

**First State Bank of Blakely**  
**Community Reinvestment Act Public File Information**

The Community Reinvestment Act (CRA) of 1977 encourages banks to help meet the credit needs of the communities in which they do business, including low- to moderate-income neighborhoods.

The following information is current as of April 1 of each year.

First State Bank of Blakely was originally chartered in 1903 under the name First National Bank of Blakely and now comprises of eight branches at the following locations. No branches were opened or closed within the past two years.

<b>Address:</b>	First State Bank of Blakely Main Office  2213 South Main Street Post Office Box 587 Blakely, Georgia 39823	
<b>Phone:</b>	(229) 723-3711	
<b>Fax:</b>	(229) 723-4080	
<b>Toll Free:</b>	(866) 796-5707	
<b>General Email:</b>	<a href="mailto:firststate@fsbanks.com">firststate@fsbanks.com</a>	
<b>Lobby Hours:</b>	Monday through Thursday	8:30 a.m. - 4:00 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed
<b>Drive-Thru Hours:</b>	Monday through Friday	8:30 a.m. – 5:00 p.m.
	Saturday & Sunday	Closed

<b>Address:</b>	First State Bank of Arlington  17641 North Highland Avenue Post Office Box 370 Arlington, Georgia 39813	
<b>Phone:</b>	(229) 725-4216	
<b>Fax:</b>	(229) 725-3242	
<b>Toll Free:</b>	(800) 664-2265	
<b>General Email:</b>	<a href="mailto:firststate@fsbanks.com">firststate@fsbanks.com</a>	
<b>Lobby Hours:</b>	Monday through Thursday	8:30 a.m. - 4:00 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed
<b>Drive-Thru Hours:</b>	Monday through Friday	8:30 a.m. – 5:00 p.m.
	Saturday & Sunday	Closed

**First State Bank of Blakely**  
**Community Reinvestment Act Public File Information**

<b>Address:</b>	First State Bank of Colquitt 106 West Crawford Street Post Office Box 126 Colquitt, Georgia 39837	
<b>Phone:</b>	(229) 758-2340	
<b>Fax:</b>	(229) 758-5419	
<b>Toll Free:</b>	(866) 241-1036	
<b>General Email:</b>	<a href="mailto:firststate@fsbanks.com">firststate@fsbanks.com</a>	
<b>Lobby Hours:</b>	Monday through Thursday	8:30 a.m. - 4:00 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed
<b>Drive-Thru Hours:</b>	Monday through Thursday	8:30 a.m. – 4:30 p.m.
	Friday	8:30 a.m. – 5:00 p.m.
	Saturday & Sunday	Closed

<b>Address:</b>	First State Bank of Albany Post Office Box 3088 Albany, Georgia 31706 2101 North Slappey Boulevard Albany, Georgia 31707	
<b>Phone:</b>	(229) 888-0774	
<b>Fax:</b>	(229) 888-7309	
<b>Toll Free:</b>	(866) 603-5190	
<b>General Email:</b>	<a href="mailto:firststate@fsbanks.com">firststate@fsbanks.com</a>	
<b>Lobby Hours:</b>	Monday through Thursday	8:30 a.m. - 4:00 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed
<b>Drive-Thru Hours:</b>	Monday through Thursday	8:30 a.m. – 4:30 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed

**First State Bank of Blakely**  
**Community Reinvestment Act Public File Information**

<b>Address:</b>	First State Bank of Donalsonville  200 South Morris Avenue Post Office Box 187 Donalsonville, Georgia 39845	
<b>Phone:</b>	(229) 524-2011	
<b>Fax:</b>	(229) 524-2973	
<b>Toll Free:</b>	(800) 711-7241	
<b>General Email:</b>	<a href="mailto:firststate@fsbanks.com">firststate@fsbanks.com</a>	
<b>Lobby Hours:</b>	Monday through Thursday	8:30 a.m. - 4:00 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed
<b>Drive-Thru Hours:</b>	Monday through Thursday	8:30 a.m. – 4:30 p.m.
	Friday	8:30 a.m. – 5:00 p.m.
	Saturday & Sunday	Closed

<b>Address:</b>	First State Bank of Leesburg  114 Walnut Avenue South Post Office Box 1159 Leesburg, Georgia 31763	
<b>Phone:</b>	(229) 759-6622	
<b>Fax:</b>	(229) 759-6692	
<b>Toll Free:</b>	(800) 276-5407	
<b>General Email:</b>	<a href="mailto:firststate@fsbanks.com">firststate@fsbanks.com</a>	
<b>Lobby Hours:</b>	Monday through Thursday	8:30 a.m. - 4:00 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed
<b>Drive-Thru Hours:</b>	Monday through Thursday	8:30 a.m. – 4:30 p.m.
	Friday	8:30 a.m. – 5:00 p.m.
	Saturday & Sunday	Closed

**First State Bank of Blakely**  
**Community Reinvestment Act Public File Information**

<b>Address:</b>	First State Bank of Bainbridge	
	Post Office Box 8510 Bainbridge, Georgia 39818	
	1200 East Shotwell Street Bainbridge, Georgia 39819	
	<b>Phone:</b>	(229) 246-9710
	<b>Fax:</b>	(229) 246-9735
<b>Toll Free:</b>	(877) 536-9710	
<b>General Email:</b>	<a href="mailto:firststate@fsbanks.com">firststate@fsbanks.com</a>	
<b>Lobby Hours:</b>	Monday through Thursday	8:30 a.m. - 4:00 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed
<b>Drive-Thru Hours:</b>	Monday through Thursday	8:30 a.m. – 4:30 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed



<b>Address:</b>	First State Bank of Fort Gaines	
	208 Hancock Street N Post Office Box 8 Fort Gaines, Georgia 39851	
	<b>Phone:</b>	(229) 768-1896
	<b>Fax:</b>	(229) 768-1899
	<b>Toll Free:</b>	(833) 567-0075
<b>General Email:</b>	<a href="mailto:firststate@fsbanks.com">firststate@fsbanks.com</a>	
<b>Lobby Hours:</b>	Monday through Thursday	8:30 a.m. - 4:00 p.m.
	Friday	8:30 a.m. - 5:00 p.m.
	Saturday & Sunday	Closed
<b>Drive-Thru Hours:</b>	Monday through Thursday	8:30 a.m. – 4:30 p.m.
	Friday	8:30 a.m. – 5:00 p.m.
	Saturday & Sunday	Closed



**First State Bank of Blakely**  
**Community Reinvestment Act Public File Information**

First State Bank offers the following services at all branches.

Deposit Services

- Regular Checking
- Select Checking
- Senior Checking
- Student Checking
- Advantage Checking
- Business Checking
- NOW Checking
- Money Market Savings
- Regular Savings
- Christmas Savings
- Individual Retirement Account (IRA)
- Roth Individual Retirement Account (IRA)
- Certificates of Deposit
- Roth Certificates of Deposit

Other Services

- Safe Deposit Boxes
- Direct Deposit
- Night Deposit Drop
- Automated Teller Machine (ATM)
- Remote Deposit Capture
- Online Banking
- Mobile Banking
- Telephone Banking
- Bill Pay
- FSB Credit Card Account
- MyCardRules™
- Overdraft Protection
- Official Checks
- Notary Service
- Wire Transfer Service
- Digital Wallet

**First State Bank of Blakely**  
**Community Reinvestment Act Public File Information**

Loan Services

- Consumer Loans
  - Automobile loans
  - Debt consolidation loans
  - Personal loans
  - Recreational vehicle loans
  - Savings account and Certificates of deposit loans
  - Unsecured loans
  - Appliances & furniture (purchase money)
- Real Estate Loans
  - Fixed rate mortgages (residential loans for 1-4 family dwelling)
  - Mobile Home
  - Construction
  - Home improvement loans (second mortgage loans)
  - Farm real estate
- Commercial Loans
  - Equipment loans
  - Agriculture loans
  - FMHA Approved lender 90% guaranteed farm loans
  - Working Capital loans
  - Unsecured loans

**First State Bank of Blakely**  
**Community Reinvestment Act Public File Information**

First State Bank Schedule of Fees:

Replace Visa Debit Card: \$5.00

Balance Inquiry at ATM we do not own or operate: \$1.00

Cash Withdrawal at ATM we do not own or operate: \$1.00

Check Printing: Fee depends on style of check ordered.

Overdraft (each overdraft paid): \$35.00

Non-sufficient Funds (each): \$35.00

Non-sufficient Funds (ATM withdrawals): \$35.00

Non-sufficient Funds Debit Card (point of sale) purchase: \$35.00

Non-sufficient Funds (preauthorized withdrawal or other electronic debit): \$35.00

*\*\*A Non-Sufficient Item Fee may be charged multiple times on the same item.*

Deposited Checks and Other Items Returned Unpaid: \$3.00

Account Activity Printout: \$1.00

Account Research: \$30.00 per hour, \$.25 per page

Cashier's Check: \$5.00

Stop Payment: \$25.00

Domestic Wire Transfer - Outgoing: \$25.00

Foreign Wire Transfers - Outgoing: \$35.00

Incoming Wires (Non-Customer): \$25.00

Garnishments: \$30.00

Levies: \$30.00

Dormant Account Fee: \$5.00 per month

\*An account is dormant if for one year (checking), three years (savings) you have had no activity to the account.

Account Closed within 30 Days of Opening: \$30.00

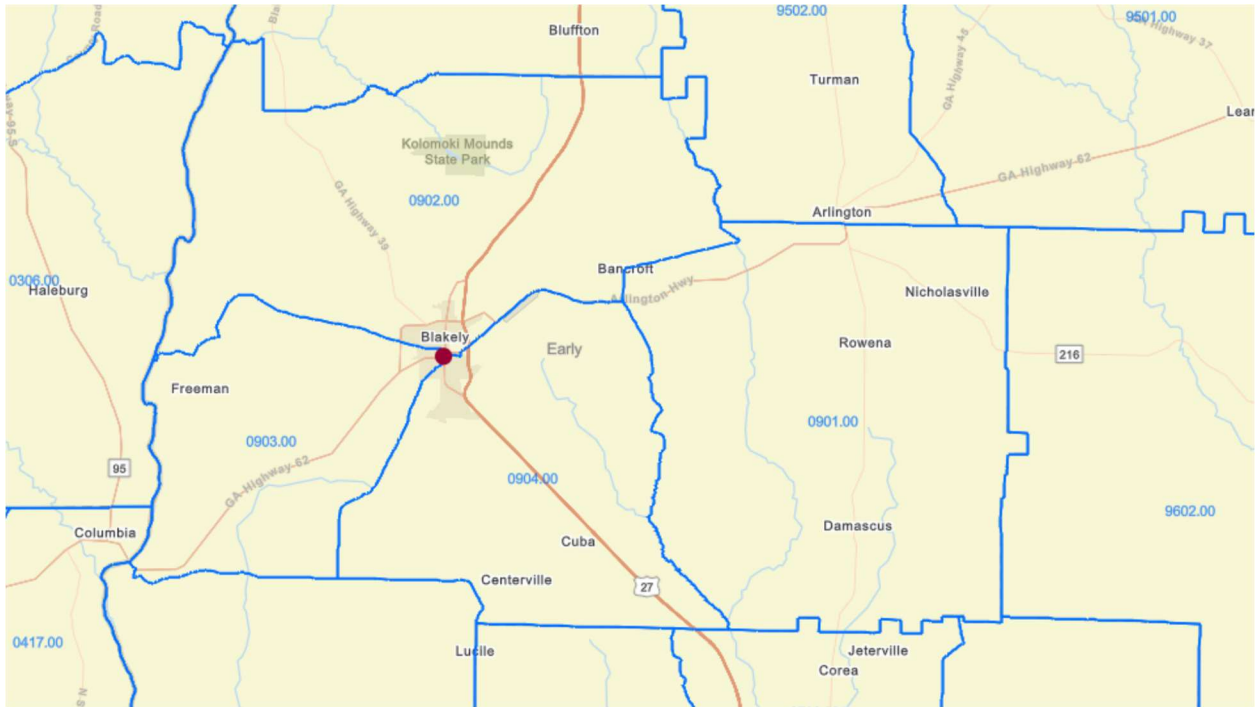
Sweep Charges: \$10.00 per sweep

First State Bank's loan-to-deposit ratio for each quarter

March 31, 2023	82.0%
June 30, 2023	85.5%
September 30, 2023	87.0%
December 31, 2023	84.3%

