

**The Citizens Bank**

**COMMUNITY  
REINVESTMENT ACT**

**PUBLIC FILE**

**THE CITIZENS BANK  
OLANTA, SOUTH CAROLINA**

**COMMUNITY REINVESTMENT ACT  
PUBLIC FILE**

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THE CITIZENS BANK  
OLANTA, SOUTH CAROLINA

COMMUNITY REINVESTMENT ACT NOTICE  
(Main Office 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, Division of Supervision and Consumer Protection (DSC), Federal Deposit Insurance Corporation, 10 Tenth Street, NE, Suite 800, Atlanta, GA 30309-3906. You may send written comments about our performance in helping to meet community credit needs to Glenn D. Buddin Jr., Chief Compliance Officer, The Citizens Bank, 11 Willow Grove Road, Lynchburg, SC 29080 and the 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 Citizens Bancshares Corporation, a bank holding company. You may request from the Department of Bank Holding Company Applications, Federal Reserve Bank of Richmond, P. O. Box 27622, Richmond, VA 23261, an announcement of applications covered by the CRA filed by bank holding companies.

# THE CITIZENS BANK

## 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. You may review today the public section of our most recent CRA evaluation, prepared by the FDIC, and a list of services provided at this branch. You may also have access to the following additional information, which we will make available to you at this branch within five calendar days after you make a request to us: (1) a map showing the assessment area containing this branch, which is the area in which the FDIC evaluates our CRA performance in this community; (2) information about our branches in this assessment area; (3) a list of services we provide at those locations; (4) data on our lending performance in this assessment area; and (5) copies of all written comments received by us that specifically relate to our CRA performance in this assessment area, and any responses we have made to those comments. If we are operating under an approved strategic plan, you may also have access to a copy of the plan. If you would like to review information about our CRA performance in other communities served by us, the public file for our entire bank is available at The Citizens Bank, located at 124 E. Main Street, Olanta, South Carolina, 29114.

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 for the next two quarters. This list is available from the Regional Director, FDIC (address). You may send written comments about our performance in helping to meet community credit needs to Mr. Glenn D. Buddin Jr., Chief Compliance Officer, The Citizens Bank, 11 Willow Grove Road, Lynchburg, SC 29080 and the FDIC Regional Director. You may also submit comments electronically through the FDIC's Website 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.

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**THE CITIZENS BANK**  
**Branch Office Locations and Hours of Operation**

**Our full-service branch locations observe the same operating hours.** Hours for our Lynchburg branch and Lexington Loan Production Office are different, as noted below. **All branches in Horry County close at 5pm on Fridays, i.e. Myrtle Beach Locations as indicated with \*\*.**

**Full Service Branch** Lobby and Drive-in hours: Monday through Thursday: 8:30 a.m. to 5:00 p.m.  
 ATMs accept deposits, \*unless noted otherwise Friday: 8:30 a.m. to 5:30 p.m.

<p><b>Home Office Olanta</b>          124 East Main Street          Olanta, South Carolina 29114          Phone: 843-396-4314  <b>ATM LOCATION</b>  <i>Florence County Census Tract #24.00</i></p>	<p><b>Timmonsville</b>          4700 W. Palmetto Street          Timmonsville, South Carolina 29161          Phone: 843-346-9800  <b>ATM LOCATION</b>  <i>Florence County Census Tract #15.03</i></p>
<p><b>Turbeville</b>          1718 Main Street          Turbeville, South Carolina 29162          Phone: 843-659-2126  <b>ATM LOCATION</b>  <i>Clarendon County Census Tract #9601.00</i></p>	<p><b>Sumter</b>          1225 Alice Drive          Sumter, South Carolina 29151          Phone: 803-469-2626  <b>ATM LOCATION</b>  <i>Sumter County Census Tract #9.01</i></p>
<p><b>Lake City</b>          209 E. Main Street          Lake City, South Carolina 29560          Phone: 843-374-2058  <b>ATM LOCATION</b>  <i>Florence County Census Tract #22.02</i></p>	<p><b>Pawleys Island</b>          11022 Ocean Highway          Pawleys Island, South Carolina 29585          Phone: 843-237-5777  <b>ATM LOCATION</b>  <i>Georgetown County Census Tract #9205.09</i></p>
<p><b>Florence</b>          1600 W. Palmetto Street          Florence, South Carolina 29501          Phone: 843-656-1660  <b>ATM LOCATION</b>  <i>Florence County Census Tract #11.00</i></p>	<p><b>Florence</b>          702 Pamplico Highway          Florence, South Carolina 29505          Phone: 843-656-0115  <b>ATM LOCATION</b>  <i>Florence County Census Tract #6.00</i></p>
<p><b>Pamplico</b>          705 S. Walnut Street          Pamplico, South Carolina 29583          Phone: 843-493-2119  <b>ATM LOCATION</b>  <i>Florence County Census Tract #18.00</i></p>	<p><b>Johnsonville</b>          127 S. Georgetown Highway          Johnsonville, South Carolina 29555          Phone: 843-386-2012  <b>ATM LOCATION</b>  <i>Florence County Census Tract #19.02</i></p>
<p><b>Saint George</b>          5730 West Memorial Boulevard          Saint George, South Carolina 29477          Phone: 843-563-6141  <b>ATM LOCATION</b>  <i>Dorchester County Census Tract #102.00</i></p>	<p><b>Georgetown</b>          1510 Exchange Street          Georgetown, South Carolina 29440          Phone: 843-527-5000  <b>ATM LOCATION</b>  <i>Georgetown County Census Tract #9206.01</i></p>

(Continued on next page)

**THE CITIZENS BANK**  
**Branch Office Locations and Hours of Operation**

**Full Service Branches continued**

<p><b>Murrells Inlet</b>  3796 Hwy. 17 Bypass  Murrells Inlet, South Carolina 29576  Phone: 843-651-4420  <b>ATM LOCATION</b>  <i>Georgetown County Census Tract #9205.11</i></p>	<p><b>Hartsville</b>  206 South 5th Street  Hartsville, South Carolina 29550  Phone: 843-383-4333  <b>ATM LOCATION</b>  <i>Darlington County Census Tract #0107.00</i></p>
<p><b>McBee</b>  7 North 7th Street  McBee, South Carolina 29101  Phone: 843-335-5051  <b>ATM LOCATION</b>  <i>Chesterfield County Census Tract #9508.00</i></p>	<p><b>Camden</b>  2220 West DeKalb Street  Camden, South Carolina 29020  Phone: 803-424-1619  <b>ATM LOCATION</b>  <i>Kershaw County Census Tract #9705.00</i></p>
<p><b>Kingstree</b>  5 N Williamsburg County Highway  Kingstree, South Carolina 29556  Phone: 843-355-4321  <b>ATM LOCATION</b>  <i>Williamsburg County Census Tract #9706.02</i></p>	<p><b>Myrtle Beach (**Close Fridays @ 5pm)</b>  273 Carolina Forest Boulevard  Myrtle Beach, South Carolina 29579  Phone: 843-903-0280  <b>ATM LOCATION (Non-Deposit Taking)*</b>  <i>Horry County Census Tract #0602.09</i></p>
<p><b>Myrtle Beach (**Close Fridays @ 5pm)</b>  610 International Drive  Myrtle Beach, South Carolina 29579  Phone: 843-903-1903  <b>ATM LOCATION</b>  <i>Horry County Census Tract #0603.10</i></p>	<p><b>Myrtle Beach (**Closes daily 1-2pm and Fridays 5pm)</b>  3600 Dorsett Drive  Myrtle Beach, South Carolina 29577  Phone: 843-293-7595  <b>ATM LOCATION</b>  <i>Horry County Census Tract #0510.00</i></p>
<p><b>North Myrtle Beach (**Close Fridays @ 5pm)</b>  1020 Highway 17 North  North Myrtle Beach, South Carolina 29582  Phone: 843-280-2265  <b>ATM LOCATION</b>  <i>Horry County Census Tract #0403.00</i></p>	<p><b>North Myrtle Beach (**Closes daily 1-2pm, Fridays 5pm)</b>  4400 Highway 17 South  North Myrtle Beach, South Carolina 29582  Phone: 843-663-5600  <b>ATM LOCATION</b>  <i>Horry County Census Tract #0405.00</i></p>

**THE CITIZENS BANK**  
**Branch Office Locations and Hours of Operation**

**Limited Service Branches observe the following hours:**

**Lynchburg**

11 Willow Grove Road  
Lynchburg, South Carolina 29080  
Phone: 803-437-2146

**DRIVE THRU ONLY**

Safe Deposit Boxes - By Appointment

Monday – Friday 8:30 - 5:00

Closed from 1:00-2:00 PM daily.

*Lee County Census Tract #9206.00*

**Loan Production Office Hours:**

**Lexington**

201-C West Main Street  
Lexington, South Carolina 29072  
Phone: 803-726-8530

Hours: By Appointment, Scheduled by Telephone

*Lexington County Census Tract #0210.29*

**The Citizens Bank  
Branch Openings/Closings**

Listed below are branches opened or closed by the bank during the current year and each of the prior two calendar years, along with street addresses, and geographies (census tracts).

**Branch Openings**

Former Sandhills Bank Branches Merged into The Citizens Bank

June 2022	International Drive	610 International Drive, Myrtle Beach, SC 29579 <i>Horry County Census Tract #0603.10</i>
	Farrow Commons	3600 Dorsett Drive, Myrtle Beach, SC 29577 <i>Horry County Census Tract #0510.00</i>
	North Myrtle Beach	1020 Highway 17 North, North Myrtle Beach, SC 29582 <i>Horry County Census Tract #0403.00</i>
	Windy Hill	4400 Highway 17 South, North Myrtle Beach, SC 29582 <i>Horry County Census Tract #0405.00</i>

**Branch Closings**

Branch closed effective May 1, 2024 (FDIC Approved Closure)

Closed 05/01/2024	Scranton	1812 Highway 52 Scranton, South Carolina 29591 <i>Florence County Census Tract #20.00</i>
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## Products and Services Offered

Aside from the ATM locations previously designated, there are no differences in the products, services, or fees offered by our branches, except for depository branches only, those providing only drive-through services, and our Loan Production office.

The Citizens Bank offers a wide array of deposit and loan products, along with other financial products and services, including those outlined below. Please see any of our Loan Officers or Branch Staff concerning specific loan and deposit product features, including any fees we may charge.

### CREDIT SERVICES

<p><b>Real Estate Mortgages (Fixed or Adjustable Rate)</b></p> <ul style="list-style-type: none"> <li>• First &amp; Second Mortgages</li> <li>• Land Loans</li> <li>• Residential Home Second Mortgages</li> <li>• Secondary Market Mortgages, including VA loans</li> <li>• Investment Properties</li> </ul>	<p><b>Consumer Loans</b></p> <ul style="list-style-type: none"> <li>• Personal</li> <li>• Home Improvement</li> <li>• Auto Loans (New and Used)</li> <li>• Other Titled Collateral</li> <li>• Unsecured</li> <li>• Overdraft Protection</li> </ul>
<p><b>Construction Loans</b></p> <ul style="list-style-type: none"> <li>• Residential Construction</li> <li>• Renovation</li> </ul>	<p><b>Home Equity Line of Credit</b></p> <ul style="list-style-type: none"> <li>• Owner Occupied – Primary Dwelling</li> </ul>
<p><b>Commercial Loans</b></p> <ul style="list-style-type: none"> <li>• Various Collateralized Loans</li> <li>• Agricultural Loans</li> <li>• Loans Guaranteed by Small Business Administration &amp; Farm Services Agency</li> </ul>	<p><b>Credit Cards</b></p> <ul style="list-style-type: none"> <li>• Provided &amp; Serviced by Third Party Provider</li> </ul>

### DEPOSIT SERVICES

<p><b>Checking Accounts</b></p> <ul style="list-style-type: none"> <li>• TCB Secure Checking</li> <li>• TCB Free Checking</li> <li>• TCB Interest Checking Account</li> <li>• TCB Advantage Account</li> <li>• TCB Select Checking</li> <li>• Small Business Checking</li> <li>• Business Analysis Checking</li> <li>• Commercial Interest Checking</li> <li>• Non-Profit Checking</li> <li>• Premier Business Checking</li> <li>• IOLTA</li> </ul>	<p><b>Savings Accounts</b></p> <ul style="list-style-type: none"> <li>• Regular Savings Account</li> <li>• Young Citizens Savings Account</li> <li>• Christmas/Vacation Savings Account</li> <li>• Certificate of Deposit</li> <li>• Individual Retirement Account</li> <li>• Premium Money Market Account</li> <li>• Business Savings</li> <li>• Business Money Market</li> </ul>
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## OTHER PRODUCTS AND SERVICES

<ul style="list-style-type: none"><li>• ATM/Visa Check Cards</li><li>• iTalk Voice Response System (Telephone Banking)</li><li>• Online Banking</li><li>• Digital, Mobile &amp; Text Banking</li><li>• Safe Deposit Boxes</li><li>• Bounce Protection</li><li>• Night Depository</li></ul>	<ul style="list-style-type: none"><li>• Cashier's Checks</li><li>• Wires</li><li>• Investment Services</li><li>• Sweep Service to Avoid Overdraft Charges</li><li>• TCB2Go (Mobile Banking and Remote Deposit Anywhere)</li><li>• Business Merchant Services</li><li>• Business Cash Management Services</li></ul>
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**Fee Schedule**  
Last Revision 03/11/2024



**FEES AND CHARGES.** The following fees and charges may be assessed against your account:

Check printing fees vary by the style of check ordered.

Foreign ATM Transaction Fee (Non-TCB ATM withdrawal fee)\* 2.00

\*A foreign ATM Transaction Fee of \$2 will be charged for each withdrawal in excess of five during the statement cycle. This fee applies to ATMs that are not owned or operated by The Citizens Bank.

Non-sufficient funds/overdraft charges\*\*

Overdraft Paid Item Fee	\$32.00
NSF Returned Item Fee	\$32.00
BP (Bounce Protection) Overdraft Paid Item Fee	\$32.00
Daily Overdraft Fee (per day beginning on the 4th consecutive day overdrawn)***	\$5.00

\*\*A non-sufficient funds item or an overdraft paid item may be created by check/draft, in-person withdrawal, ACH item or other electronic means.

\*\*\*Applies to certain business account types only.

Safe Deposit Box Rental Fees

3 x 5 Box	\$30.00
5 x 5 Box	\$40.00
3 x 10 Box	\$45.00
5 x 10 Box	\$55.00
6 x 10 Box	\$60.00
10 x 10 Box	\$90.00

ATM/Visa Check Card PIN Reminder Fee	\$2.00
ATM/Visa Check Card Replacement Fee (Lost)	\$5.00
Cashier's Checks (customers only)	\$5.00
Check Printing, depends on style of check ordered	
Collection Item Incoming and Outgoing (per item)	\$20.00
Copies of Checks (Plus Research Fee)	\$2.50
Dormant Account Fee (per month)	\$3.00
Early Account Closure Fee (within 90 days of opening)	\$15.00
Fax - Additional Pages (per page)	\$2.00
Fax - First Page	\$3.00
Garnishments/Levies/Executions	\$75.00
Night Deposit, Annual Fee	\$25.00
Notary Service (non-customers)	\$10.00
Photocopies (per copy)	\$0.50
Research/Balancing Fee (Per Hour)	\$25.00
Safe Deposit Box Drill Fee, up to	\$250.00
Safe Deposit Box Key Replacement Fee (per key)	\$30.00
Safe Deposit Box Lock Replacement	\$35.00
Statement Copies (temporary, cut-off, or reproduced)	\$5.00
Stop Payment Fee (per item)	\$32.00
Wire Transfer Fees - Domestic Incoming/Outgoing (per transfer)	\$25.00
Wire Transfer Fees - International Incoming/Outgoing (per transfer)	\$50.00
Zipper Bank Bag (Per Bag)	\$3.00

## HMDA 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. HMDA data for many other financial institutions are also available at this Web site.

For more information, visit the  
Consumer Financial Protection Bureau's website

[www.consumerfinance.gov/hmda](http://www.consumerfinance.gov/hmda)

**The Citizens Bank  
CRA Public File**

The bank's loan-to-deposit ratios (consolidated) for the four (4) quarters of the prior calendar year are as follows:

March 2023	June 2023	September 2023	December 2023
56.70	57.42	60.36	62.94

**The Citizens Bank  
CRA Public Comments**

Written consumer complaints or comments received by the Bank (if any) received during the current calendar year and within the most recent two calendar years regarding our CRA performance or credit needs of the community are included in this public file for your review, along with any responses made by the Bank.

As of January 1, 2024, The Citizens Bank has not received any such written comments.

## THE CITIZENS BANK'S CRA ASSESSMENT AREA DESCRIPTION

The CRA suggests that banks must originate a significant portion of loans within their CRA delineated area. When creating an assessment area, the bank must take into account the following guidance:

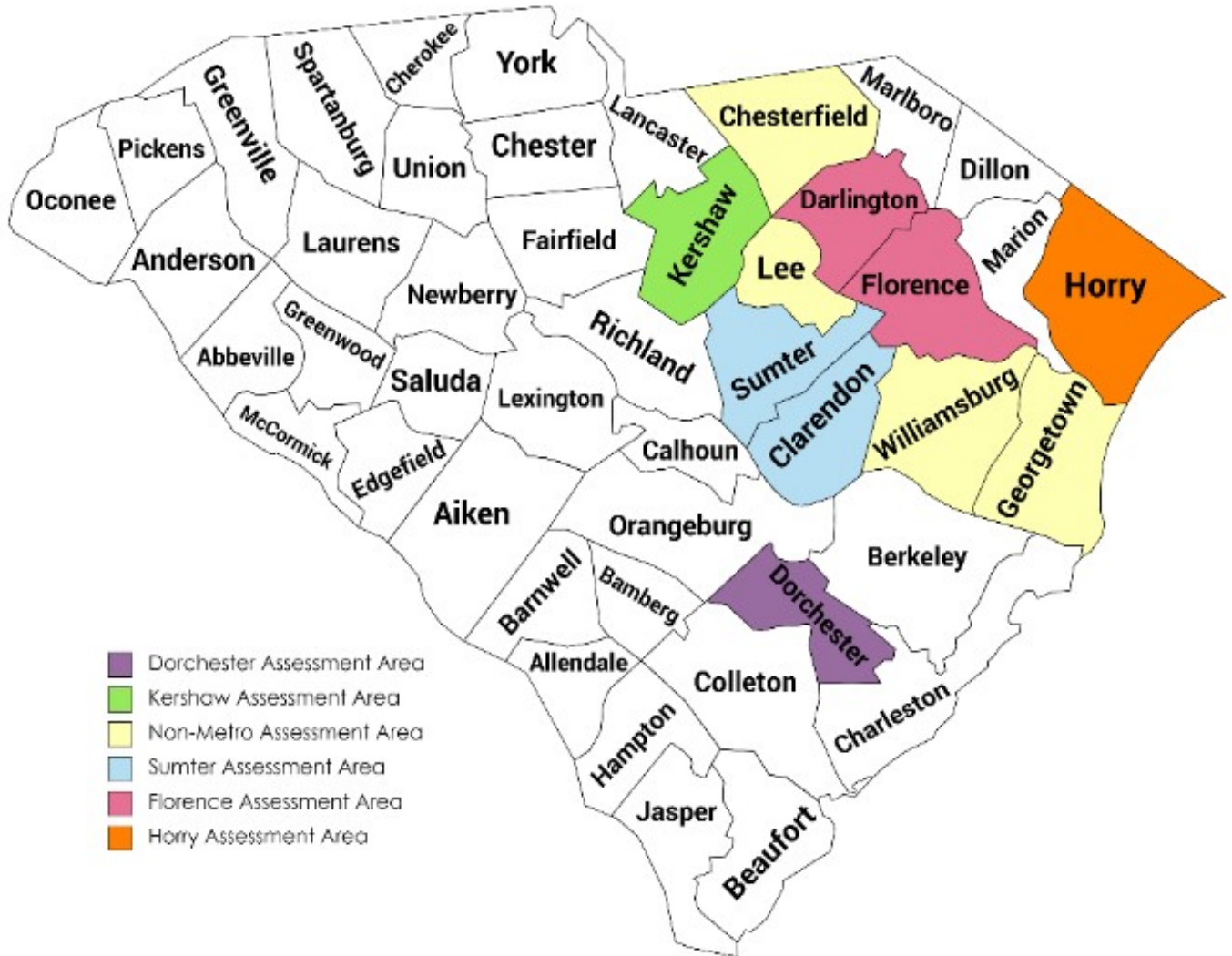
- The area must consist of one or more metropolitan statistical areas (MSAs), or one or more contiguous political subdivisions (e.g., counties, cities, or towns).
- The area must include the geographies in which the bank has its main office, branches, and automated teller machines (ATMs) at which deposits can be made. (Facilities that are available only for cash withdrawals are not considered part of a bank's assessment area.)
- The area must include surrounding geographies in which the bank has originated or purchased a substantial portion of its loans.
- The area must consist of whole geographies (i.e., whole census tracts and block numbering areas).
- The area may not reflect illegal discrimination.
- The area may not arbitrarily exclude low- or moderate-income geographies (taking into account the bank's size and financial condition).
- The area cannot extend substantially beyond a consolidated MSA (CMSA) boundary, or at all beyond a state boundary except where the area is located in a multistate MSA. In most cases, this means that the bank must delineate such outside areas as separate assessment areas.

