



## **PUBLIC DISCLOSURE**

February 22, 2021

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

Texas National Bank  
Charter Number 22807

400 East Broadway  
Sweetwater, TX 79556

Office of the Comptroller of the Currency

5225 South Loop 289  
Suite 108  
Lubbock, TX 79424-1319

**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 a reasonable quarterly average net loan-to-deposit (LTD) ratio during the evaluation period.
- A majority of loans sampled are within the bank's assessment areas (AAs).
- The geographic distribution of business and farm loans reflects reasonable dispersion within the Nolan County AA.
- Lending to individuals of different income levels and businesses and farms of different sizes is excellent.

### Loan-to-Deposit Ratio

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

The Texas National Bank (TNB or bank) quarterly average LTD ratio for the 18 quarters from September 30, 2016, to December 31, 2020, is 28.0 percent. The average LTD of similarly situated banks for the same period is 60.8 percent, with low and high averages of 36.8 and 89.7 percent, respectively. These community banks are located within or adjacent to the AAs and have total assets below \$250 million.

The average net LTD ratio for comparable banks is high, but economic conditions in the counties surrounding the AAs vary from institution to institution. The local economy in Nolan County has stagnated and loan demand is low. Strong competition in both Nolan and Taylor Counties also hinders lending opportunities as reflected by the bank's lagging deposit market shares. TNB's competition is comprised of larger institutions that can offer aggressive rates and loan terms that are difficult to compete with. Other similar institutions also possess the advantage of having multiple branches in areas with greater opportunities to lend in lower competition areas.

### Lending in Assessment Area

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

TNB originated and purchased 81.2 percent by number and 85.7 percent by dollar volume of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank rather than the AA level. We used those loans originated within each AA to conduct testing for each primary product, analyzing the geographic distribution of lending, lending to businesses of different sizes, lending to farms of different sizes, and individuals of different incomes.

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 Business	42	76.4	13	23.6	55	2,631	83.6	515	16.4	3,146
Small Farm	21	84.0	4	16.0	25	3,645	86.6	562	13.4	4,207
Consumer	27	90.0	3	10.0	30	347	91.8	31	8.2	378
<b>Total</b>	<b>90</b>	<b>81.8</b>	<b>20</b>	<b>18.2</b>	<b>110</b>	<b>6,623</b>	<b>85.7</b>	<b>1,108</b>	<b>14.3</b>	<b>7,731</b>

Source: Sample of loans.

## Description of Institution

TNB is a \$155 million community bank headquartered in Sweetwater, Texas, approximately 40 miles west of Abilene. TNB is a wholly-owned subsidiary of Mesa Financial Corporation, a single-bank holding company. The bank is an intrastate bank with the main office located in Sweetwater. The bank also has a branch located in Tuscola, Texas, located approximately 20 miles south of Abilene.

TNB provides traditional banking services including a variety of loan and deposit accounts. Bank lobby and drive-thru services are provided Monday through Friday at both locations, with drive-thru availability on Saturdays for the main bank location. Each location also has automated teller machines (ATMs). TNB offers basic online banking services at [www.texasnational.bank](http://www.texasnational.bank).

The bank designated two AAs, the Nolan County AA and the Taylor County AA, which both meet regulatory requirements and do not arbitrarily exclude any low- or moderate-income areas. The Nolan County AA includes the main bank location in Sweetwater. The Taylor County AA includes the Tuscola branch and is part of the Abilene Metropolitan Statistical Area (MSA). However, the bank limits its AA to one census tract that covers the southern, rural portion of the county. The size and location of the Tuscola branch does not reasonably allow for provision of services to the City of Abilene.

As of December 31, 2020, net loans and leases comprised 25.8 percent of total assets with commercial and agricultural loans comprising the majority of loans. TNB's strategy is to serve its commercial, agricultural, consumer, and real estate customers in Nolan and Taylor Counties.

TNB has no legal, financial, or other factors that would impede the bank's ability to help meet community credit needs. The bank received a Satisfactory rating at its October 17, 2016, CRA evaluation.

<b>Table A – Demographic Information of the Assessment Area</b>						
Assessment Area: Nolan County AA						
<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)	5	0.0	40.0	20.0	40.0	0.0
Population by Geography	15,061	0.0	40.8	14.2	45.1	0.0
Housing Units by Geography	7,123	0.0	41.0	13.5	45.5	0.0
Owner-Occupied Units by Geography	3,767	0.0	36.5	14.5	49.0	0.0
Occupied Rental Units by Geography	1,832	0.0	52.6	11.1	36.2	0.0
Vacant Units by Geography	1,524	0.0	38.0	13.7	48.3	0.0
Businesses by Geography	856	0.0	46.3	15.0	38.8	0.0
Farms by Geography	75	0.0	18.7	17.3	64.0	0.0
Family Distribution by Income Level	3,599	23.8	20.7	18.6	37.0	0.0
Household Distribution by Income Level	5,599	26.7	19.6	17.1	36.6	0.0
Median Family Income Non-MSAs - TX		\$52,198	Median Housing Value			\$59,709
			Median Gross Rent			\$548
			Families Below Poverty Level			15.0%
<i>Source: 2015 ACS and 2019 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>						

