



## PUBLIC DISCLOSURE

January 11, 2021

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The First National Bank of Sonora  
Charter Number 5466

102 East Main Street  
Sonora, Texas 76950

Office of the Comptroller of the Currency  
Southern District  
San Antonio Field Office  
10001 Reunion Place, Suite 250  
San Antonio, TX 78216-4165

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.....	2
Description of Institution.....	3
Scope of the Evaluation.....	3
Discriminatory or Other Illegal Credit Practices Review.....	5
State Rating.....	6
State of Texas.....	6
Community Development Test .....	13
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 lending test is rated: Satisfactory.**

**The community development test is rated: Satisfactory.**

The major factors that support this rating include:

- The bank's loan-to-deposit (LTD) ratio is more than reasonable.
- A majority of the bank's loans are inside its assessment areas (AAs).
- The bank exhibits a reasonable geographic distribution of loans.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels and to businesses of different sizes.
- The bank exhibits adequate responsiveness to community development (CD) needs, considering the bank's capacity and the need and availability of CD opportunities in the AAs.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is more than reasonable. The First National Bank of Sonora's (Sonora's) quarterly average LTD ratio, as calculated on a bank-wide basis, exceeded the average of three similarly situated institutions with total assets between \$305 million and \$511 million and with offices in the bank's AAs. Sonora's quarterly LTD ratio over the 12-quarter evaluation period averaged 85.9 percent ranging from a low of 80.6 percent to a high of 90.1 percent. The quarterly LTD ratio for the three similarly situated institutions averaged 45.3 percent ranging from a low of 15.3 percent to a high of 66.1 percent.

### Lending in Assessment Area

A majority of the bank's loans are inside its AAs. The bank originated and purchased 70 percent of its total loans by number and 61 percent by dollar volume inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. The bank did not have any affiliate lending activities included in this assessment.

Lending Inside and Outside of the Sonora Assessment Areas										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	242	71	98	29	340	33,329	59	23,345	41	56,674
Small Business	38	63	22	37	60	15,772	65	8,565	35	24,337
Consumer	41	68	19	32	60	1,861	72	741	28	2,602
<b>Total</b>	<b>321</b>	<b>70</b>	<b>139</b>	<b>30</b>	<b>460</b>	<b>50,962</b>	<b>61</b>	<b>32,651</b>	<b>39</b>	<b>83,613</b>

*Source: Bank Data; 2017 to 2019 HMDA data, business loan and consumer loan samples. Due to rounding, totals may not equal 100.0%*

## Description of Institution

Sonora, a full-service community bank headquartered in Sonora, Texas, is a wholly owned subsidiary of First Sonora Bancshares, Inc., a one-bank holding company also headquartered in Sonora. As of December 31, 2019, Sonora Bank reported total assets of \$451 million and tier 1 capital of \$44 million, representing 10 percent of average assets.

Sonora operates solely in Texas and has six offices, two in San Angelo, one in Boerne, one in Bulverde, one in Wimberley, and the main office in Sonora. All locations have a walk-in teller lobby, a drive-up motor bank, and an automated teller machine. Sonora opened the Wimberley office in October 2019 and has not closed any offices since the previous evaluation. Sonora also has a mortgage production office located in Boerne that offers mortgage loan products; it does not offer any deposit services, commercial loans, or consumer loan products. In December 2019, the bank purchased controlling interest in Sonora Insurance LLC, a Boerne-based business primarily focused on offering agricultural, livestock, and small commercial insurance products.

In addition to a full range of consumer and commercial banking products and services, Sonora offers online banking services through its website [www.sonorabank.com](http://www.sonorabank.com). Customers can obtain up to the minute information on account activity, transfer funds between accounts, pay bills, receive E-statements, send/receive secure electronic messages about their accounts, and reorder checks. Sonora offers mobile banking services where customers can use a personal smartphone device to check account balances, transfer funds between accounts, and make payments. The bank also offers 24-hour telephone access.

At December 31, 2019, net loans totaled \$297 million and represented 81 percent of total deposits and 66 percent of total assets. The loan portfolio consists of commercial real estate and construction/development loans secured by real estate (51 percent), residential real estate (37 percent), agricultural loans (7 percent), and consumer loans (5 percent).

