

PUBLIC DISCLOSURE

June 5, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Relyance Bank
RSSD #49241**

**8500 Sheridan Road
White Hall, Arkansas 71602**

Federal Reserve Bank of St. Louis

**P.O. Box 442
St. Louis, Missouri 63166-0442**

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, nor should it be construed as, an assessment of the financial condition of the 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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INSTITUTION'S CRA RATING: This institution is rated SATISFACTORY.

The Lending Test is rated:

Satisfactory

The Community Development Test is rated:

Outstanding

Relyance Bank meets the criteria for a Satisfactory rating based on the evaluation of the bank's lending and community development activities. The factors supporting the institution's rating are as follows:

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- A majority of loans and other lending-related activities are in the assessment areas.
- The borrower's profile analysis reveals reasonable penetration among businesses of different revenue sizes and individuals of different income levels, including low- and moderate-income (LMI) levels.
- The geographic distribution of loans reflects a reasonable dispersion throughout the assessment areas.
- There were no CRA-related complaints filed against the bank since the previous CRA evaluation.
- The bank's overall community development performance demonstrates excellent responsiveness to the community development needs of its assessment areas, considering the bank's capacity and the need and availability of such opportunities for community development in its assessment areas. The bank has responded to these needs through community development loans, qualified investments, and community development services.
- During the COVID-19 pandemic, the bank responded to the needs of the community through its participation in the CARES Act¹ Paycheck Protection Program (PPP). The bank's participation in the PPP was also considered in the bank's rating.

SCOPE OF EXAMINATION

The bank's CRA performance was reviewed using the Federal Financial Institutions Examination Council's (FFIEC's) intermediate small bank procedures, which entail two performance tests: the Lending Test and the Community Development Test. Bank performance under these tests is rated at the institution level. The bank operates 20 offices in four delineated assessment areas within the state of Arkansas.

¹ Coronavirus Aid, Relief, and Economic Security Act, signed into law on March 27, 2020.

The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each assessment area completed as part of this evaluation. Deposit information in the following table, as well as deposit information throughout this evaluation, is taken from the Federal Deposit Insurance Corporation Deposit Market Share Report data as of June 30, 2022.

Assessment Area	Branches		Deposits As of June 30, 2022		Review Procedures
	#	%	\$ (000s)	%	
Pine Bluff	8	40.0%	\$571,476	56.2%	Full Scope
Little Rock	7	35.0%	\$303,376	29.8%	Full Scope
Hot Springs	4	20.0%	\$114,068	11.2%	Limited Scope
Southern Arkansas	1	5.0%	\$28,409	2.8%	Limited Scope
OVERALL	20	100%	\$1,017,329	100%	2 Full Scope

The Pine Bluff and Little Rock assessment areas were reviewed using full-scope examination procedures, as they represent the super-majority of the bank’s branches and deposits. Of the two markets, more weight was given to the Pine Bluff assessment area, as it contains a plurality of the bank’s branches and a majority of the bank’s total deposits. The bank’s performance in the Hot Springs and Southern Arkansas assessment areas was reviewed using limited-scope procedures.

Lending performance was evaluated using small business loan and Home Mortgage Disclosure Act (HMDA) loan data. These products were selected as they represent the bank’s core lending products. Moreover, these two products are significant to the short-term and long-term strategies for the bank. In determining performance conclusions, small business lending performance was given more weight due to the bank’s commercial lending focus.

The following table details the performance criterion and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	December 31, 2019 – December 31, 2022
Assessment Area Concentration	January 1, 2021 – December 31, 2021
Loan Distribution by Borrower’s Profile	
Geographic Distribution of Loans	
Response to Written CRA Complaints	December 2, 2019 – June 4, 2023
Community Development Activities	

Lending Test analyses often entail comparisons of bank performance to assessment area demographics and the performance of other lenders, based on HMDA and CRA aggregate lending data. Unless otherwise noted, assessment area demographics are based on 2015 American Community Survey (ACS) data; certain business and farm demographics are based on 2021 Dun

& Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an assessment area. Aggregate lending datasets are updated annually and are, therefore, expected to predict more relevant comparisons. In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating in the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from \$1.0 billion to \$1.4 billion as of March 31, 2023.

As part of the Community Development Test, the bank's performance was evaluated using the following criteria, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas.

- The number and dollar amount of community development loans.
- The number and dollar amount of qualified investments and grants.
- The extent to which the bank provides community development services.

The review included community development activities initiated from the date of the bank's previous CRA evaluation to this review date. In addition, investments made prior to the date of the previous CRA evaluation, but still outstanding as of this review date, were also considered.

To augment this evaluation, two community contact interviews with members of the local community were utilized to ascertain specific credit needs, opportunities, and local market conditions within the bank's assessment areas. Information from these interviews also assisted in evaluating the bank's responsiveness to identified community credit needs and community development opportunities. Key details from these community contact interviews are included in the *Description of Assessment Area* section.

DESCRIPTION OF INSTITUTION

Relyance Bank is a full-service retail bank offering consumer and commercial loan and deposit products. The bank is a wholly owned subsidiary of Jefferson Bancshares, Inc., a single-bank holding company. Both entities are headquartered in White Hall, Arkansas. Relyance Bank converted from a national charter to a state charter on October 21, 2022, and elected to become a member of the Federal Reserve System. The last CRA Performance Evaluation of Relyance Bank was conducted on December 2, 2019, by the Office of the Comptroller of the Currency (OCC). Relyance Bank operates 20 offices, including its headquarters, across four assessment areas, all within the state of Arkansas. Of the bank's 20 branches, 19 have automated teller machines (ATMs) on site, of which 17 are full-service and two are cash-dispensing-only. The bank also operates one stand-alone cash-only ATM, for a total of 20 operating ATMs across the bank's assessment areas. In July 2022, the bank's main office in Pine Bluff, Arkansas, was closed and simultaneously reopened in White Hall, Arkansas. Additionally, in August 2022, a branch in Little Rock, Arkansas, was closed and simultaneously reopened in a different part of the assessment area. To complement its branches and ATMs, the bank offers online and mobile banking services. Between its physical and online presence, the bank is well positioned to meet the financial needs of its assessment areas.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credit needs of its customers, and the bank appeared capable of meeting the credit needs of its assessment areas based on its available resources and financial products. As of March 31, 2023, Relyance Bank reported assets of approximately \$1.2 billion. As of the same date, loans and leases outstanding were \$927.3 million (78.3 percent of total assets), and deposits totaled \$991.6 million.

The bank’s loan portfolio composition by credit category is displayed in the following table:

Distribution of Total Loans as of March 31, 2023		
Credit Category	Amount (\$000s)	Percentage of Total Loans
Construction and Development	\$60,155	6.5%
Commercial Real Estate	\$452,073	48.8%
Multifamily Residential	\$37,824	4.1%
1–4 Family Residential	\$98,531	10.6%
Farmland	\$52,710	5.7%
Farm Loans	\$63,211	6.8%
Commercial and Industrial	\$154,434	16.7%
Loans to Individuals	\$5,673	0.6%
Total Other Loans	\$2,656	0.3%
TOTAL	\$927,267	100%

As indicated in the preceding table, the bank’s primary lending focus includes commercial real estate (48.8 percent), loans for commercial and industrial development (16.7 percent), and 1–4 family residential loans (10.6 percent).

The bank received a Satisfactory rating at its previous CRA evaluation conducted on December 2, 2019, by the OCC.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Relyance Bank meets the standards for a satisfactory Lending Test rating under the intermediate small bank procedures, which evaluate bank performance under the following five criteria as applicable.

Loan-to-Deposit (LTD) Ratio

One indication of the bank’s overall level of lending activity is its LTD ratio. The table below displays the bank’s average LTD ratio compared to that of similarly sized regional peers. The average LTD ratio represents a 14-quarter average, dating back to the bank’s last CRA evaluation.

LTD Ratio Analysis			
Name	Headquarters	Asset Size (\$000s) as of March 31, 2023	Average LTD Ratio
Relyance Bank	White Hall, Arkansas	\$1,184,259	88.6%
Regional Banks	Danville, Arkansas	\$1,274,873	96.8%
	Jacksonville, Arkansas	\$1,000,423	79.0%
	Batesville, Arkansas	\$1,407,677	86.6%

Based on data from the previous table, the bank’s level of lending in relation to the level of deposits is comparable to its peers. During the review period, the bank’s quarterly LTD ratio experienced a fluctuating trend with a high of 94.6 percent and a low of 82.2 percent. The bank’s average LTD ratio slightly outperformed two peers, while trailing the third peer. Therefore, compared to the data of peer banks, Relyance Bank’s LTD ratio is reasonable given the bank’s size, financial condition, and credit needs of its assessment areas.

Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank’s assessment areas.

Lending Inside and Outside of Assessment Area January 1, 2021 through December 31, 2021						
Loan Type	Inside Assessment Area		Outside Assessment Area		TOTAL	
HMDA	124	85.5%	21	14.5%	145	100.0%
	\$31,207	60.9%	\$20,060	39.1%	\$51,267	100.0%
Small Business	87	83.7%	17	16.3%	104	100.0%
	\$12,807	70.9%	\$5,263	29.1%	\$18,070	100.0%
TOTAL LOANS	211	84.7%	38	15.3%	249	100.0%
	\$44,014	63.5%	\$25,323	36.5%	\$69,337	100.0%

A majority of the bank’s loans were made in the bank’s assessment areas. As shown, 84.7 percent of the total loans were made inside the assessment areas, accounting for 63.5 percent of the dollar volume of total loans.

Borrower and Geographic Distribution

Overall, performance by borrower’s income/revenue profile is reasonable, based on the analyses of lending in the Pine Bluff, Little Rock, Hot Springs, and Southern Arkansas assessment areas, as displayed in the following table:

Full-Scope Assessment Areas	Loan Distribution by Borrower’s Profile
Pine Bluff	Reasonable
Little Rock	Poor
OVERALL	REASONABLE

Limited-Scope Assessment Areas	Loan Distribution by Borrower’s Profile
Hot Springs	Below
Southern Arkansas	Below
OVERALL	BELOW

As displayed in the following table, the bank’s overall distribution of lending by income level of census tract reflects reasonable penetration throughout the bank’s assessment areas.

