



PUBLIC DISCLOSURE

October 5, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Capitol Federal Savings Bank
Charter Number: 700670

700 South Kansas Avenue
Topeka, Kansas 66603

Office of the Comptroller of the Currency

7101 College Boulevard, Suite 1600
Overland Park, KS 66210

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..... 3
Description of Institution..... 4
Scope of the Evaluation.....5
Discriminatory or Other Illegal Credit Practices Review..... 6
Multistate Metropolitan Statistical Area Rating.....7
 Kansas City MMSA.....7
State Rating.....16
 State of Kansas.....16
Appendix A: Scope of Examination.....A-1
Appendix B: Summary of MMSA and State Ratings.....B-1
Appendix C: Definitions and Common Abbreviations.....C-1
Appendix D: Tables of Performance Data..... D-1

Overall CRA Rating

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

The following table indicates the performance level of Capitol Federal Savings Bank (CFSB) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Capitol Federal Savings Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory		X	X
Low Satisfactory	X		
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 performance in both the Kansas City multistate metropolitan statistical area (MMSA) and State of Kansas. We considered the fact that the State of Kansas has 55.5 percent of total bank deposits and five different assessment areas (AA).
- The Investment Test rating is based on performance in both the Kansas City MMSA and State of Kansas. The dollar volume of current- and prior-period investments represented 8.4 percent of CFSB’s total tier 1 capital.
- The Service Test rating is based on performance in both the Kansas City MMSA and State of Kansas. We considered the fact that the State of Kansas has 55.5 percent of total bank deposits and five different AAs.

Overall Other Performance Data

Lending Test

Flexible lending products available bank-wide

The Home-At-Last (HAL) program is the umbrella branding for CFSB’s affordable housing loan product options. Product offerings are designed to provide home ownership opportunities to low- and moderate-income applicants, first-time homebuyers, and others with limited resources. Properties must be located in low-income or high-minority geographies, or designated disaster areas. Flexible terms may include special financing subsidies facilitated through a third-party to provide down payment assistance to eligible borrowers. Reduced costs may include various fee waivers and reduced appraisal fees. During

the evaluation period, the HAL program originated 163 loans totaling \$14.9 million. This program had an overall neutral impact on lending performance.

The Federal Home Loan Bank's Topeka Homeowner Set-Aside Program (HSP) was the only loan product used in all AAs and assisted a total of 63 borrowers. The HSP assists members in meeting the needs of low-income first-time homebuyers by offering down payment, closing cost, and rehabilitation assistance in the state of Kansas. HSP provides a zero-interest subsidy to first-time homebuyers as a grant, subject to a five-year retention period.

Activity related to other loan product offerings are detailed within the applicable Lending Test sections throughout this performance evaluation.

Lending in Assessment Area

An adequate percentage of CFSB's loans are in its AAs.

CFSB originated and purchased 76.3 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

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	8,952	75.9	2,835	24.1	11,787	1,811,333	60.3	1,191,287	39.7	3,002,620
Small Business	332	90.2	36	9.8	368	52,710	88.7	6,744	11.3	59,454
Small Farm	4	36.4	7	63.6	11	110	13.0	735	87.0	845
Total	9,288	76.3	2,878	23.7	12,166	1,864,153	60.9	1,198,766	39.1	3,062,919

Loans inside the AA are considered as part of the geographical distribution analysis under the Lending Test.

Description of Institution

CFSB is a \$9.3 billion multistate, federally chartered stock savings bank headquartered in Topeka, Kansas. CFSB is wholly owned by Capitol Federal Financial, Inc. (CFFI), a one-bank holding company, which is also headquartered in Topeka, Kansas with total assets of \$9.3 billion.

CFSB is a community-oriented financial institution that offers a variety of retail and commercial banking services. Lending is focused on the one-to-four family residential real estate market. CFFI acquired Capital City Bancshares in August 2018, which was the parent company of Capital City Bank (CCB), a state-chartered institution with total assets of \$450 million. With the acquisition of CCB, CFSB began offering a full array of commercial lending and deposit products and services, and trust and brokerage services. The merger did not result in any new AAs for the bank.

As of December 31, 2019, CFSB's loan portfolio, by dollar volume, consisted of 90.3 percent residential retail and 9.4 percent commercial loans. Net loans represented 79 percent of average assets. Tier 1 capital was \$1.2 billion.

CFSB has two rated areas: Kansas City, MO-KS multistate MSA (KC MMSA) and the state of Kansas. The KC MMSA has 25 branches and 37 automated teller machines (ATMs). In the state of Kansas, there are five AAs, 29 branches and 43 ATMs. All ATMs are deposit-taking. Within the state of Kansas, the Topeka MSA, Lawrence MSA, and Wichita MSA AAs have eleven, five, and nine branches, respectively. The Manhattan MSA and non-MSA have two branches in each AA.

There are no known legal, financial, or other factors impeding the institution's ability to help meet credit needs in its AAs. CFSB received a "Satisfactory" rating in its previous CRA evaluation dated September 5, 2017.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The Office of the Comptroller of the Currency (OCC) evaluated home mortgage loans, small loans to businesses, community development (CD) loans, qualified investments, and CD and retail services from January 1, 2017 through December 31, 2019. Examiners did not consider consumer loans in this evaluation, as consumer lending did not constitute a substantial majority of CFSB's business and management did not request consideration. Qualifying activities performed in response to the significant impact of the coronavirus pandemic across the United States occurred after December 31, 2019 and will be considered in the subsequent evaluation.

The OCC determined that 20 loans made within an AA was sufficient for analysis purposes. Therefore, we did not analyze small loans to farms since the bank made only four loans during the evaluation period. Tables related to small loans to farms were removed from appendix D.

Selection of Areas for Full-Scope Review

In each state where CFSB has an office, one or more AAs within that state were selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), MMSA, or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope.

Refer to the "Scope" section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

CFSB's overall rating is a blend of the state ratings, and where applicable, multistate ratings. The KC MMSA and state of Kansas carried equal weight. The state of Kansas has 55.5 percent of total bank deposits and the KC MMSA has 54.3 percent of the reported loans, excluding CD loans, during the evaluation period. Home mortgage lending carried the most weight since these loans represent 96.4 percent of CFSB's total loans during the evaluation period. CFSB began making small loans to businesses in 2018 after the merger with CCB.

The MMSA and state ratings are based on performance in all bank AAs. Refer to the “Scope” section under each State and MMSA 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 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 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.

Multistate Metropolitan Statistical Area Rating

Kansas City, MO-KS MSA

CRA rating for the KC MMSA¹: Needs to Improve

The Lending Test is rated: Needs to Improve

The Investment Test is rated: Low Satisfactory

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- A poor distribution of home mortgage loans among individuals of different income levels and an adequate distribution of small loans to businesses of various sizes.
- A very poor geographic distribution of home mortgage loans and an excellent geographic distribution of loans to small businesses.
- An adequate level of CD loans to address community credit needs.
- An adequate level of qualified investments.
- Accessible service delivery systems and a low level of CD services.
- Lending levels reflect excellent responsiveness to credit needs.

Description of Institution's Operations in Kansas City, MO-KS MSA

The KC MMSA AA includes a portion of the KC MMSA. The AA is comprised of the entire counties of Johnson and Wyandotte in Kansas (KS), and Clay and Platte in Missouri (MO). The AA also includes a portion of Jackson County, MO consisting of the city limits of Kansas City, and the cities of Raytown and Grandview.

Based on the Federal Deposit Insurance Corporation (FDIC) summary of deposit information as of June 30, 2019, CFSB had deposits totaling \$2.6 billion in the AA, which represented 44.5 percent of the bank's total deposits. During the evaluation period, the bank made \$1.8 billion, or 72.8 percent, of its total dollar volume of home mortgage loans and small loans to businesses in this AA.

