

# **PUBLIC DISCLOSURE**

October 6, 2025

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

York State Bank  
Certificate Number: 16079

700 North Lincoln Avenue  
York, Nebraska 68467

Federal Deposit Insurance Corporation  
Division of Depositor and Consumer Protection  
Kansas City Regional Office

1100 Walnut Street, Suite 2100  
Kansas City, Missouri 64106

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, nor should it 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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## INSTITUTION RATING

**INSTITUTION'S CRA RATING:** This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The following points summarize the institution's Community Reinvestment Act (CRA) performance.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- A majority of loans reviewed are outside the institution's assessment area.
- The assessment area does not contain any low- or moderate-income census tracts and a review of the geographic distribution criterion would not result in meaningful conclusions. Therefore, examiners did not evaluate this criterion.
- The distribution of borrowers reflects reasonable penetration among farms and businesses of different sizes.
- The institution did not receive any complaints regarding its CRA performance since the previous evaluation; therefore, examiners did not evaluate the bank's record of responding to CRA-related complaints.

## DESCRIPTION OF INSTITUTION

York State Bank is a community bank headquartered in York, Nebraska. York State Bank is wholly owned by York Holdings, Inc., based in Omaha, Nebraska. The bank is affiliated with a number of financial institutions through common ownership. Lending activities of these institutions were not considered as part of this evaluation. The bank received a Satisfactory rating at its previous FDIC Performance Evaluation dated June 29, 2020, using Interagency Small Institution Examination Procedures.

In addition to its main office, the institution operates two full-service branches in Gresham, and Geneva, Nebraska as well as one limited-service drive-thru facility near the main office in York. Since the previous evaluation, the bank closed a limited-service drive-thru facility in York on November 3, 2023.

York State Bank offers traditional agricultural, commercial, residential real estate, and consumer loan products. Agricultural lending remains the institution's primary lending focus followed by commercial lending. The bank offers a variety of deposit products including savings, checking, individual retirement, and certificate of deposit accounts. Alternative banking services include

internet and mobile banking. The bank does not own any ATMs; however, the bank provides customers with access to ATM transactions through a network arrangement.

As of the June 30, 2025 Reports of Condition and Income (Call Report), York State Bank reported total assets of \$186.5 million, total loans of \$127.4 million, and total deposits of \$156.6 million. There has been slight growth since the previous evaluation in total assets, loans, and deposits. The lending concentration is consistent with the loan portfolio distribution at the prior evaluation. The following table reflects the loan portfolio composition.

<b>Loan Portfolio Distribution as of 6/30/2025</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction, Land Development, and Other Land Loans	46	0.1
Secured by Farmland	14,483	11.4
Secured by 1-4 Family Residential Properties	8,447	6.6
Secured by Multifamily (5 or more) Residential Properties	529	0.4
Secured by Nonfarm Nonresidential Properties	9,733	7.6
<b>Total Real Estate Loans</b>	<b>33,238</b>	<b>26.1</b>
Commercial and Industrial Loans	18,235	14.3
Agricultural Production and Other Loans to Farmers	73,490	57.7
Consumer Loans	2,254	1.8
Obligations of State and Political Subdivisions in the U.S.	135	0.1
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
<b>Total Loans</b>	<b>127,352</b>	<b>100.0</b>
<i>Source: Reports of Condition and Income</i>		
<i>Due to rounding, totals may not equal 100.0%</i>		

Examiners did not identify any financial, legal, or other impediments that affect the bank’s ability to meet assessment area credit needs.

## **DESCRIPTION OF ASSESSMENT AREA**

The CRA requires each financial institution to define one or more assessment areas within which its performance will be evaluated. York State Bank has defined one assessment area that includes all of York and Fillmore counties. According to 2020 U.S. Census data, York County has one upper- and three middle-income census tracts, while Fillmore County has one upper- and one middle-income census tract. Both counties are located within the nonmetropolitan area of Nebraska. The assessment area remains unchanged since the prior CRA evaluation.

### **Economic and Demographic Data**

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A* % of #
Geographies (Census Tracts)	6	0.0	0.0	66.7	33.3	0.0
Population by Geography	19,676	0.0	0.0	59.2	40.8	0.0
Housing Units by Geography	9,287	0.0	0.0	59.9	40.1	0.0
Owner-Occupied Units by Geography	6,120	0.0	0.0	60.6	39.4	0.0
Occupied Rental Units by Geography	2,053	0.0	0.0	61.1	38.9	0.0
Vacant Units by Geography	1,114	0.0	0.0	53.7	46.3	0.0
Businesses by Geography	2,287	0.0	0.0	52.0	48.0	0.0
Farms by Geography	522	0.0	0.0	66.7	33.3	0.0
Family Distribution by Income Level	5,261	12.4	16.5	23.8	47.4	0.0
Household Distribution by Income Level	8,173	20.6	14.7	18.3	46.5	0.0
Nebraska Non-MSA Median Family Income	\$70,804	Median Housing Value				\$125,365
		Median Gross Rent				\$693
		Families Below Poverty Level				5.4%
<i>Source: 2020 Census and 2024 D&amp;B Data (*)</i> <i>Due to rounding, totals may not equal 100%.</i>						

The assessment area is rural in nature and relies heavily on agriculture. According to 2022 Census of Agriculture data, the assessment area produced \$972.4 million in commodity sales. According to 2024 D&B data, the largest business segments in the assessment area include agriculture, forestry, fishing, and hunting at 18.6 percent; non-classifiable establishments at 16.3 percent; and other services at 9.7 percent. The farms and businesses in the assessment area are predominantly small, with 72.9 percent having less than five employees and 91.1 percent operating from a single location.