Full-Scope Assessment Areas	Geographic Distribution of Loans
Pine Bluff	Excellent
Little Rock	Reasonable
OVERALL	REASONABLE

Limited-Scope Assessment Areas	Geographic Distribution of Loans
Hot Springs	Below
Southern Arkansas	Consistent
OVERALL	BELOW

Responses to Complaints

No CRA-related complaints were filed against the bank during this review period (December 2, 2019 through June 4, 2023).

COMMUNITY DEVELOPMENT TEST

Relyance Bank’s performance under the Community Development Test is rated Outstanding. The bank demonstrates excellent responsiveness to the community development needs of its assessment areas, considering the bank’s capacity and the need and availability of such opportunities for community development.

Full-Scope Assessment Areas	Community Development Test Performance Conclusions
Pine Bluff	Excellent
Little Rock	Excellent
OVERALL	EXCELLENT

Limited-Scope Assessment Areas	Community Development Test Performance Conclusions
Hot Springs	Below
Southern Arkansas	Below
OVERALL	CONSISTENT

The bank’s community development performance in both full-scope assessment areas was excellent and included a mix of qualifying community development loans, investments, donations, and services.

Total Community Development Activities Inside Assessment Areas December 2, 2019 – June 4, 2023			
Community Development Component	#		\$
Loans	154		\$48.7 million
Investments, Current and Prior	27		\$6.8 million
Current Period	10		\$4.5 million
Prior Period, Still Outstanding	6		\$2.3 million
Donations	71		\$769,769
Services	171 services	51 organizations	

The qualified community development activities included activities for all of the community development purposes, including affordable housing, economic development for small businesses and small farms, community services for LMI individuals, and revitalization and stabilization of LMI geographies and distressed/underserved middle-income areas. As was aforementioned, the bank was an active participant in the federal PPP, which offered emergency financial assistance to businesses in order to retain their staff. Of the bank’s qualified community development loans, 141 totaling about \$10.8 million were PPP loans that revitalized or stabilized LMI or distressed/underserved middle income geographies.

In addition to meeting the community development needs of its assessment areas, the bank made seven community development loans, totaling approximately \$13.1 million, outside of its assessment areas. All of the seven qualified loans occurred in the state of Arkansas.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Based on findings from the Consumer Affairs examination, including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

PINE BLUFF, ARKANSAS METROPOLITAN STATISTICAL AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE PINE BLUFF ASSESSMENT AREA

Bank Structure

The bank operates 8 of its 20 offices in this assessment area, located as follows:

Number of Branch Locations by Census Tract Classification (2021)			
Low-Income	Moderate-Income	Middle-Income	Upper-Income
0	0	7	1

All eight branches are full-service locations and include full-service ATMs. Additionally, the bank operates one stand-alone cash-dispensing-only ATM in this assessment area. Since the last examination, the main office was moved from Pine Bluff, Arkansas, to White Hall, Arkansas. As shown in the table, the bank operates seven of its branches in middle-income census tracts and one branch in an upper-income census tract in this assessment area. Based on its branch network and other service delivery systems, the bank is well positioned to deliver financial services to substantially all of the assessment area.

General Demographics

The assessment area includes Jefferson and Lincoln counties in their entirety, both of which are a part of the Pine Bluff MSA. The table below depicts the population by county according to 2015 ACS data.

County	Population
Jefferson	73,548
Lincoln	14,062
Total Assessment Area Population	87,610

The bank has a relatively low level of competition in its Pine Bluff assessment area. The bank ranks second of seven institutions in terms of market share with 14.4 percent of area deposits.

Credit needs in the assessment area as primarily noted from the community contact included both small business loans and affordable housing. Contacts noted that small businesses, particularly newer businesses, would benefit from flexible start-up capital and small dollar loans. The contact also mentioned the assessment area has a generally older housing stock, and therefore new and accessible affordable housing was another identified credit need in the assessment area.

Income and Wealth Demographics

The following table reflects the number of assessment area census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown	TOTAL
Census Tracts	1	8	15	3	1	28
	3.6%	28.6%	53.6%	10.7%	3.6%	100%
Family Population	526	3,835	11,695	4,235	9	20,300
	2.6%	18.9%	57.6%	20.9%	0.0%	100%

As shown above, 32.2 percent of the census tracts in the assessment area are low- or moderate-income, but only 21.5 percent of the family population resides in these tracts. The LMI tracts are primarily located in the central and southeast portions of Jefferson County, as well as the northeast portion of Lincoln County.

Based on 2015 U.S. Census data, the median family income for the assessment area was \$51,802, which is comparable to the median family income for the entire MSA (\$52,080) but below the state of Arkansas (\$56,576) as a whole. More recently, the FFIEC estimates the 2021 median family income for the Pine Bluff MSA to be \$60,100. The following table displays the distribution of assessment area families by income level compared to the Pine Bluff MSA and the state of Arkansas.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Assessment Area	5,091	3,076	3,635	8,498	20,300
	25.1%	15.2%	17.9%	41.9%	100.0%
Pine Bluff MSA	5,584	3,442	4,148	9,563	22,737
	24.6%	15.1%	18.2%	42.1%	100.0%
Arkansas	164,346	134,818	149,580	311,180	759,924
	21.6%	17.7%	19.7%	41.0%	100.0%

According to the figures shown above, 40.3 percent of the families in the assessment area are low- or moderate-income. This is slightly more than the 39.7 percent of LMI families in the MSA and the 39.3 percent of LMI families in Arkansas overall. The percentage of families living below the poverty level in the assessment area, 19.9 percent, is slightly above the 19.6 percent level for the Pine Bluff MSA and is well above the 14.3 percent level of the state of Arkansas. Considering these factors, the assessment area appears slightly less affluent than the Pine Bluff MSA and the state of Arkansas as a whole.

Housing Demographics

The following table provides details of the housing demographics of the assessment area compared to the Pine Bluff MSA and the state of Arkansas.

Housing Demographics			
Dataset	Median Housing Value	Affordability Ratio	Median Gross Rent (Monthly)
Assessment Area	\$79,148	45.6	\$663
Pine Bluff, Arkansas MSA	\$80,180	46.1	\$661
Arkansas	\$111,400	37.1	\$677

The assessment area’s overall housing and rental stock is priced comparably to the Pine Bluff MSA and is more affordable than the state of Arkansas. However, there is a significant amount of variation in housing prices within the assessment area. For instance, the median housing value in Jefferson County is \$82,000, while the median housing value in Lincoln County is \$59,600. Similarly, median rental rates in Jefferson County (\$669) are notably higher than in Lincoln County (\$593). This suggests that cost and affordability might vary significantly within the assessment area.

Industry and Employment Demographics

The Pine Bluff assessment area is home to a relatively homogenous economy. County business patterns indicated there are 20,678 private sector employees in the assessment area in industries such as manufacturing (21.4 percent), retail trade (14.7 percent), and administrative and waste services (7.5 percent).

The following table details unemployment data from the U.S. Department of Labor, Bureau of Labor Statistics (not seasonally adjusted) for the assessment area, the MSA, and the state of Arkansas.

Unemployment Levels				
Dataset	Time Period (Annual Average)			
	2019	2020	2021	YTD 2022 (through August)
Assessment Area	5.2%	7.8%	6.3%	6.0%
Pine Bluff MSA	5.1%	7.7%	6.1%	5.8%
Arkansas	3.5%	6.1%	4.0%	3.6%

As shown in the preceding table, unemployment levels increased in the assessment area from 2019 to 2020, which was likely due to the economic disruption resulting from the COVID-19 pandemic. Since then, the rate has decreased over time. The assessment area unemployment levels were consistently comparable to the larger MSA and consistently higher than the unemployment levels of the state overall.

Community Contact Information

To supplement the examination, one community contact interview was conducted with an individual who specializes in small business development in the assessment area. The contact mentioned there are certain social and economic realities that encourage some residents to live in certain parts of the assessment area but work in others. When asked about local assistance for small businesses, the contact mentioned The University of Arkansas–Pine Bluff offers programs, resources, and services to start-ups and local small businesses. Although it does not include financial assistance, it does include marketing resources, financial management courses, and similar education offerings. A recurring financial need that the contact identified was start-up capital and access to credit, especially for newer businesses or younger business owners. The contact also mentioned that there is a need for affordable housing financing in the area. Finally, the contact noted the area’s aging housing stock and suggested there is a need for new housing development and loan products aimed at restoring older housing.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE PINE BLUFF ASSESSMENT AREA

LENDING TEST

The distribution of loans by borrower’s income/revenue profile reflects reasonable penetration among businesses of different sizes and among borrowers of different income levels. The geographic distribution of loans reflects excellent penetration throughout the assessment area.

Loan Distribution by Borrower’s Profile

Overall, the bank’s loan distribution by borrower’s profile is reasonable, based on the bank’s small business and HMDA lending performance. As was aforementioned, more weight was placed on performance in the small business loan category given the bank’s emphasis on commercial lending.

The analysis included a review of the bank’s lending to businesses of different sizes within the assessment area. The following table shows the distribution of 2021 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Distribution of 2021 Small Business Lending By Borrower Income Level Assessment Area: Pine Bluff								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	23	69.7%	43.1%	\$1,464	72.7%	30.8%	91.5%
	Over \$1 Million/ Unknown	10	30.3%	56.9%	\$549	27.3%	69.2%	8.5%
	TOTAL	33	100.0%	100.0%	\$2,013	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	27	81.8%	92.1%	\$955	47.4%	38.3%	
	\$100,001–\$250,000	4	12.1%	4.8%	\$482	23.9%	20.1%	
	\$250,001–\$1 Million	2	6.1%	3.2%	\$576	28.6%	41.6%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	33	100.0%	100.0%	\$2,013	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	19	82.6%		\$662	45.2%		
	\$100,001–\$250,000	2	8.7%		\$226	15.4%		
	\$250,001–\$1 Million	2	8.7%		\$576	39.3%		
	Over \$1 Million	0	0.0%		\$0	0.0%		
	TOTAL	23	100.0%		\$1,464	100.0%		

The bank made 69.7 percent of its small business loans to businesses with \$1 million or less in revenue. That percentage is significantly higher than aggregate performance (43.1 percent), yet below the Dun & Bradstreet population metric of 91.5 percent. Therefore, the bank’s lending penetration to small businesses in this assessment area reflects reasonable performance.

Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC (\$60,100 for the Pine Bluff MSA as of 2021). The following table shows the distribution of HMDA loans by borrower income level compared to family population income demographics for the assessment area. Additionally, 2021 aggregate data for the assessment area is displayed.

Borrower Distribution of HMDA Loans								
Assessment Area: Pine Bluff								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0%	6.8%	0	0.0%	3.8%	25.1%
	Moderate	5	21.7%	22.1%	342	16.1%	16.0%	15.2%
	Middle	0	0.0%	20.0%	0	0.0%	18.7%	17.9%
	Upper	6	26.1%	21.8%	814	38.3%	29.9%	41.9%
	Unknown	12	52.2%	29.2%	972	45.7%	31.5%	0.0%
	TOTAL	23	100.0%	100.0%	2,128	100.0%	100.0%	100.0%
Refinance	Low	1	8.3%	4.7%	41	2.4%	2.4%	25.1%
	Moderate	1	8.3%	10.9%	47	2.7%	8.9%	15.2%
	Middle	3	25.0%	17.8%	114	6.7%	15.3%	17.9%
	Upper	5	41.7%	35.3%	1,144	66.8%	40.3%	41.9%
	Unknown	2	16.7%	31.3%	366	21.4%	33.1%	0.0%
	TOTAL	12	100.0%	100.0%	1,712	100.0%	100.0%	100.0%
Home Improvement	Low	1	20.0%	14.8%	40	17.2%	7.6%	25.1%
	Moderate	0	0.0%	3.7%	0	0.0%	1.9%	15.2%
	Middle	0	0.0%	25.9%	0	0.0%	37.7%	17.9%
	Upper	4	80.0%	48.1%	192	82.8%	46.6%	41.9%
	Unknown	0	0.0%	7.4%	0	0.0%	6.3%	0.0%
	TOTAL	5	100.0%	100.0%	232	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	0	0.0%	0.0%	3.3%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	33.1%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	57.4%
	Upper	0	0.0%	0.0%	0	0.0%	0.0%	6.1%
	Unknown	2	100.0%	100.0%	5,825	100.0%	100.0%	0.0%
	TOTAL	2	100.0%	100.0%	5,825	100.0%	100.0%	100.0%

Other Purpose LOC	Low	0	0.0%	0.0%	0	0.0%	0.0%	25.1%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	15.2%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	17.9%
	Upper	0	0.0%	100.0%	0	0.0%	100.0%	41.9%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	6.3%	0	0.0%	4.9%	25.1%
	Moderate	0	0.0%	31.3%	0	0.0%	35.4%	15.2%
	Middle	0	0.0%	18.8%	0	0.0%	21.6%	17.9%
	Upper	1	100.0%	31.3%	25	100.0%	20.0%	41.9%
	Unknown	0	0.0%	12.5%	0	0.0%	18.1%	0.0%
	TOTAL	1	100.0%	100.0%	25	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	0	0.0%	0.0%	25.1%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	15.2%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	17.9%
	Upper	0	0.0%	0.0%	0	0.0%	0.0%	41.9%
	Unknown	0	0.0%	100.0%	0	0.0%	100.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	2	4.7%	5.8%	81	0.8%	3.1%	25.1%
	Moderate	6	14.0%	16.6%	389	3.9%	12.3%	15.2%
	Middle	3	7.0%	18.2%	114	1.1%	16.3%	17.9%
	Upper	16	37.2%	26.2%	2,175	21.9%	31.7%	41.9%
	Unknown	16	37.2%	33.2%	7,163	72.2%	36.7%	0.0%
	TOTAL	43	100.0%	100.0%	9,922	100.0%	100.0%	100.0%

The bank's percentage of lending to low-income borrowers (4.7 percent) approaches the 2021 aggregate lending level (5.8 percent) but trailed the low-income family population figure (25.1 percent), reflecting reasonable performance. The bank's level of lending to moderate-income borrowers (14.0 percent) is comparable to both the moderate-income family population figure (15.2 percent), as well as the aggregate lending level (16.6 percent), reflecting reasonable performance. The bank's combined LMI HMDA lending percentage is reasonable, as bank lending levels (18.7 percent) approach aggregate performance (22.4 percent) while trailing the demographic figure (40.3 percent).

Geographic Distribution of Loans

As noted previously, the Pine Bluff assessment area includes one low- and eight moderate-income census tracts, representing 32.2 percent of all assessment area census tracts. Overall, the bank's geographic distribution of loans in this assessment area reflects excellent penetration throughout these LMI census tracts, based on the small business and HMDA loan categories.

First, the bank’s geographic distribution of small business loans was reviewed. The following table displays 2021 small business loan activity by geography income level compared to the location of businesses throughout this assessment area and 2021 small business aggregate data.

Distribution of 2021 Small Business Lending By Income Level of Geography Assessment Area: Pine Bluff							
Census Tract Income Level	Bank Small Business Loans				% of Businesses	Aggregate of Peer Data	
	#	#%	\$ 000s	\$ %		%	\$ %
Low	2	6.1%	\$110	5.5%	5.2%	2.8%	1.6%
Moderate	8	24.2%	\$609	30.3%	21.6%	18.7%	15.8%
Middle	18	54.5%	\$1,005	49.9%	54.0%	55.0%	56.8%
Upper	5	15.2%	\$289	14.4%	19.2%	22.8%	25.4%
Unknown	0	0.0%	\$0	0.0%	0.0%	0.8%	0.3%
TOTAL	33	100.0%	\$2,013	100.0%	100.0%	100.0%	100.0%

The bank’s performance within low-income geographies (6.1 percent) more than doubled aggregate lending levels (2.8 percent) and exceeded the demographic figure (5.2 percent), reflecting excellent performance. Similarly, the bank’s performance within moderate-income geographies (24.2 percent) exceeded both aggregate (18.7 percent) and the demographic data (21.6 percent), reflecting excellent performance. When totaled, 30.3 percent of the bank’s small business lending occurred in LMI geographies, which outperforms both aggregate (21.5 percent) and the population of small businesses within LMI geographies (26.8 percent). This reflects overall excellent performance.

The following table displays the geographic distribution of 2021 HMDA loans compared to owner-occupied housing demographics for the assessment area and aggregate data.

Geographic Distribution of HMDA Loans Assessment Area: Pine Bluff								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	1	4.3%	0.6%	38	1.8%	0.3%	2.2%
	Moderate	4	17.4%	5.0%	217	10.2%	2.6%	15.2%
	Middle	11	47.8%	56.4%	922	43.3%	51.6%	59.0%
	Upper	7	30.4%	38.0%	951	44.7%	45.5%	23.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	23	100.0%	100.0%	2,128	100.0%	100.0%	100.0%
Refinance	Low	1	8.3%	0.2%	97	5.7%	0.1%	2.2%
	Moderate	2	16.7%	3.4%	99	5.8%	2.4%	15.2%
	Middle	5	41.7%	55.8%	608	35.5%	53.6%	59.0%
	Upper	4	33.3%	40.6%	908	53.0%	43.8%	23.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	12	100.0%	100.0%	1,712	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	0.0%	0	0.0%	0.0%	2.2%
	Moderate	0	0.0%	14.8%	0	0.0%	8.5%	15.2%
	Middle	3	60.0%	55.6%	143	61.6%	53.8%	59.0%
	Upper	2	40.0%	29.6%	89	38.4%	37.7%	23.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	5	100.0%	100.0%	232	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	23.1%	0	0.0%	9.5%	3.3%
	Moderate	0	0.0%	15.4%	0	0.0%	9.2%	33.1%
	Middle	1	50.0%	53.8%	300	5.2%	34.0%	57.4%
	Upper	1	50.0%	7.7%	5,525	94.8%	47.3%	6.1%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	2	100.0%	100.0%	5,825	100.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	0.0%	0	0.0%	0.0%	2.2%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	15.2%
	Middle	0	0.0%	100.0%	0	0.0%	100.0%	59.0%
	Upper	0	0.0%	0.0%	0	0.0%	0.0%	23.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%

Other Purpose Closed/Exempt	Low	0	0.0%	6.3%	0	0.0%	9.4%	2.2%
	Moderate	0	0.0%	12.5%	0	0.0%	9.1%	15.2%
	Middle	1	100.0%	62.5%	25	100.0%	51.1%	59.0%
	Upper	0	0.0%	18.8%	0	0.0%	30.4%	23.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	1	100.0%	100.0%	25	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	1.2%	0	0.0%	0.4%	2.2%
	Moderate	0	0.0%	13.6%	0	0.0%	10.3%	15.2%
	Middle	0	0.0%	59.3%	0	0.0%	58.0%	59.0%
	Upper	0	0.0%	25.9%	0	0.0%	31.4%	23.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	2	4.7%	0.7%	135	1.4%	0.7%	2.2%
	Moderate	6	14.0%	5.1%	316	3.2%	3.1%	15.2%
	Middle	21	48.8%	56.4%	1,998	20.1%	51.7%	59.0%
	Upper	14	32.6%	37.8%	7,473	75.3%	44.4%	23.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	43	100.0%	100.0%	9,922	100.0%	100.0%	100.0%

As shown in the preceding table, the bank's lending in low-income geographies (4.7 percent) exceeded both the aggregate metric (0.7 percent) and the population metric (2.2 percent), reflecting reasonable performance. The bank's lending in moderate-income geographies (14.0 percent) nearly tripled aggregate lending (5.1 percent) and approached the population comparator (15.2 percent), reflecting excellent performance. Total HMDA lending in LMI geographies equals 19.7 percent, which is more than double aggregate performance (5.8 percent) and exceeds the demographic comparator (17.4 percent), resulting in overall excellent performance.

Lastly, based on reviews from all loan categories, the bank had loan activity in 78.6 percent of all assessment area census tracts. While not all census tracts contain HMDA or small business loans, only two moderate-income tracts did not contain a loan. Therefore, no conspicuous lending gaps were noted in low- or moderate-income areas.