Sonora faces strong competition from other local, regional, and national financial institutions in three of its four AAs. Primary competitors include JP Morgan Chase, Frost Bank, First Financial Bank, Broadway National Bank, The Ozona National Bank, Crockett National Bank, and Bank of America. According to the FDIC's June 30, 2019 Deposit Market Share Report, Sonora ranks 2<sup>nd</sup> of 5 institutions in the Crockett-Sutton-Schleicher Counties AA with 28 percent of the total market share of deposits, 10<sup>th</sup> of 20 in the Comal-Kendall Counties AA with 2 percent market share, and 12<sup>th</sup> of 22 in the San Angelo AA with 2 percent market share. Since the FDIC report is based on June 30, 2019 deposits, and Sonora did not open the Wimberley office until October 2019, Sonora does not appear on the Hays County market share report.

The prior examination, dated January 16, 2017, assigned an overall Satisfactory rating to Sonora's CRA performance. Based on its financial condition, local economic conditions, product offerings, and competition, there are no legal, financial, or other factors that inhibit Sonora's ability to help meet the credit needs in its AAs.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We evaluated Sonora's CRA performance using Intermediate Small Bank examination procedures, which include a lending test and a CD test. The lending test evaluates the bank's record of meeting the credit

needs of its AA through its lending activities. The CD test evaluates the bank's responsiveness to CD needs in its AA through qualified lending, investment donations, and services.

The evaluation period covered loans originated from January 1, 2017 to December 31, 2019. Qualifying activities performed in response to the significant impact of the coronavirus pandemic across the United States are not included in the evaluation period and will be considered in the next CRA evaluation.

Internal bank reports reflect that during the evaluation period 57 percent of the originated loans by number were consumer loans. By dollar volume, 48 percent were residential mortgage loans and 42 percent were commercial/business loans. We included all three types of loans in our evaluation of Sonora's lending performance.

We tested a sample of residential mortgage loans subject to the Home Mortgage Disclosure Act (HMDA) to verify the accuracy of reported data for 2017, 2018, and 2019. We determined the HMDA data is accurate and found it reliable for use in this evaluation.

To evaluate business and consumer loans, we selected a random sample of 60 loans for each type of loan from the bank's combined AA. We used the HMDA data and the business and consumer loan samples to determine lending inside the AA. We then replaced business and consumer loans that were outside the AA with business and consumer loans made inside the AA to assess borrower and geographic distributions.

To evaluate the distribution of loans for the lending tests, we used demographics and geographies based on the 2011 - 2015 American Community Survey (ACS) data and 2018 Dunn & Bradstreet information. For CRA purposes, the ACS replaces the decennial census. Since demographics and geographic boundaries were not materially different during the evaluation period, this performance evaluation (PE) contains a single analysis of loan data for the 2017 to 2019 evaluation period.

To evaluate CD activities, we reviewed documentation that bank management provided to determine if the bank's CD loans, investments, and services met the regulatory definition for CD.

### **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 metropolitan statistical area (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.

Sonora has four AAs. The San Angelo AA includes the entire San Angelo MSA and is comprised of two counties, Tom Green and Irion. The Comal and Kendall Counties AA includes two of the eight counties that comprise the San Antonio-New Braunfels MSA. The Sutton-Schliecher-Crockett Counties AA includes three adjacent rural non-MSA counties. The Hays County AA was added in October 2019 and includes one of three counties in the Austin-Round Rock-Georgetown MSA. We performed a full-scope review of the San Angelo AA and limited-scope reviews on two AAs. We did not review the Hays County AA since it was added in late 2019, and the bank did not originate enough loans to perform meaningful analyses of borrower and geographic distributions. Refer to the "Scope" section under the 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 based on performance in the State of Texas. The state rating is based on performance in all bank AAs with the most weight placed on performance in the full-scope review San Angelo AA. Refer to the "Scope" section under the State Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 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 Texas

**CRA rating for the State of Texas:** Satisfactory

**The lending test is rated:** Satisfactory

**The community development test is rated:** Satisfactory

- The lending test rating is based primarily on the bank's performance in the San Angelo AA, the full-scope review AA. We evaluated the bank's performance in the limited-scope review AAs to determine if the performance impacted the overall rating.
- The CD test rating is based primarily on the bank's performance in the San Angelo AA, the full-scope review AA. We evaluated the bank's performance in the limited-scope review AAs to determine if performance impacted the overall rating.

The major factors that support this rating include:

- The bank's LTD ratio is more than reasonable.
- A majority of the bank's loans are inside its AAs.
- The bank exhibits a reasonable geographic distribution of loans.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels and to businesses of different sizes.
- The bank exhibits adequate responsiveness to CD needs, considering the bank's capacity and the need and availability of CD opportunities in the AAs.

