

PUBLIC DISCLOSURE

February 23, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Community Bank
Certificate Number: 5891

113 North 5th Street
Zanesville, Ohio 43701

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

300 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606

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.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

An institution in this group has a satisfactory 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 Satisfactory.

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment areas (AAs) credit needs.
- A substantial majority of home mortgage and small business loans are in the institution's AAs.
- The geographic distribution of loans reflects reasonable dispersion throughout the AAs.
- The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

The Community Development Test is rated Satisfactory.

The Community Bank's (TCB's) community development performance demonstrates adequate responsiveness to the needs of its AAs through community development loans, qualified investments, and community development services, considering the institution's capacity and the need and availability of such opportunities for community development in the AAs.

DESCRIPTION OF INSTITUTION

TCB is a full-service institution headquartered in Zanesville, Ohio, and operates in the eastern portion of central Ohio, in Licking, Perry, Guernsey, and Muskingum Counties. CommunityBanc, Inc., a single-institution holding company also located in Zanesville, owns TCB. TCB received a Satisfactory rating at its previous CRA Performance Evaluation, dated February 4, 2021, based on the Intermediate Small Institution Procedures.

TCB operates ten full-service office locations, which includes the main office, and three off-site automated teller machines (ATMs) in its AAs. The institution also has one loan production office (LPO) located within its AAs. In March 2022, TCB closed one office located in a moderate-income census tract (CT) in Cambridge, Ohio. However, TCB's remaining office location in Cambridge, Ohio, is also located in a moderate-income CT and only approximately 1.5 miles from the closed office location. TCB also closed two off-site ATMs since the previous evaluation due to limited usage. Examiners determined this did not affect customers' ability to make deposits.

TCB offers a variety of lending products including home mortgages, home equity, construction, home improvement, automobile, and commercial loans. TCB also offers various deposit products,

including checking and savings accounts, and certificates of deposit. Other services include insurance and investment sales, online and mobile banking, and credit and debit cards.

On March 27, 2020, lawmakers signed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), and authorized the Small Business Administration (SBA) to guarantee \$349.0 billion in loans under a new Paycheck Protection Program (PPP). The intent of the CARES Act was for the SBA to provide relief to America's small businesses expeditiously by giving all lenders delegated authority and streamlining the requirements of the 7(a) loan program. In addition, the PPP and HealthCare Enhancement Act became law on April 24, 2020, and authorized an additional \$310.0 billion for guarantees of PPP loans. In 2021, TCB originated 239 PPP loans totaling approximately \$12.4 million. TCB's PPP lending demonstrates the institution's willingness to meet the credit needs of its community by moving quickly to provide small businesses relief during the COVID-19 pandemic.

According to the December 31, 2023, Call Report data, TCB's assets totaled approximately \$619.3 million, including total loans of \$443.7 million, and total securities of \$126.6 million. Total deposits as of that date were approximately \$529.7 million. TCB's primary lending focus includes 1-4 family residential and commercial loans, as evidenced by the portfolio distribution shown in the following table.

Loan Portfolio Distribution as of 12/31/2023		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	13,924	3.2
Secured by Farmland	1,944	0.4
Secured by 1-4 Family Residential Properties	235,544	53.1
Secured by Multifamily (5 or more) Residential Properties	11,244	2.5
Secured by Nonfarm Nonresidential Properties	101,558	22.9
Total Real Estate Loans	364,214	82.1
Commercial and Industrial Loans	33,675	7.6
Agricultural Production and Other Loans to Farmers	25	0.0
Consumer Loans	45,734	10.3
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	73	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	(1)	0.0
Total Loans	443,720	100.0
<i>Source: Reports of Condition and Income</i>		

Examiners did not identify any financial, legal, or other impediments that affect TCB's ability to meet AA credit needs.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires financial institutions to define one or more AAs within which examiners will evaluate its performance. TCB designated two AAs, each consisting of contiguous, whole

geographies that do not arbitrarily exclude low-or moderate-income (LMI) CTs. In accordance with the CRA, TCB designated the following AAs:

- Ohio (OH) Non-Metropolitan Statistical Area (MSA): Guernsey and Muskingum Counties.
- Columbus (COL), OH MSA: Licking and Perry Count.

In June 2021, TCB changed the OH Non-MSA AA by removing Coshocton, Morgan, and Noble Counties. TCB did not have a branch in these counties nor did the bank have a substantial lending or deposit presence in these counties, which served as the primary reasons for their removal. In addition, TCB made no changes to the COL, OH MSA AA.

Subsequent sections of the evaluation will discuss demographic and economic information for each of the AAs. Additionally, examiners gave the most weight to the OH Non-MSA considering the volume of deposits and branches as noted in the following table.

Assessment Area Breakdown of Deposits and Branches				
Assessment Area	Deposits		Branches	
	\$(000s)	%	#	%
OH Non-MSA AA	469,356	87.6	8	80.0
COL, OH MSA	66,206	12.4	2	20.0
Total	535,562	100.0	10	100.0

Source: Bank Data; FDIC Summary of Deposits (06/30/2023)

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated February 4, 2021, to the current evaluation, dated February 23, 2024. Examiners used the Intermediate Small Institution Examination Procedures to evaluate the TCB’s performance. The procedures include the Lending Test and the Community Development Test. Performance criteria for each test is contained in the Appendix. Institutions must achieve at least a “Satisfactory” rating under each test to obtain an overall “Satisfactory” rating.

As noted in the previous section, TCB has two separate AAs. Examiners conducted a full-scope review of the OH Non-MSA AA and the COL, OH MSA. TCB conducts a majority of its business in the OH Non-MSA AA; therefore, performance in this AA received the greatest weight when assigning the overall rating.

Examiners relied upon records provided by the bank, 2015 American Community Survey (ACS), and 2020 U.S. Census Data, D&B demographic data, community contacts, and loan information reported under the Home Mortgage Disclosure Act (HMDA).