Given these assessment area guidelines, bank management has designated the following communities as the bank's assessment area:

Map(s) of the bank's assessment areas are included in this CRA Public File.

1. Florence Assessment Area (Florence & Darlington Counties, Florence MSA)
2. Sumter Assessment Area (Sumter & Clarendon Counties, Sumter MSA)
3. Non-metro Assessment Area (Lee, Williamsburg, Georgetown and Chesterfield Counties, Non-MSA)
4. Dorchester Assessment Area (Dorchester County, part of Charleston-North Charleston MSA)
5. Kershaw Assessment Area (Kershaw County, part of Columbia MSA)
6. Horry Assessment Area (Horry County, MSA: Myrtle Beach-Conway-North Myrtle Beach, SC-NC)

# THE CITIZENS BANK CRA ASSESSMENT AREA DELINEATION (MAP)





2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 025 - CHESTERFIELD COUNTY

Tract: All Tracts



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
45	025	9501.01	Middle	Yes*	88.25	\$65,200	\$57,539	\$47,292	4815	43.86	2112	1100	2205
45	025	9501.02	Moderate	No	59.90	\$65,200	\$39,055	\$32,103	4464	51.70	2308	787	1879
45	025	9502.00	Middle	Yes*	97.29	\$65,200	\$63,433	\$52,139	4113	33.41	1374	1322	2002
45	025	9503.00	Middle	Yes*	106.95	\$65,200	\$69,731	\$57,313	2533	29.57	749	949	1405
45	025	9504.01	Middle	Yes*	106.91	\$65,200	\$69,705	\$57,292	2903	27.52	799	1030	1333
45	025	9504.02	Middle	Yes*	85.84	\$65,200	\$55,968	\$46,000	3756	34.42	1293	1362	2026
45	025	9505.01	Middle	Yes*	103.07	\$65,200	\$67,202	\$55,236	2034	55.46	1128	717	1102
45	025	9505.03	Middle	Yes*	118.58	\$65,200	\$77,314	\$63,550	2318	55.61	1289	665	1006
45	025	9505.04	Moderate	No	76.61	\$65,200	\$49,950	\$41,055	3455	44.66	1543	1113	1869
45	025	9506.01	Middle	Yes*	117.50	\$65,200	\$76,610	\$62,969	1940	50.21	974	730	1209
45	025	9506.02	Middle	Yes*	84.44	\$65,200	\$55,055	\$45,250	3285	53.85	1769	608	1634
45	025	9507.01	Upper	No	120.21	\$65,200	\$78,377	\$64,420	3454	17.63	609	920	1539
45	025	9507.02	Middle	Yes*	100.18	\$65,200	\$65,317	\$53,688	1571	26.16	411	597	841
45	025	9508.00	Middle	Yes*	110.07	\$65,200	\$71,766	\$58,986	2632	41.26	1086	827	1224

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

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 027 - CLARENDON COUNTY

Tract: All Tracts



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
45	027	9601.00	Middle	No	108.40	\$64,400	\$69,810	\$61,938	3215	27.78	893	1082	1634
45	027	9602.01	Upper	No	130.85	\$64,400	\$84,267	\$74,760	1590	42.52	676	492	818
45	027	9603.00	Middle	No	100.69	\$64,400	\$64,844	\$57,530	2041	51.59	1053	639	998
45	027	9604.00	Middle	No	98.45	\$64,400	\$63,402	\$56,250	2203	56.01	1234	831	1293
45	027	9605.00	Moderate	No	56.94	\$64,400	\$36,669	\$32,537	4553	76.72	3493	894	1708
45	027	9606.00	Middle	No	86.23	\$64,400	\$55,532	\$49,269	2640	58.45	1543	817	1350
45	027	9607.01	Upper	No	135.51	\$64,400	\$87,268	\$77,424	3486	50.52	1761	1141	1532
45	027	9607.02	Moderate	No	68.35	\$64,400	\$44,017	\$39,054	1123	29.03	326	374	789
45	027	9607.03	Middle	No	113.49	\$64,400	\$73,088	\$64,846	3473	21.80	757	1487	3141
45	027	9608.01	Middle	No	92.28	\$64,400	\$59,428	\$52,727	2954	71.67	2117	997	1780
45	027	9608.02	Middle	No	94.89	\$64,400	\$61,109	\$54,219	2851	43.46	1239	1121	2211
45	027	9800.00	Unknown	No	0.00	\$64,400	\$0	\$0	1015	73.20	743	0	0

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

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 031 - DARLINGTON COUNTY

Tract: All Tracts



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
45	031	0101.00	Moderate	No	73.88	\$73,500	\$54,302	\$43,011	2916	64.88	1892	787	1589
45	031	0102.00	Middle	No	90.51	\$73,500	\$66,525	\$52,694	5294	16.75	887	2037	2964
45	031	0103.00	Upper	No	124.42	\$73,500	\$91,449	\$72,434	4790	30.56	1464	1487	2189
45	031	0104.00	Upper	No	151.52	\$73,500	\$111,367	\$88,211	5888	20.79	1224	1906	2315
45	031	0105.00	Middle	No	102.66	\$73,500	\$75,455	\$59,764	2582	30.56	789	699	1129
45	031	0106.00	Moderate	No	74.13	\$73,500	\$54,486	\$43,158	4652	59.69	2777	950	1965
45	031	0107.00	Moderate	No	65.08	\$73,500	\$47,834	\$37,891	2222	96.40	2142	574	1066
45	031	0108.00	Middle	No	100.54	\$73,500	\$73,897	\$58,534	2678	48.81	1307	851	1390
45	031	0109.01	Middle	No	113.48	\$73,500	\$83,408	\$66,063	3856	45.05	1737	875	1729
45	031	0109.02	Moderate	No	50.64	\$73,500	\$37,220	\$29,485	3159	45.71	1444	705	1167
45	031	0110.00	Moderate	No	68.66	\$73,500	\$50,465	\$39,971	2949	44.15	1302	1102	1474
45	031	0111.00	Middle	No	101.53	\$73,500	\$74,625	\$59,107	1915	49.87	955	364	878
45	031	0112.01	Low	No	49.21	\$73,500	\$36,169	\$28,649	2031	62.83	1276	344	804
45	031	0112.02	Moderate	No	59.80	\$73,500	\$43,953	\$34,814	2159	50.30	1086	541	1062
45	031	0113.01	Middle	No	86.43	\$73,500	\$63,526	\$50,321	2581	54.17	1398	786	1376
45	031	0113.02	Middle	No	82.27	\$73,500	\$60,468	\$47,896	2275	48.62	1106	581	959
45	031	0114.00	Moderate	No	59.82	\$73,500	\$43,968	\$34,827	3808	77.73	2960	985	2059
45	031	0115.00	Middle	No	117.02	\$73,500	\$86,010	\$68,125	4091	45.49	1861	1542	2148
45	031	0116.00	Moderate	No	65.92	\$73,500	\$48,451	\$38,380	3059	48.28	1477	1076	1484

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

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 035 - DORCHESTER COUNTY

Tract: All Tracts



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
45	035	0101.00	Moderate	No	62.40	\$101,300	\$63,211	\$51,250	2527	42.66	1078	778	1198
45	035	0102.00	Low	No	47.66	\$101,300	\$48,280	\$39,141	4745	54.50	2586	1389	2265
45	035	0103.01	Moderate	No	75.94	\$101,300	\$76,927	\$62,368	2127	38.93	828	564	907
45	035	0103.02	Moderate	No	65.26	\$101,300	\$66,108	\$53,599	3433	42.15	1447	1455	1909
45	035	0104.00	Middle	No	89.58	\$101,300	\$90,745	\$73,568	6367	46.66	2971	1495	2034
45	035	0105.01	Middle	No	114.90	\$101,300	\$116,394	\$94,365	7294	32.47	2368	1844	2190
45	035	0105.03	Middle	No	112.91	\$101,300	\$114,378	\$92,730	5966	23.80	1420	1384	1750
45	035	0105.05	Middle	No	107.57	\$101,300	\$108,968	\$88,345	6635	28.56	1895	2511	2852
45	035	0105.06	Middle	No	89.16	\$101,300	\$90,319	\$73,226	2060	34.22	705	683	748
45	035	0105.07	Middle	No	91.05	\$101,300	\$92,234	\$74,776	2389	42.74	1021	572	632
45	035	0105.08	Upper	No	126.55	\$101,300	\$128,195	\$103,929	3691	34.60	1277	932	966
45	035	0106.03	Upper	No	124.63	\$101,300	\$126,250	\$102,351	8338	31.64	2638	1972	2670
45	035	0106.04	Upper	No	124.06	\$101,300	\$125,673	\$101,882	4449	32.37	1440	1641	2026
45	035	0106.06	Upper	No	131.91	\$101,300	\$133,625	\$108,333	1898	17.97	341	700	888
45	035	0106.07	Middle	No	80.12	\$101,300	\$81,162	\$65,804	5272	33.04	1742	1442	1625
45	035	0106.08	Moderate	No	79.79	\$101,300	\$80,827	\$65,526	3654	27.23	995	1066	1306
45	035	0107.00	Moderate	No	67.08	\$101,300	\$67,952	\$55,094	5738	48.38	2776	1293	2294
45	035	0108.01	Upper	No	158.45	\$101,300	\$160,510	\$130,125	6861	22.42	1538	1905	2232
45	035	0108.07	Middle	No	114.81	\$101,300	\$116,303	\$94,291	5254	27.16	1427	1670	1952
45	035	0108.08	Middle	No	95.26	\$101,300	\$96,498	\$78,235	7394	30.28	2239	1587	2367
45	035	0108.09	Middle	No	102.99	\$101,300	\$104,329	\$84,583	3663	29.13	1067	1216	1447
45	035	0108.13	Moderate	No	71.65	\$101,300	\$72,581	\$58,846	9041	39.35	3558	1620	3003
45	035	0108.14	Middle	No	108.50	\$101,300	\$109,911	\$89,107	6622	40.15	2659	1809	2248
45	035	0108.15	Moderate	No	72.27	\$101,300	\$73,210	\$59,353	2986	46.92	1401	553	850
45	035	0108.17	Middle	No	118.00	\$101,300	\$119,534	\$96,908	6773	40.29	2729	1537	1775
45	035	0108.18	Moderate	No	63.07	\$101,300	\$63,890	\$51,797	9316	70.15	6535	1661	2699

\* 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
45	035	0108.19	Upper	No	142.53	\$101,300	\$144,383	\$117,050	5009	38.87	1947	1254	1492
45	035	0108.20	Middle	No	107.99	\$101,300	\$109,394	\$88,684	7209	44.47	3206	2039	2547
45	035	0108.21	Middle	No	100.16	\$101,300	\$101,462	\$82,256	2322	36.82	855	325	541
45	035	0108.22	Upper	No	121.27	\$101,300	\$122,847	\$99,591	3866	42.99	1662	758	877
45	035	0108.23	Middle	No	84.57	\$101,300	\$85,669	\$69,454	8641	46.80	4044	1615	2057

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

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 041 - FLORENCE COUNTY

Tract: All Tracts



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
45	041	0001.01	Upper	No	207.44	\$73,500	\$152,468	\$120,764	4006	35.50	1422	1250	1441
45	041	0001.02	Upper	No	149.85	\$73,500	\$110,140	\$87,237	6020	28.92	1741	1794	2109
45	041	0002.01	Upper	No	160.18	\$73,500	\$117,732	\$93,250	2661	36.15	962	684	842
45	041	0002.02	Upper	No	137.69	\$73,500	\$101,202	\$80,159	8528	44.10	3761	2070	2626
45	041	0003.00	Middle	No	93.17	\$73,500	\$68,480	\$54,241	4278	85.27	3648	1102	1647
45	041	0004.00	Upper	No	126.55	\$73,500	\$93,014	\$73,672	4747	47.82	2270	1194	1862
45	041	0005.01	Middle	No	86.23	\$73,500	\$63,379	\$50,203	2661	54.45	1449	314	506
45	041	0005.02	Middle	No	85.58	\$73,500	\$62,901	\$49,821	3476	69.10	2402	801	1386
45	041	0006.00	Middle	No	114.35	\$73,500	\$84,047	\$66,571	4808	48.13	2314	1455	1835
45	041	0007.00	Low	No	31.01	\$73,500	\$22,792	\$18,057	2580	94.50	2438	310	1059
45	041	0008.00	Moderate	No	59.78	\$73,500	\$43,938	\$34,803	3445	98.90	3407	567	1741
45	041	0009.00	Moderate	No	60.40	\$73,500	\$44,394	\$35,164	3118	96.86	3020	365	1342
45	041	0010.00	Middle	No	84.73	\$73,500	\$62,277	\$49,327	1728	44.56	770	292	764
45	041	0011.00	Middle	No	97.75	\$73,500	\$71,846	\$56,907	4703	50.61	2380	661	1869
45	041	0012.00	Upper	No	199.10	\$73,500	\$146,339	\$115,909	3336	19.78	660	992	1567
45	041	0013.00	Upper	No	131.82	\$73,500	\$96,888	\$76,741	3792	38.84	1473	1047	1494
45	041	0014.00	Upper	No	172.82	\$73,500	\$127,023	\$100,610	8460	37.88	3205	2238	3082
45	041	0015.03	Upper	No	136.01	\$73,500	\$99,967	\$79,180	4018	46.96	1887	1147	1413
45	041	0015.04	Middle	No	113.97	\$73,500	\$83,768	\$66,348	6791	51.63	3506	1778	2402
45	041	0015.05	Upper	No	121.10	\$73,500	\$89,009	\$70,500	3612	36.77	1328	1146	1514
45	041	0015.06	Middle	No	96.62	\$73,500	\$71,016	\$56,250	1907	41.01	782	744	1075
45	041	0016.01	Middle	No	94.20	\$73,500	\$69,237	\$54,839	6600	61.79	4078	1513	2505
45	041	0016.02	Middle	No	109.98	\$73,500	\$80,835	\$64,028	4687	32.26	1512	1487	1998
45	041	0017.00	Moderate	No	58.29	\$73,500	\$42,843	\$33,938	2460	41.38	1018	819	1142
45	041	0018.00	Middle	No	87.20	\$73,500	\$64,092	\$50,769	3331	35.12	1170	959	1603
45	041	0019.01	Middle	No	89.64	\$73,500	\$65,885	\$52,188	2597	36.73	954	752	1216

\* 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
45	041	0019.02	Middle	No	89.06	\$73,500	\$65,459	\$51,850	3452	33.40	1153	743	1372
45	041	0020.00	Moderate	No	76.41	\$73,500	\$56,161	\$44,483	3479	41.39	1440	742	1601
45	041	0022.02	Middle	No	101.03	\$73,500	\$74,257	\$58,819	3226	71.30	2300	773	1633
45	041	0022.03	Moderate	No	65.40	\$73,500	\$48,069	\$38,073	3995	80.53	3217	877	1735
45	041	0022.04	Middle	No	90.15	\$73,500	\$66,260	\$52,485	997	83.85	836	386	573
45	041	0023.00	Middle	No	101.13	\$73,500	\$74,331	\$58,875	3885	24.81	964	1169	1789
45	041	0024.00	Middle	No	91.95	\$73,500	\$67,583	\$53,533	3629	35.08	1273	1018	1662
45	041	0025.00	Moderate	No	71.47	\$73,500	\$52,530	\$41,610	2713	34.68	941	777	1296
45	041	0026.00	Moderate	No	58.43	\$73,500	\$42,946	\$34,016	3333	70.72	2357	784	1663
45	041	9801.00	Unknown	No	0.00	\$73,500	\$0	\$0	0	0.00	0	0	0

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

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 043 - GEORGETOWN COUNTY

Tract: All Tracts



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
45	043	9201.00	Middle	No	94.83	\$65,200	\$61,829	\$50,819	3184	43.37	1381	1060	1685
45	043	9202.02	Middle	No	98.43	\$65,200	\$64,176	\$52,750	2100	41.52	872	516	840
45	043	9202.03	Middle	No	103.60	\$65,200	\$67,547	\$55,521	2474	20.57	509	593	1073
45	043	9202.04	Middle	No	86.91	\$65,200	\$56,665	\$46,576	2565	72.90	1870	684	1258
45	043	9203.01	Middle	No	96.28	\$65,200	\$62,775	\$51,599	4552	49.34	2246	1248	1938
45	043	9203.02	Upper	No	124.02	\$65,200	\$80,861	\$66,463	2921	27.46	802	871	1302
45	043	9204.00	Middle	No	93.83	\$65,200	\$61,177	\$50,282	2923	71.98	2104	978	1424
45	043	9205.02	Middle	No	97.81	\$65,200	\$63,772	\$52,418	4189	15.49	649	1504	2105
45	043	9205.04	Upper	No	178.89	\$65,200	\$116,636	\$95,865	5709	13.03	744	2159	2356
45	043	9205.06	Upper	No	221.40	\$65,200	\$144,353	\$118,648	3216	7.71	248	1200	1660
45	043	9205.07	Middle	No	95.80	\$65,200	\$62,462	\$51,342	3772	25.03	944	1234	1965
45	043	9205.08	Upper	No	217.48	\$65,200	\$141,797	\$116,544	3143	9.35	294	1222	2244
45	043	9205.09	Upper	No	234.16	\$65,200	\$152,672	\$125,484	1650	5.88	97	812	2571
45	043	9205.10	Upper	No	167.48	\$65,200	\$109,197	\$89,750	1935	6.82	132	548	1402
45	043	9205.11	Upper	No	172.44	\$65,200	\$112,431	\$92,411	3991	8.09	323	1546	1454
45	043	9206.01	Moderate	No	76.80	\$65,200	\$50,074	\$41,158	4128	79.17	3268	1049	1776
45	043	9206.02	Moderate	No	68.97	\$65,200	\$44,968	\$36,961	2067	57.09	1180	669	851
45	043	9207.01	Middle	No	107.84	\$65,200	\$70,312	\$57,794	1919	31.21	599	439	831
45	043	9207.02	Middle	No	109.50	\$65,200	\$71,394	\$58,679	3405	46.99	1600	677	1234
45	043	9208.00	Moderate	No	73.01	\$65,200	\$47,603	\$39,129	3561	66.16	2356	1543	1943
45	043	9901.00	Unknown	No	0.00	\$65,200	\$0	\$0	0	0.00	0	0	0