# First State Bank of Blakely Community Reinvestment Act Public File Information

## Early County, Georgia



2023 FFIEC Census Report - Summary Census Demographic Information  
State: 13 - GEORGIA (GA)  
County: 099 - EARLY COUNTY



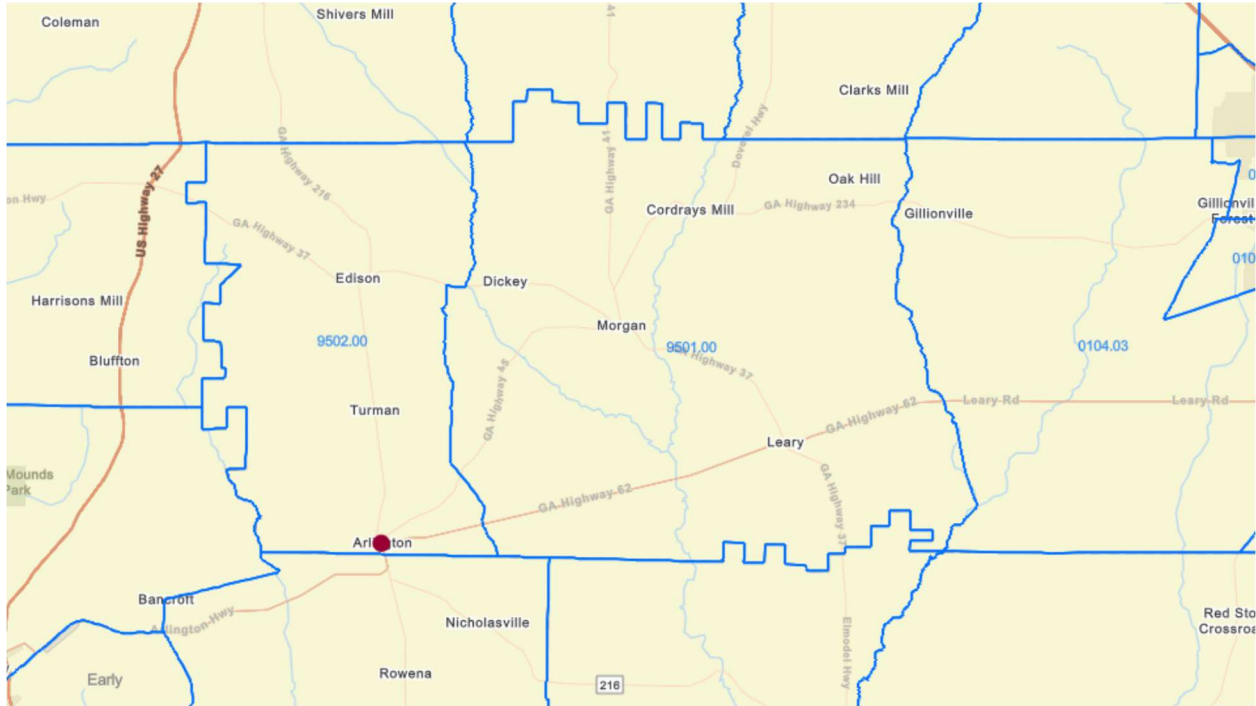
State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
13	099	0901.00	Moderate	No	69.50	\$69,100	\$48,025	\$38,901	1234	59.89	739	421	687
13	099	0902.00	Moderate	No	60.19	\$69,100	\$41,591	\$33,689	2788	66.46	1853	388	1060
13	099	0903.00	Moderate	No	71.43	\$69,100	\$49,358	\$39,983	1420	42.82	608	420	618
13	099	0904.00	Middle	Yes*	90.00	\$69,100	\$62,190	\$50,377	3686	64.57	2380	1043	1624
13	099	0905.00	Moderate	No	66.53	\$69,100	\$45,972	\$37,237	1726	26.71	461	559	972
13	099	9999.99	Moderate	No	69.93	\$69,100	\$48,322	\$39,141	10854	55.66	6041	2831	4961



# First State Bank of Blakely

## Community Reinvestment Act Public File Information

### Calhoun County, Georgia



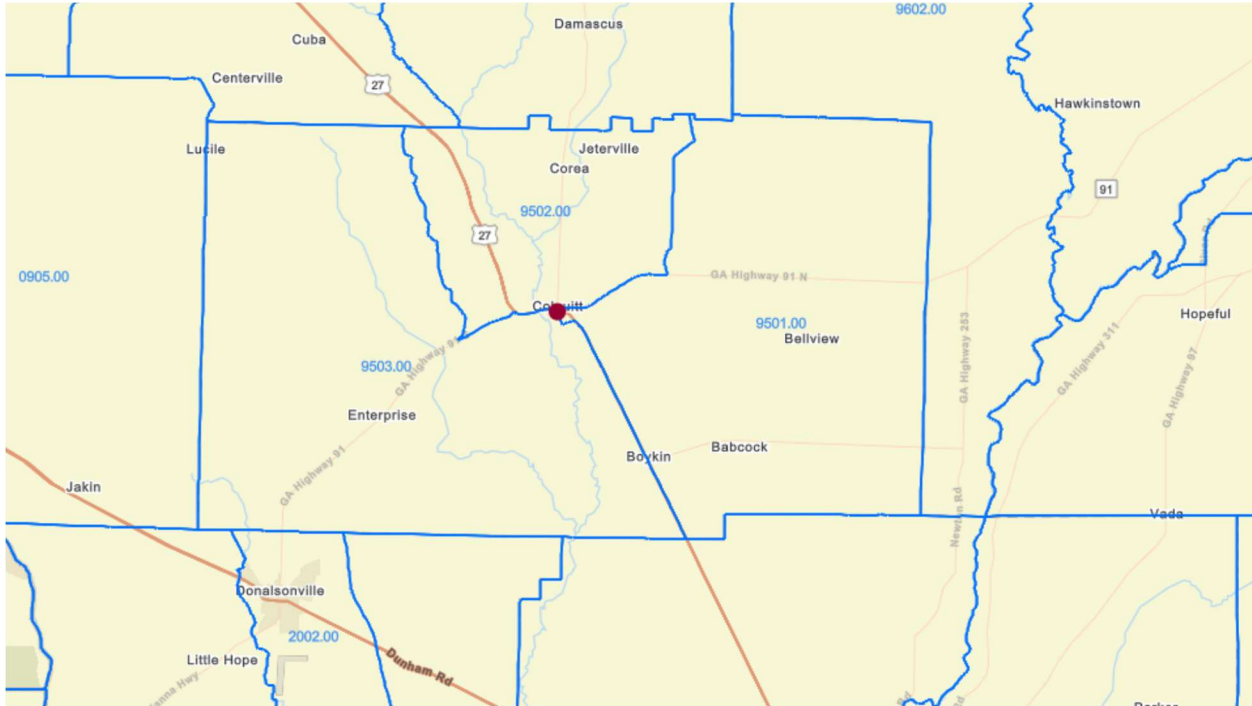
2023 FFIEC Census Report - Summary Census Demographic Information  
 State: 13 - GEORGIA (GA)  
 County: 037 - CALHOUN COUNTY



State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
13	037	9501.00	Middle	Yes*	93.51	\$69,100	\$64,615	\$52,337	2760	65.69	1813	376	857
13	037	9502.00	Moderate	No	79.28	\$69,100	\$54,782	\$44,375	2813	70.89	1994	798	1445
13	037	9999.99	Middle	No	88.49	\$69,100	\$61,147	\$49,531	5573	68.31	3807	1174	2302

# First State Bank of Blakely Community Reinvestment Act Public File Information

## Miller County, Georgia



2023 FFIEC Census Report - Summary Census Demographic Information  
State: 13 - GEORGIA (GA)  
County: 201 - MILLER COUNTY



State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
13	201	9501.00	Middle	Yes*	96.03	\$69,100	\$66,357	\$53,750	1651	24.17	399	556	772
13	201	9502.00	Middle	Yes*	92.31	\$69,100	\$63,786	\$51,667	1874	56.08	1051	372	766
13	201	9503.00	Upper	No	121.44	\$69,100	\$83,915	\$67,969	2475	24.28	601	628	1178
13	201	9999.99	Middle	No	106.19	\$69,100	\$73,377	\$59,435	6000	34.18	2051	1556	2716



# First State Bank of Blakely

## Community Reinvestment Act Public File Information

2023 FFIEC Census Report - Summary Census Demographic Information  
 State: 13 - GEORGIA (GA)  
 County: 095 - DOUGHERTY COUNTY



