



PUBLIC DISCLOSURE

November 20, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Sunflower Bank, N.A.
Charter Number: 4742

8117 Preston Road, Suite 220
Dallas, TX 75225

Office of the Comptroller of the Currency

225 E. John Carpenter Fwy, Suite 900
Irving, TX 75062

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

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Overall CRA Rating

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

The following table indicates the performance level of Sunflower Bank, N.A. (SFB or bank) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Sunflower Bank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on the bank's performance across all rating areas. The bank's lending performance within the states of Colorado, Texas, New Mexico, Kansas, and Arizona are rated High Satisfactory. The bank's lending performance within the state of Washington, its newer and smallest market, is rated Outstanding.
- The Investment Test rating is based on the significant level of qualified community development (CD) investments, grants, and responsiveness to community needs. The bank's investment performance in all state rating areas is Outstanding.
- The Service Test rating is based on the bank's performance across all rating areas. The bank's products and services do not vary in any way that inconveniences portions of the bank's assessment area(s) (AA), particularly in low- and moderate-income geographies. The bank provides a relatively high level of CD services, which were responsive to community needs. The bank's service test performance in the states of Colorado, Texas, New Mexico, Kansas, and Arizona are rated High Satisfactory. However, the bank's service test performance within the state of Washington, its newer and smallest market, is rated Low Satisfactory.

Lending in Assessment Area

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

The bank originated or purchased 62 percent of its total loans by number and 60.9 percent by dollar amount inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Lending Inside and Outside of the Assessment Area: 2020-2022										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	12,135	58.5	8,597	41.5	20,732	3,861,785	58.4	2,745,474	41.6	6,607,259
Small Business	3,044	80.6	733	19.4	3,777	686,538	79.0	182,006	21.0	868,544
Small Farm	101	78.3	28	21.7	129	11,379	73.3	4,145	26.7	15,524
Total	15,280	62.0	9,358	38.0	24,638	4,559,702	60.9	2,931,625	39.1	7,491,327

We considered the overall bank lending in the AAs in the geographic distribution of lending. Lending Inside and Outside the AAs had a neutral impact on geographical distribution of loan ratings throughout the rating areas.

Description of Institution

Sunflower Bank, National Association is full-service interstate financial institution, which was headquartered in Denver, Colorado, during our review period. However, as of November 15, 2023, the bank relocated its headquarters to Dallas, Texas. SFB is a wholly owned subsidiary of FirstSun Capital Bancorp (FirstSun), which is located in Denver, Colorado. The bank operates in the states of Arizona, Colorado, Kansas, New Mexico, Texas, and Washington. There are two financial divisions of the bank. The bank provides banking services under the names of SFB and First National 1870. The SFB name operates in Arizona, Colorado, Kansas, Texas, and Washington and the First National 1870 name operates in New Mexico. Additionally, the bank's nationwide mortgage operation known as Guardian Mortgage, operates out of Plano, Texas.

In April 2022, FirstSun completed a merger with Pioneer Bancshares, Inc., that also made effective the merger of Pioneer's subsidiary bank, Pioneer Bank, SSB, into Sunflower Bank. The result of the merger added the following five new AAs in Texas for the bank: Hays and Travis Counties in the Austin-Round Rock-Georgetown, TX metropolitan statistical area (MSA); Fort Bend, Harris, and Montgomery Counties in the Houston-The Woodlands-Sugar Land, TX MSA; Bexar County in the San Antonio-New Braunfels, TX MSA; McLennan County in the Waco, TX MSA; and Bosque, Fayette, Hamilton, Houston, Kerr, and Trinity Counties that are not part of any MSA. In addition to the merger, the bank entered into the state of Washington by opening a new branch on May 17, 2021. This resulted in the addition of Spokane County of the Spokane-Spokane Valley, WA MSA as an AA.

SFB reported total assets of \$7.4 billion as of December 31, 2022. This included total loans and leases of \$5.97 billion that were comprised of \$2.3 billion (38.3 percent of loans and leases) in commercial loans, \$2.9 billion in real-estate related loans (48.3 percent), \$703.9 million (11.7 percent) in other loans, \$42.6 million (0.71 percent) in individual loans, and \$13.8 million (0.23 percent) in agricultural loans. Total tier 1 capital as of December 31, 2022, was \$748.1 million.

SFB offers services through four core lines of business that include commercial and specialty banking, business, personal, and wealth management. The bank offers a wide range of commercial and retail loan products such as commercial, small business, specialty business, home mortgage, and personal loans. Additionally, Guardian Mortgage generates a material volume of home mortgage loans, with most sold to secondary market investors. Personal deposit services include checking, savings, certificate of deposits, online and mobile banking, Automated Teller Machines (ATM), and debit cards. Business

deposit services include checking, savings, online and mobile banking, merchant services, and employee benefit services. SFB's wealth management program offers private banking, financial planning, investment management, personal trust services, and corporate retirement planning.

As of December 31, 2022, SFB had 64 full-service and six limited-service branches, as well as 52 non-deposit taking ATMs. Sixteen of the 70 branches and 15 of the 52 ATMs, or 22.9 percent of branches and 28.9 percent of ATMs, are located in low- and moderate-income (LMI) geographies. During the evaluation period, the bank opened two branches in Texas as well as one each in the states of Arizona, Colorado, Kansas, and Washington. Both branch offices in Texas were opened in upper-income census tracts (CT). The branch in Arizona was located in a middle-income CT and the other three branches in Colorado, Kansas, and Washington, were located in moderate-income CTs. The bank also closed three branch offices in Texas and one in Missouri due to low transaction volume. The branch closures in Texas include one in a moderate-income CT and two in upper-income CTs. The branch closed in Missouri was located in a middle-income CT. SFB also consolidated three branch offices in Colorado, two in New Mexico, and one in Kansas with other branch offices located in those same market locations.

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs of the communities it serves. The bank received a "Satisfactory" rating in its previous CRA evaluation dated August 3, 2020.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This evaluation covers the bank's CRA-related activities from January 1, 2020, through December 31, 2022. In evaluating the bank lending performance, unless noted under a specific rating area, the examiners considered the bank's home mortgage loans and small loans to businesses. All home mortgage products were reviewed, and conclusions reached in the aggregate. Community Development loans were also reviewed. The bank offers farm and consumer related loans; however, these are not a lending focus of SFB. Though SFB made a limited number of reportable farm loans during the evaluation period, the volume of loans was not sufficient to provide a meaningful analysis for a significant majority of the AAs. Therefore, we did not analyze or consider farm and consumer loans as part of this evaluation. SFB did not have any subsidiaries or affiliates to be included in this analysis.

Due to updated 2020 U.S. Census Data, CT income level designation changes became effective January 1, 2022. As a result, we analyzed home mortgage loans and small loans to businesses data from 2020-2021 using 2015 American Community Survey (ACS) demographic information, and home mortgage loans and small loans to businesses data from 2022 using 2020 U.S. Census demographic information. Furthermore, the bank's home mortgage and small loans to businesses lending in 2020-2021 was compared to peer performance using 2021 Peer Mortgage and Small Business Data (aggregate data). For home mortgage loans originated or purchased in 2022, the bank's performance was compared 2022 aggregate data. For small loans to businesses originated or purchased in 2022, aggregate data was not available for comparison.

Examiners also relied on records provided by the bank, public loan and financial information, demographic data from the U.S. Census Bureau, Dun & Bradstreet (D&B), and community contacts to evaluate the bank's performance.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs 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 section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank’s overall rating is a blend of the state ratings, and where applicable, multistate ratings. We placed greater weight to the bank’s lending performance during the 2020-2021 evaluation period, as this accounted for a majority of lending during the three-year evaluation period and 2021 aggregate data was available for both home mortgage and small business lending. We also placed more weight on performance in the states of Texas, Kansas, Colorado, and New Mexico. These rating areas represent the bank’s most significant markets in terms of lending, deposits, and branch offices. The states of Texas and Kansas account for 55.7 percent of total deposits and 62.9 percent of the bank’s branch offices. Additionally, the states of Colorado and New Mexico account for 39.9 percent of total deposits and 30 percent of branch offices. In contrast, the state of Arizona accounts for 4.3 percent of deposits and 5.7 percent of branch offices. The state of Washington represents only 0.04 percent of deposits and 1.4 percent of branch offices. Additionally, as noted, the branch office in the state of Washington was opened in May 2021.

The state ratings are based on performance in all bank AAs. Refer to the “Scope” section under each 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 assessment area by an affiliate whose loans have been considered as part of the bank’s lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

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

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

State Ratings

State of Colorado

CRA rating for the State of Colorado: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflected good responsiveness to AA credit needs.
- The bank exhibited a good geographic distribution of loans in the AA.
- The bank exhibited a good distribution of loans among individuals of different incomes and businesses of different sizes.
- The bank made a relatively high level of CD loans.
- The bank had an excellent level of qualified CD investments and donations.
- Service delivery systems are accessible to geographies and individuals of different income levels in the bank's AAs.
- The bank provided a relatively high level of CD services.

Description of Institution's Operations in Colorado

The bank delineated four AAs within the state of Colorado. The AAs included six counties within the Denver-Aurora-Lakewood, CO MSA (Denver-Aurora-Lakewood MSA); one county in the Boulder, CO MSA (Boulder MSA); one county in the Pueblo, CO MSA (Pueblo MSA); and two non-contiguous counties not located in any MSA (Colorado non-MSA). Refer to appendix A, Scope of Examination, for a list of counties that compose each AA.

The state of Colorado represented the bank's fourth largest rating area. SFB operates 12 branch offices and eight non-deposit taking ATMs throughout the state. Based on the June 30, 2022 FDIC Deposit Market Share Report, SFB had \$1.1 billion in deposits in these AAs, which represented 18.8 percent of the bank's total deposits. Additionally, the bank ranked 16th with 0.73 percent deposit market share. The top five banks included Wells Fargo, JP Morgan Chase, Firstbank, U.S. Bank, and KeyBank, operating a combined 345 branches and 68.4 percent of the deposit market share. In addition to SFB and the top five banks, there were 71 additional FDIC-insured depository institutions with 376 offices within these AAs.

Denver-Aurora-Lakewood MSA

The Denver-Aurora-Lakewood MSA represents the bank's largest market within the state of Colorado. Based on bank information and the June 30, 2022 FDIC Deposit Market Share Report, the Denver-Aurora-Lakewood MSA represents 55.5 percent of the bank's statewide deposits. SFB operated six branch offices within the AA that had \$619 million in total deposits. Additionally, there were 65 other total depository institutions in the AA operating 581 branches with \$126.3 billion in total deposits. The top five banks by deposit market share were Wells Fargo, JP Morgan Chase, Firstbank, U.S. Bank, and Keybank. These five banks had a combined deposit market share of 70 percent.

According to 2022 aggregate home mortgage and 2021 aggregate small business data, there were 862 home mortgage and 283 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included United Wholesale Mortgage, Bellco Credit Union, Rocket Mortgage, U.S. Bank, and Firstbank. These five home mortgage lenders had a combined loan market share of 20 percent. The top five small business lenders by number of loans and market share included JP Morgan Chase, American Express, Wells Fargo, U.S. Bank, and Firstbank, with a combined total market share of 60.4 percent.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Denver-Aurora-Lakewood MSA consists of Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson counties. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Denver-Aurora-Lakewood MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	605	8.4	24.3	32.4	33.6	1.3
Population by Geography	2,649,187	8.9	24.4	32.7	34.0	0.1
Housing Units by Geography	1,072,923	8.5	23.8	34.2	33.6	0.0
Owner-Occupied Units by Geography	640,084	4.7	18.9	33.9	42.5	0.0
Occupied Rental Units by Geography	379,476	14.3	31.8	34.7	19.1	0.0
Vacant Units by Geography	53,363	11.9	25.8	33.5	28.7	0.0
Businesses by Geography	501,914	6.9	19.0	31.9	41.9	0.3
Farms by Geography	8,758	7.9	19.6	31.1	41.0	0.3
Family Distribution by Income Level	643,475	21.4	17.5	20.4	40.7	0.0
Household Distribution by Income Level	1,019,560	23.5	16.6	18.2	41.8	0.0
Median Family Income MSA - 19740 Denver-Aurora-Lakewood, CO MSA		\$80,820	Median Housing Value			\$280,726
			Median Gross Rent			\$1,072
			Families Below Poverty Level			8.1%

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

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Denver-Aurora-Lakewood MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	688	5.4	25.1	35.8	31.0	2.8
Population by Geography	2,905,164	5.2	26.9	34.0	33.0	0.9
Housing Units by Geography	1,124,255	5.1	26.8	35.4	31.5	1.2
Owner-Occupied Units by Geography	690,922	2.9	21.2	36.8	38.6	0.5
Occupied Rental Units by Geography	383,711	9.1	36.5	33.5	18.7	2.3
Vacant Units by Geography	49,622	5.8	29.8	31.8	30.5	2.1
Businesses by Geography	635,047	4.1	21.2	32.7	38.5	3.5

Farms by Geography	10,310	4.5	22.9	35.0	35.8	1.8
Family Distribution by Income Level	670,748	20.2	18.2	21.9	39.7	0.0
Household Distribution by Income Level	1,074,633	22.6	17.1	19.0	41.4	0.0
Median Family Income MSA - 19740 Denver-Aurora-Lakewood, CO MSA	\$103,157	Median Housing Value				\$429,354
		Median Gross Rent				\$1,458
		Families Below Poverty Level				5.4%
<i>Source: 2020 U.S. Census and 2022 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.</i>						

According to the 2015 ACS Data, covering from 2020 through 2021, the AA was composed of 605 CTs, of which 51 (8.4 percent) were low-income, 147 (24.3 percent) moderate-income, 196 (32.4 percent) middle-income, and 203 (33.6 percent) upper-income tracts. The area population was 2.7 million with the majority of residents living in middle- and upper-income CTs. However, the population living in LMI CTs equated to 234,810 (8.9 percent) and 646,004 (24.4 percent), respectively. Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 688. However, the number of low-income CTs decreased by 14, while the number of moderate-, middle-, and upper-income CTs increased by 26, 50, and 10, respectively. The AA population also increased by 255,977 to approximately 2.9 million, with the population in low-income CTs decreasing by 83,747. The populations within the moderate-, middle-, and upper-income CTs increased by 136,097, 121,438, and 57,875, respectively.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2022, was 2.5 percent and lower than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics August 2022 report for the Denver-Aurora-Lakewood MSA, the AA's economy has been stagnant. Weaknesses include elevated cost of living and significantly overvalued housing market and falling affordability. Post pandemic employment has rebounded and is now above pre-pandemic levels. The top five employers in the area are HealthONE, University of Colorado Hospital, Lockheed Martin Corp., United Airlines, and Children's Hospital of Colorado.

Housing

According to the 2015 ACS Data, 640,084 (59.7 percent) of the total housing units in the AA were owner-occupied, 379,476 (35.4 percent) were renter occupied, and 53,363 (5.0 percent) were vacant units. Of all owner-occupied units, 30,084 (4.7 percent) were located in low-income CTs, and 120,976 (18.9 percent) were located in moderate-income CTs. Of all occupied rental units, 54,265 (14.3 percent) were located in low-income CTs, and 120,673 (31.8 percent) were located in moderate-income CTs. Of all vacant units, 6,350 (11.9 percent) were located in low-income CTs, and 13,768 (25.8 percent) were located in moderate-income CTs. The median housing value was \$280,726, and the median monthly gross rent was \$1,072. Based on 2020 U.S. Census Data, total housing units increased by 51,332 (4.8 percent), with a 7.9 percent increase in owner-occupied housing and 1.1 percent increase in rental units. However, the percentage of vacant housing units decreased by 7.0 percent. The median housing value and median monthly gross rent both significantly increased, with the median house value at \$429,354 and median gross rent at \$1,458.

Affordability

Based on the 2015 ACS Data information in the 2020-2021 table, low-income families within the Denver-Aurora-Lakewood MSA earned less than \$40,410 and moderate-income families earned at least \$40,410 and less than \$64,656. According to the 2020 U.S. Census Data in the 2022 table, low-income families earned less than \$51,579 and moderate-income families earned at least \$51,579 and less than \$82,526. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$1,010 and 1,289 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,616 and \$2,063 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$1,507 and \$2,305 in the 2022 period. Demonstrating that low-income borrowers would be severely challenged, and moderate-income borrowers challenged in 2022, to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed information from two contacts completed prior to the evaluation. The first community contact's primary focus is assisting small businesses with 20 employees or less. Community needs identified by the organization include grants to support businesses, small business loans, and educational and technical training courses for the local community. The second contact's primary focus is affordable housing and CD. The second contact identified downpayment assistance, affordable housing, and small business lending as the needs of the AA.

Boulder MSA

The Boulder MSA represents the bank's second largest market within the state of Colorado. Based on bank information and the June 30, 2022 FDIC Deposit Market Share Report, the Boulder MSA represents 15.1 percent of the bank's statewide deposits. SFB operated two branch offices within the AA that had \$168 million in total deposits. Additionally, there were 31 other total depository institutions in the Boulder MSA operating 93 branches with \$14.2 billion in total deposits. The top five banks by deposit market share were JP Morgan Chase, Wells Fargo, Firstbank, U.S. Bank, and Independent Bank. These five banks have a combined deposit market share of 66.7 percent.

According to 2022 aggregate home mortgage and 2021 aggregate small business data, there were 413 home mortgage and 144 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included Elevation Credit Union, United Wholesale Mortgage, Firstbank, Premier Members Credit Union, and JP Morgan Chase. These five home mortgage lenders had a combined loan market share of 35.9 percent. The top five small business lenders included JP Morgan Chase, American Express, Wells Fargo, U.S. Bank, and Capital One Bank, with a combined total market share of 60.71 percent.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Boulder MSA consists of Boulder County. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Boulder MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	68	7.4	20.6	44.1	27.9	0.0
Population by Geography	310,032	6.7	22.3	43.1	27.9	0.0
Housing Units by Geography	129,739	7.1	22.4	43.9	26.7	0.0
Owner-Occupied Units by Geography	76,163	3.0	18.0	45.6	33.3	0.0
Occupied Rental Units by Geography	46,353	13.9	29.9	39.7	16.5	0.0
Vacant Units by Geography	7,223	5.9	19.8	51.9	22.4	0.0
Businesses by Geography	69,753	3.8	27.7	38.7	29.8	0.0
Farms by Geography	1,640	4.6	24.5	40.1	30.9	0.0
Family Distribution by Income Level	72,418	22.3	17.0	19.9	40.8	0.0
Household Distribution by Income Level	122,516	26.0	15.4	15.8	42.8	0.0
Median Family Income MSA - 14500 Boulder, CO MSA		\$96,926	Median Housing Value			\$398,953
			Median Gross Rent			\$1,225
			Families Below Poverty Level			6.4%

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

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Boulder MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	78	5.1	16.7	41.0	33.3	3.8
Population by Geography	330,758	4.6	16.0	43.2	33.4	2.8
Housing Units by Geography	135,409	3.2	16.5	44.8	31.6	3.9
Owner-Occupied Units by Geography	81,061	1.7	14.2	44.2	38.6	1.3
Occupied Rental Units by Geography	46,304	5.8	21.2	44.3	21.0	7.6
Vacant Units by Geography	8,044	3.3	13.4	52.9	21.2	9.2
Businesses by Geography	92,666	1.9	23.9	36.9	35.5	1.8
Farms by Geography	1,972	1.7	22.7	40.7	33.8	1.0
Family Distribution by Income Level	73,244	20.5	17.8	21.3	40.5	0.0
Household Distribution by Income Level	127,365	25.9	15.1	16.9	42.2	0.0
Median Family Income MSA - 14500 Boulder, CO MSA		\$118,307	Median Housing Value			\$593,196
			Median Gross Rent			\$1,609
			Families Below Poverty Level			4.2%

Source: 2020 U.S. Census and 2022 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.*

According to the 2015 ACS Data, covering from 2020 through 2021, the AA was composed of 68 CTs, of which five (7.4 percent) were low-income, 14 (20.6 percent) moderate-income, 30 (44.1 percent)

middle-income, and 19 (27.9 percent) upper-income tracts. The area population was 310,302 with the majority of residents living in middle- and upper-income CTs. However, the population living in LMI CTs equated to 20,772 (6.7 percent) and 69,137 (22.3 percent), respectively. Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 78. However, the number of LMI CTs both decreased by one, while the number of middle- and upper-income CTs increased by nine in aggregate. Additionally, the AA population increased by 20,726, with the population in LMI CTs decreasing by 21,723. The population within the middle- and upper-income CTs increased by 33,237.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2022, was 2.1 percent and lower than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics July 2022 report for the Boulder MSA, the Boulder MSA economy is starting to exhibit late-cycle dynamics. Weaknesses include high living costs, employment volatility due exposure from cyclical industries, and overvalued housing. Post pandemic employment has rebounded and is now above pre-pandemic levels. The top five employers in the area are University of Colorado, Medtronic, Boulder Community Health, Ball Corp., and IBM Corp.

Housing

According to the 2015 ACS Data, 76,163 (59.0 percent) of the total housing units in the AA were owner-occupied, 46,353 (36.0 percent) were renter occupied, and 7,223 (6.0 percent) were vacant units. Of all owner-occupied units, 2,285 (3.0 percent) were located in low-income CTs, and 13,709 (18.0 percent) were located in moderate-income CTs. Of all occupied rental units, 6,443 (13.9 percent) were located in low-income CTs, and 13,860 (29.9 percent) were located in moderate-income CTs. Of all vacant units, 426 (5.9 percent) were located in low-income CTs, and 1,430 (19.8 percent) were located in moderate-income CTs. The median housing value was \$398,953, and the median monthly gross rent was \$1,225. Based on 2020 U.S. Census Data, total housing units increased by 5,670 (4.4 percent), with a 6.4 percent increase in owner-occupied housing and an 11.4 percent increase in vacant housing. However, the percentage of rental units slightly decreased by less than one percent. The median housing value and median monthly gross rent both significantly increased, with the median house value at \$593,196 and median gross rent at \$1,609.

Affordability

Based on the 2015 ACS Data information in the 2020-2021 table, low-income families within the Boulder MSA earned less than \$48,463 and moderate-income families earned at least \$48,464 and less than \$77,541. According to the 2020 U.S. Census Data in the 2022 table, low-income families earned less than \$63,683 and moderate-income families earned at least \$63,684 and less than \$101,892. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$1,212 and \$1,592 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,939 and \$2,547 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$2,142 and \$3,184 in the 2022 period. Demonstrating that both low- and moderate-income borrowers would be severely challenged to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed information from two contacts completed prior to the evaluation. The primary mission of both community contacts is to support small and local businesses and push for economic growth within the community. The first contact identified rapidly rising home values and low housing inventory as a concern that needed to be addressed. In addition to housing, it was stated that economic recovery since the pandemic has been uneven within the community. The second organization stated that local businesses need additional real estate space to expand, financial literacy, education opportunities for locals, and additional support for Spanish speaking citizens.

Colorado non-MSA

Based on bank information and the June 30, 2022 FDIC Deposit Market Share Report, the Colorado non-MSA represents 20.3 percent of the bank's statewide deposits. SFB operated two branch offices within the two counties that had approximately \$226.927 million in total deposits. Additionally, there were 13 other total depository institutions in the AA operating 15 branches with \$1.1 billion in total deposits. The top five banks by deposit market share were SFB, Wells Fargo, Glacier Bank, First Interstate Bank, and San Luis Valley Federal Bank. These five banks had a combined deposit market share of 60.9 percent.

According to 2022 aggregate home mortgage and 2021 aggregate small business data, there were 234 home mortgage and 63 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included ENT Credit Union, Rocket Mortgage, United Wholesale Mortgage, The Mortgage Company, and Credit Union of Colorado. These five home mortgage lenders had a combined loan market share of 28.6 percent. The top five small business lenders included JP Morgan Chase, American Express, Wells Fargo, Capital One Bank, and Glacier Bank, with a combined total market share of 54.5 percent.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Colorado non-MSA consists of the non-contiguous counties of Fremont and Rio Grande. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Colorado non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	17	0.0	41.2	41.2	0.0	17.6
Population by Geography	58,554	0.0	46.7	38.2	0.0	15.2
Housing Units by Geography	25,858	0.0	51.8	48.2	0.0	0.0
Owner-Occupied Units by Geography	14,662	0.0	49.7	50.3	0.0	0.0
Occupied Rental Units by Geography	6,297	0.0	69.7	30.3	0.0	0.0
Vacant Units by Geography	4,899	0.0	35.1	64.9	0.0	0.0
Businesses by Geography	5,501	0.0	54.8	45.0	0.0	0.2
Farms by Geography	393	0.0	32.6	67.4	0.0	0.0
Family Distribution by Income Level	13,750	26.8	22.5	21.7	29.0	0.0
Household Distribution by Income Level	20,959	28.7	20.4	20.2	30.7	0.0
Median Family Income Non-MSAs - CO		\$60,701	Median Housing Value			\$159,670
			Median Gross Rent			\$696
			Families Below Poverty Level			14.4%

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

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Colorado non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	19	0.0	21.1	52.6	10.5	15.8
Population by Geography	60,478	0.0	16.0	61.8	10.4	11.7
Housing Units by Geography	26,867	0.0	19.3	70.8	9.9	0.0
Owner-Occupied Units by Geography	16,471	0.0	18.1	69.5	12.4	0.0
Occupied Rental Units by Geography	5,715	0.0	24.0	72.5	3.5	0.0
Vacant Units by Geography	4,681	0.0	17.6	73.4	9.0	0.0
Businesses by Geography	7,041	0.0	21.0	66.1	12.7	0.2
Farms by Geography	481	0.0	13.1	71.9	15.0	0.0
Family Distribution by Income Level	14,413	24.6	19.1	20.7	35.6	0.0
Household Distribution by Income Level	22,186	28.9	17.9	16.5	36.6	0.0
Median Family Income Non-MSAs - CO		\$72,390	Median Housing Value			\$199,442
			Median Gross Rent			\$759
			Families Below Poverty Level			8.8%

Source: 2020 U.S. Census and 2022 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.*

According to the 2015 ACS Data, covering from 2020 through 2021, the AA was composed of 17 CTs, of which there were no low- or upper-income CTs. However, the AA included 7 (41.2 percent) moderate-income and 7 (41.2 percent) middle-income CTs. The area population was 58,554 with 27,320

(46.7 percent) of residents living in moderate-income tracts and 22,363 (38.2 percent) living in middle-income tracts.

Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 19, with no low-income CTs. The number of moderate-income CTs decreased to four, while moderate-income tracts increased to 10 and upper-income CTs increased to two. The AA population also slightly increased to 60,478, with the population in moderate-income tracts decreasing to 9,675. The populations within the middle- and upper-income CTs increased to 37,390 and 6,316, respectively.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for Rio Grande and Fremont Counties as of December 31, 2022, equated to 3.5 and 4.1, respectively, equal to and exceeding the annual national unemployment rate of 3.5 percent. The top employing industries among the two counties include educational, healthcare, government, and recreational and service industries.

Housing

According to the 2015 ACS Data, 14,662 (56.7 percent) of the total housing units in the AA were owner-occupied, 6,297 (24.4 percent) were renter occupied, and 4,899 (19.0 percent) were vacant units. Of all owner-occupied units, 7,287 (49.7 percent) were located in moderate-income CTs and 7,375 (50.3 percent) were located in middle-income tracts. Of all occupied rental units, 4,389 (69.7 percent) were located in moderate-income CTs and 1,908 (30.3 percent) were located in middle-income CTs. Of all vacant units, 1,720 (35.1 percent) were in moderate-income CTs, while 3,179 (64.9) were located in middle-income tracts. The median housing value was \$159,670, and the median monthly gross rent was \$696. Based on 2020 U.S. Census Data, total housing units slightly increased by 1,009 (3.9 percent), with a 12.34 percent increase in owner-occupied housing. However, the percentages for rental and vacant units decreased by 9.2 percent and 4.5 percent, respectively. The median housing value and median monthly gross rent both increased, with the median house value at \$199,442 and median gross rent at \$759.

Affordability

Based on the 2015 ACS Data information in the 2020-2021 table, low-income families within the Colorado non-MSA earned less than \$30,351 and moderate-income families earned at least \$30,351 and less than \$48,561. According to the 2020 U.S. Census Data in the 2022 table, low-income families earned less than \$36,195 and moderate-income families earned at least \$36,195 and less than \$57,912. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$759 and \$905 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,214 and \$1,478 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$857 and \$1,071 in the 2022 period. Demonstrating that low-income borrowers would be severely challenged to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed information from one contact completed prior to the evaluation. The community contact provides realtor services to the community. It was noted by the community contact the need to address the strong demand in housing and low housing inventory. It was also noted by the community contact the need for CD projects and special financing programs to encourage growth.