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



2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 051 - HORRY COUNTY

Tract: All Tracts



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
45	051	0101.00	Middle	No	81.56	\$79,000	\$64,432	\$53,144	2909	28.94	842	856	1449
45	051	0201.00	Moderate	No	65.01	\$79,000	\$51,358	\$42,358	2865	28.94	829	728	1353
45	051	0202.01	Low	No	49.15	\$79,000	\$38,829	\$32,028	3147	44.80	1410	791	1183
45	051	0202.02	Moderate	No	61.55	\$79,000	\$48,625	\$40,104	3160	42.91	1356	849	1625
45	051	0203.01	Middle	No	81.10	\$79,000	\$64,069	\$52,841	4367	21.34	932	1231	1775
45	051	0203.02	Middle	No	91.30	\$79,000	\$72,127	\$59,490	3231	34.94	1129	900	1379
45	051	0301.02	Middle	No	92.36	\$79,000	\$72,964	\$60,179	3837	28.33	1087	930	1259
45	051	0301.04	Moderate	No	72.94	\$79,000	\$57,623	\$47,523	5686	31.62	1798	1676	2279
45	051	0401.01	Middle	No	94.22	\$79,000	\$74,434	\$61,389	6408	21.61	1385	2285	2763
45	051	0401.02	Middle	No	107.03	\$79,000	\$84,554	\$69,737	6282	28.30	1778	2217	2949
45	051	0401.03	Middle	No	91.79	\$79,000	\$72,514	\$59,806	6927	18.42	1276	2117	2081
45	051	0401.04	Middle	No	95.23	\$79,000	\$75,232	\$62,045	3564	17.12	610	1350	1870
45	051	0401.05	Middle	No	100.84	\$79,000	\$79,664	\$65,703	2793	8.59	240	994	1095
45	051	0402.00	Middle	No	111.15	\$79,000	\$87,809	\$72,417	4425	12.41	549	1452	4133
45	051	0403.00	Middle	No	104.80	\$79,000	\$82,792	\$68,281	4997	7.68	384	1949	3892
45	051	0404.00	Upper	No	129.33	\$79,000	\$102,171	\$84,266	4346	15.21	661	1139	3141
45	051	0405.00	Upper	No	140.50	\$79,000	\$110,995	\$91,544	3803	14.86	565	1433	2930
45	051	0501.02	Upper	No	146.72	\$79,000	\$115,909	\$95,592	3748	13.47	505	1304	1195
45	051	0502.00	Upper	No	121.19	\$79,000	\$95,740	\$78,958	2006	7.78	156	965	1331
45	051	0503.03	Upper	No	159.84	\$79,000	\$126,274	\$104,141	3231	9.66	312	1296	1502
45	051	0504.01	Middle	No	88.64	\$79,000	\$70,026	\$57,756	3285	29.44	967	626	1202
45	051	0504.02	Upper	No	186.76	\$79,000	\$147,540	\$121,679	2147	10.29	221	763	842
45	051	0505.00	Moderate	No	62.12	\$79,000	\$49,075	\$40,477	4619	22.04	1018	1336	1779
45	051	0506.00	Low	No	49.38	\$79,000	\$39,010	\$32,176	5196	73.48	3818	377	1063
45	051	0507.00	Moderate	No	63.31	\$79,000	\$50,015	\$41,250	1795	53.70	964	78	800
45	051	0509.01	Moderate	No	76.00	\$79,000	\$60,040	\$49,518	2368	36.91	874	548	1088

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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
45	051	0509.02	Low	No	47.23	\$79,000	\$37,312	\$30,776	4139	60.76	2515	709	1218
45	051	0510.00	Upper	No	126.18	\$79,000	\$99,682	\$82,215	7115	14.52	1033	1945	3081
45	051	0512.01	Middle	No	111.90	\$79,000	\$88,401	\$72,910	1653	7.92	131	629	1390
45	051	0512.02	Middle	No	97.58	\$79,000	\$77,088	\$63,580	2469	7.65	189	699	2075
45	051	0513.01	Middle	No	116.39	\$79,000	\$91,948	\$75,833	1526	6.88	105	582	1970
45	051	0513.02	Upper	No	139.73	\$79,000	\$110,387	\$91,042	2770	7.36	204	1046	2482
45	051	0514.03	Upper	No	145.62	\$79,000	\$115,040	\$94,879	5386	15.41	830	2294	2604
45	051	0514.04	Middle	No	98.05	\$79,000	\$77,460	\$63,884	4109	14.41	592	1194	1476
45	051	0514.05	Middle	No	97.34	\$79,000	\$76,899	\$63,425	3693	12.21	451	1283	1653
45	051	0514.06	Middle	No	83.44	\$79,000	\$65,918	\$54,365	3311	6.98	231	1728	1649
45	051	0515.01	Middle	No	83.25	\$79,000	\$65,768	\$54,240	3894	26.14	1018	1387	1961
45	051	0515.02	Moderate	No	71.96	\$79,000	\$56,848	\$46,889	8703	27.14	2362	2012	2910
45	051	0515.03	Moderate	No	78.77	\$79,000	\$62,228	\$51,324	4305	49.71	2140	1087	1642
45	051	0516.03	Middle	No	118.75	\$79,000	\$93,813	\$77,373	6790	13.25	900	2275	2666
45	051	0516.05	Middle	No	109.64	\$79,000	\$86,616	\$71,439	7887	14.58	1150	2392	3069
45	051	0516.06	Middle	No	117.28	\$79,000	\$92,651	\$76,411	5577	22.52	1256	1862	2478
45	051	0516.07	Middle	No	111.10	\$79,000	\$87,769	\$72,386	6269	23.08	1447	1945	2162
45	051	0516.08	Upper	No	154.26	\$79,000	\$121,865	\$100,509	5915	6.90	408	2400	2928
45	051	0516.09	Middle	No	108.96	\$79,000	\$86,078	\$70,990	5974	11.83	707	2787	2857
45	051	0517.00	Middle	No	88.99	\$79,000	\$70,302	\$57,981	2035	16.12	328	603	3936
45	051	0601.01	Moderate	No	76.16	\$79,000	\$60,166	\$49,621	5537	33.57	1859	498	953
45	051	0601.02	Middle	No	85.58	\$79,000	\$67,608	\$55,761	3062	30.01	919	744	1241
45	051	0602.03	Middle	No	93.77	\$79,000	\$74,078	\$61,096	9445	21.74	2053	3052	3848
45	051	0602.04	Middle	No	86.33	\$79,000	\$68,201	\$56,250	9668	23.27	2250	2066	2775
45	051	0602.06	Middle	No	118.08	\$79,000	\$93,283	\$76,932	8668	24.72	2143	2103	2746
45	051	0602.07	Middle	No	95.07	\$79,000	\$75,105	\$61,944	7842	20.86	1636	2144	2735
45	051	0602.09	Middle	No	102.43	\$79,000	\$80,920	\$66,740	7589	24.35	1848	1832	2174
45	051	0602.10	Middle	No	96.42	\$79,000	\$76,172	\$62,821	3598	23.68	852	450	434
45	051	0602.11	Upper	No	127.13	\$79,000	\$100,433	\$82,833	2664	25.75	686	400	545

\* 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
45	051	0603.01	Moderate	No	74.92	\$79,000	\$59,187	\$48,814	4780	25.75	1231	1419	1848
45	051	0603.03	Middle	No	115.49	\$79,000	\$91,237	\$75,250	3584	8.59	308	1121	1285
45	051	0603.09	Upper	No	121.06	\$79,000	\$95,637	\$78,879	3055	17.09	522	905	969
45	051	0603.10	Middle	No	90.79	\$79,000	\$71,724	\$59,158	6273	29.91	1876	1370	2227
45	051	0604.03	Middle	No	82.12	\$79,000	\$64,875	\$53,505	3402	34.42	1171	829	1226
45	051	0604.04	Middle	No	107.12	\$79,000	\$84,625	\$69,792	2658	24.57	653	563	711
45	051	0604.05	Moderate	No	72.11	\$79,000	\$56,967	\$46,987	7690	33.28	2559	929	1785
45	051	0604.06	Middle	No	107.89	\$79,000	\$85,233	\$70,299	7005	18.26	1279	2433	2872
45	051	0701.01	Middle	No	94.65	\$79,000	\$74,774	\$61,667	4971	23.34	1160	1427	2077
45	051	0701.02	Middle	No	90.03	\$79,000	\$71,124	\$58,659	3657	22.91	838	1074	1553
45	051	0702.00	Middle	No	98.14	\$79,000	\$77,531	\$63,946	3068	25.10	770	1067	1793
45	051	0703.00	Moderate	No	74.69	\$79,000	\$59,005	\$48,667	4075	45.64	1860	971	1836
45	051	0704.00	Moderate	No	72.76	\$79,000	\$57,480	\$47,407	6193	53.58	3318	1632	2540
45	051	0705.00	Middle	No	88.69	\$79,000	\$70,065	\$57,784	3447	46.91	1617	978	1481
45	051	0706.01	Middle	No	90.57	\$79,000	\$71,550	\$59,009	4738	21.17	1003	1120	1666
45	051	0706.02	Moderate	No	70.98	\$79,000	\$56,074	\$46,250	4536	35.03	1589	1893	2434
45	051	0707.01	Middle	No	100.25	\$79,000	\$79,198	\$65,321	6589	27.21	1793	1777	2320
45	051	0707.02	Middle	No	81.54	\$79,000	\$64,417	\$53,125	5932	33.80	2005	1364	2227
45	051	0801.01	Middle	No	102.64	\$79,000	\$81,086	\$66,875	3939	15.08	594	1378	1805
45	051	0801.02	Middle	No	107.05	\$79,000	\$84,570	\$69,750	3306	15.55	514	848	1277
45	051	0802.00	Moderate	No	79.62	\$79,000	\$62,900	\$51,875	5175	13.47	697	1080	1993
45	051	9801.00	Upper	No	130.98	\$79,000	\$103,474	\$85,341	221	15.38	34	56	49
45	051	9901.00	Unknown	No	0.00	\$79,000	\$0	\$0	0	0.00	0	0	0

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

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 055 - KERSHAW COUNTY

Tract: All Tracts



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
45	055	9701.00	Moderate	No	73.77	\$83,300	\$61,450	\$53,113	2634	32.61	859	882	1333
45	055	9702.00	Middle	No	100.15	\$83,300	\$83,425	\$72,107	2928	16.22	475	967	1376
45	055	9703.00	Middle	No	98.49	\$83,300	\$82,042	\$70,909	2330	25.28	589	786	1741
45	055	9704.01	Middle	No	109.71	\$83,300	\$91,388	\$78,984	4855	21.85	1061	1662	2234
45	055	9704.02	Moderate	No	76.78	\$83,300	\$63,958	\$55,278	2988	32.53	972	857	1084
45	055	9704.03	Moderate	No	75.60	\$83,300	\$62,975	\$54,432	2204	30.13	664	722	932
45	055	9705.00	Middle	No	119.18	\$83,300	\$99,277	\$85,804	6087	38.82	2363	1714	2302
45	055	9706.01	Moderate	No	75.56	\$83,300	\$62,941	\$54,398	4689	33.87	1588	1409	2042
45	055	9706.03	Moderate	No	58.16	\$83,300	\$48,447	\$41,875	3983	41.93	1670	1152	1902
45	055	9706.04	Moderate	No	70.57	\$83,300	\$58,785	\$50,811	2730	27.99	764	772	1338
45	055	9707.00	Moderate	No	64.10	\$83,300	\$53,395	\$46,154	1612	42.43	684	504	827
45	055	9708.00	Moderate	No	68.74	\$83,300	\$57,260	\$49,495	6303	49.02	3090	1810	2634
45	055	9709.02	Middle	No	86.23	\$83,300	\$71,830	\$62,083	3060	30.16	923	1050	1422
45	055	9709.05	Upper	No	145.21	\$83,300	\$120,960	\$104,544	2913	23.89	696	1035	1125
45	055	9709.06	Middle	No	97.91	\$83,300	\$81,559	\$70,491	4025	38.78	1561	1240	1704
45	055	9709.07	Middle	No	101.88	\$83,300	\$84,866	\$73,348	4962	33.88	1681	1536	1804
45	055	9709.08	Upper	No	122.72	\$83,300	\$102,226	\$88,357	3419	32.35	1106	1152	1274
45	055	9709.09	Moderate	No	76.39	\$83,300	\$63,633	\$55,000	3681	34.39	1266	1246	1647

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

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 061 - LEE COUNTY

Tract: All Tracts



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
45	061	9201.00	Upper	No	125.37	\$65,200	\$81,741	\$67,188	1476	48.71	719	465	643
45	061	9202.01	Middle	Yes*	88.14	\$65,200	\$57,467	\$47,236	2180	43.72	953	884	1028
45	061	9202.02	Middle	Yes*	100.10	\$65,200	\$65,265	\$53,646	2126	69.33	1474	477	905
45	061	9203.01	Unknown	No	0.00	\$65,200	\$0	\$0	215	86.51	186	0	0
45	061	9203.02	Moderate	No	72.64	\$65,200	\$47,361	\$38,929	4350	80.32	3494	958	1708
45	061	9204.01	Middle	Yes*	91.50	\$65,200	\$59,658	\$49,038	2363	58.87	1391	845	1203
45	061	9204.02	Unknown	No	0.00	\$65,200	\$0	\$0	1193	43.50	519	536	725
45	061	9205.00	Middle	Yes*	106.71	\$65,200	\$69,575	\$57,188	1361	73.62	1002	507	732
45	061	9206.00	Moderate	No	60.33	\$65,200	\$39,335	\$32,333	1267	84.61	1072	311	615
45	061	9999.99	Middle	No	90.97	\$65,200	\$59,312	\$48,750	16531	65.39	10810	4983	7559

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

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 085 - SUMTER COUNTY

Tract: All Tracts



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
45	085	0001.00	Moderate	No	77.06	\$64,400	\$49,627	\$44,033	2888	78.01	2253	796	1434
45	085	0002.01	Middle	No	112.55	\$64,400	\$72,482	\$64,309	4220	51.54	2175	1213	2163
45	085	0002.02	Middle	No	100.10	\$64,400	\$64,464	\$57,196	6858	57.36	3934	2024	3125
45	085	0003.00	Middle	No	108.36	\$64,400	\$69,784	\$61,914	3744	45.14	1690	698	1538
45	085	0004.01	Upper	No	142.09	\$64,400	\$91,506	\$81,183	5856	59.29	3472	1727	2742
45	085	0004.02	Middle	No	115.73	\$64,400	\$74,530	\$66,125	2474	54.12	1339	964	1338
45	085	0005.00	Middle	No	95.53	\$64,400	\$61,521	\$54,583	1993	67.64	1348	613	990
45	085	0006.00	Upper	No	132.70	\$64,400	\$85,459	\$75,822	3542	50.20	1778	1352	1847
45	085	0007.00	Middle	No	83.60	\$64,400	\$53,838	\$47,768	4118	75.86	3124	870	1861
45	085	0008.00	Low	No	43.42	\$64,400	\$27,962	\$24,810	3808	92.91	3538	407	1144
45	085	0009.01	Moderate	No	68.52	\$64,400	\$44,127	\$39,151	4236	66.95	2836	497	1686
45	085	0009.02	Upper	No	154.64	\$64,400	\$99,588	\$88,355	4607	20.77	957	1338	1702
45	085	0011.00	Moderate	No	59.56	\$64,400	\$38,357	\$34,031	3753	77.30	2901	877	1800
45	085	0013.00	Moderate	No	50.77	\$64,400	\$32,696	\$29,009	1782	84.57	1507	209	929
45	085	0015.00	Moderate	No	62.50	\$64,400	\$40,250	\$35,714	1596	98.93	1579	241	775
45	085	0016.00	Moderate	No	70.79	\$64,400	\$45,589	\$40,449	3303	93.52	3089	791	1759
45	085	0017.01	Upper	No	162.00	\$64,400	\$104,328	\$92,560	7363	33.95	2500	1967	2253
45	085	0017.03	Middle	No	119.50	\$64,400	\$76,958	\$68,277	5379	42.46	2284	1554	1988
45	085	0017.04	Middle	No	110.95	\$64,400	\$71,452	\$63,393	5708	52.77	3012	1444	1843
45	085	0018.01	Middle	No	84.51	\$64,400	\$54,424	\$48,288	3851	44.33	1707	1104	1691
45	085	0018.03	Middle	No	84.53	\$64,400	\$54,437	\$48,300	4824	49.52	2389	873	1642
45	085	0018.04	Moderate	No	62.43	\$64,400	\$40,205	\$35,674	3562	69.40	2472	820	1711
45	085	0019.02	Middle	No	99.92	\$64,400	\$64,348	\$57,091	5305	46.15	2448	1715	2570
45	085	0019.03	Middle	No	91.20	\$64,400	\$58,733	\$52,108	4294	40.68	1747	1126	1807
45	085	0019.04	Middle	No	102.17	\$64,400	\$65,797	\$58,375	2458	35.64	876	728	1210
45	085	0020.00	Middle	No	107.60	\$64,400	\$69,294	\$61,477	4034	53.52	2159	970	1728

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

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 089 - WILLIAMSBURG COUNTY

Tract: All Tracts



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
45	089	9701.00	Middle	Yes*	96.37	\$65,200	\$62,833	\$51,648	2093	43.29	906	800	1129
45	089	9702.00	Moderate	No	73.08	\$65,200	\$47,648	\$39,167	1330	77.74	1034	394	622
45	089	9703.00	Moderate	No	79.25	\$65,200	\$51,671	\$42,469	4334	58.88	2552	1281	2509
45	089	9704.00	Moderate	No	76.52	\$65,200	\$49,891	\$41,007	2768	57.98	1605	917	1371
45	089	9705.01	Middle	Yes*	101.19	\$65,200	\$65,976	\$54,226	3258	78.21	2548	996	1667
45	089	9705.02	Middle	Yes*	89.67	\$65,200	\$58,465	\$48,053	3942	94.34	3719	1095	1898
45	089	9706.01	Upper	No	121.10	\$65,200	\$78,957	\$64,896	2500	55.40	1385	768	1244
45	089	9706.02	Middle	Yes*	100.16	\$65,200	\$65,304	\$53,676	2268	55.11	1250	480	949
45	089	9707.00	Middle	Yes*	110.55	\$65,200	\$72,079	\$59,243	2114	78.43	1658	828	1247
45	089	9708.01	Middle	Yes*	98.18	\$65,200	\$64,013	\$52,615	2562	86.34	2212	810	1329
45	089	9708.02	Unknown	No	0.00	\$65,200	\$0	\$0	1319	77.56	1023	0	0
45	089	9709.00	Middle	Yes*	102.74	\$65,200	\$66,986	\$55,061	2538	45.23	1148	822	1126

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

# **PUBLIC DISCLOSURE**

February 8, 2022

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

The Citizens Bank  
Certificate Number: 15932

124 East Main Street  
Olanta, South Carolina 29114

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

10 10th Street NE, Suite 800  
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 assessment areas' credit needs.
- The bank made a substantial majority of the loans reviewed within the assessment areas.
- The bank's geographic distribution of loans reflects an overall reasonable dispersion throughout the assessment areas.
- The bank's distribution of borrowers reflects an overall reasonable penetration of loans to businesses of different sizes and individuals of different income levels.
- The bank has not received any Community Reinvestment Act (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 demonstrated an overall adequate responsiveness to the 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 within its assessment areas.

