



PUBLIC DISCLOSURE

January 03, 2023

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

The First National Bank of Bellville
Charter Number 4241

100 East Main Street
Bellville, Texas 77418

Office of the Comptroller of the Currency

Two Houston Center
909 Fannin Street, Suite 1900
Houston, Texas 77010

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 community development test is rated: Outstanding.

The major factors that support this rating include:

- The Lending Test rating is based on a reasonable loan-to-deposit (LTD) ratio, a majority of loans being in the assessment area (AA), and a reasonable geographic distribution of loans. The bank exhibits reasonable distribution of loans to individuals of different income levels and businesses of different sizes. The bank had excellent performance on loans to small businesses for both geographic and revenue distribution tests.
- The Community Development (CD) Test rating is based on a substantial amount of CD loans and CD investments and a reasonable amount of CD services.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD ratio is reasonable. Our analysis included five similarly situated banks with asset sizes ranging from \$609 million to \$958 million located in Wharton, Harris, Fayette, Washington, and Austin counties. The quarterly average LTD ratio was 27 percent, ranging from a low of 25 percent to a high of 29 percent. The comparators quarterly average ratio was 43 percent for the same period, ranging from an average low of 16 percent to a high of 83 percent.

One factor impacting the LTD ratio is the significant level of public fund deposits that are not available for lending, which was \$120 million as of December 31, 2022. Excluding public funds, the adjusted quarterly average LTD is 32 percent. Three of the five comparator banks had a quarterly average lower than FNB Bellville after excluding public funds, which ranged from 22 percent to 28 percent.

It is also important to note, by number of loans, the bank makes a considerable amount of low dollar consumer loans. This will not have a great effect on the LTD, as this calculation is made using the dollar amount of loans rather than the number of loans. However, it does evidence the bank's strategy to meet the needs of the rural community. The bank has made efforts to increase their lending, such as allowing online applications for consumer and 1-4 family residential loans and lowering the down payment amounts on residential real estate loans.

Lending in Assessment Area

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

The bank originated and purchased 74 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

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		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	51	75.0	17	25.0	68	13,160	76.8	3,984	23.2	17,144
Commercial	43	62.3	26	37.7	69	2,549	70.8	1,051	29.2	3,600
Consumer	59	84.3	11	15.7	70	712	82.1	155	17.9	867
Total	153	73.9	54	26.1	207	16,421	76.0	5,190	24.0	21,611

Description of Institution

The First National Bank of Bellville (FNB Bellville) is a community bank headquartered at 100 East Main Street in Bellville, Texas. The bank was chartered February 25, 1890, and is a wholly owned subsidiary of Industry Bancshares, Inc., a multibank holding company. FNB Bellville is a single-state institution in Texas, operating three branches and four automated teller machines (ATMs). All banking locations provide lobby, ATM, and drive-thru services Monday through Friday with reasonable hours of operation. All three branches provide drive-thru services on Saturday. The Austin County branch includes one additional deposit-taking ATM in Sealy, Texas. There were no branch openings or closings during the evaluation period.

As of September 30, 2022, assets totaled \$754 million with a tier 1 leverage capital ratio of 11 percent. The net loan portfolio was \$224 million or 30 percent of total assets. FNB Bellville's primary lending focus is residential real estate and commercial loans at 39 percent and 30 percent of the portfolio by dollar, respectively. Consumer lending is also a primary loan product by number of loans, representing 31 percent of the loan portfolio. By number, residential real estate and commercial lending totaled 24 percent and 17 percent of the portfolio, respectively. In response to the COVID-19 pandemic, the bank originated 355 Small Business Administration Payment Protection Program (PPP) loans totaling \$15 million. Of the PPP loans, 50.1 percent were located in the bank's AA.

The bank offers a full line of loan and deposit products, as well as other banking services. The primary loan products are residential real estate and commercial lending, but other loan products include real estate, consumer, agriculture, and farm loans. To support the community, there is a significant level of public fund deposits. Other deposit products include business, personal, and bonus checking, personal savings, money market, certificates of deposit, and individual retirement accounts. The bank allows deposit and loan accounts to be opened online.

