



PUBLIC DISCLOSURE

November 6, 2023

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Broadway National Bank
Charter Number 14447

1177 N.E. Loop 410
San Antonio, TX 78209

Office of the Comptroller of the Currency

Ross Tower
500 North Akard Street, Suite 1600
Dallas, TX 75201-3323

Note: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution’s CRA Rating: This institution is rated **Satisfactory**.

The following table indicates the performance level of Broadway National Bank with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			X
High Satisfactory	X	X	
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

** The Lending Test is weighted more heavily than the investment and service tests when arriving at an overall rating.*

The major factors that support this rating include:

- The Lending Test rating is based on excellent in/out ratio of loans, adequate geographic distribution for home mortgage and excellent geographic distribution for small business loans. Broadway had adequate distribution by borrower income level for home mortgages and adequate distribution to small businesses with revenues less than \$1 million. Community Development (CD) loans had a positive effect on the overall Lending test rating.
- The Investment Test rating is based on adequate level of CD investments in the San Antonio AA and excellent level in the Austin AA. The bank had 76 regional investments accounting for an additional \$184 million in qualifying investments that benefitted small businesses statewide. These were investments in SBIC and SBA funds, which promoted small businesses.
- The Service Test rating is based on branch locations that are readily accessible to geographies and individuals of different income levels. Broadway is a leader in providing CD services in its AAs. This had a significantly positive effect on the overall Service Test rating.
- Broadway offers one innovative service bank-wide which is the online personal financial management tool. This tool allows customers to aggregate accounts at other financial institutions to provide a consolidated view online with Broadway accounts. The bank also offers special purpose deposit accounts for military service members and a local non-profit organization.
- Broadway also offers small business and home mortgage flexible loan products. These products promote small business loans and home mortgages to low-or-moderate income (LMI) families.

Lending in Assessment Area

A substantial majority of the bank's loans are in its assessment area(s) (AA).

The bank originated and purchased 93 percent of its total loans by number and 84 percent by dollar amount inside the bank's assessment area(s) (AAs) during the evaluation period. This analysis is performed at the bank, rather than the AA, level. The bank did not have any affiliate lending activities included in this assessment.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	1,281	82.4	272	17.5	1,555	895,426	75.7	287,218	24.3	1,182,644
Small Business	1,821	95.6	83	4.4	1,904	409,603	95.0	21,731	5.0	431,334
PPP loans	3,360	96.4	125	3.6	3,485	328,776	97.3	9,181	2.7	337,957
Total	6,462	93.1	480	6.9	6,942	1,633,805	83.7	318,130	16.3	1,951,935

Source: HMDA, CRA Loan Data 2020-2022

Description of Institution

Broadway National Bank (Broadway), a privately owned, intrastate bank headquartered in San Antonio, Texas, was established in 1941 primarily to serve the deposit and credit needs of military families stationed in San Antonio, Texas. The bank is a wholly owned subsidiary of Broadway Bancshares of Delaware, Inc. (BBD), which is wholly owned by Broadway Bancshares, Inc. (BBI), a Texas-based bank holding company. We did not review any affiliate or subsidiary activities of Broadway or the related bank holding companies in this Performance Evaluation (PE).

Broadway operates 30 branches in Texas, which includes the main office in San Antonio, along with two limited-service centers in San Antonio. The limited-service centers include one motor bank limited to teller deposit services and one center in an army residence retirement center, which provides cash service only. The San Antonio AA has one branch (5 percent) located in a low-income CT, three branches (15 percent) located in moderate-income CTs, five branches (25 percent) located in middle-income CTs, and eleven branches (55 percent) located in upper-income CTs. Broadway also operates 52 automated teller machines (ATMs) in its Texas AAs, of which 98 percent are full-service (deposit taking and cash dispensing) ATMs. The majority of the bank's branches are in the San Antonio AA (69 percent). The bank has seven branches (24 percent) in the Austin AA, and two branches (7 percent) in Gillespie and Kerr Counties in the rural Non-MSA AA. The Austin AA has one branch (14 percent) located in a moderate-income CT, three branches (43 percent) in middle-income CTs, and three branches (43 percent) in upper-income CTs. The branches in the Non-MSA AA consist of one in a moderate-income CT and one in an upper-income CT. The bank opened a branch in Dallas in October 2022. The cities where the banking centers are located are San Antonio, Austin, Boerne, Kerrville, Fredericksburg, Leon Springs, Castrovilla, Helotes, Schertz, New Braunfels, Sequin, Round Rock, Wimberly, Kyle, Buda, Bee Cave, Dripping Springs and Dallas. In addition, many customers are

stationed at military installations throughout the world and utilize mobile, on-line, and telephone banking services. The Dallas branch performance will not be evaluated during this evaluation period. Since the last CRA examination, the bank has closed five branches in the San Antonio AA. Three of these were in middle-income CTs and two were in upper-income CTS. These closures include the Fort Sam Houston, San Pedro, Wilderness Oaks, Hondo and Randolph Air Force Base locations.

At December 31, 2022, Broadway reported total assets of \$5.3 billion, Tier 1 capital totaled \$514 million and the tier 1 leverage ratio was 9.3 percent. Net loans totaled \$3.2 billion and represented 61 percent of total assets. At year-end 2022, the bank's loan-to-deposit ratio was 65 percent.

Broadway is ranked 9th in the San Antonio AA with two percent of deposit market share. Competition is intense in this market with 364 banks. The top five competitors in the San Antonio AA have 79 percent of the deposit market share. These were USAA Federal Savings Bank, CitiBank, NA, Frost Bank, Randolph-Brooks Federal Credit Union and Security Service Federal Credit Union.

Broadway is ranked 25th in the Austin AA with 1 percent of the deposit market share. Competition is intense in this market with 414 banks. The top five competitors in the Austin AA have 57 percent of the deposit market share. These were JP Morgan Chase Bank, N.A, Wells Fargo Bank, N.A., Bank of America, N.A, Frost Bank and Texas Capital Bank.

Broadway offers a wide variety of traditional loan and deposit products tailored to individual and business needs within its AAs. The bank also offers brokerage, wealth advisory, asset management and trust management services. Commercial loans are the primary product. The bank is a Small Business Administration (SBA) Preferred Lender. Broadway offers a full range of financial services, including credit services, personal banking, private banking, military banking, business banking and wealth management. The loan portfolio, as of December 31, 2022, consists of commercial and industrial and commercial real estate loans at 44 percent, residential real estate at 24 percent, construction loans at 15 percent, consumer and automobile loans at 6 percent, revolving credit plans at 2 percent, multi-family at 1 percent, other obligations at 7 percent and farmland and agricultural loans at less than 1 percent.