CFSB had 25 branches and 37 deposit-taking ATMs in the KC MMSA. The bank ranked 5th in deposit market share with 5.0 percent. Primary competitors included U.S. Bank, National Association (N.A.) with 46 branches and 10.1 percent market share, Security Bank of Kansas City with 33 branches and 7.2 percent market share, Commerce Bank with 32 branches and 7.0 percent market share, and Bank of America, N.A. with 29 branches and 6.4 percent market share. There were 73 additional depository institutions within the AA.

¹This rating reflects performance within the multistate metropolitan statistical area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area.

The following table provides a summary of demographics, including housing and business information for the KC MMSA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: KC MMSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	389	18.8	21.9	27.8	27.8	3.9
Population by Geography	1,406,495	11.6	21.0	32.4	34.6	0.4
Housing Units by Geography	611,984	13.5	21.9	33.0	31.0	0.7
Owner-Occupied Units by Geography	349,481	7.3	17.3	33.9	41.2	0.2
Occupied Rental Units by Geography	204,584	19.0	28.3	33.5	18.2	0.9
Vacant Units by Geography	57,919	31.0	26.9	25.6	14.1	2.4
Businesses by Geography	112,280	8.5	17.4	30.8	40.8	2.5
Farms by Geography	2,641	6.2	15.9	35.5	42.1	0.4
Family Distribution by Income Level	349,154	21.5	16.9	19.5	42.1	0.0
Household Distribution by Income Level	554,065	23.8	16.6	17.3	42.3	0.0
Median Family Income MSA - 28140 Kansas City, MO-KS MSA		\$72,623	Median Housing Value			\$168,407
			Median Gross Rent			\$857
			Families Below Poverty Level			9.4%
<i>Source: 2015 ACS 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>						

The Federal Financial Institution Examination Council (FFIEC) updated MSA median family income increased 10.5 percent over the evaluation period from \$74.6 thousand in 2017 to \$82.4 thousand in 2019. Low- and moderate-income tracts are predominately located in Jackson and Wyandotte counties. The AA has 389 census tracts, which includes 73 low-income, 85 moderate-income, 108 middle-income, and 108 upper-income. There are 15 tracts with no income designation. The percentage of households living below the poverty level is 12.4 percent. Strong competition for financial services exists within CFSB's AA, which includes nationwide and regional institutions.

Employment and Economic Factors

According to a report by the Greater Kansas City Chamber of Commerce in October 2019, the region is growing. Industry jobs lost in the telecommunications industry were more than offset by growth in the professional, scientific, and technical services industry. The growth in health care has also lifted the Greater Kansas City economy. Based on data through July 2019, single-family building permits are down by over one thousand in 2019 compared to 2018. According to the Bureau of Labor Statistics, the unemployment rate for the KC MMSA was stable during the evaluation period. As of December 2019, the rate was 3.1 percent compared to the U.S. unemployment rate of 3.7 percent.

Top industries in the AA include the local and federal government, restaurants, and hospitals. Top employers in the AA include Cerner Corporation, HCA Midwest Health System, the University of Kansas Hospital, and Children's Mercy Hospital and Clinics.

Housing

The Department of Housing and Urban Development prepared a Comprehensive Housing Market Analysis for the Kansas City, Missouri-Kansas MMSA as of January 1, 2020. The analysis indicates that the home sales market is tight. Total housing units for this AA consists of 57.1 percent owner-occupied, 33.4 percent rental, and 9.5 percent vacant.

Low- and moderate-income families earned up to \$36,311 and \$58,098 per year, respectively. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. The maximum monthly payment for a low-income borrower is \$907.79. For a moderate-income borrower, the maximum monthly payment is \$1,452.46. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MMSA median housing value would be \$904.16. Low-income borrowers would be challenged to afford a mortgage loan in this AA.

Community Contact

We considered four community contacts as part of this performance evaluation, which included two economic development organizations, one housing agency, and one Community Development Financial Institution (CDFI). Primary needs include affordable housing, education programs that encourage savings for down payments on home loans, funding for redevelopment projects, and small business loans, including for start-ups without significant collateral. There are numerous CD opportunities in this AA, including participation on boards and advisory committees, loan participations, equity investments, and grants.

Scope of Evaluation in Kansas City, MO-KS MSA

For purposes of this evaluation, examiners combined the bank's five delineated AAs into one and aggregated the data at the MMSA level for analysis and presentation.

Examiners placed more emphasis on home mortgage loans versus small loans to businesses. Based on the total number of reported loans, excluding CD loans, home mortgage loans represented 98.0 percent of CFSB's loan originations/purchases during the evaluation period.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KC MMSA**LENDING TEST**

The bank's performance under the Lending Test in the KC MMSA is rated Needs to Improve.

Based on a full-scope review, the bank's performance in the KC MMSA AA is poor.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

CFSB did not originate any small farm loans during the evaluation period in the KC MMSA.

Number of Loans				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
KC MMSA	4,941	101	8	5,050

Dollar Volume of Loans (\$000)				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
KC MMSA	1,177,972	17,087	14,608,303	15,803,362

CFSB ranked 5th out of 79 depository institutions (top 6.3 percent) with a deposit market share of 5.0 percent. For home mortgage loans, the bank's market share of 3.2 percent ranked sixth out of 603 lenders (top 1.0 percent). The top five lenders were Wells Fargo Bank, N.A. with 7.9 percent market share, Community America Credit Union with a 6.9 percent market share, Fairway Independent Mortgage Corporation with a 3.8 percent market share, U.S. Bank, N.A. with a 3.6 percent market share, and Quicken Loans with a 3.5 percent market share.

For small loans to businesses, CFSB's market share of 0.02 percent ranked 87th out of 174 lenders (top 50 percent). The top three lenders were American Express National Bank with a 17.8 percent market share, Chase Bank USA, N.A. with a 17.1 percent market share, and U.S. Bank, N.A. with a 10.2 percent market share. The top seven small business lenders were institutions that have large business credit card portfolios with average loan sizes of less than \$25 thousand. Small loans to businesses are not a primary loan product.

Distribution of Loans by Income Level of the Geography

The bank exhibits a poor geographic distribution of loans in its AA.

Home Mortgage Loans

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

The geographic distribution of home mortgage loans was very poor. The percentage of home mortgage loans originated or purchased in both low- and moderate-income geographies was significantly below both the percentage of owner-occupied housing units located in these geographies and the aggregate percentage of all reporting lenders.

Small Loans to Businesses

Refer to Table Q in the KC MMSA section of 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.

The geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses originated or purchased in low-income geographies was near to, and in moderate-income geographies exceeded, the percentage of businesses located in these geographies. The percentage of small loans to businesses originated or purchased in low-income geographies equaled the aggregate percentage of all reporting lenders and exceeded the aggregate in moderate-income geographies.

Lending Gap Analysis

The OCC analyzed CFSB's geographic lending patterns of home mortgage loans and small loans to businesses by mapping loan originations and purchases throughout the AA. Examiners did not identify any unexplained conspicuous lending gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a poor distribution of loans among individuals of different income levels and businesses and farms of different sizes.

Home Mortgage Loans

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

The borrower distribution of home mortgage loans among individuals of different income levels was poor. Examiners considered housing costs in relation to median family incomes in the AA, which limited the affordability for low-income families. The percentage of home mortgage loans originated or purchased by CFSB that were made to low-income borrowers was significantly below, and to moderate-income borrowers was below, the percentage of families in the AA. The percentage of home mortgage loans originated or purchased to both low- and moderate-income borrowers was significantly below the aggregate percentage of all reporting lenders.

Small Loans to Businesses

Refer to Table R in the KC MMSA section of appendix D for the facts and data used to evaluate the borrower distribution of the institution's originations and purchases of small loans to businesses.

The distribution of loans to businesses of different sizes was adequate. The percentage of loans to small businesses originated or purchased was significantly below the percentage of small businesses in the AA but was near-to the aggregate percentage of all reporting lenders.

Community Development Lending

The institution has made an adequate level of CD loans. CD lending had a neutral impact on the Lending Test conclusion.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables reflect CFSB's lending activity in the AA, by number and dollar during the evaluation period, and include all CD loans, including multifamily loans that also qualify as CD loans.