COMMUNITY DEVELOPMENT TEST

The bank's overall community development performance demonstrates excellent responsiveness to community development needs in this assessment area, considering the bank's capacity, area needs, and the availability of opportunities. The bank has addressed the community development needs of the assessment area through community development loans, qualified investments and grants, and community development services.

The number and dollar amount of community development activities are shown in the following table, with noteworthy activities described further below.

Community Development Activities Pine Bluff Assessment Area		
Community Development Component	#	\$
Loans	87	\$7.2 million
Investments, Current and Prior	11	\$3.8 million
Current Period	7	\$2.4 million
Prior Period, Still Outstanding	4	\$1.4 million
Donations	26	\$670,256
Services	106 Services	28 Organizations

The bank’s community development activity reached public, private, nonprofit, and academic organizations. The bank had the following noteworthy activities:

- The bank extended 85 loans totaling approximately \$5.1 million to small businesses located in LMI census tracts as part of the Small Business Administration’s (SBA’s) PPP. These loans helped provide revitalization and stabilization efforts in these LMI geographies by supporting permanent job creation and maintenance.
- The bank made seven equity investments totaling \$2.4 million, which all consisted of municipal bonds to finance various projects at school districts in the assessment area where the majority of students receive free or reduced lunch, thus providing community services to LMI individuals.
- Made donations totaling \$100,000 to an organization that provides for economic development for LMI individuals in the assessment area.
- Various employees served in numerous leadership positions at organizations in the assessment area that facilitate economic development, provide community services to LMI individuals, and work toward revitalizing and stabilizing LMI areas to support permanent job creation.

LITTLE ROCK-NORTH LITTLE ROCK-CONWAY, ARKANSAS METROPOLITAN STATISTICAL AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE LITTLE ROCK ASSESSMENT AREA

Bank Structure

The bank operates 7 of its 20 offices in this assessment area, located as follows:

Number of Branch Locations by Census Tract Classification (2021)			
Low-Income	Moderate-Income	Middle-Income	Upper-Income
0	0	2	5

All of the bank’s branches in this assessment are full-service locations. Five of the seven locations include full-service ATMs, and one additional location includes a cash-dispensing-only ATM on site. During the review period, the bank did not open or close any branches in this assessment area. Based on its branch network and other service delivery systems, the bank is well positioned to deliver financial services to the assessment area.

General Demographics

The assessment area is made up of three counties all located in the Little Rock-North Little Rock-Conway, Arkansas MSA, including Grant, Pulaski, and Saline in their entireties. The table below shows the population by county according to 2015 ACS data.

County	Population
Grant	18,054
Pulaski	390,463
Saline	113,833
Total Assessment Area Population	522,350

The bank faces a relatively high level of competition in its Little Rock assessment area. The bank ranks 12th of 35 institutions in terms of market share with approximately 1.2 percent of area deposits.

Credit needs in the assessment area include a blend of consumer and commercial products. Specifically, the community contact identified small business loans as a community credit need.

Income and Wealth Demographics

The following table reflects the number of census tracts in the assessment area by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown	TOTAL
Census Tracts	10	31	41	36	2	120
	8.3%	25.8%	34.2%	30.0%	1.7%	100%
Family Population	5,842	25,854	51,691	44,139	698	128,224
	4.6%	20.2%	40.3%	34.4%	0.5%	100%

As shown above, 34.1 percent of the census tracts in the assessment area are low- or moderate-income, while only 24.8 percent of family population resides in these tracts. The majority of these LMI tracts are located in and around the city of Little Rock in Pulaski County.

Based on 2015 Census data, the median family income for the assessment area was \$66,261, which is below the median family income for the Little Rock MSA (\$67,018) but higher than the median family income for the state of Arkansas (\$56,576) as a whole. More recently, the FFIEC estimates the 2021 median family income for the Little Rock MSA to be \$70,600. The following table displays the distribution of assessment area families by income level compared to the Little Rock MSA and the state of Arkansas.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Assessment Area	28,007	22,673	24,658	52,886	128,224
	21.8%	17.7%	19.2%	41.3%	100.0%
Little Rock MSA	38,206	31,447	35,717	73,725	179,095
	21.3%	17.6%	19.9%	41.2%	100.0%
Arkansas	164,346	134,818	149,580	311,180	759,924
	21.6%	17.7%	19.7%	41.0%	100.0%

According to the figures shown above, 39.5 percent of the families in the assessment area are low- or moderate-income. This is similar to the 38.9 percent of LMI families in the Little Rock MSA and the 39.3 percent of LMI families in Arkansas overall. The percentage of families living below the poverty level in the assessment area, 10.7 percent, is slightly higher than the 10.4 percent level for the Little Rock MSA and is below the 14.3 percent level of the state of Arkansas. Considering these factors, the assessment area is comparable to the larger Little Rock MSA and slightly more affluent than the state of Arkansas as a whole.

Housing Demographics

The following table provides details of the housing demographics of the assessment area compared to the Little Rock MSA and the state of Arkansas.

Housing Demographics			
Dataset	Median Housing Value	Affordability Ratio	Median Gross Rent (Monthly)
Assessment Area	\$140,708	34.2	\$780
Little Rock MSA	\$138,983	35.3	\$765
Arkansas	\$111,400	37.1	\$677

As shown in the table above, the assessment area’s overall housing and rental stock is more costly than the Little Rock MSA, as well as the state of Arkansas as a whole. This could potentially make it more difficult for LMI individuals and families to afford area single- or multi-family housing options.

Industry and Employment Demographics

The Little Rock assessment area maintains a vibrant economy. The region employs 225,835 people in private sector industries such as healthcare and social assistance (18.3 percent of total jobs), retail trade (13.0 percent), and accommodation and food services (10.1 percent).

The following table details unemployment data from the U.S. Department of Labor, Bureau of Labor Statistics (not seasonally adjusted) for the assessment area, the MSA, and the state of Arkansas.

Unemployment Levels				
Dataset	Time Period (Annual Average)			
	2019	2020	2021	YTD 2022 (through August)
Assessment Area	3.2%	6.8%	4.5%	3.7%
Little Rock MSA	3.2%	6.5%	4.2%	3.5%
Arkansas	3.5%	6.1%	4.0%	3.6%

As shown in the preceding table, unemployment levels increased in the assessment area from 2019 to 2020, likely due to the economic disruption resulting from the COVID-19 pandemic. Following the disruption, rates steadily decreased. Since 2019, the trends in the assessment area’s unemployment levels were similar to the corresponding levels seen in the Little Rock MSA and the state as whole.

Community Contact Information

For this assessment area, one community contact interview was conducted with an individual who leads business and economic development initiatives in the region. According to the contact, the main barriers area small businesses face are labor shortages and a lack of technical assistance. The contact mentioned that the economy is growing in this assessment area but that the workforce participation rate needs to increase to maintain that growth. Additionally, the contact noted strong participation by local financial institutions, which could make this market competitive for lending opportunities to small businesses as well as for affordable housing to LMI individuals.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE LITTLE ROCK ASSESSMENT AREA

LENDING TEST

The overall distribution of loans by borrower’s income profile reflects poor penetration among borrowers of different income levels and businesses of different sizes. The bank’s overall geographic distribution of loans reflects reasonable penetration throughout the assessment area.

Loan Distribution by Borrower’s Profile

The bank’s loan distribution by borrower’s profile is poor based on performance from the two products reviewed. The bank’s small business loan distribution is poor, and the bank’s HMDA loan distribution by borrower’s profile is reasonable. As previously noted, small business lending was given primary consideration in forming performance conclusions given the bank’s commercial lending focus.

Small business loans were reviewed to determine the bank’s lending levels to businesses of different sizes. The following table shows the distribution of 2021 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Distribution of 2021 Small Business Lending By Borrower Income Level Assessment Area: Little Rock MSA								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	13	32.5%	40.8%	\$3,257	40.4%	34.9%	90.6%
	Over \$1 Million/ Unknown	27	67.5%	59.2%	\$4,806	59.6%	65.1%	9.4%
	TOTAL	40	100.0%	100.0%	\$8,063	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	23	57.5%	88.8%	\$1,012	12.6%	30.2%	
	\$100,001–\$250,000	8	20.0%	6.3%	\$1,356	16.8%	20.2%	
	\$250,001–\$1 Million	9	22.5%	4.9%	\$5,695	70.6%	49.6%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	40	100.0%	100.0%	\$8,063	100.0%	100.0%	

Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	8	61.5%		\$319	9.8%		
		\$100,001–\$250,000	0	0.0%		\$0	0.0%		
		\$250,001–\$1 Million	5	38.5%		\$2,938	90.2%		
		Over \$1 Million	0	0.0%		\$0	0.0%		
		TOTAL	13	100.0%		\$3,257	100.0%		

According to the preceding table, 32.5 percent of the bank’s small business loans were to businesses with revenues of \$1 million or less, which is below the aggregate level of 40.8 percent and significantly below the population metric of 90.6 percent. Thus, the bank’s level of lending to small businesses is poor.

Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the area median family income figure as estimated by the FFIEC (\$70,600 for Little Rock MSA). The following table shows the distribution of HMDA loans by borrower income level compared to family population income demographics and 2021 aggregate performance for the assessment area.