Other services include, but are not limited to, 24-hour telephone banking, gift and debit cards, bank by mail, night depository, safe deposit boxes, tax payment services, wire transfers, cashier's checks, and direct deposits. The bank also offers a number of accessible services that include online banking/bill pay, eStatements, mobile banking, remote deposit capture, and mobile deposit capture.

There were no legal or financial circumstances impeding the bank's ability to meet the credit needs of its AA. The bank was rated "Satisfactory" at the last CRA examination dated February 10, 2020.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the Lending and CD tests is January 1, 2020, through December 31, 2022. By dollar amount the primary products are residential real estate and commercial loans. By number of loans, consumer lending is also a primary product. All three products were given equal consideration during this evaluation. As there were demographic changes in 2022, we performed a separate analysis of loans originated in 2022.

For 2020-2021, we compared FNB Bellville's performance to peer performance using 2021 HMDA Aggregate Data and 2021 CRA Aggregate Data (aggregate data) to analyze home mortgage and business loans. For 2022, aggregate data was not available for comparison for those two products. There is not aggregate data for consumer lending in any year.

Selection of Areas for Full-Scope Review

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

Ratings

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

The state of Texas is the only rating area. The Houston AA is located in the Houston-The Woodlands-Sugarland MSA and will receive a full-scope review.

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

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

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

State Rating

State of Texas

CRA rating for the State of Texas¹: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- A reasonable geographic distribution of loans;
- A reasonable distribution of loans to individuals of different income levels and businesses of different sizes;
- A significant level of CD loans, qualified CD investments and grants, and CD services; and
- Accessible service delivery systems.

Description of Institution's Operations in Texas

FNB Bellville operates three full-service offices in the Houston AA and four ATMs. One branch is located in Bellville, Texas in a middle-income CT, one branch is located in Wallis, Texas in a moderate-income CT, and one branch is located in Waller, Texas in a middle-income CT. The Bellville and Wallis branches are located in Austin County, and the Waller location is in Harris County. There is also a deposit taking ATM in Sealy, Texas.

The Bellville branch has 59.4 percent of bank deposits, followed by the Waller branch with 27 percent of deposits and the Wallis branch with 13.6 of deposits. FNB Bellville has the largest deposit market share in the AA at 17 percent area deposits. The next largest holdings in the AA include Industry State Bank, Citizens State Bank, Prosperity Bank, Austin County State Bank, and Wells Fargo Bank, N.A.

Community Contacts

During the evaluation period, we contacted five community organizations. General banking needs include financial education, consumer lending, affordable housing, and food security. There are many opportunities in the area for banks to participate in community development services including monetary donations and financial education. One economic development company stated there was a need for small business loans and affordable housing in the area. A local CD corporation stated there was a need for mortgage products targeting low- and moderate-income (LMI) first-time homebuyers. A local university small business center expressed a need for local banks to partner with to provide financing for start-up businesses employing 10-20 persons.

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

Due to the 2020 U.S. Census, there were several updates to CT income designations in 2022. Overall net changes included an additional five moderate-income CTs and seven middle-income CTs. Please refer to the tables below for demographic information.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Houston AA (2020-2021)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	14	0.0	14.3	64.3	14.3	7.1
Population by Geography	85,307	0.0	22.0	63.6	9.4	5.0
Housing Units by Geography	32,276	0.0	24.0	66.0	10.0	0.0
Owner-Occupied Units by Geography	20,029	0.0	21.3	66.6	12.2	0.0
Occupied Rental Units by Geography	7,965	0.0	28.4	65.3	6.3	0.1
Vacant Units by Geography	4,282	0.0	28.4	64.8	6.7	0.0
Businesses by Geography	7,090	0.0	21.4	60.8	17.6	0.3
Farms by Geography	470	0.0	19.8	67.2	13.0	0.0
Family Distribution by Income Level	20,622	25.3	17.0	20.4	37.3	0.0
Household Distribution by Income Level	27,994	26.7	18.9	17.5	36.9	0.0
Median Family Income MSA – Houston-The Woodlands-Sugarland MSA	\$69,373	Median Housing Value				140,749
		Median Gross Rent				823
		Families Below Poverty Level				10.8