Scope of Evaluation in the State of Colorado

For the state of Colorado, we completed full-scope reviews of the Denver-Aurora-Lakewood MSA, Boulder MSA, and Colorado non-MSA AAs. We completed a limited-scope review of the Pueblo MSA AA. In determining AAs for full-scope or limited-scope reviews, examiners considered the Denver-Aurora-Lakewood MSA was the largest AA in the state with 55.5 percent of deposits and 78.7 percent of the lending activity. The Boulder MSA and Colorado non-MSA represented the second and third largest AAs in terms of lending activity and deposits respectively. In arriving at our overall conclusion, we placed equal weight on home mortgage and small loans to businesses, as well as placed equal weight on the bank's performance in comparison to aggregate' and demographic' performance. We did not evaluate the bank's consumer or small loans to farms as neither of these are a lending focus of the bank. Additionally, SFB did not originate or purchase enough small loans to farms in any of the AAs to conduct any meaningful analyses. For all performance tests within the full-scope AAs, we placed the most weight on performance within the Denver-Aurora-Lakewood MSA, as this represented the bank's largest market within the state of Colorado.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN COLORADO

LENDING TEST

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

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Denver-Aurora-Lakewood MSA, Boulder MSA, and the Colorado non-MSA was good.

Lending Activity

Lending levels reflect good responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% of Rating Area Loans	% of Rating Area Deposits
Full-Scope:							
Denver-Aurora-Lakewood MSA	1,594	601	1	12	2,208	78.7	55.5
Boulder MSA	115	181	3	1	300	10.7	15.1
Colorado non-MSA	47	65	7	1	120	4.3	20.3
Limited-Scope:							
Pueblo MSA	87	91	1	0	179	6.4	9.1

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only. Due to rounding, totals may not equal 100.0.

Dollar Volume of Loans* (\$000)							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% of Rating Area Loans	% of Rating Area Deposits
Full-Scope:							
Denver-Aurora-Lakewood MSA	597,189	153,721	106	18,910	769,926	85.6	55.5
Boulder MSA	49,317	34,664	69	628	84,678	9.4	15.1
Colorado non-MSA	8,804	8,898	470	3,954	22,126	2.5	20.3
Limited-Scope:							
Pueblo MSA	16,282	6,673	75	0	23,030	2.6	9.1

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only. Due to rounding, totals may not equal 100.0.

Denver-Aurora-Lakewood MSA

SFB's lending activity in the Denver-Aurora-Lakewood MSA reflected an excellent responsiveness to the credit needs of the AA.

According to the June 30, 2022 FDIC Summary of Deposits Report, SFB ranked 22nd out of 66 depository institutions (top 33.3 percent) with a deposit market share of 0.5 percent.

Based on 2022 aggregate home mortgage data, SFB's market share of 0.2 percent ranked 96th out of 862 lenders (top 11.1 percent). The top three lenders were United Wholesale Mortgage with 6.4 percent market share, Bellco Credit Union with 4.0 percent market share, and Rocket Mortgage with 3.7 percent market share.

Based on 2021 aggregate small business loan data, SFB's market share of 0.2 percent ranked 43rd out of 283 lenders (top 15.2 percent). The top three lenders were JP Morgan Chase with 19.4 percent market share, American Express with 13.9 percent market share, and Wells Fargo with 12.8 percent market share. The top four small business loan lenders were institutions with large business credit card portfolios with average loan sizes of \$25,000 or less. SFB's average small business loan size was \$298,000.

Boulder MSA

SFB's lending activity in the Boulder MSA reflected an excellent responsiveness to the credit needs of the AA.

According to the June 30, 2022 FDIC Summary of Deposits Report, SFB ranked 15th out of 32 depository institutions (top 46.9 percent) with a deposit market share of 1.2 percent.

Based on 2022 aggregate home mortgage data, SFB's market share of 0.3 percent ranked 76th out of 413 lenders (top 18.4 percent). The top three lenders were Elevation Credit Union with 17.5 percent market share, United Wholesale Mortgage with 3.9 percent market share, and Firstbank with 3.9 percent market share.

Based on 2021 aggregate small business loan data, SFB's market share of 0.4 percent ranked 29th out of 144 lenders (top 20.1 percent). The top three lenders were JP Morgan Chase with 24.8 percent market share, American Express with 14.4 percent market share, and Wells Fargo with 10.9 percent market share. The top five small business loan lenders were institutions with large business credit card portfolios with average loan sizes of \$25,000 or less. SFB's average small business loan size was \$208,000.

Colorado non-MSA

SFB's lending activity in the Colorado non-MSA reflected a poor responsiveness to the credit needs of the AA.

According to the June 30, 2022 FDIC Summary of Deposits Report, SFB ranked 1st out of 14 depository institutions (top 1.0 percent) with a deposit market share of 16.8 percent.

Based on 2022 aggregate home mortgage data, SFB's market share of 0.6 percent ranked 43rd out of 243 lenders (top 17.7 percent). The top three lenders were ENT Credit Union with 8.9 percent market share, Rocket Mortgage with 6.1 percent market share, and United Wholesale Mortgage with 6.0 percent market share.

Based on 2021 aggregate small business loan data, SFB's market share of 1.4 percent ranked 12th out of 63 lenders (top 19.1 percent). The top three lenders were JP Morgan Chase with 13.9 percent market share, American Express with 13.6 percent market share, and Wells Fargo with 9.9 percent market share. The top four small business loan lenders were institutions with large business credit card portfolios with average loan sizes of \$26,000 or less than. SFB's average small business loan size was \$69,000.

Distribution of Loans by Income Level of the Geography

The bank exhibits a good geographic distribution of loans in its AAs. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage loans and small loans to businesses, bank performance context, housing and business demographic data, and the impact of the pandemic that affected all home and small business lenders. Additionally, the Colorado non-MSA AA had no low-income geographies during the evaluation period.

Home Mortgage Loans

Refer to Table O in the state of Colorado 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.

Denver-Aurora-Lakewood MSA

The geographic distribution of home mortgage loans was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in low-income geographies was below, and in moderate-income geographies was near-to, the percentage of owner-occupied housing units located in those geographies. The percentage of home mortgage loans originated or purchased in low-income geographies was below, and in moderate-income geographies near-to, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than with the 2020 through 2021 performance, as the percentage of the bank's home mortgage lending exceeded the percentages of owner-occupied housing and aggregate lending of all reporting lenders in both the LMI geographies.

Boulder MSA

The geographic distribution of home mortgage loans was excellent.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in LMI geographies exceeded both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was consistent with the 2020 through 2021 performance.

Colorado non-MSA

The geographic distribution of home mortgage loans was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in moderate-income geographies exceeded both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of home mortgage loans to perform a meaningful analysis.

Small Loans to Businesses

Refer to Table Q in the state of Colorado 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.

Denver-Aurora-Lakewood MSA

The geographic distribution of small loans to businesses was excellent. Included in this analysis were 340 Paycheck Protection Program (PPP) loans totaling \$59.9 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in low-and moderate-income geographies exceeded the percentage of businesses located in those geographies and the aggregate percentage of all reporting lenders.

For 2022, the bank's performance in comparison to the percentage of businesses located LMI geographies was consistent with the 2020 through 2021 performance.

Boulder MSA

The geographic distribution of small loans to businesses was good. Included in this analysis were 139 PPP loans totaling \$18.8 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in LMI geographies exceeded the percentage of businesses located in those geographies and the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of small loans to businesses to perform a meaningful analysis.

Colorado non-MSA

The geographic distribution of small loans to businesses was good. Included in this analysis were 42 PPP loans totaling \$3.9 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in moderate-income geographies exceeded both the percentage of businesses located in those geographies and the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of small loans to businesses to perform a meaningful analysis.

Lending Gap Analysis

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

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the institution. In determining our

overall conclusions, we gave consideration to the high level of competition for home mortgage and small loans to small businesses within each AA and the impact of the pandemic. We also gave consideration to demographics and the general affordability of housing for LMI borrowers in each AA.

Home Mortgage Loans

Refer to Table P in the state of Colorado 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.

Denver-Aurora-Lakewood MSA

The distribution of home mortgage loans among individuals of different income levels was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was below, and to moderate-income borrowers exceeded, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers was approximated, and to moderate-income borrowers exceeded, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than with the 2020 through 2021 performance.

Boulder MSA

The distribution of home mortgage loans among individuals of different income levels was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was below, and to moderate-income borrowers equaled, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers was near-to, and to moderate-income borrowers exceeded, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was consistent with the 2020 through 2021 performance.

Colorado non-MSA

The distribution of home mortgage loans among individuals of different income levels was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was near-to, and in moderate-income borrowers exceeded, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to LMI borrowers exceeded the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of home mortgage loans to perform a meaningful analysis.

Small Loans to Businesses

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

Denver-Aurora-Lakewood MSA

The distribution of loans to businesses of different sizes was adequate. Included in this analysis were 340 PPP loans totaling \$59.9 million that helped support small businesses during the COVID-19 pandemic.

We considered the impact of significantly higher unavailable business revenue data for the small loans to small businesses originated during 2020-2021 (9.8 percent) compared to 2022 (2.9 percent).

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was well below the percentage of small businesses in the AA. However, was near-to the aggregate percentage of all reporting lenders.

For 2022, the bank's performance in comparison to the percentage of businesses in the AA is consistent with its 2020 through 2021 performance.

Boulder MSA

The distribution of loans to businesses of different sizes was good. Included in this analysis were 139 PPP loans totaling \$18.8 million that helped support small businesses during the COVID-19 pandemic.

Examiners considered the impact of significantly higher unavailable business revenue data for small loans to small businesses originated during 2020-2021 (12 percent) compared to 2022 (0 percent).

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was below the percentage of small businesses in the AA and exceeded the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of small loans to small businesses to perform a meaningful analysis.

Colorado non-MSA

The distribution of loans to businesses of different sizes was good. Included in this analysis were 42 PPP loans totaling \$3.9 million that helped support small businesses during the COVID-19 pandemic.

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was near-to the percentage of small businesses in the AA and exceeded the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of small loans to small businesses to perform a meaningful analysis.

Community Development Lending

The institution made a relatively high level of CD loans. Overall CD lending had a positive effect on the Lending Test conclusion. In determining our overall rating, we considered the impact of strong and increasing competition for CD loans in each of the AAs.

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

Denver-Aurora-Lakewood MSA

The level of CD lending was excellent. SFB made 12 CD loans totaling \$18.9 million, which represented 24.3 percent of allocated tier 1 capital. Although the loans were not innovative, complex, or placed the bank in a leadership position, the CD loans were impactful as they were responsive to identified community needs. By dollar volume, 24.2 percent funded economic development activities, and 75.8 percent funded revitalization and stabilization efforts.

Examples of CD loans in the AA include:

- A \$2.3 million PPP loan to support a small business's operations and the retention of employees within a low-income CT.
- A \$1.8 million PPP loan to support a small business's operations, retention of employees, and maintaining jobs for surrounding communities.
- A \$1.7 million loan to finance the purchase real estate to continue the growth of a community organization that provides educational and outreach services to underprivileged elementary students.

Boulder MSA

The level of CD lending was poor. SFB made one CD loan totaling \$628,000, which represented 3 percent of allocated tier 1 capital. Although the loan was not innovative or complex, the CD loan was responsive to identified community needs. The one CD loan funded affordable housing. During the evaluation period, SFB submitted bid proposals on three CD loan transactions for affordable housing that totaled roughly \$32 million and were lost to other lenders.

The one CD loan in the AA was:

- A \$628,000 loan to an organization that provides emergency short-term and transitional housing for low-income individuals and families, as well as permanent housing for elderly and disabled people. The funds were used to refinance an existing loan, property improvements, and additional projects.

Colorado non-MSA

The level of CD lending was good. SFB made one CD loan totaling approximately \$4 million, which represented 13.9 percent of allocated tier 1 capital. The loan was not innovative or complex. The one CD loan funded revitalization and stabilization efforts in the AA and was responsive to an identified community need.

The one CD loan in the AA was:

- A \$4 million PPP loan was made to a health care system providing health care services for medically underserved populations. The loan provided needed funding for continued business operations, growth, and retaining jobs.

Broader Statewide or Regional Area of Colorado

SFB made two CD loans totaling \$1.2 million that directly benefitted the AAs of Denver-Aurora-Lakewood, Boulder, and Pueblo, as well as the entire state of Colorado. The loans were PPP loans that qualify as CD and provided financing for nursing and healthcare related services to primarily LMI patients.

Product Innovation and Flexibility

The institution makes extensive use of innovative and/or flexible lending practices in order to serve each AA credit needs. During the evaluation period, SFB made 267 loans totaling \$94.7 million among the various flexible lending products available in each AA. This included 82 Home Possible and Home Ready loans totaling \$25.3 million, 52 Federal Housing Association (FHA) loans totaling \$19.1 million, 70 Veterans Affairs (VA) loans totaling \$31.3 million, 44 Colorado State and Agency Housing loans with downpayment assistance (DPA) totaling \$12.3 million, and nine CRA Conforming Portfolio Program loans totaling \$2.8 million.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Lending Test in the Pueblo MSA is consistent with the bank's overall performance under the Lending Test in the full-scope areas. Performance in the limited-scope review had a neutral impact on the Lending Test rating for the state of Colorado.

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

INVESTMENT TEST

The bank's performance under the Investment Test in Colorado is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Denver-Aurora-Lakewood, Boulder, and Colorado non-MSA AAs is excellent.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full-Scope:										
Denver-Aurora-Lakewood MSA	9	13,535	50	5,019	59	41.5	18,554	71.5	0	0
Boulder MSA	5	486	27	2,099	32	22.6	2,585	10.0	0	0
Colorado non-MSA	4	494	26	2,443	30	21.1	2,937	11.3	0	0
Limited-Scope:										
Pueblo MSA	3	233	18	1,638	21	14.8	1,871	7.2	0	0
Total	21	14,748	121	11,199	142	100.0	25,947	100.0	0	0

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

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

Denver-Aurora-Lakewood MSA

SFB had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 23.8 percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank rarely used innovative and/or complex investments to support CD initiatives with mortgage-backed securities (MBS) representing 100 percent of investment dollars. SFB had 13 qualified investments totaling \$18.5 million related to affordable housing, and 30 qualified donations and grants totaling \$60,385 to organizations that provided community services and affordable housing services to LMI individuals.

An example of a qualified investment in the AA include:

- Invested \$18.5 million in CD eligible MBS, comprised of a majority of mortgage loans to LMI individuals within the AA.

Boulder MSA

SFB had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 12.2 percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank rarely used innovative and/or complex investments to support CD initiatives with MBS representing 100 percent of investment dollars. SFB had 13 qualified investments totaling \$2.6 million related to affordable housing, and 19 qualified donations and grants totaling \$35,049 to

organizations that provided affordable housing, community and educational services, and economic development opportunities to LMI individuals.

An example of a qualified investment in the AA include:

- Invested \$2.6 million in CD eligible MBS, comprised of a majority of mortgage loans to LMI individuals within the AA.

Colorado non-MSA

SFB had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 10.3 percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank rarely used innovative and/or complex investments to support CD initiatives with MBS representing 100 percent of investment dollars. SFB had 17 qualified investments totaling \$2.9 million related to affordable housing, and 13 qualified donations and grants totaling \$12,045 to organizations that provided community services to LMI individuals.

An example of a qualified investment in the AA include:

- Invested \$2.9 million in CD eligible MBS, comprised of a majority of mortgage loans to LMI individuals within the AA.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Investment Test in the Pueblo MSA is consistent with the bank's overall performance under the Investment Test in the full-scope area(s). The bank's performance under the Investment Test in the limited-scope AA did not impact the bank's overall Investment Test rating for the state of Colorado.

SERVICE TEST

The bank's performance under the Service Test in Colorado is rated High Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Denver-Aurora-Lakewood MSA, Boulder MSA, and Colorado non-MSA was good.

Retail Banking Services

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

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Scope:											
Denver-Aurora-Lakewood MSA	55.5	6	50.0	0	33.3	33.3	33.3	5.2	26.9	34.0	33.0
Boulder MSA	15.1	2	16.7	0	50.0	0	50.0	4.6	16.0	43.2	33.4
Colorado non-MSA	20.3	2	16.7	0	50.0	50.0	0	0.0	16.0	10.4	11.7
Limited Scope:											
Pueblo MSA	9.1	2	16.7	0	0	50.0	50.0	6.0	20.4	37.3	35.3

Denver-Aurora-Lakewood MSA

The bank's distribution of branches in low-income geographies was significantly below, and in moderate-income geographies exceeded the percentage of the population living within those geographies. The bank had three non-deposit taking ATMs in the AA.

Boulder MSA

The bank's distribution of branches in low-income geographies was significantly below, and in moderate-income geographies exceeded the percentage of the population living within those geographies. The branch located in an upper-income tract is near-to two moderate-income CTs, which also provides drive-through services during the weekdays. The bank operated two non-deposit taking ATMs in the AA.

Colorado Non-MSA

The bank's distribution of branches in moderate-income geographies exceeded the percentage of the population living within those geographies. All branch locations offered drive-through services. The bank operated two non-deposit taking ATMs in this AA.

Alternate Delivery Systems

SFB had several alternative delivery systems including debit cards, mobile, and online banking services. The bank also provides merchant services. These systems provided additional delivery availability and access to banking services to both retail and business customers.

Distribution of Branch Openings/Closings						
	Branch Openings/Closings					
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
Full Scope:			Low	Mod	Mid	Upp
Denver-Aurora-Lakewood MSA	1	2	0	0	0	-1
Boulder MSA	0	0	0	0	0	0
Colorado non-MSA	0	0	0	0	0	0
Limited Scope:						
Pueblo MSA	0	1	0	0	-1	0

The institution's opening and closing of branches has not adversely affected the accessibility to its delivery systems, particularly in LMI geographies and/or to LMI individuals. The bank opened one branch in upper-income geography. The bank closed three branches, one in middle-income and two in upper-income geographies. Branch closures were the result of branch consolidation into other in-market locations.

Services, including where appropriate, business hours, did not vary in a way that inconvenienced the various portions of its AAs, particularly LMI geographies and/or individuals. SFB maintained standard business hours and offered traditional banking products and services at all branch locations in the AA.

Community Development Services

Denver-Aurora-Lakewood MSA

The institution provides a relatively high level of CD services. During the evaluation period, a bank employee conducted a series of three financial literacy classes per year, totaling 54 hours, in coordination with a business resource organization. Additionally, five bank employees spent 277 serving in leadership role by participating on boards for six different CD organizations.

Examples of CD services in the AA include:

- An employee sat on the board of an organization that provides academic and leadership training to at-risk inner-city students.
- An employee sat on the board of an affordable housing organization that builds and preserves affordable housing. The organization provides financing with down-payment assistance.

Boulder MSA

The institution provides a relatively high level of CD services. During the evaluation period, two bank employees spent 230 hours serving in leadership roles by participating on boards for two different CD organizations.

Examples of CD services in the AA include:

- An employee sat on the board of an organization dedicated to eliminating racism and empowering women. The organization provides low-income family assistance programs including affordable childcare.
- An employee sat on the board of an organization with a mission to reduce suffering and improve lives throughout the community by providing food and clothing to those in need.

Colorado Non-MSA

The institution provides a relatively high level of CD services. During the evaluation period, a bank employee spent 70 hours serving in leadership role by participating on board for a CD organization. In addition, two bank employees and the bank's Canon City branch as a group provided 95 hours of technical expertise by assisting/supporting annual events of an LMI school district.

Examples of CD services in the AA include:

- An employee sat on the advisory board of an organization with a mission to advocate for abused and neglected children by providing a voice in court and in the community.
- The bank's Canon City branch employees volunteered in an annual LMI school district event, providing technical assistance by processing and handling cash at the event.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the bank's performance under the Service Test in the Pueblo AA is weaker than the bank's overall performance under the Service Test in the full-scope areas. The weaker performance was due to the bank's limited branch distribution in the Pueblo AA with no branches in LMI geographies. The bank's performance within the limited scope AA had a neutral impact on the overall service test rating.

State of Texas

CRA rating for the state of Texas: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflected good responsiveness to AA credit needs.
- The bank exhibited a good geographic distribution of loans in the AA.
- The bank exhibited an adequate distribution of loans among individuals of different incomes and businesses of different sizes.
- The institution was a leader in making CD loans.
- The bank had an excellent level of qualified CD investments and donations.
- Service delivery systems are accessible to geographies and individuals of different income levels in the bank's AAs.
- The bank provided a relatively high level of CD services.

Description of Institution's Operations in Texas

The bank delineated seven AAs within the state of Texas. The AAs included the four counties within the Dallas-Fort Worth-Arlington, TX MSA (Dallas-Fort Worth-Arlington MSA); one county in the El Paso, TX MSA (El Paso MSA); two counties within the Austin-Round Rock-Georgetown, TX MSA (Austin-Round Rock-Georgetown MSA); three counties within the Houston-The Woodlands-Sugar Land, TX MSA (Houston-The Woodlands-Sugar Land MSA); one county in the San Antonio-New Braunfels, TX MSA (San Antonio-New Braunfels MSA); one county in the Waco, TX MSA (Waco MSA); and six counties not located in any MSA (Texas non-MSA). Refer to appendix A, Scope of Examination, for a list of counties that compose each AA.

The state of Texas was the bank's largest rating area. The bank operated 21 branches and 18 non-deposit taking ATMs within these AAs. As of June 30, 2022, the bank maintained approximately \$1.7 billion, or 28.9 percent, of its total domestic deposits in these AAs. Of the 262 depository financial institutions operating in these AAs, SFB had a deposit market share of 0.12 percent and was the 45th largest. Other top depository financial institutions operating in these AAs based on market share included Charles Schwab Bank at 26.6 percent, JP Morgan Chase at 20.8 percent, and Bank of America at 12.3 percent.

Dallas-Fort Worth-Arlington MSA

Based on bank information and the June 30, 2022 FDIC Deposit Market Share Report, the Dallas-Fort Worth-Arlington MSA represents 16.2 percent of the bank's statewide deposits. SFB operated three branch offices with the MSA that had \$278.5 million in total deposits. Additionally, there were 156 other total depository institutions in the Dallas-Fort Worth-Arlington MSA operating 1,392 branches with \$842.7 billion in total deposits. The top five banks by deposit market share were Charles Schwab Bank, Bank of America, JPMorgan Chase Bank, Charles Schwab Premier Bank, and Wells Fargo. These five banks have a combined deposit market share of 81.7 percent.

According to 2022 aggregate home mortgage and 2021 aggregate small business data, there were 1,033 home mortgage and 370 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included Rocket Mortgage, Wells Fargo, Lakeview Loan Servicing, LLC, United Wholesale Mortgage, and JP Morgan Chase. These five home mortgage lenders had a combined loan market share of 17.6 percent. The top five small business lenders included JP Morgan Chase, American Express, Bank of America, Wells Fargo, and BBVA USA, with a combined total market share of 49.6 percent.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Dallas-Fort Worth-Arlington MSA consists of Collin, Dallas, Denton, and Tarrant counties. The Dallas-Fort Worth-Arlington, TX MSA is comprised of the metropolitan divisions (MD) Dallas-Plano-Irving MD and the Fort Worth-Arlington MD. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Dallas-Fort Worth-Arlington MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,175	13.8	26.4	25.7	33.5	0.6
Population by Geography	5,993,595	11.7	26.1	27.3	34.8	0.1
Housing Units by Geography	2,291,892	12.2	24.8	27.9	35.0	0.2
Owner-Occupied Units by Geography	1,230,948	5.5	20.2	28.7	45.5	0.1
Occupied Rental Units by Geography	887,170	19.5	30.4	27.4	22.3	0.4
Vacant Units by Geography	173,774	21.5	28.6	24.4	25.2	0.3
Businesses by Geography	723,092	7.1	18.3	25.6	48.3	0.7
Farms by Geography	11,860	5.0	16.8	28.6	49.2	0.5
Family Distribution by Income Level	1,452,003	23.8	16.4	17.9	42.0	0.0
Household Distribution by Income Level	2,118,118	24.0	16.5	17.7	41.8	0.0
Median Family Income MD - 19124 Dallas-Plano-Irving, TX		\$71,149	Median Housing Value			\$180,162
Median Family Income MD - 23104 Fort Worth-Arlington-Grapevine, TX		\$69,339	Median Gross Rent			\$982
			Families Below Poverty Level			11.7%
<i>Source: 2015 ACS and 2021 D&B Data. Due to rounding, totals may not equal 100.0%. (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Dallas-Fort Worth-Arlington MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,507	9.9	26.5	28.3	33.7	1.6
Population by Geography	6,695,066	9.2	25.7	29.1	35.0	0.9
Housing Units by Geography	2,502,649	9.9	25.5	29.9	33.8	0.9
Owner-Occupied Units by Geography	1,337,186	4.6	20.1	31.1	43.8	0.4
Occupied Rental Units by Geography	985,332	16.0	32.1	28.9	21.5	1.5
Vacant Units by Geography	180,131	15.3	28.9	26.6	27.2	1.9
Businesses by Geography	1,057,954	4.8	17.6	30.0	46.7	0.9
Farms by Geography	16,171	3.5	16.9	31.7	47.2	0.7
Family Distribution by Income Level	1,582,026	22.3	17.3	19.0	41.4	0.0
Household Distribution by Income Level	2,322,518	23.1	17.0	17.9	41.9	0.0
Median Family Income MD - 19124 Dallas-Plano-Irving, TX		\$88,315	Median Housing Value			\$251,543
Median Family Income MD - 23104 Fort Worth-Arlington-Grapevine, TX		\$82,649	Median Gross Rent			\$1,234
			Families Below Poverty Level			8.4%

Source: 2020 U.S. Census and 2022 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.*

According to the 2015 ACS Data, covering 2020 through 2021, the AA was composed of 1,175 CTs, of which 162 (13.8 percent) were low-income, 310 (26.4 percent) moderate-income, 302 (25.7 percent) middle-income, and 394 (33.5 percent) upper-income tracts. The area population was 5,993,595 with the majority of residents living in middle- and upper-income CTs. However, the population living in low- and moderate-income CTs equate to 702,136 (11.7 percent) and 1,562,043 (26.1 percent), respectively. Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 1,507. However, the number of low-income CTs decreased by 16 and the moderate-income CTs increased by 90 CTs, while the number of middle- and upper-income CTs increased by 124 and 148, respectively. Additionally, the AA population increased by 701,471, with the low-income population decreasing by 82,938 and moderate-income population increasing by 160,807. The middle- and upper-income population increased by 572,290.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2021, was 5.0 percent and greater than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics November 2022 report for the Dallas-Fort Worth-Arlington MSA, the economy is growing with the largest gains in the metro division's major industries have been greater than corresponding industries nationwide. Housing market has weakened measurably. Weaknesses include exposure to volatile high-tech industry which is sensitive to the business cycle and diminished housing affordability as metro division matures. The top five employers in the area are Walmart, American Airlines, Baylor Scott & White Health, Lockheed Martin, and UT Southwestern Medical Center.

Housing

According to the 2015 ACS Data, 1,230,948 (53.7 percent) of the total housing units in the AA were owner-occupied, 887,170 (38.7 percent) were renter occupied, and 173,774 (7.6 percent) were vacant units. Of all owner-occupied units, 67,702 (5.5 percent) were located in low-income CTs, and 248,651 (20.2 percent) were located in moderate-income CTs. Of all occupied rental units, 172,998 (19.5 percent) were located in low-income CTs, and 269,700 (30.4 percent) were located in moderate-income CTs. Of all vacant units, 37,361 (21.5 percent) were located in low-income CTs, and 49,699 (28.6 percent) were located in moderate-income CTs. The median housing value was \$180,162, and the median monthly gross rent was \$982. Based on 2020 U.S. Census Data, total housing units increased in 2022 by 210,757 (9.2 percent), with an 8.6 percent increase in owner-occupied housing, 11.1 percent increase in occupied rental units, and a 3.7 percent increase in vacant housing. The median housing value and median monthly gross rent both significantly increased, with the median house value at \$251,543 and median gross rent at \$1,234.

Affordability

Based on the 2015 ACS Data information in the 2020-2021 table, low-income families within the Dallas-Fort Worth-Arlington MSA earned less than \$44,500 and moderate-income families earned at least \$44,500 and less than \$71,200. According to the 2020 U.S. Census Data in the 2022 table, low-income families earned less than \$48,700 and moderate-income families earned at least \$48,700 and less than \$77,920. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$1,112 and 1,217 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,779 and \$1,947 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$967 and \$1,350 in the 2022 period. Demonstrating that low-income borrowers would be challenged to afford a mortgage loan in this AA during 2022.

Community Contact

As part of the CRA evaluation, the OCC reviewed information from three contacts completed prior to the evaluation. The first contact primary objective is economic development in the community. The two other organizations focus on affordable housing within the community. Needs identified by the first community contact include financial literacy and credit products geared toward new and established small businesses. Needs identified by the other two community contacts include affordable housing, credit products geared toward consumers, and additional involvement by financial institutions.