## DESCRIPTION OF INSTITUTION

### Background

The Citizens Bank is a state-chartered, nonmember, financial institution headquartered in Olanta, Florence County, South Carolina (SC). The bank is wholly-owned by Citizens Bancshares Corporation, a one-bank holding company also located in Olanta, SC. There have been no changes in control of the bank or its business strategy, and the bank has not engaged in any merger or acquisition activity since the previous evaluation. The bank does not have any subsidiaries or lending affiliates.

The Citizens Bank received a “Satisfactory” rating at its previous FDIC CRA performance evaluation dated April 23, 2019, which was based on Interagency Intermediate Small Institution Examination Procedures.

### Operations

The Citizens Bank currently operates 18 full-service and two limited-service branch offices in SC, including the main office located in Olanta. Since the previous evaluation, the bank opened a branch office in an upper-income census tract in Myrtle Beach, Horry County, SC, on May 3, 2021. Additionally, the bank opened a commercial loan production office in a middle-income census tract, in Lexington, Lexington County, SC, on November 2, 2020. The Citizens Bank has not closed an office since the previous evaluation. However, on December 14, 2020, the bank relocated its Pawleys Island Office to a larger building across the street from the old location. The office remains in an upper-income census tract.

The Citizens Bank’s primary business focus is commercial and residential lending, which has not changed since the previous evaluation. The bank offers commercial, home mortgage, construction, consumer, home equity, agricultural, and farm loans, as well as credit cards through a third party provider. The bank provides a variety of deposit products including checking, savings, money market, retirement, and certificates of deposit accounts. Deposit-related services include safe deposit boxes, night depository, notary, cashier checks, bounce protection, sweep service to avoid overdraft charges, wire transfers, and direct deposit. Additionally, the bank offers alternative services, which include telephone banking, internet banking with bill payment, mobile banking with bill payment, business merchant, business cash management, deposit taking automated teller machines (ATMs), and access to ATMs through an interbank network. The bank also offers call-ahead curbside banking due to the 2019 Coronavirus (COVID-19) Pandemic, as well as investment services through a third-party service provider. As detailed in the following table, the majority of the census tracts, population, branches, and ATMs are located in middle-income census tracts.

Branch and ATM Distribution by Geography Income Level								
Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	#	#	%
Low	2	1.2	5,946	0.8	-	-	-	-
Moderate	40	23.8	167,694	23.3	4	20.0	3	16.7
Middle	88	52.4	387,402	53.7	12	60.0	11	61.1
Upper	33	19.6	157,212	21.8	4	20.0	4	22.2
NA	5	3.0	2,956	0.4	-	-	-	-
<b>Total</b>	<b>168</b>	<b>100.0</b>	<b>721,210</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>

*Source: 2015 ACS Data and Bank Records.*

## Ability and Capacity

As of the December 31, 2021, Consolidated Reports of Condition and Income, The Citizens Bank had total assets of \$792,021,000, total loans of \$382,342,000, total deposits of \$688,913,000, and total securities of \$95,713,000. As shown in the following table, commercial loans (loans secured by non-farm, non-residential properties and commercial and industrial loans) and loans secured by 1-4 family residential properties represent the largest portion of the loan portfolio at 37.1 percent and 37.2 percent by dollar amount, respectively.

Loan Portfolio Distribution as of 12/31/2021		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	33,502	8.8
Secured by Farmland	19,976	5.2
Secured by 1-4 Family Residential Properties	142,210	37.2
Secured by Multifamily (5 or more) Residential Properties	10,402	2.7
Secured by Nonfarm Nonresidential Properties	101,839	26.6
<b>Total Real Estate Loans</b>	<b>307,929</b>	<b>80.5</b>
Commercial and Industrial Loans	40,061	10.5
Agricultural Production and Other Loans to Farmers	2,437	0.6
Consumer Loans	31,042	8.1
Other Loans	873	0.2
<b>Total Loans</b>	<b>382,342</b>	<b>100.0</b>

*Source: Reports of Condition and Income. Due to rounding, total may not equal 100.0 percent.*

Examiners did not identify any financial or legal impediments, other than legal lending limits, that would affect the bank's ability to meet the credit needs of its assessment areas. However, the high level of poverty within each assessment area and the high to moderate level of competition from small and large financial institutions, credit unions, and non-depository mortgage lenders within the institution-wide assessment area may potentially affect the availability of loan and investment opportunities. In addition, the COVID-19 Pandemic affected lending and limited the bank's ability to provide community development services. Refer to the *Competition* discussion within each *Description of Assessment Area* section for additional details.

## DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which to evaluate its CRA performance. The Citizens Bank defined its assessment areas consistent with the technical requirements of the CRA regulation. The bank's assessment areas include whole geographies and do not arbitrarily exclude any low- or moderate-income geographies that it would reasonably be expected to serve.

The Citizens Bank has designated six assessment areas within the State of SC. Two of the assessment areas (Florence and Sumter Assessment Areas) comprise a Metropolitan Statistical Area (MSA), three (Dorchester, Kershaw, and Horry Assessment Areas) are located in a MSA, and one assessment area is located in a Non-MSA (NMSA). Since the previous evaluation, the bank added the Horry Assessment Area because of the opening of its Carolina Forest full-service branch office in Myrtle Beach, Horry County, SC, which is part of the Myrtle Beach-Conway-North Myrtle Beach, SC-North Carolina MSA. Examiners excluded the Horry Assessment Area from the Lending and Community Development Tests as there has been no lending activity. Refer to the *Description of Institution's Operations* of each assessment area section of this performance evaluation for additional details.

## SCOPE OF EVALUATION

### General Information

The evaluation covers the period from the previous evaluation dated April 23, 2019, to the current evaluation dated February 8, 2022 (evaluation period). As previously addressed, examiners used the Interagency Intermediate Small Institution Examination Procedures to evaluate The Citizens Bank's CRA performance. These procedures included the CRA Small Bank Lending Test and the Community Development Test, as described in the Appendices.

Examiners considered the percentages of lending, deposits, and the number of branch offices to determine which assessment areas received the most weight in the overall CRA performance and conclusions. The bank's performance in the Florence Assessment Area received primary weight, given a majority of the lending, deposits, and branches are in this assessment area. The bank's performance in the NMSA Assessment Area also received more weight, given the higher percentages of lending and deposit activity occurred in this assessment area compared to the Sumter, Dorchester, and Kershaw Assessment Areas. As previously noted, there has been no home mortgage or small business lending activity in the Horry Assessment Area since the bank opened its branch in May 2021. The following table details the bank's loans, deposits, and offices by assessment area.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	Loans		Deposits		Bank Offices	
	\$(000s)	%	\$(000s)	%	#	%
Florence Assessment Area	35,422	44.9	385,547	58.8	9	45.0
NMSA Assessment Area	26,343	33.4	133,434	20.4	6	30.0
Sumter Assessment Area	12,747	16.2	87,611	13.4	2	10.0
Dorchester Assessment Area	2,126	2.7	26,282	4.0	1	5.0
Kershaw Assessment Area	2,284	2.9	21,632	3.3	1	5.0
Horry Assessment Area	-	-	824	0.1	1	5.0
<b>Total</b>	<b>78,922</b>	<b>100.0</b>	<b>655,330</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>

*Source: HMDA Data, Bank Data, and FDIC Summary of Deposits as of June 30, 2021. Due to rounding, totals may not equal 100.0 percent.  
\*Includes 2019 and 2020 home mortgage and 2021 small business loans analyzed.*

Examiners conducted full-scope analyses for the Florence, NMSA, and Sumter Assessment Areas given the volume of home mortgage and small business lending activity in these areas. Since the previous two evaluations did not include a full-scope analysis for the Dorchester Assessment Area, examiners conducted a full-scope analysis of the assessment area for this evaluation. Examiners conducted limited-scope procedures for the Kershaw Assessment Area. The bank’s lending in this area is considerably less in comparison to lending in the Florence, NMSA, and Sumter Assessment Areas.

### Activities Reviewed

Examiners reviewed the bank’s home mortgage and small business loans to assess its lending performance. These loans represent the bank’s major product lines based on business strategy and the number and dollar volume of loans originated during the evaluation period. Loans secured by farmland and agriculture production do not constitute a substantial portion of the bank’s loan portfolio, or represent a major product line. Additionally, consumer loans represented 40.1 percent by number and 8.2 percent by dollar volume of the loan originated. However, of the seven consumer loan products that make up this loan category, none represents a significant volume by number of loans. As a result, loans secured by farmland and agriculture production and consumer loans were not analyze during this evaluation. The bank’s records indicate the lending focus and product mix remained consistent throughout the evaluation period.

For the Lending Test, in terms of number of originations, the bank originated more small business loans compared to home mortgage loans during the evaluation period. Therefore, in arriving at the overall CRA rating, small business loans received more weight. The following tables detail the bank’s loans originated from January 1, 2019, through December 31, 2021.

<b>Loans Originated</b>				
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>	<b>#</b>	<b>%</b>
Construction and Land Development	109,847	14.9	584	4.6
Secured by Farmland	29,518	4.0	167	1.3
Secured by 1-4 Family Residential Properties	184,136	25.0	1,443	11.5
Multi-Family (5 or more) Residential Properties	15,097	2.1	23	0.2
Commercial Real Estate Loans	151,735	20.6	408	3.2
Commercial and Industrial Loans	175,329	23.9	3,951	31.4
Agricultural Loans	7,640	1.0	47	0.4
Consumer Loans	60,218	8.2	5,035	40.0
Other Loans	1,583	0.2	924	7.3
<b>Total Loans</b>	<b>735,103</b>	<b>100.0</b>	<b>12,582</b>	<b>100.0</b>

*Source: Bank Data, January 1, 2019 through December 31, 2021. Due to rounding, totals may not equal 100.0 percent.*

Additionally, while this evaluation presents both the number and dollar volume of loans, the analyses focused on the number of loans originated rather than dollar volume since loans extended to small business entities and low- and moderate-income borrowers are generally for smaller dollar amounts. It also is a better indicator of the number of businesses and individuals served.

The Citizens Bank is subject to the Home Mortgage Disclosure Act (HMDA) and, as such, is required to collect and report certain data concerning applications for home purchase, home refinance, and home improvement loans. Therefore, this evaluation includes an analysis of the bank's home mortgage loans originated from January 1, 2019, through December 31, 2020. During this period, the bank originated 531 loans totaling \$79,936,000. For calendar years 2019 and 2020, the bank originated 277 and 254 loans totaling \$34,673,000 and \$45,263,000, respectively. In addition to the lending of other HMDA reporters (aggregate lending data) within the assessment areas, examiners used 2015 American Community Survey (ACS) demographic data (percentage of owner-occupied housing units by geography and the percentage of families by income level) for comparison purposes. Examiners only presented 2020 HMDA data in the tables within the Conclusions sections (*Geographic Distribution* and *Borrower Profile* performance criteria), as it is the most recent year for which aggregate data is available. In addition, there were no significant trends identified between 2019 through 2020 years' of home mortgage lending that materially affected examiner conclusions.

The CRA evaluation includes an analysis of small business loans, as defined in the *Glossary*. During the period from January 1, 2021, through December 31, 2021 (small business review period), the bank originated 1,612 small business loans totaling \$94,776,122. Of the 1,612 small business loans, 566 loans represent Paycheck Protection Program (PPP) loans totaling \$19,944,225. In 2020, the United States Government established the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which implemented the PPP through the Small Business Administration (SBA) to offer economic relief to small businesses adversely impacted by the COVID-19 Pandemic. The program ended May 31, 2021.

Given the amount of information not readily available to analyze the universe of small business loans for the Lending Test performance criterion, examiners selected a random sample of these loans for analysis purposes. From the universe of small business loans, examiners analyzed 257 loans totaling \$17,230,047, which included 44 PPP loans totaling \$1,691,301, to assess the bank's

performance in meeting the small business credit needs of its assessment areas. Management considered this sample to be representative of the bank's performance during the entire review period. Examiners used 2021 Dunn & Bradstreet (D&B) business demographic data for comparison purposes.

For both loan products reviewed, the *Geographic Distribution* and *Borrower Profile* discussions focus only on loans originated inside the bank's assessment areas.

For the Community Development Test, examiners reviewed information provided by management on community development loans, qualified investments, and community development services from April 23, 2019 through February 8, 2022. Qualified investments included new investments and donations, as well as prior period-qualified investments still held by the bank.

## **CONCLUSIONS ON PERFORMANCE CRITERIA**

### **LENDING TEST**

The overall Lending Test rating for this institution is Satisfactory. This rating is supported by the bank's reasonable loan-to-deposit ratio; a substantial majority of loans reviewed being made inside the institution assessment areas; an overall reasonable distribution of loans in the various geographies; and an overall reasonable penetration of loans to borrowers of different incomes and businesses of different sizes. Additionally, the bank has not received any CRA-related complaints since the previous evaluation. Refer to the separate assessment area sections for detailed discussions of the bank's Lending Test performance in each assessment area.

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

The Citizens Bank's average net loan-to-deposit (NLTD) ratio is reasonable given the bank's size, financial condition, and credit needs of the assessment areas. The bank's NLTD ratio averaged 69.8 percent over the previous 12 calendar quarters from March 31, 2019, to December 31, 2021. During this time, the bank's NLTD ratios ranged from a low of 54.8 percent on December 31, 2021, to a high of 77.7 percent on December 31, 2019. The bank's NLTD ratios have been steadily declining since the previous evaluation.

Although the bank faces a high level of competition from financial institutions operating within its assessment areas, there are no financial institutions considered similarly situated in terms of age, asset size, products offered, and/or office locations. As a result, examiners compared the bank's average NLTD ratio to its peer group, as identified in the Uniform Bank Performance Report (UBPR). The UBPR's Peer Group included insured commercial banks with total assets between \$300 million and \$1 billion. The Peer Group's average NLTD ratio, as of December 31, 2021, was 77.3 percent, which exceeded the bank's average NLTD ratio for the same period. The Peer Group's NLTD ratios ranged from a low of 66.1 percent on December 31, 2021, to a high of 83.2 percent on June 30, 2019. Refer to the following table for details.



Loan-to-Deposit Ratio Comparison			
Bank	Total Assets as of 12/31/2021		Average NLTD Ratio
	(\$000s)		(%)
The Citizens Bank	792,021		69.8
UBPR Peer Group	300 Million to 1 Billion		77.7

Source: Reports of Condition and Income, March 30, 2019 through December 31, 2021.

### Assessment Area Concentration

The Citizens Bank has made a substantial majority of its loans in the assessment areas, with a substantial majority of the home mortgage and small business loans originated in the Florence Assessment Area. The following tables detail lending inside and outside of the institution-wide assessment area and the level of home mortgage and small business lending within each assessment area.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans				Total #	Dollars Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$(000s)	%	\$(000s)	%	
Home Mortgage										
2019	245	88.4	32	11.6	277	29,685	85.6	4,988	14.4	34,673
2020	224	88.2	30	11.8	254	34,874	77.0	10,389	23.0	45,263
<b>Subtotal</b>	<b>469</b>	<b>88.3</b>	<b>62</b>	<b>11.7</b>	<b>531</b>	<b>64,559</b>	<b>80.8</b>	<b>15,377</b>	<b>19.2</b>	<b>79,936</b>
Small Business										
2021	235	91.4	22	8.6	257	14,631	84.9	2,599	15.1	17,230

Source: 2019 and 2020 HMDA Reported Data and January 1, 2021 through December 31, 2021 Small Business Bank Data.

Home Mortgage Lending Activity in Assessment Areas				
Assessment Area	#	%	\$(000s)	%
Florence Assessment Area	236	50.3	29,523	45.7
NMSA Assessment Area	107	22.8	21,688	33.6
Sumter Assessment Area	97	20.7	10,537	16.3
Dorchester Assessment Area	20	4.3	1,700	2.6
Kershaw Assessment Area	9	1.9	1,111	1.7
<b>Total Mortgage Loans</b>	<b>469</b>	<b>100.0</b>	<b>64,559</b>	<b>100.0</b>

Source: 2019 and 2020 HMDA Reported Data. Horry County Assessment Area excluded, as it was not part of the bank's institution-wide assessment area during the HMDA review period. Due to rounding, totals may not equal 100.0 percent.

Small Business Lending Activity in Assessment Areas				
Assessment Area	#	%	\$(000s)	%
Florence Assessment Area	123	52.3	5,900	40.3
NMSA Assessment Area	47	20.0	4,922	33.6
Sumter Assessment Area	43	18.3	2,210	15.1
Dorchester Assessment Area	13	5.5	426	2.9
Kershaw Assessment Area	9	3.8	1,173	8.0
<b>Total Small Business Loans</b>	<b>235</b>	<b>100.0</b>	<b>14,631</b>	<b>100.0</b>

Source: Small Business Bank Records from January 1, 2021 through December 31, 2021. Horry County Assessment Area excluded, as there was no lending during the small business review period. Due to rounding, totals may not equal 100.0 percent.

## **Geographic Distribution**

The geographic distribution of loans reflects an overall reasonable dispersion throughout the assessment areas. The bank's home mortgage and small business lending performance was consistent throughout the assessment areas, except for home mortgage lending in the Dorchester and Kershaw Assessment Areas. In arriving at a conclusion, the bank's performance in the Florence Assessment Area received more weight. Refer to the *Geographic Distribution* sections of each assessment area for further details.

## **Borrower Profile**

The distribution of loans to borrowers reflects, given the demographics of the assessment areas, an overall reasonable penetration among businesses of different sizes and individuals of different income levels, including low- and moderate-income. The bank's home mortgage and small business lending performance was consistent throughout the assessment areas. In arriving at a conclusion, the bank's performance in the Florence Assessment Area received more weight. Refer to the *Borrower Profile* sections of each assessment area for a detail analysis of the bank's performance.

## **Response to Complaints**

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

## **COMMUNITY DEVELOPMENT TEST**

The Citizens Bank's Community Development Test is rated Satisfactory. Overall, the bank has demonstrated an adequate responsiveness to the community development needs of the institution-wide assessment area and the broader statewide area through community development loans, qualified investments, and community development services. Examiners considered the bank's capacity and the need and availability of such opportunities for community development in arriving at this conclusion. A majority of the bank's community development loans, qualified investments, and community development services were in the Florence Assessment Area.

## **Community Development Loans**

During the evaluation period, the bank originated 32 community development loans totaling \$11,927,535 compared to 10 community development loans totaling \$2,531,000 at the previous evaluation. Of the 32 community development loans originated, two loans benefited multiple assessment areas within the institution-wide assessment area, and three loans benefited a broader-statewide area that included the bank's assessment areas. The loans benefiting a broader-statewide area originated prior to the addition of the Horry Assessment Area on May 3, 2021. Because the bank has been responsive to community development needs and opportunities inside its assessment areas, examiners considered lending activities outside the assessment areas in assessing the bank's performance. The bank's community development loans represent 3.1 percent of total loans and 1.5 percent of total assets, as of December 31, 2021. At the previous evaluation, the percentages were

0.7 percent of total loans and 0.5 percent of total assets. The bank’s community development lending activity significantly increased in both number and dollar volume. The bank originated the majority of its community development loans in the Florence Assessment Area, which also accounts for the majority of the bank’s loans originated and deposits received.

The bank extended the majority of the community development loans to various organizations that promoted economic development and that revitalized and stabilized low-, moderate-, or distressed middle-income geographies. Refer to the *Community Development Test* section of each assessment area for further details of the bank’s community development lending. The following tables detail the bank’s community development lending activity by assessment area, year, and purpose during the evaluation period.

