



**Community Reinvestment  
Act (CRA) Public File -  
2025**

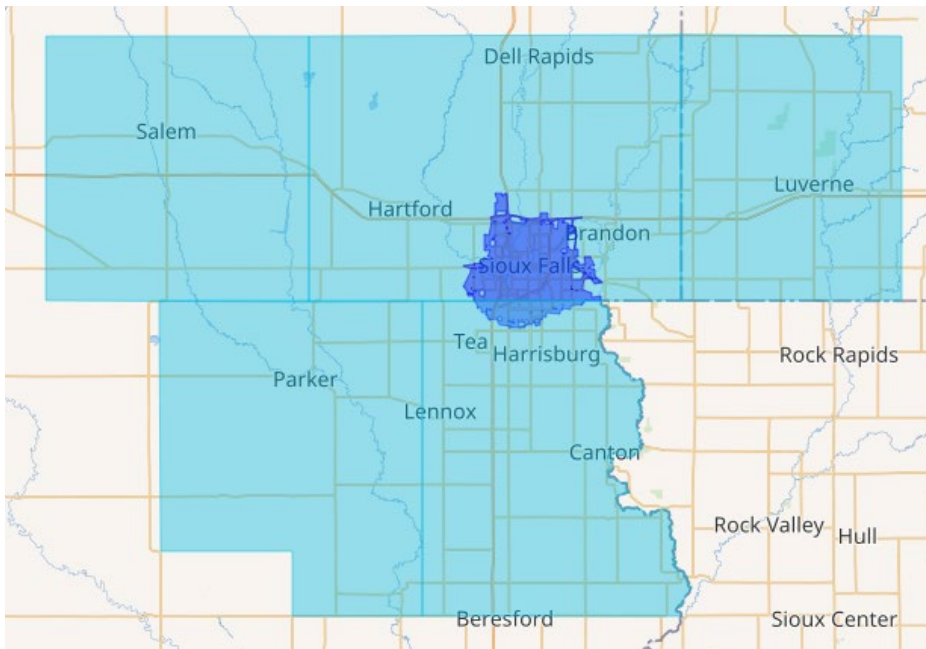
## **ONE AMERICAN BANK Branches, Addresses, and Census Tracts:**

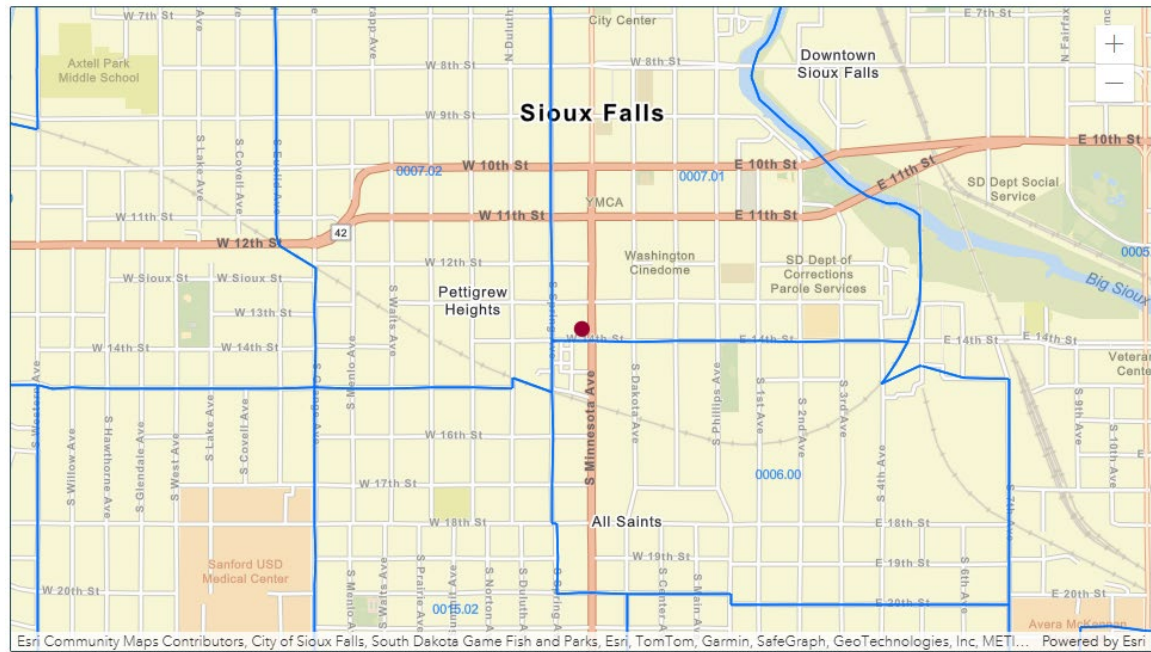
ONE AMERICAN BANK  
3310 West 49th Street  
Sioux Falls SD 57106  
Census Tract Code: 0011.09

ONE AMERICAN BANK  
515 S Minnesota Ave  
Sioux Falls SD 57104  
Census Tract Code: 0007.01

ONE AMERICAN BANK  
Main Office  
549 Broadway Street  
Centerville SD 57014  
Census Tract Code: 9652.00