<b>Table A – Demographic Information of the Assessment Area</b>						
Assessment Area: Taylor County AA						
<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)	1	0.0	0.0	0.0	100.0	0.0
Population by Geography	7,810	0.0	0.0	0.0	100.0	0.0
Housing Units by Geography	3,141	0.0	0.0	0.0	100.0	0.0
Owner-Occupied Units by Geography	2,581	0.0	0.0	0.0	100.0	0.0
Occupied Rental Units by Geography	203	0.0	0.0	0.0	100.0	0.0
Vacant Units by Geography	357	0.0	0.0	0.0	100.0	0.0
Businesses by Geography	701	0.0	0.0	0.0	100.0	0.0
Farms by Geography	61	0.0	0.0	0.0	100.0	0.0
Family Distribution by Income Level	2,264	6.7	11.9	19.7	61.7	0.0
Household Distribution by Income Level	2,784	10.2	9.6	16.7	63.5	0.0
Median Family Income MSA - 10180 Abilene, TX MSA		\$56,448	Median Housing Value			\$161,700
			Median Gross Rent			\$786
			Families Below Poverty Level			2.3%
<i>Source: 2015 ACS and 2019 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>						

Economies are stagnant in both AAs. Nolan County and Taylor County have unemployment rates of 6.0 percent and 5.2 percent, respectively, and are below the Texas (7.2 percent) and national (6.7 percent) unemployment rates as of December 31, 2020. The areas were impacted by the COVID-19 pandemic, but not as heavily impacted as other areas in Texas. The Nolan County economy is based on energy production (O&G, solar, and wind), manufacturing, and agriculture. Large employers in addition to the above industries include Sweetwater ISD, Rolling Plains Hospital, and Wal-Mart. The southern Taylor County economy is primarily based on agriculture. The Jim Ned CISD is its main employer.

There is strong competition for deposits and loans in both counties. Two other financial institutions operate within Nolan County. The June 30, 2020, FDIC Market Share Report shows TNB ranks last with 27.1 percent of all deposits. In Taylor County, TNB ranks 15<sup>th</sup> among 16 financial institutions with deposit market share of only 0.82 percent. A large regional bank in Abilene dominates shares in both markets. Additional institutions have established a larger presence in the county in the years since the prior evaluation.

We contacted a local organization to complete a community profile and identify opportunities for community development participation by local institutions. Technical manufacturing and energy jobs require highly-skilled labor, with many workers commuting from Abilene. A new gypsum plant is expected to bring additional entry level jobs in the near future. The contact did not identify any specific credit needs. There are limited community development opportunities available for local banks, but the contact noted that area banks are very active in donating time, funds to community projects, and participation on development committees.

## **Scope of the Evaluation**

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

The CRA evaluation period is January 1, 2018, through December 31, 2020. The OCC evaluated TNB using small bank CRA performance standards that include five performance criteria: the LTD ratio, lending in the AA, lending to borrowers of different incomes and businesses of different sizes, geographic distribution of loans, and responsiveness to CRA complaints.

To evaluate TNB's lending performance, the OCC selected a random sample of loans originated during the evaluation period based on identified primary products in each AA. Primary loan types are those products originated at the highest percentage by number and/or dollar volume of loans. During this evaluation period, primary products consisted of commercial and agricultural loans in the Nolan County AA and consumer and commercial loans in the Taylor County AA.

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

In each state where the bank has an office, one or more of the AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

## **Ratings**

The bank's overall rating is a blend of the state ratings, and where applicable, multistate ratings.

TNB has only one rating area, which is the State of Texas. The bank's overall rating is based on full-scope reviews of both AAs within the state.

The MMSA rating and state ratings are based on performance in all bank 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 25.17, 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 Lending Test rating is based on a reasonable quarterly average net loan-to-deposit (LTD) ratio during the evaluation period.
- A majority of loans sampled are within the bank's assessment areas (AAs).
- The geographic distribution of business and farm loans reflects reasonable dispersion within the Nolan County AA.
- Lending to individuals of different income levels and businesses and farms of different sizes is excellent.

## LENDING TEST

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

Based on full-scope reviews, the bank's performance in the state of Texas is reasonable.

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

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

The Taylor County AA does not contain low- or moderate-income census tracts. For this reason, a geographic distribution analysis of this AA is not meaningful and was not performed.

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

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.

The geographic distribution of loans to small businesses is reasonable when considering performance context. The bank did not originate any loans in low-income CTs; however, there are no low-income CTs in the AA. The percentage of bank loans is lower than the percentage of small business loans to businesses located in moderate-income CTs and the aggregate lending level in the AA. While the percentage of bank loans falls below the percentage of AA businesses located within those CTs and the aggregate lending in the AA, the percentage of loans represents 54.1 percent of the demographic. Middle- and upper-income CTs comprise three of the five tracts and cover a much greater geographical area than the moderate-income CTs.



### ***Small Loans to Farms***

Refer to Table S 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 farms.