<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>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>
Florence Assessment Area	-	-	-	-	1	720	8	3,242	9	3,962
NMSA Assessment Area	1	205	-	-	1	451	3	2,433	5	3,089
Sumter Assessment Area	1	550	-	-	4	711	2	350	7	1,611
Dorchester Assessment Area	-	-	-	-	-	-	3	230	3	230
Kershaw Assessment Area	-	-	2	60	-	-	1	33	3	93
Institution-Wide Assessment Area Activities(*)	-	-	-	-	2	1,200	-	-	2	1,200
<b>Total in Assessment Areas</b>	2	755	2	60	8	3,082	17	6,288	29	10,185
Broader/Statewide Activities	2	675	-	-	1	1,067	-	-	3	1,742
<b>Total</b>	<b>4</b>	<b>1,430</b>	<b>2</b>	<b>60</b>	<b>9</b>	<b>4,149</b>	<b>17</b>	<b>6,288</b>	<b>32</b>	<b>11,927</b>

*Source: Bank Data from April 23, 2019, through February 8, 2022. (\*) Represents community development loans originated inside multiple counties within the institution-wide assessment area.*

<b>Community Development Lending by Year</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>
2019	-	-	-	-	2	311	2	243	4	554
2020	4	1,430	1	20	3	1,520	6	4,335	14	7,305
2021	-	-	1	40	4	2,318	9	1,710	14	4,068
2022	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4</b>	<b>1,430</b>	<b>2</b>	<b>60</b>	<b>9</b>	<b>4,149</b>	<b>17</b>	<b>6,288</b>	<b>32</b>	<b>11,927</b>

*Source: Bank Data from April 23, 2019, through February 8, 2022. Due to rounding, totals may not equal 100.0 percent.*

Below are notable examples of community development loans benefitting a broader-statewide area, which is inclusive of the bank’s institution-wide assessment area:

- In 2020, the bank participated in a line of credit for \$600,000 extended to a business development organization that finances small businesses throughout SC, which includes the bank’s assessment areas. The organization promotes economic development by offering SBA 7(a), SBA 504, and State Small Business Credit Initiative loans. The bank renewed this

participation in 2021 for the same amount. This line of credit promoted economic development by financing a small business.

- In 2020, the bank originated two loans totaling \$880,000 to an affordable housing and community development organization to purchase two 40-unit apartment complexes for low- and moderate-income individuals and families. One apartment complex is located in a moderate-income census tract in Dillon County, SC, and the other is located in a distressed middle-income census tract in Union County, SC. Both complexes are located in areas adjacent the institution-wide assessment area.
- In 2021, the bank originated a SBA 504 loan totaling \$1,066,806 to an entity to purchase a commercial building in Charleston County, SC. This loan promotes economic development by financing a small business and benefits an area adjacent to the institution-wide assessment area.

Refer to the *Community Development Test* section of each assessment area for further details of the bank’s community development loans.

**Qualified Investments**

During the evaluation period, the bank made nine qualified investments totaling \$3,593,807, including investments in two prior period general obligation bonds totaling \$588,461, five general obligation bonds totaling \$2,669,346, and two Low Income Housing Tax Credits (LIHTC) totaling \$336,000. In addition, the bank made 16 donations totaling \$7,648.

The bank’s qualified investments and donations totaled \$3,601,455, which equates to 0.5 percent of total assets and 3.8 percent of total securities as of December 31, 2021. The level of investment activity increased significantly in terms of dollar volume, percent of total assets, and total securities compared to the last evaluation when investments totaled \$650,000 and represented 0.1 percent of total assets and 0.9 percent of total securities. The following tables detail community development qualified investments and donations by rated area, year, and purpose during the evaluation period.

<b>Community Development Qualified Investments 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>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>
Florence Assessment Area	-	-	8	693	-	-	1	451	<b>9</b>	<b>1,144</b>
NMSA Assessment Area	-	-	6	502	-	-	1	498	<b>7</b>	<b>1,000</b>
Sumter Assessment Area	-	-	1	283	-	-	2	837	<b>3</b>	<b>1,120</b>
Dorchester Assessment Area	-	-	-	-	-	-	-	-	-	-
Kershaw Assessment Area	-	-	1	1	-	-	-	-	<b>1</b>	<b>1</b>
Statewide Assessment Area Activity	-	-	3	1	-	-	2	336	<b>5</b>	<b>337</b>
<b>Total*</b>	-	-	<b>19</b>	<b>1,480</b>			<b>6</b>	<b>2,122</b>	<b>25</b>	<b>3,602</b>

*Source: Bank Records from April 23, 2019 through February 8, 2022. \*- Differences due to rounding.*

<b>Community Development Qualified Investments by Year</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>
Prior Period	-	-	1	283	-	-	1	305	2	588
2019	-	-	-	-	-	-	-	-	-	-
2020	-	-	2	1,190	-	-	3	1,151	5	2,341
2021	-	-	-	-	-	-	2	666	2	666
2022	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	<b>3</b>	<b>1,473</b>	-	-	<b>6</b>	<b>2,122</b>	<b>9</b>	<b>3,595</b>
Qualified Grants & Donations	-	-	16	7	-	-	-	-	16	8
<b>Total*</b>	-	-	<b>19</b>	<b>1,480</b>	-	-	<b>6</b>	<b>2,122</b>	<b>25</b>	<b>3,602</b>

*Source: Bank Records prior to April 23, 2019 through February 8, 2022. \* - Differences due to rounding*

Below is an example of qualified investment activity benefitting the institution-wide assessment area since the previous evaluation.

- Two LIHTC funds totaling \$336,000 purchased in 2020 and 2021 to revitalize dilapidated buildings and other community properties across the state, which includes the institution-wide assessment area.

Refer to the Community Development Test section of each assessment area for further summaries of qualified investments and donations.

**Community Development Services**

The Citizens Bank provided community development services that helped to address the community development needs within the institution-wide assessment area. The services provided meet the definition of community development and relate to the provision of financial services, as required by the CRA regulation. Several of the institution’s officers and other employees serve in various financial capacities providing financial expertise to community organizations that provide services primarily to low- and moderate-income families and individuals.

During the evaluation period, bank employees provided 60 instances of financial expertise or technical assistance to various organizations within the institution-wide assessment area. The level of community development services provided by the bank decreased since the previous evaluation when there were 88 instances of financial services provided by employees. Due to the pandemic, employee participation in community development activities was limited.

The following tables illustrate the bank’s community development services by assessment area, year, and purpose.

Community Development Services by Assessment Area					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Florence Assessment Area	-	20	6	-	26
NMSA Assessment Area	-	7	-	-	7
Sumter Assessment Area	3	12	2	-	17
Dorchester Assessment Area	-	1	-	-	1
Kershaw Assessment Area	-	-	3	-	3
State-wide Assessment Area	-	6	-	-	6
<b>Total</b>	<b>3</b>	<b>46</b>	<b>11</b>	<b>-</b>	<b>60</b>

*Source: Bank Data from April 23, 2019 through February 8, 2022.*

Community Development Services by Year					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2019	1	19	4	-	24
2020	1	12	2	-	15
2021	1	15	5	-	21
2022	-	-	-	-	-
<b>Total</b>	<b>3</b>	<b>46</b>	<b>11</b>	<b>-</b>	<b>60</b>

*Source: Bank Data from April 23, 2019 through February 8, 2022.*

Notable examples of the institution-wide community development services offered during the evaluation period include:

- Bank employee serves on the Board of Director (Board) of the Business Development Corporation (BDC) of SC. The BDC invest in small businesses by financing small business loans, which promote economic development across the state.
- The bank offers a free checking account with no minimum balance requirement and no monthly service charge fees. This account is particularly beneficial to low- and moderate-income individuals within the institution-wide assessment area.
- The bank offers a number of financial tools on its website, including savings and loan calculators, budgeting tools, and how to financial education videos. Free online banking, bill pay, bank-by-phone, and notary services are among the services available to all of the bank's checking account holders.

Refer to the *Community Development Test* section of each assessment area for further details of the bank's Community Development Services.

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

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. No evidence of discriminatory or other illegal credit practices was identified.

## FLORENCE ASSESSMENT AREA – Full-Scope Review

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

The Florence Assessment Area consists of Florence and Darlington Counties, in their entirety, which comprises the Florence, SC MSA. The following table provides a summary of the bank’s assessment area, including the number of census tracts and branches by county.

Description of Assessment Area			
Assessment Area	Counties in Assessment Area	# of Census Tracts	# of Branches
Florence Assessment Area	Florence	33	8
	Darlington	16	1
<i>Source: 2015 ACS Data and Bank Records.</i>			

The Citizens Bank operates nine of its 20 offices (45.0 percent) in the assessment area. Eight of the nine offices are full-service and one is a limited-service with only a drive-through facility. All of the full-service offices offer a drive-through and deposit-taking ATMs. This assessment area accounts for 44.9 percent of total loans and 58.8 percent of total deposits by dollar volume, when considering the assessment areas reviewed. The following table details the locations, census tracts, and income level of the census tracts for the offices in the assessment area.

The Citizens Bank Office Locations in Florence Assessment Area		
<i>Hartsville Branch (Darlington County)</i> 206 South Fifth Street Hartsville, SC 29550 Moderate-Income, CT #107.00	<i>Scranton Branch (Florence County)</i> 1812 Highway 52 Scranton, SC 29591 Moderate-Income, CT# 20.00	<i>Olanta Branch (Florence County)</i> 124 East Main Street Florence, SC 29114 Middle-Income, CT #24.00
<i>Florence Branch #1 (Florence County)</i> 702 Pamplico Highway Florence, SC 29505 Upper-Income, CT # 6.00	<i>Florence Branch #2 (Florence County)</i> 1600 West Palmetto Street Florence, SC 29501 Middle-Income, CT #11.00	<i>Johnsville Branch (Florence County)</i> 127 South Georgetown Highway, Johnsville, SC 29555 Middle-Income, CT #19.00
<i>Lake City Branch (Florence County)</i> 209 East Main Street Lake City, SC 29560 Middle-Income, CT #22.02	<i>Pamplico Branch (Florence County)</i> 705 South Walnut Street Pamplico, SC 29583 Middle-Income, CT #18.00	<i>Timmonsville Branch (Florence County)</i> 4700 West Palmetto Street Timmonsville, SC 29161 Upper-Income, CT #15.03
<i>All offices are full-services, except for the Scranton Branch.</i>		

### Economic and Demographic Data

While lending opportunities exist in all geographies, they are more widely available in middle-income census tracts based on the disbursement of the population, housing units, and businesses. Lending opportunities are limited in the assessment area because of the high percentage of families (16.4 percent) living below the poverty level. Poverty poses challenges for the bank’s home mortgage lending, as families living below the poverty level likely face difficulty in qualifying for a



home mortgage loan. The following table presents demographic information from the 2015 ACS and the 2021 D&B data.

<b>Demographic Information of the Florence Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	49	4.1	22.4	46.9	24.5	2.0
Population by Geography	206,252	2.9	20.3	49.3	27.5	-
Housing Units by Geography	89,255	3.3	21.0	48.1	27.6	-
Owner-Occupied Units by Geography	52,231	1.3	16.5	51.9	30.3	-
Occupied Rental Units by Geography	26,033	5.9	27.1	41.7	25.3	-
Vacant Units by Geography	10,991	6.3	27.9	45.6	20.2	-
Businesses by Geography	12,164	3.6	24.3	40.3	31.7	0.1
Farms by Geography	375	0.3	15.2	57.9	26.7	-
Family Distribution by Income Level	53,667	23.5	16.2	19.9	40.4	-
Household Distribution by Income Level	78,264	25.8	15.6	16.4	42.2	-
Median Family Income: Florence, SC MSA		\$50,944	Median Housing Value Median Gross Rent Families Below Poverty Level			\$108,979 \$646 16.4%

*Source: 2015 ACS Data, 2021 D&B Data, and FFIEC Median Family Income. (\*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0 percent.*

Examiners used the FFIEC’s median family income (MFI) data to analyze the bank’s home mortgage lending under the *Borrower Profile* criterion. The following table reflects the MFI ranges for the low-, moderate-, middle-, and upper-income categories in the Florence, SC MSA.

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Florence, SC MSA Median Family Income</b>				
2020 (\$54,800)	<\$27,400	\$27,400 to <\$43,840	\$43,840 to <\$65,760	≥\$65,760

*Source: FFIEC.*

According to the 2021 D&B data, there were 12,164 non-farm businesses operating within the Florence Assessment Area. Gross annual revenues for these businesses are:

- 81.5 percent have \$1 million or less,
- 4.9 percent have more than \$1 million, and
- 13.6 percent have unknown revenues.

The analysis of small business loans under the *Borrower Profile* criterion compares the distribution of businesses by gross annual revenues. Service industries represent the largest portion of businesses (37.2 percent) in the assessment area, followed by retail trade (16.4 percent) and non-classifiable establishments (14.8 percent). Finance, insurance, and real estate (8.2 percent), construction (5.5 percent), and various other sectors make up the remaining percentages. In addition, 61.2 percent of the businesses in the assessment area have four or fewer employees and 86.0 percent operate from a single location.

## Employment Conditions/Major Employers

The *Bureau of Labor Statistics* indicates unemployment rates for both counties in the assessment area increased from 2019 to 2020. The unemployment rates increased due largely to COVID-19 Pandemic-induced job losses. However, unemployment rates improved in 2021. Unemployment rates were in line with or above the state and below national rates in all three years. The following table reflects the average annual unemployment rates and trends for the assessment area counties, state, and nation during the evaluation period.

Unemployment Rates			
Area	2019	2020	2021
	%	%	%
Darlington County	3.3	6.5	5.0
Florence County	2.8	5.6	4.5
South Carolina	2.8	6.2	4.5
National Average	3.7	8.1	5.4

*Source: Bureau of Labor Statistics.*

### *Florence County*

Assurant Group, McCall Farms Incorporated, Otis Elevator Company, QVC Incorporated, and the Florence County School District are included in the top employers in Florence County.

### *Darlington County*

Nucor Corporation, Sonoco Products Company, Georgia-Pacific Consumer Operations, Duke Energy Progress Incorporated, and the Darlington County School District are included in the top employers in Darlington County.

## Competition

Within the Florence Assessment Area, there is a high level of competition among financial institutions. According to the *FDIC's June 30, 2021 Summary of Deposit Market Share Report*, there were 16 financial institutions operating 56 banking offices in the assessment area. Of these institutions, The Citizens Bank ranked 5<sup>th</sup>, with 9.8 percent deposit market share. The top four financial institutions accounted for 57.1 percent deposit market share.

There is a high level of demand for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the assessment area. In 2020, 292 institutions reported 9,394 residential mortgage originations totaling \$1.5 billion in this assessment area. Of these lenders, The Citizens Bank ranked 16<sup>th</sup>, with a market share of 1.6 percent by number of loans.

The bank is not required to collect or report its small business loan data and has elected not to report such information. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, with regard to competition for small business loans, aggregate data for 2019 indicates 70 lenders reported 2,815 small business loans totaling \$100.2 million in the assessment area, demonstrating a high level of demand for this

product. The top five institutions account for 53.6 percent of the small business market share by number of loans. Peer small business data was not yet available for 2020 or 2021.

### **Community Contact**

As part of the CRA evaluation process, examiners typically contact third parties in a bank's assessment area or use recently conducted community contacts to gain additional insight regarding economic conditions and to assist in identifying the credit and community development needs. This information helps determine whether local financial institutions are responsive to these needs and helps identify what opportunities are available.

Examiners contacted a representative from an economic development organization that serves a nine county region, which includes the Florence Assessment Area. The organization's objective is to create jobs for the residents of the region by working within the existing industry base and recruiting new companies. The contact stated that the local economy took a hit from the pandemic, but is experiencing growth again. Retail businesses suffered the most, but manufacturing, logistics, and commercial construction-related businesses have shown growth over the past year. Further, the contact stated the community needs are affordable housing, small business loans, capital investments, and community re-development projects.

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

Considering information from demographic and economic data, as well as community contact information, examiners determined that small business loans and affordable housing represent primary credit needs within the assessment area. The high percentage of small businesses in the assessment area and the large number of businesses with four or fewer employees support this assessment. With so many small businesses operating in the assessment area, funding for their operations is a primary credit need. Further, when considering the percentage of low- and moderate-income families and families living below the poverty level, affordable housing represents another primary need for this assessment area. Additionally, there is a need for financial assistance and small business credit given the adverse impacts of the COVID-19 Pandemic and the expiration of the CARES Act programs.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN FLORENCE ASSESSMENT AREA**

### **LENDING TEST**

The Citizens Bank's lending performance within the Florence Assessment Area reflects reasonable performance. The bank's overall reasonable geographic distribution and borrower profile performance support this conclusion. Only loans originated within the assessment area were included for analysis purposes. Lending in the Florence Assessment Area represented 50.3 percent of the number of home mortgage and 52.3 percent of the number of small business loans analyzed during this evaluation.

**Geographic Distribution**

The bank’s geographic distribution of loans reflects an overall reasonable dispersion throughout the Florence Assessment Area. The bank’s reasonable distribution of home mortgage and small business lending performance support this conclusion.

***Home Mortgage Loans***

In 2020, the bank’s home mortgage lending in low-income census tracts exceeded aggregate lending, but was below demographics. This performance is reasonable considering the limited lending opportunities for the bank, as evidenced by the low percentage of owner occupied housing and aggregate lending. This performance also represents an improvement over the previous year when the bank did not originate any home mortgage loans in low-income census tracts.

The bank’s home mortgage lending in the moderate-income census tracts significantly exceeded both aggregate lending and demographics. The following table reflects the distribution of home mortgage loans within the Florence Assessment Area.