### **Competition**

The assessment area is competitive for financial services considering its size and demographics. According to FDIC Deposit Market Share data as of June 30, 2025, 9 financial institutions operate 25 offices in the assessment area. York State Bank ranks 4<sup>th</sup> with a 7.5 percent deposit market share. Lending competition also exists from Farm Credit Services, as well as non-traditional creditors and dealers for agricultural loans.

### **Community Contact**

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying the area's credit needs. This information helps determine whether local financial institutions are responsive to those needs. It also shows what credit opportunities are available.

Examiners reviewed two recently conducted community contact interviews with representatives of economic development organizations that serve Fillmore and York counties. One contact stated that the economy in the area is stable; however, the job market is competitive. The major sources of employment are farming, local government, and healthcare. The other contact stated that the current economic conditions are good, and businesses are beginning to expand their workforce. The contact also stated the small business and agricultural loans are primary credit needs of the community. Additionally, local financial institutions are meeting the credit needs of the area.

**Credit Needs**

Considering information from the community contacts, bank management, and demographic and economic data, examiners determined that agricultural and commercial loans are the primary credit needs of the assessment area.

**SCOPE OF EVALUATION**

**General Information**

This evaluation covers the period from the prior evaluation dated June 29, 2020, to the current evaluation dated October 6, 2025. Examiners used Interagency Small Institution Examination Procedures to evaluate the bank’s CRA performance, which includes the Lending Test. Refer to the Appendices for a description of the criteria evaluated under the Lending Test.

**Activities Reviewed**

Agricultural and commercial loans are York State Bank’s primary lending products. There are no other loan products that comprise a significant portion of the bank’s loan portfolio or are a major product line. As such, examiners reviewed small farm and small business loans to evaluate the bank’s performance. The products were selected based on the bank’s business strategy, assessment area credit needs, and the number and dollar volume of loans originated during the evaluation period.

To ensure an accurate depiction of the bank’s lending data, examiners reviewed small farm and small business loans originated, renewed, or purchased from July 22, 2024, through July 21, 2025. Bank management indicated this review period was an accurate representation of the bank’s lending activity throughout the evaluation period. For Assessment Area Concentration, examiners reviewed all small farm and small business loans originated or purchased during the review period. For Borrower Profile, examiners reviewed a sample of small farm and small business loans located inside the assessment area. D&B data for 2024, the most recent year available, provided the standard of comparison for both small farm and small business lending. Geographic Distribution was not evaluated because the assessment area does not contain any low- or moderate-income census tracts. The following table provides details on the loans reviewed.

<b>Loan Products Reviewed</b>						
<b>Loan Category</b>	<b>Universe</b>		<b>Inside the Assessment Area</b>		<b>Borrower Profile</b>	
	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>
Small Business	131	12,355	78	7,718	41	4,019
Small Farm	218	29,956	88	15,228	41	2,953

*Source: Bank Data*

Small farm loans contributed more weight to overall conclusions because agricultural lending is the bank’s primary lending focus, accounts for the largest portion of the loan portfolio, and represents the most lending activity by both number and dollar volume during the evaluation period. Examiners reviewed both the number and dollar volume of loans and presented both figures throughout the evaluation. However, examiners placed more weight on the number of loans, rather than the dollar volume, when conducting the Borrower Profile analysis because the number of loans is generally a better indicator of borrowers served.

## CONCLUSIONS ON PERFORMANCE CRITERIA

### LENDING TEST

York State Bank demonstrated satisfactory performance under the Lending Test. Reasonable performance under the Loan-to-Deposit Ratio and Borrower Profile criteria supports this conclusion. Even though a majority of loans were outside the assessment area, this did not affect overall conclusions.

#### Loan-to-Deposit Ratio

York State Bank's net loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's loan-to-deposit ratio, calculated from Call Report data, averaged 81.6 percent over the past 21 quarters from June 30, 2020, to June 30, 2025. This ratio ranged from a high of 94.3 percent as of June 30, 2020, to a low of 73.0 percent as of March 31, 2022. The current net loan-to-deposit ratio represents a decrease since the previous evaluation when it averaged 92.9 percent.