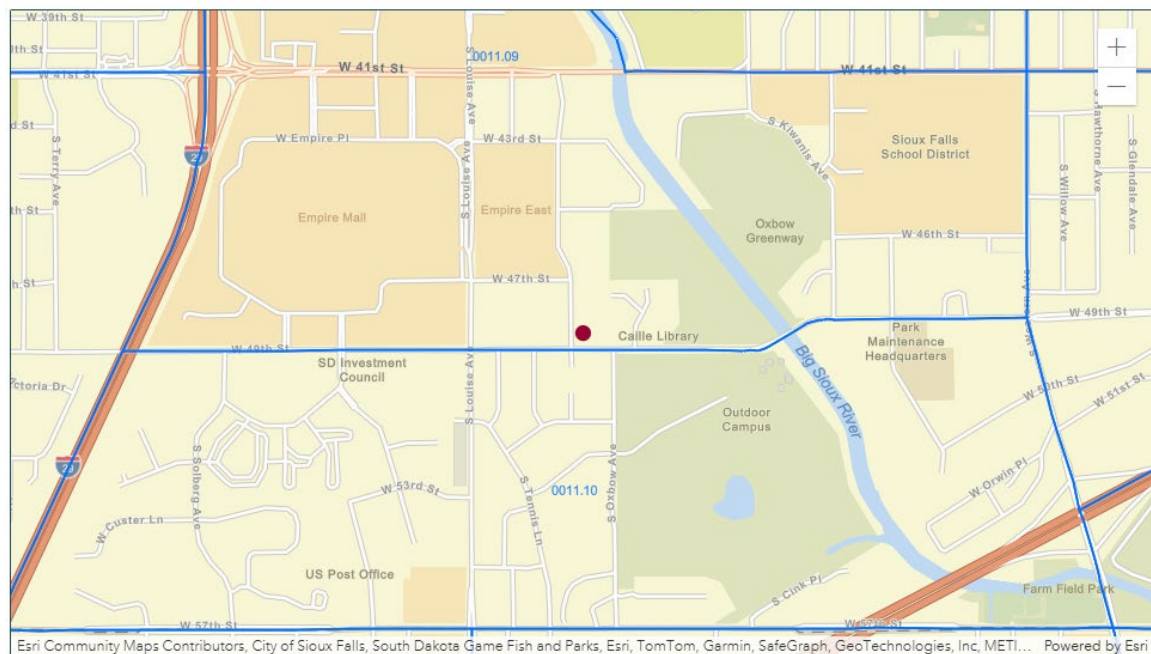
ONE AMERICAN BANK has two branches in Sioux Falls and one branch in Centerville. These branches serve the Sioux Falls Metropolitan Statistical Area 43620. This area includes four counties in South Dakota – Lincoln, McCook, Minnehaha, and Turner – and one county in Minnesota – Rock. The Centerville branch, located in Turner County, also serves Clay County, SD.



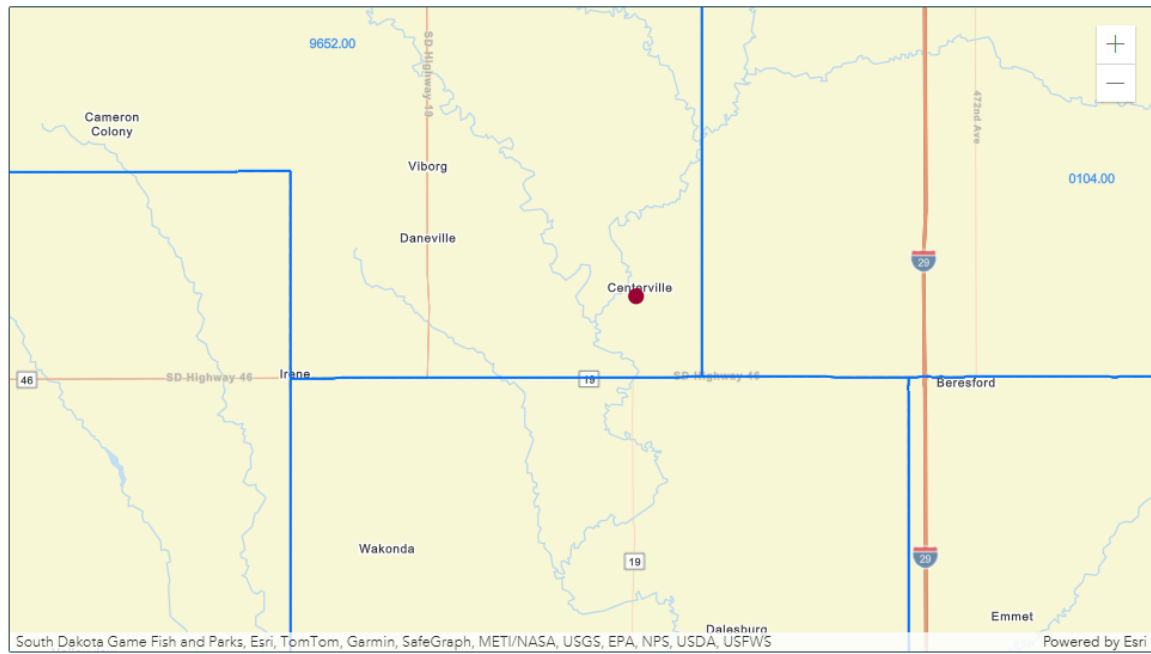


● Matched Address: 515 S Minnesota Ave, Sioux Falls, South Dakota, 57104  
MSA: 43620 - SIOUX FALLS, SD-MN || State: 46 - SOUTH DAKOTA || County: 099 - MINNEHAHA COUNTY || Tract Code: 0007.01

