



**PUBLIC DISCLOSURE**

October 28, 2024

**COMMUNITY REINVESTMENT ACT  
PERFORMANCE EVALUATION**

Peoples National Bank of Kewanee  
Charter Number 14418

207 North Tremont Street  
Kewanee, Illinois 61443

Office of the Comptroller of the Currency

211 Fulton Street  
Suite 604  
Peoria, Illinois 61602

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

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## Overall CRA Rating

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

**The Lending Test is rated: Satisfactory.**

**The Community Development Test is rated: Outstanding.**

The major factors that support this rating include:

- The bank exhibits an excellent distribution of loans to businesses of different sizes.
- The bank exhibits a reasonable distribution of loans by income level of the geography.
- A majority of loans are originated and purchased inside the assessment areas (AAs).
- The loan-to-deposit (LTD) ratio is less than reasonable.
- The Community Development (CD) Test rating is based on outstanding performance.
- The bank exhibits excellent responsiveness to community development needs in the state through CD investments and CD services.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is less than reasonable.

The quarterly average LTD ratio was 30.1 percent for the ten-quarter period between September 30, 2021, and December 31, 2023, with a low of 26.7 percent and a high of 33.9 percent.

The bank ranked 15th out of 15 similar financial institutions that compete with the bank for deposits in the AA. The comparable institutions ranged in size from \$293.4 million to \$848.2 million and reported quarterly average LTD ratios from 51.9 percent to 104.6 percent. Peoples National Bank of Kewanee (PNB or the bank) experienced a decline in the quarterly LTD ratio in part due to the acquisition of Reynolds State Bank (RSB), a \$109.6 million state bank, on March 1, 2021. The quarter prior to the acquisition, PNB had a quarterly LTD ratio of 39.0 percent. During the quarter of the acquisition, the bank's already low LTD ratio decreased to 31.3 as of March 31, 2021. PNB's quarterly LTD ratio continued to decline, reaching a low of 26.7 percent as of September 30, 2022, before experiencing improvement.

After the acquisition, deposits minimally grew by \$9.9 million until December 31, 2023. While competition for loans is present, similarly sized institutions within the bank's assessment area with similar primary products saw an increase in the LTD ratio over the ten-quarter period between September 30, 2021, and December 31, 2023. Loan opportunities in the AA are available, which peer banks demonstrate with LTD ratios of 51.9 percent or greater. There are no financial, legal, or other constraints prohibiting the bank from originating loans.

## Lending in Assessment Area

A majority of the bank's loans are inside its AAs.

The bank originated and purchased 70.0 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.

| <b>Lending Inside and Outside of the Assessment Area</b> |                 |             |          |             |           |                                 |             |               |             |                |
|--|-----------------|-------------|----------|-------------|-----------|---------------------------------|-------------|---------------|-------------|----------------|
| Loan Category  | Number of Loans |             |          |             | Total #   | Dollar Amount of Loans \$(000s) |             |               |             | Total \$(000s) |
|  | Inside          |             | Outside  |             |           | Inside                          |             | Outside       |             |                |
|  | #               | %           | #        | %           |           | \$                              | %           | \$            | %           |                |
| Small Business   | 14              | 70.0        | 6        | 30.0        | 20        | 293,794                         | 76.8        | 88,940        | 23.2        | 382,734        |
| <b>Total</b>   | <b>14</b>       | <b>70.0</b> | <b>6</b> | <b>30.0</b> | <b>20</b> | <b>293,794</b>                  | <b>76.8</b> | <b>88,940</b> | <b>23.2</b> | <b>382,734</b> |

## Description of Institution

Peoples National Bank of Kewanee is an intrastate institution headquartered in Kewanee, Illinois with total assets of \$540.0 million as of December 31, 2023. PNB is wholly owned by Peoples Financial Corp. of Illinois, Inc., a one bank holding company headquartered in Kewanee, Illinois.

PNB has one rating area. For the 2021 review period, the AA in the non-metropolitan area (Non-MSA) is composed of portions of Bureau, LaSalle, Livingston, and Whiteside counties, which are three non-contiguous AAs that were combined, analyzed, and presented as one AA in this CRA Performance Evaluation (PE). The AA in the Davenport-Moline-Rock Island, IA-IL MSA (Davenport MSA) is composed of portions of Henry County and Mercer County along with one census tract (CT) in Rock Island County. The Peoria MSA is composed of all CTs in Stark County.

For the 2022 and 2023 review period, the Non-MSA is contiguous and composed of all CTs of Bureau, LaSalle, Livingston, and Whiteside counties. The Davenport MSA is composed of all CTs in Henry County and Mercer County along with one CT in Rock Island County. The Peoria MSA is composed of all CTs in Stark County. Refer to Appendix A, Scope of Examination, for a list of geographies comprising each AA.