Borrower Distribution of HMDA Loans								
Assessment Area: Little Rock								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	2	8.7%	6.2%	279	6.6%	3.2%	21.8%
	Moderate	3	13.0%	18.6%	342	8.1%	13.5%	17.7%
	Middle	2	8.7%	17.9%	485	11.5%	16.6%	19.2%
	Upper	5	21.7%	34.1%	1,594	37.6%	44.2%	41.2%
	Unknown	11	47.8%	23.2%	1,534	36.2%	22.5%	0.0%
	TOTAL	23	100.0%	100.0%	4,234	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	4.1%	0	0.0%	2.1%	21.8%
	Moderate	0	0.0%	12.0%	0	0.0%	7.6%	17.7%
	Middle	1	12.5%	17.7%	115	6.7%	14.1%	19.2%
	Upper	6	75.0%	37.7%	1,413	82.5%	47.0%	41.2%
	Unknown	1	12.5%	28.4%	185	10.8%	29.1%	0.0%
	TOTAL	8	100.0%	100.0%	1,713	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	5.6%	0	0.0%	2.8%	21.8%
	Moderate	1	50.0%	12.7%	55	35.5%	9.1%	17.7%
	Middle	0	0.0%	20.4%	0	0.0%	16.3%	19.2%
	Upper	1	50.0%	53.7%	100	64.5%	59.7%	41.2%
	Unknown	0	0.0%	7.6%	0	0.0%	12.2%	0.0%
	TOTAL	2	100.0%	100.0%	155	100.0%	100.0%	100.0%

Multifamily	Low	0	0.0%	0.0%	0	0.0%	0.0%	9.8%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	23.4%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	26.6%
	Upper	0	0.0%	2.6%	0	0.0%	0.4%	40.0%
	Unknown	4	100.0%	97.4%	3,636	100.0%	99.6%	0.3%
	TOTAL	4	100.0%	100.0%	3,636	100.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	4.5%	0	0.0%	2.1%	21.8%
	Moderate	0	0.0%	7.5%	0	0.0%	4.1%	17.7%
	Middle	0	0.0%	14.1%	0	0.0%	7.9%	19.2%
	Upper	0	0.0%	68.3%	0	0.0%	82.5%	41.2%
	Unknown	0	0.0%	5.5%	0	0.0%	3.3%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Other Purpose Closed/Exempt	Low	0	0.0%	4.7%	0	0.0%	2.7%	21.8%
	Moderate	1	100.0%	18.3%	40	100.0%	12.9%	17.7%
	Middle	0	0.0%	19.5%	0	0.0%	15.7%	19.2%
	Upper	0	0.0%	56.7%	0	0.0%	67.7%	41.2%
	Unknown	0	0.0%	0.9%	0	0.0%	1.1%	0.0%
	TOTAL	1	100.0%	100.0%	40	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	1.2%	0	0.0%	0.7%	21.8%
	Moderate	0	0.0%	2.2%	0	0.0%	2.2%	17.7%
	Middle	0	0.0%	0.2%	0	0.0%	0.3%	19.2%
	Upper	0	0.0%	0.2%	0	0.0%	0.4%	41.2%
	Unknown	0	0.0%	96.1%	0	0.0%	96.3%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	2	5.3%	5.1%	279	2.9%	2.5%	21.8%
	Moderate	5	13.2%	15.1%	437	4.5%	10.0%	17.7%
	Middle	3	7.9%	17.5%	600	6.1%	14.2%	19.2%
	Upper	12	31.6%	35.9%	3,107	31.8%	42.2%	41.2%
	Unknown	16	42.1%	26.3%	5,355	54.8%	31.2%	0.0%
	TOTAL	38	100.0%	100.0%	9,778	100.0%	100.0%	100.0%

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (5.3 percent) is comparable to the aggregate lending level (5.1 percent) but is significantly below the low-income family population figure (21.8 percent), reflecting reasonable performance. The bank's level of lending to moderate-income borrowers (13.2 percent) approaches the aggregate lending level (15.1 percent) and trails the family population figure (17.7 percent), and represents reasonable performance. Overall, the bank's HMDA loan distribution by borrower's profile is reasonable, as total lending to LMI borrowers (18.5 percent) is comparable to aggregate lending levels (20.2 percent) while trailing the total percentage of LMI borrowers in the assessment area (39.5 percent).

Geographic Distribution of Loans

As noted previously, the Little Rock assessment area includes 10 low- and 31 moderate-income census tracts, representing 34.1 percent of all assessment area census tracts. Overall, the bank’s geographic distribution of loans in this assessment area reflects reasonable penetration throughout these LMI census tracts based on the bank’s small business and HMDA lending activity.

The bank’s geographic distribution of small business loans was reviewed. The following table displays 2021 small business loan activity by geography income level compared to the location of businesses throughout the assessment area and the 2021 small business aggregate data.

Distribution of 2021 Small Business Lending By Income Level of Geography Assessment Area: Little Rock MSA							
Census Tract Income Level	Bank Small Business Loans				% of Businesses	Aggregate of Peer Data	
	#	#%	\$ 000s	\$ %		%	\$ %
Low	4	10.0%	\$663	8.2%	5.4%	5.1%	5.7%
Moderate	2	5.0%	\$1,020	12.7%	20.9%	18.8%	20.7%
Middle	14	35.0%	\$1,992	24.7%	29.5%	29.9%	25.2%
Upper	20	50.0%	\$4,388	54.4%	44.0%	45.5%	48.1%
Unknown	0	0.0%	\$0	0.0%	0.2%	0.6%	0.3%
TOTAL	40	100.0%	\$8,063	100.0%	100.0%	100.0%	100.0%

The bank’s performance within low-income geographies (10.0 percent) was nearly double both aggregate (5.1 percent) and the demographic figure (5.4 percent), reflecting excellent performance. The bank’s performance within moderate-income geographies (5.0 percent) was significantly below aggregate lending (18.8 percent) and the demographic data (20.9 percent), reflecting poor performance. When totaled, 15.0 percent of the bank’s small business lending occurred in low- or moderate-income geographies, which is below peer bank lending levels (23.9 percent) and the population of small businesses within LMI geographies (26.3 percent), reflecting poor performance overall.

The following table displays the geographic distribution of 2021 HMDA loans compared to owner-occupied housing demographics for the assessment area and aggregate data.

Geographic Distribution of HMDA Loans Assessment Area: Little Rock								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	1.9%	0	0.0%	1.5%	3.1%
	Moderate	3	13.0%	12.3%	329	7.8%	7.8%	18.2%
	Middle	15	65.2%	42.3%	2,355	55.6%	38.1%	41.4%
	Upper	4	17.4%	43.2%	1,145	27.0%	52.5%	36.9%
	Unknown	1	4.3%	0.3%	405	9.6%	0.2%	0.4%
	TOTAL	23	100.0%	100.0%	4,234	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	1.2%	0	0.0%	1.3%	3.1%
	Moderate	2	25.0%	9.5%	468	27.3%	6.4%	18.2%
	Middle	1	12.5%	38.9%	383	22.4%	33.9%	41.4%
	Upper	5	62.5%	50.2%	862	50.3%	58.4%	36.9%
	Unknown	0	0.0%	0.1%	0	0.0%	0.1%	0.4%
	TOTAL	8	100.0%	100.0%	1,713	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	1.9%	0	0.0%	1.1%	3.1%
	Moderate	0	0.0%	11.7%	0	0.0%	9.6%	18.2%
	Middle	2	100.0%	36.2%	155	100.0%	28.6%	41.4%
	Upper	0	0.0%	50.1%	0	0.0%	60.4%	36.9%
	Unknown	0	0.0%	0.2%	0	0.0%	0.2%	0.4%
	TOTAL	2	100.0%	100.0%	155	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	5.9%	0	0.0%	6.5%	9.8%
	Moderate	0	0.0%	34.0%	0	0.0%	24.6%	23.4%
	Middle	0	0.0%	24.2%	0	0.0%	10.6%	26.6%
	Upper	4	100.0%	33.3%	3,636	100.0%	50.8%	40.0%
	Unknown	0	0.0%	2.6%	0	0.0%	7.5%	0.3%
	TOTAL	4	100.0%	100.0%	3,636	100.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	1.0%	0	0.0%	0.4%	3.1%
	Moderate	0	0.0%	11.1%	0	0.0%	6.8%	18.2%
	Middle	0	0.0%	34.2%	0	0.0%	23.0%	41.4%
	Upper	0	0.0%	53.8%	0	0.0%	69.8%	36.9%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.4%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%

Other Purpose Closed/Exempt	Low	0	0.0%	2.3%	0	0.0%	1.4%	3.1%
	Moderate	0	0.0%	14.0%	0	0.0%	7.8%	18.2%
	Middle	1	100.0%	35.5%	40	100.0%	25.3%	41.4%
	Upper	0	0.0%	48.3%	0	0.0%	65.5%	36.9%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.4%
	TOTAL	1	100.0%	100.0%	40	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	4.1%	0	0.0%	2.1%	3.1%
	Moderate	0	0.0%	25.1%	0	0.0%	13.7%	18.2%
	Middle	0	0.0%	48.8%	0	0.0%	38.8%	41.4%
	Upper	0	0.0%	22.0%	0	0.0%	45.4%	36.9%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.4%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	1.6%	0	0.0%	1.8%	3.1%
	Moderate	5	13.2%	11.4%	797	8.2%	8.5%	18.2%
	Middle	19	50.0%	40.5%	2,933	30.0%	34.2%	41.4%
	Upper	13	34.2%	46.2%	5,643	57.7%	54.9%	36.9%
	Unknown	1	2.6%	0.2%	405	4.1%	0.7%	0.4%
	TOTAL	38	100.0%	100.0%	9,778	100.0%	100.0%	100.0%

As shown in the preceding table, the bank's lending in low-income geographies was poor, as the bank extended zero home mortgage loans in low-income census tracts in this assessment area. The bank's lending in moderate-income geographies (13.2 percent) exceeds the aggregate metric of 11.4 percent but trails the population metric (18.2 percent), reflecting reasonable performance. Total HMDA lending in LMI geographies equals 13.2 percent, which is slightly above aggregate performance (13.0 percent) but is below the population metric (21.3 percent), resulting in overall reasonable performance.

Lastly, total loan activity in the assessment area was reviewed, and based on the bank's branch network, no conspicuous lending gaps were noted in LMI areas.

COMMUNITY DEVELOPMENT TEST

The bank demonstrates excellent responsiveness to community development needs in this assessment area, considering the bank's capacity and the need and availability of such opportunities for community development. The bank addressed these needs through community development loans, investments, donations, and services. The number and dollar amount of community development activities are shown in the following table, with noteworthy activities described further below.