Broadway is ranked 9th of 226 small business lenders in the San Antonio AA, with 3 percent of small business loan market share. The bank is ranked 24th of 269 small business lenders in the Austin AA with less than 1 percent of small business loan market share.

The prior evaluation, dated October 26, 2020, assigned an overall Outstanding rating to Broadway's CRA performance. Based on its financial condition, size, product offerings, and branch network, there are no legal, financial, or other factors that inhibit Broadway's ability to help meet the credit needs in its AAs.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation (PE) evaluates the bank's performance under the Lending, Investment, and Service Tests. The evaluation period for the Lending Test is January 1, 2020, through December 31, 2022. The evaluation period for CD loans, the Investment and Service Tests is from January 1, 2020, through December 31, 2022.

In evaluating the bank's lending performance, we reviewed one-to-four-family mortgage loans subject to filing under the Home Mortgage Disclosure Act (HMDA), loans to small businesses, and CD loans as reported under the Community Reinvestment Act (CRA). We also considered the bank's performance on the Paycheck Protection Program (PPP) loans. These loans were direct response to the COVID-19 Pandemic. The geographic and borrower distribution analysis is the lending test compare loans originating in 2020 and 2021 to the 2015 American Community Survey (ACS) census data. Loans originated in 2022 were compared to the updated 2020 census information. Therefore, there are two sets of tables in Appendix D.

We also evaluated CD loans, investments including donations and grants, as well as retail delivery and CD services.

Selection of Areas for Full-Scope Review

Broadway has three AAs in Texas. The San Antonio AA consists of Bexar, Comal, Guadalupe, Kendall, and Medina Counties. This area includes five of the eight counties in the San Antonio MSA. The bank's second AA is the Austin AA which consist of Hays, Travis and Williamson Counties. The Non-MSA AA consists of Gillespie and Kerr counties. This evaluation includes full-scope reviews for the San Antonio and Austin AAs. A limited-scope review will be conducted on the Non-MSA AA. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is based on performance in the State of Texas. The state rating is based on performance in all the bank's AAs with the most weight placed on the full-scope AAs, particularly performance in the San Antonio AA. Refer to the "Scope" section under the State Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §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 Bureau of Consumer Financial Protection, as applicable.

Pursuant to 12 C.F.R. §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 Bureau of Consumer Financial Protection, as applicable.

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

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

State Rating

This institution is rated Satisfactory for the State of Texas.

State of Texas

San Antonio AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: San Antonio AA (2020-2021)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	433	7.9	31.9	27.9	31.4	0.9
Population by Geography	811,421	6.2	29.6	30.2	34.0	0.0
Housing Units by Geography	2,173,347	6.5	29.9	29.5	34.1	0.0
Owner-Occupied Units by Geography	454,786	4.4	23.4	29.5	42.7	0.0
Occupied Rental Units by Geography	285,463	8.2	38.2	30.8	22.8	0.0
Vacant Units by Geography	4,451	2.0	13.7	30.7	53.6	0.0
Businesses by Geography	189,928	4.2	19.6	29.3	46.7	0.2
Farms by Geography	71,172	9.4	34.8	32.0	23.9	0.0
Family Distribution by Income Level	510,560	22.6	17.3	19.1	41.0	0.0
Household Distribution by Income Level	740,249	24.4	16.0	17.8	41.8	0.0
Median Family Income MSA – 41700 San Antonio-New Braunfels, TX MSA		\$62,228	Median Housing Value			\$153,009
			Median Gross Rent			\$898
			Families Below Poverty Level			12.6%

Source: 2015 ACS Census and 2021 D&B Data
 Due to rounding, totals may not equal 100.0
 (*) The NA category consists of geographies that have not been assigned an income classification.

Table A – Demographic Information of the Assessment Area						
Assessment Area: San Antonio AA (2022)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	469	7.7	30.5	31.1	29.4	1.3
Population by Geography	855,462	6.4	30.3	31.4	31.5	0.5
Housing Units by Geography	2,438,558	5.9	27.8	31.9	34.0	0.3
Owner-Occupied Units by Geography	485,012	4.0	24.4	33.3	37.9	0.4
Occupied Rental Units by Geography	300,612	9.7	39.0	28.7	21.9	0.7
Vacant Units by Geography	5,859	2.8	15.0	29.5	52.0	0.8
Businesses by Geography	257,404	4.9	21.4	27.7	45.4	0.6
Farms by Geography	69,838	8.4	34.0	29.2	28.0	0.4
Family Distribution by Income Level	527,088	22.0	17.2	19.6	41.2	0.0
Household Distribution by Income Level	785,624	24.1	16.0	18.4	41.5	0.0
Median Family Income MSA – 41700 San Antonio-New Braunfels, TX MSA		\$74,284	Median Housing Value			\$201,157
			Median Gross Rent			\$1,067
			Families Below Poverty Level			10.7%
<i>Source: 2020 US Census and 2022 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

We made three community contacts in the San Antonio AA during the evaluation period. One local non-profit that offers small business loans stated there were challenges for small business lending during the COVID-19 Pandemic. There are opportunities to make small business loans with banks partnering with micro-lending organizations in the area. An economic development organization stated similar opportunities, especially for “start-up” businesses. We also interviewed a local official for the City of Lytle. There are opportunities in the smaller towns for revitalization, such as local parks and recreation and added equipment for local police and fire stations.

The Texas A&M December 2022 Texas Housing Report stated that housing affordability is declining in the state of Texas. It was noted that much of the decline in affordability was due to higher interest rates and decline in home construction starts/permits. It was also noted rents continue to increase in the San Antonio AA with the median monthly rent close to \$1,800.

