



Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

November 12, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

HNB National Bank
Charter Number 6635

100 North Main Street
Hannibal, MO 63401

Office of the Comptroller of the Currency

500 North Broadway, Suite 1700
St. Louis, MO 63102

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

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Overall CRA Rating

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

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors that support this rating include:

- The Lending Test rating is based on the bank's performance in the state of Missouri.
- The Community Development (CD) Test rating is based on the bank's performance in the state of Missouri.
- The bank's loan-to-deposit (LTD) ratio is reasonable with a quarterly average of 67.3 percent during the evaluation period.
- A substantial majority of the bank's loans are inside its assessment areas (AA).
- The bank received no CRA-related complaints during the evaluation period.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is reasonable. HNB National Bank's (HNB) quarterly LTD ratio averaged 67.3 percent over the 12-quarter evaluation period since the prior CRA evaluation, ending December 31, 2023. Over the same period, the LTD ratio ranged from a low of 59.1 percent to a high of 79.2 percent.

To assess the bank's performance, we compared the bank's average LTD ratio to similarly situated Federal Deposit Insurance Corporation (FDIC) insured financial institutions, which included four banks with branches in the local area. The four banks had total assets ranging from \$547.9 million to \$872.4 million, with a combined average LTD ratio of 69.4 percent over the same evaluation period. The lowest individual quarterly average ratio was 52.1 percent, while the highest individual average was 91.9 percent. HNB ranked third out of five when comparing the average ratios. The table below lists similarly situated institutions, including HNB, with corresponding average LTD ratios and total assets.

Institution	Location	Average Quarterly LTD Ratio	Total Assets (\$000s) as of 12/31/2023
First State Bank of St. Charles, MO	St. Charles County	91.9%	\$547,893
Homebank	Marion County	89.9%	\$582,079
HNB National Bank	Marion County	67.3%	\$872,446
The Bank of Old Monroe	Lincoln County	56.5%	\$725,767
Peoples Bank & Trust	Lincoln County	52.1%	\$805,690

Lending in Assessment Area

A substantial majority of HNB's loans are inside its AAs.

The bank originated and purchased 80.5 percent of its total loans by number and 73.4 percent of its total loans by dollar amount inside the bank's AAs during the evaluation period. This analysis is performed at the bank-level rather than the AA-level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Table D - Lending Inside and Outside of the Assessment Area											
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$	
	Inside		Outside			Inside		Outside			
	#	%	#	%		\$	%	\$	%		
Home Mortgage											
2021	632	81.1	147	18.9	779	104,123,253	76.9	31,315,410	23.1	135,438,663	
2022	379	79.0	101	21.0	480	61,167,798	66.3	31,034,221	33.7	92,202,019	
2023	333	81.2	77	18.8	410	56,907,162	75.8	18,191,751	24.2	75,098,912	
Subtotal	1,344	80.5	325	19.5	1,669	222,198,213	73.4	80,541,382	26.6	302,739,594	
Source: Bank Data Due to rounding, totals may not equal 100.0%											

Description of Institution

HNB is an intrastate federally chartered financial institution headquartered in Hannibal, Missouri. The bank is a wholly owned subsidiary of HNB Bancorp, Inc., which was formed in 2021. HNB Bancorp, Inc. is majority-owned by the R. Dean Phillips Bank Trust, which includes seven other banks within the trust. Since the prior performance evaluation, HNB acquired the Mercantile Bank of Louisiana (MBL), a one-location bank in Louisiana, Missouri. The MBL acquisition was effective on September 30, 2023. Given the timing of the acquisition, the performance of the Louisiana, Missouri branch was not included as part of this evaluation. There were no affiliate or subsidiary activities considered in this evaluation.

As of December 31, 2023, HNB operates 15 full-service branches across the state of Missouri, including the Louisiana location. In addition, HNB operates 18 automated teller machines (ATM). The bank operates a cash-dispensing ATM at each branch location, as well as three standalone ATMs in the cities of Stanberry, Hannibal, and Perry. None of the bank's ATMs have deposit-taking capabilities. There were no branch closures during the 3-year evaluation period.

As of December 31, 2023, HNB had total assets of \$872.4 million, total deposits of \$730.4 million, and tier 1 capital of \$91.6 million. The bank's total loans were \$584.9 million or 67 percent of total assets. The loan portfolio is composed of \$220.1 million (37.6 percent) in commercial loans, \$196 million (33.5 percent) in agricultural loans, \$158.1 million (27 percent) in residential loans, \$10.1 million (1.7 percent) in consumer loans, and \$561,000 (0.1 percent) in other loans and leases.

HNB provides a broad range of real estate, commercial, agriculture, and consumer credit products, as well as deposit products and services for personal and business clients. The bank's personal banking products

and services include checking accounts, statement savings accounts, money market accounts, health savings accounts, safe deposit boxes, certificates of deposit, fixed and adjustable-rate mortgages, home equity loans, personal lines, and auto loans. The bank's business banking products and services include business checking and savings accounts, commercial loans, commercial real estate loans, agricultural loans, lines of credit, and merchant services.