Community Development Activities			
Little Rock Assessment Area			
Community Development Component	#		\$
Loans	50		\$37.5 million
Investments – current period	2		\$1.7 million
Donations	21		\$74,138
Services	22 Services	10 organizations	

As shown in the preceding table, the bank displayed excellent responsiveness to community development needs in the assessment area. The bank had the following noteworthy activities:

- The bank extended a loan for approximately \$8.3 million in this assessment area for multifamily affordable housing targeted to LMI individuals.
- The bank extended a loan for approximately \$7.4 million in this assessment area in an SBA HUBZone that provided for revitalization and stabilization of a targeted area and supported permanent job creation for LMI individuals.
- The bank extended 41 loans totaling approximately \$5.0 million to small businesses located in LMI census tracts as part of the SBA’s PPP. These loans helped provide revitalization and stabilization efforts in these LMI geographies by supporting permanent job creation and maintenance.
- The bank made two equity investments totaling \$1.7 million, which both consisted of municipal bonds to finance projects at school districts in the assessment area where the majority of students receive free or reduced lunch, thus providing community services to LMI individuals.
- The bank made donations totaling \$74,138 to various entities in the assessment area that support economic development and provide community services to LMI individuals.
- Various employees served in numerous leadership positions at organizations in the assessment area that facilitate economic development and provide community services to LMI individuals and organizations with the purpose of working toward revitalizing and stabilizing LMI areas to support permanent job creation.

HOT SPRINGS, ARKANSAS METROPOLITAN STATISTICAL AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE GARLAND COUNTY ASSESSMENT AREA

This assessment area includes the entirety of Garland County, the lone county that makes up the Hot Springs, Arkansas MSA. The bank operates four offices in this assessment area. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	6,024	4,346	5,091	10,490	25,951
	23.2%	16.8%	19.6%	40.4%	100%
Household Population	9,870	6,307	6,790	17,323	40,290
	24.5%	15.7%	16.9%	43.0%	100%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	2	4	9	5	0	20
	10.0%	20.0%	45.0%	25.0%	0.0%	100%
Family Population	1,111	3,355	12,371	9,114	0	25,951
	4.3%	12.9%	47.7%	35.1%	0.0%	100%
Household Population	2,348	6,237	18,857	12,848	0	40,290
	5.8%	15.5%	46.8%	31.9%	0.0%	100%
Business Institutions	307	839	1,946	1,334	0	4,426
	6.9%	19.0%	44.0%	30.1%	0.0%	100%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE GARLAND COUNTY ASSESSMENT AREA

LENDING TEST

The bank’s Lending Test performance in this assessment area is below the bank’s Lending Test performance in the assessment areas that were reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank’s Lending Test performance in this assessment area, see the tables in *Appendix A*.

Lending Test Criteria	Performance
Distribution of Loans by Borrower’s Profile	Below
Geographic Distribution of Loans	Below
OVERALL	BELOW

COMMUNITY DEVELOPMENT TEST

The bank’s Community Development Test performance in this assessment area is below the bank’s Community Development Test performance in the assessment that were reviewed using full-scope procedures.

During the review period, the bank made 17 community development loans totaling approximately \$4.0 million that supported community development for LMI individuals. Additionally, the bank made investments during the review period totaling \$3400,000 and had one prior-period investment totaling \$340,000, both in municipal bonds that provided capital for projects for a school district where the majority of students received free or reduced lunch. The bank also made 22 donations totaling \$24,275 and provided 35 services to nine different community development organizations in this assessment area.

SOUTHERN ARKANSAS NONMETROPOLITAN STATISTICAL AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE DALLAS COUNTY ASSESSMENT AREA

This assessment area includes the entirety of Dallas County, which is located in a nonMSA portion of Arkansas. The bank operates one office in this assessment area. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	379	398	474	846	2,097
	18.1%	19.0%	22.6%	40.3%	100%
Household Population	734	595	623	1,296	3,248
	22.6%	18.3%	19.2%	39.9%	100%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	0	0	2	1	0	3
	0.0%	0.0%	66.7%	33.3%	0.0%	100%
Family Population	0	0	1,679	418	0	2,097
	0.0%	0.0%	80.1%	19.9%	0.0%	100%
Household Population	0	0	2,628	620	0	3,248
	0.0%	0.0%	80.9%	19.1%	0.0%	100%
Business Institutions	0	0	218	27	0	245
	0.0%	0.0%	89.0%	11.0%	0.0%	100%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE DALLAS COUNTY ASSESSMENT AREA

LENDING TEST

The bank's Lending Test performance in this assessment area is below the bank's Lending Test performance in the assessment areas that were reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank's Lending Test performance in this assessment area, see the tables in *Appendix A*.

Lending Test Criteria	Performance
Distribution of Loans by Borrower's Profile	Below
Geographic Distribution of Loans	Consistent
OVERALL	BELOW

COMMUNITY DEVELOPMENT TEST

The bank's Community Development Test performance in this assessment area is below the bank's Community Development Test performance in the assessment areas that were reviewed using full-scope procedures.

During the review period, the bank made no community development loans in Dallas County. Additionally, the bank had one prior-period investment totaling \$635,000. This was a municipal bond for a local school district where the majority of students received free or reduced lunch. The bank also made two donations totaling \$1,100 and provided eight services to four different community development organizations in this assessment area.

**LENDING PERFORMANCE TABLES FOR LIMITED-SCOPE REVIEW
ASSESSMENT AREAS**

Garland County Assessment Area

Distribution of 2021 Small Business Lending By Borrower Income Level Assessment Area: Garland County								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	10	83.3%	41.6%	\$1,763	65.7%	40.9%	92.8%
	Over \$1 Million/ Unknown	2	16.7%	58.4%	\$920	34.3%	59.1%	7.2%
	TOTAL	12	100.0%	100.0%	\$2,683	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	6	50.0%	89.1%	\$132	4.9%	30.7%	
	\$100,001–\$250,000	2	16.7%	7.0%	\$422	15.7%	25.5%	
	\$250,001–\$1 Million	4	33.3%	3.9%	\$2,129	79.4%	43.8%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	12	100.0%	100.0%	\$2,683	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	6	60.0%		\$132	7.5%		
	\$100,001–\$250,000	2	20.0%		\$422	23.9%		
	\$250,001–\$1 Million	2	20.0%		\$1,209	68.6%		
	Over \$1 Million	0	0.0%		\$0	0.0%		
	TOTAL	10	100.0%		\$1,763	100.0%		

Borrower Distribution of HMDA Loans								
Assessment Area: Garland County								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	5.1%	0	0.0%	2.4%	23.2%
	Moderate	1	3.4%	15.6%	218	3.1%	10.0%	16.7%
	Middle	5	17.2%	17.5%	794	11.4%	14.2%	19.6%
	Upper	9	31.0%	41.1%	3,037	43.4%	51.0%	40.4%
	Unknown	14	48.3%	20.8%	2,945	42.1%	22.5%	0.0%
	TOTAL	29	100.0%	100.0%	6,994	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	5.9%	0	0.0%	2.7%	23.2%
	Moderate	2	20.0%	15.2%	178	7.1%	9.4%	16.7%
	Middle	0	0.0%	17.0%	0	0.0%	13.3%	19.6%
	Upper	7	70.0%	39.2%	2,205	88.4%	50.8%	40.4%
	Unknown	1	10.0%	22.8%	112	4.5%	23.8%	0.0%
	TOTAL	10	100.0%	100.0%	2,495	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	7.9%	0	0.0%	3.3%	23.2%
	Moderate	0	0.0%	11.5%	0	0.0%	6.3%	16.7%
	Middle	0	0.0%	22.4%	0	0.0%	15.5%	19.6%
	Upper	1	50.0%	49.7%	200	91.7%	63.0%	40.4%
	Unknown	1	50.0%	8.5%	18	8.3%	11.9%	0.0%
	TOTAL	2	100.0%	100.0%	218	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	0	0.0%	0.0%	8.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	25.4%
	Middle	0	0.0%	6.3%	0	0.0%	0.7%	49.1%
	Upper	0	0.0%	9.4%	0	0.0%	11.2%	17.5%
	Unknown	1	100.0%	84.4%	1,750	100.0%	88.2%	0.0%
	TOTAL	1	100.0%	100.0%	1,750	100.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	5.6%	0	0.0%	2.8%	23.2%
	Moderate	0	0.0%	11.1%	0	0.0%	5.5%	16.7%
	Middle	0	0.0%	20.4%	0	0.0%	16.9%	19.6%
	Upper	0	0.0%	55.6%	0	0.0%	62.7%	40.4%
	Unknown	0	0.0%	7.4%	0	0.0%	12.2%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%

Appendix A (continued)

Other Purpose Closed/Exempt	Low	0	0.0%	8.3%	0	0.0%	4.4%	23.2%
	Moderate	0	0.0%	29.2%	0	0.0%	20.3%	16.7%
	Middle	1	100.0%	8.3%	50	100.0%	7.1%	19.6%
	Upper	0	0.0%	52.1%	0	0.0%	66.0%	40.4%
	Unknown	0	0.0%	2.1%	0	0.0%	2.2%	0.0%
	TOTAL	1	100.0%	100.0%	50	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	2.5%	0	0.0%	1.3%	23.2%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	16.7%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	19.6%
	Upper	0	0.0%	5.0%	0	0.0%	3.1%	40.4%
	Unknown	0	0.0%	92.5%	0	0.0%	95.7%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	5.5%	0	0.0%	2.5%	23.2%
	Moderate	3	7.0%	15.1%	396	3.4%	9.3%	16.7%
	Middle	6	14.0%	17.1%	844	7.3%	13.2%	19.6%
	Upper	17	39.5%	40.3%	5,442	47.3%	49.3%	40.4%
	Unknown	17	39.5%	21.9%	4,825	41.9%	25.8%	0.0%
	TOTAL	43	100.0%	100.0%	11,507	100.0%	100.0%	100.0%

Distribution of 2021 Small Business Lending By Income Level of Geography							
Census Tract Income Level	Bank Small Business Loans		Aggregate of Peer Data	Bank Small Business Loans		Aggregate of Peer Data	% of Businesses
	#	#%	%	\$ 000s	\$ %	\$ %	
Low	0	0.0%	4.8%	\$0	0.0%	3.3%	6.9%
Moderate	2	16.7%	19.9%	\$60	2.2%	23.9%	19.0%
Middle	6	50.0%	43.6%	\$1,507	56.2%	45.4%	44.0%
Upper	4	33.3%	31.1%	\$1,116	41.6%	27.2%	30.1%
Unknown	0	0.0%	0.7%	\$0	0.0%	0.2%	0.0%
TOTAL	12	100.0%	100.0%	\$2,683	100.0%	100.0%	100.0%