Austin AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Austin AA (2020-2021)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	332	11.1	20.2	36.4	30.4	1.8
Population by Geography	1,772,799	10.7	20.4	36.6	31.1	1.2
Housing Units by Geography	703,773	10.7	18.7	37.7	32.0	0.9
Owner-Occupied Units by Geography	371,405	4.1	15.8	39.5	40.5	0.2
Occupied Rental Units by Geography	279,968	19.1	22.5	35.4	21.2	1.8
Vacant Units by Geography	52,400	13.2	19.2	36.5	29.4	1.7
Businesses by Geography	247,638	6.4	11.6	33.5	47.2	1.2
Farms by Geography	4,850	4.9	13.2	38.5	43.0	0.4
Family Distribution by Income Level	401,265	22.1	16.5	19.7	41.7	0.0
Household Distribution by Income Level	651,373	23.3	16.4	18.0	42.3	0.0
Median Family Income MSA – 12420 Austin-Round Rock – Georgetown, TX MSA		\$78,997	Median Housing Value			\$240,486
			Median Gross Rent			\$1,074
			Families Below Poverty Level			9.4%
<i>Source: 2015 ACS Census and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: Austin AA (2022)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	471	7.0	23.4	34.4	31.4	3.8
Population by Geography	2,140,272	6.7	22.3	36.1	32.4	2.5
Housing Units by Geography	810,882	7.0	23.1	36.2	32.0	1.7
Owner-Occupied Units by Geography	436,410	2.8	17.6	39.1	40.0	0.5
Occupied Rental Units by Geography	319,958	12.2	30.5	32.7	21.4	3.1
Vacant Units by Geography	54,514	9.5	23.1	33.9	30.2	3.3
Businesses by Geography	425,918	2.8	12.6	33.0	45.6	6.0
Farms by Geography	7,581	2.2	14.3	34.7	44.9	3.9
Family Distribution by Income Level	467,283	20.7	17.4	21.0	40.9	0.0
Household Distribution by Income Level	756,368	22.4	16.9	18.4	42.4	0.0
Median Family Income MSA – 12420 Austin-Round Rock-Georgetown TX MSA		\$100,215	Median Housing Value			\$342,615
			Median Gross Rent			\$1,352
			Families Below Poverty Level			6.4%
<i>Source: 2020 US Census and 2022 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

We made two community contacts in the Austin AA during the evaluation period. An economic development organization in the San Marcos area stated there were opportunities for local banks to partner with local organizations that provide loans to small businesses. This contact stated the economy was good in the area, with local college, retail trade, distribution centers, and many industries. We also interviewed a regional council that supports a ten-county area. This organization concentrates on economic development in the area. They stated there was a need for affordable housing, as the housing prices in the area are ever increasing. The opportunities listed in the area are affordable housing, mental health facilities, assistance with the homeless, mass transit and small business lending.

The Texas A&M December 2022 Austin-Round Rock MSA report reflected that home affordability continues to decline. This is due to higher prices and higher interest rates. The report stated median housing value of an owner-occupied home is \$490 thousand, which is 50 percent higher than the state average of \$275 thousand, and the national average of \$320 thousand.

Scope of Evaluation in Texas

The San Antonio AA has 81 percent of the bank's deposits and 63 percent of the reported HMDA loans and 80 percent of the reported small business loans, excluding PPP loans. The Austin AA has 13 percent of the bank's deposits and 29 percent of the reported HMDA loans and 19 percent of the reported small business loans, excluding PPP loans. The PPP loans had similar ratios with 79 percent in the San

Antonio AA and 18 percent in the Austin AA. These two areas were chosen as full-scope AAs, with performance in San Antonio receiving more weight. The Non-MSA AA has 6 percent of deposits and 8 percent of reported HMDA loans and 2 percent of reported small business loans, excluding PPP loans. There were 3 percent of the PPP loans originated in the Non-MSA AA. This AA will be reviewed as a limited scope AA. The reported small business loans represent 59 percent of reported loans, with HMDA loans representing 41 percent of reported loans. Small business lending performance will receive slightly more weight than home mortgage loans.

Conclusions in Respect to Performance Tests in Texas

Lending Test

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

Conclusions for Area Receiving Full Scope Reviews

Based on full scope reviews, the bank's performance in the San Antonio AA is excellent and in the Austin AA is adequate.

Lending Activity

Lending levels reflect good responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	PPP Loans	Community Development	Total	%State Loans	%State Deposits
San Antonio 20-21-22	811	1,448	2,643	58	4,960	76%	81%
Austin 20-21-22	371	340	600	3	1,314	20%	13%
Non-MSA 20-21-22	99	33	117	4	253	4%	6%
Totals	1,281	1,821	3,360	65	6,527	100%	100%

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Dollar Volume of Loans* (000)							
Assessment Area	Home Mortgage	Small Business	PPP	Community Development	Total	%State* Loans	%State Deposits
San Antonio 20-21-22	463,608	318,840	264,439	48,543	1,095,430	65%	81%
Austin 20-21-22	391,230	85,109	56,054	8,750	541,143	32%	13%
Non-MSA 20-21-22	40,588	5,654	8,283	1,008	55,533	3%	6%
Totals	895,426	409,603	328,776	58,301	1,692,106	100%	100%

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Distribution of Loans by Income Level of the Geography

The bank exhibits a good geographic distribution of loans in its full-scope AAs.

Home Mortgage Loans

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

San Antonio AA

Overall, during 2020-2021, the geographic distribution of home mortgage loans in the San Antonio AA is adequate. The bank originated 1.1 percent of its mortgage loans in low-income CTs. This is significantly below the percent of owner-occupied housing units at 4.4 percent and slightly below the aggregate of all financial institution which is 1.4 percent. The bank originated 9.4 percent of its mortgage loans in moderate-income CTs. This is significantly below the percent of owner-occupied housing units at 23.4 percent and slightly below the aggregate of all financial institutions which is at 11.7 percent. The 2022 performance was similar, with slightly better performance in low-income CTs.

Austin AA

Overall, during 2020-2021, the geographic distribution of home mortgage loans in the Austin AA is poor. The bank originated 1.6 percent of its mortgage loans in low-income CTs. This is significantly below the percent of owner-occupied housing units at 4.1 percent and the aggregate of all financial institution which is 3.6 percent. The bank originated 4.7 percent of its mortgage loans in moderate-income CTs. This is significantly below the percent of owner-occupied housing units at 15.8 percent and the aggregate of all financial institutions which is at 12.7 percent. The 2022 performance was similar, with adequate performance in low-income CTs.

Small Loans to Businesses

Refer to Table Q in appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

San Antonio AA

Overall, during 2020-2021, the geographic distribution of small business loans in the San Antonio AA is excellent. The bank originated 3.4 percent of its small business loans in low-income CTs. This is somewhat lower than the percent of businesses at 4.2 percent and the aggregate of all financial institutions which is 3.8 percent in the AA. The bank originated 21.0 percent of its small business loans in moderate-income CTs. This exceeded the percent of businesses at 19.6 percent and the aggregate of all financial institutions which is 19.3 percent. The 2022 performance was stronger with the percent of bank loans exceeding the percent of businesses for low-and-moderate income CTs. The bank made 2,643 PPP loans in the San Antonio AA in response to the pandemic. The bank had excellent performance for these loans, with the percent of bank loans exceeding the percent of businesses and the aggregate of all financial institutions in low-income CTs, and near to the percent of businesses and exceeding the aggregate in moderate-income CTs.