## Description of Institution's Operations in Texas

### San Angelo Assessment Area

The San Angelo AA includes the two counties (Tom Green and Irion) in the San Angelo MSA. Sonora operates 2 branches and 2 ATMs in this AA. Both branches are in San Angelo. The June 30, 2019 FDIC Summary of Deposits reflects 53 percent of the bank's deposits are in this AA. Based on HMDA data reported during the evaluation period and on the commercial and consumer loan samples, 63 percent of loans originated in this AA.

The June 30, 2019 FDIC Market Share Report reflects Sonora ranks 7<sup>th</sup> of 21 institutions in the AA with a deposit market share of 6.0 percent. Sonora faces strong competition from several regional community banks and one large national bank. First Financial Bank, National Association ranks 1<sup>st</sup> with a deposit market share of 21.4 percent. A local community bank, The First National Bank of Mertzon ranks 2<sup>nd</sup> with a deposit market share of 14.2 percent.

The 2019 Peer Mortgage Data reflects Sonora ranked 31<sup>st</sup> of 254 mortgage lenders with a market share of 0.6 percent based on number of mortgage loans originated in the San Angelo AA. Gateway First Bank ranked 1<sup>st</sup> with a market share of 8.0 percent, and Wells Fargo Bank NA ranked 2<sup>nd</sup> with a market share of 7.2 percent.

The September 2019 Moody's Analytics report reflects San Angelo's economy is cooling. Nonfarm job growth is still near 1 percent, but it has been volatile in 2019 and lags the Texas and U.S. averages. Sharp declines in professional/business services and slippage in mining are behind the slowdown. However, most other private industries and the public sector continue to grow. Oil and gas production continue to rise in the nearby Permian Basin. Well completions are up, but drilling is down and weaker demand for oil field services is taking a toll on industry employment, where more than three-fourths of mining jobs are in support activities. An expanding healthcare industry will help support the local economy. Since there are no other large municipalities within a 90-mile radius, San Angelo serves as a regional healthcare hub. Healthcare providers account for three of the top five employers in San Angelo; the other two are Goodfellow Air Force Base and Angelo State University.

The Bureau of Labor Statistics reflects an unemployment rate of 2.8 percent at year end 2019 for the San Angelo MSA. The rate is lower than the state average of 3.5 percent and the national average of 3.7 percent. The 2015 ACS data shows 10.7 percent of the households had incomes below the poverty level.

To help identify needs and opportunities in the AA, we reviewed one recent regulatory agency contact with an organization that focuses on economic development. The contact indicated a need for affordable housing and loans to small businesses.

The following table shows other pertinent demographic information about the San Angelo AA.

<b>Demographic Information of the San Angelo Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	26	3.8	30.8	42.3	19.2	3.8
Population by Geography	116,700	2.2	27.8	50.3	19.7	0.0
Housing Units by Geography	48,240	2.4	28.2	48.2	21.2	0.0
Owner-Occupied Units by Geography	26,972	1.4	24.8	48.5	25.3	0.0
Occupied Rental Units by Geography	16,511	3.5	28.2	53.4	14.8	0.0
Vacant Units by Geography	4,757	3.8	47.8	28.9	19.4	0.0
Businesses by Geography	7,675	11.4	20.8	43.2	24.3	0.4
Farms by Geography	438	5.9	9.8	33.3	50.9	0.0
Family Distribution by Income Level	27,907	21.4	18.1	20.7	39.7	0.0
Household Distribution by Income Level	43,483	23.3	16.9	17.0	42.8	0.0
Median Family Income MSA - 41660 San Angelo, TX MSA		\$59,960	Median Housing Value			\$118,628
			Median Gross Rent			\$785
			Families Below Poverty Level			10.7%

*Source: 2015 ACS 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.

### Comal and Kendall Assessment Area

The Comal and Kendall AA includes the two of eight counties in the San Antonio-New Braunfels MSA. Sonora operates 3 branches and 3 ATMs in this AA. There are 2 branches in Boerne (Kendall County) and one branch in Spring Branch (Comal County). The June 30, 2019 FDIC Summary of Deposits reflects 18 percent of the bank's deposits are in this AA. Based on HMDA data reported during the evaluation period and the commercial and consumer loans samples, 18 percent of the loans originated in this AA.