HNB also makes use of flexible lending programs to serve the credit needs within the AAs. The bank participates in various programs offered by government-sponsored enterprises and government agencies throughout its AAs. Examples include closing cost assistance for borrowers through the Federal Home Loan Bank, down payment assistance options through a First-Time Buyer program, and loans originated through the U.S. Department of Agriculture (USDA) Rural Housing Program and U.S. Small Business Administration (SBA).

For CRA purposes, HNB has identified three AAs within the state of Missouri: a portion of the St. Louis MO-IL MSA #41180 (St. Louis MSA), a portion of the St. Joseph MO-KS MSA #41140 (St. Joseph MSA), and a Missouri Non-MSA (MO Non-MSA).

The bank's last CRA performance evaluation was dated August 30, 2021. Utilizing Intermediate-Small Bank CRA examination procedures, the OCC concluded the bank's performance was rated "Satisfactory." There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AAs.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The scope of this evaluation includes an assessment of HNB under the Intermediate Small Bank performance criteria, which consists of a lending test and a CD test. The lending test evaluates the bank's record of meeting the credit needs of its AAs through its lending activities. The CD test evaluates the bank's record of responding to the CD needs of its AA through CD lending and providing qualified investments, donations, and services.

The evaluation period for the lending test is January 1, 2021 through December 31, 2023. Examiners determined HNB's primary loan product for each AA by reviewing the number and dollar volume of loan originations and purchases during the evaluation period. Home mortgage loans were the primary product in all three AAs. Examiners relied on Home Mortgage Disclosure Act (HMDA) data to complete the analysis of home mortgage loans.

To provide more current and accurate demographic data, the federal banking agencies are now updating census data every five years instead of ten, beginning with the Census Bureau's 2015 American Community Survey (ACS). The most recent U.S. Census data update was in 2020. Therefore, we completed two separate analyses of the bank's lending performance. For HNB's 2021 lending performance, we used the comparators of demographic data from the 2015 ACS, and for 2022 through 2023 lending performance, we used the comparators of demographic data from the 2020 U.S. Census.

For lending performance, examiners placed more emphasis on aggregate performance. Where there were performance differences between low- and moderate-income geographies, examiners placed more weight

on the geographic category with more lending opportunities (e.g. higher percentage of owner-occupied housing units). These weightings are described within the narrative comments of each rating area.

The evaluation period for the CD test is January 1, 2021 through December 31, 2023. CD loans, qualified investments, and CD services were evaluated in each of the bank's three AAs. Qualifying activities performed in response to the coronavirus pandemic were considered from January 1, 2021 through December 31, 2023. Qualified investments included investments that met the definition of CD and were made prior to and remained outstanding through the end of the current evaluation period or were made during the current evaluation period. Examiners considered prior-period investments at the book value of the investment at the end of the current evaluation period and current-period investments at their original investment amount.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated 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.

When determining areas for full-scope reviews, examiners considered factors such as HNB's percentage of deposits within the rating area, business strategy within a particular AA, the number of branch offices, the volume of reportable loans originated and purchased in each AA, the significance of the bank to the AA based on its deposit market share and rank, comments received from the public, and conclusions from prior CRA evaluations. Where necessary, examiners selected multiple AAs to complete sufficient full-scope analyses to support the conclusions and ratings.

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

Ratings

The bank's overall rating is based on its performance in the state of Missouri, where all three AAs are located. Examiners placed the most weight on the bank's performance in the Missouri Non-MSA AA, as it represents the largest portion of the bank's deposits, loan originations and purchases, and branch offices during the evaluation period. The Missouri Non-MSA AA represented 76 percent of the bank's total deposits, 68.8 percent of loan originations by number, 66.2 percent of loan originations by dollar volume, and 64.3 percent of branch offices.

Discriminatory or Other Illegal Credit Practices Review

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

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

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

State Rating

State of Missouri

CRA rating for the State of Missouri¹: Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors that support this rating include:

- The distribution of loans throughout geographies of different income levels in Missouri is reasonable.
- The distribution of loans to borrowers of different income levels in Missouri is reasonable.
- HNB's CD performance demonstrates adequate responsiveness to the CD needs of the bank's AAs in Missouri through CD loans, qualified investments, and services.
- The bank did not receive any complaints regarding its CRA performance.