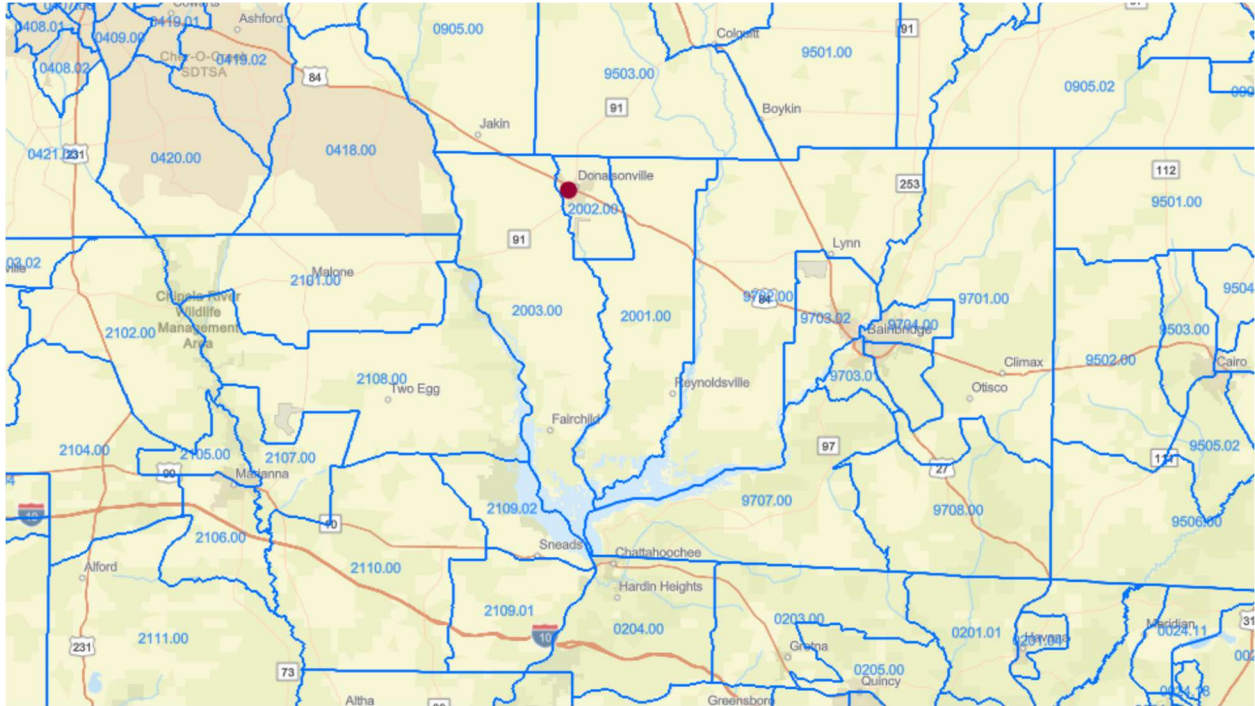
State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
13	095	0001.01	Low	No	34.28	\$72,000	\$24,682	\$19,254	2196	93.12	2045	108	754
13	095	0001.02	Moderate	No	64.93	\$72,000	\$46,750	\$36,469	2756	84.72	2335	399	974
13	095	0002.00	Moderate	No	53.41	\$72,000	\$38,455	\$30,000	2496	97.80	2441	296	1249
13	095	0004.00	Middle	No	89.42	\$72,000	\$64,382	\$50,227	5799	66.10	3833	921	2541
13	095	0005.01	Upper	No	134.22	\$72,000	\$96,638	\$75,391	4643	66.10	3069	976	1793
13	095	0005.02	Upper	No	183.48	\$72,000	\$132,106	\$103,056	4189	39.91	1672	1279	1700
13	095	0006.00	Middle	No	88.22	\$72,000	\$63,518	\$49,554	3021	61.24	1850	568	1511
13	095	0007.00	Middle	No	88.86	\$72,000	\$63,979	\$49,911	1768	60.86	1076	199	875
13	095	0008.00	Low	No	45.02	\$72,000	\$32,414	\$25,288	1090	87.89	958	87	555
13	095	0009.00	Middle	No	106.01	\$72,000	\$76,327	\$59,545	2145	78.00	1673	233	1020
13	095	0010.00	Low	No	48.88	\$72,000	\$35,194	\$27,454	2460	88.94	2188	261	914
13	095	0011.00	Unknown	No	0.00	\$72,000	\$0	\$0	5606	96.45	5407	953	2461
13	095	0014.03	Moderate	No	54.30	\$72,000	\$39,096	\$30,500	2390	98.95	2365	290	1124
13	095	0015.00	Moderate	No	53.13	\$72,000	\$38,254	\$29,844	2042	99.12	2024	264	1299
13	095	0103.02	Low	No	39.84	\$72,000	\$28,685	\$22,378	4867	95.40	4643	503	2007
13	095	0104.01	Upper	No	150.34	\$72,000	\$108,245	\$84,443	6508	50.02	3255	2204	3068
13	095	0104.02	Middle	No	87.68	\$72,000	\$63,130	\$49,250	3567	88.42	3154	537	1045
13	095	0104.03	Upper	No	161.35	\$72,000	\$116,172	\$90,625	1922	49.01	942	473	675
13	095	0105.00	Middle	No	91.77	\$72,000	\$66,074	\$51,548	1826	69.88	1276	573	875
13	095	0106.01	Moderate	No	55.63	\$72,000	\$40,054	\$31,250	2269	95.99	2178	282	1042
13	095	0106.02	Middle	No	105.05	\$72,000	\$75,636	\$59,004	3479	89.25	3105	939	1547
13	095	0107.01	Moderate	No	60.22	\$72,000	\$43,358	\$33,824	2992	92.31	2762	415	1376
13	095	0107.02	Low	No	36.92	\$72,000	\$26,582	\$20,739	2865	92.67	2655	202	543
13	095	0109.00	Middle	No	105.42	\$72,000	\$75,902	\$59,212	1477	78.27	1156	504	773
13	095	0110.00	Upper	No	138.07	\$72,000	\$99,410	\$77,554	2869	50.16	1439	754	1253
13	095	0112.00	Middle	No	94.58	\$72,000	\$68,098	\$53,125	3108	69.69	2166	696	1284

\* Will automatically be included in the 2024 Distressed or Underserved Tract List

State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
13	095	0113.00	Middle	No	97.35	\$72,000	\$70,092	\$54,681	2456	55.70	1368	355	1017
13	095	0114.00	Low	No	34.49	\$72,000	\$24,833	\$19,375	1170	91.79	1074	64	533
13	095	0116.00	Middle	No	102.80	\$72,000	\$74,016	\$57,740	1814	57.88	1050	374	680

# First State Bank of Blakely Community Reinvestment Act Public File Information

## Seminole County, Georgia



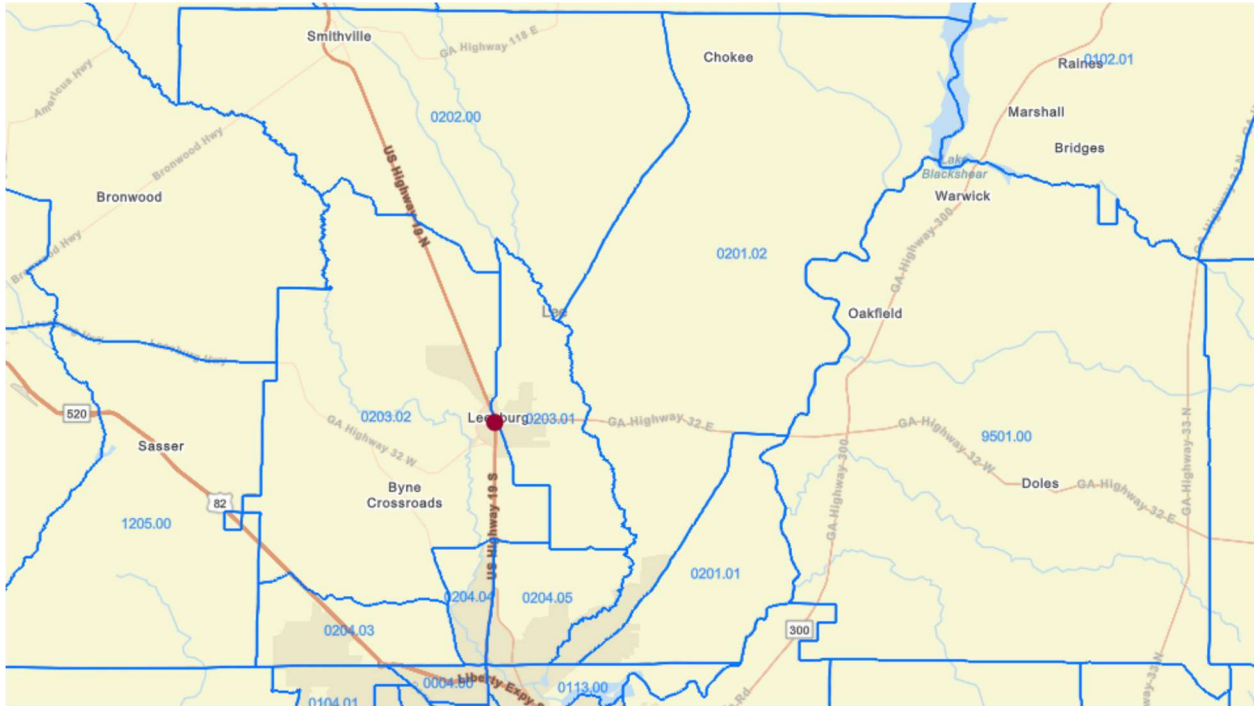
2023 FFIEC Census Report - Summary Census Demographic Information  
State: 13 - GEORGIA (GA)  
County: 253 - SEMINOLE COUNTY



State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
13	253	2001.00	Middle	Yes*	87.95	\$69,100	\$60,773	\$49,228	3090	17.38	537	908	2004
13	253	2002.00	Moderate	No	54.60	\$69,100	\$37,729	\$30,560	3452	61.73	2131	673	1469
13	253	2003.00	Middle	Yes*	104.31	\$69,100	\$72,078	\$58,385	2605	33.09	862	638	1212
13	253	9999.99	Moderate	No	78.65	\$69,100	\$54,347	\$44,023	9147	38.59	3530	2219	4685

# First State Bank of Blakely Community Reinvestment Act Public File Information

## Lee County, Georgia



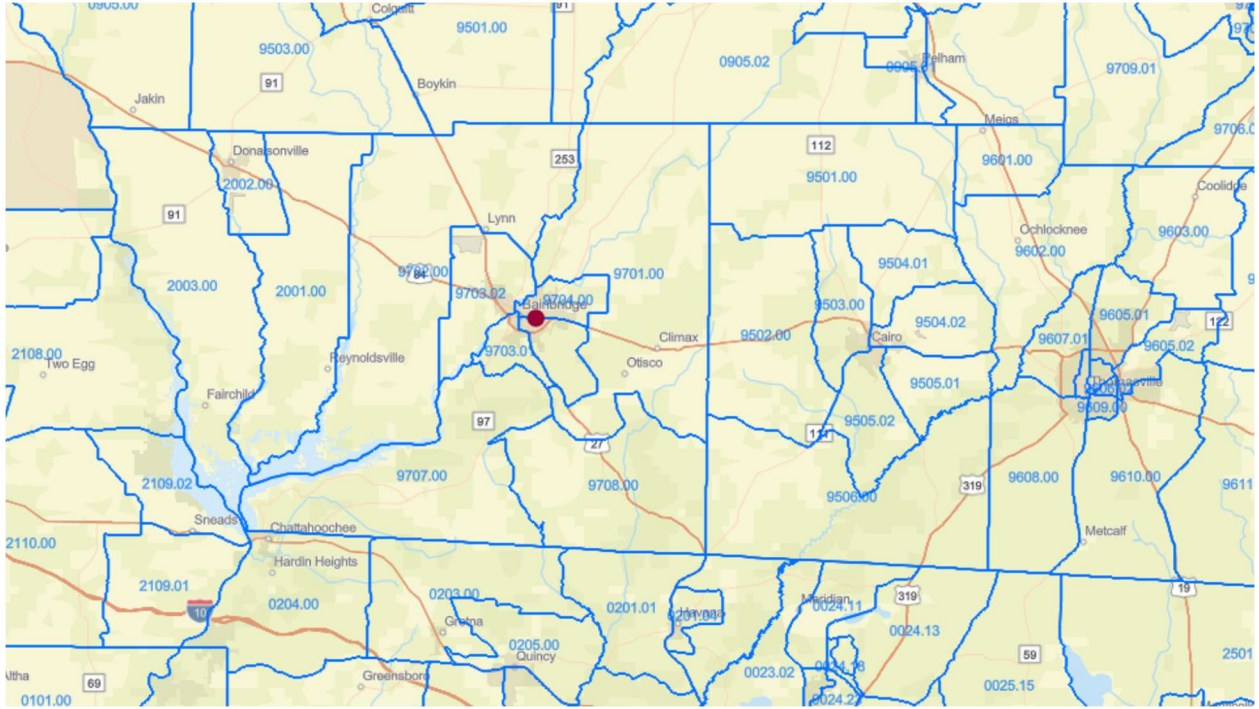
2023 FFIEC Census Report - Summary Census Demographic Information  
State: 13 - GEORGIA (GA)  
County: 177 - LEE COUNTY