The June 30, 2019 FDIC Market Share Report reflects Sonora ranks 12<sup>th</sup> of 22 institutions in the AA with a deposit market share of 1.9 percent. Sonora faces strong competition from several regional community banks and large national bank. Frost Bank ranks 1<sup>st</sup> with a deposit market share of 24.7 percent, and Wells Fargo Bank, NA ranks 2<sup>nd</sup> with a deposit market share of 18.0 percent.

The 2019 Peer Mortgage Data reflects Sonora ranks 122<sup>nd</sup> of 486 mortgage lenders with a market share of 0.1 percent based on number of mortgage loans originated in the AA. Randolph Brooks Federal Credit ranks 1<sup>st</sup> with a market share of 8.6 percent, and Wells Fargo Bank NA ranks 2<sup>nd</sup> with a market share of 5.2 percent.

The April 2020 Moody's Analytics report reflects job growth in the San Antonio-New Braunfels MSA increased at an annual rate of 2.5 percent over the past 5 years. The Joint Base San Antonio (JBSA) is the largest employer with direct employment exceeding 73 thousand, including over 23 thousand civilian personnel. Other major industries in the AA include education and health services, biotech, information technology, cyber-security, professional and business services, tourism, leisure-hospitality, and retail trade. In addition to the JBSA military installations, other major employers in the AA include HEB Grocery Company, LP, USAA, Methodist and Baptist health care systems, local school districts, the City of San Antonio, University of Texas at San Antonio, AT&T, Rackspace, Boeing, Toyota Motor Manufacturing, and financial institutions such as JP Morgan Chase, Wells Fargo, and Frost Bank.

The Bureau of Labor Statistics reflects an unemployment rate of 2.8 percent at year end 2019 for the San Antonio-New Braunfels MSA. At year end 2019 the unemployment rate for Comal County was 2.7 percent; the unemployment rate for Kendall County was 2.4 percent. The MSA and county rates are lower than the state average of 3.5 percent and the national average of 3.7 percent. The 2015 ACS data shows 5.9 percent of the households in the AA had incomes below the poverty level.

To help identify needs and opportunities in the AA, we reviewed three recent regulatory agency contacts with organizations that focus on affordable housing and economic development. The contacts identified affordable housing as a significant need in the AA. A tighter supply of homes, along with population migration to the area from higher cost areas has resulted in rising home prices.

The following table shows other pertinent demographic information about the Comal and Kendall AA.

<b>Demographic Information of the Comal and Kendall Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	30	0.0	10.0	36.7	53.3	0.0
Population by Geography	156,993	0.0	8.1	32.0	59.9	0.0
Housing Units by Geography	65,042	0.0	7.5	35.2	57.3	0.0
Owner-Occupied Units by Geography	43,207	0.0	5.6	28.6	65.8	0.0
Occupied Rental Units by Geography	14,296	0.0	13.0	49.2	37.9	0.0
Vacant Units by Geography	7,539	0.0	8.1	46.6	45.3	0.0
Businesses by Geography	19,457	0.0	6.0	33.2	60.8	0.0
Farms by Geography	761	0.0	2.8	24.4	72.8	0.0
Family Distribution by Income Level	42,780	14.1	15.3	16.5	54.1	0.0
Household Distribution by Income Level	57,503	17.0	14.4	15.7	52.9	0.0
Median Family Income MSA - 41700 San Antonio-New Braunfels, TX MSA		\$62,228	Median Housing Value			\$224,565
			Median Gross Rent			\$986
			Families Below Poverty Level			5.9%
<i>Source: 2015 ACS and 2019 D&amp;B Data. 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>						

### Sutton-Schliecher-Crockett Assessment Area

The Sutton-Schliecher-Crockett AA includes three adjacent, non-MSA counties. Sonora operates the main office and 1 ATM in this AA. The main office is located in Sonora in Sutton County. The June 30, 2019 FDIC Summary of Deposits reflects 29 percent of the bank's deposits are in this AA. Based on HMDA data reported during the evaluation period and the commercial and consumer loans samples, 25 percent of the loans originated in this AA.

The June 30, 2019 FDIC Market Share Report reflects Sonora ranks 2<sup>nd</sup> of 5 institutions in the AA with a deposit market share of 27.7 percent. Sonora's competition in the AA includes several local community banks. The Ozona National Bank ranks 1<sup>st</sup> with a deposit market share of 29.4 percent.