Description of Institution's Operations in Missouri

Examiners assessed performance within HNB's three AAs in the state of Missouri. The AAs are composed of a MO Non-MSA, a portion of the St. Joseph MO-KS MSA, and a portion of the St Louis MO-IL MSA. The MO Non-MSA comprises Gentry, Monroe, Marion, Ralls, and Pike counties. In 2021, the AA was composed of 21 CTs, that included no low-income CTs, one moderate-income CT, 16 middle-income CTs, and four upper-income CTs. HNB had nine branches located within the AA. In 2022-2023, the AA was composed of 21 CTs, which included no low-income CTs, two moderate-income CTs, 11 middle-income CTs, and eight upper-income CTs. HNB had ten branches located within the AA after the MBL acquisition became effective in September 2023, obtaining the Louisiana, MO location. The St. Joseph MSA AA consists of Andrew and Buchanan counties. In 2021, the AA was composed of 29 CTs, which included one low-income CT, seven moderate-income CTs, 15 middle-income CTs, and six upper-income CTs. In 2022-2023, the AA was composed of 31 CTs which included two low-income CTs, six moderate-income CTs, 20 middle-income CTs, and three upper-income CTs. HNB had three branches located within the AA throughout the entire 3-year evaluation period. The St. Louis MSA AA consists of Lincoln and St. Charles counties. In 2021, the AA was composed of 86 CTs which included one low-income CT, nine moderate-income CTs, 33 middle-income CTs, 42 upper-income CTs, and one CT with income not available. In 2022-2023, the AA was composed of 98 CTs that included one low-income CT, eight moderate-income CTs, 45 middle-income CTs, 43 upper-income CTs, and one CT with income not available. HNB had two branches located within the AA throughout the entire 3-year evaluation period.

HNB had \$616.7 million in deposits in Missouri as of June 30, 2023. As of December 31, 2023, the bank operated 15 branches and 18 ATMs. According to FDIC deposit market share data, as of June 30, 2023, there were 61 FDIC-insured institutions operating 194 branches within the Missouri rating area. HNB ranked seventh in deposit share, with 4 percent. The top three banks by market share were U.S. Bank

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

National Association with 13.5 percent, Commerce Bank with 10.5 percent, and Bank of America, National Association with 7.8 percent.

MO Non-MSA

Competition

HNB had \$469 million in deposits in the MO Non-MSA AA, representing 76 percent of the bank's total deposits as of June 30, 2023. As of December 31, 2023, the bank operated ten branches and 13 ATMs, representing 66.7 percent of total branches and 72.2 percent of total ATMs. The bank originated approximately \$120 million in home mortgage loans within the MO Non-MSA AA, representing 54 percent of total bank loan originations within its AAs. According to FDIC deposit market share data, as of June 30, 2023, there were 22 FDIC-insured institutions operating 41 branches in the AA. HNB ranked first in deposit share, with 23.6 percent. The second bank by deposit market share was HomeBank with 11.6 percent.

Demographics

The following table provides a summary of the demographics, including housing, business, and economic information for the MO Non-MSA AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Missouri Non-MSA 2021						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	21	0.0	4.8	76.2	19.0	0.0
Population by Geography	73,065	0.0	4.3	71.6	24.1	0.0
Housing Units by Geography	33,866	0.0	4.3	75.4	20.4	0.0
Owner-Occupied Units by Geography	19,877	0.0	3.1	73.3	23.6	0.0
Occupied Rental Units by Geography	8,185	0.0	5.9	76.7	17.4	0.0
Vacant Units by Geography	5,804	0.0	6.0	80.4	13.6	0.0
Businesses by Geography	4,792	0.0	4.8	71.5	23.7	0.0
Farms by Geography	544	0.0	0.9	69.5	29.6	0.0
Family Distribution by Income Level	18,851	17.0	17.6	21.3	44.1	0.0
Household Distribution by Income Level	28,062	19.8	15.4	19.2	45.7	0.0
Median Family Income Non-MSAs - MO		\$48,341	Median Housing Value			\$100,133
			Median Gross Rent			\$605
			Families Below Poverty Level			11.8%
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: Missouri Non-MSA 2022-2023						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	21	0.0	9.5	52.4	38.1	0.0
Population by Geography	71,295	0.0	7.6	51.5	41.0	0.0
Housing Units by Geography	34,261	0.0	8.1	53.7	38.2	0.0
Owner-Occupied Units by Geography	20,449	0.0	4.7	53.0	42.4	0.0
Occupied Rental Units by Geography	8,099	0.0	13.8	51.5	34.7	0.0
Vacant Units by Geography	5,713	0.0	12.4	59.3	28.3	0.0
Businesses by Geography	8,173	0.0	8.5	49.2	42.2	0.0
Farms by Geography	862	0.0	4.3	54.3	41.4	0.0
Family Distribution by Income Level	18,851	17.8	15.3	20.9	46.0	0.0
Household Distribution by Income Level	28,548	22.2	14.4	17.4	45.9	0.0
Median Family Income Non-MSAs - MO		\$56,957	Median Housing Value			\$117,346
			Median Gross Rent			\$630
			Families Below Poverty Level			11.3%
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Geographic Distribution of the Population

According to the 2015 ACS data, the AA population was 73,065 with 3,127 (4.3 percent) residing in moderate-income CTs, 52,306 (71.6 percent) residing in middle-income CTs, and 17,632 (24.1 percent) residing in upper-income CTs. There were no low-income CTs in the AA. According to the 2020 U.S. Census data, the AA population was 71,295 with 5,393 (7.6 percent) residing in moderate-income CTs, 36,686 (51.5 percent) residing in middle-income CTs, and 29,216 (41 percent) residing in upper-income CTs. There were no low-income CTs in the AA.

