



PUBLIC DISCLOSURE

June 25, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Comanche National Bank
Charter Number 4246

100 East Central Street
Comanche, TX 76442

Office of the Comptroller of the Currency
Fort Worth Field Office
9003 Airport Freeway
Suite 275
North Richland Hills, TX 76180-9127

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: Satisfactory

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

Comanche National Bank's (CNB) Community Reinvestment Act (CRA) performance is satisfactory. We based our conclusions on CNB's lending practices and community development (CD) activities. The rating is based on the following findings:

- CNB's loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, local competition, and assessment area (AA) credit needs.
- A majority of CNB's loans are located inside the AAs.
- CNB has a reasonable distribution to borrowers of various income levels, and farms of different sizes.
- CNB's geographic distribution of loans across geographies of different income levels is reasonable throughout the AA.
- There were no complaints with respect to CNB's CRA performance.
- CNB demonstrates adequate responsiveness to the CD needs of its AAs.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: 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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity 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 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), loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

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 MA/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. 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

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.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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.

Rated Area: A rated area is a state or multi-state metropolitan 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 area, the institution will receive a rating for the multi-state metropolitan 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 One 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.

Description of Institution

CNB is a single state, full service, community bank located approximately 110 miles southwest of Fort Worth, Texas. The bank is a wholly-owned subsidiary of Comanche National Corporation of Delaware, the middle-tiered holding company owned by Comanche National Corporation. CNB is the primary asset of the holding company and there are no other subsidiaries or affiliates.

The Bank operates eight full service locations (Comanche, Santo, Mingus, Palo Pinto, Millsap, Cool, Jacksboro, and Mineral Wells) that offer a variety of products and services to its customers. This includes deposit and loan products, as well as ATM/Debit cards, overdraft protection, remote deposit capture, merchant credit card services, night depository, safe deposits, wire transfers, internet banking (including bill pay), mobile banking and cash management. All facilities except the Palo Pinto location offer drive-up banking. ATM services are offered at the Comanche, Santo, Cool, Jacksboro, and Mineral Wells locations. CNB did not close any permanent branches during this evaluation period. The Mineral Wells location was opened during the evaluation period, on April 11, 2016. There was no merger or acquisition activity during the evaluation period.

As of March 31, 2018, CNB had total assets of \$358 million, total loans of \$124 million, total deposits of \$317 million, and a Tier One capital ratio of 10.75 percent. The percentage of net loans to total assets is 33.9 percent. The loan portfolio is broken down as follows: 26.5 percent commercial real estate, 33.8 percent agriculture and agriculture real estate, 7.4 percent commercial, 24.5 percent residential real estate, 7.2 percent consumer, and 0.7 percent political subdivisions. CNB's business strategy is to provide meaningful financial services for generations. No legal impediments or other factors hinder CNB's ability to provide credit in its AAs.

The bank has identified two AAs. The Comanche AA is comprised of the counties of Comanche, Erath, Palo Pinto, and Jack. The AA is comprised of 24 census tracts (CTs) and includes whole contiguous counties. Comanche County is comprised of four CTs, one moderate-income and three middle. Erath County is comprised of eight CTs, two upper-income and six middle. Three of these CTs are considered nonmetropolitan middle-income distressed or underserved. Palo Pinto County is comprised of nine CTs, four are moderate-income, four are middle, and one is upper. Jack County is comprised of three CTs, one upper-income and two middle. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- and moderate-income geographies. This AA contains the majority of the bank's branches and lending activity. As of the June 30, 2017 FDIC Market Share Report, CNB holds 16.7 percent of the deposit market share in the Comanche AA.

The Parker AA includes the entire western part of Parker County where two of the bank's branches (Cool and Millsap) are located. This includes two upper-income CTs. The bank does not believe it can reasonably serve the entire county as there are numerous active financial institutions located within the city of Weatherford. Parker

County is part of the Dallas-Fort Worth-Arlington MSA. As of the June 30, 2017 FDIC Market Share Report, CNB holds just 1.5 percent of the deposit market share in the Parker AA.

CNB's last CRA examination was performed July 20, 2015, using intermediate-small bank CRA procedures, and resulted in a "Satisfactory" rating.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This Performance Evaluation assesses CNB's record of meeting the credit needs of the communities in which it operates. We evaluated CNB using intermediate-small bank performance criteria, which includes a lending test and a community development test. The lending test evaluates the bank's record of helping to meet the credit needs of its AAs through its lending activities. The CD test evaluates the bank's CD lending, qualified investments, and services.