<b>Geographic Distribution of Home Mortgage Loans</b>						
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low						
2020	1.3	0.2	1	0.9	40	0.3
Moderate						
2020	16.5	8.8	26	22.8	2,958	19.8
Middle						
2020	51.9	42.3	57	50.0	6,912	46.2
Upper						
2020	30.3	48.7	30	26.3	5,055	33.8
<b>Totals</b>						
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>114</b>	<b>100.0</b>	<b>14,966</b>	<b>100.0</b>
<i>Source: 2015 ACS Data; 2020 HMDA Reported Data; 2020 HMDA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0 percent.</i>						

***Small Business Loans***

The bank did not originate any small business loans in low-income census tracts. The bank’s lending performance was reasonable given the limited lending opportunities in these geographies, as evidenced by the relatively low percentage of businesses operating within these census tracts. Within the moderate-income census tracts, the bank’s small business lending significantly exceeded demographics. The following table reflects the distribution of small business loans by income level of the census tract within the Florence 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						
2021	3.6	-	-	-	-	-
Moderate						
2021	24.3	51	41.5	1,875	31.8	
Middle						
2021	40.3	49	39.8	2,659	45.1	
Upper						
2021	31.7	23	18.7	1,366	23.2	
Not Available						
2021	0.1	-	-	-	-	-
<b>Totals</b>						
<b>2021</b>	<b>100.0</b>	<b>123</b>	<b>100.0</b>	<b>5,900</b>	<b>100.0</b>	
<i>Source: 2021 D&amp;B Data and January 1, 2021 through December 31, 2021 Bank Data. Due to rounding, totals may not equal 100.0 percent.</i>						

### **Borrower Profile**

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

### ***Home Mortgage Loans***

The bank's home mortgage lending to low-income borrowers exceeded aggregate lending, but was significantly below demographics. For home mortgage lending to moderate-income borrowers, the bank's performance was below aggregate lending and demographics. Examiners noted that 21.9 percent of the loans did not include income information, similar to aggregate lending (23.8 percent). Income information was not required to be reported for these loans, as they were to entities and not individuals. The following table reflects the distribution of home mortgage loans within the Florence Assessment Area.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2020	23.5	3.3	9	7.9	543	3.6
Moderate						
2020	16.2	12.6	11	9.6	503	3.4
Middle						
2020	19.9	17.9	11	9.6	1,030	6.9
Upper						
2020	40.4	42.4	58	50.9	9,578	64.0
Income Not Available						
2020	-	23.8	25	21.9	3,311	22.1
<b>Total</b>						
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>114</b>	<b>100.0</b>	<b>14,965</b>	<b>100.0</b>
<i>Source: 2015 ACS Data, 2020 HMDA Reported Data, and 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0 percent.</i>						

### Small Business Loans

Small business lending to businesses with gross annual revenues of \$1 million or less was slightly below demographics, but considered reasonable. Examiners noted the bank’s lending to businesses where revenues were unknown was slightly above demographics. These loans represent PPP loans, where revenue information was not required. The following table reflects the distribution of small business loans by revenue category in the Florence Assessment Area.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤ \$1,000,000					
2021	81.5	96	78.0	3,021	51.2
> \$1,000,000					
2021	4.9	9	7.3	2,456	41.6
<b>Subtotal</b>					
<b>2021</b>	<b>86.4</b>	<b>105</b>	<b>85.3</b>	<b>5,477</b>	<b>92.8</b>
Revenue Not Available					
2021	13.6	18	14.6	423	7.2
<b>Total</b>					
<b>2021</b>	<b>100.0</b>	<b>123</b>	<b>100.0</b>	<b>5,900</b>	<b>100.0</b>
<i>Source: 2021 D&amp;B Data and January 1, 2021 through December 31, 2021 Bank Data. Due to rounding, totals may not equal 100.0 percent.</i>					

### COMMUNITY DEVELOPMENT TEST

The Citizens Bank has demonstrated adequate responsiveness to the community development needs of the Florence Assessment Area through community development loans, qualified investments, and community development services.

**Community Development Loans**

The bank originated nine community development loans totaling \$3,962,094 within this assessment area. Total activity represents 28.1 percent by number and 33.2 percent by dollar volume of the total community development loans originated institution-wide. The bank extended the loans to businesses that promoted economic development and provided revitalization and stabilization in the moderate-income geographies in the assessment area.

Refer to the *Community Development Lending by Year Table* on page 10 for details of the bank’s community development lending activity by year and purpose during the evaluation period for this assessment area.

Below are notable examples of the community development loans originated in the Florence Assessment Area during the evaluation period:

- In 2020, the bank originated one loan totaling \$2,233,694 as part of the SBA’s PPP that promoted stabilization through the retention of 310 jobs at a hospital located in a moderate-income census tract in Florence County, SC during the COVID-19 pandemic.
- In 2019 and 2021, the bank originated three loans totaling \$855,700 to a government entity for a water treatment plant and sewer system. The entity provides essential services to residents in the Town of Olanta, which includes low- and moderate-income families in Florence County.

**Qualified Investments**

During the evaluation period, the bank purchased two municipal bonds totaling \$1.1 million and made nine donations totaling \$3,715 within this assessment area. In addition, this assessment area benefitted from investments that were funded/purchased on a statewide basis that includes the Florence Assessment Area. Refer to the institution-wide Community Development Test analysis. The table below reflects the investment and donation activity in the assessment area.

<b>Community Development Qualified Investments by Year</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>
Prior Period	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-
2020	-	-	1	689	-	-	1	451	2	1,140
2021	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	<b>1</b>	<b>689</b>	-	-	<b>1</b>	<b>451</b>	<b>2</b>	<b>1,140</b>
Qualified Grants & Donations	-	-	7	4	-	-	-	-	7	4
<b>Total*</b>	-	-	<b>8</b>	<b>693</b>	-	-	<b>1</b>	<b>451</b>	<b>9</b>	<b>1,144</b>

*Source: Bank Records prior to April 23, 2019 through February 8, 2022. \* - Differences due to rounding*

Below are details about the qualified investments and donations benefitting this assessment area during the evaluation period.

- Two municipal bonds totaling \$1,139,710, purchased in 2020 for Florence County. One bond revitalized and stabilized the area by improving water and sewage lines. The second bond improved county services; i.e. road repair, parking, building demolition in the downtown area.
- A donation totaling \$500 to a non-profit organization that provides food, clothing, and shelter to low- and moderate-income residents in Florence County.

**Community Development Services**

The Citizens Bank employees conducted 26 instances of community development services that benefited the Florence Assessment Area. This performance represents an increase since the previous evaluation when 21 community development services benefitted this assessment area. The following table details the community development services benefitting the Florence Assessment Area by year.

<b>Community Development Services by Year</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>#</b>	<b>#</b>	<b>#</b>	<b>#</b>
2019	-	7	2	-	<b>9</b>
2020	-	5	1	-	<b>6</b>
2021	-	8	3	-	<b>11</b>
2022	-	-	-	-	-
<b>Total</b>	-	<b>20</b>	<b>6</b>	-	<b>26</b>

*Source: Bank Data from April 23, 2019 through February 8, 2022.*

Examples of notable community development services provided in the Florence Assessment Area include:

- Bank employee served on the Board of the Florence County Chamber of Commerce. The chamber’s primary purpose is to promote economic development in Florence County.
- Bank employee served as the chairperson for a 501(c)(3) non-profit organization, whose primary purpose is to renovate and convert old public school buildings into facilities that are used to provide community services targeted to low- and moderate-income individuals in Florence County.
- Bank employee served as a Board member of a non-profit entity, whose purpose is to provide a soup kitchen, thrift shop, childcare, and other community services targeted to low- and moderate-income individuals in Florence County.



## NMSA ASSESSMENT AREA – Full-Scope Review

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

The NMSA Assessment Area consists of Chesterfield, Georgetown, Lee, and Williamsburg Counties, in their entirety, located in the SC NMSA. The following table provides a summary of the bank’s assessment area, including the number of census tracts and branches by county.

Description of Assessment Area			
Assessment Area	Counties in Assessment Area	# of Census Tracts	# of Branches
NMSA Assessment Area	Chesterfield	10	1
	Georgetown	15	3
	Lee	7	1
	Williamsburg	11	1
<i>Source: 2015 ACS Data and Bank Records.</i>			

The Citizens Bank operates six, of its 20 offices (30.0 percent) in the assessment area. Five of the six offices are full-service and one is limited-service with only a drive-through facility. All of the full-service offices offer drive-through facilities and deposit-taking ATMs. This assessment area accounts for 33.4 percent of total loans and 20.4 percent of total deposits by dollar volume, when considering the assessment areas reviewed. The following table details the locations, census tracts, and census tract income levels for bank offices in the assessment area.

The Citizens Bank Office Locations in NMSA Assessment Area		
<i>McBee Branch (Chesterfield County) 7 North Seventh Street McBee, SC 29101 Middle-Income, CT #9508.00</i>	<i>Murrells Inlet Branch (Georgetown Count) 3796 Highway 17 Bypass Murrells Inlet, SC 29576 Upper-Income, CT #9205.01</i>	<i>Pawleys Island Branch (Georgetown Count) 1102 Ocean Highway Pawleys Island, SC 29585 Upper-Income, CT #9205.05</i>
<i>Georgetown Branch (Georgetown Count) 1510 Exchange Street Georgetown, SC 29440 Middle-Income, CT #9206.00</i>	<i>Lynchburg Branch (Lee County) 11 Willow Grove Road Lynchburg, SC 29080 Middle-Income, CT #9206.00</i>	<i>Kingstree Branch (Williamsburg County) 5 North Williamsburg County Highway Kingstree, SC 29556 Middle-Income, CT #9706.00</i>
<i>All offices are full-services, except for the Lynchburg Branch.</i>		

### Economic and Demographic Data

While lending opportunities exists in moderate-, middle-, and upper-income geographies, opportunities are more widely available in middle-income census tracts based on the disbursement of population, housing units, and businesses. It is noted that all of the middle-income census tracts in Chesterfield (8 middle-income), Lee (5 middle-income), and Williamsburg (8 middle-income) Counties are designated as distressed because of high poverty. Lending opportunities are limited in the assessment area because of the high percentage of families (19.4 percent) living below the

poverty level. In addition, there are no low-income census tracts in the assessment area. The following table presents demographic information from the 2015 ACS and the 2021 D&B data.

<b>Demographic Information of the NMSA Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	43	-	14.0	67.4	11.6	7.0
Population by Geography	158,463	-	15.7	69.2	14.2	1.0
Housing Units by Geography	78,183	-	14.1	64.3	21.6	-
Owner-Occupied Units by Geography	44,164	-	14.4	68.1	17.5	-
Occupied Rental Units by Geography	15,694	-	17.6	67.8	14.6	-
Vacant Units by Geography	18,325	-	10.3	52.0	37.7	-
Businesses by Geography	9,259	-	11.6	58.6	29.7	-
Farms by Geography	415	-	11.6	75.4	13.0	-
Family Distribution by Income Level	41,133	23.9	15.3	19.1	41.6	-
Household Distribution by Income Level	59,858	26.2	15.5	15.4	43.0	-
Median Family Income: NMSA, SC		\$44,609	Median Housing Value Median Gross Rent Families Below Poverty Level			\$136,455 \$653 19.4%

*Source: 2015 ACS Data, 2021 D&B Data, and FFIEC Median Family Income. (\*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0 percent.*

Examiners used the FFIEC’s MFI data to analyze the bank’s home mortgage lending under the *Borrower Profile* criterion. The following table reflects the MFI ranges for the low-, moderate-, middle-, and upper-income categories in the NMSA Assessment Area.

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>SC NMSA Median Family Income</b>				
2020 (\$50,600)	<\$25,300	\$25,300 to <\$40,480	\$40,480 to <\$60,720	≥\$60,720

*Source: FFIEC.*

According to the 2021 D&B data, there were 9,529 non-farm businesses operating within the NMSA Assessment Area. Gross annual revenues for these businesses are:

- 84.0 percent have \$1 million or less,
- 4.2 percent have more than \$1 million, and
- 11.8 percent have unknown revenues.

The analysis of small business loans under the *Borrower Profile* criterion compares the distribution of businesses by gross annual revenues. Service industries represent the largest portion of businesses (38.4 percent) in the assessment area, followed by non-classifiable establishments (15.1 percent), and retail trade (14.8 percent). Transportation, communication (6.0 percent), construction (5.9 percent), and various other sectors make up the remaining percentages. In addition, 64.2 percent of the businesses in the assessment area have four or fewer employees and 88.4 percent operate from a single location.

## Employment Conditions/Major Employers

The *Bureau of Labor Statistics* indicates unemployment rates for all counties in the assessment area increased from 2019 to 2020. The unemployment rates increased due largely to COVID-19 Pandemic-induced job losses. However, unemployment rates improved in 2021. Unemployment rates were in line with or above the state and in line with or below national rates in all three years. The following table reflects the average annual unemployment rates and trends for the assessment area counties, state, and nation during the evaluation period.

Unemployment Rates			
Area	2019	2020	2021
	%	%	%
Chesterfield County	2.8	6.0	5.1
Georgetown County	3.6	7.5	5.3
Lee County	3.8	7.6	6.0
Williamsburg County	4.4	8.1	6.6
South Carolina	2.8	6.2	4.5
National Average	3.7	8.1	5.4

*Source: Bureau of Labor Statistics.*

### Major Employers

#### *Chesterfield County*

Chesterfield County School District, Crown Cork & Seal USA Incorporated, Northeastern Technical College, Schaeffler Group USA Incorporated, and Town of Cheraw are included in the top employers in Chesterfield County.

#### *Georgetown County*

International Paper, 3V Sigma USA Incorporated, Agru America Incorporated, Safe Rack Limited Liability Corporation, and Georgetown Department of Education are included in the top employers in Georgetown County.

#### *Lee County*

Lee County Department of Education, Lee County Government, Ardagh Metal Beverage United States of America Incorporated, Industrial Waste Recovery Limited Liability Company, and Sensor Enterprises Incorporated are included in the top employers in Lee County.

#### *Williamsburg County*

DSM Nutritional Products Limited Liability Company, Palmetto Synthetics Limited Liability Corporation, Nan Ya Plastics Corporation America, Tupperware, and the Williamsburg County School District are included in the top employers in Williamsburg County.

## **Competition**

Within the NMSA Assessment Area, there is a high level of competition among financial institutions. According to the *FDIC's June 30, 2021 Summary of Deposit Market Share Report*, there were 19 financial institutions operating 46 banking offices in the assessment area. Of these institutions, The Citizens Bank ranked 9<sup>th</sup>, with a 4.4 percent deposit market share. The top five financial institutions accounted for 55.4 percent of the deposit market share.

There is a high level of demand for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the assessment area. In 2020, 381 institutions reported 8,270 residential mortgage originations totaling \$1.8 billion in this assessment area. Of these lenders, The Citizens Bank ranked 29<sup>th</sup>, with a market share of 1.0 percent by number of loans.

The bank is not required to collect or report its small business loan data and has elected not to report such information. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, with regard to competition for small business loans, aggregate data for 2019 indicates 68 lenders reported 2,171 small business loans totaling \$82.8 million in the assessment area, demonstrating a high level of demand for this product. The top five institutions account for 48.3 percent of the small business market share by number of loans.

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

Considering information from demographic and economic data, examiners determined that affordable housing and small business loans represent primary credit needs within the assessment area. The high percentage of small businesses in the assessment area and the large number of businesses with four or fewer employees support this assessment. With so many small businesses operating in the assessment area, funding for their operations is a primary credit need. Further, when considering the percentage of low- and moderate-income families and families living below the poverty level, affordable housing represents another primary need for this assessment area. Additionally, there is a need for financial assistance and small business credit given the adverse impacts of the COVID-19 Pandemic.

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

## **LENDING TEST**

The Citizens Bank's lending performance within the NMSA Assessment Area reflects a reasonable performance. The bank's overall reasonable geographic distribution and borrower profile performance support this conclusion. Only loans originated within the assessment area were included for analysis purposes. Lending in the NMSA Assessment Area represented 22.8 percent of the number of home mortgage and 20.0 percent of the number of small business loans analyzed during this evaluation.

**Geographic Distribution**

The geographic distribution of loans reflects a reasonable dispersion throughout the NMSA Assessment Area. The bank’s reasonable distribution of home mortgage and small business lending performance support this conclusion. In addition, there are no low-income census tracts within this assessment area.

***Home Mortgage Loans***

The bank’s home mortgage lending in moderate-income census tracts exceeded aggregate lending, but was below demographics. The following table reflects the distribution of home mortgage loans within the NMSA Assessment Area.

<b>Geographic Distribution of Home Mortgage Loans</b>						
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Moderate</b>						
2020	14.4	6.0	4	7.5	646	5.2
<b>Middle</b>						
2020	68.1	40.2	24	45.3	2,722	21.7
<b>Upper</b>						
2020	17.5	53.9	25	47.2	9,165	73.1
<b>Totals</b>						
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>53</b>	<b>100.0</b>	<b>12,533</b>	<b>100.0</b>
<i>Source: 2015 ACS Data; 2020 HMDA Reported Data; 2020 HMDA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0 percent.</i>						

***Small Business Loans***

The bank’s small business lending in moderate-income census tracts was below demographics. This level of lending was reasonable given the level of competition in those census tracts. As previously addressed, there are 19 financial institutions operating 46 offices in this assessment area. In addition, 2019 aggregate lending showed that 68 lenders reported 2,171 small business loans originations totaling \$82.8 million in this assessment area, which demonstrates the high level of demand for this loan product. The following table reflects the distribution of small business loans by census tract income level within the NMSA 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>	
<b>Moderate</b>						
2020	11.6	3	6.4	63	1.3	
<b>Middle</b>						
2020	58.6	33	70.2	2,466	50.1	
<b>Upper</b>						
2020	29.7	11	23.4	2,393	48.6	
<b>Totals</b>						
<b>2020</b>	<b>100.0</b>	<b>47</b>	<b>100.0</b>	<b>4,922</b>	<b>100.0</b>	
<i>Source: 2021 D&amp;B Data and January 1, 2021 through December 31, 2021 Bank Data. Due to rounding, totals may not equal 100.0 percent.</i>						

### **Borrower Profile**

The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels and businesses of different sizes. The bank’s reasonable home mortgage and small businesses lending performance supports this conclusion.

### ***Home Mortgage Loans***

The bank did not originate any home mortgage loans to low-income borrowers. Examiners noted limited lending opportunities for the bank, as evidenced by the low percentage of aggregate lending and the high percentage of families living below the poverty level (19.4 percent).

Home mortgage lending to moderate-income borrowers was below aggregate lending, but considered acceptable performance. Examiners noted high unemployment, especially in the services industries, caused by the impact of the COVID-19 Pandemic affected lending levels in 2020. The following table reflects the distribution of home mortgage loans within the NMSA Assessment Area.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2020	23.9	1.9	-	-	-	-
Moderate						
2020	15.3	8.0	1	1.9	148	1.2
Middle						
2020	19.1	13.8	7	13.2	613	4.9
Upper						
2020	41.6	59.2	34	64.2	8,355	66.7
Income Not Available						
2020	-	17.2	11	20.8	3,416	27.3
<b>Total</b>						
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>53</b>	<b>100.0</b>	<b>12,532</b>	<b>100.0</b>
<i>Source: 2015 ACS Data, 2020 HMDA Reported Data, and 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0 percent.</i>						

### Small Business Loans

Small business lending to businesses with gross annual revenues of \$1 million or less was below demographics, but considered reasonable. Examiner noted the bank’s lending to businesses where revenues were unknown was slightly above demographics. These loans represent PPP loans where revenue information was not required. The following table reflects the distribution of small business loans by revenue category within the NMSA Assessment Area.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤ \$1,000,000					
2021	84.0	37	78.7	2,269	46.1
> \$1,000,000					
2021	4.2	4	8.5	2,249	45.7
<b>Subtotal</b>					
<b>2021</b>	<b>88.2</b>	<b>41</b>	<b>87.2</b>	<b>4,518</b>	<b>91.8</b>
Revenue Not Available					
2021	11.8	6	12.8	404	8.2
<b>Total</b>					
<b>2021</b>	<b>100.0</b>	<b>47</b>	<b>100.0</b>	<b>4,922</b>	<b>100.0</b>
<i>Source: 2021 D&amp;B Data and January 1, 2021 through December 31, 2021 Bank Data. Due to rounding, totals may not equal 100.0 percent.</i>					

### COMMUNITY DEVELOPMENT TEST

The Citizens Bank has demonstrated adequate responsiveness to the community development needs of the NMSA Assessment Area through community development loans, qualified investments, and community development services.

## **Community Development Loans**

The bank originated five community development loans totaling \$3,088,925 within this assessment area. Total activity represents 15.6 percent by number and 25.9 percent by dollar volume of the total community development loans originated institution-wide. These loans promoted affordable housing, economic development, and revitalization and stabilization in moderate- and distressed middle-income census tracts.

Refer to the *Community Development Lending by Year Table* on page 10 for details of the bank's community development lending activity by year and purpose during the evaluation period for this assessment area.

Below are notable examples of the community development loans originated in the NMSA Assessment Area during the evaluation period:

- In 2020, the bank originated one loan totaling \$1,432,675 as part of the SBA's PPP that promoted economic development through the retention of 142 jobs in a moderate-income census tract in Lee County, SC.
- In 2020, the bank originated a loan totaling \$205,000 to an affordable housing and community development organization to purchase a 40-unit apartment complex in a distressed middle-income census tract in Chesterfield County, SC. The loan promotes affordable housing for low- and moderate-income individuals and families.
- In 2021, the bank partnered with the BDC to originate one loan totaling \$451,250 to a start-up entity to purchase a commercial building located in Georgetown County, SC. The BDC is a certified development corporation that provides financing for small businesses. This loan promotes economic development.