● Selected Tract  
MSA: || State: || County: || Tract Code:



● Matched Address: 3310 W 49th St, Sioux Falls, South Dakota, 57106  
MSA: 43620 - SIOUX FALLS, SD-MN || State: 46 - SOUTH DAKOTA || County: 099 - MINNEHAHA COUNTY || Tract Code: 0011.09



● Matched Address: 549 Broadway St, Centerville, South Dakota, 57014  
MSA: 43620 - SIOUX FALLS, SD-MN || State: 46 - SOUTH DAKOTA || County: 125 - TURNER COUNTY || Tract Code: 9652.00

## **One American Bank Services**

### **Office Hours**

Lobby hours for the main office in Centerville are 8:30 a.m.-12:30 p.m. and 1:00 p.m.-4:30 p.m. Monday through Friday. Lobby hours for both Sioux Falls branches are 9:00 a.m.-5:00 p.m. Monday through Friday. Drive-up window hours are 9:00 a.m.-5:00 p.m. Monday through Friday for Sioux Falls branches.

### **ONE AMERICAN BANK offers the following services:**

- Consumer, commercial, and agricultural loans
- Deposit account products, which include variable rate interest-bearing, non-interest bearing, and rewards checking accounts; variable rate, tiered rate, and rewards savings accounts; and HSAs and IRAs
- Time Deposit Accounts with terms ranging from 91 days to 5 years
- Rates and fees are the same at all branches and are competitive in the community.
- Online banking is available at our website [www.ONEAMERICANBANK.com](http://www.ONEAMERICANBANK.com). Through this service our customers can view account information, transfer funds between eligible accounts, pay bills, make external transfers, make loan payments, access electronic statements, and monitor their credit scores.
- Mobile banking offers the same features as online banking.
- Online account opening is available through our website for opening certificate of deposit accounts.



## Fee Schedule

Fees	
Dormancy Fee	
Checking Account	\$5.00 per statement period for dormancy after 181 days of inactivity
Savings Account	\$5.00 per statement period for dormancy after 546 days of inactivity
Deposited Item Return Fee	\$5.00 per item
Stop Payment Fee	\$35.00 per item
Non-Money Pass® ATM Network Fee (ATM FEE <sup>1</sup> )	\$1.50 per transaction
ATM/Debit Card Replacement Fee	\$10.00 per card
VISA International Transaction Fee (CROSS BORDER FEE <sup>1</sup> )	1.0% of the transaction amount (This includes any currency conversion fees.)
Paper Statement Fee <sup>2</sup>	\$5.00 per month
e-Statement Fee	No charge
Overdraft Fees	
Overdraft Fee*	\$35.00 for each debit item paid
Overdraft Fee Return Item*	\$35.00 for each debit item returned and not paid
Continuous Overdraft Fee*	\$20.00 every 7 business days
*Conditions under which an Overdraft Fee may be imposed: Overdrafts can be created by check, in-person withdrawal, ATM withdrawal or other electronic means.	
Wire Transfer Fees	
Incoming Domestic and International	\$10.00 per wire
Outgoing Domestic	\$20.00 per wire
Outgoing International	\$50.00 per wire
Miscellaneous Fees	
Cashier's Check	\$8.00 per check
Document Copies (checks, deposit slips, etc.)	\$2.00 per page
Garnishments and Levies	\$40.00 each
Night Deposit Bags (locking)	\$15.00 per bag
Notary Fee (non-customers)	\$2.00 each document
Record Research	\$25.00 per hour (\$25.00 minimum)
Statement Copies	\$2.00 per statement

<sup>1</sup> Descriptor of how the fee will appear on your account statement.

<sup>2</sup> Applicable to Freedom High Yield Savings accounts only.

ONE AMERICAN BANK

2024 Quarterly Loan to Deposit Ratios:

	<u>Loans</u>	<u>Deposits</u>	<u>Ratio</u>
(as of) 3/31/2024	\$321,114,000	\$322,866,000	99.5%
6/30/2024	\$312,540,000	\$285,633,000	109.4%
9/30/2024	\$306,049,000	\$284,265,000	107.7%
12/31/2024	\$296,409,000	\$275,743,000	107.5%

Loan figures from:

*Schedule RC - Balance Sheet* 4.a. Loans and leases held for sale + 4.d. Loans and leases held for investment, net of allowance

Deposit figures from:

*Schedule RC - Balance Sheet* 13.a. In domestic offices

# **PUBLIC DISCLOSURE**

August 5, 2024

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

One American Bank  
Certificate Number: 6078

549 Broadway Street  
Centerville, South Dakota 57014

Federal Deposit Insurance Corporation  
Division of Depositor and Consumer Protection  
Kansas City Regional Office

1100 Walnut St, Suite 2100  
Kansas City, Missouri 64106

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 this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.