To evaluate CNB's performance under the lending test, a sample of loans was selected based on the bank's primary loan types. Primary loan types are those products that have been originated at the highest percentage by dollar and/or number of loans. Primary loan products during the evaluation period consisted of agriculture and residential real estate loans. The loan sample consisted of 30 agriculture loans and all (152) residential real estate loans originated between January 1, 2015 and December 31, 2017. CD activities were also evaluated over the same period.

Data Integrity

We verified the accuracy of the data we relied on in this evaluation through a data integrity examination performed prior to our review. Our evaluation is based on accurate data. We also verified CD loans, investments and services submitted by management to ensure these activities met the regulatory definition for community development. We excluded any items that did not meet the definition or purpose of community development.

Selection of Areas for Full-Scope Review

As the Comanche AA contains the majority of the bank's branches and lending activity, and also includes opportunities for lending in moderate-income and distressed/underserved middle-income CTs, a full scope review was completed for this AA.

Due to the bank's limited branch presence in Parker County, and the absence of any low- or moderate-income CTs, we performed a limited scope review for the Parker AA. Please refer to the table in appendix A for more information.

Ratings

The bank's overall rating is based primarily on those areas that received full-scope reviews.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §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 Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

Conclusions with Respect to Performance Tests

LENDING TEST

CNB's performance under the lending test is satisfactory.

CNB's primary business lines are agriculture and residential real estate lending. In our sample, we included agriculture loans and relied on data reported under the Home Mortgage Disclosure Act (HMDA) for residential real estate loans to reach our conclusions. Equal weight was given to each type of lending when evaluating lending performance based on the criteria tested below.

Loan-to-Deposit Ratio

CNB's LTD ratio is reasonable when considering the performance context. The LTD ratio measures the extent to which the bank has returned deposits it has acquired to the community in the form of loans. The institution's average ratio for each quarter-end since the previous CRA examination is used to determine performance in this area. CNB's LTD ratio averaged 40.3 percent for the quarters ending September 30, 2015 through March 31, 2018. The ratio ranged from a low of 37.5 percent at March 31, 2016 to a high of 43.1 percent at September 30, 2016. The bank's willingness to accept public funds, when other local institutions will not, negatively impacts the LTD ratio. When netting out public fund deposits, the average LTD ratio over the evaluation period improves to 53.4 percent.

There are six other financial institutions chartered in the AAs that CNB competes with and are considered to be the comparative group. These institutions range in size from \$84 million to \$259 million in total assets. The average quarterly LTD ratio for community banks in the comparative group during the evaluation period was 76.7 percent, and ranged from a low of 57.0 percent to a high of 94.6 percent. Although CNB's LTD ratio is low when compared to this group, the ratio reflects a willingness to meet the credit needs of its AAs. The bank regularly makes small dollar loans to individuals with limited resources. CNB currently has 152 active loans originated during the evaluation period with an originating balance less than \$2,000. Of these active loans, the smallest original amount was \$350.

Lending in Assessment Area

A majority of the bank's loans were made inside its AAs. In order to assess the performance for this criteria, we reviewed 30 agriculture loans, as well as all (152) mortgage loans that were originated between January 1, 2015 and December 31, 2017. Our assessment found that 81.3 percent of the number of loans and 71.7 percent of the dollar volume of loans were extended within the bank's AAs. The breakdown by loan category is illustrated in Table D.

Table D - Lending Inside and Outside of the Assessment Area

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	123	80.9	29	19.1	152	11,145	70.6	4,634	29.4	15,779
Agriculture	25	83.3	5	16.7	30	1,182	83.3	237	16.7	1,419
Total	148	81.3	34	18.7	182	12,327	71.7	4,871	28.3	17,197

Source: 1/1/2015 - 12/31/2017 Bank Data
Due to rounding, totals may not equal 100.0

Lending to Borrowers of Different Incomes and to Farms of Different Sizes

CNB's borrower distribution is reasonable among individuals of various income levels (including low- and moderate-income) and farms of different sizes within the AAs.

Comanche AA Borrower Distribution

Borrower distribution is reasonable throughout the Comanche AA. Our analysis included 24 agriculture loans and 113 residential real estate loans located in the AA.