PNB has nine branches, one drive-through only facility and 20 automated teller machines (ATMs) as of December 31, 2023. PNB added one branch (Reynolds, Rock Island County, Davenport MSA) during the evaluation period due to an acquisition, on March 1, 2021. The bank provides additional banking access to customers through internet and mobile platforms.

PNB is primarily a commercial lender but also offers a full range of deposit and loan products. Commercial loans represent the largest portfolio at \$125.5 million, followed by agricultural lending at \$69.9 million, residential at \$42.1 million, and consumer at \$8.6 million, per call report data as of December 31, 2023. Please see the Public File for more information on products and services offered by the bank.

The bank reported a net loans and leases to total assets ratio of 30.6 percent and a tier 1 leverage capital ratio of 10.1 percent as of December 31, 2023.

There are no legal or financial circumstances that impede the bank's ability to meet the credit needs of its AAs.

The previous CRA rating, which the Office of the Comptroller of the Currency (OCC) determined using the Intermediate Small Bank evaluation procedures, was Outstanding, as detailed in the PE dated October 13, 2021.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

The evaluation covers the period from January 1, 2021, through December 31, 2023. We evaluated PNB under the Intermediate Small Bank evaluation procedures, which includes a Lending Test and Community Development Test. During the 2021 year, per asset size threshold, the bank was considered a small bank. The bank being a small bank for the 2021 year is considered within the context of the Community Development Test.

The primary loan product for the evaluation period was determined to be business loans. The bank originated and purchased 2,447 loans during the evaluation period with business loans representing 54.3 percent by number and 52.2 percent by dollar.

The Lending Test evaluated loans originated or purchased between January 1, 2021, and December 31, 2023. Business loans originated or purchased in 2021 were compared to 2015 American Community Survey Census Data and 2021 D&B data. Business loans originated or purchased in 2022 or 2023 were compared to 2020 US Census Data, and 2023 D&B data.

The CD Test evaluated eligible community development loans, investments, and services from January 1, 2021, to December 31, 2023.

Business loans are based on a sample of loans, not the full population, and performance is considered in context.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same MSA, multistate metropolitan statistical area (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 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**

The bank's overall rating is the Illinois state rating.

## **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.

## State Rating

### State of Illinois

**CRA rating for the state of Illinois<sup>1</sup>:** Satisfactory.

**The Lending Test is rated:** Satisfactory.

**The Community Development Test is rated:** Outstanding.

The major factors that support this rating include:

- The bank exhibits a reasonable distribution of loans by income level of the geography.
- The bank exhibits an excellent distribution of loans to businesses of different sizes.
- The bank's performance under the Community Development Test is rated Outstanding.
- The bank exhibits excellent responsiveness to community development needs in the state through CD investments and CD services.
- The bank exhibits poor responsiveness to community development needs in the state through CD Loans.

### Description of Institution's Operations in Illinois

The bank has three AAs in Illinois, the Davenport MSA, Non-MSA and Peoria MSA. The Davenport MSA and Non-MSA received full-scope reviews, while the Peoria MSA received a limited-scope review. The bank serves its customers through nine branches, one drive-through only facility, and 20 ATMs. All branches within the Non-MSA are open Monday through Saturday. All branches within the Davenport MSA, except for the Reynolds branch, are open Monday through Saturday. The Reynold branch is open Monday through Friday. As of 2021, one branch and five ATMs are in moderate income CTs. As of 2023, one branch, one drive-through only facility, and four ATMs are in moderate-income geographies. Additionally, as of 2023, one ATM is in a low-income CT. Customers have additional banking access through the bank's website and mobile banking app.

Both full-scope AAs had the same three major employment sectors. Major employment sectors in the AAs include manufacturing, health care and social assistance, and retail trade according to the Illinois Department of Commerce. The Davenport MSA contained four moderate-income census tracts and zero low-income census tracts in 2021. Due to the census change in 2022, total moderate-income tracts fell to three and low-income tracts in the AA increased to one. The Non-MSA contained zero moderate-income census tracts and zero low-income census tracts in 2021. Due to the census change in 2022 along with an expansion of the AA, total moderate-income tracts in the Non-MSA increased to seven.