State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
13	177	0201.01	Middle	No	107.30	\$72,000	\$77,256	\$60,270	3383	22.55	763	1000	1212
13	177	0201.02	Middle	No	113.02	\$72,000	\$81,374	\$63,482	3559	25.51	908	977	1297
13	177	0202.00	Upper	No	161.48	\$72,000	\$116,266	\$90,700	1577	41.34	652	415	696
13	177	0203.01	Upper	No	137.24	\$72,000	\$98,813	\$77,083	4025	32.47	1307	749	1185
13	177	0203.02	Middle	No	99.00	\$72,000	\$71,280	\$55,608	4811	32.07	1543	678	1141
13	177	0204.03	Upper	No	197.48	\$72,000	\$142,186	\$110,918	6711	31.11	2088	2190	2447
13	177	0204.04	Upper	No	139.67	\$72,000	\$100,562	\$78,451	4591	29.17	1339	725	1273
13	177	0204.05	Upper	No	157.29	\$72,000	\$113,249	\$88,345	4506	40.06	1805	1357	1710

# First State Bank of Blakely Community Reinvestment Act Public File Information

## Decatur County, Georgia



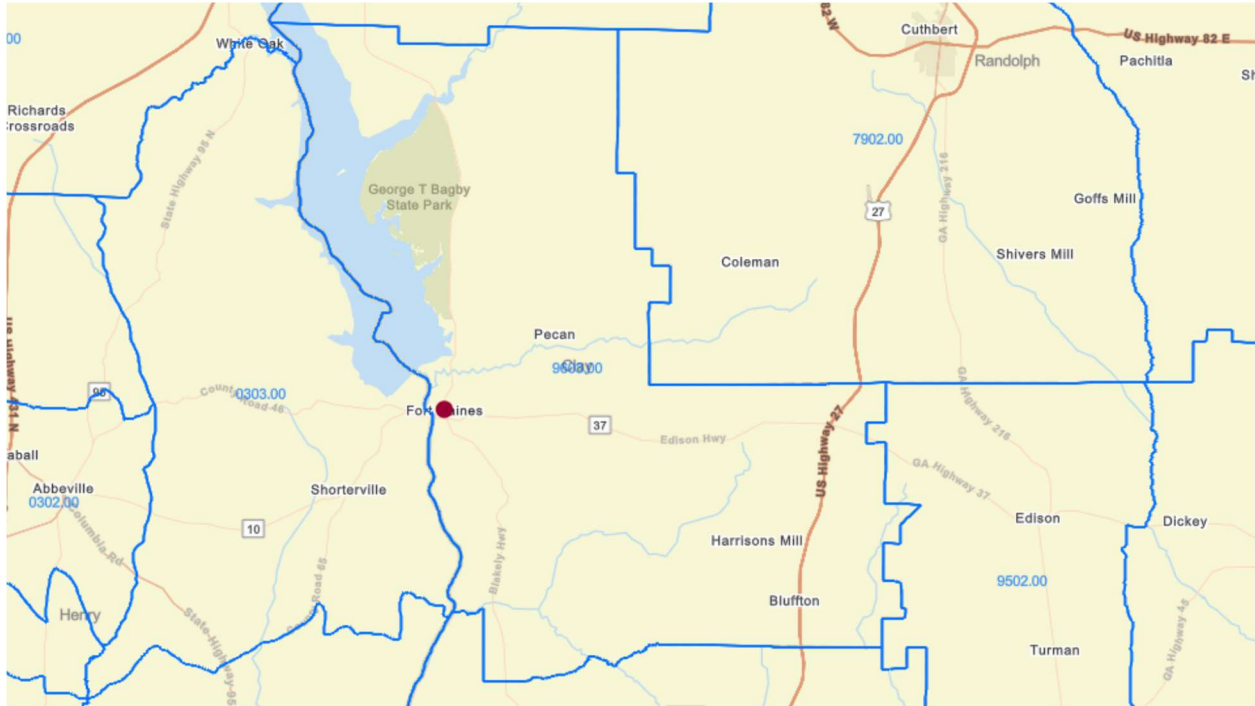
2023 FFIEC Census Report - Summary Census Demographic Information  
State: 13 - GEORGIA (GA)  
County: 087 - DECATUR COUNTY



State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
13	087	9701.00	Middle	Yes*	99.53	\$69,100	\$68,775	\$55,709	3361	29.52	992	937	1559
13	087	9702.00	Upper	No	132.44	\$69,100	\$91,516	\$74,129	2749	28.99	797	735	1261
13	087	9703.01	Moderate	No	61.21	\$69,100	\$42,296	\$34,263	3283	63.30	2078	481	1083
13	087	9703.02	Moderate	No	77.96	\$69,100	\$53,870	\$43,637	4237	56.12	2378	681	1299
13	087	9704.00	Moderate	No	79.27	\$69,100	\$54,776	\$44,367	5231	67.04	3507	915	2229
13	087	9706.00	Upper	No	120.48	\$69,100	\$83,252	\$67,434	6389	48.19	3079	1051	2164
13	087	9707.00	Middle	Yes*	85.76	\$69,100	\$59,260	\$48,000	1805	36.51	659	593	1108
13	087	9708.00	Middle	Yes*	104.13	\$69,100	\$71,954	\$58,281	2312	69.07	1597	539	1009
13	087	9999.99	Middle	No	90.51	\$69,100	\$62,542	\$50,658	29367	51.37	15087	5932	11712

# First State Bank of Blakely Community Reinvestment Act Public File Information

## Clay County, Georgia



2023 FFIEC Census Report - Summary Census Demographic Information  
State: 13 - GEORGIA (GA)  
County: 061 - CLAY COUNTY



State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
13	061	9603.00	Moderate	No	76.16	\$69,100	\$52,627	\$42,629	2848	59.87	1705	999	2048
13	061	9999.99	Moderate	No	76.16	\$69,100	\$52,627	\$42,629	2848	59.87	1705	999	2048



**First State Bank of Blakely**  
**Community Reinvestment Act Public File Information**

**First State Bank of Blakely**  
**Home Mortgage Disclosure Act Notice**

The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, age and income of applicants and borrowers; and information about loan approvals and denials. These data are available online at the Consumer Financial Protection Bureau's Web site ([www.consumerfinance.gov/hmda](http://www.consumerfinance.gov/hmda)). HMDA data for many other financial institutions are also available at this Web site.

**First State Bank of Blakely**  
**Community Reinvestment Act Notice**

Under the federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA Performance Evaluation, prepared by the FDIC; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter. This list is available from the Regional Director, FDIC, 10 Tenth Street NE, Suite 900, Atlanta, GA 30309-3849. You may send written comments about our performance in helping to meet community credit needs to Mr. William D. Lanford, Jr., President, First State Bank of Blakely, P.O. Box 587, Blakely, GA 39823 and FDIC Regional Director. You may also submit comments electronically through the FDIC's Web site at [www.fdic.gov/regulations/cra](http://www.fdic.gov/regulations/cra). Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of First State Bancshares of Blakely, Inc., a bank holding company. You may request from the Governor, Federal Reserve Bank of Atlanta, 1000 Peachtree Street NE, Atlanta, GA 30309, an announcement of applications covered by the CRA filed by bank holding companies.

# **PUBLIC DISCLOSURE**

September 25, 2023

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

First State Bank of Blakely  
Certificate Number: 15496

2213 S Main St  
Blakely, Georgia 39823

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

10 10th Street NE, Suite 900  
Atlanta, Georgia 30309-3849

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 ratio is reasonable given the institution's size, financial condition, and credit needs of the assessment areas.
- The bank originated a majority of its small business, home mortgage, and small farm loans in its assessment areas.
- The geographic distribution of small business, home mortgage, and small farm loans reflects reasonable dispersion throughout the assessment areas.
- The distribution of borrowers reflects, given the demographics of the assessment areas, reasonable penetration among businesses and farms of different sizes and individuals of different income levels (including low- and moderate-income).
- The bank did not receive any CRA-related complaints since the previous evaluation. Therefore, this factor did not affect the Lending Test rating.

**The Community Development Test is rated Satisfactory.**

- The bank demonstrates adequate responsiveness to community development needs of its assessment areas through community development loans, qualified investments, and community development services. Examiners considered the institution's capacity and the need and availability of such opportunities for community development in its assessment areas.

## DESCRIPTION OF INSTITUTION

First State Bank of Blakely (FSBB) is headquartered in Blakely, Georgia (GA), and remains wholly owned by First State Bancshares of Blakely, Inc., Blakely, Georgia, a one-bank holding company, also located in Blakely. The institution received a Satisfactory CRA rating at the previous FDIC CRA evaluation, dated August 17, 2020, which was based on the Interagency Intermediate Small Institution Examination Procedures.

FSBB operates eight full-service locations throughout eight counties in Southwest Georgia. The main office is located in Blakely (Early County). Branches are located in Arlington (Calhoun County), Donalsonville (Seminole County), Albany (Dougherty County), Colquitt (Miller County), Leesburg (Lee County), and Bainbridge (Decatur County) and in March 2021, FSBB opened a full-service branch in Fort Gaines (Clay County). No locations have been closed since the prior evaluation.

FSBB offers a variety of loan products with a primary focus on farm and agricultural lending. Loan products include commercial and business purpose loans, residential mortgage loans, construction loans, home equity loans, consumer installment loans, and personal lines of credit. The bank offers a variety of deposit products, which include checking, savings, money market, and certificates of deposit accounts. Automated Teller Machines (ATMs), online banking, mobile banking, bill pay, and telephone banking are offered as alternative systems for delivering retail-banking services.