*Source: 2015 ACS Census and 2021 D&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.*

Table A – Demographic Information of the Assessment Area						
Assessment Area: Houston AA 2022						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	21	0.0	33.3	52.4	9.5	4.8
Population by Geography	102,421	0.0	27.7	54.4	12.2	5.7
Housing Units by Geography	34,935	0.0	36.1	55.1	8.8	0.0
Owner-Occupied Units by Geography	22,836	0.0	27.8	60.6	11.6	0.0
Occupied Rental Units by Geography	8,280	0.0	59.3	37.7	3.0	0.0
Vacant Units by Geography	3,819	0.0	35.4	60.2	4.4	0.0
Businesses by Geography	10,146	0.0	29.7	54.5	15.6	0.2
Farms by Geography	604	0.0	26.2	60.6	13.2	0.0
Family Distribution by Income Level	22,869	23.7	16.7	21.7	37.9	0.0
Household Distribution by Income Level	31,116	26.2	16.6	18.1	39.1	0.0
Median Family Income MSA – Houston-The Woodlands-Sugarland MSA	\$81,859	Median Housing Value				208,329
		Median Gross Rent				958
		Families Below Poverty Level				8.9

*Source: 2020 ACS Census and 2022 D&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.*

Scope of Evaluation in Texas

FNB Bellville has only one AA in Texas, which received a full-scope review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

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 lending performance in the Houston AA is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the state. There were no low-income CTs, so our analysis focused on moderate-income CTs.

Home Mortgage Loans

Refer to Table O in appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Overall, the geographic distribution of home mortgage loans in the Houston AA is reasonable.

For 2020-2021, the geographic distribution of home mortgage loans is reasonable. The bank originated 10 percent of its mortgage loans in moderate-income CTs. This is significantly below the percent of owner-occupied housing units; however, it is consistent with the aggregate lending of all financial institutions at 10.3 percent.

For 2022, the geographic distribution of home mortgage loans is excellent. The bank originated 40.7 percent of its mortgage loans in moderate-income CTs, which exceeds the percent of owner-occupied housing units at 27.8 percent.

Small Loans to Businesses

Refer to Table Q in 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.

Overall, the geographic distribution of small business loans in the Houston AA is excellent.

For 2020-2021, the geographic distribution of business loans is excellent. The bank originated 21.7 percent of its business loans in moderate-income CTs. This exceeds the percent of businesses and is near to the aggregate of all financial institutions at 23.5 percent.

For 2022, the geographic distribution of business loans is excellent. The bank originated 48 percent of its business loans in moderate-income CTs, which exceeds the percent of businesses at 29.7 percent.

Consumer Loans

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

Overall, the geographic distribution of consumer loans in the Houston AA is reasonable.

For 2020-2021, the geographic distribution of consumer loans is poor. The bank originated 14.3 percent of its consumer loans in moderate-income CTs. This is significantly below the percent of households at 23.3 percent.

For 2022, the geographic distribution of consumer loans in the Houston AA is excellent. The bank originated 50.0 percent of its consumer loans in moderate-income CTs. This exceeds the percent of households in the AA at 36.2 percent.

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

Refer to Table P in appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans by income level of the borrower is reasonable.

For 2020-2021, the distribution of home mortgage loans was reasonable when compared to aggregate data. The bank did not make any home mortgage loans to low-income borrowers. With a median housing value in the AA of \$208,329, it would be difficult for a low-income family to qualify for a loan of this size. This is consistent as the aggregate data for all financial institutions to low-income borrowers was 2.6 percent. The percentage of home mortgage loans to moderate-income borrowers at 10.0 percent is significantly below the percentage of families at 17.0 percent but only slightly lower than the aggregate level of all financial institutions.

