b>	<b>22.1</b>	<b>7,487</b>
<b>Total</b>	<b>102</b>	<b>85.0</b>	<b>18</b>	<b>15.0</b>	<b>120</b>	<b>6,694</b>	<b>79.9</b>	<b>1,680</b>	<b>20.1</b>	<b>8,375</b>
<i>Source: Bank Data</i>										
<i>Due to rounding, totals may not equal 100.0%</i>										

## Description of Institution

City National Bank (CNB or bank) is a single-state community bank headquartered in Corsicana, Texas (Navarro County). CNB was chartered in 1983 and is wholly owned by City Bancshares, Inc., a one-bank holding company. The bank has only one branch location which is located at 1465 West 2<sup>nd</sup> Avenue. This location is situated in a moderate-income census tract (CT) surrounded by commercial and residential properties, just eight blocks from the central business district of Corsicana. There was no merger and acquisition activity affecting the bank's operations since the previous CRA evaluation.

CNB offers an array of loan and deposit products, including internet banking for both individuals and businesses. The banking lobby is open Monday through Thursday from 9:00 a.m. to 2:00 p.m. and Fridays from 9:00 a.m. to 5:00 p.m. A drive-thru at the rear of the building offers extended hours, 7:30 a.m. to 6:00 p.m. Monday through Friday and 8:30 a.m. to noon on Saturdays. The bank operates two ATMs which are accessible 24-hours, although neither of them accept deposits. The bank's primary ATM is located on the main branch premises in the drive-thru, and the other is located at 3801 S. Highway 287, approximately four miles southwest of the bank.

CNB offers online banking through its website, [www.mycnbt.com](http://www.mycnbt.com). Within the website, customers have access to specific services offered such as ordering personal checks, ATM/debit cards, and viewing the annual fee schedule for safe deposit boxes. In addition, customers can learn about the products and services offered such as various types of personal and business loans, checking and savings accounts, E-Statements, and Internet Banking. CNB originates commercial and commercial real estate loans (business loans) as well as residential real estate loans and consumer loans. The bank's strategic goals are to serve the consumer, real estate and commercial loan needs of the bank's existing customer base

and actively seek other such qualified loans commensurate with the availability of required loanable funds. Agricultural lending is a not a primary product for the bank; however, the bank does offer livestock lending.

As of December 31, 2021, CNB assets totaled \$63.3 million, total liabilities were \$56.4 million, and capital (Tier 1) was \$6.8 million. Gross loans totaling \$40.6 million represent 64.1 percent of total assets. Residential real estate loans and commercial and commercial real estate loans account for the largest percentage of gross loans at 54.8 percent and 39.4 percent, respectively. Consumer loans total 5.8 percent. Total investments were \$19.6 million.

CNB has only one AA, located in Texas, and was assessed under this evaluation, which is the Navarro County AA. The AA covers the entire county and consists of ten CTs, no low-income CTs, two moderate-income CTs, eight middle-income CTs, and no upper-income CTs. The county has eight underserved or distressed CTs. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude any low-or moderate-income geographies.

The previous CRA evaluation dated January 16, 2019, assigned a “Satisfactory” rating to the bank. There are no legal or financial impediments to CNB’s ability to meet the credit needs of its AAs. We did not consider the activities of affiliates in this evaluation.

## **Scope of the Evaluation**

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

This Performance Evaluation (PE) assesses the bank’s performance under the Lending Test. Analysis of loans inside the AA may contain all loan types as that ratio is evaluated on a bank-wide basis. The evaluation period for the Lending Test is from January 1, 2019, through December 31, 2021.

For geographic and borrower distribution analyses, loans originated in 2019 through 2021 are compared to the 2015 American Community Survey (ACS) Census data for consumer and the 2020 Dun & Bradstreet (D&B) Data for loans to small businesses.

### **Selection of Areas for Full-Scope Review**

We selected the bank’s only AA, Navarro County AA, for a full scope review. Refer to Appendix A, Scope of Examination, for the description of the AA.