The level of CD lending was adequate. CFSB made eight CD loans totaling \$14.6 million in the AA, which represented 2.8 percent of allocated tier 1 capital. CD loans were responsive to identified community needs. Six CD loans representing \$1.8 million funded affordable housing and two CD loans totaling \$12.8 million funded revitalization and stabilization efforts.

Examples of CD loans in the AA include:

- A \$12.5 million loan to construct a mixed use, 213-unit, apartment complex and retail space in a middle-income geography. The purpose of this revitalization project is to remove blight and help stabilize adjacent low- and moderate-income communities.
- A \$1.3 million loan renewal to construct a 44-unit retirement apartment complex for low- and moderate-income individuals and families. The project is subject to the Low-Income Housing Tax Credit (LIHTC) Program affordability compliance requirements.

Product Innovation and Flexibility

The institution uses flexible lending practices in order to serve AA credit needs. During the evaluation period, CFSB made 99 loans totaling \$9.6 million among the various flexible lending products in the KC MMSA AA. This includes loans made under the HSP program discussed in the “Overall Other Performance Data” section above. The following programs are specific to the KC MMSA.

- Capitol Federal Foundation Grant awards funds, up to \$1.5 thousand, to community partners dedicated to assisting a borrower’s purchase of a primary residence in low-income areas. During the evaluation period, CFSB provided a total of 36 grants for down payment and closing cost assistance.
- Community Housing Investment Partnership is a homebuyer assistance program that consists of a deferred second mortgage loan with no monthly payment and zero interest for five years. It is designed to leverage private mortgage funds to assist low- and moderate-income households in purchasing a home. Funds are provided through the Housing and Urban Development HUD/HOME program. During the evaluation period, this program assisted 25 borrowers in the AA.
- Federal Home Loan Bank of Topeka Affordable Housing Program provides down payment assistance to low- and moderate-income borrowers through subsidies, which are forgiven over five years. During the evaluation period, this program assisted 15 borrowers in the AA.

CFSB worked with other affordable housing programs to provide down payment and closing cost assistance to an additional 14 borrowers.

INVESTMENT TEST

The institution’s performance under the Investment Test in the KC MMSA is rated Low Satisfactory.

Based on a full-scope review, the institution’s performance in the KC MMSA is adequate.

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:										
KC MMSA	20	\$3,176	65	\$12,949	85	85.9	\$16,125	84.4	0	0
Statewide/Regional:										
Missouri Statewide with P/M/F	10	\$1,164	4	\$1,822	14	14.1	\$2,986	15.6	0	0
Total	30	\$4,340	69	\$14,771	99	100.00	\$19,111	100.00	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.										

CFSB has an adequate level of qualified CD investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 3.1 percent of allocated tier 1 capital.

CFSB exhibits adequate responsiveness to credit and CD needs. The bank rarely uses innovative and/or complex investments to support CD initiatives. Current period investments helped provide affordable housing through one LIHTC investment totaling \$7.6 million and four mortgage backed securities (MBS) targeted to low- and moderate-income individuals totaling \$4.8 million. CFSB also made 60 qualified donations totaling \$471 thousand. Twenty prior period MBS remained outstanding at \$3.2 million.

Missouri Statewide:

We considered qualified investments located in the broader statewide area that have a purpose/mandate/function (P/M/F) to potentially benefit the KC MMSA. These investments had a neutral impact on the bank's overall KC MMSA rating.

CFSB made four current period investments in MBS totaling \$1.8 million. Ten prior period MBS remained outstanding at \$1.2 million. These investments helped provide affordable housing within the KC MMSA but outside of the bank's designated AA.

SERVICE TEST

The institution's performance under the Service Test in the KC MMSA is rated Low Satisfactory.

Based on a full-scope review, the institution's performance in the KC MMSA AA is adequate.

Retail Banking Services

Service delivery systems are accessible to geographies and individuals of different income levels in the institution's AAs.

Distribution of Branch Delivery System											
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
KC MMSA	100.0	25	100.0	4.0	24.0	24.0	48.0	11.6	21.0	32.4	34.6

CFSB has 25 branches in the AA, with one branch in low-income, six branches in moderate-income, six branches in middle-income, and 12 branches in upper-income geographies. The distribution of branches in low-income census tracts was significantly below the percentage of the population living within those geographies. However, during the evaluation period, one branch moved from a low-income tract to a middle-income tract due to demographic changes. The distribution of branches in moderate-income geographies exceeded demographics. Due to the acquisition of CCB, one branch in an upper-income census tract was added to the AA during the evaluation period.

The bank supplements its retail branch services with alternative retail delivery systems, including deposit-taking ATMs, mobile banking, and online banking, including bill payment services. The bank also offers surcharge free access to ATMs at select merchant locations. We did not place significant weight on these systems since no data was available to determine their impact on low- and moderate-income individuals or geographies.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
KC MMSA	0	0	0	0	0	0

The bank did not open or close branches during the evaluation period. Branch openings do not include locations acquired as part of the acquisition.

Services, including where appropriate, business hours, do not vary in a way that inconveniences the various portions of its AAs, particularly low- and moderate-income geographies and/or individuals. All locations maintained standard business hours and offered traditional banking products. One branch in an upper-income census tract has extended hours Monday – Thursday since it is the main commercial banking center in the AA. All branches offer extended lobby and drive-up hours on Fridays.

Community Development Services

The institution provides a low level of CD services. During the evaluation period, nine bank employees provided CD services to eight organizations that included a total of 12 services and 407 hours. Examples of CD services in the AA include:

- Financial education targeted to low- and moderate-income individuals related to home mortgage financing, banking products, and budgeting.
- Employees in leadership positions with CD organizations that provide community services to low- and moderate-income individuals, including healthcare and mentoring services.

State Rating

State of Kansas

CRA rating for the State of Kansas²: Satisfactory

The Lending Test is rated: Low Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to credit needs.
- An adequate distribution of home mortgage loans among individuals of different income levels and small loans to businesses of various sizes.
- A poor geographic distribution of home mortgage loans and a good geographic distribution of loans to small businesses.
- An adequate level of CD loans to address community credit needs.
- A good level of qualified investments.
- Readily accessible service delivery systems and a low level of CD services.

Description of Institution's Operations in Kansas

The state of Kansas AA includes portions of the Wichita, KS (Wichita), Topeka, KS (Topeka), and Manhattan, KS (Manhattan) MSAs. In addition, the AA includes the entire Lawrence, KS (Lawrence) MSA, and the non-MSA counties of Lyon and Saline (Kansas non-MSA). Non-MSA counties were combined for analysis and presentation purposes.

Based on the FDIC summary of deposit information as of June 30, 2019, CFSB had \$3.2 billion in deposits in these AAs, which represented 55.5 percent of the bank's total deposits. During the evaluation period, the bank made \$669.1 million, or 27.2 percent, of its total dollar volume of home mortgage loans, small loans to businesses, and small loans to farms in these AAs.

CFSB had 29 branches and 42 deposit-taking ATMs within these AAs. The bank ranked 3rd in deposit market share with 12.3 percent. Primary competitors included Intrust Bank, N.A. with 32 branches and 14.2 percent market share and Bank of America, N.A. with 15 branches and 13.5 percent market share. There were 79 additional depository institutions within the bank's AAs.