As of June 30, 2023, the Consolidated Reports of Condition and Income (Call Report) indicates FSBB had total assets of \$585.3 million, total deposits of \$465.8 million, and total loans of \$398.3 million. As shown in the following table, farm loans (including agricultural production and other loans to farmers) represent the largest portion of the loan portfolio at 47.0 percent. Commercial loans (loans secured by nonfarm, nonresidential properties and commercial and industrial loans) represent the second largest portion at 28.7 percent. Residential loans (1-4 family and multifamily residential properties) represent the third largest portion at 16.8 percent.

<b>Loan Portfolio Distribution as of 6/30/2023</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction, Land Development, and Other Land Loans	11,059	2.8
Secured by Farmland	81,879	20.6
Secured by 1-4 Family Residential Properties	66,814	16.8
Secured by Multifamily (5 or more) Residential Properties	2,528	0.6
Secured by Nonfarm Nonresidential Properties	73,005	18.3
<b>Total Real Estate Loans</b>	<b>235,285</b>	<b>59.1</b>
Commercial and Industrial Loans	41,754	10.4
Agricultural Production and Other Loans to Farmers	105,039	26.4
Consumer Loans	11,499	2.9
Obligations of State and Political Subdivisions in the U.S.	4,702	1.2
Other Loans	54	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	-	-
<b>Total Loans</b>	<b>398,333</b>	<b>100.0</b>
<i>Source: Reports of Condition and Income as of June 30, 2023</i>		

There are no financial or legal impediments, other than legal lending limits, that would restrict the bank's ability to meet the credit needs of the assessment areas.

## **DESCRIPTION OF ASSESSMENT AREAS**

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. The FDIC evaluates the bank's CRA performance based on its activity within the defined assessment area(s). FSBB has delineated two assessment areas in the Georgia: a Non-Metropolitan Statistical Area (NMSA) and a portion of the Albany, GA MSA, which will be referred to as the Albany MSA assessment area. FSBB added Clay County to the NMSA assessment area in response to the Fort Gaines, GA branch opening in March 2021. The counties in the NMSA assessment area are contiguous and have similar characters and demographics, so they have been combined into one assessment area for this evaluation.

Assessment area delineations are based on available census data. Specifically, the 2015 American Community Survey (ACS) Census data was used at the previous evaluation to delineate the bank's assessment areas. In 2022, the Federal Financial Interagency Examination Council (FFIEC) released updates to the MSA and Metropolitan Divisions, states, counties, census tracts, and income-level indicators based on information collected during the 2020 United States (U.S.) Census. As a result of the 2020 U.S. Census, the number of census tracts and income classifications changed, which impacted the bank's assessment areas. The following tables detail the counties, number of census tracts, and branches in each assessment area for the current evaluation. Refer to each assessment area section of this performance evaluation for additional information.

Description of Assessment Areas				
Assessment Area	Counties in Assessment Area	# of Census Tracts 2015 ACS	# of Census Tracts 2020 U.S. Census	# of Branches
NMSA	Calhoun, Clay, Decatur, Early, Miller, Seminole	21	22	6
Albany MSA	Dougherty and Lee	32	37	2
<b>Total</b>		<b>53</b>	<b>59</b>	<b>8</b>
<i>Source: Bank Data; 2015 ACS Data; and 2020 U.S. Census Data</i>				

## SCOPE OF EVALUATION

### General Information

This evaluation covers the period from the prior evaluation, dated August 17, 2020, to the current evaluation, dated September 25, 2023. Examiners used the Interagency Intermediate Small Institution Examiner Procedures to evaluate FSBB’s CRA performance. These procedures include the Lending Test and the Community Development Test. Refer to the *Appendices* section for additional information regarding each test. Full-scope analyses were conducted for both assessment areas. Examiners gave more weight to bank activities in the NMSA assessment area, due to the number of branches and the volume of lending and community development activity.

### Activities Reviewed

Examiners determined FSBB’s major product lines are home mortgage, small business, and small farm loans. This conclusion considered FSBB’s business strategy and the distribution of the loan portfolio. FSBB is subject to the Home Mortgage Disclosure Act (HMDA) reporting requirements. Examiners considered all home mortgage loans reported on the 2020, 2021, and 2022 Loan Application Registers as part of the lending analysis. In 2020, the bank reported 359 loans totaling \$35.5 million. In 2021, the bank reported 250 loans totaling \$24.8 million. In 2022, the bank reported 278 loans totaling \$35.7 million. In addition to aggregate HMDA data, the 2020 U.S. Census demographic data (owner-occupied housing units by geography and the distribution of families by income level) provided a standard of comparison for home mortgage loans. Examiners only presented 2022 HMDA data in the tables within the conclusions sections (*Geographic Distribution* and *Borrower Profile* performance criteria), as it is the most recent year that aggregate data is available. In addition, there were no significant trends identified between 2020, 2021, and 2022 home mortgage lending that materially affected conclusions.

The CRA evaluation also included an analysis of small business and small farm loans, as defined in the *Glossary*. FSBB is not required to collect and report small business and small farm data. Therefore, the evaluation period for originated small business and small farm lending was from January 1, 2022 through December 31, 2022. Based on bank records, during the evaluation period, FSBB originated 335 small business loans totaling \$27.3 million, and 194 small farm loans totaling \$21.4 million. The universe of small business and small farm loans were evaluated for the *Assessment Area Concentration* and *Geographic Distribution* performance. However, gross annual revenue information was not readily available for the universe of loans. Therefore, a sample of small business and small farm loans was selected from the loans originated within the assessment

areas for review of the *Borrower Profile* criterion.

The following table provides details regarding the universe and samples selected for each loan category.

<b>Loan Products Reviewed</b>				
<b>Loan Category</b>	<b>Universe</b>		<b>Reviewed</b>	
	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>
Home Mortgage	887	95,983	887	95,983
Small Business	335	27,267	162	11,495
Small Farm	194	21,445	115	12,231
<i>Source: Bank Data</i>				

While the number and dollar volume of loans are presented, examiners emphasized performance by number of loans, because the number of loans is a better indicator of the number of individuals, businesses, and farms served. Due to the bank's small business lending volume and commercial loan portfolio composition, this loan product received the most weight followed by home mortgage and small farm loans.

This evaluation considered all community development loans, qualified investments, and community development services identified and submitted by bank management since the prior evaluation.

## **CONCLUSIONS ON PERFORMANCE CRITERIA**

### **LENDING TEST**

Overall, FSBB demonstrated reasonable performance under the Lending Test. The bank's Loan-to-Deposit Ratio, Assessment Area Concentration, Borrower Profile, and Geographic Distribution performance supports this conclusion.

#### **Loan-to-Deposit Ratio**

FSBB's net loan-to-deposit (NLTD) ratio is reasonable (considering seasonal variations and taking into account lending related activities) given the institution's size, financial condition, and assessment area credit needs. FSBB's NLTD ratio, calculated from Call Report data, averaged 80.2 percent over the past 12 calendar quarters from September 30, 2020 to June 30, 2023. The ratio fluctuated from a low of 69.3 percent, as of December 31, 2021, to a high of 89.1 percent, as of September 30, 2020.

The bank's NLTD ratios were compared to similarly situated institutions. These institutions typically operate within a bank's assessment area(s) and share similar attributes, such as size, lending focus, branching structure, and product offerings. FSBB consistently maintained a reasonable NLTD ratio when comparing the average, current, high, and low ratios over the past 12 calendar quarters. The following table shows the average NLTD ratio comparison data.



Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 6/30/2023 (\$000s)	Average Net LTD Ratio (%)
<b>First State Bank of Blakely, Blakely, GA</b>	<b>585,256</b>	<b>80.2</b>
Bank of Hazlehurst, Hazlehurst, GA	126,768	46.7
Bank of Dawson, Dawson, GA	144,350	65.9
Bank of Edison, Edison, GA	73,598	51.3
United National Bank, Cairo, GA	278,405	87.7
<i>Source: Reports of Condition and Income 9/30/2020 – 6/30/2023</i>		

### **Assessment Area Concentration**

FSBB originated a majority of loans inside the assessment areas. Specifically, the majority of home mortgage, small business, and small farm loans, by number and dollar volume, were originated within the assessment areas. This performance demonstrates FSBB’s efforts to provide credit to individuals and businesses inside the assessment areas. The following table details lending inside and outside of the assessment areas.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2020	248	69.1	111	30.9	359	22,553	63.6	12,928	36.4	35,481
2021	200	80.0	50	20.0	250	19,137	77.1	5,676	22.9	24,813
2022	225	80.9	53	19.1	278	26,306	73.7	9,383	26.3	35,689
<b>Subtotal</b>	<b>673</b>	<b>75.9</b>	<b>214</b>	<b>24.1</b>	<b>887</b>	<b>67,996</b>	<b>70.8</b>	<b>27,987</b>	<b>29.2</b>	<b>95,983</b>
Small Business										
2022	260	77.6	75	22.4	335	18,338	67.3	8,929	32.7	27,267
Small Farm										
2022	144	74.2	50	25.8	194	16,028	74.7	5,417	25.3	21,445
<b>Total</b>	<b>1,077</b>	<b>76.1</b>	<b>339</b>	<b>23.9</b>	<b>1,416</b>	<b>102,362</b>	<b>70.7</b>	<b>42,333</b>	<b>29.3</b>	<b>144,695</b>
<i>Source: Bank Data</i>										

### **Geographic Distribution**

Overall, the geographic distribution of loans reflects reasonable dispersion throughout the assessment areas. Conclusions regarding FSBB’s performance is consistent throughout the assessment areas. Refer to the *Geographic Distribution* sections of each assessment area for further comment of the bank’s lending performance.

## **Borrower Profile**

Overall, the distribution of loans to borrowers reflects, given the demographics of the assessment areas, reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses and farms of different sizes. Conclusions regarding FSBB's performance is consistent throughout the assessment areas. Refer to the *Borrower Profile* sections of each assessment area for further comment of the bank's lending performance.

## **Response to Complaints**

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

## **COMMUNITY DEVELOPMENT TEST**

FSBB demonstrates adequate responsiveness to the community development needs of the assessment areas through community development loans, qualified investments, and community development services. Examiners considered the institution's capacity and the need and availability of such opportunities within its assessment areas.

## **Community Development Loans**

FSBB originated 94 community development loans totaling approximately \$18.2 million during the evaluation period. Community development loans include 30 loans totaling approximately \$589,000 made under the Small Business Administration's Paycheck Protection Program (PPP) that the bank elected to be considered as community development loans. The PPP loans are guaranteed by the SBA through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The PPP loan were intended to provide economic relief to small businesses that were negatively impacted by the Covid-19 pandemic.

Community development lending was lower by number and dollar volume of loans than the prior evaluation. However, the prior evaluation accounted for an extensive amount of PPP loans that were originated during that time. This level of activity represents 3.1 percent of average total assets and 4.6 percent of average total loans since the prior CRA evaluation. The following tables detail community development lending by year and by assessment area.