## TABLE OF CONTENTS

INSTITUTION RATING .....	1
DESCRIPTION OF INSTITUTION .....	2
DESCRIPTION OF ASSESSMENT AREA .....	3
SCOPE OF EVALUATION .....	5
CONCLUSIONS ON PERFORMANCE CRITERIA.....	7
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW.....	14
APPENDICES .....	15
INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA.....	15
GLOSSARY .....	16

## INSTITUTION RATING

**INSTITUTION'S CRA RATING:** This institution is rated **Needs to Improve.**

An institution in this group needs to improve its overall record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

**The Lending Test is rated Needs to Improve.**

- The loan-to-deposit ratio is more than reasonable given the bank's size, financial condition, and assessment area credit needs.
- The bank originated a substantial majority of its consumer, home mortgage, small business, and small farm loans outside its assessment area.
- The geographic distribution of loans reflects poor dispersion throughout the assessment area.
- The distribution of borrowers reflects poor penetration among individuals, businesses, and farms of different revenue sizes and individuals of different income levels.
- The institution has not received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

**The Community Development Test is rated Needs to Improve.**

- The institution's community development performance demonstrates poor responsiveness to community development needs in its assessment area through community development loans, qualified investments, and community development services, as appropriate, considering the institution's capacity and the need and availability of such opportunities for community development in the institution's assessment area.

## DESCRIPTION OF INSTITUTION

One American Bank is owned by One American Financial Corporation, a one-bank holding company located in Sioux Falls, South Dakota. At the previous evaluation, dated December 3, 2018, the FDIC evaluated the institution under the Interagency Small Institution Examination Procedures, and the institution received a Satisfactory rating.

One American Bank operates its main office in Centerville along with two full-service branches in Sioux Falls. The bank offers closed-end loan products including commercial, agricultural, consumer, and home mortgage loans and several open-end loan products, including home equity, overdraft lines of credit, and credit cards. One American Bank also provides traditional deposit services including checking accounts, savings accounts, and certificates of deposit. Since the last evaluation, the bank's primary focus changed to consumer lending, specifically student loans. The student loans are sold after origination and are therefore not captured in the table below. In 2023, the bank originated approximately 14,500 student loans totaling \$320.8 million. Alternative banking services include internet and mobile banking. The bank does not operate any deposit taking ATMs. The bank did not open or close any branches, and no merger or acquisition activities occurred since the previous evaluation.

As of March 31, 2024, the institution reported total assets of \$463 million, total loans of \$327 million, and total deposits of \$322 million. The composition of the loan portfolio has significantly changed during the review period as the bank started a nationwide home mortgage loan program. While the bank has since discontinued this program, several loans remain outstanding and, as a result, residential real-estate loans comprise the majority of the loan portfolio. This is further detailed below in the Scope section. The following table illustrates the bank's loan portfolio distribution.

Loan Portfolio Distribution as of March 31, 2024		
Loan Category	\$(000s)	%
Construction and Land Development	5,158	1.6
Secured by Farmland	5,040	1.5
Secured by 1-4 Family Residential Properties	242,492	74.1
Secured by Multi-family (5 or more) Residential Properties	2,023	0.6
Secured by Nonfarm Nonresidential Properties	15,722	4.8
<b>Total Real Estate Loans</b>	<b>270,435</b>	<b>82.6</b>
Agricultural Loans	4,090	1.3
Commercial and Industrial Loans	7,799	2.4
Consumer Loans	44,353	13.6
Other Loans	414	0.1
Less: Unearned Income	0	0.0
<b>Total Loans</b>	<b>327,091</b>	<b>100.0</b>
<i>Source: Reports of Condition and Income</i>		

There are no legal impediments that would prevent the bank from helping to meet assessment area credit needs. On August 3, 2023, the bank entered into a Consent Order with the Federal Deposit Insurance Corporation and the South Dakota Division of Banking. The Order includes provisions requiring the bank to increase capital, revise lending policies/practices, monitor interest rate risk, and develop a liquidity plan. However, the Order does not restrict the bank from lending to qualified borrowers within the assessment area.

## DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. One American Bank has designated a single assessment area, which consists of a portion of the Sioux Falls, South Dakota Metropolitan Statistical Area (MSA) (including all of Lincoln, McCook, Minnehaha, and Turner counties) and Clay County in the non-metropolitan portion of South Dakota. In 2024, the Sioux Falls, SD MSA added Rock County in Minnesota to become a multi-state MSA. Bank management stated that they do not plan on adding Rock County to their assessment area at this time due to low activity. The bank's locations are located within the MSA.

### **Economic and Demographic Data**

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	67	3.0	23.9	52.2	19.4	1.5
Population by Geography	291,697	1.7	21.7	54.4	21.8	0.5
Housing Units by Geography	117,296	2.7	24.5	53.1	18.8	0.9
Owner-Occupied Units by Geography	72,004	1.0	18.3	56.8	23.9	0.0
Occupied Rental Units by Geography	37,785	5.7	33.2	47.2	10.9	2.9
Vacant Units by Geography	7,507	3.6	39.4	46.7	10.3	0.0
Businesses by Geography	44,687	9.2	23.2	43.7	21.6	2.3
Farms by Geography	2,232	2.1	12.9	65.8	18.8	0.3
Family Distribution by Income Level	69,361	18.6	18.0	24.7	38.7	0.0
Household Distribution by Income Level	109,789	22.8	16.8	19.4	40.9	0.0
Median Family Income MSA - 43620 Sioux Falls, SD MSA		\$84,874	Median Housing Value			\$201,918
Median Family Income Non-MSAs - SD		\$73,083	Median Gross Rent			\$819
			Families Below Poverty Level			5.4%
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0% (* ) The NA category consists of geographies that have not been assigned an income classification.						

The following table presents the FFIEC-estimated median family income levels for the Sioux Falls, South Dakota MSA and the non-metropolitan portion of South Dakota for 2023.