The 2019 Peer Mortgage Data reflects Sonora ranks 2<sup>nd</sup> of 56 mortgage lenders with a market share of 9.5 percent based on number of mortgage loans originated in the AA. 21<sup>st</sup> Mortgage ranks 1<sup>st</sup> with a market share of 14.2 percent.

The 2015 ACS US Census data reflects an unemployment rate of 2.1 percent at year end 2019 for the AA. The rate is lower than the state average of 3.5 percent and the national average of 3.7 percent. The 2015 ACS data shows 10.1 percent of the households in the AA had incomes below the poverty level.

The following table shows other pertinent demographic information about the Sutton-Schliecher-Crockett AA.

<b>Demographic Information of the Sutton-Schliecher-Crockett Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	3	0.0	0.0	33.3	66.7	0.0
Population by Geography	10,889	0.0	0.0	36.4	63.6	0.0
Housing Units by Geography	5,272	0.0	0.0	38.4	61.6	0.0
Owner-Occupied Units by Geography	2,817	0.0	0.0	33.9	66.1	0.0
Occupied Rental Units by Geography	1,170	0.0	0.0	44.9	55.1	0.0
Vacant Units by Geography	1,285	0.0	0.0	42.6	57.4	0.0
Businesses by Geography	659	0.0	0.0	52.7	47.3	0.0
Farms by Geography	99	0.0	0.0	57.6	42.4	0.0
Family Distribution by Income Level	3,023	15.9	12.4	23.3	48.5	0.0
Household Distribution by Income Level	3,987	19.9	12.1	15.3	52.7	0.0
Median Family Income Non-MSAs - TX		\$52,198	Median Housing Value			\$82,594
			Median Gross Rent			\$579
			Families Below Poverty Level			10.1%
<i>Source: 2015 ACS and 2019 D&amp;B Data. 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>						

## Scope of Evaluation in Texas

We performed a full-scope review of the San Angelo AA as 53 percent of the bank deposits originate in this AA. Our analysis of lending activity focused on small business and mortgage loans as these represent the primary lending products by dollar volume. We also focused on consumer loans as they represent a primary product based on the number of originated loans. We weighted all loan types equally. We performed limited-scope reviews for the Comal and Kendall AA and the Sutton-Schliecher-Crockett AA. The bank did not add the Hays County AA until October 2019. Sonora did not originate enough loans for a meaningful analysis of geographic and borrower distributions. As such, we did not perform a review of this AA.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

### LENDING TEST

The bank's performance under the lending test in Texas is rated Satisfactory.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review of the San Angelo AA, the bank's lending performance in the state of Texas is reasonable.

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

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

### ***Home Mortgage Loans***

Refer to Table O in the state of Texas 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 in the San Angelo AA during the evaluation period is adequate. The percentage of bank loans in low-income geographies is below the percentage of owner-occupied housing units in these areas, but the bank's lending performance exceeds the aggregate HMDA lending data reported by other mortgage lenders in the area. The percentage of bank loans in moderate-income geographies is below the percentage of owner-occupied housing units in these geographies, but the bank's lending performance also exceeds the lending performance of other mortgage lenders in the area.

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

Refer to Table Q in the state of Texas 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 in the San Angelo AA during the evaluation period is good. The geographic distribution of small loans to businesses in low-income geographies is near to the percentage of businesses located in these geographies and exceeds the loan distributions reported by competitors in Aggregate Lenders data. The geographic distribution of small loans to businesses in moderate-income geographies is excellent. The bank's performance significantly exceeds aggregate data from other area small business lenders.

### ***Consumer Loans***

Refer to Table U in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The geographic distribution of consumer loans in the San Angelo AA during the evaluation period is adequate. The geographic distribution of consumer loans in low-income geographies is poor as the bank did not originate any loans in low-income geographies. The geographic distribution of consumer loans in moderate-income geographies is adequate.

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

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

### ***Home Mortgage Loans***

Refer to Table P in the state of Texas 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.

The distribution of home mortgage loans to individuals of different income levels is poor. The percentage of bank loans to low-income borrowers is significantly below the percentage of low-income families in the San Angelo AA and somewhat lower than the aggregate HMDA lending data reported by other

mortgage lenders in the area. The percentage of bank loans to moderate-income borrowers is below the percentage of moderate-income families in the AA and below the aggregate HMDA lending data reported by other mortgage lenders in the area. The demand for affordable housing, rising costs of housing in the AA, and challenges associated with down payment and closing costs impacted the bank's performance among LMI borrowers.