² This rating reflects performance within the multistate metropolitan statistical area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area

Lawrence MSA

The following table provides a summary of demographics, including housing and business information for the Lawrence MSA AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Lawrence MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	22	9.1	31.8	36.4	22.7	0.0
Population by Geography	114,967	10.2	29.2	31.9	28.6	0.0
Housing Units by Geography	47,812	6.3	33.6	31.6	28.5	0.0
Owner-Occupied Units by Geography	22,806	1.3	25.4	36.9	36.3	0.0
Occupied Rental Units by Geography	20,923	11.2	41.0	25.8	22.0	0.0
Vacant Units by Geography	4,083	9.0	40.9	31.9	18.2	0.0
Businesses by Geography	6,997	6.8	30.9	32.5	29.7	0.0
Farms by Geography	289	0.3	20.8	54.7	24.2	0.0
Family Distribution by Income Level	23,794	19.1	19.6	20.6	40.7	0.0
Household Distribution by Income Level	43,729	26.4	15.1	17.5	41.0	0.0
Median Family Income MSA – 29940 Lawrence, KS MSA		\$72,755	Median Housing Value			\$188,808
			Median Gross Rent			\$854
			Families Below Poverty Level			8.1%
<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>						

The AA consists of the entire Lawrence, KS MSA. The AA has 22 census tracts, which includes two low-income, seven moderate-income, eight middle-income, and five upper-income tracts. The percentage of households living below poverty is 17.7 percent. According to the FDIC's Summary of Deposits as of June 30, 2019, nine percent of bank deposits are in this AA. The FFIEC updated MSA median family income increased 19.6 percent over the evaluation period from \$68.5 thousand in 2017 to \$81.9 thousand in 2019.

CFSB operates five branches in the AA and 11 deposit-taking ATMs. The deposit market share is 22.3 percent, which ranks 1st among all institutions. Competition is strong with 21 other financial institutions in the AA. Primary competitors included U.S. Bank, N.A. with five branches and 17.7 percent market share and Commerce Bank with five branches and 9.9 percent market share.

Employment and Economic Factors

According to a report from the City of Lawrence dated September 2020, the economy performed well during the evaluation period. However, the lack of industry diversity contributed to more limited career opportunities, below-average salary levels, and vulnerability during economic shocks. According to the Bureau of Labor Statistics, the unemployment rate for the Lawrence MSA AA was stable during the evaluation period. As of December 2019, the rate was 2.6 percent compared 2.9 percent in the state of Kansas and 3.7 percent in the U.S.

Top industries in the AA include the local and federal government, and restaurants. Top employers in the AA include the University of Kansas, Maximus, Inc., and Lawrence Memorial Hospital.

Housing

Based on a report by Moody's Analytics dated June 2020, home prices in the AA increased 10.3 percent during the evaluation period from \$196.5 thousand in 2017 to \$216.7 thousand in 2019. Total housing units in this AA consists of 47.7 percent owner-occupied, 43.8 percent rental, and 8.5 percent vacant.

Low- and moderate-income families earned up to \$36,378 and \$58,204 per year, respectively. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. The maximum monthly payment for a low-income borrower is \$909.45. For a moderate-income borrower, the maximum monthly payment is \$1,455.10. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value would be \$1,013.68. This illustrates that housing is not affordable for low-income families.

Community Contact

We considered one community contact with a local organization that provides financial counseling services. Primary needs include affordable housing, small dollar and micro loans, and flexible checking and savings accounts for low- and moderate-income individuals. CD loan opportunities are limited in this AA. The OCC noted no CDFIs or Community Development Corporations (CDCs), one Small Business Development Center, and one HUD-approved housing counseling agency in the AA.

Manhattan MSA

The following table provides a summary of demographics, including housing and business information for the Manhattan MSA AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Manhattan MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	14	0.0	14.3	42.9	28.6	14.3
Population by Geography	75,022	0.0	14.5	47.1	34.8	3.6
Housing Units by Geography	29,557	0.0	10.2	52.2	35.9	1.8
Owner-Occupied Units by Geography	11,050	0.0	3.5	48.4	47.5	0.7
Occupied Rental Units by Geography	15,417	0.0	14.5	56.0	26.9	2.6
Vacant Units by Geography	3,090	0.0	12.7	46.6	39.2	1.5
Businesses by Geography	3,463	0.0	17.0	44.8	36.9	1.2
Farms by Geography	172	0.0	4.7	33.7	61.6	0.0
Family Distribution by Income Level	14,170	22.5	18.2	19.2	40.1	0.0
Household Distribution by Income Level	26,467	26.0	18.4	17.2	38.5	0.0
Median Family Income MSA – 29940 Manhattan, KS MSA		\$61,327	Median Housing Value			\$167,723
			Median Gross Rent			\$884
			Families Below Poverty Level			7.0%

*Source: 2015 ACS Census and 2019 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.*

The Manhattan MSA AA consists of the entire county of Riley. The AA has 14 census tracts, which includes two moderate-income, six middle-income, four upper-income, and two with no income designation. The percentage of households living below the poverty level is 19.7 percent. According to the FDIC's Summary of Deposits as of June 30, 2019, three percent of bank deposits are in this AA. The FFIEC updated MSA median family income decreased 4.4 percent over the evaluation period from \$70.3 thousand in 2017 to \$67.2 thousand in 2019.

CFSB operates two branches in the AA and four deposit-taking ATMs. The deposit market share is 8.2 percent, which ranks 5th among all institutions. Competition is strong with 15 other financial institutions in the AA. Primary competitors included Kansas State Bank with three branches and 46.7 percent market share, Commerce Bank with three branches and 11.2 percent market share, Community First National Bank with one branch and 9.3 percent market share, and Landmark National Bank with two branches and 9.1 percent market share.

Employment and Economic Factors

According to the Bureau of Labor Statistics, the unemployment rate for the Manhattan MSA AA was stable during the evaluation period. As of December 2019, the rate was 2.4 percent compared 2.9 percent in the state of Kansas and 3.7 percent in the U.S.

Top industries in the AA include the local and state government, and restaurants. Top employers in the AA include Kansas State University and Fort Riley.

Housing

Based on a report by Moody's Analytics dated June 2020, home prices in the AA increased three percent during the evaluation period from \$220.1 thousand in 2017 to \$226.8 thousand in 2019. Total housing units in this AA consist of 37.4 percent owner-occupied, 52.2 percent rental, and 10.4 percent vacant.

Low- and moderate-income families earned up to \$30,664 and \$49,062 per year, respectively. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. The maximum monthly payment for a low-income borrower is \$766.60. For a moderate-income borrower, the maximum monthly payment is \$1,226.54. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value would be \$900.49. This illustrates that housing is not affordable for low-income families.

Community Contact

We considered one community contact with an economic development organization. Primary needs include downtown revitalization, start-up business loans, affordable housing, and business training seminars. CD loan opportunities are limited in this AA. The OCC noted no CDFIs, CDCs, or HUD-approved housing counseling agencies. There is one Small Business Development Center located in Manhattan, KS.

Topeka MSA

The following table provides a summary of demographics, including housing and business information for the Topeka MSA AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Topeka MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	43	11.6	23.3	39.5	25.6	0.0
Population by Geography	178,792	8.2	18.8	39.7	33.3	0.0
Housing Units by Geography	79,425	9.0	20.6	41.1	29.3	0.0
Owner-Occupied Units by Geography	45,873	4.6	15.3	39.1	41.0	0.0
Occupied Rental Units by Geography	25,495	14.2	26.6	45.9	13.3	0.0
Vacant Units by Geography	8,057	18.0	31.1	37.2	13.7	0.0
Businesses by Geography	10,352	16.2	18.7	40.4	24.7	0.0
Farms by Geography	328	4.3	9.5	26.2	60.1	0.0
Family Distribution by Income Level	44,654	20.8	17.2	21.8	40.3	0.0
Household Distribution by Income Level	71,368	24.0	17.2	18.1	40.7	0.0
Median Family Income MSA – 45820 Topeka, KS MSA		\$64,984	Median Housing Value			\$116,437
			Median Gross Rent			\$752
			Families Below Poverty Level			10.5%
<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>						

The Topeka MSA AA consists of the entire county of Shawnee. The AA has 43 census tracts, which includes five low-income, 10 moderate-income, 17 middle-income, and 11 upper-income tracts. According to the FDIC’s Summary of Deposits as of June 30, 2019, 29.5 percent of bank deposits are in this AA. The FFIEC updated MSA median family income increased 10.4 percent over the evaluation period from \$68.3 thousand in 2017 to \$75.4 thousand in 2019. The percentage of households living below the poverty level is 14.1 percent.