Activities Reviewed

Based on the December 31, 2023, Call Report, the bank’s major product lines are home mortgage and small business lending. This conclusion considered TCB’s business strategy, the number, and dollar volume of loans originated during the evaluation period, loan portfolio composition, and AAs

credit needs. TCB's record of originating home mortgage loans contributed greater weight to the overall conclusions due to the larger volume when compared to small business lending. Examiners did not evaluate small farm or consumer loans as they do not represent a major product line and provided no material support for the conclusions or ratings. TCB's records indicate the lending focus and product mix remained consistent throughout the evaluation period.

Examiners considered all home mortgage loans reported on the institution's 2021 and 2022 HMDA Loan Application Registers. TCB originated 555 home mortgage loans totaling approximately \$97.5 million in 2021. In addition, TCB originated 450 home mortgage loans totaling approximately \$79.8 million in 2022. Under the Geographic Distribution and Borrower Profile Criterion, examiners emphasized performance compared to peer HMDA reporting institutions (Aggregate Data) in each respective AA when analyzing TCB's lending performance.

Additionally, TCB's home mortgage lending data reflected elevated activity related to non-owner occupied lending. Examiners largely attribute this to the bank's lending to borrowers for investment purposes, such as rental property. Given the unique characteristics, examiners performed separate analyses on owner-occupied and non-owner occupied home mortgage loans. Owner-occupied home mortgage loans received more weight when compared to non-owner occupied home mortgage loans under the Geographic Distribution criterion. Additionally, examiners only analyzed owner-occupied home mortgage loans under the Borrower Profile Criterion, as borrower income information for non-owner occupied home mortgage loans is not available.

Examiners reviewed all small business loans originated or renewed between January 1, 2022, and December 31, 2023. In 2022, TCB originated or renewed 207 small business loans totaling approximately \$44.4 million. In 2023, TCB originated or renewed 203 small business loans totaling approximately \$27.7 million. D&B data for 2022 and 2023 provided a standard of comparison for small business loans.

Although examiners presented the number and dollar volume of loans for the Lending Test, examiners emphasized performance by number of loans, because this is a better indicator of the number of individuals and businesses served. In evaluating the Geographic Distribution and Borrower Profile criteria, examiners only evaluated loans extended within the AA.

For the Community Development Test, examiners considered all applicable community development loans; qualified investments, grants, and donations; and community development services since the prior CRA evaluation dated February 4, 2021.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

TCB demonstrated reasonable performance under the Lending Test. The LTD ratio, AAs Concentration performance, Borrower Profile, and Geographic Distribution performance within each AA primarily support this conclusion.

Loan-to-Deposit Ratio

The LTD is reasonable given the institution’s size, financial condition, and AAs credit needs. The LTD ratio, calculated from Call Report data, averaged 69.1 percent over the past 12 quarters from March 31, 2021, to December 31, 2023. The ratio remained relatively stable; however, from March 31, 2022, to December 31, 2023, the ratio increased steadily from a low of 60.4 percent to a high of 82.9 percent. Examiners selected similar institutions based on asset size, geographic location, and lending focus. As illustrated in the following table, TCB maintained a ratio consistent with those of similar institutions.

LTD Ratio Comparison		
Bank	Total Assets as of 12/31/2023 (\$000s)	Average Net LTD Ratio (%)
The Community Bank	619,312	69.1
Similarly-Situated Institution #1	425,258	70.9
Similarly-Situated Institution #2	600,140	83.9
Similarly-Situated Institution #3	552,680	67.9
Similarly-Situated Institution #4	500,602	72.5
<i>Source: Reports of Condition and Income 03/31/2021 – 12/31/2023</i>		

Assessment Area Concentration

TCB originated a substantial majority of home mortgage and small business loans by number and dollar in the AAs. The following table illustrates the concentration of home mortgage (2021 and 2022) and small business lending activity (2022 and 2023), by number and dollar inside and outside the AAs.

Lending Inside and Outside of the AA										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2021	499	89.9	56	10.1	555	87,594	89.9	9,880	10.1	97,474
2022	405	90.0	45	10.0	450	67,300	84.4	12,464	15.6	79,764
Subtotal	904	90.0	101	10.0	1,005	154,894	87.2	22,344	12.6	177,238
Small Business										
2022	196	94.7	11	5.3	207	41,250	92.9	3,153	7.1	44,403
2023	188	92.6	15	7.4	203	25,954	93.5	1,792	6.5	27,746
Subtotal	384	93.7	26	6.3	410	67,204	93.1	4,945	6.9	72,149
Total	1,288	91.0	127	9.0	1,415	222,098	89.1	27,289	10.9	249,387
<i>Source: Bank Data. Due to rounding, totals may not equal 100.0%</i>										

Geographic Distribution

Overall, the geographic distribution of loans reflects reasonable dispersion throughout both AAs. Examiners considered the volume of home mortgage and small business loans within each AA, the level of competition, and comparison to aggregate and demographic data. Examiners focused on the percentage by number of loans in LMI CTs. Refer to the separate AA sections of this evaluation for further discussion of TCB's performance under this criterion.

Borrower Profile

Overall, the distribution of loans to borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes. The distribution of home mortgage and small business loans within the OH Non-MSA AA and the distribution of home mortgage loans in the COL, OH MSA AA primarily support this conclusion. Examiners focused on the percentage by number of home mortgage loans to LMI borrowers and the percentage by number of small business loans to businesses with gross annual revenues (GARs) of \$1 million or less. Refer to the separate AA sections of this evaluation for further discussion of TCB's performance under this criterion.

Response to Complaints

TCB did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

TCB demonstrates adequate responsiveness to the community development needs of its AAs through community development loans, qualified investments, and community development services. Examiners considered the institution's capacity and the need and availability of such opportunities. In addition, examiners analyzed performance among similarly situated institutions (SSIs) for comparison purposes. Examiners selected SSIs based on asset size, geographic location, and lending focus.