Geographic Distribution of HMDA Loans								
Assessment Area: Garland County								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	1	3.4%	3.4%	360	5.1%	1.7%	3.4%
	Moderate	4	13.8%	8.7%	629	9.0%	6.7%	11.8%
	Middle	9	31.0%	47.4%	2,332	33.3%	42.2%	49.1%
	Upper	15	51.7%	40.5%	3,673	52.5%	49.4%	35.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	29	100.0%	100.0%	6,994	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	1.9%	0	0.0%	0.9%	3.4%
	Moderate	0	0.0%	6.6%	0	0.0%	5.4%	11.8%
	Middle	6	60.0%	44.2%	802	32.1%	38.9%	49.1%
	Upper	4	40.0%	47.3%	1,693	67.9%	54.8%	35.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	10	100.0%	100.0%	2,495	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	3.6%	0	0.0%	1.9%	3.4%
	Moderate	0	0.0%	5.5%	0	0.0%	3.9%	11.8%
	Middle	1	50.0%	52.1%	200	91.7%	43.1%	49.1%
	Upper	1	50.0%	38.8%	18	8.3%	51.0%	35.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	2	100.0%	100.0%	218	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	25.0%	0	0.0%	6.3%	8.0%
	Moderate	0	0.0%	12.5%	0	0.0%	4.6%	25.4%
	Middle	1	100.0%	34.4%	1,750	100.0%	13.1%	49.1%
	Upper	0	0.0%	28.1%	0	0.0%	76.0%	17.5%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	1	100.0%	100.0%	1,750	100.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	3.7%	0	0.0%	1.4%	3.4%
	Moderate	0	0.0%	7.4%	0	0.0%	2.5%	11.8%
	Middle	0	0.0%	44.4%	0	0.0%	32.8%	49.1%
	Upper	0	0.0%	44.4%	0	0.0%	63.3%	35.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%

Appendix A (continued)

Other Purpose Closed/Exempt	Low	0	0.0%	6.3%	0	0.0%	2.9%	3.4%
	Moderate	0	0.0%	6.3%	0	0.0%	5.1%	11.8%
	Middle	0	0.0%	52.1%	0	0.0%	50.7%	49.1%
	Upper	1	100.0%	35.4%	50	100.0%	41.3%	35.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	1	100.0%	100.0%	50	100.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	0	0.0%	0.0%	3.4%
	Moderate	0	0.0%	7.5%	0	0.0%	3.6%	11.8%
	Middle	0	0.0%	42.5%	0	0.0%	38.2%	49.1%
	Upper	0	0.0%	50.0%	0	0.0%	58.2%	35.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	1	2.3%	2.9%	360	3.1%	1.6%	3.4%
	Moderate	4	9.3%	7.7%	629	5.5%	6.0%	11.8%
	Middle	17	39.5%	46.1%	5,084	44.2%	39.6%	49.1%
	Upper	21	48.8%	43.4%	5,434	47.2%	52.8%	35.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	43	100.0%	100.0%	11,507	100.0%	100.0%	100.0%

Dallas County Assessment Area

Distribution of 2021 Small Business Lending By Borrower Income Level Assessment Area: Dallas County								
Business Revenue and Loan Size		2021						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	1	50.0%	20.0%	\$33	68.8%	9.1%	83.7%
	Over \$1 Million/ Unknown	1	50.0%	80.0%	\$15	31.3%	90.9%	16.3%
	TOTAL	2	100.0%	100.0%	\$48	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	2	100.0%	91.6%	\$48	100.0%	30.4%	
	\$100,001–\$250,000	0	0.0%	2.1%	\$0	0.0%	7.6%	
	\$250,001–\$1 Million	0	0.0%	6.3%	\$0	0.0%	62.0%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	2	100.0%	100.0%	\$48	100.0%	100.0%	
Loan Size Revenue \$1 Million or Less	\$100,000 or Less	1	100.0%		\$33	100.0%		
	\$100,001–\$250,000	0	0.0%		\$0	0.0%		
	\$250,001–\$1 Million	0	0.0%		\$0	0.0%		
	Over \$1 Million	0	0.0%		\$0	0.0%		
	TOTAL	1	100.0%		\$33	100.0%		

Borrower Distribution of HMDA Loans								
Assessment Area: Dallas County								
Product Type	Borrower Income Levels	2021						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	3.6%	0	0.0%	1.6%	18.1%
	Moderate	0	0.0%	21.8%	0	0.0%	15.7%	19.0%
	Middle	0	0.0%	21.8%	0	0.0%	15.3%	22.6%
	Upper	0	0.0%	27.3%	0	0.0%	42.6%	40.3%
	Unknown	0	0.0%	25.5%	0	0.0%	24.8%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Refinance	Low	0	0.0%	3.3%	0	0.0%	0.1%	18.1%
	Moderate	0	0.0%	13.3%	0	0.0%	10.6%	19.0%
	Middle	0	0.0%	13.3%	0	0.0%	11.8%	22.6%
	Upper	0	0.0%	50.0%	0	0.0%	58.5%	40.3%
	Unknown	0	0.0%	20.0%	0	0.0%	18.9%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	0.0%	0	0.0%	0.0%	18.1%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	19.0%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	22.6%
	Upper	0	0.0%	100.0%	0	0.0%	100.0%	40.3%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	98.4%
	Upper	0	0.0%	0.0%	0	0.0%	0.0%	1.6%
	Unknown	0	0.0%	100.0%	0	0.0%	100.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	0.0%	0	0.0%	0.0%	18.1%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	19.0%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	22.6%
	Upper	0	0.0%	0.0%	0	0.0%	0.0%	40.3%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	0.0%	0	0.0%	0.0%	100.0%

Appendix A (continued)

Other Purpose Closed/Exempt	Low	0	0.0%	0.0%	0	0.0%	0.0%	18.1%
	Moderate	0	0.0%	33.3%	0	0.0%	54.7%	19.0%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	22.6%
	Upper	0	0.0%	33.3%	0	0.0%	18.0%	40.3%
	Unknown	0	0.0%	33.3%	0	0.0%	27.3%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	0	0.0%	0.0%	18.1%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	19.0%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	22.6%
	Upper	0	0.0%	0.0%	0	0.0%	0.0%	40.3%
	Unknown	0	0.0%	100.0%	0	0.0%	100.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	3.3%	0	0.0%	1.0%	18.1%
	Moderate	0	0.0%	18.7%	0	0.0%	13.8%	19.0%
	Middle	0	0.0%	17.6%	0	0.0%	13.3%	22.6%
	Upper	0	0.0%	35.2%	0	0.0%	47.1%	40.3%
	Unknown	0	0.0%	25.3%	0	0.0%	24.7%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%

Distribution of 2021 Small Business Lending By Income Level of Geography							
Census Tract Income Level	Bank Small Business Loans				% of Businesses	Aggregate of Peer Data	
	#	#%	\$ 000s	\$ %		%	\$ %
Low	0	0.0%	\$0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	\$0	0.0%	0.0%	0.0%	0.0%
Middle	2	100.0%	\$48	100.0%	89.0%	74.7%	79.5%
Upper	0	0.0%	\$0	0.0%	11.0%	24.2%	20.4%
Unknown	0	0.0%	\$0	0.0%	0.0%	1.1%	0.2%
TOTAL	2	100.0%	\$48	100.0%	100.0%	100.0%	100.0%

Geographic Distribution of HMDA Loans								
Assessment Area: Dallas County								
Product Type	Tract Income Levels	2021						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Middle	0	0.0%	89.1%	0	0.0%	82.7%	77.2%
	Upper	0	0.0%	10.9%	0	0.0%	17.3%	22.8%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Refinance	Low	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Middle	0	0.0%	53.3%	0	0.0%	50.4%	77.2%
	Upper	0	0.0%	46.7%	0	0.0%	49.6%	22.8%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Middle	0	0.0%	100.0%	0	0.0%	100.0%	77.2%
	Upper	0	0.0%	0.0%	0	0.0%	0.0%	22.8%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	98.4%
	Upper	0	0.0%	100.0%	0	0.0%	100.0%	1.6%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Other Purpose LOC	Low	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Middle	0	0.0%	0.0%	0	0.0%	0.0%	77.2%
	Upper	0	0.0%	0.0%	0	0.0%	0.0%	22.8%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	0.0%	0	0.0%	0.0%	100.0%

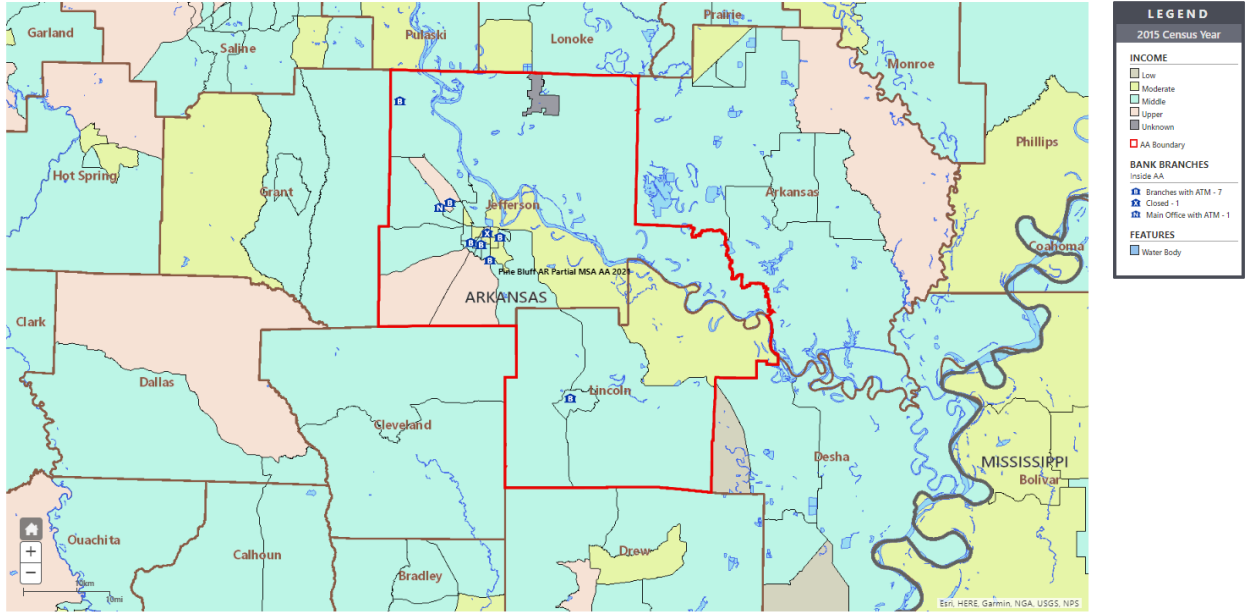
Appendix A (continued)