CFSB operates 11 branches in the AA and 15 deposit-taking ATMs. The deposit market share is 37.7 percent, which ranks 1st among all institutions. Competition is strong with 19 other financial institutions in the AA. Primary competitors included Corefirst Bank & Trust with 12 branches and 13.0 percent market share and Bank of America, N.A. with three branches and 8.5 percent market share.

Employment and Economic Factors

According to a report from the Wichita State University Center for Economic Development and Business Research dated October 2019, the economy in the Topeka AA has experienced modest growth. A majority of growth is in the service sector, including professional, business, education, and health care. According to the Bureau of Labor Statistics, the unemployment rate for the Topeka MSA AA was stable during the evaluation period. As of December 2019, the rate was 3.2 percent compared to 2.9 percent in the state of Kansas and 3.7 percent in the U.S.

Top industries in the AA include the local and federal government, restaurants, and hospitals. Top employers in the AA include Stormont-Vail Regional Medical Center, St. Francis Medical Center, Goodyear Tire and Rubber Co., and Blue Cross and Blue Shield.

Housing

Based on a report by Moody's Analytics dated June 2020, home prices in the AA increased nine percent during the evaluation period from \$172.7 thousand in 2017 to \$188.9 thousand in 2019. Total housing units in this AA consists of 57.8 percent owner-occupied, 32.1 percent rental, and 10.1 percent vacant.

Low- and moderate-income families earned up to \$32,492 and \$51,987 per year, respectively. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. The maximum monthly payment for a low-income borrower is \$812.30. For a moderate-income borrower, the maximum monthly payment is \$1,299.68. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value would be \$625.18. This illustrates that housing is affordable for low- and moderate-income families in the AA.

Community Contact

We considered one community contact as part of this performance evaluation with an economic development organization. Primary needs include investment in renovating older business properties and revitalizing low- and moderate-income areas. Affordable housing is also a primary need based on a Citywide Housing Market Study dated July 2020. CD loan opportunities are limited in this AA. The OCC noted no CDFIs or CDCs, two Small Business Development Centers and one HUD-approved housing counseling agency.

Scope of Evaluation in Kansas

Examiners completed full-scope reviews in the Topeka MSA, Lawrence MSA, and Manhattan MSA AAs. The Topeka MSA carried the most weight with 53.2 percent of deposits and 29.6 percent of loans in the state. The Lawrence MSA carried more weight than the Manhattan MSA with 16.2 percent and 5.4 percent of deposits, respectively. We performed limited-scope procedures in the Wichita MSA and Kansas non-MSA AAs. Examiners based the ratings on the results of the full-scope review and performance in limited-scope areas, as applicable. Refer to appendix A for a list of all AAs under review.

Examiners placed more weight on home mortgage loans since they represented the majority of CFSB's lending in all AAs.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KANSAS

LENDING TEST

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

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Lawrence MSA and Manhattan MSA AAs is good. Performance in the Topeka MSA AA is adequate.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
Full Scope:							
Lawrence MSA	581	43	0	0	624	14.7	16.2
Manhattan MSA	195	1	0	0	196	4.6	5.5
Topeka MSA	1,069	184	4	2	1,259	29.6	53.2
Limited Scope:							
Kansas non-MSA	149	0	0	0	149	3.5	7.9
Wichita MSA	2,017	3	0	0	2,020	47.6	17.2
Total	4,011	231	4	2	4,248	100.0	100.0

* The table presents the data for all AAs. The narrative below addresses performance in full-scope areas only.

Dollar Volume of Loans (\$000)*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
Full Scope:							
Lawrence MSA	109,694	6,367	0	0	116,061	17.3	16.2
Manhattan MSA	40,344	33	0	0	40,377	6.0	5.5
Topeka MSA	150,604	28,502	110	1,020	180,236	26.9	53.2
Limited Scope:							
Kansas non-MSA	16,700	0	0	0	16,700	2.5	7.9
Wichita MSA	316,019	721	0	0	316,740	47.3	17.2
Total	633,361	35,623	110	1,020	670,114	100.0	100.0

* The table presents the data for all AAs. The narrative below addresses performance in full-scope areas only.

Lawrence MSA

CFSB ranked 1st out of 22 depository institutions with a deposit market share of 22.3 percent. For home mortgage loans, the bank's market share of 6.4 percent ranked third out of 229 lenders (top 1.3 percent).

The top two lenders were Mid America Bank with a 9.0 percent market share and Fairway Independent Mortgage Corporation with an 8.4 percent market share.

For small loans to businesses, CFSB's market share of 0.1 percent ranked 44th out of 66 lenders (top 66.7 percent). The top three lenders were Chase Bank USA, N.A. with a 21.4 percent market share, American Express National Bank with a 16.4 percent market share, and U.S. Bank, N.A. with a 14.3 percent market share.

Manhattan MSA

CFSB ranked 5th out of 16 depository institutions (top 31.2 percent) with a deposit market share of 8.2 percent. For home mortgage loans, the bank's market share of 5.0 percent ranked fourth out of 156 lenders (top 2.6 percent). The top three lenders were KS StateBank with a 9.3 percent market share, PrimeLending with a 7.4 percent market share, and Community First National Bank with a 6.2 percent market share.

We did not perform an analysis of small loans to businesses. An analysis of these loans is not meaningful since the bank originated or purchased only one small business loan during the evaluation period in the AA.

Topeka MSA

CFSB ranked 1st out of 20 depository institutions with a deposit market share of 37.6 percent. For home mortgage loans, the bank's market share of 8.6 percent ranked second out of 212 lenders (top 0.9 percent). The top lender was Landmark National Bank with an 8.8 percent market share.

For small loans to businesses, CFSB's market share of 0.2 percent ranked 26th out of 61 lenders (top 42.6 percent). The top four lenders were Chase Bank USA, N.A. with a 15.5 percent market share, American Express National Bank with a 14.3 percent market share, CoreFirst Bank & Trust with a 12.3 percent market share, and U.S. Bank, N.A. with an 11.3 percent market share.

We did not perform an analysis of small loans to farms. An analysis of these loans is not meaningful since the bank originated or purchased only four small farm loans during the evaluation period.

Distribution of Loans by Income Level of the Geography

The bank exhibits a poor geographic distribution of loans in its AAs. Considering full-scope AAs, examiners placed more weight on home mortgage loans, which represent 85 percent, by number, of loans during the evaluation period. Examiners also placed emphasis on performance in the Topeka MSA AA as it represents 61 percent, by number, of total reported loans. We did not perform an analysis of small loans to farms since an analysis of these loans is not meaningful based on the number of loan originations or purchases.

Home Mortgage Loans

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

Lawrence MSA

The geographic distribution of home mortgage loans was excellent. The percentage of home mortgage loans originated or purchased in low-income geographies exceeded the percentage of owner-occupied housing units located in these geographies and was slightly below the percentage of owner-occupied housing units in moderate-income geographies. The percentage of home mortgage loans originated or purchased in low-income geographies was near to, and in moderate-income geographies exceeded, the aggregate percentage of all reporting lenders.

Manhattan MSA

The geographic distribution of home mortgage loans was good based on limited lending opportunities in moderate-income census tracts. The percentage of home mortgage loans originated or purchased in moderate-income geographies was below the percentage of owner-occupied housing units located in these geographies. The percentage of home mortgage loans originated or purchased in moderate-income geographies was near to the aggregate percentage of all reporting lenders. Rental and vacant housing units in moderate-income census tracts are 74.2 percent and 13.0 percent, respectively. There are no low-income geographies in the Manhattan MSA AA.

Topeka MSA

The geographic distribution of home mortgage loans was poor. The percentage of home mortgage loans originated or purchased in low- and moderate-income geographies was significantly below the percentage of owner-occupied housing units located in these geographies. The percentage of home mortgage loans originated or purchased in low-income geographies was near to, and in moderate-income geographies was significantly below, the aggregate percentage of all reporting lenders.