El Paso MSA

Based on bank information and the June 30, 2022 FDIC Deposit Market Share Report, the El Paso MSA represents 25.3 percent of the bank's statewide deposits. SFB operated three branch offices with the MSA that had \$434 million in total deposits. Additionally, there were 15 other total depository institutions in the El Paso MSA operating 87 branches with \$11.5 billion in total deposits. The top five banks by deposit market share were Wells Fargo, Weststar Bank, JP Morgan Chase Bank, Bank of America, and PNC Bank. These five banks have a combined deposit market share of 83.2 percent.

According to 2022 aggregate home mortgage and 2021 aggregate small business data, there were 395 home mortgage and 131 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included GECU, Change Lending, LLC, Rocket Mortgage, Rocky Mountain Mortgage Company, and Lakeview Loan Servicing, LLC. These five home mortgage lenders had a combined loan market share of 25.6 percent. The top five small business lenders included American Express, JP Morgan Chase, Wells Fargo, Citibank, and Bank of America, with a combined total market share of 58.1 percent.

The following tables provide a summary of the demographics, including housing and business information for the AA. The El Paso MSA consists of El Paso County. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 El Paso MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	161	6.2	33.5	33.5	26.1	0.6
Population by Geography	831,095	3.9	27.3	34.5	34.3	0.0
Housing Units by Geography	282,616	4.4	27.6	34.1	33.8	0.0
Owner-Occupied Units by Geography	159,647	1.8	24.7	33.2	40.2	0.0
Occupied Rental Units by Geography	99,965	8.0	31.5	35.8	24.7	0.0
Vacant Units by Geography	23,004	6.7	31.3	32.6	29.4	0.0
Businesses by Geography	51,008	6.6	26.2	29.8	36.6	0.7
Farms by Geography	630	2.9	29.2	27.5	40.2	0.3
Family Distribution by Income Level	194,964	22.3	17.4	19.1	41.2	0.0
Household Distribution by Income Level	259,612	24.6	15.6	18.1	41.7	0.0
Median Family Income MSA - 21340 El Paso, TX MSA		\$46,033	Median Housing Value			\$119,494
			Median Gross Rent			\$763
			Families Below Poverty Level			19.6%

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

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 El Paso MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	188	5.3	31.4	34.0	28.7	0.5
Population by Geography	865,657	3.4	27.8	32.6	36.2	0.0
Housing Units by Geography	299,067	4.6	29.2	31.8	34.3	0.0
Owner-Occupied Units by Geography	170,433	1.3	25.3	32.0	41.4	0.0
Occupied Rental Units by Geography	103,229	8.8	34.8	32.6	23.8	0.0
Vacant Units by Geography	25,405	9.5	33.2	28.0	29.3	0.0
Businesses by Geography	67,524	4.2	32.9	25.1	37.2	0.6
Farms by Geography	771	2.3	31.0	26.5	39.9	0.3
Family Distribution by Income Level	198,164	21.9	17.8	18.5	41.7	0.0
Household Distribution by Income Level	273,662	25.4	15.4	17.3	41.9	0.0
Median Family Income MSA - 21340 El Paso, TX MSA		\$53,920	Median Housing Value			\$131,173
			Median Gross Rent			\$869
			Families Below Poverty Level			16.9%
<i>Source: 2020 U.S. Census and 2022 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.</i>						

According to the 2015 ACS Data, covering 2020 through 2021, the AA was composed of 161 CTs, of which 10 (6.2 percent) were low-income, 54 (33.5 percent) moderate-income, 54 (33.5 percent) middle-income, and 42 (26.1 percent) upper-income tracts. The area population was 831,095 with the majority of residents living in middle- and upper-income CTs. However, the population living in low- and moderate-income CTs equate to 32,593 (3.9 percent) and 227,047 (27.3 percent), respectively. Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 188. However, the number of low-income CTs had no change and the moderate-income CTs increased by five CTs, while the number of middle- and upper-income CTs increased by 10 and 12, respectively. Additionally, the AA population increased by 34,562 with the low-income population decreasing by 3,050 and moderate-income population increasing by 13,368. The middle- and upper-income population increased by 24,239.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2021, was 6.3 percent and greater than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics September 2022 report for the El Paso MSA, the El Paso MSA economy is growing at a below-average pace, with job gains remaining lower than the national average. Government industry is outperforming the private sector industries. The labor force has declined over the past year in contrast with the nation. Weaknesses include low educational attainment which results in low per capita income that limits discretionary spending and weak migration trends have limited population growth. The top five employers in the area are Fort Bliss, T & T Staff Management, Tenet Healthcare, The Hospital of Providence, and University of Texas at El Paso.

Housing

According to the 2015 ACS Data, 159,647 (56.5 percent) of the total housing units in the AA were owner-occupied, 99,965 (35.4 percent) were renter occupied, and 23,004 (8.1 percent) were vacant units. Of all owner-occupied units, 2,874 (1.8 percent) were located in low-income CTs, and 39,434 (24.7 percent) were located in moderate-income CTs. Of all occupied rental units, 7,987 (8 percent) were located in low-income CTs, and 31,449 (31.5 percent) were located in moderate-income CTs. Of all vacant units, 1,546 (6.7 percent) were located in low-income CTs, and 7,203 (31.3 percent) were located in moderate-income CTs. The median housing value was \$119,494, and the median monthly gross rent was \$763. Based on 2020 U.S. Census Data, total housing units increased by 16,451 (5.8 percent), with a 6.8 percent increase in owner-occupied housing, 3.3 percent increase in occupied rental housing, and a 10.5 percent increase in vacant housing. The median housing value and median monthly gross rent both increased, with the median house value at \$131,173 and median gross rent at \$869.

Affordability

Based on the 2015 ACS Data information in the 2020-2021 table, low-income families within the El Paso MSA earned less than \$25,750 and moderate-income families earned at least \$25,751 and less than \$41,200. According to the 2020 U.S. Census Data in the 2022 table, low-income families earned less than \$29,700 and moderate-income families earned at least \$29,701 and less than \$47,520. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$644 and \$742 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,030 and \$1,188 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$641 and \$704 in the 2022 period. Demonstrating that both low- and moderate-income borrowers would be able to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed information from one contact completed prior to the evaluation. The primary mission of the community contact is to support small and local businesses in the community. The contact identified loans and educational support for start-up and small businesses as a significant need in the community. The contact identified that small businesses and start-ups were significantly impacted by COVID-19 pandemic in the community compared to the large businesses. The COVID-19 pandemic forced many small businesses and start-ups to close.

Scope of Evaluation in Texas

For the state of Texas, we completed full-scope reviews of the Dallas-Fort Worth-Arlington MSA and El Paso MSA AAs. We completed limited-scope reviews of the Austin-Round Rock-Georgetown MSA, Houston-The Woodlands-Sugarland MSA, San Antonio-New Braunfels MSA, Waco MSA, and Texas non-MSA AAs, as these areas were added to the bank's AAs in April 2022. In arriving at our overall conclusion, we placed equal weight on home mortgage and small loans to businesses. Additionally, for the evaluation period, examiners also placed equal weight on the bank's performance in comparison to aggregate' and demographic' performance. We did not evaluate the bank's consumer or small loans to

farms as neither of these are a lending focus of the bank. Additionally, SFB did not originate or purchase enough small loans to farms in any of the AAs to conduct any meaningful analyses.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

LENDING TEST

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

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Dallas-Fort Worth-Arlington MSA and El Paso MSA AAs was good.

Lending Activity

Lending levels reflect good responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Full-Scope:							
Dallas-Fort Worth-Arlington MSA	2,173	135	0	6	2,314	72.3	16.2
El Paso MSA	117	316	0	15	448	14.0	25.3
Limited-Scope:							
Austin-Round Rock-Georgetown MSA	59	41	0	4	104	3.3	22.2
Houston-The Woodlands-Sugar Land MSA	69	21	0	1	91	2.8	14.2
San Antonio-New Braunfels MSA	194	9	0	0	203	6.3	2.6
Waco MSA	8	9	0	0	17	0.5	2.1
Texas non-MSA	3	3	18	0	24	0.8	17.3
Total	2,623	534	18	26	3,201	100.0	100.0

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

Dollar Volume of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State* Loans	%State Deposits
Full-Scope:							
Dallas-Fort Worth-Arlington MSA	\$667,812	\$36,843	\$0	\$5,632	710,287	67.1	16.2
El Paso MSA	\$34,793	\$82,237	\$0	\$7,725	124,755	11.8	25.3
Limited-Scope:							
Austin-Round Rock-Georgetown MSA	39,745	14,425	\$0	\$58,611	112,781	10.7	22.2
Houston-The Woodlands-Sugar Land MSA	23,454	6,333	\$0	\$1,900	31,687	3.0	14.2
San Antonio-New Braunfels MSA	68,837	4,089	\$0	\$0	72,926	6.9	2.6
Waco MSA	2,421	428	\$0	\$0	2,849	0.3	2.1
Texas non-MSA	1,387	400	\$2,216	\$0	4,003	0.4	17.3
Total	838,449	144,755	2,216	73,868	1,059,288	100.0	100.0

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

Dallas-Fort Worth-Arlington MSA

SFB's lending activity in the Dallas-Fort Worth-Arlington MSA reflected a good responsiveness to the credit needs of the AA.

SFB ranked 76th out of 157 depository institutions (top 48.4 percent) with a deposit market share of 0.3 percent.

For home mortgage loans, SFB's market share in 2022 was 0.23 percent and ranked 90th out of 1033 lenders (top 8.7 percent). The top three lenders were Rocket Mortgage (4.6 percent), Wells Fargo (3.7 percent), and Lakeview Loan Servicing (3.2 percent).

For small loans to businesses, SFB's market share of 0.04 percent ranked 109th out of 307 lenders (35.5 percentile). The top three lenders were JP Morgan Chase with 14.8 percent market share, American Express with 13.7 percent market share, and Bank of America with 10.92 percent market share. The top five small business loan lenders were institutions with large business credit card portfolios with average loan sizes of less than \$63,000. SFB's average small business loan size was \$220,000.

El Paso MSA

SFB's lending activity in the El Paso MSA reflected a good responsiveness to the credit needs of the AA.

SFB ranked 6th out of 16 depository institutions (top 37.5 percent) with a deposit market share of 3.6 percent.

For home mortgage loans, SFB's market share in 2022 was 0.18 percent and ranked 76th out of 395 lenders (top 19.2 percent). The top three lenders were GECU with 7.7 percent market share, Change Lending with 5.73 percent market share, and Rocket Mortgage with 4.8 percent market share.

For small loans to businesses, SFB's market share of 0.48 percent ranked 22nd out of 131 lenders (16.8 percent). The top three lenders were American Express with 13.8 percent, JP Morgan Chase with 12.3 percent market share, and Wells Fargo with 12.0 percent market share. The top five small business loan lenders were institutions with large business credit card portfolios with average loan sizes of less than \$25,000. SFB's average small business loan size was \$274,000.

Distribution of Loans by Income Level of the Geography

The bank exhibits a good geographic distribution of loans in its AA. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage loans and small loans to businesses, bank performance context, housing and business demographic data, and the impact of the pandemic that affected all home and small business lenders.

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.

Dallas-Fort Worth-Arlington MSA

The geographic distribution of home mortgage loans was adequate.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in both low- and moderate-income geographies was well below the percentage of owner-occupied housing units located in those geographies. The percentage of home mortgage loans originated or purchased in low-income geographies was well below, and in moderate-income geographies was below, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance, as SFB's lending in low-income geographies exceeded, and in moderate-income geographies approximated, the percentage of owner-occupied housing units located in those geographies. Additionally, the bank's lending in both low- and moderate-income geographies exceeded the aggregate percentages of all reporting lenders.

El Paso MSA

The geographic distribution of home mortgage loans was a good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in low-income geographies exceeded, and in moderate-income geographies was well below the percentage of owner-occupied housing units located in those geographies. The percentage of home mortgage loans originated or purchased in low-income geographies exceeded, and in moderate-income geographies was below, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than with the 2020 through 2021 performance. SFB's lending in low- and moderate-income geographies exceeded both the percentages of owner-occupied housing units located in those geographies and the aggregate percentages of all reporting lenders.

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.

Dallas-Fort Worth-Arlington MSA

The geographic distribution of small loans to businesses was good. Included in this analysis were 11 PPP loans totaling \$2 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in low-income geographies was below, and in moderate-income geographies exceeded, the percentage of businesses located in those geographies. The percentage of small loans to businesses originated or purchased in low-income geographies was below, and in moderate-income geographies exceeded, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance in comparison to the percentage of businesses located LMI geographies was consistent with the 2020 through 2021 performance.

El Paso MSA

The geographic distribution of small loans to businesses was good. Included in this analysis were 38 PPP loans totaling \$4.9 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in low-income geographies exceeded, and in moderate-income geographies near-to, the percentages of businesses located in those geographies. SFB's lending in low-income geographies exceeded, and in moderate-income geographies near-to, the aggregate percentages of all reporting lenders.

For 2022, the bank's performance in comparison to the percentage of businesses located LMI geographies was consistent with the 2020 through 2021 performance.

Lending Gap Analysis

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

Distribution of Loans by Income Level of the Borrower

The bank exhibits an adequate distribution of loans among individuals of different income levels and business of different sizes. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage and small loans to small businesses within each AA and the impact of the pandemic. We also gave consideration to demographics and the general affordability of housing for LMI borrowers in each AA.

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 institution's home mortgage loan originations and purchases.

Dallas-Fort Worth-Arlington MSA

The distribution of home mortgage loans among individuals of different income levels was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was well below, and to moderate-income borrowers approximated, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers was well below, and to moderate-income borrowers near-to, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance. SFB's lending to low-income borrowers was near-to, and to moderate-income borrowers exceeded, the percentage of those families in the AA. The bank's lending to both low- and moderate-income borrowers exceeded the aggregate percentages of all reporting lenders.

El Paso MSA

The distribution of home mortgage loans among individuals of different income levels was poor.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low- and moderate-income borrowers was well below the percentages of those families in the AA and the aggregate percentages of all reporting lenders.

For 2022, the bank's performance was stronger than with the 2020 through 2021 performance. SFB's lending to low-income borrowers was well below both the percentage of those families in the AA and the aggregate percentage of all reporting lenders. However, the bank's lending to moderate-income borrowers exceeded both the percentage of those families in the AA and the aggregate percentage of all reporting lenders.

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 institution's originations and purchases of small loans to businesses.

Dallas-Fort Worth-Arlington MSA

The distribution of loans to businesses of different sizes was good. Included in this analysis were 41 PPP loans totaling \$6.7 million that helped support small businesses during the COVID-19 pandemic.

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was below the percentage of small businesses in the AA. But exceeded the aggregate percentage of all reporting lenders.

For 2022, the bank's performance in comparison to the percentage of businesses in the AA is consistent with its 2020 through 2021 performance.

El Paso MSA

The distribution of loans to businesses of different sizes was adequate. Included in this analysis were 92 PPP loans totaling \$16.6 million that helped support small businesses during the COVID-19 pandemic.

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was well below the percentage of small businesses in the AA, and near-to the aggregate percentage of all reporting lenders.

For 2022, the bank's performance in comparison to the percentage of businesses in the AA is consistent with its 2020 through 2021 performance.

Community Development Lending

The institution was a leader in making CD loans. Overall, CD lending had a positive effect on the Lending Test conclusion. In determining our overall rating, we considered the impact of strong and increasing competition for CD loans in each of the AAs.

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

Dallas-Fort Worth-Arlington MSA

The level of CD lending was excellent. SFB made six CD loans totaling over \$18.6 million, which represented 53.2 percent of allocated tier 1 capital. The bank utilized complex CD loans, often in a leadership position and CD loans were impactful as they were responsive to identified community needs. By dollar volume, 100 percent of these loans funded revitalization and stabilization efforts.

Examples of CD loans in the AA include:

- A \$5 million loan to finance construction for an affordable housing complex in a low-income geography. The complex is mixed income property with 151 units restricted to 80 percent Area Median Income (AMI).
- A \$1.6 million loan for a mix use facility providing 38 affordable housing units and common community space. The project received a 9 percent Low Income Housing Tax Credit, and the units are restricted to ensure affordable housing; 4 units are set to 30 percent AMI, 16 units at 50 percent AMI, and 18 units at 60 percent AMI.
- A \$3 million loan to a CD Financial Institution (CDFI) fund that will provide capital to support the organization Housing Rehab fund. The fund focuses on providing homeownership opportunities in or for low- and moderate-income communities. The loan fund will support 208 new construction and rehab homeownership projects for homebuyers at or below 80 percent AMI in the AA.

El Paso MSA

The level of CD lending was excellent. SFB made 15 CD loans totaling over \$7.7 million, which represented 14.1 percent of allocated tier 1 capital. The bank utilized complex CD loans, often in a leadership position and CD loans were impactful as they were responsive to identified community needs. By dollar volume, 100 percent of these loans funded affordable housing. Examiners also considered the impact of strong and increasing competition for CD loans in this AA. During the exam period, SFB submitted bid proposals on one CD transaction totaling \$15.6 million that was lost to another lender.

Examples of CD loans in the AA include:

- A \$2.1 million loan to finance the purchase an apartment complex. The building consisted of 60 mixed-income residential units, which align with HUD’s affordable housing guidance.
- A \$3.8 million loan to finance the purchase of 11 existing properties located across the AA. The properties provide affordable housing opportunities, aligning with HUD’s affordable housing guidance.
- A \$647,500 loan to finance the purchase of an apartment complex in a moderate-income geography. The complex has 25 units, which meet the HUD’s affordable housing guidance.

Product Innovation and FlexibilityDallas-Fort Worth-Arlington MSA

The institution makes extensive use of innovative and/or flexible lending practices in order to serve each AA credit needs. During the evaluation period, SFB made 157 loans totaling \$49.2 million among the various flexible lending products available in each AA. This included 65 VA loans totaling \$24.2 million, 80 FHA loans totaling \$22.2 million, 15 Freddie Mac loans totaling \$4.2 million, nine CRA Conforming loans totaling \$2.1 million, three Home Ready loans totaling \$676,250, two House Finance Agency (HFA) loans totaling \$455,900, two DPAs totaling \$394,339, and one United States Department of Agriculture (USDA) loan totaling \$237,373.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank’s performance under the Lending Test in the Austin-Round Rock-Georgetown MSA, Houston-The Woodlands-Sugar Land MSA, San Antonio-New Braunfels MSA, Waco MSA, and Texas Non-MSA AAs is consistent with the bank’s overall performance under the Lending Test in the full-scope areas.

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

INVESTMENT TEST

The bank’s performance under the Investment Test in Texas is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Dallas-Fort Worth-Arlington AA and El Paso AA is excellent.

Qualified Investments* 2020-2022										
Assessment Area	Prior Period**		Current Period		Total				Unfunded Commitments***	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full-Scope:										
Dallas-Fort Worth-Arlington MSA	1	150	14	6,411	15	31.3	6,561	24.4	0	0
El Paso MSA	1	52	12	4,340	13	27.1	4,392	16.4	0	0
Limited Scope:										
Austin-Round Rock-Georgetown MSA	0	0	5	3,989	5	10.4	3,989	14.9	0	0
Houston-The Woodlands-Sugar Land MSA	1	4,053	3	4,787	4	8.3	8,840	32.9	0	0
San Antonio-New Braunfels MSA	0	0	3	2,143	3	6.3	2,143	8.0	0	0
Waco MSA	0	0	3	394	3	6.3	394	1.5	0	0
Texas Non-MSA	0	0	5	530	5	10.4	530	2.0	0	0
Total	3	4,255	45	22,594	48	100.0	26,849	100.0	0	0

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

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

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

Dallas-Fort Worth-Arlington MSA

The institution had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 18.7 percent of tier 1 capital allocated to the AA. The bank did not have any unfunded commitments in the AA during the exam period.

The institution exhibited excellent responsiveness to credit and community economic development needs. The institution occasionally used innovative and/or complex investments to support CD initiatives, with MBS representing 58.2 percent of investment dollars. SFB had 21 qualified investments and grants totaling \$6.4 million related to affordable housing and 13 qualified investments and grants totaling \$213,000 related to economic development as well as educational and community services.

Examples of qualified investments in the AA include:

- A \$2.5 million investment in a Low-Income Housing Tax Credit (LIHTC) fund to a local housing syndicator for a project in a rural community within the AA. The project will provide 32 units of multifamily housing.
- A \$150,000 investment in a CDFI loan fund that served non-profit corporations within the bank's AA. The funds supported local area non-profits specializing in financing growth-oriented businesses located in distressed and low- and moderate-income communities or that provides job opportunities to low- and moderate-income persons; financing to developers of affordable single or multifamily housing; and financing for community facilities which serve the social and economic needs of the community.
- A \$7,500 investment in a local CD corporation to support for an entrepreneurship center which will bring education and entrepreneurial resources in the AA. The site was formerly a vacant building in a moderate-income geography.

El Paso MSA

The institution had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 8 percent of tier 1 capital allocated to the AA. The bank did not have any unfunded commitments in the AA during the exam period.

The institution exhibited excellent responsiveness to credit and community economic development needs. The institution occasionally used innovative and/or complex investments to support CD initiatives, with MBS representing 21.0 percent of investment dollars. SFB had 13 qualified investments and grants totaling \$4.4 million, with \$3.4 million related to revitalization and stabilization efforts, \$921,253 related to affordable housing, and seven qualified investments and grants totaling \$48,600 related to community service organizations that provide needed services to LMI individuals.

Examples of qualified investments in the AA include:

- A \$1.5 million investment to a local school district to support their bond which will support the school district in providing education to majority of low- and moderate-income students.
- A \$5,000 investment to a local nursing school that will fund scholarships for low- and moderate-students attending the nursing school program.
- A \$2,100 investment to a local non-profit to support the organizations major fundraiser. The organization provides mentorship to low- and moderate-income students in the community.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Austin-Round Rock Georgetown, Houston-The Woodlands-Sugar Land, San Antonio-New Braunfels, and Waco AAs was consistent with the bank's overall performance under the Investment Test in the full-scope areas. The bank's performance under the Investment Test in the Texas non-MSA was weaker than the bank's overall performance under the Investment Test in the full-scope areas. However, the Texas non-MSA

was a new assessment area added to the bank during the last year of the exam period. The bank's performance within the limited scope AAs had a neutral impact on the overall Investment Test rating.

SERVICE TEST

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

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Dallas-Fort Worth-Arlington and El Paso AAs was good.

Retail Banking Services

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

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Scope:											
Dallas-Fort Worth-Arlington MSA	16.2	3	14.3	0	33.3	0	66.7	9.2	25.7	29.1	35.0
El Paso MSA	25.3	3	14.3	33.3	33.3	0	33.3	3.4	27.8	32.6	36.2
Limited Scope:											
Austin-Round Rock-Georgetown MSA	22.2	3	14.3	0	33.3	0	66.7	8.7	24.4	31.3	32.1
Houston-The Woodlands-Sugar Land MSA	14.2	4	19.0	0	25.0	25.0	50.0	11.9	24.5	27.6	34.4
San Antonio-New Braunfels MSA	2.6	1	4.8	0	0	0	100.0	7.0	32.3	29.4	31.3
Waco MSA	2.1	1	4.8	0	100.0	0	0	12.7	25.8	28.1	30.0
Texas non-MSA	17.3	6	28.6	0	16.7	83.3	0	2.1	13.1	59.5	24.4

Dallas-Fort Worth-Arlington MSA

The bank's distribution of branches in low-income geographies was well below, and in moderate-income geographies exceeded the percentage of the population living within those geographies.

El Paso MSA

The bank's distribution of branches in LMI geographies exceeded the percentage of the population living within those geographies. Additionally, the bank also had one near-to branch within an upper-income tract that served LMI geographies within the AA, and improved access to LMI individuals within those geographies.

Alternate Delivery Systems

SFB had several alternative delivery systems including debit cards, mobile, and online banking services. The bank also provides merchant services. These systems provided additional delivery availability and access to banking services to both retail and business customers.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Full Scope:						
Dallas-Fort Worth-Arlington MSA	2	0	0	0	0	2
El Paso MSA	0	0	0	0	0	0
Limited Scope:						
Austin-Round Rock-Georgetown MSA	0	0	0	0	0	0
Houston-The Woodlands-Sugar Land MSA	0	2	0	0	0	-2
San Antonio-New Braunfels MSA	0	0	0	0	0	0
Waco MSA	0	0	0	0	0	0
Texas non-MSA	0	1	0	-1	0	0
Total:	2	3	0	-1	0	0

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. As shown in the table above, the bank opened two branches during the evaluation period, neither were in an LMI geography. The bank also closed three branches, one in a moderate-

income geography and two within upper-income geographies. Branch closures were the result of low transactional volume.

Services, including where appropriate, business hours, did not vary in a way that inconvenienced the various portions of its AAs, particularly LMI geographies and/or individuals. SFB maintained standard business hours and offered traditional banking products and services at all branch locations in the AA.

Community Development Services

Dallas-Fort Worth-Arlington MSA

The institution provides an adequate level of CD services. During the evaluation period, 13 bank employees conducted nine financial education events totaling 29 hours in coordination with four different organizations. These events included financial literacy for LMI preschool and Kindergarten age students about coins and saving money and financial literacy to low- and moderate- income senior adults with FDIC's Money Smart program. Finally, four employees provided over 66 hours of technical expertise by providing first time homebuyer information to low- and moderate-income individuals and auditing services to a local non-profit.

Examples of CD services in the AA include:

- Employees provided financial education to a non-profit, providing FDIC Money Smart program to senior adults.
- Two employees provided technical assistance to a local non-profit by assisting the organization with auditing during a back-to-school event that supported LMI students in the community.

El Paso MSA

The institution provides a relatively high level of CD services. During the evaluation period, four bank employees spent 175 hours serving in leadership roles by participating on boards and committees for six different CD organizations. In addition, one bank employee participated in a financial education event totaling four hours in coordination with one organization. The bank provided financial education on responsible money tips and how to build personal credit to low- and moderate-income youth who are residents of a local children's home in the AA.

Examples of CD services in the AA include:

- A bank officer sat on the board of directors for a non-profit. The mission of the organization is to identify the comprehensive vision of the community for its future and to develop community-based structures and programs to implement that vision in light of the needs and direction of the wider society. The organization supports the LMI community through a variety of outreach programs which focus on health, education, school-based services, affordable and supportive housing, homelessness, financial wellness, and economic development.
- An employee sat on the board of directors for a local non-profit, which had a mission to create and support one-to-one mentoring relationships that ignite the power and promise of youth, to achieve their full potential.

- An employee sat on the board of directors for a local non-profit. The mission of the organization is to improve the lives of the El Paso Latino Community, to promote the culture, education, social and economic well-being of all the Latino Community. The organization focuses on helping LMI youth the opportunity to obtain postsecondary education.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Austin-Round Rock-Georgetown, Houston-The Woodlands-Sugar Land, San Antonio-New Braunfels, and Waco AAs was consistent with the bank's overall performance under the Service Test in the full-scope areas. The bank's performance under the Service Test in the Texas non-MSA was weaker than the bank's overall performance under the Service Test in the full-scope areas. The Texas non-MSA was a new assessment area added to the bank during the last year of the exam period. The bank's performance within the limited scope AAs had a neutral impact on the overall Service Test rating.

State of New Mexico

CRA rating for the State of New Mexico: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflected excellent responsiveness to AA credit needs.
- The bank exhibited a good geographic distribution of loans in the AA.
- The bank exhibited a good distribution of loans among individuals of different incomes and businesses of different sizes.
- The bank made a relatively high level of CD loans.
- The bank had an excellent level of qualified CD investments and donations.
- Service delivery systems are accessible to geographies and individuals of different income levels in the bank's AAs.
- The bank provided a relatively high level of CD services.

Description of Institution's Operations in New Mexico

The bank delineated four AAs within the state of New Mexico. The AAs included one county within the Albuquerque, NM MSA (Albuquerque MSA), one county with the Santa Fe, NM MSA (Santa Fe MSA), one county within the Las Cruces, NM MSA (Las Cruces MSA), and one county not within an MSA (New Mexico non-MSA). Refer to appendix A, Scope of Examination, for a list of counties that compose each AA.

The state of New Mexico represents the bank's third largest market, with approximately 21.2 percent of bank-wide deposits, nine branch offices, and nine non-deposit taking ATMs. Based on the June 30, 2022 FDIC Deposit Market Share Report, SFB had \$1.3 billion in deposits in these AAs. Additionally, the bank ranked eighth with 4.6 percent market share. The top five banks included Wells Fargo, Bank of America, Bokf, Bank of the West, and New Mexico Bank & Trust with 85 branches and 68.2 percent of the deposit market share. In addition to SFB and the top five banks, there were 25 additional FDIC-insured depository institutions with 93 offices within these AAs.