### **Ratings**

The bank’s overall rating is based on the performance in the state of Texas. For the geographic and borrower distribution of loans under the Lending Test, consideration was given to the number of loans and dollar volume of loans originated in each category. Because the bank does not have a branch in an MSA, the bank is not a HMDA reporter. During 2019-2021, the bank originated 499 business loans and 272 consumer loans. Mortgages only accounted for 76 loans. We selected small business and consumer loans as these are the bank’s two primary products. We gave small business loans more weight due to dollar amount and number of originations in the review period. We selected samples of 60 small

business loans and 60 consumer loans for 2019-2021. Refer to the “Scope” section under the “State Rating” section for details.

## **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 Texas**

**CRA rating for the State of Texas: Satisfactory**

**The Lending Test is rated: Satisfactory**

The major factors that support this rating include:

- The geographic distribution of loans across geographies of different income levels is reasonable.
- The borrower distribution of loans to borrowers of different income levels and businesses of different sizes is reasonable.

### **Description of Institution’s Operations in Texas**

The 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 PE. The bank’s primary focus based on overall dollar amounts held in portfolio is business loans and residential mortgage loans. Although not a big concentration, the bank also originates consumer loans. As previously noted, for this evaluation, we selected small business loans and consumer loans for our review. Even though, residential mortgage loans are one the bank’s primary concentrations, during the evaluation period, the bank only originated 76 loans. On the other hand, the bank originated 272 consumer loans during the same period.

Competitors include other local community banks and some of the United States' largest banks that have a nationwide footprint as well as credit unions and nonbank financial entities that compete for residential, business, and consumer loans.

Community credit needs in the AA were determined by reviewing recent housing and demographic information, CRA PEs from other banks operating in the bank's AA, and a review of community contacts with organizations that provide services within the AA.

### Navarro County AA

The bank has its main office in the town of Corsicana, TX located in the Navarro County AA. Total bank deposits in this AA represent 5.9 percent of the total market, with average deposits of \$52 million. The total number of bank branches in this AA is 17 from 12 different lenders. According to the institution market share report, the bank does not have a significant market share in the AA. Major lenders in the AA are Vanderbilt Mortgage, 21<sup>st</sup> Mortgage Corporation, Guild Mortgage and Quicken Loans, among others.

The Navarro County AA is comprised of Navarro County. The county has 10 census tracts, no low-income CTs, two moderate-income CTs and eight middle-income CTs. Even though the AA does not have low-income CTs, all the middle-income CTs in the bank's AA are designated underserved or distressed. Only 11.3 percent of the AA's population lives in the two moderate-income CTs compared to 88.7 percent of the population who lives in middle-income CTs. In addition, 24.5 percent of businesses are located in the two moderate-income CTs, compared to 75.5 percent in middle-income CTs. The median family income in the AA is \$52,198 while the median housing value is \$81,150. Families below poverty level account for 15.9 percent.

The two moderate-income CTs are 9508 and 9701. CT 9508 is where the bank is located, and it has a population of 1,744 individuals. There are only 324 owner-occupied units, and the median family income is low at \$31,927. This CT has a large commercial retail presence, consisting mostly of franchised and corporate businesses, which typically obtain loans from larger banks. CT 9701 is in the northeast corner of the county, the main town is Rice, Texas, which has a total area of 2.8 square miles and a population of 798 people. This CT has a population of 3,708 individuals with 977 owner-occupied units and a low median family income of \$40,242. The area is mostly rural. First State Bank of Ennis has a branch in Rice, and it is the only bank that has a branch in the small town.

The city of Corsicana is the county seat and largest city with a population of 25,109 as of April 2020 according to the U.S. Census Bureau Quick Facts. The Navarro County AA has a population of 52,624 and it includes the towns of Rice, Frost, Streetman, Dawson, Mildred, Blooming Grove, Eureka, and Kerens.

Corsicana contains a broad mix of industries including oil and gas, information technology, advanced manufacturing, chemical engineering, distribution, logistics & transportation, railroads, and agriculture and cattle. Major companies within Corsicana include Kohl's distribution center, Russell Stover Candies manufacturing, and outlet stores. Other major employers include Corsicana Bedding, Firestone Building Materials, Guardian Industries' corporate headquarters, Sunoco Pipeline regional facility, Oil City Iron Works, Pactiv Corporation, and a True Value distribution center. While Corsicana has a large workforce base, approximately 71.2 percent of Corsicana workers live outside Corsicana. Outside of Corsicana, the economy is centered in agriculture and oil and gas operations.