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

Refer to Table R in the state of Texas 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.

Based on the commercial sample, the distribution of small loans to businesses in the San Angelo AA is excellent. The percentage of bank loans to businesses with annual revenues of \$1 million or less exceeds the reported percentage of small businesses in the AA. The bank's percentage significantly exceeds the aggregate percentage reported by other businesses lenders in the AA.

### ***Consumer Loans***

Refer to Table V in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

Based on the consumer loan sample, the distribution of consumer loans in the San Angelo AA is excellent. The percentage of bank loans to borrowers with low income exceeds the percentage of low-income households in the AA. The percentage of bank loans to borrowers with moderate-income exceeds the percentage of moderate-income borrowers in the AA.

### **Responses to Complaints**

Sonora did not receive any complaints related to its CRA or fair lending performance during the evaluation period.

### **Conclusions for Areas Receiving Limited Scope Reviews**

Based on a limited-scope review, the bank's performance under the lending test in the Comal and Kendall AA is consistent with the bank's overall performance under the lending test in the full-scope AA. The geographic distribution rating focuses on performance in moderate-income geographies as the Comal and Kendall AA does not include any low-income geographies. The borrower distribution for home mortgage loans and for small loans to businesses are consistent with the full-scope AA. The borrower distribution for consumer loans is stronger than the full-scope AA.

Based on a limited-scope review, the bank's performance under the lending test in the Sutton-Schliecher-Crockett AA is stronger than the bank's overall performance under the lending test in the full-scope AA. This conclusion is based on the borrower distributions as the AA does not include any low- or moderate-income geographies. The borrower distribution for home mortgage loans, small loans to businesses, and consumer loans are stronger than the distributions in the full-scope AA.

## COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD test in the state of Texas is rated Satisfactory.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review of the San Angelo AA, the bank exhibits adequate responsiveness to CD needs in the state through CD loans, qualified investments or donations, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AA.

### Number and Amount of Community Development Loans

The table below shows 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. During the evaluation period, Sonora originated 39 CD loans totaling \$1.9 million in the San Angelo AA. Loans primarily supported economic development by providing funds to small businesses.

<b>Community Development Loans</b>				
<b>Assessment Area</b>	<b>Total</b>			
	<b>#</b>	<b>% of Total #</b>	<b>\$(000's)</b>	<b>% of Total \$</b>
Full-Scope				
San Angelo AA	39	90.7	1,942	75.7
Limited-Scope				
Comal and Kendall AA	3	7.0	564	22.0
Sutton-Schliecher-Crockett AA	1	2.3	60	2.3
<b>Total</b>	<b>43</b>	<b>100.0</b>	<b>2,566</b>	<b>100.0</b>
Source: Bank Data 1/1/2017 to 12/31/2019				

### Number and Amount of Qualified Investments

During the evaluation period, Sonora made donations totaling \$8 thousand in the San Angelo AA. The donations were made to organizations that provide services to and for low- and moderate-income individuals and geographies within the AA. The bank did not make any qualified investments during the evaluation period.

<b>Qualified Investments and Donations</b>										
<b>Assessment Area</b>	<b>Prior Period*</b>		<b>Current Period</b>		<b>Total</b>				<b>Unfunded Commitments**</b>	
	<b>#</b>	<b>\$ (000's)</b>	<b>#</b>	<b>\$ (000's)</b>	<b>#</b>	<b>% of Total #</b>	<b>\$ (000's)</b>	<b>% of Total \$</b>	<b>#</b>	<b>\$ (000's)</b>
<b>Full Scope</b>										
San Angelo AA	0	0	5	8	5	23.8	8	20.0	0	0
<b>Limited Scope</b>										
Comal and Kendall AA	0	0	13	20	13	61.9	20	50/0	0	0
Sutton-Schliecher-Crockett AA	0	0	3	12	3	14.3	12	30.0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>40</b>	<b>21</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>0</b>	<b>0</b>
* 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 tracked and recorded by the institution's financial reporting system.										

### **Extent to Which the Bank Provides Community Development Services**

During the evaluation period, bank personnel devoted 116 community service hours to 9 different qualifying organizations in the San Angelo AA. The qualifying organizations focus on providing essential services to low- and moderate-income individuals and families, affordable housing and economic development in the AA.