Albuquerque MSA

Based on bank information and the June 30, 2022 FDIC Deposit Market Share Report, the Albuquerque MSA represents 28.8 percent of the bank's statewide deposits. SFB operated two branch offices with the MSA that had \$361.8 million in total deposits. Additionally, there were 22 other total depository institutions in the Albuquerque MSA operating 106 branches with \$18.6 billion in total deposits. The top five banks by deposit market share were Wells Fargo, Bank of America, Bokf, Bank of the West, and New Mexico Bank & Trust. These five banks have a combined deposit market share of 80.6 percent.

According to 2022 aggregate home mortgage and 2021 aggregate small business data, there were 376 home mortgage and 145 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included Nusenda Federal Credit Union, Waterstone Mortgage Corporation, Rocket Mortgage, Bokf, and Legacy Mortgage LLC. These

five home mortgage lenders had a combined loan market share of 26 percent. The top five small business lenders included American Express, JP Morgan Chase, Wells Fargo, Bank of America, and U.S. Bank, with a combined total market share of 56.4 percent.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Albuquerque MSA consists of Bernalillo County. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Albuquerque MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	153	6.5	30.1	28.8	33.3	1.3
Population by Geography	673,943	6.6	32.8	27.1	33.0	0.5
Housing Units by Geography	287,054	7.2	30.9	28.7	32.8	0.4
Owner-Occupied Units by Geography	163,821	2.8	28.4	28.6	40.1	0.2
Occupied Rental Units by Geography	99,449	14.0	34.6	28.3	22.4	0.6
Vacant Units by Geography	23,784	9.7	32.4	31.2	26.2	0.6
Businesses by Geography	72,893	10.3	25.0	28.8	35.0	0.8
Farms by Geography	1,268	5.8	27.5	27.4	39.2	0.2
Family Distribution by Income Level	161,704	25.1	15.3	17.8	41.8	0.0
Household Distribution by Income Level	263,270	26.3	15.6	16.3	41.8	0.0
Median Family Income MSA - 10740 Albuquerque, NM MSA		\$60,032	Median Housing Value			\$196,050
			Median Gross Rent			\$825
			Families Below Poverty Level			15.0%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Albuquerque MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	176	8.0	23.9	34.7	29.5	4.0
Population by Geography	676,444	6.6	25.2	37.6	29.1	1.5
Housing Units by Geography	295,111	7.0	24.5	38.9	28.2	1.5
Owner-Occupied Units by Geography	172,529	3.3	21.5	39.5	34.7	1.0
Occupied Rental Units by Geography	99,999	12.7	28.9	38.5	17.8	2.1
Vacant Units by Geography	22,583	10.2	27.2	36.0	24.4	2.1
Businesses by Geography	81,443	8.8	23.6	34.4	31.9	1.2
Farms by Geography	1,385	5.7	21.1	39.8	32.2	1.2
Family Distribution by Income Level	159,218	23.2	16.0	18.9	41.9	0.0
Household Distribution by Income Level	272,528	25.8	15.5	17.1	41.6	0.0
Median Family Income MSA - 10740 Albuquerque, NM MSA		\$68,660	Median Housing Value			\$212,176
			Median Gross Rent			\$928
			Families Below Poverty Level			11.8%
<i>Source: 2020 U.S. Census and 2022 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

According to the 2015 ACS Data, covering 2020 through 2021, the AA was composed of 153 CTs, of which 10 (6.5 percent) were low-income, 46 (30.1 percent) moderate-income, 44 (28.8 percent) middle-income, and 51 (33.3 percent) upper-income tracts. The area population was 673,943 with the majority of residents living in middle- and upper-income CTs. However, the population living in low- and moderate-income CTs equate to 44,480 (6.6 percent) and 221,053 (32.8 percent), respectively. Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 176. The number of low-income CTs increased by four and the moderate-income CTs decreased by four CTs, while the number of middle- and upper-income CTs increased by 17 and one, respectively. Additionally, the AA population increased by 2,501 with the low-income population decreasing by 165 and the moderate-income population significantly decreased by 50,589. The middle- and upper-income population increased by combined 46,148.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2021, was 6.4 percent which is higher than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics September 2022 report for the Albuquerque MSA, the Albuquerque MSA economy has gained back nearly all of the jobs lost in 2020. Unemployment rate has fallen below the precrisis rate and the labor force has responded to strong wage gains with a full rebound. Residential construction has increased taking the edge off house price gains. Weaknesses include below-average per capita income, low worker productivity, and high poverty rate. The top five employers in the area are Sandia National Laboratories, Presbyterian Healthcare Services, Kirtland Air Force Base, University of New Mexico, and Lovelace Medical Center.

Housing

According to the 2015 ACS Data, 163,821 (57.1 percent) of the total housing units in the AA were owner-occupied, 99,449 (34.6 percent) were renter occupied, and 23,784 (8.3 percent) were vacant units. Of all owner-occupied units, 573 (2.8 percent) were located in low-income CTs, and 25,232 (28.4 percent) were located in moderate-income CTs. Of all occupied rental units, 2,912 (14 percent) were located in low-income CTs, and 30,715 (34.6 percent) were located in moderate-income CTs. Of all vacant units, 2,008 (9.7 percent) were located in low-income CTs, and 28,736 (32.4 percent) were located in moderate-income CTs. The median housing value was \$196,050, and the median monthly gross rent was \$825. Based on the 2020 U.S. Census Data, total housing units increased by 8,057 (2.7 percent), with a 5.1 percent increase in owner-occupied housing and a 5.1 percent decrease in vacant housing. However, the percentage of rental units slightly increased by less than one percent. The median housing value and median monthly gross rent both increased, with the median house value at \$212,176 and median gross rent at \$928.

Affordability

Based on the 2015 ACS Data information in the 2020-2021 table, low-income families within the Albuquerque MSA earned less than \$30,010 and moderate-income families earned at least \$30,011 and less than \$48,020. According to the 2020 U.S. Census Data in the 2022 table, low-income families earned less than \$34,323 and moderate-income families earned at least \$34,324 and less than \$54,921. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$750 and \$858 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,200 and \$1,373 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$1,052 and \$1,139 in the 2022 period. Demonstrating that both low- and moderate-income borrowers would be severely challenged to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed information from two contacts completed prior to the evaluation. The first contact works for the USDA in Albuquerque and the second contact focuses on economic development within the local area. Needs and concerns identified by the first contact include financial literacy, affordable housing, access to credit, and an aging population. The second contact stated the community needed access to commercial credit and recruitment initiatives to attract new businesses.

Santa Fe MSA

Based on bank information and June the 30, 2022 FDIC Deposit Market Share Report, the Santa Fe MSA represents 57.4 percent of the bank's statewide deposits. SFB operated four branch offices with the MSA that had \$721.3 million in total deposits. Additionally, there were nine other total depository institutions in the Santa Fe MSA operating 26 branches with \$3.8 billion in total deposits. The top two banks by deposit market share were Wells Fargo (18.7 percent) and Bank of America (16.7 percent) and SFB having the third most deposit market share in the AA. These three banks have a combined deposit market share of 51.5 percent.

According to 2022 aggregate home mortgage and 2021 aggregate small business data, there were 284 home mortgage and 106 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included Rocket Mortgage, Waterstone Mortgage Corporation, Del Norte Credit Union, State Employees Credit Union, and United Wholesale Mortgage. These five home mortgage lenders had a combined loan market share of 21 percent. The top five small business lenders included American Express, Wells Fargo, JP Morgan Chase, Enterprise Bank & Trust, and Bank of America, with a combined total market share of 56.4 percent.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Santa Fe MSA consists of Santa Fe County. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Sante Fe MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	50	2.0	20.0	46.0	32.0	0.0
Population by Geography	147,108	3.9	23.0	44.6	28.5	0.0
Housing Units by Geography	71,673	3.4	19.4	43.9	33.4	0.0
Owner-Occupied Units by Geography	42,266	2.6	17.4	45.8	34.2	0.0
Occupied Rental Units by Geography	18,913	6.5	26.1	42.4	25.0	0.0
Vacant Units by Geography	10,494	1.4	15.0	38.6	45.1	0.0
Businesses by Geography	23,467	4.0	13.4	40.3	42.3	0.0
Farms by Geography	589	3.4	16.5	44.8	35.3	0.0
Family Distribution by Income Level	36,482	22.8	16.9	18.3	42.0	0.0
Household Distribution by Income Level	61,179	24.6	15.6	17.9	41.9	0.0
Median Family Income MSA - 42140 Santa Fe, NM MSA		\$64,734	Median Housing Value			\$316,063
			Median Gross Rent			\$976
			Families Below Poverty Level			11.0%

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

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Sante Fe MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	57	0.0	22.8	35.1	36.8	5.3
Population by Geography	154,823	0.0	28.5	37.4	32.3	1.8
Housing Units by Geography	73,496	0.0	25.8	37.2	35.6	1.4
Owner-Occupied Units by Geography	44,947	0.0	23.0	38.2	37.9	0.9
Occupied Rental Units by Geography	18,205	0.0	36.4	41.2	20.8	1.7
Vacant Units by Geography	10,344	0.0	19.7	25.8	51.6	3.0
Businesses by Geography	28,631	0.0	16.5	27.8	54.8	0.9
Farms by Geography	679	0.0	19.4	33.6	46.8	0.1
Family Distribution by Income Level	36,442	20.8	18.8	18.6	41.8	0.0
Household Distribution by Income Level	63,152	24.3	16.3	18.0	41.5	0.0
Median Family Income MSA - 42140 Santa Fe, NM MSA		\$73,862	Median Housing Value			\$357,865
			Median Gross Rent			\$1,155
			Families Below Poverty Level			9.0%
<i>Source: 2020 U.S. Census and 2022 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

According to the 2015 ACS Data, covering 2020 through 2021, the AA was composed of 50 CTs, of which only one (2 percent) were low-income, 10 (20 percent) moderate-income, 23 (46 percent) middle-income, and 16 (33 percent) upper-income tracts. The area population was 147,108 with a large majority of residents living in middle- and upper-income CTs. However, the population living in low- and moderate-income CTs equate to 5,737 (3.9 percent) and 33,835 (23 percent), respectively. Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 57. The number of low-income CTs decreased to zero, moderate-income CTs increased by three CTs, middle-income CTs decreased by three, and upper-income CTs increased by five. Additionally, the AA population increased by 7,715 with the low-income population decreasing to zero and the moderate-income population increasing by 10,290. The middle- and upper-income population increased by only a combined 376.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2021, was 6.2 percent which is higher than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics July 2022 report for the Santa Fe MSA, the Santa Fe MSA housing market has been negatively impacted by the surge in mortgage rates and homebuilding has declined to its lowest level in years. Performance among goods producers and in healthcare has been strong, while leisure and hospitality has taken a step back and vulnerability of nearby federal research facilities to budget cuts. The top five employers in the area are Los Alamos National Laboratory, CHRISTUS St. Vincent Regional Medical Center, Santa Fe Community College, Santa Fe Opera, and Peters Corp.

Housing

According to the 2015 ACS Data, 42,266 (59 percent) of the total housing units in the AA were owner-occupied, 18,913 (26.4 percent) were renter occupied, and 10,494 (14.6 percent) were vacant units. Of all owner-occupied units, 1,082 (2.6 percent) were located in low-income CTs, and 7,363 (17.4 percent) were located in moderate-income CTs. Of all occupied rental units, 1,222 (6.5 percent) were located in low-income CTs, and 4,944 (26.1 percent) were located in moderate-income CTs. Of all vacant units, 142 (1.4 percent) were located in low-income CTs, and 1,571 (15.0 percent) were located in moderate-income CTs. The median housing value was \$316,063, and the median monthly gross rent was \$976. Based on the 2020 U.S. Census Data, total housing units increased by 1,823 (2.5 percent), with a 5.9 percent increase in owner-occupied housing, a 3.9 percent decrease in rental units and a 1.5 percent decrease in vacant housing. The median housing value and median monthly gross rent both increased, with the median house value at \$357,865 and median gross rent at \$1,155.

Affordability

Based on the 2015 ACS Data information in the 2020-2021 table, low-income families within the Albuquerque MSA earned less than \$32,361 and moderate-income families earned at least \$32,362 and less than \$51,781. According to the 2020 U.S. Census Data in the 2022 table, low-income families earned less than \$36,924 and moderate-income families earned at least \$36,925 and less than \$59,082. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$809 and \$923 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,294 and \$1,477 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$1,697 and \$1,921 in the 2022 period. Demonstrating that both low- and moderate-income borrowers would be severely challenged to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed information from one contact completed prior to the evaluation. The contact works for the Small Business Association (SBA) Lender Relations. The contact stated that the primary needs for the community revolve around high cost caused by inflation and addressing the lagging economy in the area.

Scope of Evaluation in the state of New Mexico

For the state of New Mexico, we completed a full-scope reviews of the Albuquerque MSA and Santa Fe MSA AAs, which represent the two largest AAs based on deposits and lending activity. We completed limited-scope reviews of the Las Cruces MSA and New Mexico non-MSA AAs. In arriving at our overall conclusion, we placed equal weight on home mortgage and small loans to businesses. Additionally, for the evaluation period, examiners also placed equal weight on the bank's performance in comparison to aggregate' and demographic' performance. We did not evaluate the bank's consumer or small loans to farms as neither of these are a lending focus of the bank. Additionally, SFB did not originate or purchase enough small loans to farms in any of the AAs to conduct any meaningful analyses.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW MEXICO

LENDING TEST

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

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Albuquerque MSA and Santa Fe MSA was good.

Lending Activity

Lending levels reflected excellent responsiveness to AA credit needs.

Number of Loans* 2020-2022							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Full-Scope:							
Albuquerque MSA	372	248	0	5	625	35.5	28.8
Santa Fe MSA	453	258	0	5	716	40.7	57.4
Limited-Scope:							
Las Cruces MSA	114	48	3	2	167	9.5	7.4
New Mexico non-MSA	241	8	0	2	251	14.3	6.5

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

Dollar Volume of Loans* (\$000) 2020-2022							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Full-Scope:							
Albuquerque MSA	92,550	55,067	0	10,650	158,267	32.0	28.8
Santa Fe MSA	164,371	40,693	0	15,689	220,753	44.6	57.4
Limited-Scope:							
Las Cruces MSA	21,891	8,913	79	1,367	32,250	6.5	7.4
New Mexico non-MSA	80,973	1,042	0	1,367	83,382	16.9	6.5

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

Albuquerque MSA

SFB's lending activity in the Albuquerque reflected an excellent responsiveness to the credit needs of the AA.

SFB ranked ninth out of 23 depository institutions (top 39.1 percent) with a deposit market share of 1.9 percent.

For home mortgage loans, SFB's market share in 2022 was 0.55 percent and ranked 45th out of 376 lenders (top 12 percent). The top five lenders were Nusenda Federal Credit Union with 7.4 percent market share, Waterstone Mortgage Corporation with 6.2 percent market share, Rocket Mortgage with 5.5 percent market share, Bokf with 3.4 percent market share, and Legacy Mortgage with 3.4 percent market share.

For small loans to businesses, SFB's market share of 0.44 percent ranked 21st out of 145 lenders (top 14.5 percent). The top three lenders were American Express with 14.8 percent market share, JPMorgan Chase Bank with 12.1 percent market share, and Wells Fargo with 11.48 percent market share. The top 3 small business loan lenders were institutions with large business credit card portfolios with average loan sizes of less than \$29,000. SFB's average small business loan size was \$269,000.

Santa Fe MSA

SFB's lending activity in the Santa Fe MSA reflected an excellent responsiveness to the credit needs of the AA.

SFB ranked third out of 10 depository institutions (top 30 percent) with a deposit market share of 16.1 percent.

For home mortgage loans, SFB's market share of 2.3 percent ranked 10th out of 324 lenders (top 3.1 percent). The top three lenders were Rocket Mortgage with 8.8 percent market share, Waterstone Mortgage Corporation with 4.5 percent market share, and Gateway First Bank with 4.3 percent market share.

For small loans to businesses, SFB's market share of 1.6 percent ranked 13th out of 106 lenders (top 12.3 percent). The top three lenders were American Express with 18.7 percent market share, Wells Fargo with 10.5 percent market share, and JP Morgan Chase with 10.1 percent market share. Eight of the top 10 small business loan lenders were institutions with large business credit card portfolios with average loan sizes of less than \$35,000. SFB's average small business loan size was \$138,000.

Distribution of Loans by Income Level of the Geography

The bank exhibits a good geographic distribution of loans in its AAs. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage loans and small loans to businesses, bank performance context, housing and business demographic data, and the impact of the pandemic that affected all home and small business lenders. Additionally, for 2022, the Santa Fe MSA AA had no low-income geographies.

Home Mortgage Loans

Refer to Table O in the state of New Mexico 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.

Albuquerque MSA

The geographic distribution of home mortgage loans was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in low- income and in moderate-income geographies was near-to the percentage of owner-occupied housing units located in those geographies. The percentage of home mortgage loans originated or purchased in low-income geographies equaled, and in moderate-income geographies was below the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger 2020 through 2021 performance, as lending in LMI geographies exceeded both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

Santa Fe MSA

The geographic distribution of home mortgage loans was adequate.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in low- income geographies was well below, and in moderate-income geographies was below, the percentage of owner-occupied housing units located in those geographies. The percentage of home mortgage loans originated or purchased in low-income geographies was below, and in moderate-income geographies approximated the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance in moderate-income tracts, as SFB's lending exceeded both the percentage of owner-occupied housing and the aggregate percentage of all reporting lenders within those geographies. The AA had no low-income CTs in 2022.

Small Loans to Businesses

Refer to Table Q in the state of New Mexico 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.

Albuquerque MSA

The geographic distribution of small loans to businesses was good. Included in this analysis were 73 PPP loans totaling \$17.6 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in LMI geographies exceeded both the percentage of businesses located in those geographies and the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was weaker than the 2020 through 2021 performance, as SFB did not originate or purchase any small loans to businesses in low-income CTs. However, SFB's small loans to businesses lending in moderate-income CTs exceeded the percentage of businesses in those geographies.

Santa Fe MSA

The geographic distribution of small loans to businesses was good. Included in this analysis were 31 PPP loans totaling \$3.4 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in low-income geographies exceeded, and in moderate-income geographies near-to, the percentage of businesses located in those geographies. The percentage of small loans to businesses originated or purchased in low-income geographies exceeded, and in moderate-income geographies was below, the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of home mortgage loans to perform a meaningful analysis.

Lending Gap Analysis

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

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among individuals of different income levels and business of different sizes. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage loans and small loans to businesses, bank performance context, housing and business demographic data, and the impact of the pandemic that affected all home and small business lenders.

Home Mortgage Loans

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

Albuquerque MSA

The distribution of home mortgage loans among individuals of different income levels was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was well below, and to moderate-income borrowers exceeded, the percentage of those

families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers was below, and to moderate-income borrowers exceeded the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was consistent with the 2020 through 2021 performance.

Santa Fe MSA

The distribution of home mortgage loans among individuals of different income levels was adequate. Examiners considered housing costs in relation to the median family incomes in the AA, which limited the affordability for low-income families.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was well below, and to moderate-income borrowers approximated, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to low- and moderate-income borrowers equaled the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was weaker than the 2020 through 2021 performance. The bank's percentage of lending to low-income borrowers was well below the percentage of families in the AA. Additionally, the bank's percentage of lending to low-income borrowers was well below, and to moderate-income borrowers was below, the aggregate percentage of all reporting lenders.

Small Loans to Businesses

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

Albuquerque MSA

The distribution of loans to businesses of different sizes was adequate. Included in this analysis were 76 PPP loans totaling \$9.1 million that helped support small businesses during the COVID-19 pandemic.

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was well below the percentage of small businesses in the AA, and near-to the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of loans to small businesses to perform a meaningful analysis.

Santa Fe MSA

The distribution of loans to businesses of different sizes was good. Included in this analysis were 154 PPP loans totaling \$13 million that helped support small businesses during the COVID-19 pandemic.

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was below the percentage of small businesses in the AA; however, exceeded the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of loans to small businesses to perform a meaningful analysis.

Community Development Lending

The institution made a relatively high level of CD loans. Overall CD lending had a positive effect on the Lending Test conclusion. In determining our overall rating, we considered the impact of strong and increasing competition for CD loans in each of the AAs.

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

Albuquerque MSA

The level of CD lending was excellent. SFB made five CD loans totaling \$10.7 million, which represented 23.4 percent of allocated tier 1 capital. Though the loans were not innovative, complex, or placed the bank in a leadership position, the CD loans were impactful as they were responsive to identified community needs. By dollar volume, 100 percent of these loans funded revitalization and stabilization efforts. During the exam period, SFB submitted bid proposals on one CD transaction totaling \$8.5 million that was lost to another lender.

Examples of CD loans in the AA include:

- A \$5 million loan to finance construction of a complex for a government agency, which will help revitalize/stabilize the area and bring jobs to the market.
- A \$2 million PPP loan and a \$1.5 million PPP loan to stabilize the economy during the COVID-19 pandemic. The PPP loans provided financing to business, allowing them to retain and pay their employees.

Santa Fe MSA

The level of CD lending was excellent. SFB made five CD loans totaling \$15.7 million, which represented 17.3 percent of allocated tier 1 capital. Though the loans were not innovative, complex, or placed the bank in a leadership position, CD loans were impactful as they were responsive to identified community needs. By dollar volume, 72.2 percent of these loans funded revitalization and stabilization and 27.8 percent funded affordable housing efforts. During the exam period, SFB submitted bid proposals on one CD transactions totaling \$1.1 million, the bank passed on the loan due to the borrower not having the liquidity to support the loan.

Examples of CD loans in the AA include:

- A \$367,000 CDFI loan to finance debt capital at below market rates for small-business, housing, or physical infrastructure needs to federally or state recognized American Indian Tribes, tribal entities, or enrolled tribal members in the AA.
- A \$1 million loan to finance down payment assistance programs for first time homebuyers in low- and moderate-income neighborhoods.
- A \$3 million loan to finance a CDFI focused organization that provides affordable housing to first time homebuyers, low impact rental housing, and housing support for homeowners to maintain and stay in their homes. Additionally, the organization provides homebuyer education classes.

Product Innovation and Flexibility

The institution made extensive use of innovative and/or flexible lending practices in order to serve AA credit needs. During the evaluation period, SFB made 154 loans totaling \$37.9 million among the various flexible lending products available in the Albuquerque MSA. This included three Home Possible loans totaling \$612,320, 84 FHA loans totaling \$19.1 million, 35 VA loans totaling \$11.5 million, two First Home loans totaling \$359,550, two Homestyle Renovation loans totaling \$573,550, 13 Home Ready loans totaling \$2.5 million, seven Freddie Mac loans totaling \$1.6 million, two CRA Conforming loans totaling \$417,750, and one USDA loan totaling \$227,272.

Conclusions for Areas Receiving Limited Scope-Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Las Cruces MSA and New Mexico Non-MSA AAs is consistent with the bank's overall performance under the Lending Test in the full-scope areas. However, the bank's performance under the Lending Testing in the New Mexico non-MSA AA is weaker than the bank's overall performance under the Lending Test in the full-scope area. Performance in the New Mexico non-MSA AA was weaker due to its overall poor distribution of home mortgage loans to LMI borrowers. Performance in the limited-scope areas had a neutral impact on the bank's overall Lending Test.

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

INVESTMENT TEST

The institution's performance under the Investment Test in New Mexico is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Albuquerque AA and Santa Fe AA was excellent.

Number and Amount of Qualified Investments

Qualified Investments*										
Assessment Area	Prior Period**		Current Period		Total				Unfunded Commitments***	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full-Scope:										
Albuquerque	7	13,272	12	4,924	19	31.7	18,196	67.9	0	0
Santa Fe	4	283	23	7,213	27	45.0	7,496	28.0	0	0
Limited Scope:										
Las Cruces MSA	2	106	9	841	11	18.3	947	3.5	0	0
New Mexico non-MSA	0	0	3	151	3	5.0	151	0.6	0	0
Total	13	13,661	47	13,129	60	100.0	26,790	100.0	0	0

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

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

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

Albuquerque MSA

SFB had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 40 percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank rarely used innovative and/or complex investments to support CD initiatives with MBS representing 99.8 percent of investment dollars. SFB had 19 qualified investments totaling \$18.1 million related to affordable housing. SFB had qualified investments and grants totaling \$13,500 to community service organizations that provided needed services to LMI individuals and two qualified investments and grants totaling \$20,000 related to economic development.

Examples of qualified investments in the AA include:

- A \$15,000 investment to an organization that assists LMI entrepreneurs and small business owners. The organization help clients through consulting, training, incubation, and lending to clients to successfully strengthen and grow their businesses through sustainable sales, financial knowledge, and job creation.
- A \$2,000 investment to an organization that works to break the cycle of homelessness for children and families through early education, supportive housing, parent education, and advocacy for the children and families.
- A \$2,000 investment to a local chapter of a national organization that provides financial literacy programs to low- and moderate-income students in the AA.

Santa Fe MSA

SFB had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 8.3 percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank rarely used innovative and/or complex investments to support CD initiatives with MBS representing 95.3 percent of investment dollars. SFB had 27 qualified investments totaling \$7.5 million related to affordable housing, one investment totaling 325,000 for revitalization and stabilization efforts, and 14 qualified investments and grants totaling \$27,750 to community service organizations that provided needed services to LMI individuals.

Examples of qualified investments in the AA include:

- A \$325,000 investment to a school district with the majority of students recipients of the free and reduced lunch program. The school district bond will bring improvements to the existing schools and creating new schools, and to purchase computer software and hardware for the school district.
- A \$3,500 investment to a local affordable housing organization to support the building and redevelopment of homes for low-income families in the AA.
- A \$2,500 investment to a local organization focused on helping low- and moderate-income individuals and families obtain and maintain affordable homeownership. The local organization provides homebuyer education classes, support for clients to maintain and stay in their homes, along with low impact rental housing and affordable housing programs for first time homebuyers. The bank additionally provided a \$3 million CD loan to the organization.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Las Cruces AA was consistent with the bank's overall performance under the Investment Test in the full scope review. Performance under the Investment Test in the New Mexico non-MSA AA was weaker than the bank's overall performance under the Investment Test in the full-scope areas. The weaker performance within the New Mexico non-MSA is due to the limited number and dollar volume of CD investments and grants within the AA.

SERVICE TEST

The bank's performance under the Service Test in New Mexico is rated High Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Albuquerque and Santa Fe AAs is good.

Retail Banking Services

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

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full-Scope:											
Albuquerque MSA	28.8	2	2.7	0	50.0	50.0	0	6.6	25.2	37.6	29.1
Santa Fe MSA	57.4	4	5.4	0	0	25.0	75.0	0.0	28.5	37.4	32.3
Limited-Scope:											
Las Cruces MSA	7.4	2	2.7	0	50.0	0	50.0	6.1	29.0	30.0	29.4
New Mexico non-MSA	6.5	1	1.4	0	0	0	100.0	0.0	0.0	0.0	100.0

Albuquerque MSA

The bank's distribution of branches for the Albuquerque MSA in low-income geographies was significantly below, and in moderate-income geographies exceeded, the percentage of the population living within those geographies. Examiners further considered three branches that are near-to LMI geographies, located middle- or upper-income CT, and served low- or moderate-income persons or geographies within the AA that improved access and had a positive impact on the retail Service Test conclusion. The bank also had two non-deposit taking ATMs in the AA.

Santa Fe MSA

The bank's distribution of branches for the Santa Fe MSA in moderate-income geographies was significantly below the percentage of the population living within those geographies. Examiners further considered three branches that are near-to LMI geographies, located middle- or upper-income CT, and served low- or moderate-income persons or geographies within the AA that improved access and had a positive impact on the retail Service Test conclusion. The bank also had four non-deposit taking ATMs within the AA.

Alternate Delivery Systems

SFB had several alternative delivery systems including debit cards, mobile, and online banking services. The bank also provides merchant services. These systems provided additional delivery availability and access to banking services to both retail and business customers. SFB's branch business hours did not vary in a way that inconveniences LMI individuals in the AAs. Services offered and branch hours were comparable between branches regardless of the income level of the geographies for each AA.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Full-Scope:						
Albuquerque MSA	0	1	0	-1	0	0
Santa Fe MSA	0	0	0	0	0	0
Limited-Scope:						
Las Cruces MSA	0	1	0	0	0	-1
New Mexico non-MSA	0	0	0	0	0	0
Total	0	2	0	-1	0	-1

The institution's opening and closing of branches had not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. The bank did not open any branches within the state rating area during the evaluation period. However, the bank closed two branches during the exam period, one branch within a moderate-income tract in the Albuquerque MSA and one branch in an upper-income tract within the Las Cruces MSA AA. Branch closures were the result of branch consolidation into market locations within their respective AAs.

