

PUBLIC DISCLOSURE

March 10, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First State Bank of Bedia
Certificate Number: 16895

22201 Highway 90 N
Bedia, TX 77831

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

600 North Pearl Street, Suite 700
Dallas, Texas 75201

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 areas, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. The following points summarize conclusions regarding the applicable test, discussed in detail elsewhere.

- The loan-to-deposit (LTD) ratio is reasonable (considering seasonal variations and taking into account lending-related activities) given the institution's size, financial condition, and assessment area credit needs.
- A majority of loans are in the institution's assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas.
- The distribution of borrowers reflects, given the demographics of the assessment areas, reasonable penetration among businesses and farms of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DESCRIPTION OF INSTITUTION

First State Bank of Bédias (FSBB) is headquartered in Bédias, Texas. Bédias Financial Corporation, Bédias, Texas, is a one-bank holding company that wholly owns FSBB. FSBB received a Satisfactory rating at its previous Federal Deposit Insurance Corporation (FDIC) CRA Performance Evaluation, dated April 22, 2019, based on Federal Financial Institutions Examination Council's (FFIEC) Small Institution CRA Examination Procedures.

FSBB is a \$201 million rural institution, and operates primarily in Brazos, Grimes, Madison and Walker Counties. FSBB operates two full-service locations, its main office in Bédias, TX, and the Kurten Branch in Bryan, TX. The bank has not opened or closed any branches and has not participated in any merger or acquisition activity since the previous evaluation.

FSBB's lending focus includes commercial lending followed by construction and land development, agricultural, consumer, and residential lending. The bank also offers a variety of deposit services including consumer and commercial checking and savings accounts, money market accounts, certificates of deposit, and debit cards. Alternative delivery systems include telephone, online, and mobile banking with bill pay, drive-thru facilities, and two automated teller machines (ATMs). Service hours remain consistent with area and industry norms and include extended business hours offered at the drive-thru facility in Bryan, Texas on weekdays.

As of December 31, 2024, assets totaled approximately \$201.1 million, consisting primarily of total loans of \$122.6 million. Total deposits equaled approximately \$164.9 million as of the same date. Since the last evaluation, on average per year, total assets increased 5.0 percent, net loans increased 5.6 percent, and total deposits increased 4.6 percent.

As shown in the following table, the loans outstanding as of December 31, 2024, reflect a distribution generally supportive of the institution’s primary business focus. Commercial loans at 32.4 percent followed by agricultural loans at 26.5 percent of total loans by dollar volume, respectively, represent the largest two loan categories.

Loan Portfolio Distribution as of 12/31/2024		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	13,700	11.2
Secured by Farmland	13,861	11.3
Secured by 1-4 Family Residential Properties	25,675	20.9
Secured by Multifamily (5 or more) Residential Properties	0	0
Secured by Nonfarm Nonresidential Properties	18,065	14.7
Total Real Estate Loans	71,301	58.1
Commercial and Industrial Loans	21,687	17.7
Agricultural Production and Other Loans to Farmers	18,670	15.2
Consumer Loans	10,845	8.9
Other Loans	91	0.1
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	122,594	100.0
<i>Source: Reports of Condition and Income</i>		

Based on the information discussed in this section, as well as other regulatory data, FSBB’s financial condition, size, product offerings, prior performance, and lack of legal impediments did not affect the institution’s ability to meet its assessment areas’ credit needs.

DESCRIPTION OF ASSESSMENT AREAS

FSBB designated two assessment areas in the College Station-Bryan, Texas Metropolitan Statistical Area (MSA) assessment area (College Station MSA AA) and Non-MSA AA. The bank has changed its assessment area since the last evaluation to includes all 63 census tracts in Brazos County within the College Station MSA AA. The Non-MSA AA now consists of all Grimes and Madison Counties; and 2 out of 10 tracks within Walker County.

The combined assessment areas include 77 census tracts that reflect the following income designations based on 2020 U.S. Census data: 8 low-, 18 moderate-, 20 middle-, 26 upper-, and 5 census tracts with no income designation. The bank’s assessment areas experienced four Federal Emergency Management Agency (FEMA)-related disasters, such as the COVID-19 pandemic, Texas severe winter storm, Texas severe storms, straight-line winds, tornadoes and flooding, and Texas

Hurricane Beryl during the review period.