## **Qualified Investments**

During the evaluation period, the bank purchased two municipal bonds totaling \$1.0 million and made five donations totaling \$2,160 within this assessment area. In addition, this assessment area benefitted from investments that were funded/purchased on a statewide basis that includes the NMSA Assessment Area. Refer to the institution-wide Community Development Test analysis. The table below reflects the investment and donation activity in the assessment area.



Community Development Qualified Investments by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals*	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-
2020	-	-	1	500	-	-	-	-	1	500
2021	-	-	-	-	-	-	1	498	1	498
2022	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	<b>1</b>	<b>500</b>	-	-	<b>1</b>	<b>498</b>	<b>2</b>	<b>998</b>
Qualified Grants & Donations	-	-	5	5	-	-	-	-	5	2
<b>Total*</b>	-	-	<b>6</b>	<b>502</b>	-	-	<b>1</b>	<b>498</b>	<b>7</b>	<b>1,000</b>

*Source: Bank Records prior to April 23, 2019 through February 8, 2022. \* - Differences due to rounding*

Below are notable examples of qualified investments and donations benefitting this assessment area during the evaluation period.

- One municipal bond totaling \$497,701 purchased in 2021 to improve public school facilities in Williamsburg County, where 100.0 percent of the students receive free or reduced lunches.
- One municipal bond totaling \$500,000 purchased in 2020 to improve public school facilities in Georgetown County, where the majority of the students in the county receive free or reduced lunches.
- A donation totaling \$660 to an organization that provides a soup kitchen that serves low- and moderate-income residents in Georgetown County.

### **Community Development Services**

The bank employees conducted seven instances of community development services that benefited the NMSA Assessment Area. This performance represents a decrease since the previous evaluation when 21 community development services benefitted this assessment area. However, 16 of the community development services from the previous evaluation benefitted Clarendon County. As of this evaluation Clarendon County is no longer a part of the NMSA Assessment Area, it is now a part of the Sumter Assessment Area. The following table details the community development services benefitting the NMSA Assessment Area by year.

<b>Community Development Services by Year</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>#</b>	<b>#</b>	<b>#</b>	<b>#</b>
2019	-	3	-	-	<b>3</b>
2020	-	2	-	-	<b>2</b>
2021	-	2	-	-	<b>2</b>
2022	-	-	-	-	-
<b>Total</b>	-	<b>7</b>	-	-	<b>7</b>

*Source: Bank Data from April 23, 2019 through February 8, 2022.*

Examples of notable community development services provided in the NMSA Assessment Area include:

- Bank employee served as the chairperson for a 501(c)(3) non-profit organization, which operates a food bank serving over 2,800 low- and moderate-income individuals annually, with over 450,000 pounds of food. The food bank serves residents of Georgetown and Williamsburg Counties.
- Bank employee served on the budgeting and finance committee of a non-profit organization that provides shelter, counseling, and other rehabilitation service for formerly incarcerated females. In addition to the 6 to 12-month rehabilitation program, the entity runs a Thrift Shop, and provides services that benefit residents of Georgetown County.
- Bank employee provided financial education training to students at a high school in Chesterfield County, where the majority of the students receive free or reduced lunch.

## SUMTER ASSESSMENT AREA – Full-Scope Review

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

The Sumter Assessment Area consists of Sumter and Clarendon Counties, in their entirety, which comprises the Sumter, SC MSA. The following table provides a summary of the bank’s assessment area, including the number of census tracts and branches by county.

<b>Description of Assessment Area</b>			
<b>Assessment Area</b>	<b>Counties in Assessment Area</b>	<b># of Census Tracts</b>	<b># of Branches</b>
Sumter Assessment Area	Sumter	23	1
	Clarendon	12	1
<i>Source: 2015 ACS Data and Bank Records.</i>			

The Citizens Bank operates two of its 20 offices (10.0 percent) in the assessment area. Both offices are full-service, have a drive-through facility, and deposit-taking ATMs. This assessment area accounts for 16.2 percent of total loans and 13.4 percent of total deposits by dollar volume, when considering the assessment areas reviewed. The following table details the locations, census tracts, and census tract income levels for bank offices in the assessment area.

<b>The Citizens Bank Office Locations in Sumter Assessment Area</b>	
<i>Sumter Branch</i> <i>(Sumter County)</i> 1225 Alice Drive, Sumter, SC 29150 Moderate-Income, CT #9.01	<i>Turbeville Branch</i> <i>(Clarendon County)</i> 1718 Main Street, Turbeville, SC 29162 Middle-Income, CT #9601.00

### **Economic and Demographic Data**

While lending opportunities exist in all geographies, they are more widely available in middle-income census tracts based on the disbursement of the population, housing units, and businesses. Lending opportunities are limited in the assessment area because of the high percentage of families (15.5 percent) living below the poverty level. In addition, there are no low-income census tracts in the assessment area. The following table presents demographic information from the 2015 ACS and the 2021 D&B data.

Demographic Information of the Sumter Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	35	-	25.7	51.4	20.0	2.9
Population by Geography	141,955	-	23.3	50.4	25.3	1.0
Housing Units by Geography	64,100	-	24.2	50.8	24.9	-
Owner-Occupied Units by Geography	36,114	-	16.8	53.8	29.4	-
Occupied Rental Units by Geography	17,618	-	37.9	45.2	16.9	-
Vacant Units by Geography	10,368	-	27.0	50.0	23.1	-
Businesses by Geography	8,142	-	34.2	45.0	20.8	-
Farms by Geography	361	-	18.345.0	68.4	13.3	-
Family Distribution by Income Level	36,579	21.7	19.020.8	19.2	40.1	-
Household Distribution by Income Level	53,732	24.1	16.4	18.4	41.1	-
Median Family Income: Sumter, SC MSA		\$47,323	Median Housing Value			\$102,951
			Median Gross Rent			\$730
			Families Below Poverty Level			15.5%

*Source: 2015 ACS Data, 2021 D&B Data, and FFIEC Median Family Income. (\*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0 percent.*

Examiners used the FFIEC’s MFI data to analyze the bank’s home mortgage lending under the *Borrower Profile* criterion. The following table reflects the MFI ranges for the low-, moderate-, middle-, and upper-income categories in the Sumter, SC MSA.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
<b>Sumter, SC MSA Median Family Income</b>				
2020 (\$52,000)	<\$26,000	\$26,000 to <\$41,600	\$41,600 to <\$62,400	≥\$62,400

*Source: FFIEC.*

According to the 2021 D&B data, there were 8,142 non-farm businesses operating within the Sumter Assessment Area. Gross annual revenues for these businesses are:

- 84.7 percent have \$1 million or less,
- 3.6 percent have more than \$1 million, and
- 11.7 percent have unknown revenues.

The analysis of small business loans under the *Borrower Profile* criterion compares the distribution of businesses by gross annual revenues. Service industries represent the largest portion of businesses (36.7 percent) in the assessment area, followed by non-classifiable establishments (17.4 percent), and retail trade (14.7 percent). Finance, insurance, and real estate (7.3 percent), transportation, communication (6.5 percent), and various other sectors make up the remaining percentages. In addition, 88.8 percent of the businesses in the assessment area have four or fewer employees and 87.9 percent operate from a single location.

## Employment Conditions/Major Employers

The *Bureau of Labor Statistics* indicates unemployment rates for both counties in the assessment area increased from 2019 to 2020. The unemployment rates increased due largely to COVID-19 Pandemic-induced job losses. However, unemployment rates improved in 2021. Unemployment rates were above the state and in line with or below national rates in all three years. The following table reflects the average annual unemployment rates and trends for the assessment area counties, state, and nation during the evaluation period.

Unemployment Rates			
Area	2019	2020	2021
	%	%	%
Clarendon County	3.7	6.8	5.4
Sumter County	3.2	6.8	5.1
South Carolina	2.8	6.2	4.5
National Average	3.7	8.1	5.4

*Source: Bureau of Labor Statistics.*

### *Clarendon County*

Kent International Incorporated, Trimaco Staffing Incorporated, SC Department of Corrections, Westinghouse Electric Company Limited Liability Corporation, and the Clarendon County School District are included in top employers in Clarendon County.

### *Sumter County*

Shaw Air Force Base, Pilgrim’s Pride Corporation, Prisma Health Tuomey Healthcare System, Eaton Corporation, and the Sumter School District are included in top employers in Sumter County.

## Competition

Within the Sumter Assessment Area, there is a moderately high level of competition among financial institutions. According to the *FDIC’s June 30, 2021 Summary of Deposit Market Share Report*, there were eight financial institutions operating 19 banking offices in the assessment area. Of these institutions, The Citizens Bank ranked 6<sup>th</sup>, with a 5.6 percent deposit market share. The top four financial institutions accounted for 89.2 percent deposit market share.

There is a high level of demand for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the assessment area. In 2020, 291 institutions reported 7,439 residential mortgage originations totaling \$1.2 billion in this assessment area. Of these lenders, The Citizens Bank ranked 33<sup>rd</sup>, with a market share of 0.7 percent by number of loans.

The bank is not required to collect or report its small business loan data and has elected not to report such information. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, with regard to competition for small business loans, aggregate data for 2019 indicates 57 lenders reported 1,621 small business loans totaling \$73.9 million in the assessment area, demonstrating a high level of demand for this product.

The top five institutions account for 53.6 percent of the small business market share by number of loans.

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

Considering information from demographic and economic data, examiners determined that affordable housing and small business loans represent primary credit needs within the assessment area. The high percentage of small businesses in the assessment area and the large number of businesses with four or fewer employees support this assessment. With so many small businesses operating in the assessment area, funding for their operations is a primary credit need. Further, when considering the percentage of low- and moderate-income families and families living below the poverty level, affordable housing represents another primary need for this assessment area. Additionally, there is a need for financial assistance and small business credit given the adverse impacts of the COVID-19 Pandemic.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN SUMTER ASSESSMENT AREA**

### **LENDING TEST**

The Citizens Bank's lending performance within the Sumter Assessment Area reflects reasonable performance. The bank's overall reasonable geographic distribution and borrower profile performance support this conclusion. Only loans originated within the assessment area were included for analysis purposes. Lending in the Sumter Assessment Area represented 20.7 percent of the number of home mortgage loans and 18.3 percent of the number of small business loans analyzed during this evaluation.

### **Geographic Distribution**

The geographic distribution of loans reflects an overall reasonable dispersion throughout the Sumter Assessment Area. The bank's excellent home mortgage lending and reasonable small business lending support this conclusion. As noted, the Sumter Assessment Area does not contain any low-income census tracts.

### ***Home Mortgage Loans***

The bank's home mortgage lending in the moderate-income census tracts significantly exceeded aggregate lending and slightly exceeded demographics. The following table reflects the distribution of home mortgage loans within the Sumter Assessment Area.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Moderate						
2020	16.8	6.4	8	18.6	1,374	24.6
Middle						
2020	53.8	43.9	26	60.5	2,626	46.9
Upper						
2020	29.4	49.7	9	20.9	1,596	28.5
<b>Totals</b>						
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>	<b>5,596</b>	<b>100.0</b>

*Source: 2015 ACS Data; 2020 HMDA Reported Data; 2020 HMDA Aggregate Data; "--" data not available.*

### ***Small Business Loans***

The bank’s small business lending in moderate-income census tracts was significantly below demographics. Declining economic conditions, specifically in 2020 due to the pandemic, affected the bank’s lending performance. Additionally, lending opportunities were limited given the level of competition from other financial institutions operating within the assessment area. The top five lenders account for the majority of business lending. The following table reflects the distribution of small business loans by census tract income level in the Sumter Assessment Area.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	#	%	\$(000s)	%	
Moderate						
2021	34.2	7	16.3	287	13.0	
Middle						
2021	45.0	32	74.4	1,797	81.3	
Upper						
2021	20.8	4	9.3	126	5.7	
Not Available						
2021	-	-	-	-	-	
<b>Totals</b>						
<b>2021</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>	<b>2,210</b>	<b>100.0</b>	

*Source: 2021 D&B Data and January 1, 2021 through December 31, 2021 Bank Data.*

### **Borrower Profile**

The distribution of borrowers reflects, given the demographics of the assessment area, an overall reasonable penetration among individuals of different income levels and businesses of different sizes. The bank’s reasonable home mortgage and small business lending supports this conclusion.

### ***Home Mortgage Loans***

The bank’s home mortgage lending to low-income borrowers exceeded aggregate lending, but was below demographics. As reflected in the following table, 10 or 23.3 percent of the home mortgage loan originations were to borrowers with income information not available, with the bank’s

performance being below aggregate lending (33.6 percent). Income information was not required for these loans since they were to entities for investment purposes. The following table reflects the distribution of home mortgage loans within the Sumter Assessment Area.

<b>Distribution of Home Mortgage Loans by Borrower Income Level</b>							
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>	
Low							
2020	21.7	2.2	2	4.7	50	0.9	
Moderate							
2020	19.0	10.5	2	4.7	89	1.6	
Middle							
2020	19.2	18.2	8	18.6	646	11.5	
Upper							
2020	40.1	35.5	21	48.8	3,352	59.9	
Income Not Available							
2020	-	33.6	10	23.3	1,459	26.1	
<b>Total</b>							
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>	<b>5,595</b>	<b>100.0</b>	
<i>Source: 2015 ACS Data, 2020 HMDA Reported Data, and 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0 percent.</i>							

### ***Small Business Loans***

Small business lending to businesses with gross annual revenues of \$1 million or less was below demographics, but considered acceptable performance. Examiners noted the bank’s lending to businesses where revenues were unknown exceeded demographics. These loans represent PPP loans where revenue information was not required. The following table reflects the distribution of small business loans by revenue category in the Sumter Assessment Area.

<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						
2021	84.7	32	74.4	1,554	73.0	
> \$1,000,000						
2021	3.6	4	9.3	524	20.8	
<b>Subtotal</b>						
<b>2021</b>	<b>88.3</b>	<b>36</b>	<b>83.7</b>	<b>2,078</b>	<b>93.8</b>	
Revenue Not Available						
2021	11.7	7	16.3	132	6.2	
<b>Total</b>						
<b>2021</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>	<b>2,210</b>	<b>100.0</b>	
<i>Source: 2021 D&amp;B Data and January 1, 2021 through December 31, 2021 Bank Data.</i>						

### **COMMUNITY DEVELOPMENT TEST**

The Citizens Bank has demonstrated adequate responsiveness to the community development needs of the Sumter Assessment Area through community development loans, qualified investments, and community development services.



**Community Development Loans**

The bank originated seven community development loans totaling \$1,611,230 within this assessment area. Total activity represents 21.9 percent by number and 13.5 percent by dollar volume of the total community development loans originated institution-wide. These loans promoted affordable housing, economic development, and revitalization and stabilization in moderate-income-income census tracts.

Refer to the *Community Development Lending by Year Table* on page 10 for details of the bank’s community development lending activity by year and purpose during the evaluation period for this assessment area.

Below are notable examples of the community development loans originated in the Sumter Assessment Area during the evaluation period:

- In 2019, the bank renewed a loan participation totaling \$111,230 to a BDC that provides various lending programs and leases to small businesses in Clarendon County, SC. This loan promoted economic development by financing a small business.
- In 2020, the bank refinanced a loan totaling \$550,000 that originally financed the construction of a 100-unit apartment complex. The complex is located in a moderate-income census tract in Sumter County, SC, and provides affordable housing for low- and moderate-income residents. The majority of the units rent for less than 80.0 percent of HUD’s fair market rents for the area. This loan promotes affordable housing for low- and moderate-income individuals and families.

**Qualified Investments**

During the evaluation period, the bank purchased two municipal bonds totaling \$1.1 million and within this assessment area. In addition, this assessment area benefitted from investments that were funded/purchased on a statewide basis that includes the Sumter Assessment Area. Refer to the institution-wide Community Development Test analysis. The table below reflects the investment activity in the assessment area.

<b>Community Development Qualified Investments by Year</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>
Prior Period	-	-	1	283	-	-	1	305	2	588
2019	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	1	532	1	532
2021	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	<b>1</b>	<b>283</b>	-	-	<b>2</b>	<b>837</b>	<b>3</b>	<b>1,120</b>
Qualified Grants & Donations	-	-	-	-	-	-	-	-	-	-
<b>Total*</b>	-	-	<b>1</b>	<b>283</b>	-	-	<b>2</b>	<b>837</b>	<b>3</b>	<b>1,120</b>

*Source: Bank Records prior to April 23, 2019 through February 8, 2022. \* - Differences due to rounding*

Below are examples of the qualified investments benefitting this assessment area during the evaluation period. There were no donations made during the review period in this assessment area.

- Two prior period municipal bonds to finance the cost of county improvement projects in Clarendon County, one to provide community services and one to revitalize and stabilize low- and moderate-income areas in the county. Both, originally purchased for \$305,000 in 2015 and 2016, have remaining balances of \$305,000 and \$283,461, respectively.
- One municipal bond totaling \$531,935 purchased in 2020 to improve county facilities, i.e., court house, unemployment office, and city planning buildings, in Clarendon County. The improvement of these facilities help revitalize and stabilize low- and moderate-income areas within this assessment area.

**Community Development Services**

The Citizens Bank employees conducted 17 instances of community development services that benefited the Sumter Assessment Area. This performance represents a decrease since the previous evaluation when 20 community development services benefitted this assessment area. The following table details the community development services benefitting the Sumter Assessment Area by year.

Community Development Services by Year					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2019	1	7	1	-	9
2020	1	3	-	-	4
2021	1	2	1	-	4
2022	-	-	-	-	-
<b>Total</b>	<b>3</b>	<b>12</b>	<b>2</b>	<b>-</b>	<b>17</b>

*Source: Bank Data from April 23, 2019 through February 8, 2022.*

Examples of notable services provided in the Sumter Assessment Area include:

- Bank employee served as Chairman of the Board of a non-profit agency that provides affordable housing to low- and moderate-individuals. The entity serves residents of Clarendon and Sumter Counties.
- Bank employee provided financial literacy training to parents of an entity that provides a “Head Start” program and childcare services targeting low- and moderate-income families in Sumter County.
- Bank employees provided financial education training to students at schools in Clarendon County, where the majority of the students receive free or reduced lunch.

## DORCHESTER ASSESSMENT AREA – Full-Scope Review

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

The Dorchester Assessment Area consists of Dorchester County, in its entirety, which comprises the Charleston-North Charleston, SC MSA. The following table provides a summary of the bank’s assessment area, including the number of census tracts and branches by county.

<b>Description of Assessment Area</b>			
<b>Assessment Area</b>	<b>Counties in Assessment Area</b>	<b># of Census Tracts</b>	<b># of Branches</b>
Dorchester Assessment Area	Dorchester	25	1
<i>Source: 2015 ACS Data and Bank Records.</i>			

The Citizens Bank operates one of its 20 offices (5.0 percent) in the assessment area. The full service office has a drive-through facility and a deposit-taking ATM. This assessment area accounts for 2.7 percent of total loans and 4.0 percent of total deposits by dollar volume when considering the assessment areas reviewed. The following table details the location, census tract, and census tract income level for the bank office in the assessment area.