Services, including where appropriate, business hours, did not vary in a way that inconvenienced the various portions of its AAs, particularly LMI geographies and/or individuals. SFB maintained standard business hours and offered traditional banking products and services at all branch locations in the AA. The bank has one branch with Saturday hours, which is located in a moderate-income CT. The bank has drive-up services at six of their branches, which offer extended hours from the lobby for customers.

Community Development Services

Albuquerque MSA

The institution provides a relatively high level of CD services. During the evaluation period, seven bank employees spent 347 hours serving in leadership roles by participating on boards and committees for eight different CD organizations. Also, one bank employee conducted one financial education event totaling eight hours in coordination with one organization. This event provided financial literacy, career readiness, and entrepreneurship, to LMI students at a local school.

Examples of CD services in the AA include:

- A bank officer sat on a committee of a local housing and economic organization. The mission of the organization is to prioritize projects that provide long term and sustainable benefits for the low- and moderate-income geographies with a focus on producing and preserving affordable housing, create quality jobs, support entrepreneurs and small businesses, enhance economic opportunities, and leverage private investments in the identified geographies.
- An employee sat on the board of a local Title 1 school board with the mission to equip students in grades five through eight with the skills necessary to excel in high schools and colleges of their choice.

- An employee provided financial literacy to students at a Title 1 school providing financial education towards work and career readiness, and entrepreneurship. The organizations mission is to inspire and prepare young people to succeed through providing financial literacy programs to students at local schools.

Santa Fe MSA

The institution provided an adequate level of CD services. During the evaluation period, six bank employees conducted four financial education events totaling 20 hours in coordination with three organizations. These events provided financial literacy to LMI individuals and students in the AA. Additionally, four bank employees spent 138 hours serving in leadership roles by participating on boards and committees for six different CD organizations. Three employees provided over 14 hours of technical expertise to two local organizations by collecting and counting payments for a fundraising event and developing financial education LMI students.

Examples of CD services in the AA include:

- An employee sat on the board of directors for a local food pantry that provides food and clothing to LMI individuals and families. The organizations mission is to provide food and clothing to those in need in the AA.
- An employee sat on the board of directors for a local shelter that serves victims of domestic abuse providing shelter, counseling, and basic needs for the residents.
- An employee provided technical assistance to develop financial literacy program for the local chapter of a non-profit whose mission is to empower students to stay in school and achieve in life. The organization partners with local schools to remove roadblocks and providing students with the resources, support, and opportunities they need to thrive.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Las Cruces MSA and New Mexico non-MSA was weaker than the bank's overall performance under the Service Test in the full-scope areas. The weaker performance within the Las Cruces MSA is primarily due to the limited amount of CD services performed by employees. The weaker performance within the New Mexico non-MSA is due to the limited branch distribution with no branches located in LMI geographies and the limited amount of CD services performed by employees. The bank's performance within the limited scope AAs had a neutral impact on the overall service test rating.

State of Kansas

CRA rating for the State of Kansas: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- The bank exhibited a good geographic distribution of loans in its AAs.
- The bank exhibited a good distribution of loans among individuals of different income levels and business of different sizes.
- The institution is a leader in making CD loans.
- The institution had an excellent level of CD investments and grants.
- Service delivery systems are accessible to geographies and individuals of different income levels in the institution's AA.
- The institution provided an overall significant level of CD services.

Description of Institution's Operations in Kansas

The bank delineated five AAs within the state of Kansas. The AAs included one county in the Kansas City, MO-KS MMSA (Kansas City MMSA); one county in the Lawrence, KS MSA (Lawrence MSA); one county in the Wichita, KS MSA (Wichita MSA); three counties in the Manhattan, KS MSA (Manhattan MSA); and nine counties that were not part of any MSA (Kansas non-MSA). Refer to appendix A, Scope of Examination, for a list of counties that compose each AA.

The state of Kansas represented the bank's second largest market, with approximately 26.9 percent of the bank-wide deposits, 23 branch offices, and 16 non-deposit taking ATMs. Based on the June 30, 2022, FDIC Deposit Market Share Report, SFB had \$1.6 billion deposits in these AAs. Of the 136 depository financial institutions operating in these AAs, SFB was the 10th largest with a 2.6 percent deposit market share. The top five banks included Bank of America, Intrust Bank, Capital Federal Savings Bank, Commerce Bank, and U.S. Bank, operating 129 branch offices and a combined total deposit market share of 38.6 percent. In addition to SFB and the top five banks, there were 129 additional FDIC-insured depository institutions with 458 offices within these AAs.

Kansas City MMSA

Based on bank information and the June 30, 2022 FDIC Deposit Market Share Report, the Kansas City MMSA represents 10.6 percent of the bank's statewide deposits. SFB operated two branches within the Kansas City MMSA that had deposits totaling \$169.9 million. Additionally, there were 60 other depository institutions in the Kansas City MMSA operating 232 branches with \$27.63 billion in total deposits. The top five banks by deposit market share were Capitol Federal Savings Bank, Bank of America, U.S. Bank, Commerce Bank, and Crossfirst bank. These five banks had a combined deposit market share of 42.9 percent.

According to 2022 aggregate home mortgage and 2021 aggregate small business data, there were 461 home mortgage and 153 small business lenders that originated or purchased loans within the AA. The

top five home mortgage lenders by number of loans and market share include Community America Credit Union, Fairway Independent Mortgage, Capital Federal Savings Bank, U.S. Bank, and Rocket Mortgage. These five banks had a combined loan market share of 27 percent. The top five small business lenders by number of loans and market share include American Express, JP Morgan Chase, U.S. Bank, Bank of America, and Capital One Bank, with a combined total market share of 52.4 percent.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Kansas City MMSA consists of Johnson County. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Kansas City MMSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	130	1.5	9.2	32.3	54.6	2.3
Population by Geography	566,814	0.9	7.7	32.8	58.5	0.0
Housing Units by Geography	231,029	1.2	8.3	35.4	55.2	0.0
Owner-Occupied Units by Geography	152,762	0.3	4.5	31.3	63.9	0.0
Occupied Rental Units by Geography	66,973	3.2	16.0	43.4	37.5	0.0
Vacant Units by Geography	11,294	2.0	14.6	42.1	41.2	0.0
Businesses by Geography	62,366	1.1	6.8	26.4	62.8	2.9
Farms by Geography	1,433	1.2	6.0	30.6	61.5	0.6
Family Distribution by Income Level	149,562	12.0	13.6	19.0	55.3	0.0
Household Distribution by Income Level	219,735	14.7	13.5	16.7	55.0	0.0
Median Family Income MSA – 28140 Kansas City, MO-KS MSA		\$72,623	Median Housing Value			\$229,855
			Median Gross Rent			\$975
			Families Below Poverty Level			4.0%

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

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Kansas City MMSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	154	1.3	8.4	35.1	51.9	3.2
Population by Geography	609,863	1.0	6.8	35.8	56.4	0.0
Housing Units by Geography	244,796	1.3	6.9	38.6	53.2	0.0
Owner-Occupied Units by Geography	161,108	0.3	4.7	34.2	60.7	0.0
Occupied Rental Units by Geography	72,491	3.4	11.1	48.3	37.1	0.0
Vacant Units by Geography	11,197	0.9	10.6	39.2	49.1	0.1
Business by Geography	63,779	0.7	5.1	29.5	61.3	3.4
Farms by Geography	1,481	0.6	4.7	32.1	61.8	0.7
Family Distribution by Income Level	158,351	11.5	13.2	20.4	54.9	0.0
Household Distribution by Income Level	233,599	14.4	13.2	17.3	55.1	0.0
Median Family Income MSA – 28140 Kansas City, MO-KS MSA		\$86,562	Median Housing Value			\$294,425
			Median Gross Rent			\$1,162
			Families Below Poverty Level			3.2%

Source: 2020 U.S. Census. Due to rounding, totals may not equal 100.0%. () The NA category consists of geographies that have not been assigned an income classification.*

According to the 2015 ACS Data, covering from 2020 through 2021, the AA was composed of 130 CTs, of which two (1.5 percent) was low-income, 12 (9.2 percent) moderate-income, 42 (32.3 percent) middle-income, and 71 (54.6 percent) upper-income. The area population was 566,814, with 5,090 (0.9 percent) residing in low-income CTs and 43,820 (7.7 percent) residing in moderate-income CTs. Based on 2020 U.S. Census Data covering 2022, the number of CTs in the AA increased to 154, which the number of low-income CTs remained unchanged at two and the number of moderate-income CTs increased by one to 13. The number of middle-income CTs increased by 12 to 54 and the number of upper-income CTs increased by nine to 80 tracts. The area population slightly increased to 609,863 with only 6,099 (1 percent) residing in low-income CTs and 41,458 (6.8 percent) residing in moderate-income CTs.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2022, was 2.3 percent and lower than the annual national unemployment rate of 3.5 percent. According to Moody's Analytics from October 2023, the Kansas City MMSA economy has been steadily growing and employment has experienced growth. The area has a well-educated workforce with above average per capita income. Total employment has increased past the lower pandemic employment levels, and housing demand has increased. The top five employers in the area are Children's Mercy Hospital, Cerner Corp., Honeywell, Saint Luke's Health System, and Truman Medical Centers.

Housing

According to the 2015 ACS Data, 152,762 (66.1 percent) of the total housing units in the AA were owner-occupied, 66,973 (29.0 percent) were renter occupied, and 11,294 (4.9 percent) were vacant units.

Of all owner-occupied units, 428 (0.3 percent) were located in low-income CTs, and 6,818 (4.5 percent) were located in moderate-income CTs. Of all occupied rental units, 2,127 (3.2 percent) were located in low-income CTs and 10,683 (16.0 percent) were located in moderate-income CTs. Of all vacant units, 231 (2 percent) were located in low-income CTs and 1,647 (14.6 percent) were located in moderate-income CTs. The weighted average median housing value was \$229,855, and the weighted average monthly gross rent was \$975. Based on 2020 U.S. Census Data, total housing units increased by 13,767 (6 percent), with a 5.5 percent increase in owner-occupied housing and an 8.2 percent increase in rental housing. However, the percentage of vacant units slightly decreased by less than one percent. The median housing value and median monthly gross rent both significantly increased, with the median house value at \$294,425 and median gross rent at \$1,162.

Affordability

Based on the 2015 ACS Data in the 2020 – 2021 table, low-income families within the Kansas City MSA earned less than \$43,050 and moderate-income families earned at least \$43,050 and less than \$68,886. According to the 2020 U.S. Census Data in the 2022 table, low-income families within the Kansas City MMSA earned less than \$48,650 and moderate-income families earned at least \$48,650 and less than \$77,840. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$1,076 and \$1,216 for low-income borrowers covering the periods of 2020-2021 and 2022, respectively. Additionally, this equated to \$1,722 and \$1,946 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$1,234 and \$1,581 in the 2022 period. Demonstrating that low-income borrowers would be severely challenged to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed two community contacts completed prior to the evaluation. The first organization focused on economic development. This mission is accomplished through the dissemination research-based information to residents. The second organization provides housing related services for LMI families. Needs identified include economic development, affordable housing, access online banking services, and financial literacy. It was noted that housing demand continues to outpace current inventory. There is a need for new construction of homes and funding of projects centered around marginalized communities.

Lawrence MSA

Based on bank information and the June 30, 2022 FDIC Deposit Market Share Report, the Lawrence MSA represents 3.1 percent of the bank's statewide deposits. The bank operated one branch in the AA, which had \$50.1 million in deposits. There were 21 other total depository institutions in the Lawrence MSA operating 44 branches with \$3.6 billion in total deposits. The top five banks by deposit market share were Bank of America, Capitol Federal Savings Bank, U.S. Bank, Commerce Bank, and Intrust Bank. These five banks had a combined deposit market share of 66.2 percent.

Based on 2022 aggregate home mortgage and 2021 aggregate small business data, there were 224 home mortgage and 75 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included Mid America Bank, Fairway

Independent Mortgage, Capital Federal Savings Bank, NBH Bank, and Truity Federal Credit Union. These five banks had a combined loan market share of 33.8 percent. The top five small business lenders by number of loans and market share include U.S. Bank, JP Morgan Chase, American Express, The Central Trust Bank, and Capital One Bank. The top five small business lenders had 58.3 percent of the total market share.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Lawrence MSA consists of Douglas County. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Lawrence MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	22	9.1	31.8	36.4	22.7	0.0
Population by Geography	114,967	10.2	29.2	31.9	28.6	0.0
Housing Units by Geography	47,812	6.3	33.6	31.6	28.5	0.0
Owner-Occupied Units by Geography	22,806	1.3	25.4	36.9	36.3	0.0
Occupied Rental Units by Geography	20,923	11.2	41.0	25.8	22.0	0.0
Vacant Units by Geography	4,083	9.0	40.9	31.9	18.2	0.0
Businesses by Geography	8,510	6.0	30.2	31.9	31.9	0.0
Farms by Geography	355	0.6	20.3	53.2	25.9	0.0
Family Distribution by Income Level	23,794	19.1	19.6	20.6	40.7	0.0
Household Distribution by Income Level	43,729	26.4	15.1	17.5	41.0	0.0
Median Family Income MSA - 29940 Lawrence, KS MSA		\$72,755	Median Housing Value			\$188,808
			Median Gross Rent			\$854
			Families Below Poverty Level			8.1%

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

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Lawrence MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	27	0.0	25.9	48.1	18.5	7.4
Population by Geography	118,785	0.0	20.8	48.2	23.1	7.9
Housing Units by Geography	51,039	0.0	24.6	48.0	23.5	3.8
Owner-Occupied Units by Geography	24,333	0.0	17.9	54.0	27.9	0.1
Occupied Rental Units by Geography	23,639	0.0	31.3	42.5	19.3	6.9
Vacant Units by Geography	3,067	0.0	26.4	43.1	21.3	9.1
Business by Geography	8,681	0.0	24.8	45.7	24.4	5.2
Farms by Geography	365	0.0	17.5	59.5	22.7	0.3
Family Distribution by Income Level	26,281	19.6	18.9	22.6	38.9	0.0
Household Distribution by Income Level	47,972	25.1	16.1	17.2	41.6	0.0
Median Family Income MSA - 29940 Lawrence, KS MSA		\$90,062	Median Housing Value			\$211,376
			Median Gross Rent			\$945
			Families Below Poverty Level			6.8%

Source: 2020 U.S. Census. Due to rounding, totals may not equal 100.0%. () The NA category consists of geographies that have not been assigned an income classification.*

According to the 2015 ACS Data, covering 2020 through 2021, the AA was composed of 22 CTs, of which two (9.1 percent) were low-income, seven (31.8 percent) moderate-income, eight (36.4 percent) middle-income, and five (22.7 percent) upper-income CTs. The area population was 114,967, with 11,781 (10.2 percent) residing in low-income CTs and 33,622 (29.2 percent) residing in moderate-income CTs. Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 27. However, there were no low-income CTs, and both moderate- and upper-income CTs remained unchanged at seven and five, respectively. The number of middle-income CTs increased to 13. The AA population increased by 3,818, with the population in moderate-income CTs decreasing by 8,915. The population within the middle- and upper-income CTs increased by 15,139.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2022, was 2.4 percent and lower than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics October 2022 report for the Lawrence MSA, the economy is lagging, with employment edging higher. The top five employers in the area are The University of Kansas, Maximus, Inc, Lawrence Memorial Hospital, Hallmark Cards, and Amarr Entermatic.

Housing

According to the 2015 ACS Data, 22,806 (47.7 percent) of the total housing units in the AA were owner-occupied, 20,923 (43.8 percent) were renter occupied, and 4,083 (8.5 percent) were vacant units. Of all owner-occupied units, 306 (1.3 percent) were located in low-income CTs, and 5,804 (25.4 percent) were located in moderate-income CTs. Of all occupied rental units, 2,350 (11.2 percent) were located in low-income CTs, and 8,581 (41 percent) were located in moderate-income CTs. Of all vacant units, 368 (9 percent) were located in low-income CTs, and 1,668 (40.9 percent) were located in

moderate-income CTs. The median housing value was \$188,808, and the median monthly gross rent was \$854. Based on 2020 U.S. Census Data, total housing units increased by 3,227 (6.8 percent), with a 6.7 percent increase in owner-occupied housing and 13 percent increase in rental housing. However, the percentage of vacant units slightly decreased by 24.9 percent. The median housing value and median monthly gross rent both increased, with the median house value at \$211,376 and median gross rent at \$945.

Affordability

Based on the 2015 ACS Data information in the 2020-2021 table, low-income families within the Lawrence MSA earned less than \$43,325 and moderate-income families earned at least \$43,325 and less than \$69,320. According to the 2020 U.S. Census Data in the 2022 table, low-income families earned less than \$49,550 and moderate-income families earned at least \$49,550 and less than \$79,280. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$1,083 and \$1,293 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,733 and \$1,982 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$1,014 and \$1,135 in the 2022 period. Demonstrating that LMI borrowers would not be challenged to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed one community contact completed prior to the evaluation. The organization focused on economic development through grants. The organization receives funds and donation through private and public individuals and entities and manages donor advised funds for targeted donations, community convenings for donors, and is a grantor for many non-profits. Needs identified include affordable housing and for credit opportunities for developing affordable housing and increasing the housing stock. Small business and entrepreneurship loans are needed to help develop the economy.

Wichita MSA

Based on bank information and the June 30, 2022 FDIC Deposit Market Share Report, SFB operated three branch offices within the AA that had \$116.2 million in total deposits. Additionally, there were 36 other total depository institutions in the Wichita MSA operating 154 branches with \$17.9 billion in total deposits. The top five banks by deposit market share were Intrust Bank, Bank of America, Fidelity Bank, Emprise Bank, and Commerce Bank. These five banks had a combined deposit market share of 69.6 percent.

Based on 2022 aggregate home mortgage and 2021 aggregate small business data, there were 356 home mortgage and 110 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included Credit Union of America, Meritrust Federal Credit Union, Fidelity Bank, Rocket Mortgage, and Capital Federal Savings Bank. These five banks had a combined loan market share of 24.8 percent. The top five small business lenders by number of loans and market share include American Express, Intrust Bank, Bank of America, JP

Morgan Chase, and Capital One Bank. The top five small business lenders had 49.1 percent of the total market share.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Wichita MSA consists of Sedgwick County. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Wichita MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	124	12.1	29.0	27.4	31.5	0.0
Population by Geography	506,529	9.3	24.9	28.5	37.2	0.0
Housing Units by Geography	213,700	10.4	26.8	29.4	33.4	0.0
Owner-Occupied Units by Geography	123,624	5.8	19.6	29.0	45.6	0.0
Occupied Rental Units by Geography	69,337	16.1	36.1	31.6	16.2	0.0
Vacant Units by Geography	20,739	18.7	39.2	24.0	18.1	0.0
Businesses by Geography	36,443	5.9	26.9	26.2	41.0	0.0
Farms by Geography	1,139	4.0	14.7	21.4	59.9	0.0
Family Distribution by Income Level	124,645	21.7	17.7	20.9	39.8	0.0
Household Distribution by Income Level	192,961	24.3	16.8	18.3	40.6	0.0
Median Family Income MSA - 48620 Wichita, KS MSA		\$64,331	Median Housing Value			\$123,957
			Median Gross Rent			\$745
			Families Below Poverty Level			11.0%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Wichita MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	135	5.9	31.1	36.3	25.2	1.5
Population by Geography	523,824	3.8	27.7	36.2	31.6	0.7
Housing Units by Geography	220,638	4.7	30.9	36.0	27.3	1.1
Owner-Occupied Units by Geography	124,213	2.1	21.6	40.2	36.0	0.2
Occupied Rental Units by Geography	75,107	7.5	42.4	31.9	15.9	2.3
Vacant Units by Geography	21,318	10.0	44.4	26.0	17.1	2.4
Business by Geography	36,719	2.6	22.6	32.7	39.0	3.1
Farms by Geography	1,174	0.9	15.8	35.4	46.6	1.2
Family Distribution by Income Level	126,223	20.3	18.6	21.0	40.1	0.0
Household Distribution by Income Level	199,320	23.6	17.6	17.7	41.1	0.0
Median Family Income MSA - 48620 Wichita, KS MSA		\$74,120	Median Housing Value			\$142,797
			Median Gross Rent			\$838
			Families Below Poverty Level			9.2%

Source: 2020 U.S. Census. Due to rounding, totals may not equal 100.0%. () The NA category consists of geographies that have not been assigned an income classification.*

According to the 2015 ACS Data, covering from 2020 through 2021, the AA was composed of 124 CTs, of which 15 (12.1 percent) were low-income, 36 (29 percent) moderate-income, 34 (27.4 percent) middle-income, and 39 (31.5 percent) upper-income CTs. The area population was 506,529 with 47,282 (9.3 percent) residing in low-income CTs and 126,312 (24.9 percent) residing in moderate-income CTs. Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 135. The number of low-income CTs decreased by seven and moderate-income CTs increased by six. The number of middle-income CTs increased by 15 and the number of upper-income CTs decreased by five tracts. Additionally, the AA population increased by 17,295, with the population in low-income CTs decreasing by 27,252 and increasing in moderate-income CTs by 18,954. The population within the middle- and upper-income CTs increased by 22,363.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2022, was 4.4 percent and higher than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics February 2023 report for the Wichita MSA, the Wichita MSA economy has made positive strides and will track the state trajectory. Employment is edging higher. The top five employers in the area are Spirit Aerosystems, Textron Aviation, McConnell Air Force Base, Ascension Via Cristi, and Steven Enterprises.

Housing

According to the 2015 ACS Data, the above tables from 2020 through 2021, 123,624 (57.8 percent) of the total housing units in the AA were owner-occupied, 69,337 (32.4 percent) were renter occupied, and 20,739 (9.7 percent) were vacant units. Of all owner-occupied units, 7,163 (5.8 percent) were located in low-income CTs, and 24,171 (19.6 percent) were located in moderate-income CTs. Of all occupied

rental units, 11,145 (16.1 percent) were located in low-income CTs, and 25,028 (36.1 percent) were located in moderate-income CTs. Of all vacant units, 3,872 (18.7 percent) were located in low-income CTs, and 8,124 (39.2 percent) were located in moderate-income CTs. The weighted average median housing value was \$123,957, and the weighted average monthly gross rent was \$745. Based on 2020 U.S. Census Data, total housing units increased by 6,938 (3.3 percent), with a 4.8 percent increase in owner-occupied housing, 8.3 percent increase in rental housing, and 2.8 percent increase in vacant housing. The weighted average median housing value was \$142,797, and the weighted average monthly gross rent was \$838.

Affordability

Based on information in the above table, from 2020 through 2021, low-income families within the Wichita MSA earned less than \$36,250 and moderate-income families earned at least \$36,250 and less than \$58,000. Based on 2020 U.S. Census Data, covering 2022, low-income families within the Wichita MSA earned less than \$42,850 and moderate-income families earned at least \$42,850 and less than \$68,560. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$906 and \$1,071 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,450 and \$1,714 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$655 and \$767 in the 2022 period. Demonstrating that LMI borrowers would not be severely challenged to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed one community contact completed prior to the evaluation. The organization focused on providing general assistance to businesses of all sizes in the AA, but with a focus on small and medium sized businesses. Needs identified include general education concerning small business ownership and expansion and availability of general loan and deposit products and services.

Scope of Evaluation in Kansas

For the state of Kansas, we completed full-scope reviews of the Kansas City MMSA, Lawrence MSA, and Wichita MSA. We completed limited-scope reviews of the Kansas Non-MSA and Manhattan MSA. In determining AAs for full-scope or limited-scope reviews, examiners considered the Kansas City MMSA and Wichita MSA are the bank's second and third largest AAs based on deposits and lending activity. The Lawrence MSA represents the bank's smallest AA. All three AAs are also MSAs. In arriving at our overall conclusion, we placed equal weight on home mortgage and small loans to businesses. Additionally, for the evaluation period, examiners also placed equal weight on the bank's performance in comparison to aggregate' and demographic' performance. We did not evaluate the bank's consumer or small loans to farms as neither of these are a lending focus of the bank. Additionally, SFB did not originate or purchase enough small loans to farms in any of the AAs receiving a full-scope review to conduct any meaningful analyses.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KANSAS

LENDING TEST

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

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Kansas City MMSA, Wichita MSA, and Lawrence MSA was good.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
Full Scope:							
Kansas City MMSA	422	141	0	5	568	23.2	10.6
Lawrence MSA	132	40	0	1	173	7.1	3.1
Wichita MSA	417	93	0	4	614	25.1	7.3
Limited Scope:							
Non-MSA	545	202	67	4	816	33.3	73.1
Manhattan MSA	240	35	1	0	276	11.3	5.9

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

Dollar Volume of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State*	% State Deposits
Full Scope:							
Kansas City MMSA	141,403	34,553	0	43,550	219,506	39.4	10.6
Lawrence MSA	31,988	6,210	0	2,256	40,454	7.3	3.1
Wichita MSA	87,483	23,541	0	29,432	140,456	25.2	7.3
Limited Scope:							
Kansas non-MSA	78,298	17,124	8,362	5,743	109,527	19.7	73.1
Manhattan MSA	44,143	2,868	2	0	47,013	8.4	5.9

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

Kansas City MMSA

SFB's lending activity in the Kansas City MMSA reflected an excellent responsiveness to the credit needs of the AA.

According to the June 30, 2022 FDIC Summary of Deposits Report, SFB ranked 25th out of 61 depository institutions (top 41 percent) with a deposit market share of 0.6 percent.

Based on 2022 aggregate home mortgage data, SFB's market share of 0.4 percent ranked 56th out of 461 lenders (top 12.2 percent). The top three lenders were Community America Credit Union with 8.5

percent market share, Fairway Independent Mortgage with 5.8 percent market share, and Capitol Federal Savings Bank with 5.6 percent market share.

Based on 2021 aggregate small business loan data, SFB's market share of 0.2 percent ranked 42nd out of 153 lenders (top 27.5 percent). The top three lenders were American Express with 16.7 percent market share, JP Morgan Chase with 12.9 percent market share, and U.S. Bank with 9.3 percent market share. The top five small business loan lenders were institutions with large business credit card portfolios with average loan sizes of \$28,000 or less. SFB's average small business loan size was \$237,000.

Lawrence MSA

SFB's lending activity in the Lawrence MSA reflected an excellent responsiveness to the credit needs of the AA.

According to the June 30, 2022 FDIC Summary of Deposits Report, SFB ranked 14th out of 22 depository institutions (top 63.6 percent) with a deposit market share of 1.4 percent.

Based on 2022 aggregate home mortgage data, SFB's market share of 2 percent ranked 10th out of 224 lenders (top 4.5 percent). The top three lenders were Mid America Bank with 10.5 percent market share, Fairway Independent Mortgage with 8.9 percent market share, and Capitol Federal Savings Bank with 5.1 percent market share.

Based on 2021 aggregate small business loan data, SFB's market share of 0.4 percent ranked 24th out of 75 lenders (top 32 percent). The top three lenders were U.S. Bank with 15.1 percent market share, JP Morgan Chase with 13.7 percent market share, and American Express with 13.1 percent market share. The top three small business loan lenders were institutions with large business credit card portfolios with average loan sizes of \$36,000 or less. SFB's average small business loan size was \$120,000.

Wichita MSA

SFB's lending activity in the Wichita MSA reflected an excellent responsiveness to the credit needs of the AA.

According to the June 30, 2022 FDIC Summary of Deposits Report, SFB ranked 19th out of 37 depository institutions (top 51.4 percent) with a deposit market share of 0.7 percent.

Based on 2022 aggregate home mortgage data, SFB's market share of 0.8 percent ranked 39th out of 356 lenders (top 11 percent). The top three lenders were Credit Union of America with 7 percent market share, Meritrust Federal Credit Union with 5.7 percent market share, and Fidelity Bank with 4.9 percent market share.

Based on 2021 aggregate small business loan data, SFB's market share of 0.2 percent ranked 33rd out of 110 lenders (top 30 percent). The top three lenders were American Express with 14.5 percent market share, Intrust Bank with 13.2 percent market share, and Bank of America with 7.6 percent market share. Excluding Intrust Bank with an average loan size of \$140,000, four of the top five small business loan lenders were institutions with large business credit card portfolios with average loan sizes of \$16,000 or less. SFB's average small business loan size was \$236,000.

Distribution of Loans by Income Level of the Geography

The bank exhibits a good geographic distribution of loans in its AAs. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage loans and small loans to businesses, bank performance context, housing and business demographic data, and the impact of the pandemic that affected all home and small business lenders.

Home Mortgage Loans

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

Kansas City MMSA

The geographic distribution of home mortgage loans was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in low-income geographies equaled, and in moderate-income geographies was well below, the percentage of owner-occupied housing units located in those geographies. The percentage of home mortgage loans originated or purchased in low-income geographies exceeded, and in moderate-income geographies was below, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance, as the percentage of home mortgage loans originated or purchased in LMI geographies exceeded both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

Lawrence MSA

The geographic distribution of home mortgage loans was excellent.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in LMI geographies exceeded both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was consistent with the 2020 through 2021 performance.