For 2022, the percentage of home mortgage loans to low-income borrowers was significantly below the percentage of families. The percentage of home mortgage loans to moderate-income borrowers at 14.8 percent is near to the percentage of families at 16.7 percent.

Small Loans to Businesses

Refer to Table R in 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.

Overall, the borrower distribution of loans to businesses is excellent.

For 2020-2021, the bank's percentage of loans to small businesses, at 95.7 percent, exceeds both the percentage of small businesses and the aggregate data reported by all financial institutions.

For 2022, the bank's percentage of loans to small businesses, at 72.0 percent, is somewhat lower than the percentage of small businesses in the AA.

Consumer Loans

Refer to Table V in 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 by the income of the borrower is reasonable.

For 2020-2021, the percentage of consumer loans to low-income borrowers is significantly lower than the percentage of households but only somewhat lower for moderate-income borrowers.

For 2022, the percentage of consumer loans to LMI borrowers exceeds the percentage of households in both income categories. This represents excellent performance.

Responses to Complaints

The bank did not have any CRA related complaints during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Texas is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AA.

Number and Amount of CD Loans

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Houston	5	100.0	6,346	100.0

FNB Bellville originated five CD loans totaling \$6.3 million, which represented 6.7 percent of tier one capital. Two loans were originated to organizations that provide services to persons including LMI individuals. One loan was originated to a local shelter that provides services to abused women and children and one loan was to a local hospital. Three loans supported economic development by providing jobs to LMI individuals. Outside of the AA, FNB Bellville made two loans totaling \$32 million that supported economic development.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Houston	0	0	9	6,392	9	100.0	6,392	100.0	0	0

FNB Bellville made a total of three investments and six donations totaling \$6.4 million. FNB Bellville made three investments in the Houston AA totaling \$6.4 million, which represents 6.8 percent of tier 1 capital. One investment totaling \$3.3 million helped support a local school district where a majority of students were economically disadvantaged. The remaining two investments were mortgage-backed securities totaling \$3.1 million that helped support affordable housing. All donations were to local organizations providing services to LMI families totaling \$30,483.

Outside of the AA, the bank also made 27 qualified investments totaling \$38 million. The investments included six bonds for disaster recovery, 17 education-related bonds for schools where a majority of students are economically disadvantaged, and four investments in Small Business Investment Companies.

Extent to Which the Bank Provides Community Development Services

FNB Bellville employees performed 1,016 hours of qualifying community services during the evaluation period. This included financial education opportunities at local schools and civic organizations. Several officers are board members of local organizations whose mission is to support LMI individuals. There was also board or committee participation by bank officers for the local hospital foundation and annual county fair. The exhibitors at the county fair are 90 percent LMI families and depend on the fair resources to further their education.

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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 MSA(s) and non-MSA(s) 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:	01/01/2020 – 12/31/2022	
Bank Products Reviewed:	Home mortgage, small business, consumer loans Community development loans, qualified investments, community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA	NA	NA
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
TEXAS		
Houston AA	Full Scope	All of Austin and Waller counties and two tracts in Harris County (5431.00 and 5560.00)

Appendix B: Summary of MMSA and State Ratings

RATINGS (BANK NAME)			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
FNB Bellville	Satisfactory	Outstanding	Satisfactory
MMSA or State:			
State of Texas	Satisfactory	Outstanding	Satisfactory

(*) The Lending Test and Community Development Test carry equal weight in the overall rating.