The annual unemployment rate (AUR) in the state of Illinois was 6.1 percent in 2021, which then declined to 4.6 percent in 2022 and 4.5 percent in 2023 according to the U.S. Bureau of Labor Statistics. Unemployment rates for all counties in the full-scope AAs compared favorably or in line with the state of Illinois unemployment rate for 2021. Unemployment rates for six of seven counties in the AAs compared favorably or in line with the state of Illinois unemployment rate for 2022. Unemployment

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

rates for one of seven counties in the AAs compared favorably to the state of Illinois unemployment rate for 2023.

|                      | 2021 AUR | 2022 AUR | 2023 AUR |
|----------------------|----------|----------|----------|
| State of Illinois    | 6.1      | 4.6      | 4.5      |
| <b>Davenport MSA</b> |          |          |          |
| Henry County         | 5.0      | 4.4      | 4.9      |
| Mercer County        | 5.0      | 4.3      | 4.7      |
| Rock Island County   | 5.7      | 4.5      | 5.1      |
| <b>Non-MSA</b>       |          |          |          |
| Whiteside County     | 5.0      | 4.2      | 4.7      |
| Bureau County        | 5.1      | 4.6      | 5.7      |
| LaSalle County       | 6.1      | 5.1      | 5.8      |
| Livingston County    | 5.1      | 4.1      | 4.1      |

Competition for deposits is high among financial institutions. The bank faces competition from national banks, state banks, federal thrifts, credit unions, and other nonbank lenders. The bank held a deposit market share of 5.0 percent in the counties comprising the Davenport MSA with \$244 million in deposits. The bank ranked 8th out of 24 FDIC insured financial institutions competing for the area's \$4.9 billion in deposits, as of June 30, 2023.

The bank held a deposit market share of 2.7 percent in the counties comprising the Non-MSA with \$215.3 million in deposits. The bank ranked 13th out of 42 Federal Deposit Insurance Corporation (FDIC) insured financial institutions competing for the area's \$8.1 billion in deposits, as of June 30, 2023.

We relied on information from one community contact interview from the Davenport MSA to understand area needs and opportunities. The contact for the Davenport MSA represented an economic development corporation. The contact noted the economic condition of the area to be struggling but stable. The contact stated the local economy is based on large manufacturing companies along with the two school districts and hospital. The contact noted needs in the area include economic development and business loans. The contact had positive perceptions, stating PNB stood out as a bank that is very supportive of the community.

We relied on information from one community contact interview from the Non-MSA to understand area needs and opportunities. We obtained a community contact representing a small business development organization that provides resources, guidance, and education opportunities to start-up and existing small businesses in the north central Illinois area, including Bureau, LaSalle, Livingston, and Whiteside counties. The contact described the economic condition of the area to be stabilized since the Covid-19 Pandemic. The contact commented that the agriculture industry is the major driver for the area. The contact noted a need for small business loans and micro-loans. The contact had no negative perception of PNB.



## Davenport MSA

| Table A – 2021 Demographic Information of the Assessment Area   |        |               |                              |                  |                 |               |
|---|--------|---------------|------------------------------|------------------|-----------------|---------------|
| Assessment Area: Davenport MSA  |        |               |                              |                  |                 |               |
| Demographic Characteristics   | #      | Low<br>% of # | Moderate<br>% of #           | Middle<br>% of # | Upper<br>% of # | NA*<br>% of # |
| Geographies (Census Tracts)   | 12     | 0.0           | 33.3                         | 66.7             | 0.0             | 0.0           |
| Population by Geography   | 40,245 | 0.0           | 31.6                         | 68.4             | 0.0             | 0.0           |
| Housing Units by Geography  | 18,624 | 0.0           | 32.3                         | 67.7             | 0.0             | 0.0           |
| Owner-Occupied Units by Geography   | 12,666 | 0.0           | 27.9                         | 72.1             | 0.0             | 0.0           |
| Occupied Rental Units by Geography  | 3,993  | 0.0           | 43.2                         | 56.8             | 0.0             | 0.0           |
| Vacant Units by Geography   | 1,965  | 0.0           | 39.0                         | 61.0             | 0.0             | 0.0           |
| Businesses by Geography   | 2,127  | 0.0           | 29.6                         | 70.4             | 0.0             | 0.0           |
| Farms by Geography  | 511    | 0.0           | 6.7                          | 93.3             | 0.0             | 0.0           |
| Family Distribution by Income Level   | 11,288 | 22.7          | 20.0                         | 22.7             | 34.5            | 0.0           |
| Household Distribution by Income Level  | 16,659 | 24.1          | 17.3                         | 20.0             | 38.6            | 0.0           |
| Median Family Income MSA - 19340<br>Davenport-Moline-Rock Island, IA-IL<br>MSA  |        | \$66,600      | Median Housing Value         |                  |                 | \$92,990      |
|   |        |               | Median Gross Rent            |                  |                 | \$574         |
|   |        |               | Families Below Poverty Level |                  |                 | 9.5%          |
| <p><i>Source: 2015 ACS and 2021 D&amp;B Data</i><br/> <i>Due to rounding, totals may not equal 100.0%</i><br/> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i></p> |        |               |                              |                  |                 |               |