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

Based on limited-scope reviews, the bank's performance under the CD test in the Comal and Kendall AA is stronger than the bank's overall performance under the CD test in the full-scope area. The number of CD loans represented only 7 percent of the total number originated; however, the dollar volume represented 22 percent of the total CD loans originated during the evaluation period in the AA. In addition, almost 62 percent of the donations that Sonora made were in this AA. Bank personnel devoted 100 community service hours to 10 different qualifying organizations in this AA.

Based on limited-scope reviews, the bank's performance under the CD test in the Sutton-Schliecher-Crockett AA is consistent with the bank's overall performance under the CD test in the full-scope area. This AA experienced massive floods in 2018, and bank personnel devoted 600 community service hours to flood relief efforts that included offering financial expertise as a member of the Sutton County Flood Relief Committee and a member of the Finance Committee, volunteering for flood clean-up efforts, and helping to provide flood to individuals and families affected by the floods. Bank personnel also provided another 144 community service hours to other qualifying organizations that provided essential community services to low- and moderate-income individuals and families.

## 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 MSA(s) and non-MSA(s) 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>	1/1/2017 to 12/31/2019	
<b>Bank Products Reviewed:</b>	Home mortgage, small business, consumer loans Community development loans, qualified investments, community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None	Not applicable	Not applicable
<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>Texas</b>		
San Angelo AA	Full-Scope Review	All the San Angelo MSA; includes all of Tom Green County and Irion County
Comal and Kendall Counties AA	Limited-Scope Review	Part of the San Antonio-New Braunfels MSA; includes all of Comal County and Kendall County
Sutton-Schliecher-Crockett AA	Limited-Scope Review	Non-MSA; includes all of three adjacent counties, Sutton County, Schliecher County, and Crockett County

**Appendix B: Summary of MMSA and State Ratings**

---

RATINGS: The First National Bank of Sonora			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
The First National Bank of Sonora	Satisfactory	Satisfactory	Satisfactory
Texas	Satisfactory	Satisfactory	Satisfactory

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

## Appendix C: Definitions and Common Abbreviations

---

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

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

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

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

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

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

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

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

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

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

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

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

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under 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

---

### 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 O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size)

throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer 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 households in those geographies.
- Table V. Assessment Area Distribution of Consumer 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 households by income level in each MMSA/assessment area.

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2017 - 2019**

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
Full-Scope Review																			
San Angelo AA	151	17,114	63.4	3,421	1.4	0.7	0.5	24.8	18.5	16.4	48.5	46.4	53.2	25.3	34.4	29.9	0.0	0.0	0.0
Limited-Scope Reviews																			
Comal & Kendall AA	38	11,188	16.0	10,738	0.0	0.0	0.0	5.6	5.3	3.9	28.6	21.1	27.8	65.8	73.7	68.3	0.0	0.0	0.0
Sutton-Schliecher-Crockett AA	49	4,265	20.6	102	0.0	0.0	0.0	0.0	0.0	0.0	33.9	57.1	49.0	66.1	42.9	51.0	0.0	0.0	0.0
<b>Total</b>	<b>238</b>	<b>32,567</b>	<b>100.0</b>	<b>14,261</b>	<b>0.5</b>	<b>0.4</b>	<b>0.1</b>	<b>12.4</b>	<b>12.6</b>	<b>7.0</b>	<b>36.2</b>	<b>44.5</b>	<b>34.6</b>	<b>50.0</b>	<b>42.4</b>	<b>58.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2017 - 2019**

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
Full-Scope Review																			
San Angelo AA	151	17,114	63.4	3,421	21.4	3.3	4.7	18.1	11.9	14.0	20.7	7.3	20.2	39.7	43.0	39.9	0.0	6.1	21.3
Limited-Scope Reviews																			
Comal & Kendall AA	38	11,188	16.0	10,738	14.1	2.6	1.8	15.2	2.6	6.8	16.5	10.5	15.9	54.1	71.1	58.1	0.0	13.2	17.5
Sutton-Schliecher-Crockett AA	49	4,265	20.6	102	15.9	4.1	3.2	12.4	20.4	7.4	23.3	22.4	26.6	48.5	46.9	52.1	0.0	6.1	10.6
<b>Total</b>	<b>238</b>	<b>32,567</b>	<b>100.0</b>	<b>14,261</b>	<b>17.0</b>	<b>3.4</b>	<b>2.5</b>	<b>16.2</b>	<b>12.2</b>	<b>8.7</b>	<b>18.4</b>	<b>10.0</b>	<b>17.1</b>	<b>48.4</b>	<b>48.3</b>	<b>53.2</b>	<b>0.0</b>	<b>25.2</b>	<b>18.4</b>