Navarro County has benefitted from growth over the last several years. New businesses, such as Home Depot, Chili's restaurant, Office Depot, and a Wal-Mart Supercenter, have opened over the years and more recently is the opening of Applebee's, Panda Express, Schlotzsky's Deli, an additional Whataburger, and expansion of Pactiv which have provided employment opportunities. As of March 2022, the unemployment rate in Navarro County is 3.7 percent, which shows a declining trend. The unemployment rate in January 2019 was 4 percent and the rate went as high as 9.2 during May of 2020.

To help identify the needs in the bank's AA, we conducted a community contact to understand lending opportunities in the AA. The organization we contacted encourages and promotes the business climate in the city of Corsicana and all of Navarro County. The organization works closely with for-profit and non-profit organizations to support community projects designed to improve the quality of life in Corsicana and Navarro County.

The contact stated the economic conditions for the city of Corsicana and Navarro County remain stable, with signs of improvement as the number of recently issued new business permits and inquiries has increased. There is a shortage of available housing in Corsicana as most of the service-industry managers and teachers live in surrounding cities due to the lack of available homes locally. The contact indicated that there have not been any substantive multifamily or affordable 1-4 family developments typical of more urban areas with growing populations.

The contact identified opportunities for senior-related housing, specifically for hospices, nursing homes and assisted living units. Many millennials in the area report being priced out of potential residences. The contact stated there is an ongoing need for newer affordable housing as well as small business financing.



**Navarro County AA**

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Navarro County AA 2021</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	20.0	80.0	0.0	0.0
Population by Geography	48,118	0.0	11.3	88.7	0.0	0.0
Housing Units by Geography	20,431	0.0	10.2	89.8	0.0	0.0
Owner-Occupied Units by Geography	11,624	0.0	11.2	88.8	0.0	0.0
Occupied Rental Units by Geography	5,853	0.0	8.4	91.6	0.0	0.0
Vacant Units by Geography	2,954	0.0	10.1	89.9	0.0	0.0
Businesses by Geography	2,885	0.0	24.5	75.5	0.0	0.0
Farms by Geography	150	0.0	12.7	87.3	0.0	0.0
Family Distribution by Income Level	12,503	23.0	18.8	18.8	39.4	0.0
Household Distribution by Income Level	17,477	24.8	15.9	17.9	41.4	0.0
Median Family Income Non-MSAs – TX		\$52,198	Median Housing Value			\$81,150
			Median Gross Rent			\$718
			Families Below Poverty Level			15.9%
<i>Source: 2015 ACS and 2020 D&amp;B Data                      Due to rounding, totals may not equal 100.0%                      (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

**Scope of Evaluation in Texas**

As discussed earlier, the Navarro County AA was selected for a full-scope review. Refer to the table in Appendix A for more details.

**Lending Test**

The bank’s performance under the Lending Test in Texas is rated Satisfactory.

**Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank’s performance in the Navarro County AA is good.

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

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

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

The geographic distribution of loans to small businesses is adequate considering performance context. 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.

In 2019 the bank's loans to small businesses in moderate-income geographies exceeded the percentage of businesses located in moderate-income geographies and the percentage of the aggregate lending. There are no low-income CTs in the Navarro County AA.

In 2020 and 2021, the bank's loans to small businesses in moderate-income geographies was lower than the percentage of businesses located in moderate-income geographies and the percentage of the aggregate lending. There are no low-income CTs in the Navarro County AA.

