



PUBLIC DISCLOSURE

January 4, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Lincoln National Bank of Hodgenville
Charter Number 13479

41 Public Square
Hodgenville, Kentucky 42748

Office of the Comptroller of the Currency
10200 Forest Green Boulevard, Suite 501,
Louisville, Kentucky 40223

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

Table of Contents

Overall CRA Rating.....1
Description of Institution.....1
Scope of the Evaluation.....2
Discriminatory or Other Illegal Credit Practices Review.....3
Lending Test4
State Rating.....4
Appendix A: Scope of Examination.....A-1
Appendix B: Definitions and Common Abbreviations.....B-1
Appendix C: Tables of Performance Data.....C-1

Overall CRA Rating

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

The lending test is rated: Satisfactory

The major factors that support this rating include:

- The loan-to-deposit ratio is more than reasonable given the bank's size, financial condition, and credit needs of the bank's assessment areas (AAs).
- A majority of the bank's loans are originated within its AAs.
- The penetration of home mortgage loans to borrowers of different income levels is reasonable.
- Lincoln National Bank's (LNB) geographic distribution of home mortgage loans reflect excellent dispersion throughout the AAs.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA(s), the bank's loan-to-deposit ratio (LTD) is more than reasonable. LNB's LTD ratio averaged 88.7 percent over the last 14 quarters since the previous CRA examination, with a quarterly high of 92.6 percent and quarterly low of 83.4 percent. LNB ranks second among a total of five similarly situated banks serving its AAs. The other four banks average LTD ratios of 68.0 percent, 93.0 percent, 73.5 percent, and 64.1 percent, respectively, over the same 14 quarters. The LTD ratio is calculated on a bank-wide basis.

Lending in Assessment Area

A majority of the bank's loans are inside its assessment area(s) (AAs). The bank originated 64.3 percent of its total home mortgage loans, and 55.6 percent of home mortgage loan dollar volume, inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA level. The following table details LNB's lending within the AAs by number and dollar amount during the evaluation period. Based on a random sample, the percentage of 2019 home mortgage loans originated inside and outside the AAs is consistent with 2017 and 2018.

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										
2017	135	68.5	62	31.5	197	14,475	63.8	8,229	36.2	22,704
2018	144	60.8	93	39.2	237	15,824	49.8	15,939	50.2	31,763
Total	279	64.3	155	35.7	434	30,299	55.6	24,168	44.4	54,467

Source: Home Mortgage Loans: Home Mortgage Disclosure Act Data.

Description of Institution

LNB is a \$348 million intrastate financial institution in Hodgenville, Kentucky. LNB is a wholly owned

subsidiary of Hambac, Inc., a one-bank holding company. The bank operates five locations, each equipped with automated teller machines. Branch locations are accessible within each AA of the bank, which are LaRue and Nelson counties. LNB acquired Kentucky Home Bank in April 2015. This acquisition added three branches, all within Nelson County, and created the Nelson County AA. LNB closed one branch location in Nelson county during the CRA evaluation period. The closure did not impact branch accessibility as the location closed was within one mile of another branch in the county.

LNB is a full-service lender offering traditional banking products and services. The bank offers residential and commercial real estate, commercial, agricultural, and consumer loans. Deposit products include personal checking and savings, money market, business checking, NOW accounts, and certificates of deposit.

As of September 30, 2020, LNB reported \$293 million in total deposits and \$248 million in total loans. The loan portfolio breakdown is as follows:

Loan Portfolio Summary by Loan Type September 30, 2020		
Loan Category	\$ (000)	% of total loans
Residential Loans (including farm residential)	179,575	72.4
Commercial Real Estate Loans	22,896	9.2
Commercial Loans	19,552	7.9
Consumer Loans	16,527	6.7
Other Construction Loans	4,840	1.9
Agriculture Production Loans	4,621	1.9
Other Loans	76	<0.1
Total Loans	\$ 248,087	100.00%

Source: September 30, 2020 Consolidated Reports of Condition and Income

Competition from other financial institutions is moderate. The bank's competitors include locally based community banks and various branches of large regional banks. According to June 30, 2020 Federal Deposit Insurance Corporation (FDIC) data, eight banks with 24 offices operate within the bank's two AAs. These offices held a combined total of \$1.27 billion in deposits. Of the combined deposits from both AAs, LNB ranked first with a 22.8 percent market share.