Wichita MSA

The geographic distribution of home mortgage loans was adequate.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in low-income geographies was well below, and in moderate-income geographies was below, both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance, as the percentage of home mortgage loans originated or purchased in low-income geographies was near-to, and in moderate-income geographies exceeded, the percentage of owner-occupied housing units located in

those geographies. The percentage of home mortgage loans originated or purchased in both LMI geographies exceeded the aggregate percentage of all reporting lenders.

Small Loans to Businesses

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

Kansas City MMSA

The geographic distribution of small loans to businesses was adequate. Included in this analysis were 48 PPP loans totaling \$8.7 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in low-income geographies was well below, and in moderate-income geographies was near-to, the percentage of businesses located in those geographies. The percentage of small loans to businesses originated or purchased in low-income geographies was well below, and in moderate-income geographies was below, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was consistent with the 2020 through 2021 performance.

Lawrence MSA

The geographic distribution of small loans to businesses was excellent. Included in this analysis were 26 PPP loans totaling \$3.7 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in LMI geographies exceeded the percentage of businesses located in those geographies. The percentage of small loans to businesses originated or purchased in low-income geographies exceeded, and in moderate-income geographies approximated, the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of small loans to businesses to perform a meaningful analysis.

Wichita MSA

The geographic distribution of small loans to businesses was adequate. Included in this analysis were 49 PPP loans totaling \$6.3 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of small loans to businesses originated or purchased in low-income geographies was well below, and in moderate-income geographies exceeded, the percentage of businesses in those geographies. The percentage of small loans to businesses originated or purchased in

low-income geographies was well below, and in moderate-income geographies exceeded, the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of small loans to businesses to perform a meaningful analysis.

Lending Gap Analysis

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

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among individuals of different income levels and business of different sizes, given the product lines offered by the institution. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage and small loans to small businesses within each AA and the impact of the pandemic. We also gave consideration to demographics and the general affordability of housing for LMI borrowers in each AA.

Home Mortgage Loans

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

Kansas City MMSA

The distribution of home mortgage loans among individuals of different income levels was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was below, and to moderate-income borrowers exceeded, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers was below, and to moderate-income borrowers exceeded the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance. The percentage of home mortgage loans originated or purchased to low-income borrowers exceeded the both the percentages of those families living in the AA and the aggregate percentage of all reporting lenders.

Lawrence MSA

The distribution of home mortgage loans among individuals of different income levels was excellent.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was near-to, and to moderate-income borrowers exceeded, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers was

approximated, and to moderate-income borrowers exceeded, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance. The percentage of home mortgage loans originated or purchased to low-income borrowers approximated the percentage of those families in the AA and exceeded the aggregate percentage of all reporting lenders.

Wichita MSA

The distribution of home mortgage loans among individuals of different income levels was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was below, and to moderate-income borrowers exceeded, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers approximated, and to moderate-income borrowers exceeded, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance. The percentage of home mortgage loans originated or purchased to low-income borrowers approximated the percentage of those families living in the AA and exceeded the aggregate percentage of all reporting lenders.

Small Loans to Businesses

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

Kansas City MMSA

The distribution of loans to businesses of different sizes was good. Included in this analysis were 48 PPP loans totaling \$8.7 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was below the percentage of small businesses in the AA but exceeded the aggregate percentage of all reporting lenders.

For 2022, the bank's performance in comparison to the percentage of small businesses was stronger than with the 2020 through 2021 performance, as the bank's percentage was near-to the percentage of small businesses in the AA.

Lawrence MSA

The distribution of loans to businesses of different sizes adequate. Included in this analysis were 26 PPP loans totaling \$3.7 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was well below the percentage of small businesses in the AA but was near-to the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of home mortgage loans to perform a meaningful analysis.

Wichita MSA

The distribution of loans to businesses of different sizes was adequate. Included in this analysis were 49 PPP loans totaling \$6.3 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was well below the percentage of small businesses in the AA but was near-to the aggregate percentage of all reporting lenders.

For 2022, the bank did not originate or purchase a sufficient number of home mortgage loans to perform a meaningful analysis.

Community Development Lending

The institution is a leader in making CD loans. Overall CD lending had a positive effect on the Lending Test conclusion. In determining our overall rating, we considered the impact of strong and increasing competition for CD loans in each of the AAs.

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

Kansas City MMSA

The level of CD lending was excellent. SFB made five CD loans totaling over \$43.6 million, which represented 203.7 percent of allocated tier 1 capital. The bank utilized CD loans in a leadership position, which were impactful as they were responsive to identified community needs and economic development. By dollar volume, 80 percent of these loans funded economic development and 20 percent funded revitalization and stabilization efforts. During the review period, SFB submitted a bid proposal on one CD transaction totaling \$2 million that was lost to other lenders.

Examples of CD loans in the AA include:

- An \$11 million loan to an organization whose purpose is to attract and retain existing businesses or residents in LMI geographies. The organization provides general labor staffing for manufacturing,

construction, and restoration, including workers for travel crews, fulfillment, cleaning services, and event staffing.

- A \$28 million loan for a redevelopment project supported by the city to bring both economic development and affordable housing opportunities to an identified area of blight.

Lawrence MSA

The level of CD lending was excellent. SFB made one CD loan totaling over \$2.3 million, which represented 35.8 percent of allocated tier 1 capital. Though the loan was not innovative, complex, or in a leadership position, the CD loan was impactful as it was responsive to identified community needs as 100 of the funds benefitted affordable housing.

The one CD loan in the AA was:

- A \$2.3 million loan for the purchase of a 71-unit apartment located in a moderate-income tract. This complex aligns with HUD's affordable rent calculation, not exceeding 30 percent of the calculated LMI median income and thus met the stated need for additional affordable housing in the AA.

Wichita MSA

The level of CD lending was excellent. SFB made four CD loans totaling \$29.4 million, which represented 201.3 percent of allocated tier 1 capital. The bank utilized CD loans in a leadership position, which were impactful as they were responsive to identified community needs. By dollar volume, 50 percent of these loans funded affordable housing and 50 percent funded revitalization and stabilization efforts. During the review period, SFB submitted a bid proposal on one CD transactions totaling \$13.7 million that was lost to other lenders.

Examples of CD loans in the AA include:

- A \$23.5 million loan that helped refinance the iconic Union Station, originally opened in 1914, and will allow additional tenants to occupy the space, providing jobs and entertainment to the surrounding LMI areas.
- A \$550,000 loan to help develop 224 LMI housing units.

Broader Statewide or Regional Areas

SFB made one additional CD loan totaling approximately \$1.1 million that directly benefitted the AAs as well as the broader statewide area. The loan was a PPP loan to retain/pay employees during the COVID-19 pandemic.

Product Innovation and Flexibility

The institution made extensive use of innovative and/or flexible lending practices in order to serve AA credit needs. During the evaluation period, SFB made 230 loans totaling \$48.8 million among the various flexible lending products available in each full-scope AA. This included 24 Home Possible loans totaling \$4.4 million, 60 FHA loans totaling \$12.9 million, and 29 Home Ready loans totaling \$5.9 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performances under the Lending Test in both the Kansas non-MSA and Manhattan MSA are weaker than the bank's overall performance under the Lending Test in the full-scope areas. The bank's performance in the Kansas non-MSA is weaker because it originated or purchased a limited dollar volume of CD loans within the AA, and the bank's performance in the Manhattan MSA is weaker because they did not originate or purchase any CD loans within the AA during the evaluation period. Performance in the limited-scope review areas had a neutral impact on the Lending Test rating for the state of Kansas.

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

INVESTMENT TEST

The institution's performance under the Investment Test in Kansas is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Kansas City MMSA, Lawrence MSA, and Wichita MSA was excellent.

Number and Amount of Qualified Investments

Qualified Investments*										
Assessment Area	Prior Period**		Current Period		Total				Unfunded Commitments***	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full-Scope:										
Kansas City MMSA	2	163	14	3,167	16	10.5	3,330	16.0	0	0
Lawrence MSA	1	287	4	720	5	3.3	1,007	4.8	0	0
Wichita MSA	4	552	12	2,360	16	10.6	2,911	13.9	0	0
Limited-Scope:										
Kansas Non-MSA	5	940	92	11,142	97	63.8	12,082	57.9	0	0
Manhattan MSA	4	530	14	1,021	18	11.8	1,551	7.4	0	0
Total	16	2,472	136	18,410	152	100.0	20,882	100.0	0	0

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

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

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

Kansas City MMSA

SFB had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and

prior-period investments represented 15.6 percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank occasionally used innovative and/or complex investments to support CD initiatives with MBS representing 70.1 percent of investment dollars. SFB had five qualified investments totaling \$3.3 million related to affordable housing, and 11 qualified donations and grants totaling \$52,425 to organizations focusing on community services to LMI individuals, affordable housing, and economic development.

Examples of qualified investments in the AA include:

- A \$981,857 investment in a LIHTC, which the funding was used to acquire and rehabilitate a 42-unit housing complex. The property, located in a low-income geography, restricted all units to senior residents that made 60 percent or less of the area median family income.
- Two MBS totaling approximately \$ 2.1 million in aggregate, comprised of a majority of mortgage loans to LMI individuals within the AA.

Lawrence MSA

SFB had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 16 percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank rarely used innovative and/or complex investments to support CD initiatives with MBS representing 100 percent of investment dollars. SFB had four qualified investments totaling \$1million related to affordable housing, and three qualified donations and grants totaling \$1,896 to an organization that provided community services to LMI individuals.

Examples of qualified investments in the AA include:

- A \$ 717,633 investment in MBS, comprised of a majority of mortgage loans to LMI individuals within the AA.
- A donation of \$1,000 to a non-profit organization that helps mentor troubled youth.

Wichita MSA

SFB had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 19.9 percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank occasionally used innovative and/or complex investments to support CD initiatives with MBS representing 82.7 percent of investment dollars. SFB had eight qualified

investments totaling \$2.9 million related to affordable housing, and eight qualified donations and grants totaling \$23,575 to an organization that provided community services to LMI individuals.

Examples of qualified investments in the AA include:

- Provided three MBS totaling \$1.8 million, which were comprised with a majority of mortgage loans to LMI individuals.
- A \$500,000 investment in a LIHTC fund, to acquire and rehabilitate a 10-unit housing complex. The property, located in a low-income geography, restricted all units to senior residents 62 years-old or better that made 60 percent or less of the area median family income.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Investment Test in the Kansas non-MSA and Manhattan MSA was consistent with the bank's overall performance under the Investment Test in the full-scope areas.

SERVICE TEST

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

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the Wichita MSA was good, while the bank's performance in the Kansas MSA and Lawrence MSA was adequate.

Retail Banking Services

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

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Scope:											
Kansas City MMSA	10.6	2	8.7	0	0	0	100.0	1.0	6.8	35.8	56.4
Lawrence MSA	3.1	1	4.4	0	0	0	100.0	0	20.8	48.2	23.1
Wichita MSA	7.3	3	13.0	0	33.3	33.3	33.3	3.8	27.7	36.2	31.6
Limited Scope:											
Kansas non-MSA MSA	73.1	15	65.2	0	13.3	60.0	26.7	0	18.3	54.2	27.5
Manhattan MSA	5.9	2	8.7	0	0	100.0	0	0	26.5	41.1	30.4

Kansas City MSA

The bank's distribution of branches in LMI geographies was significantly below the percentage of the population living within those geographies. SFB only had two branches; however, there were only two low-income CTs in the AA. Additionally, the percentage of population within both the LMI geographies was only one percent and 6.8 percent, respectively. Though the bank did not have branches located in LMI geographies, service delivery systems were reasonably accessible to LMI individuals. The bank also operated two non-deposit taking ATMs within the AA.

Lawrence MSA

The bank's distribution of branches in moderate-income geographies was significantly below the percentage of the population living within those geographies. SFB operated only one branch in the AA, and there were no low-income CTs and only seven moderate-income tracts. However, service delivery systems were reasonably accessible to LMI individuals. The bank also operated one non-deposit taking ATM within the AA.

Wichita MSA

The bank's distribution of branches in low-income geographies was significantly below, and in moderate-income geographies exceeded, the percentage of the population living within those geographies. Additionally, the branch offices in both the middle- and upper-income tracts were near-to and service the nearby geographies. The bank also operated one non-deposit taking ATMs within the AA.

Alternate Delivery Systems

SFB had several alternative delivery systems including debit cards, mobile, and online banking services. The bank also provides merchant services. These systems provided additional delivery availability and access to banking services to both retail and business customers. SFB's branch business hours did not vary in a way that inconveniences LMI individuals in the AAs. Services offered and branch hours were comparable between branches regardless of the income level of the geographies for each AA.

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

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. The bank opened one branch in a moderate-income geography. The bank closed two branches, which included one in a moderate-income and one in a middle-income geography. The branch closure within the Lawrence MSA was the result of limited business and the branch closure in the Kansas non-MSA was the result of consolidation into another branch within the AA.

Services, including where appropriate, business hours, were tailored to the convenience and needs of the various portions of its AA(s), particularly LMI geographies and/or individuals. SFB maintained standard business hours and offered traditional banking products and services at all branch locations in the AA. Branches were open late on Fridays and the vast majority of the branches had Saturday hours. The branches closed on Saturdays were in areas with minimal retail business activity on the weekend.

Community Development Services

Kansas City MSA

The institution provided a relatively high level of CD services. During the evaluation period, eleven bank employees provided CD services through five organizations totaling 259 hours. Nine bank employees conducted financial education events, and two bank employees served in leadership roles by

participating on boards and committees for two different CD organizations that focused on community services for LMI individuals and/or geographies or affordable housing.

Examples of CD services in the AA include:

- Employees volunteered with the American Heart Association's STEM program to provide guidance and financial education to LMI high students.
- An employee was a board member, providing financial and technical assistance, to an organization that provided homeless families with jobs and assisted in the transition of these families from high-rent motels and shelters into permanent housing.

Lawrence MSA

The institution provided a low-level CD services. During the evaluation period, one bank employee worked with an organization that provides community services and education. During the review period, the employee conducted financial education totaling 30 hours.

Wichita MSA

The institution provided an adequate level of CD services. Three bank employees provided CD services through three organizations totaling 85 hours. During the evaluation period, one bank employee spent 65 hours serving in leadership role by participating on the board for a CD organization. Another bank employee conducted one financial education event totaling two hours in coordination with one organization, while the third employee served 15 hours in a leadership role on the board of an organization that provides support services to low-income individuals.

Examples of CD services in the AA include:

- A bank officer served on the board of an organization that provides support to women who are victims of sex trafficking.
- A senior level bank employee sat on the board of an organization that provided day-care services targeted to inner-city youth.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Kansas non-MSA was stronger than the bank's overall performance in the full-scope areas. The bank's stronger performance in the Kansas non-MSA was due to the higher branch distributions and the significant level of CD services performed by employees. The bank performance in the Manhattan MSA was consistent with the bank's overall performance under the Service Test in the full-scope areas. The bank's performance within the limited scope AAs had a positive impact on the overall service test rating.

State of Arizona

CRA rating for the State of Arizona: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: High Satisfactory

The major factors that support this rating include:

- Lending levels that reflect an excellent responsiveness to AA needs.
- The bank exhibited a good geographic distribution of loans in the AA.
- The bank exhibited a good distribution of loans among individuals of different incomes and businesses of different sizes.
- An excellent level of CD loans in the AA, which has a positive impact on the lending Test rating.
- The bank had an excellent level of qualified CD investments and donations.
- Service delivery systems that are accessible to geographies and individuals of different income levels in the bank's AA.
- The institution provided a relatively high level of CD services.

Description of Institution's Operations in the state of Arizona

The bank delineated one AA within the state of Arizona. The AA included one county within the Phoenix-Mesa-Chandler, AZ MSA (Phoenix-Mesa-Chandler MSA). Refer to appendix A, Scope of Examination, for a list of counties that compose each AA.

The state of Arizona represents the bank's fifth largest market, with approximately 4.3 percent of bank-wide deposits, four branch offices, and one deposit taking ATMs.

Phoenix-Mesa-Chandler MSA

Based on the June 30, 2022, FDIC Deposit Market Share Report, SFB had \$256.4 million in deposits in this AA. Additionally, the bank ranked 34th with 0.14 percent market share. The top five banks included JP Morgan Chase, Wells Fargo, Bank of America, Western Alliance Bank, and Midfirst Bank with 345 branches and 79.2 percent of the deposit market share. In addition to SFB and the top five banks, there were 55 additional FDIC-insured depository institutions with 325 offices within these AAs.

Based on 2022 aggregate home mortgage and 2021 aggregate small business data, there were 567,580 home mortgage and 134,909 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share included United Wholesale Mortgage, Rocket Mortgage, Fairway Independent Mortgage Corporation, JP Morgan Chase, and LoanDepot.com, LLC. These five home mortgage lenders had a combined loan market share of 26.1 percent. The top five small business lenders included JPMorgan Chase, American Express, Wells Fargo, Bank of America, and Citibank, with a combined total market share of 63.39 percent.

The below tables provide a summary of the demographics that include housing, business, and farm information for the AA in 2020-2021 and 2022. The Phoenix-Mesa-Chandler MSA consists of Maricopa County. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Phoenix-Mesa-Chandler AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	916	11.5	22.5	31.2	33.4	1.4
Population by Geography	4,018,143	11.1	22.9	31.3	34.4	0.3
Housing Units by Geography	1,668,555	9.8	23.4	33.3	33.4	0.1
Owner-Occupied Units by Geography	875,327	4.6	18.8	34.7	41.9	0.0
Occupied Rental Units by Geography	567,191	17.1	29.4	31.2	21.9	0.3
Vacant Units by Geography	226,037	11.8	25.6	33.2	29.3	0.2
Businesses by Geography	792,533	7.0	15.2	29.5	47.8	0.5
Farms by Geography	12,656	7.2	18.5	28.9	45.1	0.3
Family Distribution by Income Level	945,115	21.8	16.9	19.2	42.2	0.0
Household Distribution by Income Level	1,442,518	23.3	16.3	17.7	42.7	0.0
Median Family Income MSA - 38060 Phoenix-Mesa-Chandler, AZ MSA		\$63,686	Median Housing Value			\$203,811
			Median Gross Rent			\$993
			Families Below Poverty Level			12.6%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Phoenix-Mesa-Chandler						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,009	6.3	25.7	31.1	34.5	2.4
Population by Geography	4,420,568	5.8	25.6	32.6	35.4	0.6
Housing Units by Geography	1,765,880	5.4	26.5	33.5	34.3	0.4
Owner-Occupied Units by Geography	1,008,487	2.6	20.6	34.7	41.9	0.1
Occupied Rental Units by Geography	588,297	10.0	35.6	31.6	22.1	0.7
Vacant Units by Geography	169,096	5.6	29.3	32.5	32.0	0.6
Businesses by Geography	936,819	4.0	18.3	28.2	48.9	0.6
Farms by Geography	14,841	4.4	20.3	29.9	44.7	0.7
Family Distribution by Income Level	1,047,899	20.4	17.9	20.0	41.7	0.0
Household Distribution by Income Level	1,596,784	22.3	16.9	18.5	42.3	0.0
Median Family Income MSA - 38060 Phoenix-Mesa-Chandler, AZ MSA		\$78,930	Median Housing Value			\$292,183
			Median Gross Rent			\$1,221
			Families Below Poverty Level			9.1%
<i>Source: 2020 U.S. Census and 2022 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

According to the 2015 ACS Data, covering 2020 through 2021, the AA was composed of 916 CTs, of which 105 (11.5 percent) were low-income, 206 (22.5 percent) moderate-income, 286 (31.2 percent) middle-income, and 306 (33.4 percent) upper-income. The area population was 4,018,143 with the majority of residents living in middle- and upper-income CTs. However, the population living in low- and moderate-income CTs equates to 446,014 (11.1 percent) and 920,155 (22.9 percent), respectively. As of 2022, the number of CTs within the AA increased to 1,009. The number of low- and moderate-income CTs decreased by 41 and increased by 53, respectively, while the number of middle- and upper-income CTs increased by 28 and 42, respectively. Additionally, the AA population increased by 402,425, with the low- and moderate-income population increasing by 21,889. The middle- and upper-income population increased by 366,066.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2022, was 2.9 percent and is lower than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics August 2022 report for the Phoenix-Mesa-Scottsdale AZ MSA, the economy is at cruising altitude. Weaknesses include average wages that are well below those of the West and high cyclical due to dependence on investment and population inflows. Strengths include robust population growth and in-migration, hub for expansion and relocation of banks, insurance companies, and business services firms. The top five employers in the area are Banner Health System, Walmart, Inc., Fry's Food Stores, Wells Fargo, and Arizona State University.

Housing

Based on information in the above tables, from 2020-2021, 875,327 (53 percent) of the total housing units in the AA were owner-occupied, 567,191 (34percent) were renter occupied, and 226,037 (14percent) were vacant units. Of all owner-occupied units, 40,265 (4.6 percent) were located in low-income CTs, and 164,561 (18.8 percent) were located in moderate-income CTs. Of all occupied rental units, 96,990 (17.1 percent) were located in low-income CTs, and 166,754 (29.4 percent) were located in moderate-income CTs. Of all vacant units, 26,672 (11.8 percent) were located in low-income CTs, and 57,865 (25.6 percent) were located in moderate-income CTs. The median housing value was \$203,811, and the median monthly gross rent was \$993. As of 2022, total housing units increased by 97,325 (5.8 percent), with a 15.2 percent increase in owner-occupied housing, a 3.7 percent increase in occupied rental units, and a decrease in vacant units by 56,941 (25.2 percent). The median housing value and median monthly gross rent both significantly increased, with the median house value at \$292,183 and median gross rent at \$1,221.

Affordability

Based on information in the 2020-2021 table, low-income families within the Phoenix-Mesa-Chandler MSA earned less than \$31,843 and moderate-income families earned between \$31,843 and less than \$50,949. For 2022, low-income families earned less than \$39,465 and moderate-income families earned at least \$39,465 and less than \$63,144. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$796 and \$987 for low-income borrowers in 2020-2021 and 2022, respectively. Additionally, this equated to \$1,274 and \$1,579 for moderate-income borrowers, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the

monthly mortgage payment for a home at the MSA median housing value in 2020-2021 would be \$1,094 and \$1,569 in 2022. Demonstrating low-income borrowers would be severely challenged to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed two community contacts completed prior to the evaluation. The first organization focuses on economic development through attraction of businesses, support of current businesses, and local workforce development. The second organization focuses on homeownership through counseling services, neighborhood development, and financial access. Both community contacts identified the need for affordable housing. This includes both rental and ownership. It was noted by both organizations that housing inventory, specifically for starter homes remained very low while demand remains very high. This has made homes less affordable for low-, moderate-, and middle-income workers. Other identified needs include public transportation, loans for small businesses, and small consumer loans.

Scope of Evaluation in the state of Arizona

For the state of Arizona, we completed a full-scope review of the Phoenix-Mesa-Chandler MSA AA. This AA represents 100 percent of the bank's deposits and loans in the state as the bank does not have any other AAs in the state of Arizona. In arriving at our overall conclusion, we placed equal weight on home mortgage and small loans to businesses. Additionally, for the evaluation period, examiners also placed equal weight on the bank's performance in comparison to aggregate' and demographic' performance. We did not evaluate the bank's consumer or small loans to farms as neither of these are a lending focus of the bank. Additionally, SFB did not originate or purchase enough small loans to farms in any of the AAs to conduct any meaningful analyses.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ARIZONA

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Phoenix-Mesa-Chandler AA is good.

Lending Activity

Lending levels reflects excellent responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Full-Scope:							
Phoenix-Mesa-Chandler MSA	2,967	499	0	10	3,476	100.0	100.0
Total	2,967	499	0	10	3,476	100.0	100.0

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

Dollar Volume of Loans* (\$000)							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Full-Scope:							
Phoenix-Mesa-Chandler MSA	1,071	148	0	27,370	28,589	100.0	100.0
Total	1,071	148	0	27,370	28,589	100.0	100.0

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

SFB's lending activity in the Phoenix-Mesa-Chandler MSA reflected an excellent responsiveness to the credit needs of the AA.

SFB ranked 34th out of 61 depository institutions (top 55.7 percent) with a deposit market share of 0.1 percent.

For home mortgage loans, SFB's market share of 0.3 percent ranked 66th out of 994 lenders (top 6.6 percent). The top three lenders were United Wholesale Mortgage with 8 percent market share, Rocket Mortgage with 7.7 percent market share, and Fairway Independent Mortgage Corp with 3.7 percent market share.

For small loans to businesses, SFB's market share of 0.1 percent ranked 48th out of 304 lenders (top 15.8 percent). The top three lenders were JP Morgan Chase with 18.9 percent market share, American Express with 16.4 percent market share, and Wells Fargo with 10.7 percent market share. The top three small business loan lenders were institutions with large business credit card portfolios with average loan sizes of less than \$25,000. SFB's average small business loan size was \$334,000.

Distribution of Loans by Income Level of the Geography

The bank exhibits a good geographic distribution of loans in its AA. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage loans and small loans to businesses, bank performance context, housing and business demographic data, and the impact of the pandemic that affected all home and small business lenders.

Home Mortgage Loans

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

The geographic distribution of home mortgage loans was adequate.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in low-income geographies was well below, and in moderate-income geographies was below, the percentage of owner-occupied housing units located in those geographies. The percentage of home mortgage loans originated or purchased in low-income geographies was well below, and in moderate-income geographies was near-to, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance. Stronger performance was due to higher percentages of loans in both LMI geographies as compared to the percentage of owner-occupied housing units and the aggregate percentage of all reporting lenders.

Small Loans to Businesses

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

The geographic distribution of small loans to businesses was excellent. Included in this analysis were 29 PPP loans totaling \$4.4 million to small businesses located in LMI geographies that provided support during the COVID-19 pandemic.

For 2020 through 2021, the percentages of small loans to businesses originated or purchased in LMI geographies exceeded both the percentages of businesses located in those geographies and the aggregate percentage of all reporting lenders.

For 2022, the bank's performance in comparison to the percentage of businesses located in LMI geographies was consistent with the 2020 through 2021 performance.

Lending Gap Analysis

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

Distribution of Loans by Income Level of the Borrower

The bank exhibits a good distribution of loans among individuals of different income levels and business of different sizes, given the product lines offered by the institution. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage and small loans to small businesses within each AA and the impact of the pandemic. We also gave consideration to demographics and the general affordability of housing for LMI borrowers in each AA.

Home Mortgage Loans

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

The distribution of home mortgage loans among individuals of different income levels was good.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was below, and to moderate-income borrowers exceeded, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers was near-to, and to moderate-income borrowers exceeded, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than the 2020 through 2021 performance. Stronger performance was due to a higher percentage of loans to low-income borrowers as compared to the aggregate percentage of all reporting lenders.

Small Loans to Businesses

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

The distribution of loans to businesses of different sizes was adequate. Included in this analysis were 93 PPP loans totaling \$12.7 million that helped support small businesses during the COVID-19 pandemic.

For 2020 through 2021, the percentage of loans to small businesses originated or purchased was well below the percentage of small businesses in the AA, and near-to the aggregate percentage of all reporting lenders.

For 2022, the bank's performance in comparison to the percentage of small businesses was consistent with the 2020 through 2021 performance.

Community Development Lending

The institution is a leader in making CD loans. Overall CD lending had a positive effect on the Lending Test conclusion. In determining our overall rating, we considered the impact of strong and increasing competition for CD loans in each of the AAs.

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

The level of CD lending was excellent. SFB made ten CD loans totaling \$27.4 million which represented 84.8 percent of allocated tier 1 capital. Although the loans were not innovative, complex, or placed the bank in a leadership position, the CD loans were impactful as they were responsive to identified community needs. By dollar volume, 39.3 percent of these loans funded revitalization and stabilization efforts, 31.4 percent funded economic development activities, 26.7 percent funded community services, and 2.6 percent funded affordable housing.

Examples of CD loans in the AA include:

- A \$7.6 million SBA 504 loan to assist expansion of a commercial laundry business located in a moderate-income geography. The SBA 504 program supports small businesses creating and/or retaining jobs by providing small businesses with long-term financing used to acquire and improve major fixed assets.

- A \$5.3 million loan to finance the construction of three contiguous commercial buildings in a low-income geography in northern Phoenix. The construction project is also located within the city’s designated redevelopment area and within an Opportunity Zone. The financing supported revitalization and stabilization of the distressed area.
- A \$4.1 million loan to participate within a \$12.5 million loan pool. The purpose of loan is to fund the refinance of several properties as well as the purchase of a property being leased by a nonprofit, community service organization. The organization provides supportive services for LMI individuals become economically and politically empowered and self-sufficient. The services offered are health and human services, housing, education, economic development, and advocacy.