Family Distribution by Income Level

According to the 2015 ACS data, there were 18,851 families in the AA. The distribution of families by income level was 3,207 (17 percent) low income, 3,318 (17.6 percent) moderate income, 4,022 (21.3 percent) middle income, and 8,304 (44.1 percent) upper income. According to the 2020 U.S. Census data, there were 18,851 families in the AA. The distribution of families by income level was 3,364 (17.9 percent) low income, 2,882 (15.3 percent) moderate income, 3,935 (20.9 percent) middle income, and 8,670 (46 percent) upper income.

Housing Characteristics and Home Affordability

Examiners evaluated the disparity between the median incomes of families within the AA and the cost of housing. Based on 2015 ACS data, the weighted average median family income for the MO Non-MSA AA was \$48,341. Based on this information low-income families earned less than \$24,171 and moderate-income families earned less than \$38,673. The median housing value in the AA was \$100,133. One

method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30 percent of the applicant's income. The calculated maximum affordable monthly mortgage payment was \$604 for a low-income borrower and \$967 for a moderate-income borrower. 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 AA median housing value would be \$538. Low- and moderate-income borrowers would be able to afford a mortgage loan in the MO Non-MSA AA. Based on 2020 census data, housing remained affordable.

Examiners further considered the increase in home prices across the evaluation period as a result of the COVID-19 pandemic and historically low interest rate environment that was not captured by census data. According to the Federal Housing Finance Agency (FHFA), in 2021, the House Price Index (HPI) was 220.3 and by the fourth quarter of 2023 had increased to 307.7, representing a 39.7 percent increase in home prices across the evaluation period. This acceleration in home prices presented housing affordability concerns for low- and moderate-income borrowers.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial resources to qualify for home or automobile loans than those with income above the poverty rate. Within the MO Non-MSA AA, 11.8 percent of families had incomes below the federal poverty level (FPL) according to the 2015 ACS and 11.3 percent of families had incomes below the FPL according to the 2020 census.

Employment and Economic Factors

According to Moody's Analytics, as of October 2023, Missouri's economy is stuck in the slow lane. Monthly payroll gains in the latter half of 2023 have come at a slower clip in MO than in the Midwest and are even further behind the U.S. pace. Payrolls in office-using industries such as finance have moved sideways over the past year, and manufacturing's impressive expansion has decelerated. Healthcare has been one of the strongest contributors to growth in the broader economy. The unemployment rate has drifted above three percent, though solid labor force gains explain some of the increase.

Major employment sectors in the MO Non-MSA include education and health services. Major employers in the area include Mercy Health Care, Walmart Inc., BJC Healthcare, Washington University in St. Louis, and Boeing Defense, Space & Security.

According to the BLS, unemployment in the MO Non-MSA AA was between 3.5 and 6.2 percent in January 2021, depending on county, and between 2.1 and 3.1 percent in December 2023.

Community Contacts

Examiners relied on information from two community contacts completed during the evaluation period with organizations located throughout the MO Non-MSA AA. The organizations contacted focus on areas such as economic development and financial assistance to promote housing and development in rural areas. One contact noted the local economy is directly tied to the area's agricultural industry. As such they mentioned the credit needs for the area are primarily agricultural. Additionally, housing remains a primary need for the area. One contact cited strengths for the city of Hannibal specifically as location, as it is centrally located and easily accessible. Further, Hannibal remains a good destination for tourism. Weaknesses were cited as aging population, a mismatch of skills needed within the workforce, childcare

deserts in surrounding counties, and a shortage of quality housing availability for middle-income individuals. The main economic development strategies employed by the area are workforce development and business retention and expansion. One contact noted they would like more active participation from financial institutions by partnering with the council to provide financial literacy training for small businesses in the area. Individuals are unaware of the financing options to expand or start a business. There is opportunity for local banks to be involved in strategic planning incentives in the local government. Contacts noted the area is well-served by local financial institutions and credit needs are being met. Credit and CD needs identified include:

- Access to quality affordable housing;
- Agricultural lending;
- Access to childcare services;
- Financial education;
- Employment training;
- Small business lending; and
- Loans for commercial development to revitalize downtown areas.

St. Joseph MSA

Competition

HNB had \$93.6 million in deposits in the St. Joseph MSA, representing 15.2 percent of the bank's total deposits as of June 30, 2023. As of December 31, 2023, the bank operated three branches and three ATMs, representing 20 percent of total branches and 16.7 percent of total ATMs. The bank originated approximately \$56.1million in home mortgage loans within the St. Joseph MSA, representing 25.2 percent of total bank loan originations within its AAs. According to FDIC deposit market share data, as of June 30, 2023, there were 15 FDIC-insured institutions operating 32 branches in the AA. HNB ranked eighth in deposit share, with 3.9 percent. The top three banks by deposit market share were The Nodaway Valley Bank with 28.4 percent, Commerce Bank with 18.8 percent, and U.S. Bank National Association with 14.1 percent.