<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>
2020*	2	436	1	126	1	21	5	938	<b>9</b>	<b>1,521</b>
2021	0	0	1	3,000	22	2,627	37	6,586	<b>60</b>	<b>12,213</b>
2022	0	0	2	109	4	1,529	10	1,300	<b>16</b>	<b>2,938</b>
2023 (YTD)	1	64	0	0	2	137	6	1,352	<b>9</b>	<b>1,553</b>
<b>Total</b>	<b>3</b>	<b>500</b>	<b>4</b>	<b>3,235</b>	<b>29</b>	<b>4,314</b>	<b>58</b>	<b>10,176</b>	<b>94</b>	<b>18,225</b>
<i>Source: Bank Data</i>										
<i>* From 8/18/2020 to 12/31/2020</i>										

<b>Community Development Lending by Assessment Area</b>										
<b>Assessment Area</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Revitalize or Stabilize</b>		<b>Total</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>
NMSA	1	64	4	3,235	18	2,304	55	10,119	<b>78</b>	<b>15,722</b>
Albany MSA	1	186	0	0	11	2,010	0	0	<b>12</b>	<b>2,196</b>
Statewide Activities	1	250	0	0	0	0	3	57	4	307
<b>Total</b>	<b>3</b>	<b>500</b>	<b>4</b>	<b>3,235</b>	<b>29</b>	<b>4,314</b>	<b>58</b>	<b>10,176</b>	<b>94</b>	<b>18,225</b>
<i>Source: Bank Data</i>										

The following are examples of community development loans that were extended outside of the bank's assessment areas, but within the broader statewide area that contains the bank's assessment areas.

- In 2020, the bank originated a \$250,100 loan for the purchase of a multi-family apartment complex located in a middle-income census tract designated as distressed that provides affordable housing to low- and moderate-income individuals via rents below fair market rates.
- In 2021, the bank originated two PPP loans totaling \$35,500 to two small businesses located in distressed middle-income geographies to help sustain operations and job retention thereby revitalizing/stabilizing the area.

Refer to the full-scope assessment areas for examples of community development loans.

### **Qualified Investments**

During the evaluation period, FSBB made 161 qualified investments (including donations) totaling \$1.4 million. This dollar amount of qualified investments represents 0.3 percent of average total assets and 1.6 percent of average total securities. The level of investments is consistent with the prior evaluation when CRA qualified investments totaled \$1.4 million. The following tables detail the qualified investments by year and by assessment area.

Qualified Investments by Year										
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	268	1	268
2020*	0	0	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	1	471	1	471
2022	0	0	0	0	0	0	1	423	1	423
YTD 2023	0	0	0	0	0	0	0	0	0	0
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>1,162</b>	<b>3</b>	<b>1,162</b>
Qualified Grants & Donations	0	0	112	168	44	114	2	1	158	283
<b>Total</b>	<b>0</b>	<b>0</b>	<b>112</b>	<b>168</b>	<b>44</b>	<b>114</b>	<b>5</b>	<b>1,163</b>	<b>161</b>	<b>1,445</b>
<i>Source: Bank Data</i>										
<i>*From 8/18/2020 – 12/31/2023</i>										

Qualified Investments by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Georgia NMSA	0	0	108	167	44	114	4	895	156	1,176
Albany MSA	0	0	4	1	0	0	1	268	5	269
<b>Total</b>	<b>0</b>	<b>0</b>	<b>112</b>	<b>168</b>	<b>44</b>	<b>114</b>	<b>5</b>	<b>1,163</b>	<b>161</b>	<b>1,445</b>
<i>Source: Bank Data</i>										

The bank made numerous donations to qualified community development organizations. Most were for the purpose of community services and included donations to organizations that fund programs targeted to low-income families and middle-income areas, designated as distressed. Refer to the full-scope assessment areas for examples of qualified investments.

### **Community Development Services**

During the evaluation period, Board members, officers, and employees provided 46 community development services to 13 organizations. This level represents an increase in number of services from the previous CRA evaluation, commensurate with the bank's total assets growth. The following tables illustrate the community development services by year and purpose and assessment area.

Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2020*	0	5	3	2	10
2021	0	5	3	2	10
2022	0	7	3	3	13
YTD 2023	0	7	3	3	13
<b>Total</b>	<b>0</b>	<b>24</b>	<b>12</b>	<b>10</b>	<b>46</b>
<i>Source: Bank Data From 8/18/2020 – 12/31/2020</i>					

Community Development Services by Assessment Area					
Rated Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Total
	#	#	#	#	#
NMSA	0	20	8	10	38
Albany MSA	0	4	4	0	8
<b>Total</b>	<b>0</b>	<b>24</b>	<b>12</b>	<b>10</b>	<b>46</b>
<i>Source: Bank Data</i>					

Refer to the full-scope assessment areas for examples of community development services.

FSBB offers retail banking services with deposit accounts that benefit low- and moderate-income individuals. Specifically, FSBB offers the following features for free with the deposit accounts: online banking, online bill-pay, mobile banking, electronic statements, telephone banking, and Visa debit cards. In addition, ATMs are available at all full-service office locations. FSBB operates three branches and ATMs in moderate-income census tracts, representing 37.5 percent of total branches and ATMs. The bank also operates two branches and ATMs in middle-income census tracts, which are designated as distressed due to high poverty levels, representing 25.0 percent of total branches and ATMs. These branches and ATMs provide availability of banking services to low- and moderate-income individuals.

Although FSBB does not have an official small dollar loan program, in an effort to better meet the credit needs of the bank's assessment areas, small dollar loans are offered to customers. Since the prior evaluation, the bank originated 696 small dollar loans totaling approximately \$1.0 million in amounts of \$2,500 or less. Based on the FSBB assessment area demographics, small dollar loans likely afford access to credit for low- and moderate-income individuals.

## DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

FSBB'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 discriminatory or other illegal credit practices.

## NMSA ASSESSMENT AREA – Full-Scope Review

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE NMSA ASSESSMENT AREA

The NMSA assessment area consists of six contiguous counties, in its entirety: Calhoun, Clay, Decatur, Early, Miller, and Seminole. Clay County was added to the assessment area in March 2021 due to the bank opening a branch within the county. FSBB operates six, or 75.0 percent, of its branches in this assessment area. By dollar volume, the assessment area accounts for 87.1 percent of bank-wide loans and 86.2 percent of bank-wide deposits. The following table reflects the changes in tract income-level and number of census tracts, based on the 2015 ACS and 2020 U.S. Census data.

Tract Income Level	# of Census Tracts 2015 ACS	# of Census Tracts 2020 U.S. Census
Moderate	7	10
Middle	13	9
Upper	1	3
<b>Total</b>	<b>21</b>	<b>22</b>

*Source: 2015 ACS Data and 2020 U.S. Census Data*

The FFIEC has designated certain NMSA middle-income census tracts as distressed and/or underserved. The distressed designation is based on high unemployment rates, poverty rates, and/or population losses. The underserved designation is based on areas being rural and remote. In 2022, all nine middle-income census tracts were designated as distressed and/or underserved:

- One distressed due to high poverty rates and underserved;
- One distressed due to high poverty rates and population loss;
- Two underserved; and
- Five distressed due to high poverty rates.

#### **Economic and Demographic Data**

According to 2022 Dun & Bradstreet (D&B) data, there are 5,806 businesses and 716 farms operating in the assessment area. Of the businesses and farms, 86.9 percent and 96.1 percent, respectively, reported operating with gross annual revenues of \$1.0 million or less. Further, of the total 6,522 businesses and farms, 62.6 percent reported having four or fewer employees, and 90.6 percent reported operating from a single location. The following table presents select demographic information from the 2020 U.S. Census and 2022 D&B data.

Demographic Information of the NMSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	22	0.0	45.5	40.9	13.6	0.0
Population by Geography	63,789	0.0	45.5	36.3	18.2	0.0
Housing Units by Geography	29,359	0.0	45.7	37.5	16.7	0.0
Owner-Occupied Units by Geography	14,711	0.0	43.1	40.5	16.4	0.0
Occupied Rental Units by Geography	7,911	0.0	52.8	26.3	20.9	0.0
Vacant Units by Geography	6,737	0.0	43.3	44.1	12.6	0.0
Businesses by Geography	5,806	0.0	53.3	28.8	17.9	0.0
Farms by Geography	716	0.0	35.1	45.3	19.7	0.0
Family Distribution by Income Level	15,109	28.5	18.0	16.3	37.2	0.0
Household Distribution by Income Level	22,622	30.7	15.8	16.7	36.8	0.0
Median Family Income Non-MSAs - GA		\$55,969	Median Housing Value			\$101,791
			Median Gross Rent			\$665
			Families Below Poverty Level			21.1%
<i>Source: 2020 U.S. Census and 2022 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%; (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

According to the Standard Industrial Classification System, the services industry represents the largest percentage of businesses at 27.4 percent; followed by non-classifiable establishments at 23.0 percent; retail trade at 11.7 percent; and agriculture, forestry, and fishing at 11.0 percent. According to the Georgia Department of Labor, major employers include (and in no particular order): Georgia Department of Corrections; Flint River Mills, Inc.; American Peanut Growers Group, LLC; and Birdsong Peanuts.

The FFIEC’s estimated median family income levels were used to analyze home mortgage loans for the *Borrower Profile* criterion. The low-, moderate-, middle-, and upper-income ranges and categories are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2020 (\$51,800)	<\$25,900	\$25,900 to <\$41,440	\$41,440 to <\$62,160	≥\$62,160
2021 (\$53,400)	<\$26,700	\$26,700 to <\$42,720	\$42,720 to <\$64,080	≥\$64,080
2022 (\$64,100)	<\$32,050	\$32,050 to <\$51,280	\$51,280 to <\$76,920	≥\$76,920
<i>Source: FFIEC</i>				

The unemployment rate increased in 2020 largely due to the impact of the COVID-19 pandemic-related job losses. However, unemployment rates decreased in 2021 and 2022. Further, in 2020 and 2021, with the exception of Clay, county unemployment rates were lower than state and

national averages and in 2022, county unemployment rates were similar to state and national averages. Clay County’s unemployment rate was significantly higher in all years, when comparing against other counties, the state-level, and the national level. The following table reflects the average annual unemployment rates and trends for the assessment area, state, and the nation.

Unemployment Rates*			
Area	2020	2021	2022
	%	%	%
Calhoun	5.1	4.1	3.2
Clay	12.2	9.9	6.7
Decatur	4.8	3.6	3.2
Early	5.7	5.0	3.6
Miller	4.0	3.0	2.6
Seminole	5.0	3.7	3.5
Georgia	6.5	3.9	3.0
National Average	8.1	5.3	3.6

*Source: Bureau of Labor Statistics; \*Not seasonally adjusted*

**Competition**

There is a high level of competition within the assessment area. According to the FDIC’s June 30, 2023, *Deposit Market Share Report*, there are 11 FDIC-insured financial institutions operating 23 offices within the assessment area. Of these institutions, FSBB ranked first, with a 25.5 percent deposit market share. The top five financial institutions accounted for 72.4 percent of the deposit market share.

There is a high level of competition for home mortgage loans within the assessment area. In 2022, aggregate data reflects 154 lenders reported 1,104 residential mortgage loans for \$176.9 million. FSBB ranked first with a 17.7 percent of total market share, by number of loans. The top five lenders (by number of home mortgage loans) accounted for 46.5 percent of the total market share.