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Sioux Falls, SD MSA Median Family Income (43620)</b>				
2021 (\$82,500)	<\$41,250	\$41,250 to <\$66,000	\$66,000 to <\$99,000	≥\$99,000
2022 (\$90,700)	<\$45,350	\$45,350 to <\$72,560	\$72,560 to <\$108,840	≥\$108,840
2023 (\$90,700)	<\$45,350	\$45,350 to <\$72,560	\$72,560 to <\$108,840	≥\$108,840
<b>SD NA Median Family Income (99999)</b>				
2021 (\$70,600)	<\$35,300	\$35,300 to <\$56,480	\$56,480 to <\$84,720	≥\$84,720
2022 (\$81,200)	<\$40,600	\$40,600 to <\$64,960	\$64,960 to <\$97,440	≥\$97,440
2023 (\$81,200)	<\$40,600	\$40,600 to <\$64,960	\$64,960 to <\$97,440	≥\$97,440
<i>Source: FFIEC</i>				

### **Competition**

The assessment area is competitive for financial services. According to Reports of Condition and Income filed by financial institutions as of June 30, 2023, 43 FDIC-insured financial institutions operate 140 offices within the Centerville Assessment Area. Of these institutions, One American Bank ranked 13<sup>th</sup> in market share at 0.03 percent.

There is also a high level of competition for home mortgage loans amongst banks, credit unions, and non-depository mortgage lenders in the assessment area. In 2022 (most recent year available), 224 lenders reported 11,629 residential mortgage loans originated or purchased in the assessment area. One American Bank ranked 140<sup>th</sup> of this group of lenders, with a market share of 0.02 percent.

The bank is not required to collect or report its small business and small farm loan data, and it has not elected to do so; therefore, the analysis of small business and small farm loans under the Lending Test does not include comparisons against aggregate data. However, this data reflects demand for these loans in the area. Aggregate data for 2021 shows that 97 lenders reported 8,879 small business loans in the assessment area and 24 institutions reported 1,555 small farm loans. This demonstrates moderate competition for these product types throughout the entire assessment area. Many smaller institutions, including One American, are not required to report the above information.

### **Community Contacts**

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying the credit needs of the area. This information helps determine what credit opportunities are available and whether local financial institutions are responsive to credit needs. For this evaluation, examiners used two interviews that were conducted within the assessment area, one individual was familiar with the housing market and the other individual was familiar with the general market and community needs in Sioux Falls.

The first contact stated that the housing market in Sioux Falls is incredibly competitive, specifically in the affordable housing sector. The contact further mentioned renters are struggling at this time, as vacancy rates are incredibly low, so finding an available unit can be challenging. Additionally, the contact noted rental rates continue to rise, which has further limited the options available for lower-income families. The contact stated there are many opportunities to finance multi-family units in and around Sioux Falls; however, based on the overall rental market, these units are priced well above what would be considered “affordable” for most lower-income families. The contact believes the majority of houses that remain under \$200,000 would be quite old and likely need a significant amount of work. Lastly, the contact noted there are many financial institutions that are active in the community; however, the overall need for housing in Sioux Falls could indicate there are more opportunities to meet the credit needs of the area.

The second contact stated that the general economy of the area is strong overall. However, the contact believes that the current housing market is difficult for buyers, especially first-time homebuyers, largely due to the current interest rate climate. The contact stated that small businesses seem to have difficulty getting started but the overall commercial market is strong. The contact stated that there are many opportunities for financial institutions to participate in community development activities. Overall, the contact believes local institutions have good participation within the community.

### **Credit and Community Development Needs and Opportunities**

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that home mortgage and small business loans represent the primary credit needs in the assessment area. Community development opportunities are also available; the continued growth of Sioux Falls allows for opportunities with economic development, as well as the need for affordable housing as the population continues to expand, and housing demand outpaces supply.

## **SCOPE OF EVALUATION**

### **General Information**

This evaluation covers the period from the prior CRA evaluation dated December 3, 2018, to the current evaluation dated August 5, 2024. One American Bank became subject to the Interagency Intermediate Small Institution Examination Procedures effective January 1, 2024. Therefore, examiners used Interagency Intermediate Small Institution Examination Procedures to evaluate One American Bank’s CRA performance. These procedures include the Lending Test and the Community Development Test. Banks must achieve at least a Satisfactory rating under each test to obtain an overall Satisfactory rating. Refer to the Appendices for information on each test. This evaluation does not include any lending activity from affiliated entities.

### **Activities Reviewed**

The bank’s primary lending focus is consumer lending, followed by commercial and agricultural lending. This conclusion considered the bank’s current business strategy, volume of loans originated during the evaluation period, data from Reports of Condition and Income, and discussions with bank management. The product mix of the loan portfolio has changed

significantly since the previous evaluation. The bank's primary lending focus during the last evaluation was commercial lending, which decreased 42.1 percent in relation to total loans and now comprises 7.2 of the loan portfolio. Residential Real Estate now represents 74.1 percent of the portfolio, a 70.9 percent increase in relation to total loans since the previous evaluation. This was due to the bank extending a large volume of nation-wide home mortgage loans. However, the bank has paused all residential real estate lending, and this product no longer represents the primary lending focus of the bank. This is reflected by analyzing the number of loans reported on the bank's Home Mortgage Disclosure Act (HMDA) Loan Application Register (LAR), which included 12,433 lines in 2021, 430 lines in 2022, and 23 lined in 2023. Given the shift in lending focus during the evaluation period, examiners reviewed consumer, small business, small farm, and home mortgage loans.