<b>The Citizens Bank Office Locations in Dorchester Assessment Area</b>
<p><i>Saint George Branch</i>  <i>(Dorchester County)</i>                      5730 West Memorial Boulevard, Saint Georgia, SC 29477                      Moderate-Income, CT #102.00</p>

### **Economic and Demographic Data**

While lending opportunities exist in all geographies, they are more widely available in middle-income census tracts based on the disbursement of the population, housing units, and businesses. Lending opportunities are limited in the assessment area because of the high percentage of families (10.5 percent) living below the poverty level. In addition, there are no low-income census tracts in the assessment area. The following table presents demographic information from the 2015 ACS and the 2021 D&B data.

Demographic Information of the Dorchester Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	25	-	24.0	48.0	28.0	-
Population by Geography	145,715	-	25.9	51.3	22.8	-
Housing Units by Geography	57,003	-	25.5	51.4	23.1	-
Owner-Occupied Units by Geography	36,012	-	25.5	47.4	27.1	-
Occupied Rental Units by Geography	15,844	-	25.2	60.6	14.2	-
Vacant Units by Geography	5,147	-	26.8	50.8	22.4	-
Businesses by Geography	8,703	-	30.9	47.1	21.9	-
Farms by Geography	238	-	29.0	51.7	19.3	-
Family Distribution by Income Level	37,154	21.7	16.4	22.2	39.8	-
Household Distribution by Income Level	51,856	22.6	16.4	18.4	42.6	-
Median Family Income: Charleston-North Charleston, SC MSA		\$65,558	Median Housing Value Median Gross Rent Families Below Poverty Level			\$165,663 \$950 10.5%

*Source: 2015 ACS Data, 2021 D&B Data, and FFIEC Median Family Income. (\*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0 percent.*

Examiners used the FFIEC’s median family income (MFI) data to analyze the bank’s home mortgage lending under the *Borrower Profile* criterion. The following table reflects the MFI ranges for the low-, moderate-, middle-, and upper-income categories in the Charleston-North Charleston, South Carolina MSA.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
<b>Charleston-North Charleston, SC MSA Median Family Income</b>				
2020 (\$81,000)	<\$40,500	\$40,500 to <\$64,800	\$64,800 to <\$97,200	≥\$97,200

*Source: FFIEC.*

According to the 2021 D&B data, there were 8,703 non-farm businesses operating within the Dorchester Assessment Area. Gross annual revenues for these businesses are:

- 87.5 percent have \$1 million or less,
- 2.9 percent have more than \$1 million, and
- 9.6 percent have unknown revenues.

The analysis of small business loans under the *Borrower Profile* criterion compares the distribution of businesses by gross annual revenues. Service industries represent the largest portion of businesses (39.1 percent) in the assessment area, followed by non-classifiable establishments (16.1 percent), and retail trade (12.8 percent). Construction (9.4 percent); finance, insurance, and real estate (7.6 percent); transportation, communication (5.5 percent), and various other sectors make up the remaining percentages. In addition, 66.6 percent of the businesses in the assessment area have four or fewer employees and 90.8 percent operate from a single location.

## Employment Conditions/Major Employers

The *Bureau of Labor Statistics* indicates unemployment rates for the county in the assessment area increased from 2019 to 2020. The unemployment rate increased due largely to COVID-19 Pandemic-induced job losses. However, the unemployment rate improved in 2021. Unemployment rates were below state and national rates in all three years. The following table reflects the average annual unemployment rates and trends for the assessment area counties, state, and nation during the evaluation period.

Unemployment Rates			
Area	2019	2020	2021
	%	%	%
Dorchester County	2.4	5.8	4.1
South Carolina	2.8	6.2	4.5
National Average	3.7	8.1	5.4

*Source: Bureau of Labor Statistics.*

### *Dorchester County*

Kion North America Corporation, Lowes Home Centers Incorporated, MAU Incorporated, Town of Summerville, and the Dorchester School District are included in the top employers in Dorchester County.

## Competition

Within the Dorchester Assessment Area, there is a moderately high level of competition among financial institutions. According to the *FDIC's June 30, 2021 Summary of Deposit Market Share Report*, there were eight financial institutions operating 18 banking offices in the assessment area. Of these institutions, The Citizens Bank ranked 12<sup>th</sup>, with a 1.2 percent deposit market share. The top five financial institutions accounted for 67.6 percent deposit market share.

There is a high level of demand for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the assessment area. In 2020, 424 institutions reported 18,487 residential mortgage originations totaling \$4.15 billion in this assessment area. Of these lenders, The Citizens Bank ranked 152<sup>nd</sup>, with a market share of 0.1 percent by number of loans.

The bank is not required to collect or report its small business loan data and has elected not to report such information. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, with regard to competition for small business loans, aggregate data for 2019 indicates 62 lenders reported 2,448 small business loans totaling \$84 million in the assessment area, demonstrating a high level of demand for this product. The top five institutions account for 55.9 percent of the small business market share by number of loans.

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

Considering information from demographic and economic data, examiners determined that affordable housing and small business loans represent primary credit needs within the assessment area. The high percentage of small businesses in the assessment area and the large number of businesses with four or fewer employees support this assessment. With so many small businesses operating in the assessment area, funding for their operations is a primary credit need. Further, when considering the percentage of low- and moderate-income families and families living below the poverty level, affordable housing represents another primary need for this assessment area. Additionally, there is a need for financial assistance and small business credit given the adverse impacts of the COVID-19 Pandemic.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN DORCHESTER ASSESSMENT AREA**

### **LENDING TEST**

The Citizens Bank's lending performance within the Dorchester Assessment Area reflects overall reasonable performance. The bank's excellent geographic distribution and reasonable borrower profile performance support this conclusion. Only loans originated within the assessment area were included for analysis purposes. Lending in the Dorchester Assessment Area represented 4.3 percent of the number of home mortgage loan and 5.5 percent of the number of small business loans analyzed during this evaluation.

### **Geographic Distribution**

The geographic distribution of loans reflects an excellent dispersion throughout the Dorchester Assessment Area. The bank's excellent home mortgage and small business performance support this conclusion.

### ***Home Mortgage Loans***

The bank's home mortgage lending in the moderate-income census tracts significantly exceeded aggregate lending and demographics. The following table reflects the distribution of home mortgage loans within the Dorchester Assessment Area.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Moderate						
2020	25.5	14.5	5	55.6	716	70.0
Middle						
2020	47.4	52.8	3	33.3	87	8.5
Upper						
2020	27.1	32.7	1	11.1	221	21.5
<b>Totals</b>						
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>9</b>	<b>100.0</b>	<b>1,024</b>	<b>100.0</b>
<i>Source: 2015 ACS Data; 2020 HMDA Reported Data; 2020 HMDA Aggregate Data; "--" data not available.</i>						

### ***Small Business Loans***

The bank's small business lending in moderate-income census tracts significantly exceeded demographics. The following table reflects the distribution of small business loans by census tract income level in the Dorchester Assessment Area.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	#	%	\$(000s)	%	
Moderate						
2021	30.9	11	84.6	246	57.7	
Middle						
2021	47.1	2	15.4	180	42.3	
Upper						
2021	21.9	-	-	-	-	
<b>Totals</b>						
<b>2021</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>426</b>	<b>100.0</b>	
<i>Source: 2021 D&amp;B Data and January 1, 2021 through December 31, 2021 Bank Data. Due to rounding, totals may not equal 100.0 percent.</i>						

### **Borrower Profile**

The distribution of borrowers reflects, given the demographics of the assessment area, an overall reasonable penetration among individuals of different income levels and businesses of different sizes. The bank's reasonable home mortgage and small business lending performance support this conclusion.

### ***Home Mortgage Loans***

The bank's home mortgage lending to low-income borrowers significantly exceeded both aggregate lending and the demographics. However, lending to moderate-income borrowers was below aggregate lending and the demographics. The following table reflects the distribution of home mortgage loans within the Dorchester Assessment Area.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2020	21.7	5.9	3	33.3	140	13.7
Moderate						
2020	16.4	19.5	1	11.1	30	2.9
Middle						
2020	22.2	20.7	2	22.2	137	13.4
Upper						
2020	39.8	22.4	2	22.2	617	60.2
Income Not Available						
2020	-	31.6	1	11.1	100	9.7
<b>Total</b>						
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>9</b>	<b>100.0</b>	<b>1,024</b>	<b>100.0</b>

*Source: 2015 ACS Data, 2020 HMDA Reported Data, and 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0 percent.*

### ***Small Business Loans***

Small business lending to businesses with gross annual revenues of \$1 million or less exceeded demographics. The following table reflects the distribution of small business loans by revenue category in the Dorchester Assessment Area.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤ \$1,000,000					
2021	87.5	12	92.3	396	92.9
> \$1,000,000					
2021	2.9	1	7.7	30	7.1
<b>Subtotal</b>					
<b>2021</b>	<b>90.4</b>	<b>13</b>	<b>100.0</b>	<b>426</b>	<b>100.0</b>
Revenue Not Available					
2021	9.5	-	-	-	-
<b>Total</b>					
<b>2021</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>426</b>	<b>100.0</b>

*Source: 2021 D&B Data and January 1, 2021 through December 31, 2021 Bank Data. Due to rounding, totals may not equal 100.0 percent.*

## **COMMUNITY DEVELOPMENT TEST**

The Citizens Bank has demonstrated adequate responsiveness to the community development needs of the Dorchester Assessment Area through community development loans, qualified investments, and community development services.

### **Community Development Loans**

The bank originated three community development loans totaling \$230,000 within this assessment area. Total activity represents 9.4 percent by number and 1.9 percent by dollar volume of the total



community development loans originated institution-wide. These loans promoted revitalization and stabilization in moderate-income census tracts.

Refer to the *Community Development Lending by Year Table* on page 10 for details of the bank’s community development lending activity by year and purpose during the evaluation period for this assessment area.

Below is a notable example of the community development loans originated in the Dorchester Assessment Area during the evaluation period:

- In 2020 and 2021, the bank renewed two loans totaling \$180,000 to a small farm for operating capital. The farm is located in a moderate-income census tract in Dorchester County, SC. This loan revitalizes/stabilizes a moderate-income geography by retaining a business in the area.

**Qualified Investments**

There were no community development investment or donations made in this assessment area during the review period. However, as noted in the institution-wide Community Development Test analysis, this assessment area benefitted from investments that were funded/purchased on an institution-wide assessment area basis.

**Community Development Services**

Bank employees conducted one instance of a community development service that benefited the Dorchester Assessment Area. See below for information about this service.

- A bank employee served as a member of the school council responsible for school improvement programs and projects. The employee provided financial expertise to the council regarding planning projects and programs for the school, where 100.0 percent of the students receive free or reduced lunches. This performance represents a decrease since the previous evaluation when five community development services benefitted this assessment area.

**KERSHAW ASSESSMENT AREA – Limited-Scope Review**

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN  
KERSHAW ASSESSMENT AREA**

The Kershaw Assessment Area consists of Kershaw County in its entirety, one of the counties in the Columbia, SC MSA. The following table provides a summary of the assessment area, including the number of census tracts and branches in the county.

<b>Description of Assessment Area</b>			
<b>Assessment Area</b>	<b>Counties in Assessment Area</b>	<b># of Census Tracts</b>	<b># of Branches</b>
Kershaw Assessment Area	Kershaw	15	1
<i>Source: 2015 ACS Data and Bank Records.</i>			

The Citizens Bank operates one of its 20 offices (5.0 percent) in the assessment area. The full-service office has a drive-through facility and a deposit-taking ATM. This assessment area accounts for 2.9 percent of total loans and 3.3 percent of total deposits by dollar volume, when considering the assessment areas reviewed. The following table details the location, census tract, and census tract income level for the office in the assessment area.

<b>The Citizens Bank Office Locations in Kershaw Assessment Area</b>
<i>Camden Branch</i> <i>(Kershaw County)</i> 2220 West Dekalb Street, Camden, SC 29020 Middle-Income, CT #9705.00

### **Economic and Demographic Data**

While lending opportunities exist in all geographies, they are more widely available in moderate- and middle-income census tracts based on the disbursement of the population, housing units, and businesses. Lending opportunities are limited in the assessment area because of the high percentage of families (12.1 percent) living below the poverty level. Also, there are no low-income census tracts in this assessment area. The following table presents demographic information from the 2015 ACS and the 2021 D&B data.

<b>Demographic Information of the Kershaw Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	15	-	53.3	40.0	6.7	-
Population by Geography	62,722	-	47.9	47.5	4.6	-
Housing Units by Geography	27,896	-	51.2	45.2	3.6	-
Owner-Occupied Units by Geography	19,055	-	45.5	50.3	4.2	-
Occupied Rental Units by Geography	5,139	-	61.6	36.2	2.2	-
Vacant Units by Geography	3,702	-	66.2	31.6	2.3	-
Businesses by Geography	3,450	-	48.8	46.9	4.3	-
Farms by Geography	164	-	54.9	42.1	3.0	-
Family Distribution by Income Level	16,970	25.2	21.8	21.3	31.7	-
Household Distribution by Income Level	24,194	28.0	18.0	17.6	36.5	-
Median Family Income: Columbia, SC MSA	\$62,665	Median Housing Value Median Gross Rent Families Below Poverty Level				\$118,673 \$680 12.1%

*Source: 2015 ACS Data, 2021 D&B Data, and FFIEC Median Family Income. (\*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0 percent.*

Examiners used the FFIEC’s median family income (MFI) data to analyze the bank’s home mortgage lending under the *Borrower Profile* criterion. The following table reflects the MFI ranges for the low-, moderate-, middle-, and upper-income categories in the Columbia, SC MSA.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
<b>Columbia, SC MSA Median Family Income</b>				
2020 (\$71,400)	<\$35,700	\$35,700 to <\$57,120	\$57,120 to <\$85,680	≥\$85,680
<i>Source: FFIEC.</i>				

According to the 2021 D&B data, there were 3,450 non-farm businesses operating within the Kershaw Assessment Area. Gross annual revenues for these businesses are:

- 85.4 percent with \$1 million or less,
- 3.3 percent with more than \$1 million, and
- 11.3 percent with unknown revenues.

The analysis of small business loans under the *Borrower Profile* criterion compares the distribution of businesses by gross annual revenues. Service industries represent the largest portion of businesses (36.7 percent) in the assessment area, followed by non-classifiable (15.1 percent). Retail trade (13.9 percent), construction (9.0 percent), finance, insurance, and real estate (7.0 percent), and various other sectors make up the remaining percentages. In addition, 66.0 percent of the businesses in the assessment area have four or fewer employees, and 88.7 percent operate from a single location.

### Employment Conditions/Major Employers

The *Bureau of Labor Statistics* indicates unemployment rates for the county in the assessment area increased between 2019 and 2020. The unemployment rate increased due largely to COVID-19 Pandemic-induced job losses. However, the unemployment rate improved in 2021. The unemployment rate was lower than both the state and national average, but higher than both state and national averages for 2020. The following table reflects the average annual unemployment rates and trends for the assessment area counties, state, and nation during the evaluation period.

Unemployment Rates			
Area	2019	2020	2021
	%	%	%
Kershaw County	2.8	5.3	4.2
South Carolina	3.4	2.8	6.2
National Average	3.9	3.7	8.1
<i>Source: Bureau of Labor Statistics.</i>			

Hengst of North America Incorporated, New South Lumber Company Incorporated, Target Corporation, UTI Integrated Logistics Limited Liability Company, and the Kershaw County School District are included in the top employers in Kershaw County.

## **Competition**

Within the Kershaw Assessment Area, there is a moderately high level of competition among financial institutions. According to the *FDIC's June 30, 2021 Summary of Deposit Market Share Report*, there were eight financial institutions operating 13 banking offices in the assessment area. Of these institutions, The Citizens Bank ranked 8<sup>th</sup>, with 2.3 percent deposit market share. The top five financial institutions accounted for 90.5 percent of the deposit market share.

There is a high level of demand for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the assessment area. In 2020, 249 institutions reported 4,884 residential mortgage originations totaling \$920 million in this assessment area. Of these lenders, The Citizens Bank ranked 93<sup>rd</sup>, with a market share of 0.1 percent by number of loans.

The bank is not required to collect or report its small business loan data and has elected not to report such information. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, with regard to competition for small business loans, aggregate data for 2019 indicates 54 lenders reported 821 small business loans totaling \$34 million in the assessment area, demonstrating a high level of demand for this product. The top five institutions account for 52.4 percent of the small business market share by number of loans.

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

Considering information from demographic and economic data, examiners determined that affordable housing and small business loans represent primary credit needs within the assessment area. The high percentage of small businesses in the assessment area and the large number of businesses with four or fewer employees support this assessment. With so many small businesses operating in the assessment area, funding for their operations is a primary credit need. Further, when considering the percentage of low- and moderate-income families and families living below the poverty level, affordable housing represents another primary need for this assessment area. Additionally, there is a need for financial assistance and small business credit given the adverse impacts of the COVID-19 Pandemic.

# **CONCLUSIONS ON PERFORMANCE CRITERIA IN KERSHAW ASSESSMENT AREA**

## **LENDING TEST**

The Citizens Bank's overall lending within the Kershaw Assessment Area reflects an overall reasonable performance. During the review period, the bank originated nine home mortgage loans totaling \$1.1 million (four in 2019 totaling \$354,000 and five in 2020 totaling \$757,000) and nine small business loans totaling \$1.1 million. The bank's performance within this assessment area is consistent with the other assessment areas' performance during the evaluation period.

## **Geographic Distribution**

The bank's geographic distribution of loans reflects an overall excellent reasonable dispersion throughout this assessment area. As noted, there are no low-income census tracts in this assessment area.

### ***Home Mortgage Loans***

The bank's home mortgage lending in the moderate-income census tract (80.0 percent) in 2020 significantly exceeded aggregate lending (31.1 percent) and demographics (45.5 percent).

### ***Small Business Loans***

The bank's small business lending in the moderate-income census tracts (66.7 percent) significantly exceeded demographics (48.8 percent).

## **Borrower Profile**

The distribution of borrowers reflects an overall reasonable penetration among individuals of different income levels and businesses of different sizes throughout the assessment area.

### ***Home Mortgage Loans***

The bank did not originate any home mortgage loans in 2020 to low-income borrowers, which compared unfavorably to aggregate lending (5.6 percent) and demographics (25.2 percent). The bank's performance was adversely impacted by the limited lending opportunities, as evidenced by the low percentage of aggregate lending and the high percentage of families living below the poverty level (12.1 percent). The bank's home mortgage lending (20.0 percent) to moderate-income borrowers exceeded aggregate lending (17.4 percent), and was slightly below demographics (21.8 percent).

Additionally, examiners noted high unemployment, especially in the services industries, caused by the impact of the COVID-19 pandemic affected overall lending levels in 2020.

### ***Small Business Loans***

The bank originated eight of the nine (88.9 percent) business loans to small businesses in 2021. This performance exceeded demographics.

## **COMMUNITY DEVELOPMENT TEST**

The institution's community development performance in the Kershaw Assessment Area is consistent with the community development performance for the institution's overall.

### **Community Development Loans**

The bank originated three community development loans totaling \$93,480, which represents 9.4 percent by number and 0.8 percent by dollar amount of the total community development loans originated during the evaluation period. One of the loans originated was located in a moderate-income census tract, and the other two loans were originated to a charter school, where the majority of the students are from families that live below the poverty level. Community development lending activities in multiple assessment areas within the institution-wide assessment area also benefited the Kershaw Assessment Area.

### **Qualified Investments**

There was one donation totaling \$63 to a food bank serving low- and moderate-income residents in Kershaw County. In addition, this assessment area benefitted from investments that were funded/purchased on an institution-wide assessment area basis. Refer to the institution-wide Community Development Test analysis.

### **Community Development Services**

A bank employee served as Board President of the Kershaw County Chamber of Commerce from 2019 -2021. This represents an increase since the previous evaluation when there were no community development services benefitting this assessment area.

## 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.