The assessment areas conform to technical CRA regulatory requirements. The table below provides a description of each assessment area, while detailed information regarding each assessment area is found in the applicable Description of Institution’s Operations section.

Description of Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
College Station MSA AA	Brazos	63	1
Non-MSA AA	Grimes, Madison, and Walker (partial)	14	1
<i>Source: Bank Data</i>			

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated April 22, 2019, to the current evaluation dated March 3, 2025. Examiners used the Interagency Small Bank Examination Procedures to evaluate FSBB CRA performance.

As previously noted, the bank operates in two assessment areas in Texas. The following table shows the bank generated a slightly larger portion of assessment area loans in the College Station MSA AA. Consequently, examiners applied full-scope procedures to the College Station MSA AA. Examiners applied limited -scope procedures to the Non-MSA AA.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
College Station MSA	33,473	53.3	64,603	40.0	1	50.0
Non-MSA	29,290	46.7	97,987	60.0	1	50.0
Total	62,763	100.0	162,590	100.0	2	100.0
<i>Source: 2024 Bank Data; FDIC Summary of Deposits (06/30/2024).</i>						

Activities Reviewed

Examiners determined the bank’s major product lines consist of commercial loans and agricultural loans, which comprise 29.9 percent and 29.2 percent of the total dollar volume of loans originated during 2024, respectively. This conclusion considered the bank’s business strategy, and the number and dollar volume of loans originated during the evaluation period. Bank records indicate the lending focus and product mix remained consistent throughout the evaluation period.

Since none of the other typically considered loan categories represent a major product line and thus would not materially affect any conclusions or ratings, including residential at 6.2 percent, and

consumer loans at 13.2 percent, this evaluation does not discuss them. The following table shows the bank’s originations over the most recent calendar year by loan type.

Loans Originated or Purchased				
Loan Category	\$(000s)	%	#	%
Construction and Land Development	17,804	21.5	42	3.1
Secured by Farmland	1,313	1.7	2	0.1
Secured by 1-4 Family Residential Properties	5,138	6.2	22	1.6
Multi-Family (5 or more) Residential Properties	0	0	0	0.0
Commercial Real Estate Loans	3,337	4.0	11	0.8
Commercial and Industrial Loans	21,462	25.9	276	20.1
Agricultural Loans	22,733	27.5	336	24.5
Consumer Loans	10,956	13.2	683	49.8
Other Loans	0	0.0	0	0.0
Total Loans	82,743	100.0	1,372	100.0
<i>Source: 2024 Bank Data</i>				

To assess performance for Assessment Area Concentration and geographic lending distribution, examiners considered the universe of small business and small farm loans originated during the period of January 1, 2024, to December 31, 2024. For 2024, the bank originated 286 small business loans totaling \$22.8 million and 334 small farm loans totaling \$20.3 million. For borrower profile loan distribution, examiners reviewed a sample of 51 small business loans totaling \$3.9 million and 33 small farm loans totaling \$2.5 million. D&B data for 2024 provided the standard of comparison for the sampled small business and small farm loans.

The bank’s major product line varied between assessment areas. In the College Station MSA AA consists of small business loans, while the major product in the Non-MSA AA includes small farm loans. Consequently, examiners reviewed small business lending performance in both assessment areas and small farm lending performance only in the Non-MSA AA.

Examiners considered the universes by dollar volume and number of loans originated in 2024, as well as management’s stated business strategy, to determine the weighting applied to the loan categories reviewed when arriving at applicable conclusions. Therefore, small farm loans received heavier weighting when arriving at conclusions for the Non-MSA AA.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

FSBB demonstrated a satisfactory record regarding the Lending Test. Reasonable performance regarding the bank’s loan to deposit ratio, geographic distribution, and borrower profile, as well as a majority of loans originated inside the assessment area support this conclusion

Loan-to-Deposit Ratio

The LTD ratio is reasonable (considering seasonal variations and lending-related activities) given the institution’s size, financial condition, and assessment area credit needs. The average net LTD ratio, calculated from Report of Income and Condition data, was 66.4 percent over the past 23 calendar quarters from June 30, 2019, to December 31, 2024, representing an increase from the 53.4 percent average net LTD ratio recorded at the prior evaluation. The ratio ranged from a high of 75.7 percent as of June 30, 2024, to a low of 56.6 percent as of March 31, 2022.

