PUBLIC DISCLOSURE

July 15, 2024

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

CrossFirst Bank
Certificate Number: 58648

11440 Tomahawk Creek Parkway
Leawood, Kansas 66211

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

1100 Walnut St, Suite 2100
Kansas City, Missouri 64106

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **<u>Satisfactory</u>.**

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

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	**Investment Test**	**Service Test**
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			
* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.			

The Lending Test is rated <u>High Satisfactory</u>.

- Lending levels reflect good responsiveness to assessment area credit needs.

- A high percentage of loans are made within the institution's assessment areas.

- The geographic distribution of loans reflects adequate penetration throughout the assessment areas.

- The distribution of borrowers reflects, given the product lines offered by the institution, poor penetration among business customers of different sizes and retail customers of different income levels.

- The institution is a leader in making community development loans.

- The institution uses innovative and/or flexible lending practices in order to serve assessment area credit needs.

The Investment Test is rated <u>High Satisfactory</u>.

- The institution has a significant level of qualified community development investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.

- The institution exhibits good responsiveness to credit and community development needs.

- The institution does not use innovative and/or complex investments to support community development initiatives.

The Service Test is rated <u>High Satisfactory</u>.

- Delivery systems are reasonably accessible to essentially all portions of the institution's assessment areas.

- To the extent changes have been made, the institution's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.

- Services (including business hours) do not vary in a way that inconveniences certain portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals.

- The institution is a leader in providing community development services.

DESCRIPTION OF INSTITUTION

CrossFirst Bank is a full-service financial institution headquartered in Leawood, Kansas. CrossFirst Bankshares, Inc., Leawood, Kansas, owns 100 percent of the bank's stock. The institution received a Satisfactory rating at its previous FDIC Performance Evaluation, dated May 17, 2021, based on Interagency Large Institution Examination Procedures. On November 22, 2022, CrossFirst Bank acquired and merged with Farmers & Stockmens Bank, Clayton, New Mexico, which had offices in Denver and Colorado Springs, Colorado, and Clayton, Des Moines, and Roy, New Mexico. Additionally, on August 1, 2023, the bank merged with Canyon Community Bank, N.A., in Tucson, Arizona, adding a location in Tucson.

CrossFirst Bank operates the following16 full-service locations: the main office in Leawood, Kansas; a branch in Leawood, Kansas; a branch in Kansas City, Missouri; a branch in Wichita, Kansas; 2 branches in Dallas, Texas; a branch in Frisco, Texas; a branch in Fort Worth, Texas; a branch in Tulsa, Oklahoma; a branch in Oklahoma City, Oklahoma; a branch in Clayton, New Mexico; a branch in Roy, New Mexico; a branch in Colorado Springs, Colorado; a branch in Denver, Colorado; a branch in Tucson, Arizona; and a branch in Phoenix, Arizona. The branches in Arizona, Colorado, and New Mexico were acquired from other financial institutions since the previous evaluation. In August 2021, the bank opened a branch in Phoenix, Arizona; in March 2023, the bank opened a branch in Fort Worth, Texas; and in June 2023, the bank opened a branch

in Dallas, Texas. The bank also closed a branch located in Des Moines, New Mexico since the previous evaluation.

The bank offers loan products including commercial, construction, home mortgage, consumer, and agricultural loans, with a primary focus on commercial lending. CrossFirst Bank is also a preferred Small Business Administration (SBA) lender. The bank provides a variety of deposit services including checking, savings, money market, certificates of deposit, and individual retirement accounts. In addition, the bank offers free services such as online banking, mobile banking, mobile deposit, and e-statements. CrossFirst Bank also operates ATMs at 14 branch locations, 4 of which are deposit-taking. The Denver and Oklahoma City locations do not currently have an ATM on bank premises.

According to the March 31, 2024 Reports of Condition and Income, assets totaled $7.5 billion, deposits totaled $6.6 billion, and loans totaled $6.2 billion. The composition of the loan portfolio is illustrated in the following table.