Agriculture Loans – Borrower distribution of agriculture loans reflects reasonable penetration. Based on 2017 Business Demographic Data, there are 557 farms located within the AA. Of this number, 95.0 percent of farms reported revenues less than or equal to \$1 million. Of the loans in the agriculture sample, 95.8 percent were to farms reporting annual revenues below \$1 million.

Residential Real Estate Loans – Borrower distribution of residential real estate loans is reasonable. Based on 2017 HMDA aggregate data, 3.1 percent of mortgage loans in the AA were made to low-income families and 9.2 percent were made to moderate-income families. Our review determined that 4.4 percent of the bank's residential real estate loans were made to low-income families and 16.8 percent were made to moderate-income families.

Parker AA Borrower Distribution

Borrower distribution throughout the Parker AA is reasonable. Our analysis included 1 agriculture loan and 10 residential real estate loans located in the AA.

Agriculture Loans – Borrower distribution of agriculture loans reflects reasonable penetration. Based on 2017 Business Demographic Data, there are 116 farms located within the AA. Of this number, 97.4 percent of farms reported revenues less than or equal to \$1 million. Of the loans in the agriculture sample, 100.0 percent were to farms reporting annual revenues below \$1 million.

Residential RE Loans – Borrower distribution of residential real estate loans reflects reasonable penetration. Based on 2017 HMDA aggregate data, 2.0 percent of mortgage loans in the AA were made to low-income families and 9.4 percent were made to moderate-income families. Our review determined that none of the bank's residential real estate loans were made to low-income families, however 20.0 percent were made to moderate-income families.

Refer to Table P and T in appendix C for the facts and data used to evaluate the borrower distribution of the bank's loan originations and purchases.

Geographic Distribution of Loans

CNB's geographic loan distribution is reasonable throughout the Comanche AA. While performance for agriculture lending reflects poor distribution throughout the AA, residential real estate lending reflects excellent distribution. There were no gaps or areas of low penetration in the bank's lending patterns. Our analysis included 24 agriculture loans and 113 residential real estate loans located in the Comanche AA. As the Parker AA does not include any low- or moderate-income CTs, a geographic distribution was not completed.

Agriculture Loans - Geographic distribution of agriculture loans in the Comanche AA is poor. The percentage of farms located in moderate-income CTs is 5.6 percent, and our loan sample reflected that no agriculture loans were located in moderate-income CTs. Lending opportunities in moderate-income CTs are limited given there are only 31 farms in the entire AA located in these CTs.

Residential Real Estate Loans - Geographic distribution of residential real estate loans in the Comanche AA is excellent. The geographic distribution of sampled residential real estate loans in moderate-income CTs is above the aggregate data for these areas. In the AA, 11.4 percent of loans were made for owner-occupied units located in moderate-income CTs, and our sample reflected that 17.7 percent of the bank's residential real estate loans were made for owner-occupied units located in moderate-income CTs.

Refer to Table O and S in appendix C for the facts and data used to evaluate the geographic distribution of the bank's loan originations and purchases.

Responses to Complaints

There have been no consumer complaints regarding CNB's performance under the Community Reinvestment Act during the evaluation period.

COMMUNITY DEVELOPMENT TEST

CNB's performance under the community development test is satisfactory.

CNB's responsiveness to the CD needs of the AAs through CD lending, investments, and services is adequate. Our conclusion is based on the bank's level of activity and performance context. The number and amount of CD loans, services, and qualified investments is satisfactory, based on the bank's size, financial condition, and the need and availability of such opportunities in the bank's AAs. The bank centers its CD efforts primarily in qualified lending.

CNB has identified two AAs. The bank's main office and five of its branches are located in the Comanche AA and serve five moderate-income CTs and three nonmetropolitan middle-income CTs that are designated as distressed/underserved. The main bank and Mineral Wells branch are located in moderate-income CTs. Considering comments by a community contact and the bank's own assessment of the AA, we determined the bank is proactive in meeting the needs of its community.

Number and Amount of Community Development Loans

Considering the needs and opportunities in the AAs, CNB's performance context and capacity, the bank's CD lending performance is adequately responsive to the community's needs.

During the evaluation period, CNB originated 20 loans that directly benefit the Comanche AA and qualify as community development. The total amount of these loans is \$10.8 million. These loans helped support services for low- or moderate-income individuals, promote economic development of moderate-income CTs and middle-income geographies that are distressed or underserved, and assist in revitalizing and stabilizing moderate-income geographies.