As of the date of this evaluation, there are no legal or financial impediments limiting LNB's ability to meet the credit needs of its AAs. The last CRA evaluation was performed by the Office of the Comptroller of the Currency on November 20, 2017. The bank received a Satisfactory rating.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We assessed LNB's CRA performance under the Small Bank Lending Test. The Lending Test assesses the bank's record of meeting the credit needs of its AA(s) through lending activities. The evaluation period for this review was from January 1, 2017 through December 31, 2019.

We used Call Report data to determine LNB's quarterly LTD ratio. The Lending Test also includes an analysis of the primary loan product. Based on an analysis of lending activity, residential lending was selected to assess the bank's CRA performance. As indicated in the Loan Portfolio Summary by Loan Type table above, residential-related loans represent more than 70 percent of the bank's total loan portfolio.

Our analysis of the bank's lending performance is based on available Home Mortgage Disclosure Act (HMDA) Loan Application Registers data for 2017 and 2018. The bank was not required to report geographic location data for the Non-MSA (Nelson County) in 2019. As a result, a random sample of 20 residential mortgage loans was selected for analysis in this AA. HMDA data for Nelson County covering the year 2019 is not included in Table O or P in Appendix C. Our conclusions also utilized the most recent available demographic and aggregate peer lending data.

Selection of Areas for Full-Scope Review

The bank has two AAs. Both AAs received full-scope reviews. Refer to *Appendix A: Scope of Examination* for a list of products reviewed within the AA.

Ratings

The bank's overall rating is based on the State of Kentucky rating. The State rating is based on a full-scope review of the bank's AAs. In assessing performance, more weight was placed on the distribution of home mortgage loans by borrower income level than the geographic distribution of home mortgage loans. This was done as neither of the bank's AAs contain a low-income census tract (CT), and both AAs have only one moderate-income CT each. Refer to *Description of the institution's Operations in Kentucky* for additional details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

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

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

State Rating

State of Kentucky

CRA rating for the State of Kentucky¹: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- A majority of the bank's home mortgage loans are within the bank's AAs.
- LNB's loan-to-deposit ratio is more than reasonable.
- The distribution of home mortgage loans to borrowers of different income levels is reasonable.
- The geographic distribution of home mortgage loans is excellent.

Description of Institution's Operations in Kentucky

LNB's AAs meet the requirements of the regulation and do not arbitrarily exclude any low- or moderate-income areas. LNB delineated two AAs for CRA purposes. AA1 is the entirety of LaRue County which is located in the Elizabethtown-Ft. Knox MSA. The bank created a second AA (AA2) in 2015 with the acquisition of Kentucky Home Bank in Nelson County, Kentucky. The entirety of Nelson County is AA2.

Opportunities for community reinvestment include support of organizations that provide services for low- and moderate-income families. A community contact identified financial support for funding construction projects to build new Head Start centers in the area is the greatest need, including but not limited to LaRue and Nelson Counties. Financial education and homeownership counseling are also an opportunity within the communities the bank serves. The contact indicated local banks are active in meeting community credit needs.

AA1: LaRue County

2015 U.S. Census Data: The total population of LaRue County is 14,149. The AA consisted of four CTs. One moderate-income tract and three middle-income tracts. There were no low- or upper-income tracts.

Economic Data: According to the Bureau of Labor Statistics, the December 2019 unemployment rate for LaRue County was 4.2 percent. LaRue County exceeded the national unemployment rate of 3.7 percent but compared favorably to the state unemployment rate of 4.3 percent.

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

In 2019, Hodgenville had a total of 231 businesses. The leading industries for 2019 were retail, education, health care and social services, and accommodation and food services.

Competition from other financial institutions is moderate. LNB's competitors include locally based community banks and various branches of large regional banks. According to the June 30, 2020 FDIC Summary, three banks with eight offices operated in LaRue County. These locations held a combined total of \$401 million in deposits with LNB ranking second with a 32.8 percent market share. LNB operated three branches in the AA.

The following table shows demographic information covering LNB's AA of LaRue County.