Austin AA

Overall, during 2020-2021, the geographic distribution of small business loans in the Austin AA is good. The bank originated 7.0 percent of its small business loans in low-income CTs. This exceeded the

percent of businesses at 6.4 percent and equaled the aggregate of all financial institutions which is 7.0 percent in the AA. The bank originated 6.1 percent of its small business loans in moderate-income CTs. This was below the percent of businesses at 11.6 percent and the aggregate of all financial institutions which is 13.1 percent. The 2022 performance was weaker in low-income CTs, as the bank did not make any loans in the low-income CTs. However, performance was stronger in moderate-income CTs with the percent of bank loans exceeding the percent of businesses. The bank made 600 PPP loans in the Austin AA in response to the pandemic. The bank had adequate performance for these loans, with the percent of bank loans somewhat lower than the percent of businesses and the aggregate of all financial institutions in low-and-moderate income CTs.

Lending Gap Analysis

The OCC evaluated loan distributions in the bank's AAs to determine if any unexplained, conspicuous gaps existed. No unexplained, conspicuous gaps were identified.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an adequate distribution of loans among individuals of different income levels and business of different sizes, given the product lines offered by the institution.

Home Mortgage Loans

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

San Antonio AA

The distribution of home mortgage loans by the income level of the borrower is adequate. The percentage of home mortgage loans to low-income borrowers at 2.4 percent is significantly lower than the percentage of low-income families at 22.3 percent; however, it is near to the percentage of aggregate lending by all financial institutions, which is 2.6 percent. The percentage of home mortgage loans to moderate-income borrowers at 9.9 percent, is lower than the percentage of moderate-income families at 17.3 percent; however, it is near to the aggregate lending by all financial institutions, which is 11.6 percent. The 2022 performance was somewhat stronger with adequate penetration to moderate-income borrowers and the percent of bank loans to moderate income borrowers exceeding the aggregate lending by all financial institutions.

Austin AA

The distribution of home mortgage loans by the income level of the borrower is adequate. The percentage of home mortgage loans to low-income borrowers at 1.2 percent is significantly lower than the percentage of low-income families at 22.1 percent and the percentage of aggregate lending by all financial institutions, which is 3.1 percent. The percentage of home mortgage loans to moderate-income borrowers at 7.4 percent, is significantly lower than the percentage of moderate-income families at 16.5 percent and the aggregate lending by all financial institutions, which is 12.4 percent. The 2022 performance was somewhat stronger with adequate penetration to moderate-income borrowers and the percent of bank loans to moderate income borrowers exceeding the aggregate lending by all financial institutions.

Small Loans to Businesses

Refer to Table R in appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

San Antonio AA

Overall, the borrower distribution of loans to businesses is adequate. The bank's percentage of loans to small businesses (businesses with annual revenues of \$1 million or less) at 28.9 percent is significantly lower than the percentage of small businesses located in the AA at 87.4 percent; however, is somewhat below the aggregate lending by all financial institutions, which is 43.8 percent. The PPP loans reflected somewhat better penetration to small businesses and represented adequate performance. The 2022 performance was similar.

Austin AA

Overall, the borrower distribution of loans to businesses is adequate. The bank's percentage of loans to small businesses (businesses with annual revenues of \$1 million or less) at 28.3 percent is significantly lower than the percentage of small businesses located in the AA at 89.4 percent; however, is somewhat below the aggregate lending by all financial institutions, which is 45.3 percent. The PPP loans reflected somewhat better penetration to small businesses and represented adequate performance. The 2022 performance was similar.

Community Development Lending

The institution is a leader in making CD loans. The CD lending in the full-scope AAs had a positive effect on the overall lending test rating.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

San Antonio AA

Based on full-scope review, the bank exhibits excellent responsiveness to community needs in the San Antonio AA. The bank originated 58 CD loans totaling \$48.5 million during the evaluation period. This represents 11.7 percent of allocated tier-one capital. A few of the more responsive CD loans are discussed below:

One loan in the amount of \$875 thousand provided affordable housing to persons with income between 20 percent and 70 percent of the area median income.

36 CD loans totaling \$25 million were to entities providing services targeted to low-or-moderate income families. This includes emergency food, health care, rent assistance, and youth programs.

11 CD loans totaling \$10 million providing economic development opportunities in the area. These loans provided job creation and retention in the area.

10 CD loans totaling \$13 million to revitalize or stabilize low-and-moderate income geographies. Many of these projects were in designated opportunity zones. Several of these loans helped in the redevelopment of a former air force base located in a low-income CT.

Austin AA

Based on full-scope review, the bank exhibits excellent responsiveness to community needs in the Austin AA. The bank originated three CD loans total \$8.8 million during the evaluation period. This represents 12.9 percent of allocated tier-one capital. A few of the more responsive CD loans are discussed below:

One loan in the amount of \$500 thousand was used for economic development. This loan provided job creation and retention. This loan provided capital for small business clients. Of the clients supported, 66 percent of these were for start-up businesses in low-income areas.

One loan in the amount of \$4.3 million was used to provide affordable housing by building a new 381-unit apartment building. The property is located in an Opportunity Zone and fifty percent of the units are leased to families at or below eighty percent of area median income.

One loan in the amount of \$4 million was used to revitalize East Austin. This loan was used to revitalize two buildings in East Austin, located in low-income CTs. The projects are located in an Austin Promise Zone.

Product Innovation and Flexibility

Broadway had four innovative lending products during the evaluation period. In 2020 and 2021, The bank offered a Star Capital Line of Credit with loan amounts ranging from \$5 thousand to \$35 thousand with a fixed rate, and these loans were structured with a one-year revolving line of credit which converted to a four-year amortizing loan. The bank also offered a Star Capital Equipment loan. This product had loan amounts ranging from \$5 thousand to \$50 thousand, typically did not exceed 60-month terms, and had a one-time funding with 10 percent down payment. These products ended in 2021.

The bank now offers a Small Business Working Capital loan to replace the above two products. This is a flexible product that allows for the purchasing of inventory and equipment, paying for unexpected expenses, or taking advantage of new business opportunities. Loan amounts range from \$5,000 to \$35,000, and the rate is as low as 7.99 percent APR.

The CRA Mortgage Loan Program is a 30-year fixed rate product. The bank works in conjunction with a non-profit agency to provide second liens or as a stand-alone first lien to assist LMI borrowers in purchasing a home. It is also available, for those who qualify, for a refinance of an owner-occupied property. These loans are held in the bank's portfolio. This product was offered the entire exam-cycle and continues to be offered currently. This product has more flexible underwriting guidelines. These include a maximum loan-to-value (LTV) of 95 percent for first lien. Mortgage insurance is not required. The second-lien product has a maximum LTV of 105 percent. There is an income-restriction based on a percentage of current HUD median income limit or the property is in a LMI CT. The minimum credit score is 620.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's geographic performance under the Lending Test in the Non-MSA AA for home mortgage loans was stronger than the bank's overall performance under the Lending Test in the full-scope areas. The borrower distribution for home mortgage loans was consistent

with the bank's overall performance in the full-scope areas. The bank's geographic and revenue distribution performance under the Lending Test for small businesses was stronger than the bank's overall performance under the Lending Test in the full-scope areas.