Community Development Loans

During the review period, TCB originated 15 community development loans totaling approximately \$2.4 million within the AAs. This level of activity represents 0.4 percent of total assets and 0.5 percent of total loans. The performance compares less favorably than SSIs, whose loans ranged from 0.6 percent to 5.5 percent of total assets, averaging 2.8 percent, and 0.8 percent to 7.9 percent of total loans, averaging 3.8 percent. In addition, community development lending performance decreased slightly by number and significantly by dollar (58.7 percent) when compared to the previous performance evaluation. However, given TCB met the community development needs of the AAs overall, examiners considered community development loans made outside the AAs. TCB originated one loan, totaling \$200,000 outside the AA to assist an organization with designated disaster area operations.

Of the 16 community development loans, five loans totaling approximately \$1.1 million were PPP loans. In addition, half of the loans assisted in revitalizing or stabilizing LMI CTs and designated disaster areas. The following table illustrates TCB's community development lending activities by area and purpose.

Community Development Lending by AA										
AA	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
OH Non-MSA AA	0	0	3	486	5	1,062	7	857	15	2,405
COL, OH MSA AA	0	0	0	0	0	0	0	0	0	0
Total in AAs	0	0	3	486	5	1,062	7	857	15	2,405
National Activities	0	0	0	0	0	0	1	200	1	200
Total	0	0	3	486	5	1,062	8	1,057	16	2,605
<i>Source: Bank Data</i>										

Qualified Investments

TCB made 65 community development investments or donations totaling approximately \$2.0 million within the AAs during the review period. This performance represents 0.3 percent of total assets and 1.6 percent of total securities. This performance compares similarly to SSIs, who ranged from 0.01 percent to 1.4 percent of total assets, averaging 0.6 percent, and 0.03 percent to 13.2 percent of total securities, averaging 4.2 percent.

A majority of investments and donations, 89.2 percent by number, and 73.2 percent by dollar, benefited efforts towards community services to LMI individuals. The investments and donations demonstrate the institution's responsiveness to this community development need. The following table illustrates TCB's community development investments and donations by AA and purpose.

Community Development Qualified Investments by AA										
AA	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
OH Non-MSA AA	2	4	45	76	1	<0	3	285	51	365
COL, OH MSA AA	0	0	13	1,415	0	0	1	258	14	1,673
Total	2	4	58	1,491	1	<0	4	543	65	2,038
<i>Source: Bank Data</i>										

Community Development Services

During the review period, TCB's employees provided 111 instances of community development services within the AAs, which compares similarly to SSI performance. Such institutions provided between 92 and 114 community services. A majority of the services provided by TCB's employees were to community service organizations. The following table illustrates community development services by AA and purpose.

Community Development Services by AA					
AA	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
OH Non-MSA AA	3	59	22	2	86
COL, OH MSA AA	0	21	3	1	25
Total	3	80	25	3	111
<i>Source: Bank Data</i>					

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank’s compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any evidence of discriminatory or other illegal credit practices.

OH NON-MSA AA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN OH NON-MSA AA

Examiners performed a full-scope review of TCB’s performance in this AA, which includes Guernsey and Muskingum Counties. TCB operates its main office, seven full-service branches, and three stand-alone ATMs in this AA. As of June 30, 2023, 87.6 percent of the bank’s total deposits are from this AA. Additionally, the bank originated 66.2 percent of home mortgage loans in 2022 and 52.7 percent of small business loans in 2022, by number volume, in this AA.

Economic and Demographic Data

According to 2020 U.S. Census data, the OH Non-MSA AA includes 31 CTs with the following income designations: 2 low-income, 8 moderate-income, 19 middle-income, and 2 upper-income. The number and designations of the CTs have changed since the previous evaluation, which used 2015 ACS Data. At the previous evaluation, there were 1 low-income, 9 moderate-income, 22 middle-income, and 3 upper-income CTs. The following table illustrates select demographic characteristics of the AA.

Demographic Information of the OH Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	31	6.5	25.8	61.3	6.5	0.0
Population by Geography	124,848	5.3	22.2	67.3	5.2	0.0
Housing Units by Geography	57,291	5.6	23.6	66.6	4.2	0.0
Owner-Occupied Units by Geography	35,181	3.3	19.6	71.4	5.7	0.0
Occupied Rental Units by Geography	14,860	9.9	32.1	55.9	2.1	0.0
Vacant Units by Geography	7,250	7.9	26.0	65.1	1.0	0.0
Businesses by Geography	10,521	6.3	27.1	61.4	5.1	0.0
Farms by Geography	556	1.3	12.1	79.3	7.4	0.0
Family Distribution by Income Level	31,922	24.1	20.7	21.2	33.9	0.0
Household Distribution by Income Level	50,041	27.3	18.0	17.6	37.2	0.0
Median Family Income Non-MSAs - OH		\$74,900	Median Housing Value			\$123,726
Families Below Poverty Level		12.3%	Median Gross Rent			\$705

Source: 2020 U.S. Census and 2022 D&B Data. Due to rounding, totals may not equal 100.0%. () The NA category consists of geographies that have not been assigned an income classification.*

The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units. According to 2020 U.S. Census Data, the Non-MSA AA contains 57,291 housing units. Of these, 61.4 percent (35,181) are owner-occupied, 25.9 percent (14,860) are occupied rentals, and 12.7 percent (7,250) are vacant.

The analysis of small business loans under the Geographic Distribution criterion compares TCB's small business lending to the distribution of businesses in the AA. The Borrower Profile criterion compares the distribution of lending by the borrower's Gross Annual Revenue (GAR). According to 2022 D&B data, there are 10,521 businesses operating in the AA. GARs for these businesses include 85.1 percent (8,957) with \$1 million or less, 3.6 percent (381) with more than \$1 million, and 11.3 percent (1,183) with unknown revenues. Approximately 83.1 percent (9,228) have GARs of less than \$500,000. In addition, 60.2 percent of businesses have four or fewer employees and 89.1 percent operate from a single location. Finance, insurance, and real estate represent the largest portion of businesses at 34.4 percent, followed by non-classifiable establishments at 21.7 percent, and retail trade at 11.6 percent.