**Table A – 2022-2023 Demographic Information of the Assessment Area****Assessment Area: Davenport MSA, for 2020 Census**

| <b>Demographic Characteristics</b>   | <b>#</b> | <b>Low<br/>% of #</b> | <b>Moderate<br/>% of #</b>   | <b>Middle<br/>% of #</b> | <b>Upper<br/>% of #</b> | <b>NA*<br/>% of #</b> |
|--|----------|-----------------------|------------------------------|--------------------------|-------------------------|-----------------------|
| Geographies (Census Tracts)  | 19       | 5.3                   | 15.8                         | 68.4                     | 10.5                    | 0.0                   |
| Population by Geography  | 68,760   | 5.2                   | 14.3                         | 68.6                     | 11.9                    | 0.0                   |
| Housing Units by Geography   | 31,275   | 4.8                   | 15.7                         | 68.5                     | 11.0                    | 0.0                   |
| Owner-Occupied Units by Geography  | 22,182   | 2.8                   | 14.1                         | 69.9                     | 13.2                    | 0.0                   |
| Occupied Rental Units by Geography   | 5,816    | 10.2                  | 18.5                         | 66.5                     | 4.8                     | 0.0                   |
| Vacant Units by Geography  | 3,277    | 8.6                   | 21.5                         | 62.9                     | 7.0                     | 0.0                   |
| Businesses by Geography  | 4,834    | 3.2                   | 13.1                         | 72.9                     | 10.8                    | 0.0                   |
| Farms by Geography   | 795      | 1.4                   | 3.8                          | 80.3                     | 14.6                    | 0.0                   |
| Family Distribution by Income Level  | 19,072   | 19.7                  | 18.9                         | 21.6                     | 39.7                    | 0.0                   |
| Household Distribution by Income Level   | 27,998   | 22.6                  | 17.1                         | 17.9                     | 42.4                    | 0.0                   |
| Median Family Income MSA - 19340<br>Davenport-Moline-Rock Island, IA-IL<br>MSA |          | \$76,902              | Median Housing Value         |                          |                         | \$119,353             |
|  |          |                       | Median Gross Rent            |                          |                         | \$694                 |
|  |          |                       | Families Below Poverty Level |                          |                         | 7.0%                  |

Source: 2020 U.S. Census and 2023 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.

## Non-MSA

| Table A – 2021 Demographic Information of the Assessment Area  |        |               |                              |                  |                 |               |
|--|--------|---------------|------------------------------|------------------|-----------------|---------------|
| Assessment Area: Non-MSA IL  |        |               |                              |                  |                 |               |
| Demographic Characteristics  | #      | Low<br>% of # | Moderate<br>% of #           | Middle<br>% of # | Upper<br>% of # | NA*<br>% of # |
| Geographies (Census Tracts)  | 10     | 0.0           | 0.0                          | 100.0            | 0.0             | 0.0           |
| Population by Geography  | 35,648 | 0.0           | 0.0                          | 100.0            | 0.0             | 0.0           |
| Housing Units by Geography   | 15,137 | 0.0           | 0.0                          | 100.0            | 0.0             | 0.0           |
| Owner-Occupied Units by Geography  | 10,317 | 0.0           | 0.0                          | 100.0            | 0.0             | 0.0           |
| Occupied Rental Units by Geography   | 3,094  | 0.0           | 0.0                          | 100.0            | 0.0             | 0.0           |
| Vacant Units by Geography  | 1,726  | 0.0           | 0.0                          | 100.0            | 0.0             | 0.0           |
| Businesses by Geography  | 1,912  | 0.0           | 0.0                          | 100.0            | 0.0             | 0.0           |
| Farms by Geography   | 408    | 0.0           | 0.0                          | 100.0            | 0.0             | 0.0           |
| Family Distribution by Income Level  | 9,513  | 17.2          | 16.2                         | 21.3             | 45.3            | 0.0           |
| Household Distribution by Income Level   | 13,411 | 18.4          | 14.6                         | 16.3             | 50.6            | 0.0           |
| Median Family Income Non-MSAs - IL   |        | \$59,323      | Median Housing Value         |                  |                 | \$112,923     |
|  |        |               | Median Gross Rent            |                  |                 | \$707         |
|  |        |               | Families Below Poverty Level |                  |                 | 9.6%          |
| <p>Source: 2015 ACS and 2021 D&amp;B Data<br/>                     Due to rounding, totals may not equal 100.0%<br/>                     (*) The NA category consists of geographies that have not been assigned an income classification.</p> |        |               |                              |                  |                 |               |