Other Purpose Closed/Exempt	Low	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Middle	0	0.0%	66.7%	0	0.0%	72.7%	77.2%
	Upper	0	0.0%	33.3%	0	0.0%	27.3%	22.8%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
Purpose Not Applicable	Low	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Middle	0	0.0%	100.0%	0	0.0%	100.0%	77.2%
	Upper	0	0.0%	0.0%	0	0.0%	0.0%	22.8%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	Middle	0	0.0%	75.8%	0	0.0%	68.6%	77.2%
	Upper	0	0.0%	24.2%	0	0.0%	31.4%	22.8%
	Unknown	0	0.0%	0.0%	0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	0	0.0%	100.0%	100.0%

ASSESSMENT AREA MAPS

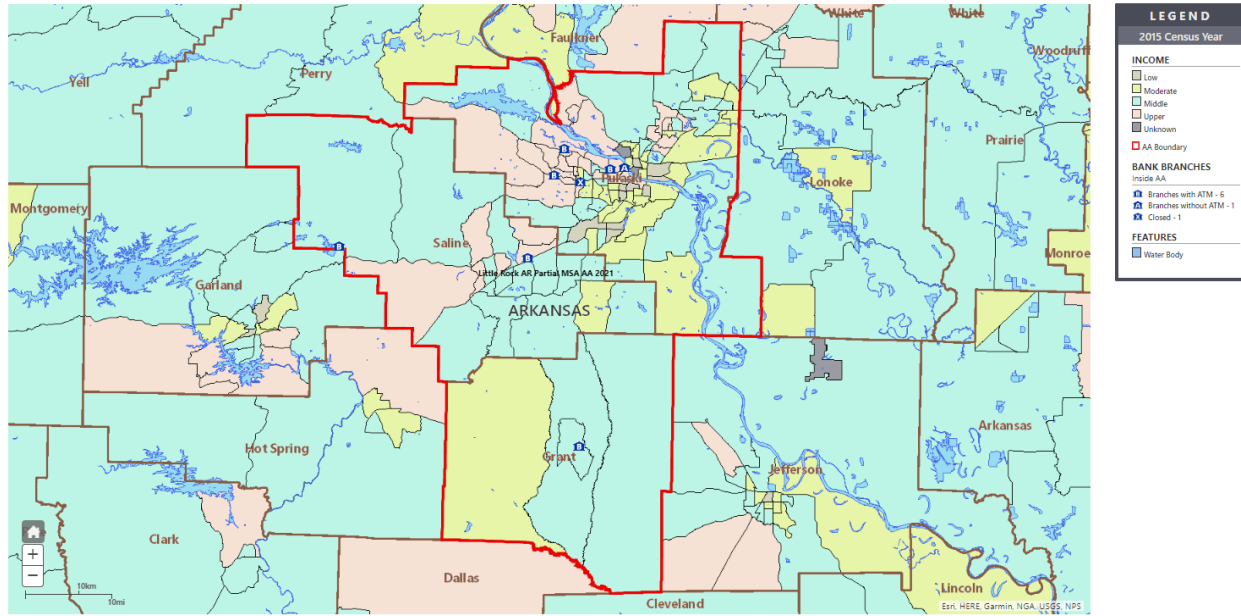
Pine Bluff Assessment Area

Relyance Bk - White Hall, AR 2023
Pine Bluff AR Partial MSA AA



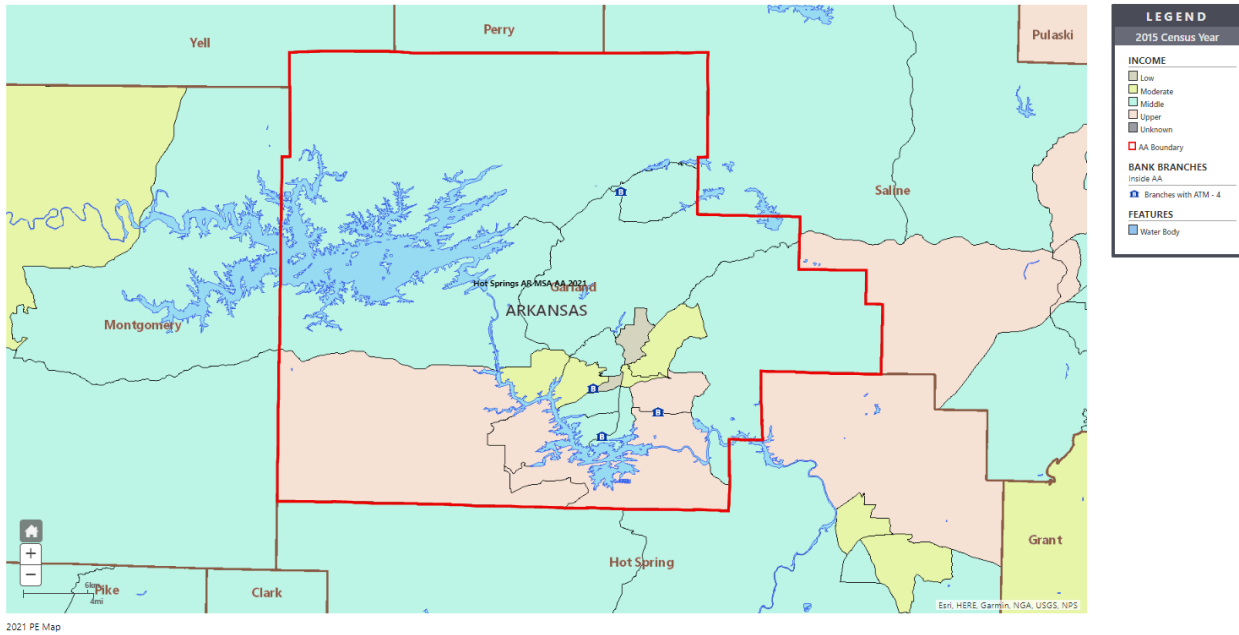
Little Rock Assessment Area

Relyance Bk - White Hall, AR 2023
Little Rock AR Partial MSA AA



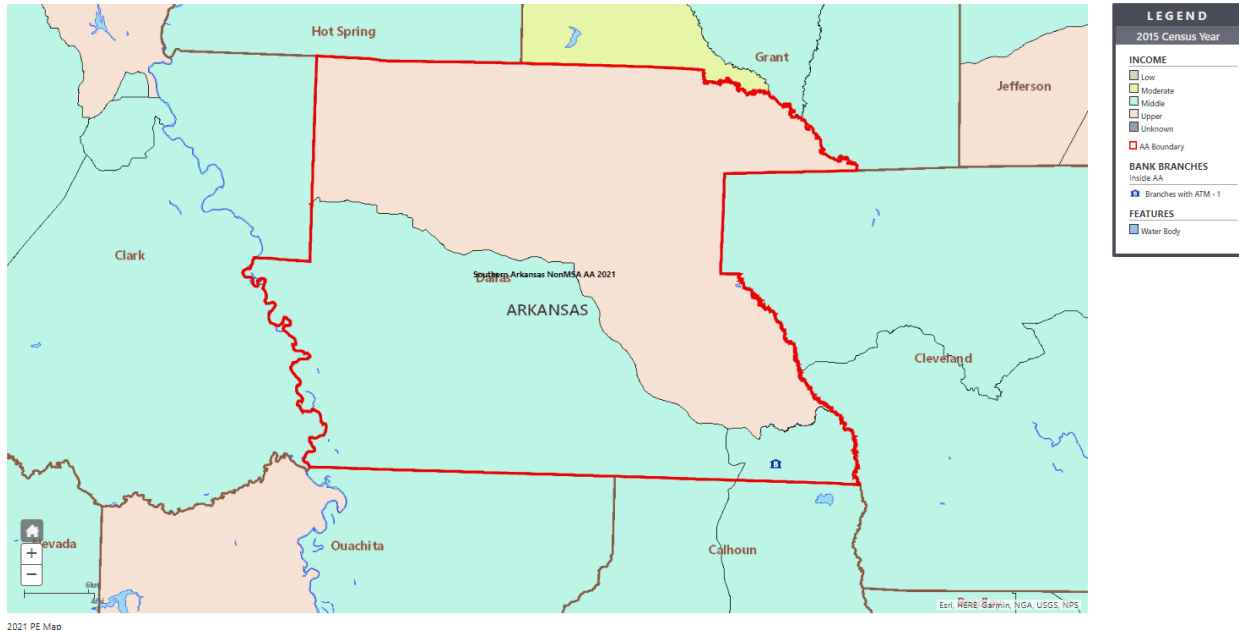
Hot Springs Assessment Area

Relyance Bk - White Hall, AR 2023
Hot Springs AR MSA AA



Southern Arkansas NonMSA Assessment Area

Relyance Bk - White Hall, AR 2023
Southern Arkansas NonMSA AA



GLOSSARY

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 metropolitan area/assessment area.

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

Census tract: A small subdivision of metropolitan and nonmetropolitan counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely, depending on 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 contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: An activity associated with one of the following five descriptions: (1) affordable housing (including multifamily rental housing) for low- and moderate-income individuals (LMI); (2) community services targeted to LMI; (3) activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; (4) activities that revitalize or stabilize LMI geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and geographies.

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.

Demographics: The statistical characteristics of human populations (e.g., age, race, sex, and income) used especially to identify markets.

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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 nonrelatives 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 who do 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 income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

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 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 metropolitan area/assessment area.

Median family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an MSA that has a population of at least 2.5 million may be divided into MDs.

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.

Nonmetropolitan statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

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 multistate 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 multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were \$1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are secured either by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports 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.

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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