Loan Portfolio Distribution as of March 31, 2024		
Loan Category	**$(000s)**	**%**
Construction, Land Development, and Other Land Loans	931,256	14.9
Secured by Farmland	26,361	0.4
Secured by 1-4 Family Residential Properties	565,425	9.0
Secured by Multi-family (5 or more) Residential Properties	181,525	2.9
Secured by Non-farm Non-Residential Properties	2,120,010	33.9
Total Real Estate Loans	**3,824,577**	**61.2**
Commercial and Industrial Loans	2,375,806	38.0
Agricultural Production and Other Loans to Farmers	28,391	0.5
Consumer	32,033	0.5
Obligations of States and Political Subdivisions in the United States	0	0.0
Other Loans	3,925	0.1
Lease Financing Receivables (net of unearned income)	0	0.0
Less: Unearned Income	15,544	0.2
Total Loans	**6,249,188**	**100.0**
Source: Reports of Condition and Income		

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet the credit needs of the assessment areas.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. CrossFirst Bank designated 10 assessment areas since the previous evaluation. Some of the individual assessment areas are part of a larger rated area. Specifically, there are six state ratings assigned (Arizona, Colorado, Kansas, Oklahoma, New Mexico, and Texas), and one multi-state Metropolitan Statistical Area (MSA) rating assigned

(Kansas City MSA). The following table describes the assessment areas and rated area assignments.

Description of Assessment Areas				
Assessment Area	Counties in Assessment Area	Rated Area	# of Census Tracts	# of Branches
Kansas City	Johnson, Wyandotte, Jackson	Kansas City MSA	445	3
Wichita	Butler, Sedgwick	Kansas	154	1
Tulsa	Tulsa	Oklahoma	208	1
Oklahoma City	Oklahoma	Oklahoma	266	1
Dallas-Fort Worth	Collin, Dallas, Tarrant	Texas	1,314	4
Phoenix	Maricopa	Arizona	1,009	1
Tucson	Pima	Arizona	270	1
Denver	Arapahoe, Denver, Douglas, Elbert	Colorado	418	1
Colorado Springs	El Paso, Teller	Colorado	175	1
New Mexico	Harding, Union	New Mexico	2	2
Source: Bank Data, 2020 U.S. Census				

CrossFirst Bank made several changes to its assessment areas since the previous CRA evaluation. Specifically, the bank added the Phoenix Assessment Area after opening a new branch in 2021. CrossFirst Bank also added the Denver, Colorado Springs, and New Mexico Assessment Areas following a bank acquisition in 2022. In 2023, CrossFirst Bank expanded its assessment area in Texas to include Tarrant County after opening a new branch in Fort Worth. Tarrant County is part of the Fort Worth-Arlington-Grapevine, Texas MSA. Hereafter, the Texas Assessment Area will be referred to as the Dallas-Fort Worth Assessment Area. Finally, the bank added the Tucson Assessment Area in Arizona following a bank acquisition in 2023.

For additional information regarding each assessment area, including demographic information and banking operations, please refer to the corresponding sections for each assessment area as referenced in the Table of Contents.

SCOPE OF EVALUATION

General Information
This evaluation covers the period from the prior evaluation dated May 17, 2021, to the current evaluation dated July 15, 2024. Examiners used Interagency Large Institution Examination Procedures to evaluate CrossFirst Bank's CRA performance under the Lending Test, Investment Test, and Service Test. The criteria for the three Tests are outlined in the Appendices of this evaluation. These Tests were used to determine the institution's overall rating.

The Kansas City, Wichita, Tulsa, Oklahoma City, and Dallas-Fort Worth Assessment Areas received full-scope reviews and were weighted most heavily when drawing overall conclusions, with Kansas City and Wichita receiving slightly greater weight than the others. This determination was based on overall lending and deposit activity within these areas, as illustrated in the following table. The five remaining lesser-weighted areas also received full-scope reviews, as they represent

new markets that have not been reviewed. Of these new assessment areas, the bank's performance in Phoenix, Denver, and Colorado Springs was weighed more heavily than the Tucson and New Mexico areas.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	**Loans**		**Deposits**		**Branches**	
	$(000s)	**%**	**$(000s)**	**%**	**#**	**%**
Kansas City	288,209	28.8	2,893,997	47.4	3	18.8
Wichita	167,013	16.7	946,779	15.5	1	6.3
Tulsa	76,446	7.6	553,666	9.1	1	6.3
Oklahoma City	75,405	7.5	368,672	6.0	1	6.3
Dallas/Fort Worth	186,680	18.6	736,346	12.1	4	25.0
Phoenix	137,315	13.7	143,165	2.3	1	6.3
Tucson	6,236	0.6	0	0.0	1	6.3
Denver	23,490	2.3	193,674	3.2	1	6.3
Colorado Springs	40,074	4.0	170,394	2.8	1	6.3
New Mexico	968	0.1	94,867	1.6	2	12.5
Total	**1,001,836**	**100.0**	**6,101,560**	**100.0**	**16**	**100.0**
Source: Bank Data; FDIC Summary of Deposits (6/30/2023)						