Demographics

The following table provides a summary of the demographics, including housing, business, and economic information for the St. Joseph MSA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: St Joseph MSA 2021						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	29	3.4	24.1	51.7	20.7	0.0
Population by Geography	106,889	1.6	22.4	49.3	26.7	0.0
Housing Units by Geography	45,790	2.4	23.8	50.9	22.9	0.0
Owner-Occupied Units by Geography	26,424	0.7	18.2	52.7	28.4	0.0
Occupied Rental Units by Geography	13,560	4.8	27.2	50.5	17.5	0.0
Vacant Units by Geography	5,806	4.3	41.4	43.8	10.5	0.0
Businesses by Geography	6,246	6.5	15.5	44.5	33.5	0.0
Farms by Geography	345	0.9	4.6	64.1	30.4	0.0
Family Distribution by Income Level	25,752	21.0	17.6	22.8	38.5	0.0
Household Distribution by Income Level	39,984	24.8	15.8	17.3	42.1	0.0
Median Family Income MSA - 41140 St. Joseph, MO-KS MSA		\$59,820	Median Housing Value			\$117,642
			Median Gross Rent			\$704
			Families Below Poverty Level			12.5%
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: St Joseph MSA 2022-2023						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	31	6.5	19.4	64.5	9.7	0.0
Population by Geography	102,928	5.4	14.9	65.6	14.1	0.0
Housing Units by Geography	46,159	6.2	16.6	65.0	12.2	0.0
Owner-Occupied Units by Geography	26,222	3.0	13.8	67.5	15.7	0.0
Occupied Rental Units by Geography	14,219	9.4	19.5	62.6	8.5	0.0
Vacant Units by Geography	5,718	13.0	21.9	59.5	5.6	0.0
Businesses by Geography	10,874	5.2	9.3	70.6	14.9	0.0
Farms by Geography	601	2.0	3.5	79.5	15.0	0.0
Family Distribution by Income Level	25,014	19.7	19.2	20.4	40.6	0.0
Household Distribution by Income Level	40,441	25.1	15.8	18.1	40.9	0.0
Median Family Income MSA - 41140 St. Joseph, MO-KS MSA		\$66,409	Median Housing Value			\$130,938
			Median Gross Rent			\$785
			Families Below Poverty Level			9.8%
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Geographic Distribution of the Population

According to the 2015 ACS data, the AA population was 106,889 with 1,759 (1.7 percent) residing in low-income CTs, 23,911 (22.4 percent) residing in moderate-income CTs, 52,671 (49.3 percent) residing in middle-income CTs, and 28,548 (26.7 percent) residing in upper-income CTs. According to the 2020 U.S. Census data, the AA population was 102,928 with 5,543 (5.4 percent) residing in low-income CTs, 15,335 (14.9 percent) residing in moderate-income CTs, 67,539 (65.6 percent) residing in middle-income CTs, and 14,511 (14.1 percent) residing in upper-income CTs.

Family Distribution by Income Level

According to the 2015 ACS data, there were 25,752 families in the AA. The distribution of families by income level was 5,420 (21.1 percent) low income, 4,531 (17.6 percent) moderate income, 5,882 (22.8 percent) middle income, and 9,919 (38.5 percent) upper income. According to the 2020 U.S. Census data, there were 25,014 families in the AA. The distribution of families by income level was 4,928 (19.7 percent) low income, 4,813 (19.2 percent) moderate income, 5,105 (20.4 percent) middle income, and 10,168 (40.7 percent) upper income.

Housing Characteristics and Home Affordability

Examiners evaluated the disparity between the median incomes of families within the AA and the cost of housing. Based on 2015 ACS data, the weighted average median family income for the St. Joseph MSA was \$59,820. Based on this information low-income families earned less than \$29,910 and moderate-income families earned less than \$47,856. The median housing value in the AA was \$117,642. One method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30 percent of the applicant's income. The calculated maximum affordable monthly mortgage payment was \$748 for a low-income borrower and \$1,196 for a moderate-income borrower. 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 AA median housing value would be \$632. Low- and moderate-income borrowers would be able to afford a mortgage loan in the St. Joseph MSA. Based on 2020 census data, housing remained affordable.

Examiners further considered the increase in home prices across the evaluation period as a result of the COVID-19 pandemic and historically low interest rate environment that was not captured by census data. According to the FHFA, in 2021, the HPI was 224.1 and by the fourth quarter of 2023 had increased to 297.4, representing a 32.7 percent increase in home prices across the evaluation period. This acceleration in home prices presented housing affordability concerns for low- and moderate-income borrowers.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial resources to qualify for home or automobile loans than those with income above the poverty rate. Within the St. Joseph MSA, 12.5 percent of families had incomes below the FPL according to the 2015 ACS and 9.8 percent of families had incomes below the FPL according to the 2020 census.