Examiners used the Federal Financial Institutions Examination Council (FFIEC) updated-median family income levels to analyze home mortgage loans under the Borrower Profile criterion. The following table shows the ranges for the OH Non-MSA AA during the evaluation period.

OH Non-MSA AA MFI Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$64,700)	<\$32,350	\$32,350 to <\$51,760	\$51,760 to <\$77,640	≥\$77,640
2022 (\$74,900)	<\$37,450	\$37,450 to <\$59,920	\$59,920 to <\$89,880	≥\$89,880
<i>Source: FFIEC</i>				

Examiners considered unemployment data when evaluating TCB’s ability to lend in its AA. Data obtained from the U.S. Bureau of Labor and Statistics indicates the unemployment rates in the OH Non-MSA AA decreased in 2022 compared to 2021 and continued to trend lower than national and state rates, indicating the potential for higher consumer borrowing capacity.

Competition

TCB operates in a moderately competitive market for financial services. According to FDIC Deposit Market Share data as of June 30, 2023, 13 financial institutions operate 40 full-service branches in the OH Non-MSA AA. Of these institutions, TCB ranks third with 16.8 percent of the deposit market share.

Aggregate HMDA data also provides insight into the competition within the AA. The demand for home mortgages within the OH Non-MSA AA is significant. In 2022, 252 lenders originated or purchased 5,439 home mortgage loans in the AA. TCB ranked third among lenders, with 6.3 percent of the market share. Similarly, data for 2021 reflects 253 lenders originated or purchased 6,690 home mortgage loans. This indicates a high demand for home mortgages within the AA.

TCB is not required to collect or report small business loan data and is not included in the following numbers. As such, analysis of small business loans does not include comparisons to aggregate data. However, the aggregate small business data reflects the level of demand for small business loans in the AA. Aggregate small business lending data for 2021, the most recent year for which aggregate data is available, reflects 58 lenders originated or purchased 1,701 small business loans in the AA. This indicates high demand for small business loans. The top four lenders in the OH Non-MSA AA are large national institutions, which together maintain 48.5 percent of the lending market share.

Community Contact

As part of the evaluation process, examiners contact third parties active in the AA to assist in identifying credit and community development needs and opportunities, including TCB’s responsiveness to those needs.

Examiners contacted a representative from a local community service group in the AA. The contact stated healthcare, manufacturing, and agriculture represent the main sources of employment in the AA, with the workforce being primarily local. The contact also mentioned the economic conditions of the AA are improving with the expansion of the local hospital and in anticipation of a large technology company beginning operations close to the AA. The contact also stated there is a housing need in the AA, as there is a limited supply overall; however, the contact stated the affordable housing stock is sufficient.

In addition, the contact believes the primary credit needs in the AA are home mortgage and small business lending. However, the contact also mentioned a specific need for investing in local organizations, specific to community services. The contact stated competition does not play a role in hindering a financial institution's opportunity to lend and is unaware of any discriminatory practices performed by financial institutions in the AA.

Credit and Community Development Needs and Opportunities

Considering information from the community contact, institution management, and demographic and economic data, examiners determined that home mortgage and small business loans represent the primary credit needs. In addition, community services represent the main community development needs in the AA.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE OH NON-MSA AA

LENDING TEST

TCB demonstrates reasonable performance under the Lending Test in the OH Non-MSA AA. TCB's performance under the Geographic Distribution and Borrower Profile criteria primarily supports this conclusion.

Geographic Distribution

Overall, the geographic distribution of home mortgage and small business loans reflects reasonable dispersion throughout the AA. Examiners focused on performance in LMI CTs.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans reflects reasonable dispersion throughout the OH Non-MSA AA, as evidenced by the distribution of owner-occupied and non-owner-occupied home mortgages.

Owner Occupied Housing Units

The geographic distribution of owner-occupied home mortgage loans reflects reasonable dispersion throughout the AA. In low-income CTs, TCB performance compared similarly to aggregate data in 2021 and 2022. In moderate-income CTs, TCB's performance is comparable to aggregate data in 2021 and trails aggregate data in 2022. The following table illustrates the geographic distribution of home mortgage loans, by year, in the OH Non-MSA AA.

Geographic Distribution Home Mortgage Loans – OH Non-MSA AA Owner Occupied Housing Units						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	2.0	1.3	2	0.7	95	0.2
2022	3.3	4.5	7	3.6	825	2.7
Moderate						
2021	23.1	20.0	52	17.2	7,088	14.3
2022	19.6	19.0	23	11.8	2,114	7.0
Middle						
2021	63.4	66.4	205	67.7	35,619	72.0
2022	71.4	69.5	153	78.5	24,637	81.7
Upper						
2021	11.6	12.3	44	14.5	6,697	13.5
2022	5.7	7.0	12	6.2	2,581	8.6
Totals						
2021	100.0	100.0	303	100.0	49,499	100.0
2022	100.0	100.0	195	100.0	30,157	100.0
<i>Source: 2020 U.S. Census; Bank Data and 2015 ACS Data, 2022 and 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Non-Owner-Occupied Housing Units

The geographic distribution of non-owner-occupied home mortgage loans reflects reasonable dispersion throughout the OH Non-MSA AA. In 2021 and 2022, TCB's performance exceeded aggregate data in low-income CTs. In 2021 and 2022, performance also exceeded aggregate data in moderate-income CTs. The following table illustrates the geographic distribution of home mortgage loans throughout the OH Non-MSA AA.