| <b>Table A – 2022-2023 Demographic Information of the Assessment Area</b>  |          |                       |                              |                          |                         |                       |
|--|----------|-----------------------|------------------------------|--------------------------|-------------------------|-----------------------|
| <b>Assessment Area: Non-MSA IL, for 2020 Census</b>  |          |                       |                              |                          |                         |                       |
| <b>Demographic Characteristics</b>   | <b>#</b> | <b>Low<br/>% of #</b> | <b>Moderate<br/>% of #</b>   | <b>Middle<br/>% of #</b> | <b>Upper<br/>% of #</b> | <b>NA*<br/>% of #</b> |
| Geographies (Census Tracts)  | 67       | 0.0                   | 10.4                         | 73.1                     | 16.4                    | 0.0                   |
| Population by Geography  | 234,408  | 0.0                   | 8.3                          | 72.8                     | 18.9                    | 0.0                   |
| Housing Units by Geography   | 107,514  | 0.0                   | 8.8                          | 73.3                     | 17.9                    | 0.0                   |
| Owner-Occupied Units by Geography  | 70,595   | 0.0                   | 7.1                          | 72.7                     | 20.2                    | 0.0                   |
| Occupied Rental Units by Geography   | 25,886   | 0.0                   | 13.5                         | 74.8                     | 11.7                    | 0.0                   |
| Vacant Units by Geography  | 11,033   | 0.0                   | 8.6                          | 74.0                     | 17.4                    | 0.0                   |
| Businesses by Geography  | 16,916   | 0.0                   | 11.1                         | 68.7                     | 20.1                    | 0.0                   |
| Farms by Geography   | 1,720    | 0.0                   | 2.8                          | 71.7                     | 25.4                    | 0.0                   |
| Family Distribution by Income Level  | 62,788   | 18.3                  | 16.9                         | 22.1                     | 42.7                    | 0.0                   |
| Household Distribution by Income Level   | 96,481   | 20.6                  | 16.7                         | 17.2                     | 45.4                    | 0.0                   |
| Median Family Income Non-MSAs - IL   |          | \$68,958              | Median Housing Value         |                          |                         | \$121,478             |
|  |          |                       | Median Gross Rent            |                          |                         | \$764                 |
|  |          |                       | Families Below Poverty Level |                          |                         | 8.9%                  |
| <i>Source: 2020 U.S. Census and 2023 D&amp;B Data</i><br><i>Due to rounding, totals may not equal 100.0%</i><br><i>(*) The NA category consists of geographies that have not been assigned an income classification.</i> |          |                       |                              |                          |                         |                       |

## **Scope of Evaluation in Illinois**

The Davenport MSA and Non-MSA received full-scope reviews. The Davenport MSA AA received a greater weight due to the AA comprising the majority, or 48.9 percent, of the bank's deposit activity. The Peoria MSA received a limited-scope review.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ILLINOIS**

### **LENDING TEST**

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

### **Conclusions for Areas Receiving Full-Scope Reviews**

Based on full-scope reviews, the bank's lending performance in the state of Illinois is reasonable.

### **Distribution of Loans by Income Level of the Geography**

The bank exhibits reasonable geographic distribution of loans in the state.

#### ***Small Loans to Businesses***

Refer to Table Q in the state of Illinois 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 distribution of business loans reflects a reasonable distribution.

#### ***2021***

##### **Davenport MSA**

The distribution of business loans reflects an excellent distribution in the AA. The proportion of lending in moderate-income geographies exceeds both the demographic and aggregate distribution. There are no low-income CTs in the AA.

##### **Non-MSA**

The analysis of the distribution of small loans to businesses is not meaningful due to the AA having no low- or moderate-income census tracts.

#### ***2022-2023***

##### **Davenport MSA**

The distribution of business loans reflects an excellent distribution in the AA. The proportion of lending in low- and moderate-income (LMI) geographies exceeds both the demographic and aggregate distribution.

##### **Non-MSA**

The distribution of business loans reflects very poor distribution in the AA. The proportion of lending in moderate-income geographies is significantly below both the demographic and aggregate distribution. There are no low-income CTs in the AA.

## **Lending Gap Analysis**

We performed a lending gap analysis that included a review of sampled small loans to businesses. We did not identify any unexplained, conspicuous gaps in lending.

## **Distribution of Loans by Income Level of the Borrower**

The bank exhibits an excellent distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.

### ***Small Loans to Businesses***

Refer to Table R in the state of Illinois section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses. Due to the high rate of Paycheck Protection Program (PPP) loans in 2021 for the Non-MSA and Davenport MSA, all weight was given to the 2022-2023 period.

The distribution of business loans reflects an excellent distribution.

*2021*

#### **Davenport MSA**

The proportion of lending to businesses with revenues less than \$1 million is significantly below both the percent of businesses and the aggregate distribution of all reporting lenders. However, 90.0 percent of the sample are PPP loans in which revenue information is not available. Performance under this criterion is reasonable.

#### **Non-MSA**

The proportion of lending to businesses with revenues less than \$1 million is below both the percent of businesses and the aggregate distribution of all reporting lenders. However, 75.0 percent of the sample are PPP loans in which revenue information is not available. Performance under this criterion is reasonable.