Employment and Economic Factors

According to Moody's Analytics, as of June 2023, St. Joseph's economy is sputtering. Payroll growth is trending in the wrong direction as the state and nation continue to expand. The key healthcare industry and the public sector are creating the largest drags on the metro area's recovery. Manufacturing, on the other hand, has made large strides toward recovering and is growing faster than the national pace. Weakness in the labor market can, in part, be attributed to a soft labor force. Aside from a recent uptick, St. Joseph's labor force has continuously declined since 2020. This has kept the jobless rate below the state and national rates and made it difficult for firms to find workers.

Major employment sectors in the St. Joseph MSA include manufacturing and government. Major employers in the area include Mosaic Life Care, Triumph Foods Inc., 139th Airlift Wing, MO Air National Guard, Boehringer Ingelheim Corp., and System Services Technologies Incorporated.

According to the BLS, unemployment in the St. Joseph MSA was 4.1 or 5 percent in January 2021, depending on county, and 2.2 or 2.6 percent in December 2023.

Community Contacts

Examiners relied on information from two community contacts completed during the evaluation period with organizations located throughout the St. Joseph MSA. The organizations contacted focus on areas such as small farm and small business education and counseling and economic development. One contact noted economic conditions were good/stable across the area. FSA and government loan guarantee programs are underutilized by some area banks. Housing prices have been increasing, impacting the availability of housing for low- and moderate-income families. One contact noted the area has a large transient labor force of younger working-age professionals and a significant portion of the population commutes to the city of St. Joseph but reside in the Kansas City, MO area or other outlying cities. The local economy is strong, and businesses are vibrant. Industrial plants are some of the top producing units within the nation. Relating to the agricultural industry, producers and supply are doing well. Workforce housing has been an issue lately, including executive housing. Overall, there is limited supply, but local organizations are working on projects to help with that. There is a desire for community-based housing that includes shared amenities. To accommodate the workforce of traveling nurses and skilled manufacturing temporary labor, there is a demand for multi-unit apartments. There is a lack of affordable housing in the area for LMI individuals. Business, agriculture, and home lending credit needs present opportunities for banks to participate. Financing small businesses in the downtown area would assist in spurring redevelopment. As larger banks merge and lose local control, there has been less support for community efforts than before, impacting rural communities the most. Credit and CD needs identified include:

- Affordable housing (both rental and owner-occupied)
- New housing construction
- Small business lending in partnership with government loan guarantee programs
- Agricultural lending in partnership with FSA guarantee programs
- Loans for commercial development to revitalize downtown areas

Scope of Evaluation in Missouri

The MO Non-MSA AA and the St. Joseph MSA received full-scope reviews as they contained the largest concentrations of deposits, lending, and branches. The St. Louis MSA received a limited-scope review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MISSOURI

LENDING TEST

The bank's performance under the Lending Test in the state of Missouri is rated Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

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

Distribution of Loans by Income Level of the Geography

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

Home Mortgage Loans

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

Missouri Non-MSA AA

2021

The geographic distribution of home mortgage loans in 2021 was reasonable. The proportion of the bank's home mortgage loans in moderate-income geographies was near to the percentage of owner-occupied housing units and approximated the aggregate industry distribution of home mortgage loans in those geographies. There are no low-income geographies within this AA.

2022 – 2023

The geographic distribution of home mortgage loans in 2022-2023 was excellent. The proportion of the bank's home mortgage loans in moderate-income geographies exceeded the percentage of owner-occupied housing units and was near to the aggregate industry distribution of home mortgage loans in those geographies. There are no low-income geographies within this AA.

St. Joseph MSA AA

2021

The geographic distribution of home mortgage loans in 2021 was reasonable. The proportion of home mortgage loans in low-income geographies exceeded the percentage of owner-occupied housing units and

exceeded the aggregate industry distribution of home mortgage loans in those geographies. The proportion of home mortgage loans in moderate-income geographies was well below the percentage of owner-occupied housing units and below the aggregate industry distribution of home mortgage loans in those geographies.

2022 – 2023

The geographic distribution of home mortgage loans in 2022-2023 was reasonable. The proportion of home mortgage loans in low-income geographies was near to the percentage of owner-occupied housing units and near to the aggregate industry distribution of home mortgage loans in those geographies. The proportion of home mortgage loans in moderate-income geographies was below the percentage of owner-occupied housing units and below the aggregate industry distribution of home mortgage loans in those geographies.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed home mortgage lending data. We did not identify any unexplained conspicuous gaps in mortgage lending.

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

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

Missouri Non-MSA AA

2021

The borrower distribution of home mortgage loans in 2021 was excellent. The proportion of the bank's home mortgage loans to low-income borrowers was well below the percentage of low-income families and approximated the aggregate industry distribution of home mortgage loans to those borrowers. The proportion of the bank's home mortgage loans to moderate-income borrowers was near to the percentage of moderate-income families and exceeded the aggregate industry distribution of home mortgage loans to those borrowers.

2022 – 2023

The borrower distribution of home mortgage loans in the 2022-2023 evaluation period was reasonable. The proportion of the bank's home mortgage loans to low-income borrowers was below the percentage of low-income families and exceeded the aggregate industry distribution of home mortgage loans to those borrowers. The proportion of the bank's home mortgage loans to moderate-income borrowers was near to the percentage of moderate-income families and below the aggregate industry distribution of home mortgages to those borrowers.