The following table shows similarly situated institutions operating in FSBB’s assessment areas and surrounding counties reflecting similar lending emphases. The table indicates that FSBB has the second highest average net LTD ratio among these similarly situated banks.

LTD Ratio Comparison		
Bank	Total Assets as of 12/31/2024 (\$000s)	Average Net LTD Ratio (%)
First State Bank of Bedias, Bedias, Texas	201,106	66.4
The First National Bank of Anderson, Anderson, Texas	223,895	68.1
First National Bank of Huntsville, Huntsville, Texas	557,264	55.0
Normangee State Bank, Normangee, Texas	147,944	59.4
Peoples State Bank, Shepherd, Texas	167,083	38.8

Source: Reports of Condition and Income (06/30/2019 – 12/31/2024)

Assessment Area Concentration

A majority of loans are inside the institution’s assessment areas. As reflected in the table below, the bank originated a majority of its small business and small farm loans, by number and dollar volume, inside its assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans					Dollar Amount of Loans \$(000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$
Small Business	228	79.7	58	20.3	286	18,799	82.5	3,999	17.5	22,798
Small Farm	234	70.1	100	29.9	334	12,825	63.3	7,427	36.7	20,252

Source: Bank Data; Due to rounding, totals may not equal 100.0%

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas. Poor performance in the College Station-MSA AA and reasonable performance in the Non-MSA AA supports this conclusion.

Borrower Profile

The distribution of borrowers reflects, given the demographics of the assessment areas, reasonable penetration among businesses and farms of different sizes. Excellent performance in the Non-MSA AA and reasonable performance in the College Station MSA AA supports this conclusion.

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the 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.

COLLEGE STATION-BRYAN, TX MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN COLLEGE STATION-BRYAN, TX MSA ASSESSMENT AREA

The bank’s College Station MSA assessment area consists of all tracts in Brazos County. The bank’s full-service office in this assessment area is located in a middle-income tract in Bryan, Texas and maintains a deposit-taking ATM.

Economic and Demographic Data

The bank’s College Station MSA AA consists of census tracts that reflect the following income designations according to 2020 U.S. Census data: 8 low-, 17 moderate-, 13 middle-, and 20 upper-income census tracts. There are also 5 census tracts without an income designation. The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area College Station MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	63	12.7	27.0	20.6	31.7	7.9
Population by Geography	233,849	14.2	23.1	23.0	32.6	7.1
Housing Units by Geography	91,831	9.3	28.0	25.7	31.8	5.2
Owner-Occupied Units by Geography	38,290	4.2	15.7	29.4	50.4	0.3
Occupied Rental Units by Geography	43,224	13.3	37.9	23.6	16.7	8.5
Vacant Units by Geography	10,317	11.2	32.2	20.7	26.1	9.8
Businesses by Geography	22,659	8.0	19.3	25.8	44.9	2.0
Farms by Geography	706	3.8	9.9	29.5	55.5	1.3
Family Distribution by Income Level	46,221	23.6	16.6	17.3	42.5	0.0
Household Distribution by Income Level	81,514	28.3	13.8	15.8	42.2	0.0
Median Family Income MSA - 17780 College Station-Bryan, TX MSA	\$71,727		Median Housing Value			\$195,486
			Median Gross Rent			\$990
			Families Below Poverty Level			13.2%
<small>Source: 2020 U.S. Census and 2024 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.</small>						

According to Moody’s Analytics, major employers in the area include Texas A&M University (TAMU), Texas A&M Health Science Center, Sanderson Farms, St. Joseph’s Health System, and Reynolds & Reynolds. Services represent the largest portion of businesses at 32.9 percent, followed by non-classifiable establishments at 25.0 percent, finance, insurance, and real estate at 12.2 percent and retail trade at 10.4 percent. In addition, 61.4 percent of area businesses have 4 or fewer employees, and 91.5 percent operate from a single location. According to December 2024, U.S.

Bureau of Labor Statistics data, the unemployment rate in Brazos County was 2.7 percent as compared to 4.2 percent for the State of Texas and the 4.1 percent national average.