The geographic distribution of loans to small farms is excellent as the percentage of TNB's small farm loans exceeds the percentage of small farms located within moderate-income CTs and the aggregate lending in the AA. There are no low-income tracts within the AA.

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

The bank exhibits excellent 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***

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.

#### *Nolan County AA*

The distribution of loans to small businesses reflects excellent penetration. The percentage of bank originated loans to small businesses exceeds the percentage of businesses within the AA that report less than \$1 million in revenues and the aggregate lending for these businesses.

#### *Taylor County AA*

The distribution of loans to small businesses reflects excellent penetration. The percentage of bank originated loans to small businesses exceeds the percentage of businesses within the AA that report less than \$1 million in revenues and the aggregate lending for these businesses.

### ***Small Loans to Farms***

Refer to Table T 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 farms.

The distribution of small loans to farms reflects excellent penetration to farms of different sizes in the Nolan County AA. The percentage of loans originated exceeds the percentage of farms within the AA that report less than \$1 million in revenues and the aggregate lending of the farms.

### ***Consumer Loans***

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 consumer loan originations and purchases.

The distribution of consumer loans reflects excellent penetration among individuals of different income

Levels in the Taylor County AA. The distribution of consumer loans to low- and moderate-income borrowers is excellent and significantly exceeds the percentage of low- and moderate-income households.

### **Responses to Complaints**

TNB did not receive any CRA-related complaints during the performance evaluation 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>	January 1, 2018 to December 31, 2020	
<b>Bank Products Reviewed:</b>	Small business, small farm, 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>
Nolan County AA	Full-Scope	Small farm and small business loans
Taylor County AA	Full-Scope	Small business and consumer loans

## Appendix B: Summary of MMSA and State Ratings

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

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

- Table 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 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 Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																				<b>2018-2020</b>		
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			
Nolan County AA	20	934	100.0	213	0.0	0.0	0.0	46.2	25.0	45.1	15.2	35.0	16.0	38.6	40.0	39.0	0.0	0.0	0.0			
<b>Total</b>	<b>20</b>	<b>934</b>	<b>100.0</b>	<b>213</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>46.2</b>	<b>25.0</b>	<b>45.1</b>	<b>15.2</b>	<b>35.0</b>	<b>16.0</b>	<b>38.6</b>	<b>40.0</b>	<b>39.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>			

*Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2018-2020</b>	
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		
Nolan County AA	20	934	47.6	213	74.7	75.0	32.4	4.7	25.0	20.7	0.0		
Taylor County AA	22	1,696	52.4	239	91.8	95.5	36.8	2.4	0.0	5.8	4.6		
<b>Total</b>	<b>42</b>	<b>2,630</b>	<b>100.0</b>	<b>452</b>	<b>82.6</b>	<b>85.7</b>	<b>34.7</b>	<b>3.6</b>	<b>11.9</b>	<b>13.7</b>	<b>2.4</b>		

*Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography																			2018-2020		
Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate		
Nolan County AA	21	3,645	100.0	63	0.0	0.0	0.0	18.8	33.3	11.1	17.4	19.1	14.3	63.8	47.6	74.6	0.0	0.0	0.0		
<b>Total</b>	<b>21</b>	<b>3,645</b>	<b>100.0</b>	<b>63</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>18.8</b>	<b>33.3</b>	<b>11.1</b>	<b>17.4</b>	<b>19.1</b>	<b>14.3</b>	<b>63.8</b>	<b>47.6</b>	<b>74.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

*Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA 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												2018-2020	
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		
Nolan County AA	21	3,645	100.0	63	94.2	95.2	46.0	1.4	4.8	4.3	0.0		
<b>Total</b>	<b>21</b>	<b>3,645</b>	<b>100.0</b>	<b>63</b>	<b>94.2</b>	<b>95.2</b>	<b>46.0</b>	<b>1.4</b>	<b>4.8</b>	<b>4.3</b>	<b>0.0</b>		

*Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
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>2018-2020</b>	
<b>Assessment Area:</b>	<b>Total Consumer Loans</b>			<b>Low-Income Borrowers</b>		<b>Moderate-Income Borrowers</b>		<b>Middle-Income Borrowers</b>		<b>Upper-Income Borrowers</b>		<b>Not Available-Income Borrowers</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% of Households</b>	<b>% Bank Loans</b>	<b>% of Households</b>	<b>% Bank Loans</b>	<b>% of Households</b>	<b>% Bank Loans</b>	<b>% of Households</b>	<b>% Bank Loans</b>	<b>% of Households</b>	<b>% Bank Loans</b>	
Taylor County AA	27	347	100.0	10.2	55.6	9.6	18.5	16.7	11.1	63.5	14.8	0.0	0.0	
<b>Total</b>	<b>27</b>	<b>347</b>	<b>100.0</b>	<b>21.2</b>	<b>55.6</b>	<b>16.3</b>	<b>18.5</b>	<b>17.0</b>	<b>11.1</b>	<b>45.5</b>	<b>14.8</b>	<b>0.0</b>	<b>0.0</b>	

*Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data.  
Due to rounding, totals may not equal 100.0%*