



PUBLIC DISCLOSURE

January 16, 2018

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, Texas 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.

Table of Contents

OVERALL CRA RATING	1
DEFINITIONS AND COMMON ABBREVIATIONS	2
DESCRIPTION OF INSTITUTION	6
SCOPE OF THE EVALUATION.....	7
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	8
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	9
LENDING TEST	9
APPENDIX A: SCOPE OF EXAMINATION.....	A-1
APPENDIX B: COMMUNITY PROFILES FOR FULL-SCOPE AREAS	B-1

INSTITUTION'S CRA RATING: "Satisfactory"

The Lending Test is rated: "Satisfactory".

Major factors that support this satisfactory rating include:

- The bank's quarterly average loan-to-deposit (LTD) ratio of 73.70 percent is reasonable and indicates a reasonable responsiveness to area credit needs based on loan demand, competition, and the economic and demographic data for the community.
- A majority of loans originated and purchased during the review period are inside the bank's assessment areas (AA). Lending performance by both number and dollar volume support this conclusion.
- The distribution of loans to borrowers of different incomes and to businesses of different sizes in the AA exhibits reasonable penetration when considering performance context factors and meets the standards of satisfactory performance.
- The geographic distribution (dispersion) of loans to borrowers of different income levels and businesses of different sizes was given no consideration in the bank's overall rating due to the small percentage of low- and/or moderate-income geographies in AA.
- The bank's responsiveness to consumer complaints was given no consideration given that there were no consumer complaints related to the bank's CRA performance during this evaluation period.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is; therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: 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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity 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 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), loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

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 MA/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. 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

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.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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.

Rated Area: A rated area is a state or multi-state metropolitan 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 area, the institution will receive a rating for the multi-state metropolitan 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.

Description of Institution

City National Bank (CNB or bank) is a single-state community bank headquartered in Corsicana, Texas (Navarro County). CNB is wholly owned by City Bancshares, Inc., a one-bank holding company. The bank is situated in a middle-income CT surrounded by commercial and owner- and non-owner occupied residential properties, just eight blocks from the central business district of Corsicana. 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 are deposit-taking. The bank's primary ATM is located on the premises in the drive-thru, and the other is located at 3801 S. Highway 287, approximately four miles southwest of the bank.

Loan Type (as of September 30, 2017)	Gross Dollar Amount \$ (000)	% of Gross Loans
Construction & Land Development Loans	1,666	4.9
Residential RE (Home Mortgage Loans)	17,497	52.3
Commercial RE	4,329	12.9
Commercial & Industrial (Business Loans)	5,422	16.2
Consumer	1,846	5.5
Farm & Agriculture	2,728	8.2
Total	33,488	100%

Source: Call Report data as of September 30, 2017.

As of September 30, 2017, CNB assets totaled \$45 million, total liabilities of \$39.7 million, and capital of \$5.3 million. Gross loans totaling \$33.5 million represent 74 percent of assets. The preceding table reflects the composition of the loan portfolio, by "Loan Type", as of September 30, 2017. Residential real estate and commercial & industrial loans represent the largest percentage of gross loans at 52.3 percent and 16.2 percent respectively, followed by commercial real estate at 12.9 percent.

According to bank-provided loan origination data during the review period, examiners determined the bank's primary loan products to be residential real estate (home mortgage loans) and commercial & industrial (business loans). A sample of 20 home mortgage loans and 20 business loans were randomly selected for purposes of the Lending Test.

There are no known legal or financial impediments to CNB's ability to meet the credit needs of its communities.

The previous CRA evaluation, dated October 15, 2012, assigned a "Satisfactory" rating to the bank.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This Performance Evaluation (PE) assesses the Community Reinvestment Act (CRA) performance of CNB under the Small Bank performance criteria. We utilized the Lending Test to evaluate the bank's record of meeting the credit needs of its AA. We performed a full-scope review of CRA activities. The evaluation period ranges from October 15, 2012, the date of the prior PE, through January 16, 2018, the date of the current evaluation. Through a review of the bank-provided loan origination data, we identified home mortgage loans and business loans as the bank's two primary loan products. The Lending Test focused on the origination of home mortgage loans and business loans originated from January 1, 2015 through December 31, 2017.