Small Loans to Businesses

Refer to Table Q in the state of Kansas section of 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.

We did not perform an analysis of small loans to businesses in the Manhattan MSA AA. Based on the number of loan originations and purchases, an analysis of these loans is not meaningful.

Lawrence MSA

The geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses originated or purchased in both low- and moderate-income geographies exceeded both the percentage of businesses located in these geographies and the aggregate percentage of all reporting lenders.

Topeka MSA

The geographic distribution of small loans to businesses was good. The percentage of small loans to businesses originated or purchased in low-income geographies was significantly below, and in moderate-income geographies exceeded, the percentage of businesses located in these geographies. The percentage of small loans to businesses originated or purchased in low-income geographies was below, and in moderate-income geographies exceeded, the percentage of all reporting lenders.

Lending Gap Analysis

The OCC analyzed CFSB's geographic lending patterns of home mortgage loans and small loans to businesses by mapping loan originations and purchases throughout the AAs. Examiners did not identify any unexplained conspicuous lending gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an adequate distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the institution. As noted above, examiners placed more weight on home mortgage loans and performance in the Topeka MSA. We did not perform an analysis of small loans to farms since an analysis of these loans is not meaningful based on the number of loan originations or purchases.

Home Mortgage Loans

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

Lawrence MSA

The borrower distribution of home mortgage loans among individuals of different income levels was good. Examiners considered housing costs in relation to median family incomes in the AA, which limited the affordability for low-income families. The percentage of home mortgage loans originated or purchased to low-income borrowers was significantly below, and to moderate-income borrowers was near to, the percentage of families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers was below, and to moderate-income borrowers was near to, the aggregate percentage of all reporting lenders.

Manhattan MSA

The borrower distribution of home mortgage loans among individuals of different income levels was adequate. Examiners considered housing costs in relation to median family incomes in the AA, which limited the affordability for low-income families. The percentage of home mortgage loans originated or purchased to low-income borrowers was significantly below, and to moderate-income borrowers was below, the percentage of families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers exceeded, and to moderate-income borrowers was near to, the aggregate percentage of all reporting lenders.

Topeka MSA

The borrower distribution of home mortgage loans among individuals of different income levels was adequate. The percentage of home mortgage loans originated or purchased to low-income borrowers was significantly below, and to moderate-income borrowers equaled, the percentage of families in the AA. The percentage of home mortgage loans originated or purchased to both low- and moderate-income borrowers was below the aggregate percentage of all reporting lenders.

Small Loans to Businesses

Refer to Table R in the state of Kansas section of 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.

We did not perform an analysis of small loans to businesses in the Manhattan MSA AA. Based on the number of loan originations and purchases, an analysis of these loans is not meaningful.

Lawrence MSA

The distribution of loans to businesses of different sizes was good. The percentage of loans to small businesses originated or purchased was near to the percentage of small businesses in the AA and exceeded the aggregate percentage of all reporting lenders.

Topeka MSA

The distribution of loans to businesses of different sizes was adequate. The percentage of loans to small businesses originated or purchased was significantly below the percentage of small businesses in the AA and exceeded the aggregate percentage of all reporting lenders.

Community Development Lending

The institution has made an adequate level of CD loans. CD lending had a neutral impact on the Lending Test conclusion.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables reflect CFSB's lending activity in the AA, by number and dollar during the evaluation period, and include all CD loans, including multifamily loans that also qualify as CD loans.

Lawrence MSA

CFSB did not make any CD loans in the Lawrence MSA AA. As noted above, CD loan opportunities are limited. Refer to the "Description of Institution's Operations in Kansas" section above for detail. The large student population in this AA impacts the availability of affordable housing CD loan opportunities.

Manhattan MSA

CFSB did not make any CD loans in the Manhattan MSA AA. As noted above, CD loan opportunities are limited. Refer to the "Description of Institution's Operations in Kansas" section above for detail. The large student population in this AA impacts the availability of affordable housing CD loan opportunities.

Topeka MSA

The level of CD lending was adequate. As noted above, CD loan opportunities are limited in this AA. Refer to the "Description of Institution's Operations in Kansas" section above for detail. CFSB made two CD loans totaling \$1.0 million, which represented 0.3 percent of allocated tier 1 capital. CD loans were responsive to identified community needs. One CD loan for \$1.0 million promoted economic development by renewing a small business loan to a company located in a moderate-income geography

that retained jobs to low- and moderate-income individuals. The other CD loan for \$20 thousand provided funding to a nonprofit organization that provides affordable housing to low- and moderate-income individuals.

Product Innovation and Flexibility

The institution uses flexible lending practices in order to serve AA credit needs.

Lawrence MSA

During the evaluation period, CFSB made five loans totaling \$569 thousand among the various flexible lending products in this AA. In addition to loans made under the HSP program discussed in the “Overall Other Performance Data” section above, the bank provided four grants through the Lawrence Community Housing Trust Program (LCHT) to assist first time homebuyers with closing costs. The LCHT program helps low- and moderate-income individuals purchase homes by providing subsidies up to \$5 thousand at zero percent interest and forgiveness over five years.

Manhattan MSA

During the evaluation period, CFSB made six loans totaling \$872 thousand under the HSP program discussed in the “Overall Other Performance Data” section above. No other flexible loan programs specific to the AA were utilized.

Topeka MSA

During the evaluation period, CFSB made 22 loans totaling \$1.5 million among the various flexible lending products in this AA. In addition to loans made under the HSP program discussed in the “Overall Other Performance Data” section above, the following programs are specific to the Topeka MSA AA:

- Topeka Opportunity to Own (TOTO) program offers down payment assistance to qualified first-time homebuyers within the city limits of Topeka, Kansas. The assistance is in the form of a self-amortizing, deferred “soft” second mortgage. Eligible household income must be at or below 80 percent of the area median income. The loan is forgiven by \$5 thousand after the first year of ownership, 50 percent is forgiven after seven years, and the balance is due upon resale. During the evaluation period, this program assisted 13 borrowers in the AA.
- Federal Home Loan Bank of Topeka Affordable Housing Program provides down payment assistance to low- and moderate-income borrowers through subsidies, which are forgiven over five years. During the evaluation period, this program assisted 15 borrowers in the AA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Lending Test in the Wichita MSA is consistent with the bank’s overall performance under the Lending Test in the full-scope areas. Performance in the Kansas non-MSA AA was weaker than the bank’s overall performance in the full-scope areas based on the geographic distribution of home mortgage loans. Performance in limited-scope areas had a neutral impact on the Lending Test rating for the state of Kansas.

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

INVESTMENT TEST

The bank's performance under the Investment Test in Kansas is rated High Satisfactory. Broader statewide or regional investments had a positive impact on performance.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Lawrence MSA AA was good and excellent in the Manhattan MSA AA. Performance in the Topeka MSA AA was poor.

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:										
Lawrence MSA	5	\$169	11	\$6,828	16	6.6	\$6,997	8.8	0	0
Manhattan MSA	3	\$155	12	\$4,036	15	6.2	\$4,191	5.3	0	0
Topeka MSA	5	\$470	86	\$3,326	91	37.8	\$3,796	4.8	0	0
Limited Scope:										
Kansas non-MSA	3	\$162	25	\$51	28	11.6	\$213	0.3	0	0
Wichita MSA	14	\$1,388	40	\$3,676	54	22.4	5,064	6.3	0	0
Statewide/Regional:										
Broader statewide with P/M/F	22	\$6,631	3	7,580	25	10.4	\$14,211	17.9	0	0
Regional with P/M/F	5	\$27,401	1	\$12,500	6	2.5	\$39,901	50.3	0	0
Regional without P/M/F	6	\$4,990	0	0	6	2.5	\$4,990	6.3	0	0
Total	63	\$41,366	178	37,997	241	100.0	79,363	100.00	0	0
* The table presents the data for all AAs. The narrative below addresses performance in full-scope areas only.										
** 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.										