Geographic Distribution of Home Mortgage Loans – OH Non-MSA AA Non-Owner Occupied Housing Units						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	2.0	3.4	3	6.8	190	3.3
2022	3.3	9.1	8	11.0	1,744	17.5
Moderate						
2021	23.1	39.2	18	40.9	1,626	28.3
2022	19.6	30.9	24	32.9	1,999	20.1
Middle						
2021	63.4	50.6	20	45.5	3,229	56.2
2022	71.4	54.3	39	53.4	5,970	59.9
Upper						
2021	11.6	6.8	3	6.8	700	12.2
2022	5.7	5.7	2	2.7	256	2.6
Totals						
2021	100.0	100.0	44	100.0	5,744	100.0
2022	100.0	100.0	73	100.0	9,970	100.0

Source: 2020 U.S. Census, 2015 ACS; Bank Data, 2021 and 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Small Business

The geographic distribution of small business loans reflects reasonable dispersion throughout the OH Non-MSA AA. TCB’s performance in low-income CTs exceeds the demographic in 2022 and 2023. TCB’s performance within moderate-income CTs is comparable to the demographic data in 2022 and 2023. The following table illustrates the geographic distribution of small business loans throughout the OH Non-MSA AA.

Geographic Distribution of Small Business Loans – OH Non-MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2022	6.3	10	9.9	2,201	9.5
2023	5.9	10	10.1	2,618	17.5
Moderate					
2022	27.1	26	25.7	6,437	27.7
2023	27.4	25	25.3	3,783	25.2
Middle					
2022	61.4	58	57.4	13,220	57.0
2023	61.5	60	60.6	7,850	52.3
Upper					
2022	5.1	7	6.9	1,347	5.8
2023	5.2	4	4.0	749	5.0
Totals					
2022	100.0	101	100.0	23,205	100.0
2023	100.0	99	100.0	15,000	100.0
<i>Source: 2022 & 2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

Overall, the distribution of loans reflects reasonable penetration among individuals of different income levels and businesses of different sizes. Examiners focused on the percentage of home mortgage loans to LMI borrowers and businesses with GARs of \$1.0 million or less.

Home Mortgage

TCB's distribution of owner-occupied home mortgage loans reflects reasonable penetration among borrowers of different income levels. TCB's lending to low-income borrowers compares similarly to aggregate data in 2021 and 2022. TCB's lending among moderate-income borrowers exceeded aggregate data in 2021 and is comparable to aggregate data in 2022. The following table illustrates the distribution of home mortgage loans by borrower income level throughout the OH Non-MSA AA.

Distribution of Home Mortgage Loans by Borrower Income Level – OH Non-MSA AA Owner-Occupied Housing Units						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	25.9	7.7	18	5.9	1,345	2.7
2022	24.1	11.5	17	8.7	1,161	3.8
Moderate						
2021	17.8	17.7	62	20.5	6,203	12.5
2022	20.7	22.3	39	20.0	4,366	14.5
Middle						
2021	20.8	23.4	82	27.1	12,060	24.4
2022	21.2	24.4	61	31.3	9,178	30.4
Upper						
2021	35.5	33.8	130	42.9	28,118	56.8
2022	33.9	27.0	73	37.4	14,747	48.9
Not Available						
2021	0.0	17.5	11	3.6	1,772	3.6
2022	0.0	14.9	5	2.6	706	2.3
Totals						
2021	100.0	100.0	303	100.0	49,498	100.0
2022	100.0	100.0	195	100.0	30,157	100.0
<i>Source: 2020 U.S. Census, 2015 ACS Data; Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Business

The distribution of small business loans reflect reasonable penetration of businesses with GARs of \$1 million or less. TCB’s performance among businesses with GARs of \$1million or less slightly trailed demographic data in both 2022 and 2023. However, demographic data is not always indicative of lending opportunity in the area. Additionally, as discussed, the top four small business lenders in the OH Non-MSA AA are large national institutions and together maintain 48.5 percent of the small business lending market share. The following table illustrates the distribution of small business loans by GAR level throughout the OH Non-MSA AA.

Distribution of Small Business Loans by GAR Category – OH Non-MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2022	85.1	79	78.2	17,843	76.9
2023	86.5	78	78.8	11,627	77.5
>\$1,000,000					
2022	3.6	22	21.8	5,362	23.1
2023	3.2	21	21.2	3,373	22.5
Revenue Not Available					
2022	11.2	0	0.0	0	0.0
2023	10.3	0	0.0	0	0.0
Totals					
2022	100.0	101	100.0	23,205	100.0
2023	100.0	99	100.0	15,000	100.0

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

COMMUNITY DEVELOPMENT TEST

TCB demonstrates adequate responsiveness to the community development needs in the OH Non-MSA AA through community development loans, qualified investments, and community development services. Examiners considered the institution’s capacity and the need and availability of such opportunities.

Community Development Loans

TCB originated 15 community development loans totaling approximately \$2.4 million in the OH Non-MSA AA during the review period. Of the 15 loans originated, seven loans, totaling approximately \$858,000 helped revitalize or stabilize LMI CTs within the OH Non-MSA AA. The following table illustrates the institution’s community development lending by year and purpose.

Community Development Lending - OH Non-MSA AA										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 (Partial)	0	0	0	0	5	1,062	1	151	6	1,213
2022	0	0	1	253	0	0	4	494	5	747
2023	0	0	2	233	0	0	2	212	4	445
YTD 2024	0	0	0	0	0	0	0	0	0	0
Total	0	0	3	486	5	1,062	7	857	15	2,405

Source: Bank Data

The following are notable examples of TCB’s qualified loans within the OH Non-MSA AA:

- In 2023, TCB originated a loan to a local community service organization totaling \$33,000. The organization purchased a facility to provide job placement and job-training services to

homeless citizens located in Zanesville, Ohio (Community Services).

- In 2023, TCB originated a loan totaling \$205,000 to purchase a building to open a small business in a moderate-income CT (Revitalize and Stabilize).