Data Integrity

This evaluation is based on accurate data. Examiners gathered demographic data directly from the bank's residential real estate and business loan files for comparison with 2010 U.S. Census data. The bank does not have a home or branch office in a metropolitan statistical area and; therefore, is not subject to the filing requirements of the Home Mortgage Disclosure Act.

The bank has no affiliates to be considered for this evaluation.

Selection of Areas for Full-Scope Review

For this evaluation, we conducted a full-scope review of the Navarro non-MSA assessment area.

Please see the table in Appendix A for more information.

Ratings

The bank's rating is based on the full-scope review of the Navarro non-MSA assessment area.

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 assessment area 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 Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices.

The OCC will consider any evidence of discriminatory or other illegal credit practices relative to this institution that other regulators may provide to the OCC before the end of the institution's next Performance Evaluation in that subsequent evaluation, even if the information provided concerns activities that occurred during the evaluation period addressed in this Performance Evaluation.

Conclusions with Respect to Performance Tests

LENDING TEST

The bank's performance under the Lending Test is rated "**Satisfactory**".

Loan-to-Deposit Ratio

CNB's LTD ratio is reasonable given the bank's size, location, local competition, and the credit needs of the AA. The LTD ratio is calculated on a bank-wide basis. While there is no ranking intended or implied by their order, the table below compares the bank's quarterly average loan-to-deposit ratio with that of two similarly situated institutions (SSI) for the same time period. CNB's quarterly average LTD ratio of 73.70 percent for the 20 month period beginning December 31, 2012 through September 30, 2017 exceeds that of the other two SSIs. During the evaluation period, CNB's LTD ratio ranged from a low of 63.00 percent to a high of 85.66 percent that was reached in the most recent quarter (September 30, 2017).

Loan-to-Deposit Ratios		
Financial Institutions	Total Assets \$ (000's) (As of 9/30/2017)	Average Loan-to- Deposit Ratio
City National Bank	45,018	73.70%
Powell State Bank (Navarro County, Powell, TX)	39,016	58.23%
First State Bank (Navarro County, Rice, TX)	136,456	62.49%

Source: Institution Reports of Condition from December 31, 2012 to September 30, 2017.

Lending in Assessment Area

As calculated on a bank wide basis, a majority of the number and dollar amount of CNB loans were originated or purchased inside its AA. As depicted in Table 1 below, 72.5 percent of the number and 71.4 percent of the dollar amount of loans were originated or purchased inside the AA.

Table 1 - Lending in Navarro Non-MSA AA										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Mortgage	16	80.0	4	20.0	20	1,805	65.6	948	34.4	2,753
Business	13	65.0	7	35.0	20	622	96.3	24	3.7	646
Totals	29	72.5	11	27.5	40	2,427	71.4	972	28.6	3,399

Source: Loan samples from bank-provided data.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

CNB's overall borrower distribution of loans is reasonable. Lending to borrowers of different incomes and to businesses of different sizes within the Navarro non-MSA is reasonable.

Navarro Non-MSA AA

The borrower distribution of loans in the Navarro non-MSA is reasonable. The distribution of home loans to borrowers reflects a reasonable penetration among borrowers of different income levels. The distribution of loans to small businesses is also reasonable.

Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Mortgage	21.31	0.00	16.91	20.00	20.98	20.00	40.79	60.00

Source: Loan sample from bank-provided data; 2010 U.S. Census data.

Table 2 above reflects the bank's percentage of the number of home mortgage loans that it originated and purchased to low-, moderate-, middle-, and upper-income borrowers compared to the percentage of families within the AA that are of those income levels. As reflected, the percentage of the number of loans to moderate-income borrowers (20.00 percent) exceeds the percentage of AA families in that income level (16.91 percent). This level of performance generally exceeds the standard for satisfactory performance. While the percentage of the number of home mortgage loans originated and purchased to low-income borrowers is significantly below the demographic comparator and generally does not meet the standard for satisfactory performance, penetration is considered reasonable given the bank's performance context and consistent with safe and sound banking operations. U.S. Census data indicates that more than 16 percent of households in the AA live below the poverty level and 19 percent of households are in retirement. These and other factors noted in Appendix B of this PE factor into the ability of the 21.31 percent of AA families that are low-income of meeting conventional underwriting standards. As a result, more weight was placed on lending to moderate-income level borrowers.