*2022-2023*

#### **Davenport MSA**

The distribution of small loans to businesses is excellent. The proportion of lending to businesses with revenues less than \$1 million exceeds both the percent of businesses and aggregate distribution of all reporting lenders.

#### **Non-MSA**

The distribution of small loans to businesses is excellent. The proportion of lending to businesses with revenues less than \$1 million exceeds both the percent of businesses and aggregate distribution of all reporting lenders.

## **Responses to Complaints**

The bank did not receive any complaints about its performance in helping to meet the credit need of its AA during the evaluation period.

## Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank’s performance under the Lending Test in the Peoria MSA is not meaningful as the bank did not originate enough loans within the Peoria MSA for meaningful analysis.

## COMMUNITY DEVELOPMENT TEST

The bank’s performance under the Community Development Test in the state of Illinois is rated Outstanding.

## Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank exhibits excellent responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, as appropriate, considering the bank’s capacity and the need and availability of such opportunities for community development in the bank’s AAs.

## Number and Amount of Community Development Loans

PNB’s CD lending performance represents poor responsiveness in the full-scope areas, given the opportunities and needs. The CD lending performance in the Non-MSA is poor. During the evaluation period, PNB made one CD loan totaling \$650 thousand, which represents 2.6 percent of allocated tier 1 capital in the Non-MSA. The CD lending performance in the Davenport MSA is very poor as the bank made no qualifying CD loans in the review period.

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank’s level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

| Community Development Loans |       |              |           |               |
|-----------------------------|-------|--------------|-----------|---------------|
| Assessment Area             | Total |              |           |               |
|                             | #     | % of Total # | \$(000's) | % of Total \$ |
| Davenport MSA               | 0     | 0            | 0         | 0             |
| Non-MSA                     | 1     | 100          | 650       | 100           |

## 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) |
| Davenport MSA         | 0             | 0         | 7              | 10,178    | 7     | 53.8         | 10,178    | 69.1          | 0                      | 0         |
| Non-MSA               | 0             | 0         | 6              | 4,553     | 6     | 46.2         | 4,553     | 30.9          | 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.

The bank had an excellent level of qualified CD investments and grants in the state of Illinois. In total, the bank had \$14.7 million of qualified CD investments, all of which are current period investments.

CD investments represents excellent responsiveness in the Davenport MSA. The dollar volume of current investments in the Davenport MSA was equivalent to 36.9 percent of allocated tier 1 capital. All qualifying investments benefited economic development.

CD investments represents excellent responsiveness in the Non-MSA. The dollar volume of current investments in the Non-MSA was equivalent to 18.7 percent of allocated tier 1 capital. The bank was responsive to identified community needs with current period investments and grants for economic development in the AA. All qualifying investments benefited economic development.

Examples of CD investments include:

- A combined \$8.5 million investment into bonds which proceeds improve school buildings benefiting LMI students.
- A \$395 thousand investment to finance essential infrastructure benefiting LMI persons.

## Extent to Which the Bank Provides Community Development Services

The bank provides excellent CD services in the state of Illinois.

CD services represent excellent responsiveness in the Davenport MSA. CD services represent reasonable responsiveness in the Non-MSA.

During the evaluation period, five bank employees provided 739.0 CD service hours to six different organizations. In the Davenport MSA, five bank employees provided 608.5 CD service hours to five different organizations. In the Non-MSA, two employees provided 130.5 CD service hours to two different organizations.



Examples of CD investments include:

- One bank employee provided 288 hours by serving on the Board of Directors of an organization that promotes economic development through financial incentives and assistance.
- One bank employee provided 191 hours by serving on the Board of Directors for an organization that provides LMI persons emergency crisis assistance, transitional housing program for women and children who are victims of domestic violence or human trafficking, and food pantry services.
- One bank employee provided 120 hours as treasurer of a fire department that primarily benefits LMI persons.

### **Conclusions for Area Receiving a Limited-Scope Review**

Based on a limited-scope review, the bank's performance under the CD Test in the Peoria MSA is weaker than the bank's overall performance under the CD Test in the full-scope area. There were no CD loans within the Peoria MSA. The total qualified investments and CD services in the Peoria MSA were negligible. Due to limited CD opportunities and minimal bank presence, the performance in the Peoria MSA had a neutral impact on the overall CD test.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation and loan products considered. The table also reflects the MSAs and Non-MSA 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”.