As previously noted, FSBB is not required to collect or report small business or small farm loan data and has elected not to do so. Therefore, the analysis of small business and small farm loans under the Lending Test does not include comparisons to aggregate data. However, aggregate data reflects the level of demand for small business and small farm loans and is, therefore, included for context. Aggregate data for small business and small farm loans is not available for 2022. As such, 2021 aggregate data was used. There is a high level of competition for small business and small farm loans within the assessment area. For small business loans, 2021 aggregate data reflects 63 lenders reported 885 small business loans for \$21.1 million. The top five lenders (by number of small business loans) accounted for 50.4 percent of the total market share. For small farm loans, 2021 aggregate data reflects 18 lenders reported 174 small farm loans for \$11.6 million. The top five lenders (by number of small farm loans) accounted for 81.0 percent of the total market share.



## **Community Contact**

As part of the evaluation, examiners contact third parties active in the assessment area to assist in identifying credit and community development needs. This information helps examiners determine whether local financial institutions are responsive to those needs and to identify the credit and community development opportunities that are available.

Examiners used an existing community contact that was recently completed with a non-profit organization that focuses on community services. The contact stated that the impact of the COVID-19 pandemic led to increased housing values and demand, as well as higher rents for rental properties. As such, there is a need for more affordable housing, and specifically, for the low- and moderate-income population. The contact also stated that there is a need for financial literacy programs. Further, the contact indicated that there is a need for small business funding due to limited job opportunities in the area. Overall, the contact indicated that financial institutions have been responsive to the credit needs of the assessment area.

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

Considering information obtained from the community contact, demographic data, and economic data, examiners determined that affordable housing represents a primary credit and community development need for the assessment area, as 21.1 percent of the families are below the poverty level and 46.5 percent of the families are low- and moderate-income. In addition, small business loans are a credit need and opportunity within the assessment area. The significant percentage of businesses with gross annual revenues of \$1.0 million or less (86.9 percent) and the large number of businesses with four or fewer employees (62.6 percent) support the conclusion that there is a need for small business lending. Also, with the majority of census tracts in the assessment area categorized as moderate-income or distressed/underserved middle-income census tracts, there is a need for assistance in revitalizing and stabilizing these census tracts.

# **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE NMSA ASSESSMENT AREA**

## **LENDING TEST**

FSBB demonstrates satisfactory performance under the Lending Test in the NMSA assessment area. FSBB's overall reasonable geographic distribution and borrower profile performance supports this conclusion. Only loans originated within the assessment area were included in the analysis.

## **Geographic Distribution**

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. Reasonable home mortgage, small business, and small farm lending performance supports this conclusion. This assessment area does not contain low-income geographies.

### Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. FSBB’s home mortgage lending in moderate-income census tracts exceeds both demographics and aggregate lending performance. The following table reflects the distribution of home mortgage loans within the assessment area.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Moderate	43.1	39.4	91	46.7	8,565	34.6
Middle	40.5	36.3	77	39.5	12,568	50.7
Upper	16.4	24.3	27	13.8	3,645	14.7
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>195</b>	<b>100.0</b>	<b>24,778</b>	<b>100.0</b>

*Source: 2020 U.S. Census; Bank Data, 2022 HMDA Aggregate Data*

### Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. While the bank’s lending performance in moderate-income census tracts is slightly below demographics, the performance remains comparable. The following table reflects the distribution of small business loans within the assessment area.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Moderate	53.3	105	47.5	8,348	57.8
Middle	28.8	88	39.8	3,328	23.1
Upper	17.9	28	12.7	2,758	19.1
<b>Totals</b>	<b>100.0</b>	<b>221</b>	<b>100.0</b>	<b>14,434</b>	<b>100.0</b>

*Source: 2022 D&B Data; Bank Data*

### Small Farm Loans

The geographic distribution of small farm loans reflects reasonable dispersion throughout the assessment area. Lending performance in moderate-income census tracts exceeds demographics. The following table reflects the distribution of small farm loans within the assessment area.

Geographic Distribution of Small Farm Loans					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Moderate	35.1	60	42.6	7,316	45.9
Middle	45.3	64	45.4	7,571	47.5
Upper	19.7	17	12.1	1,066	6.7
<b>Totals</b>	<b>100.0</b>	<b>141</b>	<b>100.0</b>	<b>15,953</b>	<b>100.0</b>
<i>Source: 2022 D&amp;B Data; Bank Data Due to rounding, totals may not equal 100.0%.</i>					

## **Borrower Profile**

The distribution of loans to borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses and farms of different sizes. Reasonable home mortgage, small business, and small farm lending performance supports this conclusion.

### *Home Mortgage Loans*

The distribution of home mortgage loans is reasonable among individuals of different income levels. Home mortgage lending to low-income borrowers is significantly below demographics, but above aggregate lending performance. Home mortgage lending to moderate-income borrowers is slightly below demographics, but comparable to aggregate lending performance. The following table reflects the penetration of home mortgage loans, by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	28.5	6.3	19	9.7	905	3.7
Moderate	18.0	14.9	28	14.4	1,747	7.1
Middle	16.3	19.8	29	14.9	1,954	7.9
Upper	37.2	35.5	63	32.3	6,769	27.2
Not Available	0.0	23.5	56	28.7	13,403	54.1
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>195</b>	<b>100.0</b>	<b>24,778</b>	<b>100.0</b>
<i>Source: 2020 U.S. Census; Bank Data, 2022 HMDA Aggregate Data</i>						

### *Small Business Loans*

The distribution of small business loans reflects reasonable penetration among businesses of different sizes. Lending to businesses with gross annual revenues of \$1.0 million or less (small businesses) is slightly below, but comparable to, demographics. The following table reflects the penetration of small business loans, by businesses of different sizes.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
≤ \$1,000,000	86.9	116	83.5	5,985	69.6
> \$1,000,000	2.8	7	5.0	1,395	16.2
Revenue Not Available	10.2	16	11.5	1,218	14.2
<b>Total</b>	<b>100.0</b>	<b>139</b>	<b>100.0</b>	<b>8,597</b>	<b>100.0</b>

*Source: 2022 D&B Data, Bank Data*

### *Small Farm Loans*

The distribution of small farm loans reflects reasonable penetration among farms of different sizes. Lending to farms with gross annual revenues of \$1.0 million or less (small farms) is below demographics. Although lending performance is below demographics, D&B data reflects the percentages of farms, by gross annual revenue, and not the level of demand for small farm loans. To gain a better understanding of credit needs and demand in the assessment area, examiners reviewed aggregate market data from institutions that collect and report data on small farm loans. The 2021 aggregate data reflects that institutions reported data on small farm loans shows 44.3 percent of all loans were originated to small farms. In addition, there is a high level of competition for the number of small farm loans in the assessment area. The following table reflects the penetration of small farm loans, by farms of different sizes.

<b>Distribution of Small Farm Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
≤ \$1,000,000	96.1	86	76.8	9,066	74.6
> \$1,000,000	2.4	17	15.2	2,535	20.9
Revenue Not Available	1.5	9	8.0	555	4.6
<b>Total</b>	<b>100.0</b>	<b>112</b>	<b>100.0</b>	<b>12,156</b>	<b>100.0</b>

*Source: 2022 D&B Data, Bank Data*

## **COMMUNITY DEVELOPMENT TEST**

FSBB demonstrates adequate responsiveness to the community development needs of the NMSA assessment area 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 the assessment area.

### **Community Development Loans**

The bank originated 78 community development loans totaling \$15.7 million in the NMSA assessment area, which is a decrease by number but an increase by dollar amount from the prior evaluation. This level of lending represents 83.0 percent by number and 86.3 percent by dollar of bank-wide community development loans. Below are examples of community development loans.

- In 2023, the bank originated a \$701,000 loan for the purchase of two ambulances that serve the medical community in an area that is considered distressed. The ambulances benefit low- and moderate-income individuals that reside in the area.
- From 2020 through 2022, the bank originated 21 loans totaling \$4.6 million for (business expenses) infrastructure improvements for a town that is considered underserved. These loans will help revitalize/stabilize the area.
- In 2021, the bank refinanced a \$3.0 million loan to a rural hospital located in a moderate geography that provides care to low- and moderate-income individuals. The proceeds of the loan went towards the renovation and expansion of the facility.

### **Qualified Investments**

FSBB provided 156 qualified donations totaling \$1.2 million in the NMSA assessment area, which was an increase by number and dollar amount from the prior evaluation. This level of investments represents 96.9 percent by number and 81.4 percent by dollar volume of bank-wide qualified investments. Below are examples of qualified investments:

- In 2022, the bank purchased a municipal bond totaling \$471,270 that was issued for the purpose of utilities and infrastructure improvements for a town, which contains low- and moderate-income and distressed/underserved geographies, under a redevelopment plan.
- In 2022, the bank purchased a municipal bond totaling \$423,407 that was issued for the purpose of infrastructure improvements to a school district that primarily serves students who qualify for free or reduced lunch.
- In 2022 and 2023, the bank made several donations totaling approximately \$116,000 to the Georgia Student Scholarship Organization Incorporated. This program provides scholarships targeting students demonstrating financial need to attend private schools in the assessment area.

### **Community Development Services**

FSBB provided 38 community development services in the NMSA assessment area, which was the same at the prior evaluation. This level of activity represents 82.6 percent of total instances of community development service. Below are examples of community development services.

- In 2022 and 2023, a bank officer provided taught literacy courses at a school where the majority of the students qualify for free or reduced lunch programs.
- From 2020 to 2023, two bank officers served as officers of a community service organization that provides scholarships to seniors who attend a high school where the majority of the students qualify for free or reduced lunch programs. The scholarships are based on financial need.
- From 2020 to 2022, a bank employee served as a member on the county's chamber of commerce executive board. The organization provides resources and support for economic development within the area.

## ALBANY MSA ASSESSMENT AREA – Full-Scope Review

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE ALBANY MSA ASSESSMENT AREA

The Albany MSA assessment area consists of 37 census tracts in Dougherty and Lee counties. These counties are part of the Albany, GA MSA, which also includes Terrell and Worth counties. FSBB operates two, or 25.0 percent, of its branches in this this assessment area. By dollar volume, the assessment area accounts for 12.9 percent of bank-wide loans and 13.8 percent of bank-wide deposits. Bank management did not open or close a branch office within this assessment area since the prior evaluation.

Since the previous evaluation, the number of census tracts in the assessment area changed as a result of the 2020 U.S. Census. The following table reflects the changes in tract income-level and number of census tracts, based on the 2015 ACS and 2020 U.S. Census data.

Tract Income Level	# of Census Tracts 2015 ACS	# of Census Tracts 2020 U.S. Census
Low	4	6
Moderate	9	6
Middle	8	14
Upper	11	10
Income Not Assigned	-	1
<b>Total</b>	<b>32</b>	<b>37</b>
<i>Source: 2015 ACS Data and 2020 U.S. Census Data</i>		

### **Economic and Demographic Data**

According to 2022 D&B data, there are 14,661 businesses and 579 farms operating in the assessment area. Of the businesses and farms, 88.9 percent and 2.6 percent, respectively, reported operating with gross annual revenues of \$1.0 million or less. Further, of the total 15,240 businesses and farms, 57.0 percent reported having four or fewer employees and 91.5 percent reported operating from a single location. The following table presents select demographic information from the 2020 U.S. Census and 2022 D&B data.