Qualified Investments

TCB made two qualified investments totaling approximately \$219,000 during the review period and one prior period investment totaling approximately \$66,000. TCB also made 48 grants or donations totaling approximately \$80,000 during the review period. This performance is consistent with the previous evaluation. The following table illustrates the institution’s investments and donations by year and purpose.

Qualified Investments - OH Non-MSA AA										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	0	0	1	66	1	66
2021 (Partial)	0	0	0	0	0	0	1	125	1	125
2022	0	0	0	0	0	0	1	94	1	94
2023	0	0	0	0	0	0	0	0	0	0
YTD 2024	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	3	285	3	285
Qualified Grants & Donations	2	4	45	76	1	<0	0	0	48	80
Total	2	4	45	76	1	<0	3	285	51	365
<i>Source: Bank Data</i>										

The following are notable examples of TCB’s qualified investments and donations within the OH Non-MSA AA:

- In the prior period, TCB invested in a local government bond with a book value of \$65,780. The purpose of the bond was to improve a job and family services building in a moderate-income CT within the OH Non-MSA AA (Revitalize and Stabilize).
- In 2021, TCB invested in a government bond totaling \$124,715, which provided funds towards the construction of a water storage unit in a moderate-income CT (Revitalize and Stabilize).

Community Development Services

During the review period, TCB employees provided 86 instances of community development services, including financial expertise or technical assistance, to several community development-related organizations in the OH Non-MSA AA. This performance is consistent with the previous evaluation. The following table illustrates the institution’s services by year and purpose.

Community Development Services - OH Non-MSA AA					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2021 (Partial)	1	21	11	0	33
2022	1	20	4	1	26
2023	0	14	2	1	17
YTD 2024	1	4	5	0	10
Total	3	59	22	2	86
<i>Source: Bank Data</i>					

The following are notable examples of TCB’s qualified services within the OH Non-MSA AA:

- In 2022, a TCB employee served as a tax preparer for a local community service organization that provided free tax preparation to LMI individuals (Community Services).
- In 2021, 2022, and 2023, a TCB employee served as a Vice President for a local community service organization that assists LMI individuals prepare for, gain, and retain employment (Community Service).

COL, OH MSA AA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN COL, OH MSA AA

Examiners performed a full-scope review of TCB’s performance in this AA, which includes Licking and Perry Counties. TCB operates two full-service branches and one LPO in this AA. As of June 30, 2023, only 12.4 percent of the bank’s total deposits are from this AA. Additionally, the bank originated 33.8 percent of home mortgage loans in 2022 and 47.3 percent of small business loans in 2023, by number volume, in this AA.

Economic and Demographic Data

Based on 2020 U.S. Census Data, the COL, OH MSA AA includes 55 CTs with the following income designations: 3 low-income, 16 moderate-income, 23 middle-income, and 13 upper-income. This is an increase of 4 moderate-income, 7 middle-income, and 6 upper-income CTs when compared to the 2015 ACS Data. The following table illustrates select demographic characteristics of the AA.

Demographic Information of the COL, OH MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	55	5.5	29.1	41.8	23.6	0.0
Population by Geography	213,927	5.9	28.5	43.0	22.6	0.0
Housing Units by Geography	86,395	6.5	31.8	42.2	19.4	0.0
Owner-Occupied Units by Geography	56,777	3.7	26.9	45.6	23.8	0.0
Occupied Rental Units by Geography	20,905	13.4	40.7	34.7	11.1	0.0
Vacant Units by Geography	8,713	8.7	42.0	38.3	11.0	0.0
Businesses by Geography	18,515	6.4	23.0	43.5	27.1	0.0
Farms by Geography	1,007	1.4	21.0	54.6	23.0	0.0
Family Distribution by Income Level	54,980	22.1	20.1	22.5	35.3	0.0
Household Distribution by Income Level	77,682	24.5	16.6	18.5	40.3	0.0
Median Family Income MSA - 18140 Columbus, OH MSA		\$95,600	Median Housing Value			\$170,979
Families Below Poverty Level		7.7%	Median Gross Rent			\$828

Source: 2020 U.S. Census and 2022 D&B Data. Due to rounding, totals may not equal 100.0%. () The NA category consists of geographies that have not been assigned an income classification.*

As mentioned, the Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units. According to 2020 U.S. Census Data, the COL, OH MSA AA contains 86,395 housing units. Of these, 65.7 percent (56,777) are owner-occupied, 24.2 percent (20,905) are occupied rentals, and 10.1 percent (8,713) are vacant.

Examiners used the FFIEC updated-median family income levels to analyze home mortgage loans under the Borrower Profile criterion. The following table shows the ranges for the COL, OH MSA AA during the evaluation period.

COL, OH MSA AA MFI Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$83,900)	<\$41,950	\$41,950 to <\$67,120	\$67,120 to <\$100,680	≥\$100,680
2022 (\$95,600)	<\$47,800	\$47,800 to <\$76,480	\$76,480 to <\$114,720	≥\$114,720

Source: FFIEC

The analysis of small business loans under the Geographic Distribution criterion compares TCB's small business lending to the distribution of businesses in the AA. The Borrower Profile criterion compares the distribution of loans by GAR level. According to 2022 D&B Data, there are 18,515 businesses operating in the COL, MSA AA. GARs for these businesses include 89.3 percent (16,531) with \$1 million or less, 2.8 percent (512) with more than \$1 million, and 7.9 percent (1,472) with unknown revenues. Approximately 87.5 percent (17,087) have GARs of less than \$500,000. In addition, 61.6 percent of businesses have four or fewer employees and 92.4 percent

operate from a single location. Services represent the largest portion of businesses at 32.1 percent, followed by non-classifiable establishments at 24.3 percent, and retail trade at 10.2 percent.

Examiners also considered unemployment data when evaluating TCB's ability to lend in the COL, MSA AA. Data obtained from the U.S. Bureau of Labor and Statistics indicates the unemployment rates in the AA decreased in 2022 compared to 2021 and continued to trend lower than national and state rates, indicating the potential for higher consumer borrowing capacity.