Examiners analyzed all small business, small farm, and consumer loans (with readily available information) originated, renewed, or extended in 2022 and 2023 that remained outstanding as of the evaluation date for the Assessment Area concentration performance criterion. While student loans account for a majority of the bank's consumer lending, only a small percentage are retained in the bank's portfolio and were therefore reviewed. The consumer loan reviews also included other national products offered by third parties that are still outstanding but no longer being offered. For Geographic Distribution and Borrower Profile, all consumer, small business, and small farm loans located within the assessment area were reviewed. The 2022 and 2023 D&B data provided a standard of comparison for small business and small farm loans, while 2020 U.S. Census data was used as a comparison for consumer loans.

For home mortgage lending, examiners considered all home mortgage loans reported on the bank's 2021, 2022, and 2023 HMDA LARs. The 2015 American Community Survey (ACS), 2020 U.S. Census, and aggregate data were used as comparisons for home mortgage performance. Although examiners analyzed the bank's lending for all three years, only 2021 and 2022 are presented for the Geographic Distribution and Borrower Profile analyses, since examiners did not identify any loans located in the assessment area for 2023. The following table details the loan universes used for the Assessment Area concentration criterion and the loans reviewed for the Geographic Distribution and Borrower Distribution criteria.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Home Mortgage				
2021	8,395	2,850,028	1	100
2022	359	255,407	2	151
2023	9	4,850	0	0
Consumer				
2022	354	7,765	10	235
2023	163	4,148	1	5
Small Business				
2022	22	6,703	20	5,834
2023	23	5,143	20	4,090
Small Farm				
2022	13	2,669	13	2,669
2023	16	2,826	15	2,787
Source: Bank Data				
Note: The consumer, small farm and small business universes exclude loans that the bank opted to have considered for community development.				

For the Lending Test, consumer loans received the most weight, followed by home mortgage, small business, and small farm loans. For the Community Development Test, bank management provided data on community development loans, donations, and community development services since the prior evaluation. Prior period qualified investments still outstanding were considered.

## CONCLUSIONS ON PERFORMANCE CRITERIA

### LENDING TEST

One American Bank's performance needs to improve under the Lending Test. This conclusion is supported by the low level of lending within the bank's assessment area, which overshadowed any reasonable performance that was noted.

#### Loan-to-Deposit Ratio

The loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and credit needs of the assessment area. The bank's average net loan-to-deposit ratio is 128.1 percent over the past 22 calendar quarters and ranged from a low of 82.1 percent to a high of 260.9 percent. Due to the bank's unique product mix, portfolio changes, and lending focus, examiners did not identify any comparable banks. Instead, examiners utilized the 2023 Interagency Host-State Loan-to-Deposit Ratios report to compare One American Bank's net loan-to-deposit ratio to the South Dakota state average net loan-to-deposit ratio. The report provided an average net loan-to-deposit ratio of 60 percent for South Dakota. Given this information, the loan-to-deposit ratio is more than reasonable.



### **Assessment Area Concentration**

As detailed in the following table, One American Bank originated a substantial majority of loans outside its assessment area. This conclusion is based on the number and dollar amount of consumer and home mortgage lending outside the assessment area. While a majority of the small business and small farm loans were made inside the assessment area, consumer and home mortgage lending carried more weight. Furthermore, the bank's largest lending focus in 2022 and 2023 was the student loan program. Information for student loans was not readily available; however, management concurred that a substantial majority of this lending occurs outside of the assessment area. The following table presents a breakdown of lending inside and outside of the assessment area.

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										
2021	1	0.0	8,394	100.0	8,395	100	0.0	2,849,928	100.0	2,850,028
2022	2	0.6	357	99.4	359	151	0.1	255,255	99.9	255,407
2023	0	0.0	9	100.0	9	0	0.0	4,850	100.0	4,850
Subtotal	3	0.0	8,760	100.0	8,763	251	0.0	3,110,033	100.0	3,110,285
Consumer										
2022	10	2.8	344	97.2	354	235	3.0	7,530	97.0	7,765
2023	1	0.6	162	99.4	163	5	0.1	4,143	99.9	4,148
Subtotal	11	2.1	506	97.9	517	240	2.0	11,673	98.0	11,913
Small Business										
2022	20	90.9	2	9.1	22	5,834	87.0	869	13.0	6,703
2023	20	87.0	3	13.0	23	4,091	79.5	1,052	0.0	5,143
Subtotal	40	88.9	5	11.1	45	9,925	83.8	1,921	16.2	11,846
Small Farm										
2022	13	100.0	0	0.0	13	2,669	100.0	0	0.0	2,669
2023	15	93.8	1	6.3	16	2,787	98.6	40	1.4	2,827
Subtotal	28	96.6	1	3.4	29	5,456	99.3	40	0.7	5,496
Total	82	0.9	9,272	99.1	9,354	15,872	0.5	3,123,667	99.5	3,139,540
Source: HMDA Data; Bank Data. Due to rounding, totals may not equal 100.0										

### **Geographic Distribution**

The geographic distribution of loans reflects poor dispersion and is supported by the bank's performance for consumer and home mortgage loans, which were more heavily weighted than the performance for small business and small farm loans.