Lawrence MSA

CFSB 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 dollar volume of current- and prior-period investments represented 6.6 percent of allocated tier 1 capital.

CFSB exhibits good responsiveness to credit and community economic development needs. The institution occasionally uses innovative and/or complex investments to support CD initiatives. Current period investments helped provide affordable housing through two LIHTC investments totaling \$6.3 million and two investments in MBS totaling \$479.1 thousand. CFSB also made seven qualified donations totaling \$48.9 thousand. Five prior-period MBS remained outstanding at \$169.0 thousand, which also provided affordable housing.

Manhattan MSA

CFSB has an excellent level of qualified CD investment and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 11.8 percent of allocated tier 1 capital.

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. Current period investments helped provide affordable housing through one LIHTC investment totaling \$4 million. CFSB also made 11 qualified donations totaling \$35 thousand. Three prior-period MBS remained outstanding at \$155.2 thousand, which also provided affordable housing.

Topeka MSA

CFSB has a poor level of qualified CD investments and grants, but not in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 1.1 percent of allocated tier 1 capital.

CFSB exhibits adequate responsiveness to credit and community economic development needs. The institution does not use innovative and/or complex investments to support CD initiatives. Current period investments consisted of two MBS totaling \$389.6 thousand that helped provide affordable housing and 84 qualified donations of \$2.9 million. Five prior-period MBS remained outstanding at \$470.1 thousand, which also provided affordable housing.

Examples of qualified donations include:

- Two donations totaling \$1.7 million to help revitalize and stabilize downtown Topeka. Funds supported infrastructure improvements to build a one-acre community gathering space in a low-income census tract. The City of Topeka approved the project, which is consistent with its Downtown Master Plan.
- Fifteen donations totaling \$343 thousand to United Way organizations that primarily serve low- and moderate-income individuals.
- Three donations totaling \$300 thousand to establish a medical clinic to serve the low-income neighborhoods of Topeka.
- Two donations totaling \$153 thousand to an organization that provides essential services to low- and moderate-income individuals, such as day care and job training programs.

Broader Statewide and Regional:

We considered qualified investments located in the broader statewide and regional area that have a P/M/F to potentially benefit the Kansas AAs. These investments provided affordable housing and had a positive impact on the bank's overall state rating.

Within the state of Kansas, current period investments consisted of three LIHTC funds totaling \$7.6 million. Outstanding prior-period investments included 14 MBS and eight LIHTC investments totaling \$1.1 million and \$5.5 million, respectively. These investments have a P/M/F to potentially benefit the AAs.

Within the regional area, the bank made one current period LIHTC investment totaling \$12.5 million. Outstanding prior-period investments included five LIHTC investments totaling \$27.4 million. These investments have a P/M/F to potentially benefit the AAs.

CFSB was responsive to the needs of its AAs considering statewide and regional investments with a P/M/F to potentially benefit its AAs. Therefore, we considered six outstanding regional LIHTC investments totaling \$5.0 million that do not have a P/M/F to benefit the AAs.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Investment Test in the Wichita MSA AA is consistent with the bank’s overall performance under the Investment Test in the full-scope areas. Performance in the Kansas non-MSA AA was weaker than the bank’s overall performance in the full-scope areas based on the lower levels of qualified investments. Performance in limited-scope areas had a neutral impact on the Investment Test rating for the state of Kansas.

SERVICE TEST

The bank’s performance under the Service Test in Kansas is rated High Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank’s performance in the Lawrence MSA, Manhattan MSA, and Topeka MSA AAs was good.

Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the Lawrence MSA, Manhattan MSA, and Topeka MSA AAs.

Distribution of Branch Delivery System											
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:											
Lawrence MSA	16.3	5	17.3	0.0	60.0	0.0	40.0	10.2	29.2	31.9	28.7
Manhattan MSA	5.6	2	6.9	0.0	50.0	0.0	50.0	0.0	14.5	47.1	34.8
Topeka MSA	52.5	11	37.9	18.2	27.3	45.5	9.0	8.2	18.8	39.7	33.3
Limited-Scope:											
Kansas non-MSA	7.6	2	6.9	0.0	0.0	50.0	50.0	0.0	30.8	40.5	28.7
Wichita MSA	18.0	9	31.0	0.0	44.4	11.2	44.4	8.3	23.0	31.8	36.9

Lawrence MSA

CFSB did not have any branches in low-income geographies. The distribution of branches in moderate-income geographies significantly exceeded the percentage of the population living in those geographies. Due to the acquisition of CCB, the number of branches increased from four to five during the evaluation period.

The bank offers alternative delivery systems including ATMs, online banking and mobile banking. These systems provided additional delivery availability and access to banking services. CFSB had 11 ATMs in the AA, all of which were deposit-taking. The percentage of ATMs in low-income geographies exceed demographics. We did not place significant weight on alternative delivery systems as the bank did not maintain or provide metrics to determine their effectiveness in helping meet the needs of low- and moderate-income individuals.

Manhattan MSA

The distribution of branches in moderate-income geographies exceeded the percentage of the population living in those geographies. There are no low-income geographies in the Manhattan MSA AA.

The bank offers alternative delivery systems including ATMs, online banking and mobile banking. These systems provided additional delivery availability and access to banking services. CFSB had four ATMs in the AA, all of which were deposit-taking. The percentage of ATMs in moderate-income geographies exceed demographics. We did not place significant weight on alternative delivery systems as the bank did not maintain or provide metrics to determine their effectiveness in helping meet the needs of low- and moderate-income individuals.

Topeka MSA

The distribution of branches in both low- and moderate-income geographies exceeded the percentage of the population living in those geographies. Due to the acquisition of CCB, the number of branches increased from seven to 11 during the evaluation period.

The bank offers alternative delivery systems including ATMs, online banking and mobile banking. These systems provided additional delivery availability and access to banking services. CFSB had 15 ATMs in the AA, all of which were deposit-taking. The percentage of ATMs in both low- and moderate-income geographies exceed demographics. We did not place significant weight on alternative delivery systems as the bank did not maintain or provide metrics to determine their effectiveness in helping meet the needs of low- and moderate-income individuals.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Full-Scope:						
Lawrence MSA	1	1	-1	+1	0	0
Manhattan MSA	0	0	0	0	0	0
Topeka MSA	1	1	0	0	0	0
Limited-Scope:						
Kansas non-MSA	0	0	0	0	0	0
Wichita MSA	1	0	0	0	0	+1

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. Branch openings do not include locations acquired as part of the acquisition.

Services, including where appropriate, business hours, do not vary in a way that inconveniences its AAs, particularly low- and moderate-income geographies and/or individuals. All branches offer extended lobby and drive-up hours on Friday.

Lawrence MSA

CFSB closed one branch in a low-income tract and opened one branch in a moderate-income tract during the evaluation period. This was part of a relocation effort due to the CCB acquisition. Services offered, and hours of operation are comparable among branch locations. Business hours are the same for all stand-alone branch locations and in-store branches also have the same hours.

Manhattan MSA

CFSB did not open or close any branches during the evaluation period. Business hours are the same for all branch locations.

Topeka MSA

CFSB closed one branch in a moderate-income tract and opened one branch in a moderate-income tract during the evaluation period. This was part of a relocation effort due to the CCB acquisition. Services offered, and hours of operation are comparable among branch locations. Branches that focus on commercial banking have slightly longer hours.

Community Development Services

The institution provides a low level of CD services.

Lawrence MSA

CFSB provided an adequate level of CD services in the AA. CD services focused on affordable housing and community services. Three bank employees provided a total of 131 hours of CD services to two different organizations during the evaluation period. One employee served as a board member for an affordable housing organization. One employee served on the board and another employee served on the committee of an organization that provides basic financial education targeted to low- and moderate-income students.

Manhattan MSA

CFSB provided few, if any, CD services in the AA. Bank management did not provide any qualified CD services in the Manhattan MSA AA.