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

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2017 - 2019</b>		
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	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
Full-Scope Review																					
San Angelo AA	20	6,920	33.3	1,820	11.8	10.0	7.5	21.3	45.0	22.0	43.4	30.0	44.3	23.1	15.0	25.9	0.4	0.0	0.3		
Limited-Scope Reviews																					
Comal & Kendall AA	20	10,813	33.3	5,340	0.0	5.0	0.0	5.9	15.0	5.4	33.2	35.0	36.7	60.9	45.0	58.0	0.0	0.0	0.0		
Sutton-Schliecher-Crockett AA	20	1,435	33.3	117	0.0	0.0	0.0	0.0	0.0	0.0	52.0	40.0	32.5	48.0	60.0	67.5	0.0	0.0	0.0		
<b>Total</b>	<b>60</b>	<b>19,168</b>	<b>100.0</b>	<b>7,277</b>	<b>3.4</b>	<b>5.0</b>	<b>1.9</b>	<b>10.3</b>	<b>20.0</b>	<b>9.4</b>	<b>36.7</b>	<b>35.0</b>	<b>38.5</b>	<b>49.5</b>	<b>40.0</b>	<b>50.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>		
Source: 2015 ACS Census; 01/01/2019 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																					

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2017 - 2019</b>		
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			
Full-Scope Review														
San Angelo AA	20	6,920	33.3	1,820	79.8	80.0	35.1	5.6	20.0	14.6	0.0			
Limited-Scope Reviews														
Comal & Kendall AA	20	10,813	33.3	5,340	88.0	70.0	40.2	4.0	30.0	7.9	0.0			
Sutton-Schliecher-Crockett AA	20	1,435	33.3	117	71.0	100.0	29.9	5.9	0.0	23.1	0.0			
<b>Total</b>	<b>60</b>	<b>19,168</b>	<b>100.0</b>	<b>7,277</b>	<b>85.2</b>	<b>83.3</b>	<b>38.8</b>	<b>4.5</b>	<b>16.7</b>	<b>10.3</b>	<b>0.0</b>			
Source: 2019 D&B Data; 07/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%														

<b>Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography</b>												<b>2017 - 2019</b>	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Full-Scope Review													
San Angelo AA	20	664	33.3	2.2	0.0	26.1	20.0	50.4	35.0	21.4	45.0	0.0	0.0
Limited-Scope Reviews													
Comal & Kendall AA	20	1,215	33.3	0.0	0.0	7.4	0.0	33.7	20.0	58.9	80.0	0.0	0.0
Sutton-Schliecher-Crockett AA	20	633	33.3	0.0	0.0	0.0	0.0	37.1	95.0	62.9	5.0	0.0	0.0
<b>Total</b>	<b>60</b>	<b>2,512</b>	<b>100.0</b>	<b>3.3</b>	<b>0.0</b>	<b>20.3</b>	<b>6.7</b>	<b>42.7</b>	<b>50.0</b>	<b>33.7</b>	<b>43.3</b>	<b>0.0</b>	<b>0.0</b>

Source: 2010 U.S Census; 01/01/2017 - 12/31/2019 Consumer Loan Sample. Due to rounding, totals may not equal 100.0

<b>Table V: Assessment Area Distribution of Consumer Loans by Income Category of the Borrowers</b>												<b>2017 - 2019</b>	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Full-Scope Review													
San Angelo AA	20	664	33.3	23.3	30.0	16.9	20.0	17.0	10.0	42.8	40.0	0.0	0.0
Limited-Scope Reviews													
Comal & Kendall AA	20	1,215	33.3	17.0	25.0	14.4	35.0	15.7	10.0	52.9	25.0	0.0	5.0
Sutton-Schliecher-Crockett AA	20	633	33.3	19.9	15.0	12.1	30.0	15.3	25.0	52.7	25.0	0.0	5.0
<b>Total</b>	<b>60</b>	<b>1,215</b>	<b>100.0</b>	<b>23.1</b>	<b>23.3</b>	<b>15.4</b>	<b>28.3</b>	<b>16.6</b>	<b>15.0</b>	<b>44.9</b>	<b>30.0</b>	<b>0.0</b>	<b>3.3</b>

Source: 2010 U.S Census; 01/01/2017 - 12/31/2019 Consumer Loan Sample. Due to rounding, totals may not equal 100.0