Examiners compared York State Bank's net loan-to-deposit ratio to three similarly situated financial institutions to evaluate the bank's performance. These institutions were selected based on their asset size, geographic location, and lending focus. As shown in the table below, York State Bank's loan-to-deposit ratio is comparable to all three institutions.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 6/30/2025 (\$000s)	Average Net Loan-to-Deposit Ratio (%)
York State Bank, York, Nebraska	186,511	81.6
First Tri County Bank, Swanton, Nebraska	72,243	78.8
Farmers and Merchants Bank, Milligan, Nebraska	187,845	101.7
Western National Bank, Chester, Nebraska	245,266	85.7

*Source: Reports of Condition and Income 06/30/2020 – 06/30/2025*

#### Assessment Area Concentration

Overall, York State Bank a majority of loans were outside of the assessment area. As shown in the following table, a majority of small farm loans by number were outside of the assessment area. York State Bank purchases a large number of agricultural loans from affiliated Diversified Financial Services, Inc., which provides retail financing and leasing to agricultural borrowers throughout the country. Since a majority of the loans reviewed, by number, were outside the assessment area and small farm lending received greater weight in drawing conclusions, the bank's overall performance under this criterion reflects a majority of loans outside the assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$(000s)	%	\$(000s)	%	
Small Business	78	59.5	53	40.5	131	7,718	62.5	4,637	37.5	12,355
Small Farm	88	40.4	130	59.6	218	15,228	50.8	14,728	49.2	29,956
<b>Total</b>	<b>166</b>	<b>47.6</b>	<b>183</b>	<b>52.4</b>	<b>349</b>	<b>22,946</b>	<b>54.2</b>	<b>19,365</b>	<b>45.8</b>	<b>42,311</b>

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

### **Geographic Distribution**

The assessment area does not contain any low- or moderate-income census tracts and a review of the geographic distribution criterion would not result in meaningful conclusions. Therefore, examiners did not evaluate the geographic distribution of loans.

### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among farms and businesses of different sizes. Reasonable small farm and small business performance supports this conclusion. Examiners focused on the percentage of loans to farms and businesses with gross annual revenues of \$1 million or less.

### ***Small Farm Loans***

The distribution of borrowers reflects reasonable penetration among farms of different sizes. While the percentage of small farm loans made to farms with gross annual revenues of \$1 million or less lags the percentage of farms reporting revenues in this category, 2022 Census of Agriculture data indicates the loan demand from farms with revenues less than \$1 million is likely lower than reflected by comparable demographic data. Specifically, 39.5 percent of operations in the assessment area do not have interest expenses, indicating that they do not borrow funds for their operations. Further, 36.0 percent of operators are considered hobby farmers. Considering this information, the performance is reasonable. The following table provides details.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<= \$1,000,000	97.3	32	78.0	2,419	81.9
> \$1,000,000	1.5	9	22.0	534	18.1
Revenue Not Available	1.2	0	0.0	0	0.0
<b>Total</b>	<b>100.0</b>	<b>41</b>	<b>100.0</b>	<b>2,953</b>	<b>100.0</b>

*Source: 2024 D&B Data; Imported Bank Data  
Due to rounding, totals may not equal 100.0%.*

### ***Small Business Loans***

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. The bank's record of lending to businesses with gross annual revenues of \$1 million or less is comparable to the percentage of businesses reporting revenues in this category. The following table provides details.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<= \$1,000,000	84.9	32	78.1	1,736	43.2
> \$1,000,000	4.3	6	14.6	2,211	55.0
Revenue Not Available	10.8	3	7.3	72	1.8
<b>Total</b>	<b>100.0</b>	<b>41</b>	<b>100.0</b>	<b>4,019</b>	<b>100.0</b>
<i>Source: 2024 D&amp;B Data; Imported Bank Data Due to rounding, totals may not equal 100.0%.</i>					

**Response to Complaints**

York State Bank has not received any CRA-related complaints since the prior evaluation; therefore, this criterion did not affect the rating.

**DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

The bank’s compliance with laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

## APPENDICES

### SMALL BANK PERFORMANCE CRITERIA

#### Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

## GLOSSARY

**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 metropolitan area/assessment area.

**American Community Survey (ACS):** A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

**Area Median Income:** The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

**Assessment Area:** A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

**Census Tract:** A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

**Combined Statistical Area (CSA):** A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

**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.

**Core Based Statistical Area (CBSA):** The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

**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. Other family 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).

**FFIEC-Estimated Income Data:** The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

**Full-Scope Review:** A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, 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 do 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; and the disposition of the application (approved, denied, and withdrawn).

**Home Mortgage Loans:** Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

**Housing Unit:** Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

**Limited-Scope Review:** A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, 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 metropolitan area/assessment area.

**Median Income:** The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

**Metropolitan Division (MD):** A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities 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 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 and less than 80 percent in the case of a geography.

**Multi-family:** Refers to a residential structure that contains five or more units.

**Nonmetropolitan Area (also known as non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

**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.

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

**Rural Area:** Territories, populations, and housing units that are not classified as urban.

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

**Small Farm Loan:** 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

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

**Urban Area:** All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.