St. Joseph MSA AA

2021

The borrower distribution of home mortgage loans in the 2021 evaluation period was reasonable. The proportion of the bank's home mortgage loans to low-income borrowers was well below the percentage of low-income families and below the aggregate industry distribution of home mortgage loans to those borrowers. The proportion of the bank's home mortgage loans to moderate-income borrowers was near to the percentage of moderate-income families and below the industry distribution of home mortgages to those borrowers. Considering the poverty level and housing affordability concerns in the St. Joseph MSA, performance is considered adequate.

2022 – 2023

The borrower distribution of home mortgage loans in the 2022-2023 evaluation period was reasonable. The proportion of the bank's home mortgage loans to low-income borrowers was well below the percentage of low-income families and near to the aggregate industry distribution of home mortgage loans to those borrowers. The proportion of the bank's home mortgage loans to moderate-income borrowers was near to the percentage of moderate-income families and well below the aggregate industry distribution of home mortgages to those borrowers.

Responses to Complaints

HNB did not receive any CRA-related complaints during the evaluation period.

Conclusions for Area Receiving a Limited Scope Review

Based on a limited-scope review, the bank's performance under the Lending Test in the St. Louis MSA AA is stronger than the bank's overall performance under the Lending Test in the full-scope areas. The stronger performance in the St. Louis MSA had minimal impact on the overall state rating.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD Test in the state of Missouri is rated Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope and limited-scope reviews, the bank exhibits adequate responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's assessment areas.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full-Scope				
MO Non-MSA	840	73.2	17,956	76.5
St. Joseph MSA	199	17.3	3,208	13.7
Limited-Scope				
St. Louis MSA	99	8.6	2,122	9.0
Broader/Statewide				
Missouri	10	0.1	178	0.1
Total	1,148	100.0	23,464	100.0

MO Non-MSA AA

The bank made an excellent level of CD loans in the MO Non-MSA AA.

The bank made 840 CD loans totaling \$18 million, which represented 25.8 percent of the allocated tier 1 capital. All loans were Paycheck Protection Program (PPP) loans originated and authorized under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

St. Joseph MSA

The bank made an excellent level of CD loans in the St. Joseph MSA.

The bank made 199 CD loans totaling \$3.2 million, which represented 23.1 percent of the allocated tier 1 capital. All loans were PPP loans originated and authorized under the CARES Act.

Broader Statewide or Regional Area

Because HNB was responsive to CD needs and opportunities in its AAs, examiners considered broader statewide and regional CD loans that did not have a purpose, mandate, or function to serve the AA. HNB made 10 CD loans totaling approximately \$178 thousand in the broader statewide and regional area. These loans were PPP loans originated and authorized under the CARES Act. These loans were consistent with, and provide additional support for, the overall excellent level of CD lending in the state of Missouri.

Number and Amount of Qualified Investments

Assessment Area	Qualified Investments									
	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full-Scope										
MO Non-MSA	6	1,930	15	1,371	21	100.0	3,301	100.0	0	0
St. Joseph MSA	0	0	0	0	0	0.0	0	0.0	0	0
Limited-Scope										
St. Louis MSA	0	0	0	0	0	0.0	0	0.0	0	0
Total	6	1,930	15	1,371	21	100.0	3,301	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.

MO Non-MSA AA

The bank made 15 current-period investments totaling \$1.4 million during the evaluation period, which includes nine qualifying donations totaling \$1.4 thousand to six organizations. The dollar volume of current- and prior-period investments represented 4.7 percent of allocated tier 1 capital.

The bank exhibited adequate responsiveness to CD needs in the MO Non-MSA AA. All investments and donations funded community services to low- or moderate-income individuals.

Examples of CD investments in the AA include:

- The bank made a combined \$860 thousand investment in a local school district bond. The proceeds fund the site development, construction, equipping, and furnishing of turf baseball, softball, and soccer fields and other related improvements to the existing facilities of the district. More than half of the district's students are eligible for free or reduced lunch.

St. Joseph MSA

The bank made no new investments during the evaluation period. There were no prior-period investments.

The bank exhibited very poor responsiveness to CD needs in the St. Joseph MSA.

Extent to Which the Bank Provides Community Development Services

MO Non-MSA AA

The bank provided an adequate level of CD services.

HNB employees provided five qualified CD service activities to five organizations with 529 qualified hours within this AA during the evaluation period. Leadership was evident through board participation in all activities. The bank's assistance was responsive to CD needs in the AA, including to organizations

providing community services targeted to LMI individuals and families, affordable housing, and economic development.

Service activity examples during the evaluation period include:

- One HNB employee volunteered on the board of a local organization that provides housing to low-to moderate-income individuals and families.
- One HNB employee served as Board President of a local economic development council which supports Small Business Development Centers throughout northeastern Missouri in starting businesses and securing capital.

St. Joseph MSA

The bank provided an adequate level of CD services.