Table A – Demographic Information of the Assessment Area						
Assessment Area: LNB - LaRue County (AA1)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	4	0.0	25.0	75.0	0.0	0.0
Population by Geography	14,149	0.0	42.8	57.2	0.0	0.0
Housing Units by Geography	6,249	0.0	43.8	56.2	0.0	0.0
Owner-Occupied Units by Geography	3,895	0.0	39.8	60.2	0.0	0.0
Occupied Rental Units by Geography	1,433	0.0	56.2	43.8	0.0	0.0
Vacant Units by Geography	921	0.0	41.7	58.3	0.0	0.0
Businesses by Geography	769	0.0	54.0	46.0	0.0	0.0
Farms by Geography	114	0.0	26.3	73.7	0.0	0.0
Family Distribution by Income Level	3,744	27.8	22.4	21.1	28.7	0.0
Household Distribution by Income Level	5,328	29.7	21.4	18.8	30.1	0.0
Median Family Income MSA - 21060 Elizabethtown-Fort Knox, KY MSA		\$59,273	Median Housing Value			\$110,786
			Median Gross Rent			\$653
			Families Below Poverty Level			13.8%
<i>Source: 2015 ACS Census and 2019 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>						

AA2: Nelson County

2015 U.S. Census Data: The AA consisted of nine CTs. One was a moderate-income tract, four were middle-income tracts, and four were upper-income tracts. There were no low-income CTs.

Economic Data: According to the Bureau of Labor Statistics, the December 2019 unemployment rate for Nelson County was 3.8 percent, slightly exceeding the national unemployment rate of 3.7 percent but comparing favorably to the state unemployment rate of 4.3 percent.

In 2019, Bardstown had a total of 1,136 businesses. The leading industries for 2019 were education, manufacturing, health care and social services, and retail.

Competition from other financial institutions is moderate. LNB's competitors include locally based community banks and various branches of large regional banks. According to the June 30, 2020 FDIC Summary of Deposits, six banks with 16 offices operated in Nelson County. These locations held a combined total of \$871 million in deposits with LNB ranking third with an 18.2 percent market share. LNB operated two branches in the AA.

The following table shows demographic information covering LNB's AA of Nelson County.

Table A – Demographic Information of the Assessment Area						
Assessment Area: LNB - Nelson County (AA2)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	9	0.0	11.1	44.4	44.4	0.0
Population by Geography	44,564	0.0	8.4	40.5	51.1	0.0
Housing Units by Geography	18,443	0.0	8.2	42.9	48.9	0.0
Owner-Occupied Units by Geography	12,796	0.0	5.9	38.2	55.9	0.0
Occupied Rental Units by Geography	4,021	0.0	15.3	48.6	36.1	0.0
Vacant Units by Geography	1,626	0.0	8.7	65.3	26.0	0.0
Businesses by Geography	2,751	0.0	11.3	32.2	56.5	0.0
Farms by Geography	177	0.0	2.3	40.7	57.1	0.0
Family Distribution by Income Level	12,610	15.6	13.7	16.9	53.8	0.0
Household Distribution by Income Level	16,817	16.3	12.1	16.0	55.7	0.0
Median Family Income Non-MSAs - KY		\$45,986	Median Housing Value			\$131,593
			Median Gross Rent			\$713
			Families Below Poverty Level			12.5%
<i>Source: 2015 ACS Census and 2019 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>						

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KENTUCKY

LENDING TEST

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

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of home mortgage loans in Kentucky.

Home Mortgage Loans

Our analysis found a more than reasonable dispersion of home mortgage loans across geographies in the bank's AA. Refer to Table O in *Appendix C: Tables for Performance Data* for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

LaRue County (AA1):

Lending to geographies of different income levels in the AA reflects more than reasonable dispersion. There were no low-income CTs in the AA. The bank originated 47.1 percent of residential loans to borrowers in the moderate-income CTs during the evaluation period. That was above the percentage of owner-occupied housing units in moderate-income CTs (39.8 percent) and the aggregate distribution of home mortgage loans (40.7 percent).

Nelson County (AA2):

Lending to geographies of different income levels in the AA reflects more than reasonable dispersion. Based on HMDA data, the bank originated 9.6 percent of loans in the moderate-income CT. This was above both the owner-occupied housing unit and aggregate comparator percentages of 5.9 and 5.4 respectively. Based on the 2019 sample, the bank originated 15 percent of loans in moderate-income CTs. This was also well above the owner-occupied unit and aggregate comparator percentages reflected in 2018 and 2019 HMDA data.

Distribution of Loans by Income Level of the Borrower

The distribution of home mortgage loans to borrowers of different income levels is reasonable.