Product Innovation and Flexibility

The institution makes extensive use of innovative and/or flexible lending practices in order to serve AA credit needs. During the evaluation period, SFB made 415 loans totaling \$123.9 million among the various flexible lending products available in each AA. This included 92 Home Possible and Home Ready loans totaling \$22.6 million, 118 FHA loans totaling \$33.1 million, 114 VA loans totaling \$41.7 million, 33 Arizona State and Agency Housing loans with downpayment assistance totaling \$9.1 million, and 58 CRA Conforming Portfolio Program loans totaling \$17.4 million.

INVESTMENT TEST

The bank’s performance under the Investment Test in Arizona is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s performance in the Phoenix-Mesa-Chandler AA was excellent.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000’s)	#	\$(000’s)	#	% of Total #	\$(000’s)	% of Total \$	#	\$(000’s)
Phoenix-Mesa-Chandler AA	2	336	25	2,883	27	100.0	3,219	100.0	0	0.0

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

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

SFB had an excellent level of qualified CD investment and grants though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented ten percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank rarely used innovative and/or complex investments to support CD initiatives with MBS representing 87.6 percent of investment dollars. SFB had six qualified investments totaling \$2.8 million related to affordable housing, and 21 qualified donations and grants totaling \$400,000 to

community service organizations that provided community services, educational, and affordable housing services to LMI individuals.

Examples of qualified grants in the AA include:

- Four dollar-for-dollar tax credit donations, totaling \$240,000, to two nonprofit, school tuition organizations. These organizations provide scholarship assistance to help low-income families and families with disabled/displaced children.
- Two donations totaling \$75,000 to a hospital foundation for the purpose of providing the hospital with private workspace pods for parents of ill children so they can work while remaining close to their children. Majority of the patients served are LMI families.
- A \$30,000 donation to a nonprofit community organization that provides a wide range of programs and services including dining rooms, shelters, a medical and dental clinic, homelessness prevention services. The organization also provides support services for individuals and families experiencing poverty and homelessness.

SERVICE TEST

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s performance in the Phoenix-Mesa-Chandler AA was good.

Retail Banking Services

Service delivery systems are accessible to geographies and individuals of different income levels in the institution’s AA, particularly LMI geographies and/or to LMI individuals.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Phoenix-Mesa-Chandler AA	100.0	4	100.0	25.0	0.0	0.0	75.0	20.4	17.9	20.0	41.7

SFB’s branch distribution in low-income geographies exceeded, and in moderate-income geographies was significantly below, the percentage of the population living within those geographies. The bank operated one non-deposit taking ATM within the AA.

Alternate Delivery Systems

SFB had several alternative delivery systems including debit cards, mobile, and online banking services. The bank also provides merchant services. These systems provided additional delivery availability and access to banking services to both retail and business customers. SFB's branch business hours did not vary in a way that inconveniences LMI individuals in the AAs.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Phoenix-Mesa-Chandler AA	1	0				
			+1	0	0	0

To the extent changes have been made, the institution's opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. During the evaluation period, SFB opened one branch in a low-income tract expanding its branch network in the AA.

Services, including where appropriate, business hours, were tailored to the convenience and needs of the various portions of its AA(s), particularly LMI geographies and/or individuals. SFB maintained standard business hours and offered traditional banking products and services at all branch locations in the AA.

Community Development Services

The institution provides a relatively high level of CD services. During the evaluation period, five bank employees spent 210.5 hours serving in leadership roles by participating on boards and committees for five different CD organizations. In addition, one bank employee provided financial education classes targeted LMI individuals totaling 44 hours in coordination with an organization. and three employees provided 63 hours of technical expertise by organizing and planning a fundraising event and making presentation materials for financial educators.

Examples of CD services in the AA include:

- An employee was a member of the finance committee of a nonprofit, charitable foundation with a mission to assist children and families, and others in need.
- An employee provided financial education classes for unemployed individuals. The organization provides supportive services for incarcerated individuals and the individuals returned to society.

State of Washington

CRA rating for the State of Washington: Outstanding

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- The bank exhibited an excellent geographic distribution of home mortgage loans.
- The bank exhibited an excellent distribution of loans among individuals of different income levels and business different sizes, given the product lines offered by the institution.
- The bank is a leader in making CD investments.
- Service delivery systems are accessible to geographies and individuals of different income levels in the bank's AA.
- The institution provided a few, if any, CD services.

Description of Institution's Operations in Washington

The bank delineated one AA within the state of Washington. The AA included one county within the Spokane in the Spokane-Spokane Valley, WA MSA (Spokane-Spokane Valley MSA). Refer to appendix A, Scope of Examination, for a list of counties that compose each AA.

The state of Washington was the bank's sixth largest state rating area. Based on bank information, the bank operated one branch office in the Spokane-Spokane Valley MSA, which was opened on May 17, 2021.

Spokane-Spokane Valley MSA

Based on the June 20, 2022 FDIC Deposit Market Share Report, the bank maintained \$2.3 million or less than one percent (0.04 percent) of its total domestic deposits in this AA. SFB reported the lowest market share Spokane county with only 0.02 percent. There were 15 other depository institutions in the AA operating 87 branches with \$11.5 billion in total deposits. The top five banks by deposit market share were Washington Trust Bank, Bank of America, U.S. Bank, JP Morgan Chase, and Banner Bank. These five banks had a combined deposit market share of 72.4 percent.

According to 2022 aggregate home mortgage and 2021 aggregate small business data, there were 418 home mortgage and 95 small business lenders that originated or purchased loans within the AA. The top five home mortgage lenders by number of loans and market share include Spokane Teachers Credit Union, Rocket Mortgage, Numerica Credit Union, United Wholesale Mortgage, and Washington Trust Bank. These five banks have a combined loan market share of 31.8 percent. The top five small business lenders by number of loans and market share include JP Morgan Chase, Washington Trust Bank, American Express, Bank of America, and U.S. Bank. The top five small business lenders had 55.8 percent of the total market share.

The following tables provide a summary of the demographics, including housing and business information for the AA. The Spokane-Spokane Valley MSA, which consists of Spokane County. The AA met the requirements of the CRA and did not arbitrarily exclude any LMI geographies.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2020-2021 Spokane-Spokane Valley MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	105	1.0	26.7	47.6	23.8	1.0
Population by Geography	480,832	0.6	25.0	44.8	28.8	0.9
Housing Units by Geography	205,487	0.6	26.2	44.4	27.5	1.4
Owner-Occupied Units by Geography	119,096	0.1	17.8	46.9	34.9	0.4
Occupied Rental Units by Geography	70,375	1.4	38.4	41.2	16.2	2.8
Vacant Units by Geography	16,016	0.6	35.1	40.1	21.6	2.6
Businesses by Geography	47,101	3.0	33.9	35.8	26.4	0.9
Farms by Geography	1,642	1.2	15.7	45.5	37.5	0.1
Family Distribution by Income Level	119,767	20.1	16.8	22.0	41.2	0.0
Household Distribution by Income Level	189,471	24.2	16.3	16.9	42.6	0.0
Median Family Income MSA - 44060 Spokane-Spokane Valley, WA MSA		\$62,064	Median Housing Value			\$190,889
			Median Gross Rent			\$786
			Families Below Poverty Level			10.3%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022 Spokane-Spokane Valley MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	130	3.1	26.9	42.3	26.2	1.5
Population by Geography	539,339	2.4	25.8	43.5	27.0	1.3
Housing Units by Geography	219,964	2.7	27.2	43.9	25.2	1.1
Owner-Occupied Units by Geography	130,298	1.9	16.7	48.6	32.7	0.1
Occupied Rental Units by Geography	76,204	3.9	44.2	36.4	13.0	2.5
Vacant Units by Geography	13,462	3.3	31.8	40.7	21.2	2.9
Businesses by Geography	64,266	1.1	24.4	33.6	22.3	18.5
Farms by Geography	1,972	1.0	15.0	43.4	34.6	5.9
Family Distribution by Income Level	129,359	19.3	18.5	21.3	40.9	0.0
Household Distribution by Income Level	206,502	22.9	16.9	18.3	41.9	0.0
Median Family Income MSA - 44060 Spokane-Spokane Valley, WA MSA		\$76,280	Median Housing Value			\$242,475
			Median Gross Rent			\$951
			Families Below Poverty Level			8.0%
<i>Source: 2020 U.S. Census and 2022 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

According to the 2015 ACS Data, covering from 2020 through 2021, the AA was composed of 105 CTs, of which one (one percent) was low-income, 28 (26.7 percent) moderate-income, 50 (47.6 percent) middle-income, and 25 (23.8 percent) upper-income CTs. The area population was 480,832 with 73.6 percent residing in middle- and upper-income CTs and only 2,938 (0.6 percent) residing in low-income CTs, and 120,101 (25 percent) residing in moderate-income CTs. Based on 2020 U.S. Census Data covering 2022, the number of CTs within the AA increased to 130. The number of low-, moderate- and upper-income CTs all increased by three, seven, and nine, respectively; however, middle-income CTs decreased by five. The AA population also increased by 58,507, with the population in LMI CTs increasing by 10,202 and 19,056, respectively. The populations within the middle- and upper-income CTs increased by 26,342 in aggregate.

Employment and Economic Factors

According to the U.S. Bureau of Labor Statistics report, the unemployment rate for this area as of December 31, 2022, was 4.5 percent and higher than the annual national unemployment rate of 3.5 percent. According to the Moody's Analytics March 2023 report for the Spokane-Spokane Valley MSA, the Spokane-Spokane Valley MSA economy is growing steadily. Employment is steadily increasing. The top five employers in the area are Fairchild Air Force Base, Providence Healthcare, Multicare, Kalispel Tribal Economic Authority, and Community Colleges of Spokane.

Housing

According to the 2015 ACS Data, covering from 2020 through 2021, 119,096 (58.0 percent) of the total housing units in the AA were owner-occupied, 70,375 (34.2 percent) were renter occupied, and 16,016

(7.8 percent) were vacant units. Of all owner-occupied units, 1,171 (0.57 percent) were located in low-income CTs, and 53,812 (26.19 percent) were located in moderate-income CTs. Of all occupied rental units, 75 (0.06 percent) were located in low-income CTs, and 21,158 (17.8 percent) were located in moderate-income CTs. Of all vacant units, 95 (0.59 percent) were located in low-income CTs, and 5,626 (35.1 percent) were located in moderate-income CTs. The weighted average median housing value was \$190,889, and the weighted average monthly gross rent was \$786. Based on 2020 U.S. Census, covering 2022, total housing units increased by 14,477 (7.1 percent), with a 9.4 percent increase in owner-occupied housing and an 8.4 percent increase in rental housing. However, the percentage of vacant units decreased by 16.0 percent. The median housing value and median monthly gross rent both significantly increased, with the median house value at \$242,475 and median gross rent at \$951.

Affordability

Based 2015 ACS Data, for 2020 through 2021, low-income families within the Spokane-Spokane Valley MSA earned less than \$35,675 and moderate-income families earned at least \$35,675 and less than \$57,080. According to the 2020 U.S. Census Data for 2022, low-income families within the Spokane-Spokane Valley MSA earned less than \$41,900 and moderate-income families earned at least \$41,900 and less than \$67,040. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$891 and \$1,048 for low-income borrowers for the periods covering 2020-2021 and 2022, respectively. Additionally, this equated to \$1,472 and \$1,676 for moderate-income borrowers for the same periods, respectively. Assuming a 30-year mortgage with a 5 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the MSA median housing value for the 2020-2021 period would be \$1,025 and \$1,302 in the 2022 period. Demonstrating that low-income borrowers would be severely challenged to afford a mortgage loan in this AA.

Community Contact

As part of the CRA evaluation, the OCC reviewed two community contacts completed prior to the evaluation. The first organization focuses on economic development. This mission is accomplished through the attraction of new businesses and addressing funding needs for underrepresented communities and their businesses. The second organization focuses on affordable housing needs and advocacy and education for low-income individuals. Needs identified include affordable housing. It was noted that housing demand continues to outpace current inventory. There is a need for new construction of homes and funding of projects centered around marginalized communities. Other needs identified include access to credit for venture capital and small businesses.

Scope of Evaluation in Washington

For the state of Washington, we completed a full-scope review of the Spokane-Spokane Valley MSA. This AA represents 100 percent of the bank's deposit and loans in the state as the bank does not have any other AAs in the state of Washington. Examiners emphasized home mortgage loans in arriving at the overall conclusion, as the bank's lending focus within the AA did not include small business lending. Home mortgages represented 100 percent of the bank's lending in this AA. SFB did not originate or purchase any small business, small farm, or consumer loans in this AA to conduct any meaningful analyses. Additionally, examiners also placed equal weight on the bank's performance in comparison to aggregate' and demographic' performance.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WASHINGTON

LENDING TEST

The bank's performance under the Lending Test in Washington is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Spokane-Spokane Valley MSA is excellent.

Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Spokane-Spokane Valley MSA	1,766	0	0	0	1,177	100.0	100.0

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

Dollar Volume of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State* Loans	%State Deposits
Spokane-Spokane Valley MSA	537,719	0	0	0	537,719	100.0	100.0

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

According to the June 30, 2022 FDIC Summary of Deposits Report, SFB was ranked last out of 16 depository institutions with a deposit market share of less than 0.1 percent.

Based on 2022 aggregate home mortgage data, SFB's market share of 2.7 percent ranked 6th out of 418 lenders (top 1.4 percent). The top three lenders were Spokane Teachers Credit Union with 13.3 percent market share, Nuerica Credit Union with 6.7 percent market share, and Rocket Mortgage with 4.4 percent market share.

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA. In determining our overall conclusions, we gave consideration to the bank's new and limited presence as well as the high level of competition for home mortgage loans in the AA. We also gave consideration for demographic data and the impact of the pandemic that affected all home lenders.

Home Mortgage Loans

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

The geographic distribution of home mortgage loans was excellent.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased in both low- and moderate-income geographies exceeded both the percentage of owner-occupied housing units and the aggregate percentage of all reporting lenders located in those geographies.

For 2022, the bank's performance was consistent with the 2020 through 2021 performance.

Small Loans to Businesses

Refer to Table Q in the state of Washington 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.

A meaningful analysis could not be performed as the bank did not originate or purchase any small loans to businesses in 2020 through 2022.

Lending Gap Analysis

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

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans among individuals of different income levels, given the product lines offered by the institution. In determining our overall conclusions, we gave consideration to the high level of competition for home mortgage and small loans to small businesses within each AA and the impact of the pandemic. We also gave consideration to demographics and the general affordability of housing for LMI borrowers in each AA.

Home Mortgage Loans

Refer to Table P in the state of Washington 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 among individuals of different income levels was excellent.

For 2020 through 2021, the percentage of home mortgage loans originated or purchased to low-income borrowers was below, and to moderate-income borrowers exceeded, the percentage of those families in the AA. The percentage of home mortgage loans originated or purchased to low-income borrowers approximated, and to moderate-income borrowers exceeded, the aggregate percentage of all reporting lenders.

For 2022, the bank's performance was stronger than with the 2020 through 2021 performance, as the bank's lending to LMI borrowers exceeded the percentage of all reporting lenders.

Small Loans to Businesses

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

A meaningful analysis could not be performed as the bank did not originate or purchase any small loans to businesses in 2020 through 2022.

Community Development Lending

A meaningful analysis could not be performed as the bank did not originate or purchase any CD loans in 2020 through 2022. During the evaluation period, the bank's lending focus within the state of Washington was limited to home mortgage lending, which resulted in a limited capacity for CD lending and a neutral impact on the overall Lending Test rating.

INVESTMENT TEST

The institution's performance under the Investment Test in Washington is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Spokane-Spokane Valley MSA was excellent.

Number and Amount of Qualified Investments

Qualified Investments*										
Assessment Area	Prior Period**		Current Period		Total				Unfunded Commitments***	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full-Scope:										
Spokane-Spokane Valley MSA	0	0	2	1,189	2	100.0	1,189	100.0	0	0
Total	0	0	2	1,189	2	100.0	1,189	100.0	0	0

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

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

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

SFB had an excellent level of qualified CD investment and grants, though rarely in a leadership position, particularly those that are not routinely provided by private investors. The dollar volume of current- and prior-period investments represented 404.3 percent of tier 1 capital allocated to the AA. The bank had no unfunded commitments during the evaluation period.

The institution exhibited excellent responsiveness to credit and community economic development needs. However, the bank rarely used innovative and/or complex investments to support CD initiatives with MBS representing 100 percent of investment dollars. SFB had one qualified investment totaling \$1.2 million related to affordable housing, and one qualified donation and grant totaling \$1,000 to an organization that provided community services to LMI individuals.

An example of a qualified investment in the AA was:

- A \$1.2 million investment in an MBS, comprised of a majority of mortgage loans to LMI individuals within the AA.

SERVICE TEST

The bank’s performance under the Service Test in Washington is rated Low Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s performance in the Spokane-Spokane Valley MSA was adequate.

Retail Banking Services

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

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Spokane-Spokane Valley MSA	100.0	1	100.0		100.0			2.4	25.8	43.5	27.0

The bank’s distribution of branches in moderate-income geographies exceeded the percentage of the population living within those geographies. However, there are no ATMs in this AA.

Alternate Delivery Systems

SFB had several alternative delivery systems including debit cards, mobile, and online banking services. The bank also provides merchant services. These systems provided additional delivery availability and access to banking services to both retail and business customers.

Distribution of Branch Openings/Closings						
	Branch Openings/Closings					
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Spokane-Spokane Valley MSA	1	0		+1		

To the extent changes have been made, the institution's opening and closing of branches had not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. The bank opened one limited-service branch in a moderate-income geography during the review period. The branch is only open by appointment.

Services, including where appropriate, business hours, were tailored to the convenience and needs of the various portions of its AA(s), particularly LMI geographies and/or individuals. SFB maintained standard business hours and offered traditional banking products and services at all branch locations in the AA.

Community Development Services

The institution provides a few, if any, CD services. During the evaluation period, one bank employees provided 40 hours of community service to one organization that provides community services to LMI individuals and/or geographies.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	(01/01/2020 to 12/31/2022)	
Bank Products Reviewed:	Home mortgage, small business, community development loans, qualified investments, and community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	NA	NA
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State		Counties
Colorado		
Boulder MSA	Full-Scope	Boulder
Colorado non-MSA	Full-Scope	Fremont, Rio Grande
Denver-Aurora-Lakewood MSA	Full-Scope	Adams, Arapahoe, Broomfield, Denver, Douglas, Jefferson
Pueblo MSA	Limited-Scope	Pueblo
Texas		
Dallas-Fort Worth-Arlington MSA	Full-Scope	Collin, Dallas, Denton, Tarrant
El Paso MSA	Full-Scope	El Paso
Austin-Round Rock-Georgetown MSA	Limited-Scope	Hays, Travis
Houston-The Woodlands-Sugar Land MSA	Limited-Scope	Fort Bend, Harris, Montgomery
San Antonio-New Braunfels MSA	Limited-Scope	Bexar
Waco MSA	Limited-Scope	McLennan
Texas non-MSA	Limited-Scope	Bosque, Fayette, Hamilton, Houston, Kerr, Trinity
New Mexico		
Albuquerque MSA	Full-Scope	Bernalillo
Santa Fe MSA	Full-Scope	Santa Fe
Las Cruces MSA	Limited-Scope	Dona Ana
New Mexico non-MSA	Limited-Scope	Los Alamos
Kansas		
Kansas City MMSA	Full-Scope	Johnson
Lawrence MSA	Full-Scope	Douglas
Wichita MSA	Full-Scope	Sedgwick
Manhattan MSA	Limited-Scope	Geary, Pottawatomie, Riley
Kansas non-MSA	Limited-Scope	Barton, Ellis, Ford, McPherson, Osborne, Russell, Saline, Seward, Thomas
Arizona		
Phoenix-Mesa-Chandler MSA	Full-Scope	Maricopa
Washington		
Spokane-Spokane Valley	Full-Scope	Spokane

Appendix B: Summary of MMSA and State Ratings

RATINGS Sunflower Bank, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Sunflower Bank	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
MMSA or State:				
Colorado	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Texas	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
New Mexico	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Kansas	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Arizona	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Washington	Outstanding	Outstanding	Low Satisfactory	Outstanding

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

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always

equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

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

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

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

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

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

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

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

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

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an

employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

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

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

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

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

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

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

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 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. 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 \$500,000) 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.

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.

State of Colorado

2020-2021

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2020-21
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																				
Denver-Aurora-Lakewood MSA	1,307	484,607	86.9	273,050	4.7	2.5	4.4	18.9	14.3	17.8	33.9	33.9	32.9	42.5	49.1	44.9	0.0	0.2	0.0	
Boulder MSA	88	36,518	5.9	25,137	3.0	3.4	3.4	18.0	21.6	16.8	45.6	42.0	47.1	33.3	33.0	32.7	0.0	0.0	0.0	
Colorado non-MSA	36	6,969	2.4	3,503	0.0	0.0	0.0	49.7	61.1	50.0	50.3	38.9	49.9	0.0	0.0	0.0	0.0	0.0	0.0	
Limited-Scope																				
Pueblo MSA	73	13,653	4.9	11,404	3.5	5.5	2.5	23.6	21.9	21.3	30.7	31.5	24.4	42.2	41.1	51.9	0.0	0.0	0.0	
Total	1,504	541,746	100.0	313,094	4.4	2.7	4.2	19.6	16.2	18.2	35.2	34.4	33.9	40.8	46.6	43.7	0.0	0.1	0.0	

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																				2020-21
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																				

Denver-Aurora-Lakewood MSA	1,307	484,607	86.9	273,050	21.4	7.1	7.8	17.5	22.5	18.6	20.4	26.8	22.2	40.7	39.2	33.7	0.0	4.4	17.7
Boulder MSA	88	36,518	5.9	25,137	22.3	6.8	8.6	17.0	17.0	16.8	19.9	26.1	20.9	40.8	45.5	40.7	0.0	4.5	13.0
Colorado non-MSA	36	6,969	2.4	3,503	26.8	13.9	8.6	22.5	30.6	20.4	21.7	16.7	22.6	29.0	36.1	27.0	0.0	2.8	21.4
Limited Scope																			
Pueblo MSA	73	13,653	4.9	11,404	22.6	5.5	5.0	17.6	17.8	16.1	18.7	21.9	23.2	41.1	50.7	37.9	0.0	4.1	17.7
Total	1,504	541,746	100.0	313,094	21.7	7.2	7.8	17.5	22.1	18.4	20.3	26.3	22.2	40.6	40.0	34.4	0.0	4.4	17.3
<i>Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>																			

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

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Denver-Aurora-Lakewood MSA	531	132,947	62.7	101,584	6.9	17.1	7.7	19.0	21.8	18.7	31.9	25.0	31.0	41.9	34.7	42.3	0.3	1.3	0.3
Boulder MSA	175	33,116	20.7	14,228	3.8	4.6	3.9	27.7	50.9	28.8	38.7	25.7	38.3	29.8	18.9	28.9	0.0	0.0	0.0
Colorado non-MSA	56	6,309	6.6	961	0.0	0.0	0.0	54.8	69.6	51.1	45.0	30.4	48.9	0.0	0.0	0.0	0.2	0.0	0.0
Limited Scope																			
Pueblo MSA	85	5,772	10.0	2,703	3.1	4.7	2.4	26.2	24.7	23.5	28.9	35.3	27.7	41.5	35.3	46.3	0.4	0.0	0.0
Total	847	178,144	100.0	119,476	6.3	12.2	7.0	20.6	31.3	20.3	32.7	26.6	31.9	40.1	29.2	40.5	0.3	0.8	0.3

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2020-21**

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											
Denver-Aurora-Lakewood MSA	531	132,947	62.7	101,584	92.4	36.5	47.6	2.4	53.7	5.2	9.8
Boulder MSA	175	33,116	20.7	14,228	92.8	48.6	48.2	2.3	39.4	4.9	12.0
Colorado non-MSA	56	6,309	6.6	961	89.3	64.3	51.6	2.8	33.9	7.9	1.8
Limited Scope											
Pueblo MSA	85	5,772	10.0	2,703	89.5	63.5	54.8	2.5	34.1	8.0	2.4
Total	847	178,144	100.0	119,476	92.3	43.6	47.9	2.4	47.5	5.3	9.0

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

2022

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2022**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Denver-Aurora-Lakewood MSA	287	112,582	84.7	129,977	2.9	7.0	2.7	21.2	44.6	20.5	36.8	31.7	35.7	38.6	16.0	40.5	0.5	0.7	0.5
Boulder MSA	27	12,799	8.0	10,972	1.7	3.7	1.3	14.2	14.8	13.4	44.2	63.0	44.6	38.6	14.8	39.3	1.3	3.7	1.4

Colorado non-MSA	11	1,835	3.2	1,991	0.0	0.0	0.0	18.1	18.2	21.2	69.5	81.8	64.4	12.4	0.0	14.4	0.0	0.0	0.0
Limited Scope																			
Pueblo MSA	14	2,629	4.1	7,475	4.4	14.3	4.0	15.5	7.1	15.9	38.1	57.1	38.4	42.1	21.4	41.7	0.0	0.0	0.1
Total	339	129,844	100.0	150,415	2.8	6.8	2.7	20.1	39.8	19.8	38.2	36.9	36.9	38.3	15.6	40.1	0.5	0.9	0.6

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2022**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% 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																			
Denver-Aurora-Lakewood MSA	287	112,582	84.7	129,977	20.2	20.9	7.5	18.2	47.0	18.4	21.9	16.4	23.1	39.7	15.0	36.7	0.0	0.7	14.3
Boulder MSA	27	12,799	8.0	10,972	20.5	14.8	7.8	17.8	33.3	14.5	21.3	22.2	18.9	40.5	29.6	47.2	0.0	0.0	11.6
Colorado non-MSA	11	1,835	3.2	1,991	24.6	9.1	10.6	19.1	72.7	22.7	20.7	0.0	24.5	35.6	18.2	29.2	0.0	0.0	12.9
Limited Scope																			
Pueblo MSA	14	2,629	4.1	7,475	22.4	7.1	5.8	16.7	21.4	17.2	19.3	35.7	26.0	41.6	35.7	37.7	0.0	0.0	13.3
Total	339	129,844	100.0	150,415	20.4	19.5	7.5	18.1	45.7	18.1	21.7	17.1	22.9	39.8	17.1	37.4	0.0	0.6	14.0

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

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

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope													
Denver-Aurora-Lakewood MSA	70	20,774	76.9	4.1	11.4	22.6	28.6	32.0	20.0	37.8	25.7	3.4	14.3
Boulder MSA	6	1,548	6.6	1.9	0.0	27.6	66.7	35.2	0.0	33.6	33.3	1.7	0.0
Colorado non-MSA	9	2,589	9.9	0.0	0.0	21.1	11.1	66.0	66.7	12.7	22.2	0.2	0.0
Limited Scope													
Pueblo MSA	6	901	6.6	3.8	16.7	23.1	33.3	34.2	33.3	38.6	16.7	0.3	0.0
Total	91	25,812	100.0	3.7	9.9	23.3	29.7	32.8	24.2	37.1	25.3	3.1	11.0

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

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

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= IMM			Businesses with Revenues > IMM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope											
Denver-Aurora-Lakewood MSA	70	20,774	76.9	--	94.3	31.4	--	1.6	65.7	4.1	2.9
Boulder MSA	6	1,548	6.6	--	94.8	16.7	--	1.5	83.3	3.7	0.0
Colorado non-MSA	9	2,589	9.9	--	91.8	44.4	--	1.9	55.6	6.4	0.0
Limited Scope											
Pueblo MSA	6	901	6.6	--	92.0	16.7	--	1.7	83.3	6.3	0.0
Total	91	25,812	100.0	--	94.3	30.8	--	1.6	67.0	4.1	2.2

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

State of Texas

2020-2021

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020-21		
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																					
Dallas-Fort Worth-Arlington MSA	1,721	497,964	86.1	325,396	5.5	1.2	3.0	20.2	7.0	12.1	28.7	20.5	29.1	45.5	71.4	55.7	0.1	0.0	0.2		
El Paso MS	86	26,668	4.3	26,213	1.8	8.1	0.5	24.7	7.0	12.3	33.2	14.0	27.8	40.2	70.9	59.5	0.0	0.0	0.0		
Total	1,807	524,632	100.0	351,609	5.1	1.5	2.8	20.7	7.0	12.1	29.2	20.1	29.0	44.9	71.3	55.9	0.1	0.0	0.2		

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2020-21

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																			
Dallas-Fort Worth-Arlington MSA	1,721	497,964	86.1	325,396	23.8	1.5	3.3	16.4	9.5	12.5	17.9	16.6	18.1	42.0	68.9	44.3	0.0	3.4	21.7
El Paso MS	86	26,668	4.3	26,213	22.3	0.0	1.4	17.4	2.3	7.5	19.1	14.0	17.5	41.2	62.8	45.9	0.0	20.9	27.7
Total	1,807	524,632	100.0	351,609	23.6	1.4	3.2	16.5	9.2	12.2	18.1	16.5	18.1	41.9	68.6	44.4	0.0	4.3	22.2