Refer to Tables O through R in appendix D for the facts and data that support these conclusions.

Investment Test

The bank's performance under the Investment is rated High Satisfactory.

Conclusions for Area Receiving Full-Scope Reviews

Based on a full-scope review, the institution's performance in the San Antonio AA is adequate and the institutions performance in the Austin AA is excellent.

The institution has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. The institution exhibits good responsiveness to credit and community economic development needs. The institution occasionally uses innovative and/or complex investments to support CD initiatives.

The table below summarizes investment activity by AA as well as qualified regional investments. Donations and grants are included in the current period investment totals.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
San Antonio AA	9	8,046	256	5,807	265	66.4	13,853	5.2	0	0
Austin AA	5	43,014	37	22,991	42	10.5	66,005	24.8	0	0
Limited Scope										
Non-MSA AA	1	2,742	14	230	15	3.8	2,972	1.1	0	0
Regional	76	179,587	1	4,000	77	19.3	183,587	68.9	0	0
Total	91	233,389	308	33,028	399	100.0	266,417	100.0	0	0

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

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

San Antonio AA

Performance in the San Antonio AA is adequate when considering the impact and responsiveness of investment activities. Total investments and donations in the San Antonio AA totaled \$13.9 million, representing approximately 3 percent of allocated capital. Current period investments totaled \$5.8 million consisting of approximately 254 donations totaling \$1.4 million and 2 investments totaling \$4.4 million. The bank had 9 prior period investments totaling approximately \$8 million, comprised primarily of mortgage-backed securities issued by the Government National Mortgage Association (GNMA) and Federal National Mortgage Association (FNMA) in this AA. These investments continue to have a positive impact supporting the AA's affordable housing needs.

The bank's donations and grants provided support to at least 111 organizations which focus on the needs of LMI individuals, including affordable housing, essential services, and economic development in the AA. Approximately \$1.2 million of the bank's donations supported community services such as local food banks, children's shelters, financial literacy programs, and organizations such as Meals on Wheels, and the Salvation Army. The bank donated at least \$81 thousand to organizations that support AA affordable housing needs, and \$47 thousand to organizations that provide support for small business and economic development in the AA. The following are examples of the notable donations during this evaluation period.

- United Way of San Antonio – Broadway donated \$362 thousand to the United Way of San Antonio. This organization offers funding to various nonprofit organizations focused on assisting low- and moderate-income individuals and families. Collectively, the agencies United Way funds, serve 67 percent of clients that are below the area median family income.
- San Antonio Food Bank – Broadway donated \$157 thousand to help fund this agency that distributes food, produce and grocery products that feed LMI families and individuals. Broadway grants and donations also funded the organization's Rescue Food Truck Program, which allows the organization to re-distribute food to over 500 partner agencies and families in needs across 16 area counties served by the San Antonio Food Bank in southwest Texas.
- Local education organization – Broadway donated \$51 thousand to an organization in support of scholarships in schools where 68 to 80 percent of the students are economically-disadvantaged. The bank also supported this organization through service on the Board of Directors.
- Habitat for Humanity of San Antonio – Broadway donated \$42 thousand to help offset the serving fees for Habitat mortgage loans and to help fund construction of a new home. Habitat provides zero interest rates and low monthly payments on residential mortgage loans and homeownership counselling to low-income families seeking affordable housing.

Austin AA

Performance in the Austin AA is excellent, especially when considering the volume of bank deposits and market share in this AA, and the responsiveness of investments and donations.

Total investments and donations in the Austin AA totaled \$66 million, representing approximately 98 percent of allocated tier 1 capital. Current period investments totaled \$23 million consisting of approximately 33 donations totaling \$145 thousand and 4 investments totaling \$22.8 million. Current period investments consisted of mortgage-backed securities issued by FNMA targeted to support affordable housing in this AA and a \$4 million equity investments targeted at supporting multifamily affordable housing projects in Austin. The bank had 5 prior period investments totaling approximately \$43 million, primarily FNMA mortgage-backed securities in the AA, that continue to have a positive impact supporting the AA's affordable housing needs.

The bank's donations and grants in this AA focused primarily on community services targeted to LMI individuals (\$145 thousand), economic development (\$12 thousand), and affordable housing (\$17.5 thousand). The bank's donations supported the local Central Texas Food Bank, United Way, and the Austin Habitat for Humanity. Some of the more noteworthy donations, grants are summarized below.

- Local children’s organization – Broadway donated \$20 thousand in support of programs that offer programs to underserved children and youth from low-moderate income families. These programs teach valuable life skills by allowing children to spend time outside in nature to encourage self-discipline, improve problem solving skills, perform better academically, and live healthier lives. Over 90 percent of the participants are eligible for the free or reduced lunch program.
- Local business incubator organization – Broadway donated \$6.5 thousand in support of programs that serves local small businesses within Central Texas area providing training, coaching, and support services. They have assisted multiple business starts, considerable expansions, outstanding number of job creations, and job retentions resulting in a great impact on the local economy. Over 87 percent of clients have household incomes at 80 percent or below Austin’s median family income.

Broader Statewide or Regional Areas

In addition to investments activity directly benefiting the San Antonio AA, Austin AA, and the Non-MSA AA, the institution had approximately 76 investments accounting for \$184 million in qualifying investments that benefited small businesses statewide and in a larger regional, or national wide area that may all potentially benefit the bank’s AAs. These were investments in qualified SBIC Development Certificates benefiting small businesses, predominantly from the prior period. The data for these investments was not delineated by AAs and was instead captured as a regional investment. Regional investments accounted for 68 percent of all qualified investment and donation activity. Although this categorization approach lowers the corresponding figures for the individual AAs, it evidences the institution’s support for meeting the needs of small business. Irrespective of AA, all qualified investments and donations collectively totaled \$266 million or approximately 52 percent of the bank’s tier 1 capital as of December 31, 2022.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank’s performance in the Non-MSA AA is consistent with the bank’s overall performance under the Investment Test in the Austin AA.

Service Test

The bank’s performance under the Service Test is rated Outstanding.

Conclusions for Area Receiving Full-Scope Reviews

Based on full-scope reviews, the bank’s performance in the San Antonio AA is good and in the Austin AA is excellent. CD Services had a significantly positive effect on the final Service Test rating.

Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution’s AA. This assessment is based upon branch distributions as reflected in the table below:

Distribution of Branch Delivery System (2022)											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Scope											
San Antonio	82.73%	22	71%	9%	9%	18%	64%	5.9%	27.80%	31.9%	34.0%
Austin	11.65%	7	22.5%	0%	29%	0%	71%	6.67%	22.33%	36.08%	32.38%
Limited Scope											
Non-MSA	5.62%	2	6.5%	0%	0%	50%	50%	0%	9.93%	42.48%	47.58%
Total	100%	31	100%	6.45%	12.9%	16.13%	64.52%	6.16%	24.98%	34.1%	33.51%

As shown in the tables below, Broadway closed six branches in the San Antonio AA, one in the Austin AA and one in the Non-MSA AA. Broadway opened two branches: one in the Austin AA and one in the Non-MSA AA. A branch was also opened in Dallas, but it was not included in this analysis as it was opened November 2022. This location started as a Loan Production Office. This new branch does not have tellers, at this time. Deposits allocated to this branch were due to loan relationships. There was a branch closing and subsequent branch opening in the Non-MSA AA in 2020. Both locations were in a moderate-income CT. The 2020 census changed this tract to a middle-income CT. The 2020 census also had the bank gain two branches in Austin AA which were now located in moderate-income CTs (Round-Rock and Kyle branches). This census-change also affected the San Antonio AA. Before the census change, the San Antonio AA had branches in four moderate-income CTs and in one low-income CT. After the census change, San Antonio AA had locations in four moderate-income CTs and two in low-income CTs.

Distribution of Branch Openings/Closings						
Branch Openings/Closings (2022)						
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
San Antonio	0	-2	0	0	-2	0
Austin	+1	0	0	+1	0	0
Non-MSA	0	0	0	0	0	0
Total	+1	-2	0	+1	-2	0

Distribution of Branch Openings/Closings						
Branch Openings/Closings (2020 - 2021)						
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
San Antonio	0	-4	0	0	-1	-3
Austin	0	-1	0	0	-1	0
Non-MSA	+1	-1	0	0	0	0
Total	+1	-6	0	0	-1	-4

Services, including where appropriate, business hours, are tailored to the convenience and needs of the AA, including low- and moderate-income geographies and/or individuals. Lobby hours in all locations are Monday – Friday from 9:00 AM – 4:00 PM, and Saturdays 9:00 AM – 1:00 PM in some locations. Expanded hours are offered in drive-through facilities Monday – Friday from 8:00 AM– 6:00 PM and Saturdays from 9:00 AM – 1:00 PM in most locations. All offices are closed on Sunday.

Broadway offers a wide variety of traditional loan and deposit products tailored to individual and business needs within its AAs. The bank provides commercial, consumer and mortgage related lending services at each branch with no geographic limitations for products and/or services. Broadway’s website provides information on the bank’s products, services, branch and ATM locations and access to online and mobile banking services.

Broadway offers a free consumer checking account, along with special purpose deposit accounts such as the checking account for military service members, and a special purpose checking account, which benefits a local non-profit organization. The bank also offers deposit products tailored specifically for small businesses, including treasury management services such as wire transfers, remote deposit capture, positive pay, ACH processing, ACH debit blocking, sweep services, lockbox services, account reconciliation, business debit cards, and merchant services. Treasury management services also include receipt of invoice information with incoming ACH, online payroll, and advanced online banking for businesses.

Broadway also provides banking services through a variety of alternate delivery systems including automated teller machines (ATMs), online deposit applications, online consumer, mortgage, and small business loan applications, telephone banking, as well as online and mobile banking services. The bank's ATMs and 24-hour telephone banking services are available in both English and Spanish. Broadway operates 52 ATMs, of these, 51 or 98 percent are full-service (deposit taking and cash dispensing) ATMs. Broadway owned ATMs are free to bank customers and the bank waives fees on non-bank owned ATMs for customers with free checking accounts. In 2021, the bank added the Allpoint ATM Network to increase customer ATM availability. Broadway offers debit cards for consumer and business customers, as well as direct deposit for payroll and social security checks. The bank also provides customers the ability to turn debit/ATM cards "off" if misplaced or stolen and customers can turn it back "on" when ready to use again. Alert features notify customers when payment cards are used, and customers can also set spending limits for certain merchant types. The debit card also allows for touch-free “tap to pay” purchases.

Online and mobile banking services allow customers and small businesses to view deposit and loan balances and activity online. Customers can also make transfers to and from Broadway accounts as well as accounts at other financial institutions. In addition, customers can pay bills, send payments to other persons, make loan payments, draw on lines of credit, initiate stop payments, view and print canceled checks. Broadway customers can also enroll in electronic account statements with online access to statement history for up to 18 months. Broadway allows commercial customers online access to most treasury management services and supports custom reporting, multiple user entitlement options, and a variety of alert notifications.

Broadway's mobile banking applications support iOS and Android devices. Mobile banking customers can remotely deposit checks through the mobile banking and create alerts within the online banking system or within the mobile application to track account balances and activity. Broadway also provides an online personal financial management (PFM) tool, that allows customers to aggregate accounts at

other financial institutions to provide a consolidated view online with Broadway accounts. The PFM allows customers to set up budgets, track spending, and view their credit score. Broadway's mobile banking application also allows customers to apply and pre-qualify for auto loans. Broadway customers can also use mobile devices to pay merchants online or the point of sale.

San Antonio AA

Broadway's service delivery systems are accessible to geographies and individuals of differing income levels within the San Antonio AA. 22 full-service locations, including the main location, are in the San Antonio AA, which represents 71 percent of the bank's total full-service branches. The majority of the AA's branches are in Bexar County and the city of San Antonio. The bank also has a branch in Helotes (also Bexar County) and one full-service branch on Fort Sam Houston. Four limited-service centers operate in the city of San Antonio and allow customers to make deposits, withdrawals, open or close accounts, and utilize wealth management services. The limited-service branches are located at the Brooke Army Medical Center at Ft. Sam Houston, Blue Skies East Retirement Facility, Blue Skies West Retirement Facility and Army Residence Retirement Center. The bank has additional AA branches located in the cities of New Braunfels, Spring Branch (Comal County), Seguin, Schertz (Guadalupe County), Boerne (Kendall County), Hondo and Castroville (Medina County).

Most branch locations have a deposit-taking ATM. Broadway has an additional 19 stand-alone ATM locations in the San Antonio AA. All stand-alone ATM-only locations are deposit taking.