Home Mortgage Loans

The distribution of home mortgage loans reflects reasonable penetration among low- and moderate-income borrowers. Refer to Table P in *Appendix C: Tables for Performance Data* for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

LaRue County (AA1):

LNB's distribution of home mortgage loans to low- and moderate-income families is reasonable. The bank originated 11.3 percent and 22.5 percent of loans to low- and moderate-income families, respectively. The percentage of loans to moderate-income borrowers is in-line with the percentage of moderate-income families in the AA (22.4 percent) and only slightly below the aggregate comparator of 24.5 percent. The bank's percentage of home mortgage loans to low-income borrowers is below the percentage of low-income borrowers in the AA (27.8 percent) and similar to the aggregate comparator percentage of 11.5 percent. There are several factors impacting the bank's low-income borrower home loan performance. First, 13.8 percent of all families within this AA have income below the poverty level. This has a significant impact on the ability of low-income borrowers to purchase a home. Based on the AA's median family income of \$59,273, low-income families earn \$29,636 or less which is materially less than the AA's median housing value of \$110,786. In addition, rental units represent approximately 23 percent of total AA housing units which also limits the opportunity to finance home mortgage loans.

Nelson County (AA2):

Lending to low- and moderate-income families in AA2 is reasonable. Over the assessment period, LNB originated 2.9 percent of its home mortgage loans to low-income borrowers. This is below both the

demographic and aggregate comparator percentages of 15.5 and 5.0 percent respectively. Similar to AA1, there are factors contributing to this variance. First, 12.5 percent of families within this AA have income below the poverty level, with an additional 33.1 percent of families on social security. In addition, the median housing value in Nelson County is \$131,593. This is 5.72x the median income of low-income families. Like AA1, the stock of rental units in the AA represents a significant percentage of the AA's total housing units at approximately 24 percent. All of these factors present challenges in providing home mortgage loans to low-income borrowers. The bank's percentage of home mortgage loans to moderate-income borrowers compares favorably to the AA's demographics. Over the assessment period, LNB originated 14.6 percent of its home mortgage loans to moderate-income borrowers which is above the demographic and aggregate comparator percentages of 13.7 and 11.1 percent respectively.

Responses to Complaints

LNB did not receive any written complaints regarding its CRA performance during the evaluation period.

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:	January 1, 2017 to December 31, 2019	
Bank Products Reviewed:	Home mortgage loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Kentucky:		
Elizabethtown-Ft. Knox MSA #21060	Full-Scope	<i>Excluding Meade and Hardin Counties</i>
Nelson County	Full-Scope	

Appendix B: Definitions and Common Abbreviations

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

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

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

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

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

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

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

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

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

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

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

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

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the 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 C: Tables of Performance Data

Content of Standardized Tables

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

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

Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																	2017-19		
Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% 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	
LNB - LaRue County	240	25,098	100.0	0.0	0.0	0.0	39.8	47.1	40.7	60.2	52.9	59.3	0.0	0.0	0.0	0.0	0.0	0.0	
Total	240	25,098	100.0	0.0	0.0	0.0	39.8	47.1	40.7	60.2	52.9	59.3	0.0	0.0	0.0	0.0	0.0	0.0	

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																	2017-19		
Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% 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	
LNB – Nelson County 2017-18	135	14,671	87.1	0.0	0.0	0.0	5.9	9.6	5.4	30.4	36.3	31.6	63.7	54.1	63.0	0.0	0.0	0.0	
LNB - Nelson County 2019	20	2,676	12.9	0.0	0.0	0.0	5.9	15.0	5.7	38.2	35.0	34.8	55.9	50.0	59.4	0.0	0.0	0.0	
Total	155	17,347	100.0	0.0	0.0	0.0	5.9	12.3	5.6	34.3	35.7	33.2	59.8	52.1	61.2	0.0	0.0	0.0	

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 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																	2017-19		
	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
LNB - LaRue County	240	25,098	100.0	27.8	11.3	11.5	22.4	22.5	24.5	21.1	22.9	21.7	28.7	35.4	26.0	0.0	7.9	16.2	
Total	240	25,098	100.0	27.8	11.3	11.5	22.4	22.5	24.5	21.1	22.9	21.7	28.7	35.4	26.0	0.0	7.9	16.2	

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 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																	2017-19		
	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
LNB – Nelson County 2017-18	135	14,671	87.1	15.6	0.7	7.2	13.7	14.1	11.6	16.9	20.0	22.9	53.8	55.6	42.6	0.0	9.6	15.7	
LNB - Nelson County 2019	20	274	12.9	15.6	5.0	2.7	13.7	15.0	10.5	16.9	40.0	22.3	53.8	30.0	46.0	0.0	10.0	18.5	
Total	155	17,347	100.0	15.6	2.9	5.0	13.7	14.6	11.1	16.9	30.0	22.6	53.8	42.8	44.3	0.0	9.8	17.1	

*Source: 2015 ACS Census; 01/01/2019 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*