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

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

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Dallas-Fort Worth-Arlington MSA	110	27,713	24.1	213,406	7.1	4.5	7.4	18.3	20.0	19.3	25.6	17.3	24.5	48.3	56.4	48.2	0.7	1.8	0.7
El Paso MSA	246	60,325	53.8	16,663	6.6	8.9	6.1	26.2	20.3	27.4	29.8	29.7	28.9	36.6	41.1	37.2	0.7	0.0	0.4
Total	356	88,038	100.0	230,069	7.1	7.6	7.3	18.8	20.2	19.9	25.9	25.8	24.8	47.5	45.8	47.4	0.7	0.6	0.7

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues 2020-21

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											
Dallas-Fort Worth-Arlington MSA	110	27,713	24.1	213,406	88.4	60.0	43.0	3.6	37.3	8.0	2.7
El Paso MSA	246	60,325	53.8	16,663	84.9	35.4	42.4	3.9	54.5	11.1	10.2
Total	356	88,038	100.0	230,069	88.2	43.0	42.9	3.6	49.2	8.2	7.9

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

2022

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Dallas-Fort Worth-Arlington MSA	452	169,848	55.4	194,555	4.6	7.3	4.0	20.1	18.8	14.4	31.1	29.0	33.2	43.8	44.9	47.9	0.4	0.0	0.5
El Paso MSA	31	8,125	3.8	17,301	1.3	3.2	0.8	25.3	32.3	17.1	32.0	22.6	25.9	41.4	41.9	56.2	0.0	0.0	0.0
Limited Scope																			
Austin-Round Rock-Georgetown MSA	59	39,745	7.2	54,204	3.7	5.1	3.0	19.4	30.5	21.0	34.5	27.1	37.4	41.8	35.6	37.5	0.7	1.7	1.0
Houston-The Woodlands-Sugar Land MSA	69	23,454	8.5	155,919	5.6	10.1	4.0	20.5	21.7	16.0	29.4	23.2	30.3	43.6	43.5	48.7	0.9	1.4	1.0
San Antonio-New Braunfels MSA	194	68,837	23.8	59,917	4.9	2.6	2.4	29.8	20.6	19.3	30.6	24.7	34.1	34.7	52.1	44.3	0.0	0.0	0.0
Texas non-MSA	8	2,421	1.0	2,840	1.4	12.5	1.6	10.4	0.0	9.5	59.9	37.5	58.0	28.3	50.0	30.9	0.0	0.0	0.0
Waco MSA	3	1,387	0.4	6,479	6.7	0.0	7.0	21.9	0.0	19.8	32.1	33.3	32.8	39.0	66.7	39.9	0.2	0.0	0.5

Total	816	313,816	100.0	491,215	4.8	6.1	3.6	21.4	20.6	16.4	31.1	27.2	32.7	42.2	45.8	46.6	0.5	0.2	0.6
<i>Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>																			

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% 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																			
Dallas-Fort Worth-Arlington MSA	452	169,848	55.4	194,555	22.3	8.6	3.8	17.3	23.2	12.5	19.0	18.8	19.4	41.4	48.5	43.8	0.0	0.9	20.5
El Paso MSA	31	8,125	3.8	17,301	21.9	0.0	1.7	17.8	38.7	7.8	18.5	9.7	21.1	41.7	38.7	47.6	0.0	12.9	21.8
Limited Scope																			
Austin-Round Rock-Georgetown MSA	59	39,745	7.2	54,204	22.1	0.0	3.8	17.3	18.6	12.0	20.2	20.3	18.4	40.4	59.3	49.0	0.0	1.7	16.8
Houston-The Woodlands-Sugar Land MSA	69	23,454	8.5	155,919	24.2	5.8	3.8	16.8	26.1	14.7	17.8	20.3	20.0	41.2	43.5	41.0	0.0	4.3	20.5
San Antonio-New Braunfels MSA	194	68,837	23.8	59,917	23.9	5.2	3.5	17.9	19.1	15.3	19.6	22.2	21.0	38.6	53.1	35.3	0.0	0.5	24.9
Texas non-MSA	8	2,421	1.0	2,840	20.0	0.0	3.2	17.7	25.0	11.8	20.0	12.5	17.6	42.3	62.5	49.6	0.0	0.0	17.8

Waco MSA	3	1,387	0.4	6,479	23.4	0.0	3.4	17.3	0.0	13.4	17.1	0.0	19.4	42.2	100.0	43.5	0.0	0.0	20.3
Total	816	313,816	100.0	491,215	23.1	6.5	3.7	17.2	22.7	13.3	18.7	19.4	19.8	41.0	49.9	42.6	0.0	1.6	20.6

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

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

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope													
Dallas-Fort Worth-Arlington MSA	25	9,130	14.0	5.0	0.0	17.8	20.0	29.8	56.0	46.4	20.0	1.0	4.0
El Paso MSA	70	21,912	39.3	4.1	2.9	32.6	55.7	25.1	8.6	37.7	32.9	0.5	0.0
Limited Scope													
Austin-Round Rock-Georgetown MSA	41	14,425	23.0	3.2	2.4	14.5	12.2	20.7	4.9	54.4	73.2	7.2	7.3
Houston-The Woodlands-Sugar Land MSA	21	6,333	11.8	9.3	0.0	19.4	28.6	24.2	9.5	45.0	61.9	2.2	0.0
San Antonio-New Braunfels MSA	9	4,089	5.1	5.8	11.1	25.0	55.6	24.9	11.1	44.1	22.2	0.2	0.0
Texas non-MSA	9	428	5.1	2.0	22.2	13.0	11.1	53.5	55.6	31.5	11.1	0.0	0.0
Waco MSA	3	400	1.7	11.2	0.0	24.5	0.0	28.7	0.0	34.5	100.0	1.0	0.0
Total	178	56,717	100.0	6.4	3.4	18.9	34.3	26.3	16.9	46.3	43.3	2.1	2.2

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

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

	Total Loans to Small Businesses	Businesses with Revenues <= 1MM	Businesses with Revenues > 1MM	Businesses with Revenues Not Available

Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope											
Dallas-Fort Worth-Arlington MSA	25	9,130	14.0	--	92.4	24.0	--	2.2	76.0	5.4	0.0
El Paso MSA	70	21,912	39.3	--	89.0	18.6	--	2.7	81.4	8.3	0.0
Limited Scope											
Austin-Round Rock-Georgetown MSA	41	14,425	23.0	--	93.6	46.3	--	1.7	51.2	4.7	2.4
Houston-The Woodlands-Sugar Land MSA	21	6,333	11.8	--	92.7	33.3	--	2.4	66.7	4.9	0.0
San Antonio-New Braunfels MSA	9	4,089	5.1	--	90.7	44.4	--	2.4	44.4	6.9	11.1
Texas non-MSA	9	428	5.1	--	89.5	33.3	--	2.7	11.1	7.8	55.6
Waco MSA	3	400	1.7	--	88.3	0.0	--	3.1	100.0	8.7	0.0
Total	178	56,717	100.0	--	92.4	29.2	--	2.2	66.9	5.4	3.9
<i>Source: 2023 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%.</i>											

State of New Mexico

2020-2021

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2020-21
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																				
Albuquerque MSA	267	63,104	30.2	35,228	2.8	2.2	2.2	28.4	21.7	22.5	28.6	25.8	29.1	40.1	50.2	46.0	0.2	0.0	0.1	
Santa Fe MSA	341	116,677	38.6	7,953	2.6	0.9	1.5	17.4	10.6	11.9	45.8	36.7	46.6	34.2	51.9	40.0	0.0	0.0	0.0	
Limited Scope																				
Los Cruces MSA	90	16,132	10.2	9,468	3.6	3.3	2.2	34.5	13.3	12.7	24.8	32.2	30.7	37.1	51.1	54.4	0.0	0.0	0.0	
New Mexico non-MSA	186	60,134	21.0	1,290	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	
Total	884	256,045	100.0	53,939	2.8	1.4	2.0	27.2	12.0	18.7	30.0	25.2	31.3	39.9	61.4	47.9	0.1	0.0	0.1	

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																				2020-21
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																				
Albuquerque MSA	267	63,103	30.2	35,228	25.1	2.6	4.2	15.3	18.4	15.1	17.8	19.5	20.7	41.8	56.2	41.0	0.0	3.4	19.0	

Santa Fe MSA	341	116,677	38.6	7,953	22.8	3.2	3.2	16.9	12.3	12.3	18.3	22.9	19.7	42.0	58.9	48.9	0.0	2.6	16.0
Limited Scope																			
Los Cruces MSA	90	16,132	10.2	9,468	25.1	3.3	1.4	15.6	20.0	8.5	16.9	30.0	17.3	42.4	45.6	52.7	0.0	1.1	20.1
New Mexico non-MSA	186	60,134	21.0	1,290	5.0	0.0	0.6	6.4	0.5	1.6	7.4	6.5	4.9	81.2	89.8	78.0	0.0	3.2	15.0
Total	884	256,045	100.0	53,939	24.4	2.4	3.4	15.4	12.4	13.2	17.5	19.1	19.6	42.7	63.2	45.1	0.0	2.8	18.7
<i>Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>																			

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

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Albuquerque MSA	219	48,517	42.9	14,099	10.3	23.7	11.6	25.0	32.4	27.5	28.8	14.6	27.2	35.0	26.9	33.2	0.8	2.3	0.5
Santa Fe MSA	241	34,646	47.2	4,838	4.0	7.5	6.2	13.4	10.4	15.1	40.3	32.0	36.2	42.3	50.2	42.5	0.0	0.0	0.0
Limited Scope																			
Los Cruces MSA	43	8,744	8.4	3,114	6.7	2.3	4.5	31.3	60.5	34.5	25.3	27.9	26.1	36.7	9.3	34.8	0.0	0.0	0.0
New Mexico non-MSA	8	1,042	1.6	257	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0
Total	511	92,949	100.0	22,308	8.3	13.9	9.3	23.0	23.9	25.5	30.3	23.7	28.7	37.9	37.6	36.2	0.5	1.0	0.3
<i>Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>																			

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues 2020-21

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											
Albuquerque MSA	219	48,517	42.9	14,099	88.4	37.0	48.8	3.5	49.3	8.1	13.7
Santa Fe MSA	241	34,646	47.2	4,838	89.2	49.4	47.0	2.6	34.4	8.1	16.2
Limited Scope											
Los Cruces MSA	43	8,744	8.4	3,114	85.5	53.5	48.8	3.3	37.2	11.2	9.3
New Mexico non-MSA	8	1,042	1.6	257	88.9	87.5	36.2	2.1	12.5	9.0	0.0
Total	511	92,949	100.0	22,308	88.2	45.0	48.3	3.3	40.7	8.5	14.3

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

2022

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2022

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Albuquerque MSA	105	29,447	35.5	19,208	3.3	4.8	2.9	21.5	30.5	21.2	39.5	39.0	38.3	34.7	23.8	36.7	1.0	1.9	0.9
Santa Fe MSA	112	47,694	37.8	4,306	0.0	0.0	0.0	23.0	24.1	16.3	38.2	34.8	37.3	37.9	38.4	44.5	0.9	2.7	1.9
Limited Scope																			
Las Cruces MSA	24	5,759	8.1	6,025	2.8	0.0	0.9	26.2	16.7	14.6	31.0	29.2	41.7	33.7	50.0	38.8	6.3	4.2	4.0

New Mexico non-MSA	55	20,839	18.6	765	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0
Total	296	103,739	100.0	30,304	2.6	1.7	2.0	22.2	21.3	18.7	36.8	29.4	37.9	36.4	45.6	39.8	2.0	2.0	1.6	

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2022**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% 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																			
Albuquerque MSA	105	29,447	35.5	19,208	23.2	3.8	5.3	16.0	30.5	17.8	18.9	26.7	23.9	41.9	38.1	38.4	0.0	1.0	14.7
Santa Fe MSA	112	47,694	37.8	4,306	20.8	2.7	5.5	18.8	8.0	12.4	18.6	19.6	17.7	41.8	66.1	49.8	0.0	3.6	14.5
Limited Scope																			
Las Cruces MSA	24	5,759	8.1	6,025	25.7	4.2	2.0	15.1	16.7	10.0	17.9	12.5	20.1	41.2	62.5	48.8	0.0	4.2	19.1
New Mexico non-MSA	55	20,839	18.6	765	3.6	0.0	0.7	3.7	1.8	2.9	6.4	9.1	5.4	86.3	89.1	75.6	0.0	0.0	15.6
Total	296	103,739	100.0	30,304	23.0	2.7	4.6	16.0	15.5	15.1	18.4	19.6	21.8	42.6	60.1	43.0	0.0	2.0	15.6

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

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

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope													
Albuquerque MSA	29	6,550	56.9	11.0	3.4	23.4	55.2	32.5	27.6	31.1	10.3	2.1	3.4
Santa Fe MSA	17	6,047	33.3	0.0	0.0	14.3	17.6	26.1	17.6	58.8	64.7	0.8	0.0
Limited Scope													
Las Cruces MSA	5	169	9.8	3.9	20.0	28.0	20.0	28.0	40.0	35.7	20.0	4.3	0.0
New Mexico non-MSA	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0
Total	51	12,766	100.0	7.4	3.9	21.5	39.2	30.0	25.5	39.1	29.4	2.0	2.0
<i>Source: 2023 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%.</i>													

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

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope											
Albuquerque MSA	29	6,550	56.9	--	92.2	20.7	--	2.2	79.3	5.5	0.0
Santa Fe MSA	17	6,047	33.3	--	93.8	47.1	--	1.5	52.9	4.7	0.0
Limited Scope											
Las Cruces MSA	5	169	9.8	--	89.6	80.0	--	2.2	20.0	8.1	0.0
New Mexico non-MSA	--	--	--	--	91.2	--	--	1.6	--	7.2	--
Total	51	12,766	100.0	--	92.3	35.3	--	2.0	64.7	5.7	0.0

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

State of Kansas

2020-2021

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020-21		
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																					
Kansas City MMSA	356	115,971	26.9	41,169	0.3	0.3	0.2	4.5	2.2	3.8	31.3	23.3	28.1	63.9	74.2	67.9	0.0	0.0	0.0		
Lawrence MSA	76	18,826	5.7	5,065	1.3	3.9	2.1	25.4	30.3	24.3	36.9	31.6	34.1	36.3	34.2	39.6	0.0	0.0	0.0		
Wichita MSA	296	63,378	22.3	23,898	5.8	1.4	3.1	19.6	9.8	14.5	29.0	23.6	28.2	45.6	65.2	54.2	0.0	0.0	0.0		
Limited Scope																					
Kansas non-MSA	423	59,836	31.9	4,569	0.0	0.0	0.0	12.8	7.6	11.4	55.3	48.9	53.6	32.0	43.5	35.0	0.0	0.0	0.0		
Manhattan MSA	174	31,881	13.1	5,751	0.0	0.0	0.0	14.8	8.6	13.7	45.4	44.3	38.0	39.5	46.0	47.9	0.3	1.1	0.5		
Total	1,325	289,892	100.0	80,452	2.1	0.6	1.2	12.5	8.1	9.4	35.3	34.8	30.7	50.0	56.4	58.7	0.0	0.2	0.0		

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020-21		
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																					

Kansas City MMSA	356	115,971	26.9	41,169	12.0	2.0	3.8	13.6	14.3	13.2	19.0	28.7	20.0	55.3	51.4	47.1	0.0	3.7	16.0
Lawrence MSA	76	18,826	5.7	5,065	19.1	6.6	7.1	19.6	28.9	18.9	20.6	26.3	21.6	40.7	32.9	37.7	0.0	5.3	14.8
Wichita MSA	296	63,379	22.3	23,898	21.7	6.8	6.9	17.7	19.9	16.8	20.9	27.0	19.5	39.8	44.6	29.9	0.0	1.7	26.8
Limited Scope																			
Kansas non-MSA	423	59,836	31.9	4,569	18.8	5.0	6.2	17.4	23.6	18.5	20.3	25.1	21.2	43.4	42.8	29.6	0.0	3.5	24.5
Manhattan MSA	174	31,881	13.1	5,751	19.5	2.9	3.5	21.6	23.6	13.8	20.9	28.2	20.6	38.0	40.2	32.2	0.0	5.2	29.8
Total	1,325	289,892	100.0	80,452	17.2	4.4	5.0	16.5	20.6	15.0	20.1	26.9	20.1	46.3	44.6	39.4	0.0	3.5	20.6

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

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

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Kansas City MMSA	111	24,742	24.9	18,440	1.1	0.0	1.0	6.8	4.5	7.7	26.4	20.7	25.2	62.8	70.3	63.1	2.9	4.5	3.0
Lawrence MSA	35	4,980	7.8	2,212	6.0	5.7	3.6	30.2	31.4	32.2	31.9	28.6	32.9	31.9	34.3	31.3	0.0	0.0	0.0
Wichita MSA	80	17,416	17.9	9,671	5.9	1.3	6.0	26.9	31.3	26.9	26.2	23.8	25.4	41.0	43.8	41.6	0.0	0.0	0.0
Limited Scope																			
Kansas non-MSA	186	14,735	41.7	2,944	0.0	0.0	0.0	19.9	26.9	22.2	52.0	43.5	50.5	28.1	29.6	27.2	0.0	0.0	0.0

Manhattan MSA	34	2,855	7.6	1,491	0.0	0.0	0.0	24.2	11.8	21.5	40.0	55.9	40.6	35.3	29.4	37.6	0.6	2.9	0.3
Total	446	64,728	100.0	34,758	2.6	0.7	2.5	16.5	21.3	16.4	30.6	34.1	28.5	48.9	42.6	51.0	1.4	1.3	1.6

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2020-21**

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											
Kansas City MMSA	111	24,742	24.9	18,440	85.7	51.4	48.0	5.1	36.9	9.2	11.7
Lawrence MSA	35	4,980	7.8	2,212	85.2	40.0	49.1	4.1	54.3	10.6	5.7
Wichita MSA	80	17,416	17.9	9,671	83.3	40.0	51.3	5.8	51.3	11.0	8.8
Limited Scope											
Kansas non-MSA	186	14,735	41.7	2,944	77.5	66.1	51.4	6.0	21.0	16.5	12.9
Manhattan MSA	34	2,855	7.6	1,491	80.1	67.6	43.5	4.8	20.6	15.1	11.8
Total	446	64,728	100.0	34,758	83.7	55.8	49.1	5.3	33.0	11.0	11.2

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

2022

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Kansas City MMSA	66	25,432	15.3	20,291	0.3	1.5	0.2	4.7	6.1	4.8	34.2	34.8	33.8	60.7	57.6	61.2	0.0	0.0	0.0
Lawrence MSA	56	13,162	13.0	2,817	0.0	0.0	0.0	17.9	46.4	20.2	54.0	39.3	50.7	27.9	14.3	27.1	0.1	0.0	2.0
Wichita MSA	121	24,105	28.1	15,596	2.1	1.7	1.5	21.6	32.2	20.9	40.2	33.1	39.3	36.0	33.1	38.1	0.2	0.0	0.2
Limited Scope																			
Kansas non-MSA	122	18,462	28.3	2,874	0.0	0.0	0.0	10.6	19.7	12.6	61.8	40.2	60.9	27.7	40.2	26.5	0.0	0.0	0.0
Manhattan MSA	66	12,262	15.3	3,659	2.9	1.5	4.0	12.4	16.7	13.5	39.1	47.0	40.9	45.5	34.8	41.0	0.2	0.0	0.4
Total	431	93,423	100.0	45,237	1.0	0.9	0.9	12.2	24.1	12.5	41.6	38.3	39.1	45.1	36.7	47.3	0.1	0.0	0.2
Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.																			

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% 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																			

Kansas City MMSA	66	25,432	15.3	20,291	11.5	9.1	4.2	13.2	19.7	13.9	20.4	21.2	20.9	54.9	50.0	48.0	0.0	0.0	13.0
Lawrence MSA	56	13,162	13.0	2,817	19.6	17.9	9.5	18.9	32.1	21.3	22.6	26.8	20.7	38.9	23.2	34.3	0.0	0.0	14.2
Wichita MSA	121	24,105	28.1	15,596	20.3	18.2	9.7	18.6	30.6	21.0	21.0	21.5	19.4	40.1	28.1	26.6	0.0	1.7	23.2
Limited Scope																			
Kansas non-MSA	122	18,462	28.3	2,874	17.9	16.4	7.4	17.3	34.4	22.2	22.4	20.5	21.7	42.5	22.1	28.3	0.0	6.6	20.3
Manhattan MSA	66	12,262	15.3	3,659	21.4	18.2	5.9	17.1	31.8	18.1	21.4	19.7	20.9	40.2	25.8	29.8	0.0	4.5	25.3
Total	431	93,423	100.0	45,237	16.5	16.2	6.8	16.1	30.4	17.7	21.1	21.6	20.4	46.3	28.8	37.1	0.0	3.0	18.0

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

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

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope													
Kansas City MMSA	30	9,811	46.2	0.7	0.0	5.0	3.3	28.8	26.7	62.2	70.0	3.2	0.0
Lawrence MSA	5	1,230	7.7	0.0	0.0	24.1	20.0	46.0	0.0	25.2	80.0	4.7	0.0
Wichita MSA	13	6,125	20.0	2.6	0.0	22.2	23.1	31.8	15.4	40.2	53.8	3.2	7.7
Limited Scope													
Kansas non-MSA	16	2,389	24.6	0.0	0.0	18.7	12.5	54.7	37.5	26.6	50.0	0.0	0.0
Manhattan MSA	1	13	1.5	7.0	0.0	11.2	0.0	42.5	0.0	38.8	100.0	0.5	0.0
Total	65	19,568	100.0	1.5	0.0	13.0	10.8	34.6	24.6	48.2	63.1	2.8	1.5

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

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

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											
Kansas City MMSA	30	9,811	46.2	--	87.9	63.3	--	4.1	36.7	8.0	0.0
Lawrence MSA	5	1,230	7.7	--	87.1	40.0	--	3.3	60.0	9.6	0.0
Wichita MSA	13	6,125	20.0	--	85.7	23.1	--	4.7	76.9	9.7	0.0
Limited Scope											
Kansas non-MSA	16	2,389	24.6	--	80.7	75.0	--	4.8	25.0	14.5	0.0
Manhattan MSA	1	13	1.5	--	82.7	100.0	--	4.0	0.0	13.3	0.0
Total	65	19,568	100.0	--	86.1	56.9	--	4.3	43.1	9.6	0.0

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

State of Arizona

2020-2021

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2020-21																		
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																																						
Phoenix-Mesa-Chandler MSA	2,274	801,451	100.0	383,319	4.6	2.1	3.6	18.8	11.5	14.4	34.7	31.2	34.9	41.9	55.0	46.6	0.0	0.2	0.5																			
Total	2,274	801,451	100.0	383,319	4.6	2.1	3.6	18.8	11.5	14.4	34.7	31.2	34.9	41.9	55.0	46.6	0.0	0.2	0.5																			

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																				2020-21																		
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																																						
Phoenix-Mesa-Chandler MSA	2,274	801,451	100.0	383,319	21.8	4.2	5.2	16.9	17.4	16.0	19.2	23.2	20.1	42.2	51.6	40.2	0.0	3.6	18.5																			
Total	2,274	801,451	100.0	383,319	21.8	4.2	5.2	16.9	17.4	16.0	19.2	23.2	20.1	42.2	51.6	40.2	0.0	3.6	18.5																			

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

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

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Phoenix-Mesa-Chandler MSA	425	121,103	100.0	133,594	7.0	11.3	6.6	15.2	21.4	16.2	29.5	27.8	27.7	47.8	38.8	48.9	0.5	0.7	0.7
Total	425	121,103	100.0	133,594	7.0	11.3	6.6	15.2	21.4	16.2	29.5	27.8	27.7	47.8	38.8	48.9	0.5	0.7	0.7
<i>Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>																			

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2020-21**

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											
Phoenix-Mesa-Chandler MSA	425	121,103	100.0	133,594	92.1	33.9	48.0	1.8	60.5	6.1	5.6
Total	425	121,103	100.0	133,594	92.1	33.9	48.0	1.8	60.5	6.1	5.6
<i>Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>											

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2022**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Phoenix-Mesa-Chandler MSA	693	269,480	100.0	184,261	2.6	4.0	2.2	20.6	34.9	18.1	34.7	29.4	35.8	41.9	31.3	43.9	0.1	0.3	0.1
Total	693	269,480	100.0	184,261	2.6	4.0	2.2	20.6	34.9	18.1	34.7	29.4	35.8	41.9	31.3	43.9	0.1	0.3	0.1

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2022**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% 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																			
Phoenix-Mesa-Chandler MSA	693	269,480	100.0	184,261	20.4	12.6	6.8	17.9	40.4	15.5	20.0	15.2	20.5	41.7	31.0	40.5	0.0	0.9	16.7
Total	693	269,480	100.0	184,261	20.4	12.6	6.8	17.9	40.4	15.5	20.0	15.2	20.5	41.7	31.0	40.5	0.0	0.9	16.7

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

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

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope													
Phoenix-Mesa-Chandler MSA	74	26,713	100.0	4.0	5.4	18.3	27.0	28.2	23.0	48.9	43.2	0.6	1.4
Total	74	26,713	100.0	4.0	5.4	18.3	27.0	28.2	23.0	48.9	43.2	0.6	1.4
<i>Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%.</i>													

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

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= IMM			Businesses with Revenues > IMM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope											
Phoenix-Mesa-Chandler MSA	74	26,713	100.0	--	93.0	24.3	--	1.5	75.7	5.5	0.0
Total	74	26,713	100.0	--	93.0	24.3	--	1.5	75.7	5.5	0.0
<i>Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%.</i>											

State of Washington

2020-2021

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020-21		
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																					
Spokane-Spokane Valley MSA	1,219	356,243	100.0	38,493	0.1	0.3	0.1	17.8	21.6	21.2	46.9	44.2	43.1	34.9	33.6	35.1	0.4	0.2	0.4		
Total	1,219	356,243	100.0	38,493	0.1	0.3	0.1	17.8	21.6	21.2	46.9	44.2	43.1	34.9	33.6	35.1	0.4	0.2	0.4		

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020-21		
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																					
Spokane-Spokane Valley	1,219	356,243	100.0	38,493	20.1	4.2	4.7	16.8	19.4	15.6	22.0	28.6	22.7	41.2	45.9	40.6	0.0	1.9	16.4		
Total	1,219	356,243	100.0	38,493	20.1	4.2	4.7	16.8	19.4	15.6	22.0	28.6	22.7	41.2	45.9	40.6	0.0	1.9	16.4		

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

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

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Spokane-Spokane Valley MSA	0	0	0.0	10,845	3.0	0.0	2.6	33.9	0.0	30.2	35.8	0.0	39.1	26.4	0.0	27.4	0.9	0.0	0.7
Total	0	0	0.0	10,845	3.0	0.0	2.6	33.9	0.0	30.2	35.8	0.0	39.1	26.4	0.0	27.4	0.9	0.0	0.7

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2020-21**

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											
Spokane-Spokane Valley	--	--	--	10,845	88.3	--	51.5	3.6	--	8.1	--
Total	--	--	--	10,845	88.3	--	51.5	3.6	--	8.1	--

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

2022

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2022**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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																			
Spokane-Spokane Valley MSA	547	181,476	100.0	20,199	1.9	5.1	2.6	16.7	33.8	20.8	48.6	42.4	45.8	32.7	18.6	30.8	0.1	0.0	0.1
Total	547	181,476	100.0	20,199	1.9	5.1	2.6	16.7	33.8	20.8	48.6	42.4	45.8	32.7	18.6	30.8	0.1	0.0	0.1

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% 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																			
Spokane-Spokane Valley MSA	547	181,476	100.0	20,199	19.3	6.6	5.3	18.5	28.7	17.5	21.3	24.7	23.7	40.9	38.8	41.0	0.0	1.3	12.5
Total	547	181,476	100.0	20,199	19.3	6.6	5.3	18.5	28.7	17.5	21.3	24.7	23.7	40.9	38.8	41.0	0.0	1.3	12.5

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

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

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope													
Spokane-Spokane Valley MSA	0	0	0.0	1.1	0.0	24.4	0.0	33.6	0.0	22.3	0.0	18.5	0.0
Total	0	0	0.0	1.1	0.0	24.4	0.0	33.6	0.0	22.3	0.0	18.5	0.0
<i>Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%.</i>													

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

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Full Scope											
Spokane-Spokane Valley MSA	--	--	--	--	91.2	--	--	2.6	--	6.2	--
Total	--	--	--	--	91.2	--	--	2.6	--	6.2	--
<i>Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%.</i>											