No CD loans benefiting the Parker AA were made during the evaluation period.

Number and Amount of Qualified Investments

Considering the needs and opportunities in the AAs, CNB's performance context and capacity, the bank's CD investment performance is adequately responsive to the community's needs.

Qualified investments include investments, deposits, membership shares, or grants that have community development as their primary purpose. CNB made 29 donations representing \$21,400 in qualified investments in the Comanche AA during the evaluation period. The recipients of these donations have historically targeted support and services to low- and moderate-income individuals. Some examples of qualifying donations include \$9,000 to an organization that rehabs homes for low- and moderate-

income families in the AA and \$4,000 to local organizations providing meals and essential services to elderly residents on a fixed income.

No qualified investments benefiting the Parker AA were made during the evaluation period.

Extent to Which the Bank Provides Community Development Services

During the evaluation period, CNB exhibited adequate responsiveness to the CD service needs of the AAs. Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the AAs.

CNB had 14 documented instances of qualifying CD services in the Comanche AA during the evaluation period. Many employees participate in one or more community-related services, such as the Chamber of Commerce, the local United Way, financial counseling/education at local schools, the Comanche Educational Foundation, and the Comanche Hospital Foundation.

No CD services benefiting the Parker AA were noted during the evaluation period.

Responsiveness to Community Development Needs

The bank's CD activities reflect adequate responsiveness to the CD needs in the Comanche AA.

While no CD activities were noted in the Parker AA and responsiveness is considered poor, this is mitigated by the limited number of CD opportunities in this AA. Both CTs that comprise the Parker AA are considered upper-income. Additionally, the bank's presence is limited to the Cool and Millsap branches that are located in the far western part of Parker County. This AA borders Palo Pinto County where the bank has four branch locations and is actively involved in meeting the needs of the community.

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 metropolitan and nonmetropolitan areas 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	Lending Test (excludes CD loans): 01/01/15 to 12/31/17 Investment and Service Tests and CD Loans: 01/01/15 to 12/31/17	
Financial Institution	Products Reviewed	
Comanche National Bank (CNB) Comanche, TX	Agriculture Loans Residential Real Estate Loans	
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Comanche AA Parker AA	Full-Scope Limited-Scope	

Appendix B: Community Profiles for Full-Scope Areas

Table A - Demographic Information of the Assessment Area
Assessment Area: Comanche AA Comanche-Erath-Jack-Palo Pinto

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	24	0.0	20.8	62.5	16.7	0.0
Population by Geography	90,529	0.0	17.6	65.9	16.5	0.0
Housing Units by Geography	43,890	0.0	15.1	69.3	15.6	0.0
Owner-Occupied Units by Geography	22,168	0.0	14.1	66.2	19.7	0.0
Occupied Rental Units by Geography	11,116	0.0	23.2	68.5	8.3	0.0
Vacant Units by Geography	10,606	0.0	8.6	76.6	14.8	0.0
Businesses by Geography	5,704	0.0	16.4	86.1	15.6	0.0
Farms by Geography	557	0.0	5.6	74.5	19.9	0.0
Family Distribution by Income Level	21,692	20.9	19.1	18.9	41.1	0.0
Household Distribution by Income Level	33,284	25.8	16.4	18.0	39.9	0.0
Median Family Income Non-MSAs - GA		\$52,076	Median Housing Value			\$102,465
			Median Gross Rent			\$667
			Families Below Poverty Level			14.3%

*Source: 2010 U.S. Census and 2016 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.*

CNB has designated the counties of Comanche, Erath, Jack, and Palo Pinto as its Comanche AA. These counties are not part of any Metropolitan Statistical Area (MSA). The AA consists of four whole contiguous counties and does not arbitrarily exclude any low- or moderate-income geographies. There are 24 CTs in the AA. Four CTs are designated as upper-income, 15 as middle-income, and five as moderate-income. Three CTs are considered distressed or underserved middle-income. There are no low-income CTs in the AA. Specific demographic data and economic data for the AA are listed above.

Based on 2010 Census data, the AA has a total population of 90,529. There are 43,890 housing units in the AA, of which 51 percent are owner-occupied, 25 percent are renter-occupied and 24 percent are vacant. Approximately 21 percent of the families in the AA are considered low-income. Moderate-income families approximate 19 percent of the population, while middle- and upper-income families comprise the remaining 60 percent.