Topeka MSA

CFSB provided a low level of CD services in the AA. CD services focused on affordable housing and community services. Fourteen bank employees provided a total of 355 hours of CD services to nine different organizations during the evaluation period. Six organizations provide community services targeted to low- and moderate-income individuals, two organizations provide affordable housing, and one organization provides financing to small businesses.

Examples of CD services in the AA include:

- Serving on the board of two affordable housing organizations that provide homebuyer and financial education for low- and moderate-income individuals.
- Volunteering with two organizations to provide basic financial education to low- and moderate-income students.
- Serving on the board of an organization that provides affordable childcare to low- and moderate-income families.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Wichita MSA AA is consistent with the bank's overall performance under the Service Test in the full-scope areas. Performance in the Kansas non-MSA AA was weaker than the bank's overall performance under the Service Test due to the limited number of branches.

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, small business, CD loans, qualified investments, CD services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
MMSA		
Kansas City, MO-KS MSA	Full-scope	KS – Entire counties of Johnson and Wyandotte MO – Entire counties of Clay and Platte, and part of Jackson County
Kansas		
Lawrence, KS MSA	Full-scope	Entire MSA
Manhattan, KS MSA	Full-scope	All of Riley county
Topeka, KS MSA	Full-scope	All of Shawnee county
Wichita, KS MSA	Limited-scope	All of Sedgwick and Butler counties
Kansas non-MSA	Limited-scope	All of Lyon and Saline counties

Appendix B: Summary of MMSA and State Ratings

RATINGS Capitol Federal Savings Bank				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Capitol Federal Savings Bank	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
MMSA or State:				
KC MMSA	Needs to Improve	Low Satisfactory	Low Satisfactory	Needs to Improve
Kansas	Low Satisfactory	High Satisfactory	High Satisfactory	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/AA.

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 low- and moderate-income 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/AA.

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 CD.

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. 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 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/AA. 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 performance evaluation.

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/AA. 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 AA.
- 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.

KC MMSA

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2017-19	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% 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		
KC MMSA	4,941	1,177,972	100.0	59,655	7.3	2.2	3.3	17.3	6.0	13.6	33.9	23.4	33.8	41.2	68.3	49.1	0.2	0.2	0.2		
Total	4,941	1,177,972	100.0	59,655	7.3	2.2	3.3	17.3	6.0	13.6	33.9	23.4	33.8	41.2	68.3	49.1	0.2	0.2	0.2		

*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	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
KC MMSA	4,941	1,177,972	100.0	59,655	21.5	3.7	7.4	16.9	10.9	17.5	19.5	19.4	21.4	42.1	63.8	39.9	0.0	2.1	13.8		
Total	4,941	1,177,972	100.0	59,655	21.5	3.7	7.4	16.9	10.9	17.5	19.5	19.4	21.4	42.1	63.8	39.9	0.0	2.1	13.8		

*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%*

KC MMSA

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2017-19	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
KC MMSA	101	17,087	100.0	28,972	8.5	7.9	7.9	17.4	24.8	16.2	30.8	16.8	28.3	40.8	39.6	44.5	2.5	10.9	3.1	
Total	101	17,087	100.0	28,972	8.5	7.9	7.9	17.4	24.8	16.2	30.8	16.8	28.3	40.8	39.6	44.5	2.5	10.9	3.1	

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2017-19	
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		
KC MMSA	101	17,087	100.0	28,972	82.6	36.6	42.8	6.4	57.4	10.9	5.9		
Total	101	17,087	100.0	28,972	82.6	36.6	42.8	6.4	57.4	10.9	5.9		

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

STATE OF KANSAS

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2017-19	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% 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	
Kansas non MSA	149	16,700	3.7	1,505	0.0	0.0	0.0	23.8	10.1	22.9	39.1	59.7	45.5	37.1	30.2	31.6	0.0	0.0	0.0	
Lawrence MSA	581	109,694	14.5	3,454	1.3	1.7	1.9	25.4	24.8	23.6	36.9	32.7	34.2	36.3	40.8	40.3	0.0	0.0	0.0	
Manhattan MSA	195	40,344	4.9	1,629	0.0	0.0	0.0	3.5	2.6	2.8	48.4	45.1	42.2	47.5	51.8	54.1	0.7	0.5	0.9	
Topeka MSA	1,069	150,604	26.7	4,806	4.6	1.7	2.0	15.3	6.8	11.4	39.1	40.5	40.2	41.0	51.0	46.4	0.0	0.0	0.0	
Wichita MSA	2,017	316,019	50.3	19,390	5.1	2.7	2.8	17.9	6.1	14.4	32.4	26.1	30.4	44.6	65.1	52.4	0.0	0.0	0.0	
Total	4,011	633,361	100.0	30,784	3.9	2.1	2.3	18.0	9.0	14.8	35.4	33.1	33.7	42.6	55.9	49.2	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%

STATE OF KANSAS

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017-19	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Kansas non MSA	149	16,700	5.2	1,505	21.2	5.4	7.8	17.8	19.5	16.5	21.4	18.8	21.8	39.6	51.7	30.4	0.0	4.7	23.5	
Lawrence MSA	581	109,694	14.5	3,454	19.1	5.7	7.8	19.6	17.7	19.0	20.6	22.4	22.4	40.7	49.4	38.2	0.0	4.8	12.6	
Manhattan MSA	195	40,344	12.9	1,629	22.5	4.6	3.4	18.2	10.8	12.3	19.2	21.5	17.2	40.1	62.1	44.1	0.0	1.0	23.0	
Topeka MSA	1,069	150,604	26.7	4,806	20.8	7.0	10.7	17.2	17.2	22.8	21.8	24.1	20.7	40.3	46.4	28.9	0.0	5.2	17.0	
Wichita MSA	2,017	316,019	50.3	19,390	20.8	4.9	7.0	17.7	13.1	18.0	21.1	22.1	21.3	40.5	58.1	34.0	0.0	1.8	19.7	
Total	4,011	633,361	100.0	30,784	20.7	5.6	7.5	17.8	15.0	18.5	21.1	22.5	21.2	40.4	53.7	34.0	0.0	3.2	18.9	

*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%*

STATE OF KANSAS

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017-19**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Kansas non MSA	0	0	0.0	678	0.0	0.0	0.0	37.4	0.0	35.4	33.8	0.0	30.7	28.9	0.0	33.9	0.0	0.0	0.0
Lawrence MSA	43	6,367	18.6	1,823	6.8	7.0	4.0	30.9	41.9	32.7	32.5	34.9	32.4	29.7	16.3	30.9	0.0	0.0	0.0
Manhattan MSA	1	33	0.4	668	0.0	0.0	0.0	17.0	0.0	19.8	44.8	0.0	56.7	36.9	100.0	22.9	1.2	0.0	0.6
Topeka MSA	184	28,502	79.7	1,989	16.2	9.8	11.7	18.7	40.2	18.8	40.4	35.9	43.2	24.7	14.1	26.3	0.0	0.0	0.0
Wichita MSA	3	721	1.3	8,279	5.6	0.0	7.1	26.9	0.0	25.1	29.2	33.3	33.5	38.4	66.7	34.3	0.0	0.0	0.0
Total	231	35,623	100.0	13,437	6.8	9.1	6.6	26.2	39.8	25.4	32.9	35.5	35.8	34.0	15.6	32.1	0.1	0.0	0.0

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%

STATE OF KANSAS

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2017-19
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
Kansas non MSA	--	--	--	678	74.9	--	35.0	7.9	--	17.2	--
Lawrence MSA	43	6,367	18.6	1,823	82.6	74.4	49.7	5.3	20.9	12.1	4.7
Manhattan MSA	1	33	0.4	668	78.1	100.0	47.8	5.9	0.0	16.0	0.0
Topeka MSA	184	28,502	79.7	1,989	77.6	45.1	40.9	7.0	49.5	15.4	5.4
Wichita MSA	3	721	1.3	8,279	80.4	100.0	41.9	7.1	0.0	12.5	0.0
Total	231	35,623	100.0	13,437	79.6	51.5	42.7	6.9	43.3	13.6	5.2

*Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*