Competition

The assessment area contains a relatively low level of competition from other chartered banks based on its population. According to the FDIC Deposit Market Share data as of June 30, 2024, 24 financial institutions operated 59 offices within the bank's College Station MSA AA. Of these institutions, FSBB ranked 15th with a 0.88 percent deposit market share. Credit unions and mortgage and finance companies also compete for loans in the area, thus heightening competition. The competition level allows for lending opportunities.

Community Contacts

Examiners contacted a community member knowledgeable of the area's economic, demographic, and business environments to help assess the current economic conditions, community credit needs, and potential opportunities for bank involvement in the area. The contact represents a municipal organization that focuses on economic development.

The contact stated that there has been an increase in the automated manufacturing industry led by a company that manufactures a large quantity of pipe and tubular products for the energy industry. The company currently employs approximately 200-300 employees with high certifications and pays a competitive salary for its job positions. Other institutions that drive the local economy are Texas A&M, the municipal school district, City of Bryan government, and St. Joseph Regional Hospital. It was noted that an income disparity exists in Bryan, TX; however, its economic condition appears stable, bolstered by significant educational institutions and a growing population. Local financial institutions are willing to make loans to satisfy the credit needs of the area. Residential and small business loans were stated to be in demand the most. Lastly, there has been a lesser demand and need for small farm loans as the area is becoming less rural.

Credit Needs

The College Station MSA AA created varied loan demand for most types of loans. The area's economy also supports credit growth and opportunities for various loan types. Considering information obtained from the community contact, bank management, as well as demographic and economic information, examiners determined primary credit needs of the area include small business lending.

CONCLUSIONS ON PERFORMANCE CRITERIA IN COLLEGE STATION- BRYAN, TX MSA ASSESSMENT AREA

LENDING TEST

FSBB demonstrated a satisfactory record regarding the Lending Test in the College Station MSA AA. Reasonable performance regarding borrower profile distribution elevated poor performance regarding geographic distribution to support this conclusion.

Geographic Distribution

The geographic distribution of loans reflects poor dispersion throughout the College Station MSA AA.

Small Business Loans

The geographic distribution of small business loans reflects poor dispersion throughout the College Station MSA AA. Very poor performance in moderate-income census tracts and reasonable performance in low-income census tracts supports this conclusion.

The following table shows the bank’s level of small business loans in low- income census tracts is 4.4 percentage points below comparable demographic data, reflective of reasonable performance. The table also shows in moderate-income census tracts, the banks level of lending falls 13.9 percentage points below demographic data, reflecting very poor performance. Examiners placed more weight on the bank’s lending in moderate-income census tracts based on the higher lending opportunities indicated by the percentage of businesses in the AA.

Geographic Distribution of Small Business Loans College Station MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	8.0	4	3.6	347	3.3
Moderate	19.3	6	5.4	1,189	11.2
Middle	25.8	42	37.5	3,557	33.4
Upper	44.9	58	51.8	5,086	47.8
Not Available	2.0	2	1.8	463	4.3
Totals	100.0	112	100.0	10,641	100.0
<small>Source: 2024 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%</small>					

Borrower Profile

The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among businesses of different sizes.

Small Business Loans

The distribution of small business loans reflects reasonable penetration among businesses of different sizes. The following table notes that the bank originated nearly eight of every ten small business loans to business with gross annual revenues (GAR) of \$1 million or less, reflective of reasonable performance.

Distribution of Small Business Loans by Gross Annual Revenues College Station MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
< \$100,000	66.7	7	29.2	175	8.1
\$100,000 - \$249,999	15.8	5	20.8	237	10.9
\$250,000 - \$499,999	3.8	2	8.3	95	4.4
\$500,000 - \$1,000,000	2.0	5	20.8	131	6.0
Subtotal <= \$1,000,000	88.3	19	79.0	638	29.0
>\$1,000,000	2.4	5	20.8	1,530	70.6
Revenue Not Available	9.3	0	0.0	0	0.0
Total	100.0	24	100.0	2,168	100.0

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

NON-MSA ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE NON-MSA ASSESSMENT AREA

The bank’s Non-MSA assessment area consists all of non-metropolitan Grimes and Madison counties, and two census tracts from Walker County. The bank has one full-service office and maintains a deposit-taking ATM in this assessment area located in a middle-income census tract in Bedias, Texas in Grimes County.