Competition

TCB operates in a highly competitive market for financial services. According to FDIC Deposit Market Share data as of June 30, 2023, 19 financial institutions operate 52 full-service branches in the COL, MSA AA. Of these institutions, TCB ranks tenth with 1.9 percent of the deposit market share.

As mentioned, aggregate HMDA data also provides insight into competition in the AA. Review of the 2022 aggregate data indicates a higher level of competition for home mortgage loans with 362 lenders reporting 12,276 home mortgage loans originated or purchased. TCB ranked fourteenth among lenders, with 1.5 percent of the market share. Similarly, data for 2021 reflects 372 lenders originated or purchased 18,238 home mortgage loans. This indicates a high demand and opportunity for home mortgages within the COL, OH MSA AA.

As mentioned, TCB is not required to collect or report small business loan data; however, aggregate small business data reflects the demand for small business loans in the AA. Aggregate small business lending data for 2021, the most recent year for which aggregate data is available, reflects 85 lenders originated or purchased 3,304 small business loans in the COL, OH MSA AA. This indicates high demand and opportunity for small business loans in the AA.

Community Contact

As part of the evaluation process, examiners contact third parties active in the AA to assist in identifying credit needs and opportunities, including TCB's responsiveness to those needs.

Examiners contacted a representative of a local economic development organization within the COL, OH MSA AA. The contact stated healthcare and retail services are the main sources of employment in the area, and the primary demographics consist of low-income elderly individuals. The contact also stated that the economic conditions of the area are consistent with expectations of a rural area, while limits to coal mining strained current economic conditions. The contact also mentioned a majority of the workforce commutes out of the area for work. In addition, the contact believes housing stock is limited, with home prices beginning to climb.

The contact opined that the primary credit needs of the community includes home mortgage and small business lending, specifically community development lending focused on economic development. In addition, the contact mentioned a need for a small business-consulting program to assist and provide financial mentorship to small business owners. The contact also stated the need for financial institutions to get involved in educating the general public on financial literacy. The contact does not believe competition plays a role in hindering a financial institutions opportunity to lend and is unaware of any discriminatory practices performed by financial institutions in the area.

Credit and Community Development Needs and Opportunities

Considering information from the community contact, institution management, and demographic and economic data, examiners determined that home mortgage and small business loans represent the primary credit needs. In addition, economic development and community services, specifically financial literacy, represent community development needs in the COL, OH MSA AA.

CONCLUSIONS ON PERFORMANCE CRITERIA IN COL, OH MSA AA

LENDING TEST

TCB demonstrates reasonable performance under the Lending Test within the COL, OH MSA AA. TCB's performance under the Geographic Distribution and Borrower Profile criteria primarily support this conclusion.

Geographic Distribution

Overall, the geographic distribution of home mortgage and small business loans reflects excellent dispersion throughout the AA. Examiners focused on performance in LMI CTs located in the COL, OH MSA AA.

Home Mortgage

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the COL, OH MSA AA. The distribution of owner-occupied and non-owner-occupied home mortgage lending primarily support this conclusion.

Owner-Occupied Housing Units

The geographic distribution of owner-occupied home mortgage loans reflects excellent dispersion throughout the AA. TCB's performance compares similarly to aggregate data for low-income CTs in 2021 and exceeds aggregate data in 2022. In moderate-income CTs, TCBs performance significantly exceeded aggregate data in 2021 and 2022. The following table illustrates the geographic distribution of home mortgage loans, by year, throughout the COL, OH MSA AA.

Geographic Distribution of Home Mortgage Loans – COL, OH MSA AA Owner-Occupied Housing Units						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	5.7	3.1	4	3.9	747	3.5
2022	3.7	3.6	5	5.4	508	2.6
Moderate						
2021	19.5	14.8	23	22.3	3,166	15.0
2022	26.9	22.8	28	30.4	4,781	24.2
Middle						
2021	50.5	53.4	63	61.2	13,848	65.5
2022	45.6	47.7	51	55.4	11,681	59.2
Upper						
2021	24.3	28.7	13	12.6	3,381	16.0
2022	23.8	25.9	8	8.7	2,756	14.0
Totals						
2021	100.0	100.0	103	100.0	21,142	100.0
2022	100.0	100.0	92	100.0	19,726	100.0
<i>Source: 2020 Census, 2015 ACS; Bank Data, 2021 and 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Non-Owner-Occupied Housing Units

The geographic distribution of non-owner occupied home mortgage loans reflects excellent dispersion throughout the AA. In 2021 and 2022, TCB exceeded aggregate performance in low-income CTs. In 2021, TCB significantly exceeded aggregate data for moderate-income CTs, and in 2022, TCB's performance was comparable to aggregate data. The following table illustrates the geographic distribution of home mortgage loans, by year, throughout the COL, OH MSA AA.

Geographic Distribution of Home Mortgage Loans – COL, OH MSA AA Non-Owner Occupied Housing Units						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	5.7	7.8	6	12.2	1,887	16.8
2022	3.7	10.2	7	15.6	677	9.1
Moderate						
2021	19.5	39.5	28	57.1	5,576	49.7
2022	26.9	35.9	15	33.3	1,847	24.8
Middle						
2021	50.5	39.7	14	28.6	2,748	24.5
2022	45.6	37.6	22	48.9	4,775	64.1
Upper						
2021	24.3	13.0	1	2.0	999	8.9
2022	23.8	16.3	1	2.2	149	2.0
Totals						
2021	100.0	100.0	49	100.0	11,209	100.0
2022	100.0	100.0	45	100.0	7,447	100.0
<i>Source: 2020 U.S. Census, 2015 ACS Data; Bank Data, 2021 and 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Business

The geographic distribution of small business loans reflects excellent dispersion throughout the AA. In 2022 and 2023, TCB’s performance exceeded demographic data for low-income CTs and significantly exceeded demographic data in moderate-income CTs. The following table illustrates the geographic distribution of small business loans throughout the AA.