#### ***Consumer***

The bank originated 10 loans in 2022 and 1 loan in 2023 within the assessment area. In 2022, 6 loans were originated within moderate-income census tracts, while no loans were originated in low-income census tracts. The 2023 loan was originated in an upper-income census tract. While the bank did lend in a moderate-income census tract in 2022, the performance is overshadowed by the overall limited

level of lending with the designated assessment area. Therefore, the geographic distribution of consumer loans is considered poor.

### ***Home Mortgage***

In 2021 and 2022, a total of three home mortgage loans were originated within the assessment area with only one originated in a moderate-income tract. Due to the low level of lending in relation to opportunities in the assessment area, the geographic distribution of home mortgage loans is deemed poor.

### ***Small Business***

In 2022 and 2023, the bank lagged D&B data in low-income tracts, but exceeded D&B data in moderate-income tracts. Overall, this performance is deemed reasonable. See the following table.

<b>Geographic Distribution of Small Business Loans</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$</b>	<b>%</b>
Low					
2022	9.1	0	0.0	0	0.0
2023	9.2	1	5.0	19,999	0.5
Moderate					
2022	23.3	7	35.0	1,005,784	17.2
2023	23.2	7	35.0	986,818	24.1
Middle					
2022	43.5	12	60.0	4,573,661	78.4
2023	43.7	11	55.0	2,875,999	70.3
Upper					
2022	21.5	1	5.0	255,000	4.4
2023	21.6	1	5.0	207,835	5.1
Not Available					
2022	2.5	0	0.0	0	0.0
2023	2.3	0	0.0	0	0.0
<b>Totals</b>					
<b>2022</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>5,834,444</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>4,090,650</b>	<b>100.0</b>
Source: 2022 & 2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%					

### ***Small Farm***

While there were no loans originated in low-income census tracts during 2022 or 2023, the bank's performance exceeded D&B data in moderate-income census tracts. Overall, this performance is deemed reasonable. See the following table for details.

Geographic Distribution of Small Farm Loans					
Tract Income Level	% of Farms	#	%	\$	%
Low					
2022	2.1	0	0.0	0	0.0
2023	2.1	0	0.0	0	0.0
Moderate					
2022	12.7	5	38.5	840,000	31.5
2023	12.9	4	26.7	630,000	22.6
Middle					
2022	66.8	8	61.5	1,828,932	68.5
2023	65.8	11	73.3	2,156,932	77.4
Upper					
2022	18.2	0	0.0	0	0.0
2023	18.8	0	0.0	0	0.0
Not Available					
2022	0.3	0	0.0	0	0.0
2023	0.3	0	0.0	0	0.0
Totals					
2022	100.0	13	100.0	2,668,932	100.0
2023	100.0	15	100.0	2,786,932	100.0
Source: 2022 & 2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%					

### **Borrower Profile**

The distribution of borrowers reflects a poor penetration among individuals of different income levels, as well as businesses and farms of different revenue sizes. The poor performance for the more heavily weighted consumer and home mortgage products overshadows the performance in small business and small farm lending.

### ***Consumer***

While the bank's lending to low-and moderate-income individuals exceeds D&B data as illustrated in the following table, the performance is overshadowed by the low level of consumer lending within the assessment area. Therefore, performance reflects poor penetration among individuals of different income levels.

Distribution of Consumer Loans by Borrower Income Level					
Borrower Income Level	% of Households	#	%	\$	%
Low					
2022	22.8	4	40.0	69,149	29.4
2023	22.8	1	100.0	500	100.0
Moderate					
2022	16.8	1	10.0	21,500	9.1
2023	16.8	0	0.0	0	0.0
Middle					
2022	19.4	3	30.0	32,614	13.9
2023	19.4	0	0.0	0	0.0
Upper					
2022	40.9	2	20.0	112,000	47.6
2023	40.9	0	0.0	0	0.0
Not Available					
2022	0.0	0	0.0	0	0.0
2023	0.0	0	0.0	0	0.0
Totals					
2022	100.0	10	100.0	235,263	100.0
2023	100.0	1	100.0	500	100.0
Source: 2020 U.S. Census; Bank Data. Due to rounding, totals may not equal 100.0%					

### ***Home Mortgage***

The bank only originated three home mortgage loans within the assessment area during 2021 and 2022. The low level of lending does not provide enough data to make a meaningful analysis. Therefore, performance reflects poor penetration among individuals of different income levels.

### ***Small Business***

In 2022 and 2023, while the bank's lending to businesses under \$1 million in gross annual revenue lagged comparable D&B data, it is within a reasonable range. In addition, the bank's 2023 performance reflects an increase from that noted at the prior evaluation as well as from 2022. See the following table for additional information.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$	%
<=\$1,000,000					
2022	89.1	13	65.0	2,707,737	46.4
2023	90.4	15	75.0	3,203,832	78.3
>\$1,000,000					
2022	3.2	7	35.0	3,126,708	53.6
2023	2.7	5	25.0	886,818	21.7
Revenue Not Available					
2022	7.6	0	0.0	0	0.0
2023	6.9	0	0.0	0	0.0
<b>Totals</b>					
<b>2022</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>5,834,444</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>4,090,650</b>	<b>100.0</b>
Source: 2022 & 2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%					

### ***Small Farm***

In 2022 and 2023, the bank originated all of its small farm loans to farms under \$1 million in gross annual revenue. This performance reflects excellent penetration among farms of different income levels.