Table 2A - Borrower Distribution of Loans to Businesses in Navarro Non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable / Unknown	Total
% of AA Businesses	81.66	4.41	13.93	100%
% of Bank Loans in AA by #	80.00	20.00	0.00	100%
% of Bank Loans in AA by \$	68.67	31.33	0.00	100%

Source: Bank aggregated data; Dunn and Bradstreet data.

In Table 2A above, the bank's percentage of the number and dollar of amount of loans that it originated to businesses with gross annual revenues of \$1 million or less, and to businesses with gross revenues over \$1 million, is compared to the percentage of AA businesses with gross annual revenues at those respective levels. As reflected, the distribution of loans to businesses exhibits an excellent penetration among businesses of different sizes. The percentage of loans originated and purchased by number to small businesses (80.00 percent) approximates the percentage of small businesses in the AA (81.66 percent). A small business is defined as a business with revenues of \$1 million or less. While the percentage by the dollar volume of loans (62 percent) is below the demographic comparator, we placed the most weight on the number of loans originated or purchased. As such, the bank generally meets the standard for satisfactory performance.

Geographic Distribution of Loans

This criterion measures the bank's performance with respect to dispersion of lending to geographies of different income levels within the AA. Because low- and moderate-income geographies account for less than 10 percent of the AA, any analysis of the geographic distribution of loans would result in a meaningless conclusion. Thus this criterion is not applicable.

Responses to Complaints

The bank has not received any CRA-related complaints since the last evaluation.

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 metropolitan and nonmetropolitan areas 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	Lending Test (excludes CD loans, Investments, and Services): Home Mortgage Loans (01/01/2015 to 12/31/2017) Business Loans (01/01/2015 to 12/31/2017)	
Financial Institution		Products Reviewed
City National Bank (CNB) Corsicana, Texas		Home Mortgage and Business Loans
Affiliate(s)	Affiliate Relationship	Products Reviewed
<i>[Instructions: Provide only if affiliate products are reviewed.]</i> No Affiliates		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
State of Texas Navarro Non-MSA	Full Scope	All of Navarro County, Texas

Appendix B: Community Profiles for Full-Scope Areas

Navarro Non-MSA AA

Demographic Information for Full-Scope Area: Navarro Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	10	0.00	10.00	70.00	20.00	0.00
Population by Geography	47,735	0.00	16.98	65.47	17.55	0.00
Owner-Occupied Housing by Geography	12,381	0.00	12.74	68.01	19.26	0.00
Businesses by Geography	2,876	0.00	11.34	75.94	12.73	0.00
Farms by Geography	214	0.00	9.81	74.77	15.42	0.00
Family Distribution by Income Level	12,428	0.00	15.13	66.85	18.02	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	4,751	0.00	20.1	66.2	13.7	0.00
Median Family Income						
FFIEC Adjusted Median Family Income for 2017	= \$50,365 = \$52,400 = 16.50%		Median Housing Value		= \$78,282	
Households Below the Poverty Level			Unemployment Rate		= 3.1%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2017 FFIEC updated MFI.

CNB designates all of Navarro County, a non-metropolitan statistical area, as its AA. The AA comprises a total of 10 CTs (one moderate-income, seven middle-income, and two upper-income). There are no existing low-income geographies, but all seven middle-income CTs in the AA are designated by federal agencies as distressed non-metropolitan middle-income tracts due to poverty. The bank's main office is located within the AA in one of the distressed middle-income tracts.

The bank has properly defined its AA in accordance with the technical requirements of the CRA regulation. The AA consists of whole geographies, does not arbitrarily exclude LMI geographies, includes CTs where the banks office and ATMs are located, and does not reflect illegal discrimination.

The City of Corsicana is county seat and largest city with a population of 23,770 at the 2010 U.S. Census. The Navarro non-MSA with a population of 47,735 includes the cities and towns of Rice, Frost, Streetman, Dawson, Mildred, Blooming Grove, Eureka and Kerens.