Even though lending to small businesses in the AA, for the entire evaluation period, is lower than the percentage of businesses located in moderate-income geographies and the aggregate lending, we determined that the geographic distribution of loans to small businesses was adequate. The reasons are:

- The Navarro County AA does not have any low-income CTs.
- The two moderate-income CTs in the Navarro County AA represent a small portion of the AA. Only 11.3 percent of the AA's population lives in the two moderate-income CTs compared to 88.7 percent of the population who lives in middle-income CTs. In addition, 24.5 percent of businesses are located in the two moderate-income CTs, compared to 75.5 percent in middle-income CTs.
- CT 9508 (moderate-income) is where the bank is located, and it has a population of 1,744 individuals. There are only 324 owner-occupied units. This CT has a large commercial retail presence, consisting mostly of franchised and corporate businesses, which typically obtain loans from larger banks.
- CT 9701 (moderate-income) is in the northeast corner of the county, the main town is Rice, Texas, which has a total area of 2.8 square miles and a population of 798 people. The CT has a population of 3,708 individuals with 977 owner-occupied units. The area is mostly rural.
- The bank's market share in the AA is not significant and the bank faces strong competition as noted in the Operations in Texas section.
- The bank has only one branch location in the AA.

### ***Consumer Loans***

The geographic distribution of consumer loans in the AA is adequate considering performance context. Refer to Table U in the state of Texas 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.

In 2019, the bank's consumer lending in moderate-income geographies was significantly lower than the percentage of families in moderate-income geographies. There are not any low-income CTs in the Navarro County AA.

In 2020 and 2021, the bank's consumer lending in moderate-income geographies was lower than the percentage of families in moderate-income geographies. There are not any low-income CTs in the Navarro County AA.

Even though consumer lending in the AA for the entire evaluation period is lower than the percentage of families located in moderate income geographies, we determined that the geographic distribution of consumer lending was adequate. The reasons are:

- The Navarro County AA does not have any low-income CTs.
- The two moderate-income CTs in the Navarro County AA represent a small portion of the AA. Only 11.3 percent of the AA's population lives in the two moderate-income CTs compared to 88.7 percent of the population which lives in middle-income CTs.
- CT 9508 (moderate-income) is where the bank is located, and it has a population of 1,744 individuals. There are only 324 owner-occupied units. This CT has a large commercial retail presence, consisting mostly of franchised and corporate businesses, which typically obtain loans from larger banks.
- CT 9701 (moderate-income) is in the northeast corner of the county, the main town is Rice, Texas, which has a total area of 2.8 square miles and a population of 798 people. The CT has a population of 3,708 individuals with 977 owner-occupied units. The area is mostly rural.
- The bank's market share in the AA is not significant and the bank faces strong competition as noted in the Operations in Texas section.
- The bank has only one branch location in the AA.

### ***Lending Gap Analysis***

We evaluated the lending distribution in the bank's AAs to determine if any unexplained conspicuous gaps existed. There were no unexplained conspicuous gaps identified after reviewing performance context.

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

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

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

The distribution of loans to small businesses in the AA is excellent. 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.

In 2019 and 2020, the bank's loans to businesses with revenues less than or equal to \$1 million exceeded both the percentage of businesses identified as having revenues less than or equal to \$1 million and the aggregate lending to these businesses.

In 2021, the bank's loans to businesses with revenues less than or equal to \$1 million was near the percentage of businesses identified as having revenues less than or equal to \$1 million and exceeded the aggregate lending.

### ***Consumer Loans***

The distribution of consumer loans to low- and moderate-income individuals in the AA is adequate considering performance context. Refer to Table V in the State of Texas 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.

In 2019 and 2021, the bank's consumer lending to low-income borrowers was lower than the percentage of families identified as low-income. For moderate-income borrowers, the bank's consumer lending was somewhat lower than the percentage of families identified as moderate-income.

In 2020, the bank's consumer lending to low-income borrowers was lower than the percentage of families identified as low-income. For moderate-income borrowers, the bank's consumer lending was near the percentage of families identified as moderate-income.

Even though consumer lending in the AA for the entire evaluation period is lower than the percentage of families identified as low- and moderate-income, we determined that the distribution of consumer lending to low- and moderate-income individuals was adequate. The reasons are:

- The majority of the population in the AA is identified as middle-and upper-income. The Navarro County AA is comprised of 17,477 households. Of those households, 24.8 percent are identified as low-income, and 15.9 percent are identified as moderate-income. The rest or majority of the households, 59.3 percent are households identified as middle- and upper-income.
- The bank's market share in the AA is not significant and the bank faces strong competition as noted in the Operations in Texas section.
- The bank's lending practices are conservative.
- The bank has only one branch location in the AA

### **Responses to Complaints**

There were no complaints related to the institution's CRA performance within the State of Texas during the review period.