|   |  |  |
|---|--|--|
| <b>Time Period Reviewed:</b>                            | 01/01/2021 to 12/31/2023   |  |
| <b>Bank Products Reviewed:</b>                          | Small business loans, community development loans, qualified investments, community development services |  |
| <b>List of Assessment Areas and Type of Examination</b> |  |  |
| <b>Rating and Assessment Areas</b>                      | <b>Type of Exam</b>  | <b>Other Information</b>   |
| <b>Illinois</b>   |  |  |
| Davenport MSA AA  | Full-Scope   | For the 2021 review period, the AA in the Davenport MSA is composed of portions of Henry County and Mercer County along with one CT in Rock Island County. For the 2022 and 2023 review period, the AA in the Davenport MSA is composed of all CTs in Henry County and Mercer County along with one CT in Rock Island County.  |
| Non-MSA AA  | Full-Scope   | For the 2021 review period, the AA in the Non-MSA is composed of portions of Bureau, LaSalle, Livingston, and Whiteside counties, which are three non-metropolitan non-contiguous AAs that were combined to one AA within the review. For the 2022 and 2023 review period, the AA in the Non-MSA is contiguous and composed of all CTs of Bureau, LaSalle, Livingston, and Whiteside counties, which are non-metropolitan areas. |
| Peoria MSA AA   | Limited-Scope  | The Peoria MSA AA is composed of all CTs in Stark County.  |

## Appendix B: Summary of State Ratings

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| RATINGS Peoples National Bank of Kewanee |                      |                |                           |
|--|----------------------|----------------|---------------------------|
| Overall Bank:                            | Lending Test Rating* | CD Test Rating | Overall Bank/State Rating |
| Overall                                  | Satisfactory         | Outstanding    | Satisfactory              |
| State:                                   |                      |                |                           |
| Illinois                                 | Satisfactory         | Outstanding    | Satisfactory              |

(\*) The Lending Test and Community Development Test carry equal weight in the overall rating.

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.



2021

| <b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b> |                                 |              |              |                |                   |              |            |                        |              |             |                      |              |             |                     |              |            |                             |              | <b>2021</b> |
|---|---------------------------------|--------------|--------------|----------------|-------------------|--------------|------------|------------------------|--------------|-------------|----------------------|--------------|-------------|---------------------|--------------|------------|-----------------------------|--------------|-------------|
| Assessment Area:  | Total Loans to Small Businesses |              |              |                | Low-Income Tracts |              |            | Moderate-Income Tracts |              |             | Middle-Income Tracts |              |             | Upper-Income Tracts |              |            | Not Available-Income Tracts |              |             |
|   | #                               | \$ (000s)    | % of Total   | Overall Market | % Businesses      | % Bank Loans | Aggregate  | % Businesses           | % Bank Loans | Aggregate   | % Businesses         | % Bank Loans | Aggregate   | % Businesses        | % Bank Loans | Aggregate  | % Businesses                | % Bank Loans | Aggregate   |
| Davenport MSA   | 20                              | 435          | 33.9         | 388            | 0.0               | 0.0          | 0.0        | 29.6                   | 70.0         | 24.5        | 70.4                 | 30.0         | 75.5        | 0.0                 | 0.0          | 0.0        | 0.0                         | 0.0          | 0.0         |
| Non-MSA IL  | 20                              | 619          | 48.2         | 378            | 0.0               | 0.0          | 0.0        | 0.0                    | 0.0          | 0.0         | 100.0                | 100.0        | 100.0       | 0.0                 | 0.0          | 0.0        | 0.0                         | 0.0          | 0.0         |
| Peoria MSA  | 13                              | 231          | 17.9         | 129            | 0.0               | 0.0          | 0.0        | 0.0                    | 0.0          | 0.0         | 100.0                | 100.0        | 100.0       | 0.0                 | 0.0          | 0.0        | 0.0                         | 0.0          | 0.0         |
| <b>Total</b>  | <b>53</b>                       | <b>1,285</b> | <b>100.0</b> | <b>895</b>     | <b>0.0</b>        | <b>0.0</b>   | <b>0.0</b> | <b>14.4</b>            | <b>26.4</b>  | <b>10.6</b> | <b>85.6</b>          | <b>73.6</b>  | <b>89.4</b> | <b>0.0</b>          | <b>0.0</b>   | <b>0.0</b> | <b>0.0</b>                  | <b>0.0</b>   | <b>0.0</b>  |

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2021**

| Assessment Area: | Total Loans to Small Businesses |              |              |                | Businesses with Revenues <= 1MM |              |             | Businesses with Revenues > 1MM |              | Businesses with Revenues Not Available |              |
|------------------|---------------------------------|--------------|--------------|----------------|---------------------------------|--------------|-------------|--------------------------------|--------------|--|--------------|
|                  | #                               | \$ (000s)    | % of Total   | Overall Market | % Businesses                    | % Bank Loans | Aggregate   | % Businesses                   | % Bank Loans | % Businesses                           | % Bank Loans |
| Davenport MSA    | 20                              | 435          | 33.9         | 388            | 77.8                            | 10.0         | 45.9        | 4.4                            | 0.0          | 17.8                                   | 90.0         |
| Non-MSA IL       | 20                              | 619          | 48.2         | 378            | 79.3                            | 25.0         | 49.5        | 5.1                            | 0.0          | 15.5                                   | 75.0         |
| Peoria MSA       | 13                              | 231          | 17.9         | 129            | 69.2                            | 30.8         | 54.3        | 6.9                            | 0.0          | 23.9                                   | 69.2         |
| <b>Total</b>     | <b>53</b>                       | <b>1,285</b> | <b>100.0</b> | <b>895</b>     | <b>77.8</b>                     | <b>20.8</b>  | <b>48.6</b> | <b>4.9</b>                     | <b>0.0</b>   | <b>17.3</b>                            | <b>79.2</b>  |