The bank’s Non-MSA AA consists of census tracts that reflect the following income designations according to 2020 U.S. Census data: 1 moderate-, 7 middle-, and 6 upper-income census tracts. The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	14	0.0	7.1	50.0	42.9	0.0
Population by Geography	54,918	0.0	7.3	54.4	38.4	0.0
Housing Units by Geography	19,236	0.0	8.9	50.7	40.4	0.0
Owner-Occupied Units by Geography	12,005	0.0	7.3	44.8	47.9	0.0
Occupied Rental Units by Geography	3,637	0.0	16.4	64.4	19.2	0.0
Vacant Units by Geography	3,594	0.0	6.5	56.4	37.1	0.0
Businesses by Geography	4,713	0.0	7.1	51.6	41.3	0.0
Farms by Geography	343	0.0	3.5	40.5	56.0	0.0
Family Distribution by Income Level	11,583	20.3	14.3	19.6	45.8	0.0
Household Distribution by Income Level	15,642	19.9	14.8	16.8	48.5	0.0
Median Family Income Non-MSAs - TX	\$61,809	Median Housing Value				\$159,911
		Median Gross Rent				\$718
		Families Below Poverty Level				12.4%

Source: 2020 U.S. Census and 2024 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.

Service industries represent the largest portion of businesses at 27.6 percent, followed by non-classifiable establishments at 25.4 percent, retail trade at 10.8 percent and finance, insurance and real estate at 8.0 percent. Major employers in the assessment area include local school districts, local government offices, National Oilwell Varco, Walmart, and the Texas Department of Criminal Justice. The following table shows the unemployment rates for the Non-MSA AA as compared to the State of Texas and national averages.

Unemployment Rates	
Area	December 2024
	%
Grimes County, Texas	3.7
Madison County, Texas	4.6
Walker County, Texas	4.2
State of Texas	4.2
National Average	4.1

Source: Texas Workforce Commission

CONCLUSIONS ON PERFORMANCE CRITERIA IN NON-MSA ASSESSMENT AREA

LENDING TEST

The institution's lending performance in the Non-MSA AA exceeds the lending performance in the assessment areas within the College Station MSA AA that were reviewed using full-scope examination procedures; however, it does not change the conclusion for the institution overall.

Geographic Distribution

Small Farm Loans

Geographic Distribution of Small Farm Loans Assessment Area: Non-MSA AA					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	3.5	0	0.0	0	0.0
Middle	40.5	69	38.8	4,527	47.1
Upper	56.0	109	61.2	5,077	52.9
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	178	100.0	9,605	100.0

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

Small Business Loans

Geographic Distribution of Small Business Loans Assessment Area: Non-MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	7.1	2	1.7	236	2.9
Middle	51.6	33	28.4	3,322	40.7
Upper	41.3	81	69.8	4,599	56.4
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	116	100.0	8,158	100.0

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

Borrower Profile

Small Farm Loans

Detailed Distribution of Small Farm Loans by Gross Annual Revenues					
Assessment Area: Non-MSA AA					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
< \$100,000	78.4	9	27.3	309	12.6
\$100,000 - \$249,999	14.6	10	30.3	495	20.1
\$250,000 - \$499,999	3.2	9	27.3	958	38.9
\$500,000 - \$1,000,000	1.5	5	15.2	700	28.4
Subtotal <= \$1,000,000	97.7	33	100.0	2,462	100.0
>\$1,000,000	1.2	0	0.0	0	0.0
Revenue Not Available	1.2	0	0.0	0	0.0
Total	100.0	33	100.0	2,462	100.0

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

Small Business Loans

Detailed Distribution of Small Business Loans by Gross Annual Revenues					
Assessment Area: Non-MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
< \$100,000	69.3	10	38.5	440	25.7
\$100,000 - \$249,999	15.7	9	34.6	515	30.1
\$250,000 - \$499,999	4.1	2	7.7	115	6.7
\$500,000 - \$1,000,000	2.0	5	19.2	642	37.5
Subtotal <= \$1,000,000	91.1	26	100.0	1,712	100.0
>\$1,000,000	2.4	0	0.0	0	0.0
Revenue Not Available	6.5	0	0.0	0	0.0
Total	100.0	26	100.0	1,712	100.0

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

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 institution'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 institution 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.