## 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>	<b>January 1, 2019 to December 31, 2021</b>	
<b>Bank Products Reviewed:</b>	Small business loans and consumer loans. Small business loans received more weight than consumer loans due to dollar amount and number of originations in the review period.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<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>		
Navarro County AA	Full scope	The Navarro County AA is comprised of Navarro County, which has ten census tracts.

## Appendix B: Summary of State Ratings

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RATINGS	City National Bank
Overall Bank:	Lending Test Rating
<b>City National Bank</b>	<b>Satisfactory</b>
State:	
<b>Texas</b>	<b>Satisfactory</b>

## 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 distribution of households by income level in each MMSA/assessment area.

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography 2019-21**

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
Navarro County AA 2019	20	2,008	100	1,023	0.0	0.0	0.0	24.3	25.0	19.2	75.7	75.0	80.8	0.0	0.0	0.0	0.0	0.0	0.0
Navarro County AA 2020	20	1,436	100	874	0.0	0.0	0.0	24.5	5.0	18.8	75.5	95.0	81.2	0.0	0.0	0.0	0.0	0.0	0.0
Navarro County AA 2021	20	4,295	100	874	0.0	0.0	0.0	24.5	5.0	18.8	75.5	95.0	81.2	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>60</b>	<b>7,739</b>	<b>100</b>	<b>874</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>24.5</b>	<b>10.0</b>	<b>18.8</b>	<b>75.5</b>	<b>88.3</b>	<b>81.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2021 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%

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues 2019-21**

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
Navarro County AA 2019	20	2,008	100.0	1,023	81.4	100.0	49.4	4.6	0.0	14.0	0.0
Navarro County AA 2020	20	1,436	100.0	874	82.0	90.0	50.3	4.2	0.0	13.8	10.0
Navarro County AA 2021	20	4,295	100.0	874	82.0	75.0	50.3	4.2	0.0	13.8	25.0
<b>Total</b>	<b>60</b>	<b>7,739</b>	<b>100.0</b>	<b>874</b>	<b>82.0</b>	<b>88.5</b>	<b>50.3</b>	<b>4.2</b>	<b>0.0</b>	<b>13.8</b>	<b>11.6</b>

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%

<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		
Navarro County AA 2019	20	239	100	0.0	0.0	10.3	0.0	89.7	100.0	0.0	0.0	0.0	0.0		
Navarro County AA 2020	20	259	100	0.0	0.0	10.3	5.0	89.7	95.0	0.0	0.0	0.0	0.0		
Navarro County AA 2021	20	429	100	0.0	0.0	10.3	5.0	89.7	95.0	0.0	0.0	0.0	0.0		
<b>Total</b>	<b>60</b>	<b>927</b>	<b>100</b>	<b>0.0</b>	<b>0.0</b>	<b>10.3</b>	<b>3.3</b>	<b>89.7</b>	<b>96.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

*Source: 2015 ACS Census; 01/01/2019 - 12/31/2021 Bank Data.  
Due to rounding, totals may not equal 100.0%*

<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		
Navarro County AA 2019	20	239	100.0	24.8	10.0	15.9	10.0	17.9	20.0	41.4	60.0	0.0	0.0		
Navarro County AA 2020	20	259	100.0	24.8	10.0	15.9	15.0	17.9	25.0	41.4	50.0	0.0	0.0		
Navarro County AA 2021	20	429	100.0	24.8	10.0	15.9	10.0	17.9	25.0	41.4	55.0	0.0	0.0		
<b>Total</b>	<b>60</b>	<b>927</b>	<b>100.0</b>	<b>24.8</b>	<b>10.0</b>	<b>15.9</b>	<b>11.6</b>	<b>17.9</b>	<b>23.3</b>	<b>41.4</b>	<b>55.0</b>	<b>0.0</b>	<b>0.0</b>		

*Source: 2015 ACS Census; 01/01/2019 - 12/31/2021 Bank Data.  
Due to rounding, totals may not equal 100.0%*