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, 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 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 “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 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 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.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

- 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.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

TEXAS

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2020-21		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts					
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate			
Houston	30	6,453	100.0	5,511	0.0	0.0	0.0	21.3	10.0	10.3	66.6	66.7	55.1	12.2	23.3	34.6	0.0	0.0	0.0			
Total	30	6,453	100.0	5,511	0.0	0.0	0.0	21.3	10.0	10.3	66.6	66.7	55.1	12.2	23.3	34.6	0.0	0.0	0.0			

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

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2022		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts					
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate			
Houston	27	9,402	100.0	--	0.0	0.0	--	27.8	40.7	--	60.6	55.6	--	11.6	3.7	--	0.0	0.0	--			
Total	27	9,402	100.0	--	0.0	0.0	--	27.8	40.7	--	60.6	55.6	--	11.6	3.7	--	0.0	0.0	--			

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020-21		
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		
Houston	30	6,453	100	5,511	25.3	0.0	2.6	17.0	10.0	13.0	20.4	20.0	20.5	37.3	70.0	39.5	0.0	0.0	24.3		
Total	30	6,453	100	5,511	25.3	0.0	2.6	17.0	10.0	13.0	20.4	20.0	20.5	37.3	70.0	39.5	0.0	0.0	24.3		

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022		
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		
Houston	27	9,402	100	--	23.7	3.7	--	16.7	14.8	--	21.7	14.8	--	37.9	66.7	--	0.0	0.0	--		
Total	27	9,402	100	--	23.7	3.7	--	16.7	14.8	--	21.7	14.8	--	37.9	66.7	--	0.0	0.0	--		

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020-21	
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	
Houston	23	1,563	100.0	2,827	0.0	0.0	0.0	21.4	21.7	23.5	60.8	43.5	59.7	17.6	34.8	16.8	0.3	0.0	0.0	
Total	23	1,563	100.0	2,827	0.0	0.0	0.0	21.4	21.7	23.5	60.8	43.5	59.7	17.6	34.8	16.8	0.3	0.0	0.0	

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

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2022	
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	
Houston	25	1,119	100.0	--	0.0	0.0	--	29.7	48.0	--	54.5	48.0	--	15.6	4.0	--	0.2	0.0	--	
Total	25	1,119	100.0	--	0.0	0.0	--	29.7	48.0	--	54.5	48.0	--	15.6	4.0	--	0.2	0.0	--	

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, “--” data not available.
Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2020-21
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	
Houston	23	1,563	100.0	2,827	86.8	95.7	40.9	4.8	0.0	8.4	4.3	
Total	23	1,563	100.0	2,827	86.8	95.7	40.9	4.8	0.0	8.4	4.3	
<i>Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>												

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2022
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	
Houston	25	1,119	100.0	--	90.4	72.0	--	3.4	12.0	6.2	16.0	
Total	25	1,119	100.0	--	90.4	72.0	--	3.4	12.0	6.2	16.0	
<i>Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>												

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2020-21	
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	
Houston	35	452	100.0	0.0	0.0	23.3	14.3	66.2	65.7	10.5	20.0	0.0	0.0	
Total	35	452	100.0	0.0	0.0	23.3	14.3	66.2	65.7	10.5	20.0	0.0	0.0	

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

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2022	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$(000)	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Houston	28	311	100.0	0.0	0.0	36.2	50.0	54.5	42.9	9.3	7.1	0.0	0.0	
Total	28	311	100.0	0.0	0.0	36.2	50.0	54.5	42.9	9.3	7.1	0.0	0.0	

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data.
Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table V: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2020-2021	
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	
Houston	35	452	100.0	26.7	11.4	18.9	11.4	17.5	14.3	36.9	34.3	0.0	28.6	
Total	35	452	100.0	26.7	11.4	18.9	11.4	17.5	14.3	36.9	34.3	0.0	28.6	

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

Table V: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2022	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$(000)	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Houston	28	311	100.0	26.2	28.6	16.6	35.7	18.1	10.7	39.1	14.3	0.0	10.7	
Total	28	311	100.0	26.2	28.6	16.6	35.7	18.1	10.7	39.1	14.3	0.0	10.7	

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data.
Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.