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

2022-2023

| Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography |                                 |              |              |                |                   |              |            |                        |              |             |                      |              |             |                     |              |             |                             |              | 2022-23    |  |
|--|---------------------------------|--------------|--------------|----------------|-------------------|--------------|------------|------------------------|--------------|-------------|----------------------|--------------|-------------|---------------------|--------------|-------------|-----------------------------|--------------|------------|--|
| Assessment Area:   | Total Loans to Small Businesses |              |              |                | Low-Income Tracts |              |            | Moderate-Income Tracts |              |             | Middle-Income Tracts |              |             | Upper-Income Tracts |              |             | Not Available-Income Tracts |              |            |  |
|  | #                               | \$ (000s)    | % of Total   | Overall Market | % Businesses      | % Bank Loans | Aggregate  | % Businesses           | % Bank Loans | Aggregate   | % Businesses         | % Bank Loans | Aggregate   | % Businesses        | % Bank Loans | Aggregate   | % Businesses                | % Bank Loans | Aggregate  |  |
| Davenport MSA  | 20                              | 919          | 28.9         | 680            | 3.4               | 10.0         | 1.2        | 12.9                   | 75.0         | 10.6        | 72.7                 | 10.0         | 76.0        | 11.1                | 5.0          | 12.2        | 0.0                         | 0.0          | 0.0        |  |
| Non-MSA IL   | 20                              | 1,618        | 50.8         | 2,627          | 0.0               | 0.0          | 0.0        | 11.3                   | 0.0          | 10.5        | 68.6                 | 100.0        | 66.6        | 20.1                | 0.0          | 22.9        | 0.0                         | 0.0          | 0.0        |  |
| Peoria MSA   | 7                               | 647          | 20.3         | 110            | 0.0               | 0.0          | 0.0        | 0.0                    | 0.0          | 0.0         | 100.0                | 100.0        | 100.0       | 0.0                 | 0.0          | 0.0         | 0.0                         | 0.0          | 0.0        |  |
| <b>Total</b>   | <b>47</b>                       | <b>3,184</b> | <b>100.0</b> | <b>3,417</b>   | <b>0.7</b>        | <b>4.3</b>   | <b>0.2</b> | <b>11.4</b>            | <b>31.9</b>  | <b>10.2</b> | <b>70.1</b>          | <b>61.7</b>  | <b>69.5</b> | <b>17.7</b>         | <b>2.1</b>   | <b>20.0</b> | <b>0.0</b>                  | <b>0.0</b>   | <b>0.0</b> |  |

Source: 2023 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; 2022 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2022-23**

| Assessment Area: | Total Loans to Small Businesses |              |              |                | Businesses with Revenues <= 1MM |              |             | Businesses with Revenues > 1MM |              | Businesses with Revenues Not Available |              |
|------------------|---------------------------------|--------------|--------------|----------------|---------------------------------|--------------|-------------|--------------------------------|--------------|--|--------------|
|                  | #                               | \$ (000s)    | % of Total   | Overall Market | % Businesses                    | % Bank Loans | Aggregate   | % Businesses                   | % Bank Loans | % Businesses                           | % Bank Loans |
| Davenport MSA    | 20                              | 919          | 28.9         | 680            | 82.1                            | 100.0        | 63.2        | 4.1                            | 0.0          | 13.7                                   | 0.0          |
| Non-MSA IL       | 20                              | 1,618        | 50.8         | 2,627          | 80.5                            | 85.0         | 51.0        | 5.2                            | 15.0         | 14.3                                   | 0.0          |
| Peoria MSA       | 7                               | 647          | 20.3         | 110            | 74.4                            | 100.0        | 60.0        | 6.1                            | 0.0          | 19.5                                   | 0.0          |
| <b>Total</b>     | <b>47</b>                       | <b>3,184</b> | <b>100.0</b> | <b>3,417</b>   | <b>80.7</b>                     | <b>93.6</b>  | <b>53.8</b> | <b>5.0</b>                     | <b>6.4</b>   | <b>14.3</b>                            | <b>0.0</b>   |

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

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.