One HNB employee provided a qualified CD service activity to one organization with 108 qualified hours within this AA during the evaluation period. Leadership was evident through committee participation with the organization. The bank's assistance was responsive to CD needs in the AA, particularly with economic development. The organization is a partnership between a variety of agencies to facilitate SBA 504 funding in the St. Joseph MSA.

Conclusions for Area Receiving a Limited Scope Review

Based on a limited-scope review, the bank's performance under the CD Test in the St. Louis MSA is weaker than the bank's overall performance under the CD Test in the full scope areas. Performance in the limited-scope AA had minimal impact on the overall state rating.

Appendix A: Scope of Examination

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

Time Period Reviewed:	(01/01/2021 to 12/31/2023)	
Bank Products Reviewed:	Home mortgage loans Community development loans, qualified investments, community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	Not Applicable	Not Applicable
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State of Missouri		
Missouri Non-MSA AA	Full-Scope	
St. Joseph MSA AA	Full-Scope	
St. Louis MSA AA	Limited-Scope	

Appendix B: Summary of MMSA and State Ratings

RATINGS		HNB National Bank	
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
HNB National Bank	Satisfactory	Satisfactory	Satisfactory
MMSA or State:			
State of Missouri	Satisfactory	Satisfactory	Satisfactory

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

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 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.

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 O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2021
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
MO Non-MSA	357	52,001,887	56.5	1,775	0.0	0.0	0.0	3.1	2.0	2.1	73.3	66.9	74.6	23.6	31.1	23.3	0.0	0.0	0.0
St Joseph MSA	149	25,282,895	23.6	3,971	0.7	2.7	0.5	18.2	6.7	15.5	52.7	48.3	51.6	28.4	42.3	32.4	0.0	0.0	0.0
St Louis MSA	126	26,838,471	19.9	39,353	0.4	0.0	0.5	8.9	19.0	6.8	38.0	62.7	38.3	52.8	18.3	54.4	0.0	0.0	0.0
Total	632	104,123,253	100.0	45,099	0.4	0.6	0.4	9.6	6.5	7.4	44.4	61.7	40.9	45.6	31.2	51.2	0.0	0.0	0.0
Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0% **HNB National Bank (10000006635) excluded from Aggregate																			

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022-23
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
Missouri Non-MSA	438	67,984,498	61.5	974	0.0	0.0	0.0	4.7	8.2	9.9	53.0	43.8	53.3	42.4	47.9	36.9	0.0	0.0	0.0
St Joseph MSA	192	30,791,936	27.0	2,037	3.0	2.1	3.9	13.8	8.9	18.9	67.5	74.0	64.6	15.7	15.1	12.5	0.0	0.0	0.0
St Louis MSA	82	19,298,527	11.5	13,234	0.4	0.0	0.1	5.2	6.1	5.1	45.7	74.4	46.1	48.7	19.5	48.7	0.0	0.0	0.0
Total	712	118,074,960	100.0	16,245	0.7	0.6	0.6	6.4	8.1	7.1	49.6	55.5	48.8	43.3	35.8	43.5	0.0	0.0	0.0
Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0% **HNB National Bank (10000006635) excluded from Aggregate																			

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 P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2021
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
MO Non-MSA	357	52,001,887	56.5	1,775	17.0	3.4	3.5	17.6	14.6	14.1	21.3	19.9	19.9	44.1	56.9	39.4	0.0	5.3	23.1
St Joseph MSA	149	25,282,895	23.6	3,971	21.0	1.3	7.1	17.6	15.4	20.2	22.8	21.5	20.0	38.5	51.0	30.4	0.0	10.7	22.2
St Louis MSA	126	26,838,471	19.9	39,353	13.9	6.3	5.8	15.5	15.1	16.5	21.8	23.0	21.7	48.8	50.8	32.8	0.0	4.8	23.2
Total	632	104,123,253	100.0	45,099	15.4	3.5	5.8	16.1	14.9	16.8	21.9	20.9	21.5	46.6	54.3	32.8	0.0	6.5	23.1
Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0% **HNB National Bank (10000006635) excluded from Aggregate																			

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																		2022-2023	
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Missouri Non-MSA	232	35,202,564	61.2	1,351	17.8	8.6	5.4	15.3	12.9	17.9	20.9	21.1	21.7	46.0	48.3	32.9	0.0	9.1	22.1
St Joseph MSA	102	15,810,971	26.9	2,571	19.7	6.9	8.9	19.2	16.7	22.2	20.4	18.6	20.2	40.6	39.2	26.9	0.0	18.6	21.7
St Louis MSA	45	10,154,264	11.9	18,935	12.6	11.1	7.3	15.6	11.1	19.2	22.9	17.8	23.2	49.0	46.7	32.4	0.0	13.3	17.9
Total	379	61,167,798	100.0	22,857	14.2	8.4	7.4	16.1	13.7	19.5	22.3	20.1	22.8	47.4	45.6	31.8	0.0	12.1	18.5
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% **HNB National Bank (10000006635) excluded from Aggregate																			

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.