As reflected in the branch distribution table above, 9 percent of the full-service locations in the San Antonio AA are in a low-income CT and 9 percent are in a moderate-income CT. The percentage of bank branches in low-and-moderate income geographies is below the percentage of AA population in these areas. However, four of the bank's branches are in middle-income areas near low-and-moderate-income geographies. Only one of the bank's stand-alone ATMs is in a moderate-income area. The remaining deposit-taking ATMs are in or near middle or upper-income areas of Randolph AFB, Lackland AFB, Ft. Sam Houston, and Camp Bullis.

When considering the proximity of middle-income branches to LMI geographies and the location of the bank's stand-alone ATMs, the bank's branch distributions more closely align with AA population. The bank's adequate geographic distribution of mortgage loans and excellent geographic distribution of small business loans in the San Antonio AA demonstrate accessibility of banking services in the AA, including LMI geographies.

Austin AA

Broadway's service delivery systems are reasonably accessible to geographies and individuals of different income levels in the Austin AA. The bank has seven branches in the Austin AA which represents 22.6 percent of all branches. Branches in this AA are in the cities of Austin, Bee Cave (Travis County), Buda, Dripping Springs, Kyle, Wimberly (Hays County), and Round Rock (Williamson County). There are not any branches in low-income CTs in this AA, however, the bank's branches in this AA are centrally located in AA business districts and near major thoroughfares. The urban branches in the city of Austin are reasonably accessible on public transportation routes. The mid-town Austin branch borders a low-income geography and is less than a mile from the bank's office.

The AA's large number of low-income (33) and moderate-income CTs (110), is challenging to serve with current number and distribution of bank branches and the bank's limited deposit market share in the Austin market, which was less than 1 percent according to the FDIC's June 30, 2022, report.

Similar to the San Antonio AA, online and mobile banking services, also potentially expand access to bank services in the Austin AA, but specific data regarding utilization was not readily available for consideration.

The bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems in the Austin AA. As reflected above, since the last evaluation, the bank closed one branch office in a middle-income area of San Marcos (Hays County). The bank retained a deposit taking ATM at this location. Broadway has not opened any new branches in this AA since the previous evaluation, although Broadway did open a new deposit taking ATM in a moderate-income area of San Marcos.

Community Development Services

Broadway Bank is a leader in providing CD services. During the evaluation period, Broadway employees, executives, and officers donated approximately 5,061 hours of service to at least 93 community organizations across the San Antonio AA, Austin AA, and the Non-MSA AA. Activities included providing leadership and technical expertise through board and committee membership and providing financial literacy education to individuals, organizations, and small businesses. Organizations served address community needs such as providing essential services to LMI individuals and families, affordable housing, and economic development.

San Antonio AA

Broadway is a leader in providing CD services to the San Antonio AA. During the evaluation period, bank employees provided 4,526 service hours to at least 79 different qualifying community service organizations. Broadway executives and officers provided leadership and financial expertise by serving on boards or committees of organizations that provide community services to LMI individuals and families, and organizations that support affordable housing, small businesses, and economic development in the San Antonio AA. Employees provided at least 522 hours of financial literacy education to various schools and community organizations. Examples of CD organizations served include Habitat for Humanity, San Antonio Food Bank, Salvation Army, and United Way. Other noteworthy examples of CD services include but are not limited to:

- An SVP provided approximately 104 hours to a non-profit by serving on the board of directors. This is a nonprofit organization that provides free parenting and early childhood education programs to low-income, predominantly Hispanic, families with children of up to three years of age.
- Three officers and bank executives donated 406 hours by serving on the board of directors and various committees of school organization in San Antonio. This organization supports students by providing basic needs, academic assistance, and facilitating family engagement. Approximately 78 percent of students attending schools served are considered economically-disadvantaged.
- An SVP provided approximately 206 hours by serving on the advisory board and executive board, and as the finance committee chair and treasurer of CASA of Central Texas. CASA of Central Texas provides high quality, best interest advocacy for children and youth in the child welfare system by training volunteers to ensure children's needs are met.

- A bank executive provided approximately 144 hours by serving on the board of directors for a nonprofit organization that provides support to individuals experiencing homelessness. The organization offers shelter, basic needs, and access to essential resources.

Austin AA

Broadway provides an adequate level of CD services in the Austin AA. During the evaluation period, bank employees provided 501 service hours to at least 13 qualifying community service organizations. Broadway executives and officers provided leadership and financial expertise by serving on boards of various community organizations that provide services to LMI individuals and families and support affordable housing, small businesses, and economic development. Examples of CD organizations served include Central Texas Food Bank and United Way of Central Austin. Other noteworthy examples of CD services include but are not limited to:

- An executive officer served on the board and various committees of Big Brothers Big Sisters (BBBS) of Central Texas, donating 168 hours over the evaluation period. BBBS works to create and support one on one mentoring relationships for children. 90 percent of children served by BBBS of Central Texas are considered economically disadvantaged.
- An executive officer served 30 hours as a board member and on the finance committee of a nonprofit organization that provides low-income homeowners in the Austin area with free critical health and safety repairs and accessibility modifications to their homes.

Conclusions for Area Receiving a Limited-Scope Review

Broadway's CD service performance in the Non-MSA AA is not consistent with the overall performance in the San Antonio and Austin AAs. This is due to the rural nature of the Non-MSA AA and limited opportunities in the area.

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 MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	1/1/2020 to 12/31/2022	
Bank Products Reviewed:	(Home mortgage, small business, (Community development loans, qualified investments, community development services)	
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA	NA	NA
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
San Antonio AA	Full-Scope	Bexar, Comal, Guadalupe, Kendall, and Medina counties
Austin AA	Full-Scope	Hays, Travis and Williamson counties
Limited-Scope AA		
Non-MSA AA	Limited Scope	Gillespie and Kerr counties

Appendix B: Summary of State Ratings

RATINGS BROADWAY NATIONAL BANK				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Satisfactory	Satisfactory	Satisfactory	Outstanding	Satisfactory

() The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.*

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan.