Competition is strong in the AA. There are 17 other commercial banks in the AA, many of them being branches of larger institutions. The AA also includes other competitors in the form of credit unions, finance companies, mortgage companies, and a branch of Central Texas Farm Credit. The economy in the AA is driven by educational, health and social services, agriculture, manufacturing and retail trade. Primary employers include the local school districts and hospitals.

An individual in the community was interviewed for the purpose of determining a community profile, identifying opportunities for participation by local financial institutions, and determining the performance of local financial institutions in meeting the credit needs of the community. The individual indicated that there is a need for affordable housing, financing for start-up businesses and entrepreneurs, and economic development loans in the AA. This individual indicated that the local financial institutions are doing a good job of meeting the community's credit needs.

Table B – Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Fort Worth-Arlington, TX MD Median Family Income (23104)				
2017 (\$70,900)	<\$35,450	\$35,450 to <\$56,720	\$56,720 to <\$85,080	≥\$85,080
TX NA Median Family Income (99999)				
2017 (\$54,200)	<\$27,100	\$27,100 to <\$43,360	\$43,360 to <\$65,040	≥\$65,040
<i>Source: FFIEC Due to rounding, totals may not equal 100.0</i>				

Table C - Branch and ATM Distribution by Geography Income Level												
Assessment Area: Comanche AA Comanche-Erath-Jack-PaloPinto												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	5	20.8	15,964	17.6	1	16.7	1	40.0	1	16.7	0	0.0
Middle	15	62.5	59,643	65.9	3	50.0	1	20.0	3	50.0	0	0.0
Upper	4	16.7	14,922	16.5	2	33.3	1	40.0	2	33.3	0	0.0
NA	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Totals	24	100.0	90,529	100.0	6	100.0	3	100.0	6	100.0	0	100.0
<i>Source: 2015 ACS Census & Bank Data Due to rounding, totals may not equal 100.0</i>												

Appendix C: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas 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 as originations/purchases; (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/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. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems.

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 MA/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 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) throughout those geographies. Because 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 (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the

bank by loan size, regardless of the revenue size of the business. The table also presents aggregate peer data for the years the data is available.

- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. Because 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 (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. The table also presents aggregate peer 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 throughout those geographies.
- Table V. 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 to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MA/assessment area.

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

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
Comanche AA	113	9,230	100.0	1,757	0.0	0.0	0.0	14.1	17.7	11.4	66.2	56.6	67.2	19.7	25.7	21.4	0.0	0.0	0.0
Total	113	9,230	100.0	1,757	0.0	0.0	0.0	14.1	17.7	11.4	66.2	56.6	67.2	19.7	25.7	21.4	0.0	0.0	0.0

Source: 2015 ACS Census; 01/01/2015 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

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

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
Comanche AA	113	9,230	91.9	1,757	20.9	4.4	3.1	19.1	16.8	9.2	18.9	23.9	18.4	41.1	50.4	50.7	0.0	4.4	18.6
Parker AA	10	1,915	8.1	498	12.7	0.0	2.0	18.0	20.0	9.4	16.8	20.0	21.1	52.6	50.0	51.8	0.0	10.0	15.7
Total	123	11,145	100.0	2,255	19.9	4.1	2.9	19.0	17.1	9.3	18.6	23.6	19.0	42.5	50.4	50.9	0.0	4.9	17.9

Source: 2015 ACS Census; 01/01/2015 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table S – Assessment Area Distribution of Loans to Farms by Income Category **2017**
of the Geography

Assessment Area:	Total Loans to Farms				Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	% Farms	% Bank Loans	% Farms	% Bank Loans	% Farms	% Bank Loans	% Farms	% Bank Loans
Comanche AA	24	1,137	100.0	557	0.0	0.0	5.6	0.0	74.5	83.3	19.9	16.7	0.0	0.0
Total	24	1,137	100.0	100.0	0.0	0.0	5.6	0.0	74.5	83.3	19.9	16.7	0.0	0.0

Source: 2017 D&B Data; 01/01/2015 - 12/31/2017 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0

Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues **2017**

Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Comanche AA	24	1,137	96.0	557	95.0	95.8	53.2	3.4	4.2	1.6	0.0
Parker AA	1	45	4.0	116	97.4	100.0	40.4	1.7	100.0	0.9	0.0
Total	25	1,182	100.0	673	95.4	96.0	50.4	3.1	4.0	1.5	0.0

Source: 2017 D&B Data; 01/01/2015 - 12/31/2017 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0