Geographic Distribution of Small Business Loans – COL, OH MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2022	6.4	8	8.4	2,385	13.2
2023	6.0	8	9.0	1,490	13.6
Moderate					
2022	23.0	50	52.6	11,008	61.0
2023	22.4	34	38.2	4,290	39.2
Middle					
2022	43.5	30	31.6	3,666	20.3
2023	44.7	40	44.9	4,075	37.2
Upper					
2022	27.1	7	7.4	986	5.5
2023	26.9	7	7.9	1,099	10.0
Totals					
2022	100.0	95	100.0	18,045	100.0
2023	100.0	89	100.0	10,954	100.0
<i>Source: 2022 & 2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

Overall, the distribution of borrowers reflect reasonable penetration among individuals of different income levels and businesses of different sizes. TCB’s home mortgage lending performance primarily support this conclusion. As noted earlier, examiners gave more weight to the OH Non-MSA AA considering the volume of deposits and branches. Additionally, home mortgage loans contributed greater weight due to the larger volume of lending. Examiners focused on the percentage of home mortgage loans to LMI borrowers and businesses with GARs of \$1.0 million or less.

Home Mortgage

TCB’s distribution of owner-occupied home mortgage loans reflects reasonable penetration among individuals of different income levels. TCB’s performance among low-income borrowers slightly exceeded aggregate performance in 2021 and compared similarly to aggregate in 2022. Lending among moderate-income borrowers compared similarly to aggregate performance in 2021 and 2022. The following table illustrates the distribution of home mortgage loans by borrower income level throughout the AA.

Distribution of Home Mortgage Loans by Borrower Income Level – COL, OH MSA AA Owner-Occupied Housing Units						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2021	23.7	9.8	11	10.7	1,298	6.1
2022	22.1	12.0	10	10.9	1,135	5.8
Moderate						
2021	18.2	22.2	21	20.4	3,388	16.0
2022	20.1	24.3	23	25.0	3,581	18.2
Middle						
2021	22.3	22.2	28	27.2	5,334	25.2
2022	22.5	23.3	29	31.5	6,602	33.5
Upper						
2021	35.7	29.6	41	39.8	10,964	51.9
2022	35.3	27.8	28	30.4	7,907	40.1
Not Available						
2021	0.0	16.2	2	1.9	158	0.7
Totals						
2021	100.0	100.0	103	100.0	21,142	100.0
2022	100.0	100.0	92	100.0	19,726	100.0
<i>Source: 2020 U.S. Census, 2015 ACS; Bank Data, 2021 and 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Business

The distribution of small business loans reflects poor penetration to businesses with GARs of \$1.0 million or less. TCB's performance among businesses with GARs of \$1.0 million or less significantly trailed demographic data in 2022, and although TCB's performance increased in 2023 compared to 2022, performance still significantly trailed demographic data. The following table illustrates the distribution of small business loans by GAR level throughout the AA.

Distribution of Small Business Loans by GAR Category – COL, OH MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2022	89.3	60	63.2	10,149	56.2
2023	90.3	68	76.4	7,995	73.0
>\$1,000,000					
2022	2.8	35	36.8	7,896	43.8
2023	2.4	21	23.6	2,959	27.0
Revenue Not Available					
2022	8.0	0	0.0	0	0.0
2023	7.3	0	0.0	0	0.0
Totals					
2022	100.0	95	100.0	18,045	100.0
2023	100.0	89	100.0	10,954	100.0
<i>Source: 2022 & 2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

COMMUNITY DEVELOPMENT TEST

TCB demonstrates adequate responsiveness to the community development needs of the COL, OH MSA AA through community development loans, qualified investments, and community development services. Examiners considered the institution’s capacity and the need and availability of such opportunities.

Community Development Lending

TCB did not originate any community development loans within the COL, OH MSA AA. As discussed earlier two of TCB’s 10 branches are located within the COL, OH MSA AA. Additionally, as mentioned, TCB’s deposit market share is 1.9 percent, ranking 10 out of 19 competing institutions. However, this is a decrease in community development lending activity when comparing to the previous performance evaluation.

Qualified Investments

TCB made two qualified investments from a prior period totaling approximately \$1.7 million. TCB also made 12 grants or donations totaling approximately \$22,000 during the review period. The following table illustrates the institution’s investments and donations by year and purpose.

COL, OH MSA AA Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	1	1,393	0	0	1	258	2	1,651
2021 (Partial)	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0	0
YTD 2024	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	1	1,393	0	0	1	258	2	1,651
Qualified Grants & Donations	0	0	12	22	0	0	0	0	12	22
Total	0	0	13	1,415	0	0	1	258	14	1,673
<i>Source: Bank Data</i>										

Below is a notable example of TCB’s qualified donations within the AA:

- In 2021, 2022, and twice in 2023, TCB provided a \$1,000 donation to a local community college with the funds designated for scholarships to LMI individuals (Community Service).

Community Development Services

During the review period, TCB employees provided 25 instances of community development services, including financial expertise or technical assistance, to several community development-related organizations in the COL, OH MSA AA. The following table illustrates the institution’s services by year and purpose.

COL, OH MSA AA Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2021 (Partial)	0	4	2	1	7
2022	0	13	0	0	13
2023	0	0	0	0	0
YTD 2024	0	4	1	0	5
Total	0	21	3	1	25
<i>Source: Bank Data</i>					

Below are notable examples of TCB’s qualified services within the COL, OH MSA AA:

- In 2022, a TCB employee served on the Advisory Board of a local community service organization whose purpose is to provide free food to LMI individuals.
- In 2021, 2022, and 2024 a TCB employee served as a Board Member for a local community service organization, which serves as an advocate for and assists with abused and neglected children.

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.