This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

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

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

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

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

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

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

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

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

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

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

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

determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

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

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

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

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

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

MMSA (state): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

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

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

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

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

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have

original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																	2020-2021		
Assessment Area:	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$(000)	% of Total	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
San Antonio	524	313,464	63.5	4.4	1.1	1.4	23.4	9.4	11.7	29.5	20.2	30.8	42.7	69.3	56.1	0.0	0.0	0.0	
Austin	258	226,436	31.3	4.1	1.6	3.6	15.8	4.7	12.7	39.5	39.9	42.8	40.5	53.5	40.7	0.2	0.4	0.2	
Non-MSA	43	16,586	5.2	0.0	0.0	0.0	16.5	27.9	16.7	34.0	16.3	31.6	49.4	55.8	51.7	0.0	0.0	0.0	
Total	825	556,486	100.0	4.1	1.2	2.6	19.9	8.8	12.3	34.0	26.2	37.3	41.9	63.6	47.7	0.1	0.1	0.1	

Source: 2015 ACS U.S Census; 01/01/2020 – 12/31/2021 Bank Data, 2021 HMDA Aggregation Data
 "--" data not available. Due to rounding, totals may not equal 100.0

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																2022		
Assessment Area:	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$(000)	% of Total	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
San Antonio	287	150,144	62.9	4.0	1.7	1.9	24.4	11.2	15.0	33.3	27.2	36.4	37.9	58.2	46.2	0.4	1.7	0.6
Austin	113	164,794	24.8	2.8	1.8	2.0	17.6	8.0	18.0	39.1	23.9	42.5	40.0	65.5	36.9	0.5	0.9	0.6
Non-MSA	56	24,002	12.3	0.0	0.0	0.0	6.1	7.1	4.8	40.7	35.7	40.3	53.2	57.1	54.9	0.0	0.0	0.0
Total	456	338,940	100.0	3.4	1.5	1.9	20.8	9.9	16.4	36.2	27.4	39.6	39.2	59.9	41.5	0.4	1.3	0.6

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																	2020-2021		
Assessment Area:	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$ (000)	% of Total	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	
San Antonio	524	313,464	63.5	22.6	2.9	2.6	17.3	9.9	11.6	19.1	11.6	18.5	41.0	67.0	35.8	0.0	8.6	31.5	
Austin	258	226,436	31.3	22.1	1.2	3.1	16.5	7.4	12.4	19.7	12.4	18.3	41.7	73.3	45.9	0.0	5.8	20.3	
Non MSA	43	16,586	5.2	18.6	4.7	1.8	15.5	4.7	6.8	17.2	16.3	16.2	48.7	72.1	54.7	0.0	2.3	20.6	
Total	825	556,486	100.0	22.3	2.4	2.9	16.9	8.8	12.0	19.3	12.1	18.3	41.5	69.2	41.5	0.0	7.4	25.3	

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																	2022		
Assessment Area:	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$(000)	% of Total	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	% of Families	% Bank Loans	Aggregate	
San Antonio	287	150,144	62.9	22.0	3.5	3.1	17.2	13.9	13.8	19.6	11.5	20.3	41.2	66.6	38.6	0.0	4.5	24.1	
Austin	113	164,794	24.8	20.7	2.7	3.6	17.4	12.4	12.3	21.0	4.4	19.8	40.9	76.1	46.7	0.0	4.4	17.5	
Non MSA	56	24,002	16.1	0.0	1.2	17.1	3.6	9.0	19.6	17.9	14.2	47.2	78.6	57.1	0.0	0.0	18.6		
Total	456	338,940	100.0	21.3	2.9	3.4	17.3	12.3	13.0	20.2	10.5	20.0	41.2	70.4	43.0	0.0	3.9	20.7	
<i>Source: 2020 U.S Census; 01/01/2022 – 12/31/2022 Bank Data, 2022 HMDA Aggregate Data "--" data not available. Due to rounding, totals may not equal 100.0</i>																			

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography 2020-21

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$(000)	% of Total	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
San Antonio	983	221,546	36.4	4.2	3.4	3.8	19.6	21.0	19.3	29.3	27.3	28.0	46.7	48.1	48.8	0.2	0.3	0.2
San Antonio PPP	2,643	264,439	43.5	4.2	4.0	3.8	19.6	17.2	19.3	29.3	28.3	28.0	46.7	50.1	48.8	0.2	0.4	0.2
Austin	230	54,029	8.9	6.4	7.0	7.0	11.6	6.1	13.1	33.5	37.0	34.8	47.2	50.0	44.2	1.2	0.0	0.9
Austin PPP	600	56,054	9.2	6.4	4.8	7.0	11.6	8.0	13.1	33.5	39.7	34.8	47.2	46.7	44.2	1.2	0.8	0.9
Non-MSA	23	3,882	0.6	0.0	0.0	0.0	20.0	30.4	16.1	35.1	8.7	35.4	44.9	60.9	48.5	0.0	0.0	0.0
Non-MSA PPP	117	8,283	1.4	0.0	0.0	0.0	20.0	17.9	16.1	35.1	29.1	35.4	44.9	53.0	48.5	0.0	0.0	0.0
Total	4,596	608,233	100	5.3	4.0	5.4	17.1	16.8	16.2	32.6	29.6	32.7	46.3	49.2	47.2	0.7	0.4	0.6

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

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2022**

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$(000)	% of Total	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
San Antonio	465	97,294	79.5	4.9	6.0	--	21.4	23.7	--	27.7	23.2	--	45.4	47.1	--	0.6	0.0	--
Austin	110	31,080	18.8	2.8	0.0	--	12.6	20.9	--	33.0	34.5	--	45.6	41.8	--	6.0	2.7	--
Non-MSA	10	1,772	1.7	0.0	0.0	--	10.7	0.0	--	42.5	50.0	--	46.7	50.0	--	0.0	0.0	--
Total	585	130,146	100.0	3.5	4.8	--	15.8	22.7	--	31.2	25.8	--	45.5	46.2	--	3.9	0.5	--

Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data;
 "--" data not available.
 Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2020-2021	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
San Antonio	983	221,546	36.4	53,126	87.4	28.9	43.8	3.5	64.2	9.1	6.9	
San Antonio PPP	2,643	264,439	43.5		87.4	31.1	43.8	3.5	18.7	9.1	50.1	
Austin	230	54,029	8.9	70,992	89.4	28.3	45.3	3.0	67.8	7.6	3.9	
Austin PPP	600	56,054	9.2		89.4	31.3	45.3	3.0	18.7	7.6	50.0	
Non-MSA	23	3,882	0.6	2,825	88.6	43.5	48.4	3.4	52.2	8.0	4.3	
Non-MSA PPP	117	8,283	1.4		88.6	35.0	48.4	3.4	15.4	8.0	49.6	
Total	4,596	608,233	100	126,943	88.5	33.0	45.8	3.3	39.5	8.2	27.5	
<i>Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data "--" data not available. Due to rounding, totals may not equal 100.0</i>												

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues									2022	
Assessment Area:	Total Loans to Small Businesses			Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
San Antonio	465	97,294	79.5	90.4	28.2	--	2.5	63.7	7.1	8.2
Austin	110	31,080	18.8	93.5	33.6	--	1.7	59.1	4.7	7.3
Non-MSA	10	1,772	1.7	91.0	30.0	--	2.6	50.0	6.4	20.0
Total	585	130,146	100.0	92.3	29.2	--	2.0	62.6	5.6	8.2
<i>Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0</i>										