Demographic Information of the Albany MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	37	16.2	16.2	37.8	27.0	2.7
Population by Geography	118,953	12.3	12.6	35.5	34.9	4.7
Housing Units by Geography	51,918	11.9	14.9	35.7	32.3	5.1
Owner-Occupied Units by Geography	23,800	5.1	8.2	35.9	46.7	4.0
Occupied Rental Units by Geography	20,983	18.6	19.0	35.0	22.8	4.6
Vacant Units by Geography	7,135	14.5	25.7	37.1	12.2	10.4
Businesses by Geography	14,661	14.9	8.5	35.4	37.0	4.1
Farms by Geography	579	8.6	5.2	41.3	43.2	1.7
Family Distribution by Income Level	28,435	24.7	14.7	19.1	41.5	0.0
Household Distribution by Income Level	44,783	26.8	13.5	18.3	41.4	0.0
Median Family Income MSA - 10500 Albany, GA MSA		\$56,166	Median Housing Value			\$113,098
			Median Gross Rent			\$774
			Families Below Poverty Level			18.5%

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.

According to the Standard Industrial Classification System, the services industry represents the largest percentage of businesses at 32.2 percent, followed by non-classifiable establishments at 28.3 percent and retail trade at 11.0 percent. According to the Georgia Department of Labor, top employers throughout the assessment area include Albany State University; MillerCoors, LLC; Phoebe Putney Memorial Hospital, Inc.; The Procter & Gamble Paper Products; and the Georgia Department of Corrections.

The FFIEC’s estimated median family income levels were used to analyze home mortgage loans for the *Borrower Profile* criterion. The low-, moderate-, middle-, and upper-income ranges and categories are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2020 (\$51,100)	<\$25,550	\$25,550 to <\$40,880	\$40,880 to <\$61,320	≥\$61,320
2021 (\$53,200)	<\$26,600	\$26,600 to <\$42,560	\$42,560 to <\$63,840	≥\$63,840
2022 (\$57,500)	<\$28,750	\$28,750 to <\$46,000	\$46,000 to <\$69,000	≥\$69,000

Source: FFIEC

The unemployment rates for all counties significantly increased in 2020 largely due to COVID-19 pandemic-related job losses. However, unemployment rates decreased for all counties in 2021 and 2022. Dougherty County maintained an unemployment rate above both state and national averages.

Lee County maintained an unemployment rate below both state and national averages. The following table reflects the average annual unemployment rates and trends for the assessment area counties, state, and nation.

Unemployment Rates			
Area	2020	2021	2022
	%	%	%
Dougherty	8.6	6.3	4.3
Lee	4.5	3.1	2.9
Georgia	6.5	3.9	3.0
National Average	8.1	5.3	3.6

*Source: Bureau of Labor Statistics*

### **Competition**

There is a high level of competition within the assessment area. According to the FDIC’s June 30, 2023, *Deposit Market Share Report*, there are 12 FDIC-insured financial institutions operating 25 offices within the assessment area. Of these institutions, FSBB ranked 10<sup>th</sup>, with a 2.5 percent deposit market share. The top five financial institutions accounted for 68.0 percent of the deposit market share.

There is a high level of competition for home mortgage loans within the assessment area. In 2022, aggregate data reflects 211 lenders reported 2,604 residential mortgage loans for \$518.0 million. FSBB ranked 22<sup>nd</sup> with a 1.2 percent of total market share, by number of loans. The top five lenders (by number of home mortgage loans) accounted for 30.8 percent of the total market share.

There is a high level of competition for small business and small farm loans within the assessment area. For small business loans, 2021 aggregate data reflects 75 lenders reported 2,560 small business loans for \$101.5 million. The top five lenders (by number of small business loans) accounted for 41.8 percent of the total market share. For small farm loans, 2021 aggregate data reflects 14 lenders reported 43 small farm loans for \$2.4 million. The top five lenders (by number of small farm loans) accounted for 69.8 percent of the total market share.

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

Considering demographic and economic data, examiners determined that small business loans represent a primary credit need and opportunity within the assessment area. The significant percentage of businesses with gross annual revenues of \$1.0 million or less (88.9 percent) and the large number of businesses with four or fewer employees support the conclusion that there is a need for small business lending. In addition, affordable housing represents a credit and community development need, as 18.5 percent of families are below the poverty level and 39.4 percent of families are low- and moderate-income.



## CONCLUSIONS ON PERFORMANCE CRITERIA IN THE ALBANY MSA ASSESSMENT AREA

### LENDING TEST

FSBB demonstrated satisfactory performance under the Lending Test in the Albany MSA assessment area. FSBB’s overall reasonable geographic distribution and borrower profile performance supports this conclusion. Only loans originated within the assessment area were included in the analysis.

#### Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. Reasonable home mortgage and small business lending performance supports this conclusion.

#### *Home Mortgage Loans*

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. FSBB’s home mortgage lending in low-income census tracts was above, both, demographics and aggregate lending performance. Home mortgage lending in moderate-income census tracts was below demographics, but comparable to aggregate lending performance. The following table reflects the distribution of home mortgage loans within the assessment area.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	5.1	2.3	3	10.0	29	1.9
Moderate	8.2	3.5	1	3.3	25	1.6
Middle	35.9	36.0	16	53.3	810	53.0
Upper	46.7	55.9	9	30.0	631	41.3
Not Available	4.0	2.3	1	3.4	33	2.2
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>30</b>	<b>100.0</b>	<b>1,528</b>	<b>100.0</b>
<small>Source: 2020 U.S. Census; Bank Data, 2022 HMDA Aggregate Data Due to rounding, totals may not equal 100.0%.</small>						

#### *Small Business Loans*

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. Lending performance in low- and moderate-income census tracts was above demographics. The following table reflects the distribution of small business loans within the assessment area.

<b>Geographic Distribution of Small Business Loans</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	14.9	7	17.9	1,188	30.4
Moderate	8.5	4	10.3	354	9.1
Middle	35.4	8	20.5	718	18.4
Upper	37.0	13	33.3	1,144	29.3
Not Available	4.1	7	17.9	500	12.8
<b>Totals</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>3,904</b>	<b>100.0</b>
<i>Source: 2022 D&amp;B Data</i>					

### *Small Farm Loans*

During the review period, FSBB originated a total of three small farm loans totaling approximately \$75,000 in the assessment area. One loan was originated in a middle-income census tract and two loans in an upper-income census tract. Given that few loans were originated in this assessment area, meaningful conclusions could not be formed.

### **Borrower Profile**

The distribution of loans to borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different sizes. Reasonable home mortgage and small business lending performance supports this conclusion.

### *Home Mortgage Loans*

The distribution of home mortgage loans is considered reasonable among individuals of different income levels. Home mortgage lending to low-income borrowers exceeds aggregate lending performance, but is significantly below demographics. Aggregate data indicates very limited lending opportunities to low-income borrowers, as 75.0 percent of low-income families live below the poverty level and these families would generally face difficulty qualifying for typical home mortgage financing. Home mortgage lending to moderate-income individuals is significantly below demographics and aggregate lending performance. However, this level of lending is mitigated when considering that the median housing value of \$113,090 is 2.5 times higher than moderate-income borrowers' income of \$46,000 or less and the level of competition within this assessment area. The following table reflects the penetration of home mortgage loans, by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	24.7	2.8	1	3.3	16	1.0
Moderate	14.7	9.9	1	3.3	5	0.3
Middle	19.1	16.6	3	10.0	127	8.3
Upper	41.5	44.2	9	30.0	422	27.6
Note Available	0.0	26.5	16	53.4	958	62.8
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>30</b>	<b>100.0</b>	<b>1,528</b>	<b>100.0</b>

*Source: 2020 U.S. Census; Bank Data, 2022 HMDA Aggregate Data*

### *Small Business Loans*

The distribution of small business loans reflects reasonable penetration among businesses of different sizes. Lending to businesses with gross annual revenues of \$1.0 million or less is comparable to demographics. The following table reflects the penetration of small business loans, by businesses of different sizes.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤ \$1,000,000	88.9	19	82.6	2,192	75.6
> \$1,000,000	2.6	2	8.7	414	14.3
Revenue Not Available	8.5	2	8.7	292	10.1
<b>Total</b>	<b>100.0</b>	<b>23</b>	<b>100.0</b>	<b>2,898</b>	<b>100.0</b>

*Source: 2022 D&B Data, Bank Data*

### *Small Farm Loans*

During the review period, FSBB originated a total of three small farm loans totaling approximately \$75,000 in the assessment area. All three loans were originated to farms operating with gross annual revenues of \$1.0 million or less. Given that few loans were originated in this assessment area, meaningful conclusions could not be formed.

## **COMMUNITY DEVELOPMENT TEST**

FSBB demonstrated adequate responsiveness to the community development needs of the Albany MSA assessment area 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 the assessment area.

## **Community Development Loans**

The bank originated 12 community development loans totaling \$2.2 million in the Albany MSA assessment area, which is a decrease by number and dollar amount when compared to the prior evaluation. This level of lending represents 12.8 percent by number and 12.1 percent by dollar of bank-wide community development loans. Below are examples of community development loans.

- In 2022, the bank originated a \$530,400 loan for the purchase and renovations of a hotel located in a low-income census tract to help improve the economy by creating job opportunities for low- and moderate-income individuals.
- In 2021, the bank financed two loans totaling \$75,600 for job retention and creation for a small business that employs individuals from low- and moderate-income areas.
- In 2020, the bank refinanced an \$185,800 loan for a multi-family apartment complex that provides affordable housing to low- and moderate-income individuals via rents below fair market rates.

## **Qualified Investments**

FSBB provided five qualified investments, including donations, totaling \$268,300 in the Albany MSA assessment area, which is a decrease by number and dollar amount when compared to the prior evaluation. This level of investments represents 3.1 percent by number and 18.6 percent by dollar volume of bank-wide qualified investments. One prior period investment bond that accounted for the majority of the qualified investments in this assessment area was made totaling \$267,747 for infrastructure improvements in the county's water system and school district to help with revitalization/stabilization of the county. Four donations totaling \$544 were extended to provide services to children in need.

## **Community Development Services**

FSBB provided eight community development services in the Albany MSA assessment area, which was an increase from the prior evaluation. This level of lending represents 17.4 percent of total instances of community development service. Below are examples of community development services.

- From 2020 to 2023, a bank president served on the Board of a community service organization that provides meals to low-income primary and elementary school children who qualify for the federal Free and Reduced-Price Meal Program.
- From 2020 to 2023, a bank president served as Treasurer on the Board of the county's Chamber of Commerce. The organization's mission is to focus on entrepreneurial and small businesses, while also providing funding to various charitable organizations that support the needs of low and moderate-income individuals and small businesses.

## 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.