### **Response to Complaints**

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

## **COMMUNITY DEVELOPMENT TEST**

One American Bank demonstrated poor responsiveness to community development needs in its assessment area based on its low level of community development loans, donations, and community development services, in relation to the institution's capacity and the need and availability of such opportunities for community development in the institution's assessment area. Overall, the community development test is rated needs to improve.

### **Community Development Loans**

During the evaluation period, the bank originated 35 community development loans totaling approximately \$4.4 million. As of March 31, 2024, the volume of community development loans represents 1.0 percent of total assets and 1.4 percent of net loans by dollar amount.

Examiners compared the bank's level of community development lending to three institutions of similar size. The similarly-size institutions' community development loans ranged from 1.3 to 4.5 percent of total assets and 1.6 to 7.7 percent of net loans. The bank's ratios are slightly below these

ranges. It is important to note that these ratios are calculated for the time period between evaluations. The comparable banks' ratios cover activities that occurred in a two to three year period, while One American Bank's ratios are calculated based on over five years of lending performance. It should also be noted that of the 35 loans, all but one were made to two entities. The following table illustrates the bank's community development lending activity by assessment by year.

<b>Community Development Lending</b>										
<b>Activity Year</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Revitalize or Stabilize</b>		<b>Totals</b>	
	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>
2018	-	-	1	1	-	-	-	-	1	1
2019	-	-	2	3	1	75	-	-	3	78
2020	-	-	1	1	4	912	-	-	5	913
2021	-	-	4	5	3	660	1	1,000	8	1,665
2022	-	-	5	47	1	150	-	-	6	197
2023	-	-	9	1,011	2	280	-	-	11	1,291
YTD 2024	-	-	-	0	1	300	-	-	1	300
<b>Total</b>	-	-	<b>22</b>	<b>215</b>	<b>12</b>	<b>2,377</b>	<b>1</b>	<b>1,000</b>	<b>35</b>	<b>4,445</b>
<i>Source: Bank Data</i>										

### **Qualified Investments**

The bank donated approximately \$138,000 on 27 occasions to organizations focused on community development. As of March 31, 2024, the volume of qualified investments represents 0.03 percent of total assets and 0.6 percent of total securities by dollar amount. Examiners compared the bank's level of qualified investments to three similarly situated institutions whose qualified investments ranged from 0.2 to 0.8 percent of total assets and 2.0 to 12.9 percent of total securities. However, while the qualified investments to total securities ratio is included as a measurement, this comparison can vary between institutions based on their investment strategies. As such, examiners focus more on the ratio of qualified investments to total assets, which is low in comparison.

Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-
YTD 2025	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	-	-	-	-	-	-	-	-
Qualified Grants & Donations	-	-	24	131	-	-	3	7	27	138
<b>Total</b>	-	-	<b>24</b>	<b>131</b>	-	-	<b>3</b>	<b>7</b>	<b>27</b>	<b>138</b>

### **Community Development Services**

During the evaluation period, the bank employees provided no community development services to community development-related organizations within the assessment area. For comparison purposes, the three similarly situated institutions provided between 25 and 71 qualified community development services. The bank offers alternative banking services that are readily accessible throughout the assessment area, including to low- and moderate-income individuals. These include services such as internet and mobile banking, bill pay, and electronic statements, among others.

## **DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution's overall CRA rating.

## **APPENDICES**

### **INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA**

#### **Lending Test**

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

#### **Community Development Test**

The Community Development Test considers the following criteria:

- 1) The number and amount of community development loans;
- 2) The number and amount of qualified investments;
- 3) The extent to which the bank provides community development services; and
- 4) The bank's responsiveness through such activities to community development lending, investment, and service needs.



## 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.

**American Community Survey (ACS):** A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

**Area Median Income:** The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

**Assessment Area:** A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

**Census Tract:** A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

**Combined Statistical Area (CSA):** A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

**Community Development:** For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

**Community Development Corporation (CDC):** A CDC allows banks and holding companies to make equity type of investments in community development projects. Institution CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Institution CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

**Community Development Financial Institutions (CDFIs):** CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

**Community Development Loan:** A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose institution:
  - (i) Has not been reported or collected by the institution or an affiliate for consideration in the institution's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
  - (ii) Benefits the institution's assessment area(s) or a broader statewide or regional area including the institution's assessment area(s).

**Community Development Service:** A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the institution's retail banking services under § 345.24(d).

**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.

**Core Based Statistical Area (CBSA):** The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

**Distressed Middle-Income Nonmetropolitan Geographies:** A nonmetropolitan middle-income 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 non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family 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).

**FFIEC-Estimated Income Data:** The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

**Full-Scope Review:** A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g, geographic distribution, borrower profile, 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 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 the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

**Home Mortgage Loans:** Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

**Housing Unit:** Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

**Limited-Scope Review:** A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (e.g, geographic distribution, borrower profile, 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.

**Low Income Housing Tax Credit:** The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

**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 Income:** The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

**Metropolitan Division (MD):** A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities 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 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 and less than 80 percent in the case of a geography.

**Multi-family:** Refers to a residential structure that contains five or more units.

**Nonmetropolitan Area** (also known as **non-MSA**): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

**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 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.

**Rural Area:** Territories, populations, and housing units that are not classified as urban.

**Small Business Investment Company (SBIC):** SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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

**Small Farm Loan:** 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

**Underserved Middle-Income Nonmetropolitan Geographies:** A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating 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.

**Urban Area:** All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.