Major private employers in the AA include Russell Stover Candies, Inc., Watkins Construction Co., LLC, Navarro Regional Hospital, Walmart Super Center, Guardian Industries Corporation, Polyguard Products, Corsicana Bedding, Oil City Iron Works, Pactiv, Kohl's Distribution Center, and Collin Street Bakery.

Leading public service sector employers include the Corsicana Independent School District, Navarro College, Navarro County and city government offices. Many workers commute from neighboring rural areas and smaller towns. Outside of Corsicana, the economy is centered in agriculture and oil and gas field operations.

Though major employers in the Corsicana area remain strong, the number of smaller businesses and farm employers in the AA has declined in recent years. Many centered on oil and gas and support services, while plummeting oil and gas prices curtailed demand for services and new construction. According to Dun & Bradstreet data, the number of businesses and farms operating in the area declined by almost one-third from 2013. The bulk of the decrease occurred in operating units with fewer than five employees and less than \$500,000 of gross annual revenues. This steady decline in businesses and farms contributed to a lower overall loan demand in the AA.

According to the Bureau of Labor Statistics, the October 2017 unemployment rate for Navarro County of 3.1 percent compares favorably to the state of Texas and U.S. unemployment rates of 3.5 percent and 4.1 percent, respectively.

Owner-occupied housing units represent 61.89 percent of total housing in the AA, while rental occupied housing units represent another 24.66 percent. Another 13.45 percent of housing is vacant. While there are no low-income geographies in the AA, only 12.74 percent of the owner-occupied housing exists within the one moderate-income geography that does exist. Low-income households outnumber the percentage of moderate-income households in the AA, 22.10 percent compared to 16.21 percent. While almost 17 percent of households in the AA live below the poverty level, 19.36 percent and 66.64 percent of those households are located in the one moderate-income and seven middle-income geographies, respectively. Low-income families represent 21.31 percent of the AA compared to moderate-income at 16.91 percent. Additionally, there are approximately 20 percent of AA households that are in retirement, though 33 percent of households draw social security.

The median value of housing in the AA is \$78,282 and housing stock is on average 40 years old. In moderate-income geographies, the average value of housing stock is \$56,200 while the average age of stock is 39 years, compared to \$78,709 and 39 years in middle-income geographies (which the federal agencies have designated distressed non-metropolitan middle-income tracts due to poverty). Older housing often has higher maintenance costs and frequently requires significant repairs to meet code requirements, while also often less energy efficient resulting in higher utility costs. Higher property taxes further increase the costs of home ownership.

These factors and loan demand, in addition to down payment requirements for traditional mortgage loan financings, are obstacles to homeownership opportunities for LMI families, low-income applicants particularly.

The AA is a moderately competitive banking environment. According to the FDIC Deposit Market Share Report as of June 30, 2017, there are 10 banks operating 15 offices in the AA with deposits totaling \$565 million. CNB with its one office, ranked fifth overall with 5.8 percent market share and deposits totaling \$38.6 million. Community National Bank & Trust of Texas and Citizens State Bank, both local and much larger community banks, hold the top two spots with 32.4 percent and 18.7 percent market share, respectively. Their respective deposits total \$215.6 million and \$124.8 million. Additionally, there are two active credit unions operating in Corsicana.

A community contact interview with a senior management official of a local non-profit organization, conducted during a recent CRA evaluation of another local financial institution, indicated the credit needs of LMI residents and small business owners in Corsicana and Navarro County are largely being met by the local banks, either directly or through government lending programs such as SBA programs. Opportunities for senior-related housing continues, specifically for hospices, nursing homes, and assisted living units. Many millennials in the area report are priced out of potential residences as there is a lack of available housing in the \$150 thousand to \$200 thousand range in middle-income geographies. Current lending opportunities for local banks include: 1) lending to construct affordable housing for LMI individuals, families, and seniors; 2) to stabilize specific residential neighborhoods via the In-Fill Program initiated by the City of Corsicana; and 3) to construct local housing and provide permanent financing for middle-income millennials that are employed in the city but currently have to commute from smaller communities in surrounding towns and cities.