Activities Reviewed

Examiners determined that the bank's major product line is commercial lending, with a lesser emphasis on residential real estate lending. This conclusion was based on the bank's business strategy, loan portfolio distribution, and bank records regarding the number and dollar volume of loans originated or renewed during the evaluation period. Examiners placed much greater weight on small business lending when arriving at overall conclusions, as commercial loans represent a significantly larger portion of the loan portfolio compared to residential lending. Examiners did not evaluate small farm loans due to the limited volume and small portion of the loan portfolio this product represents.

Examiners reviewed all small business loans reported on the bank's 2021, 2022, and 2023 CRA data registers. Additionally, examiners reviewed all loans reported on the bank's 2021, 2022, 2023 Home Mortgage Disclosure Act (HMDA) Loan Application Registers.

For the Assessment Area Concentration criterion, examiners reviewed and presented the results for all three years of small business and home mortgage data. For the Geographic Distribution and Borrower Profile criteria, the analyses included only those loans within the assessment areas. All three years of data were analyzed and included in the Lending Inside and Outside of the Assessment Area table. However, for the Geographic Distribution and Borrower Profile tables, examiners only presented the most recent year for which aggregate data is available (2022) for those assessment areas that were in effect prior to 2022. For the Denver, Colorado Springs, New Mexico, and Tucson Assessment Areas, this evaluation presented 2023 data as these assessment areas were not added until late 2022 or thereafter. Unless otherwise noted, there were no significant differences identified in the lending data for the analyzed years not presented that would materially affect overall conclusions. The following table shows the overall loan volume reviewed.

Loan Products Reviewed						
Loan Category	**2021**		**2022**		**2023**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Small Business	1,109	313,502	839	228,948	777	247,866
Home Mortgage	180	239,589	155	256,806	167	149,194
Source: 2021, 2022, and 2023 Reported Small Business and Home Mortgage Data						

The D&B data and CRA aggregate data for the respective years provided a standard of comparison for the bank's small business lending performance. Additionally, the 2021 HMDA aggregate data and 2015 American Community Survey (ACS) data provided a standard of comparison for the bank's 2021 home mortgage lending performance, the 2020 U.S. Census data and 2022 HMDA aggregate data provided a standard of comparison for the bank's 2022 home mortgage lending performance, and the 2020 U.S. Census data provided a standard of comparison for the bank's 2023 home mortgage lending performance. However, examiners placed more weight on the comparisons to the aggregate lending data when available, since it is typically a better indicator of market conditions and loan demand. Lastly, although both the number and dollar volume of loans were analyzed, examiners emphasized performance by the number of loans because it is generally a better indicator of the number of businesses and individuals served.

Community development lending, qualified investments, and community development services were considered from the prior evaluation dated May 17, 2021, through the current evaluation date of July 15, 2024.

Finally, examiners considered the bank's retail banking products and services, including those targeting low- and moderate-income individuals as well as small businesses. Examiners also considered delivery systems for providing retail banking services and the impact of branch closings during the evaluation period.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

CrossFirst Bank demonstrated high satisfactory performance under the Lending Test. This conclusion is consistent with the bank's performance in the Kansas City MSA, Kansas, Oklahoma, Texas, and New Mexico rated areas and outweighs low satisfactory performance in the remaining rated areas.

Lending Activity
The lending levels reflect good responsiveness to assessment area credit needs. The bank continues to be an active lender by originating a high volume of loans throughout its assessment areas. In the 10 combined assessment areas, the most recent year of applicable aggregate data shows that the bank ranked 42nd among 380 small business lenders, and 451st among 1,672 home mortgage lenders.

Assessment Area Concentration

A high percentage of loans are made in the institution's assessment areas. The following table shows the results of this analysis.

Loan Category	Number of Loans				Total	Dollar Amount of Loans				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	$	%	$	%	$ (000)
Home Mortgage										
2021	119	66.1	61	33.9	180	126,715	52.9	112,874	47.1	239,589
2022	113	72.9	42	27.1	155	142,472	55.5	114,334	44.5	256,806
2023	126	75.4	41	24.6	167	119,891	80.4	29,303	19.6	149,194
Subtotal	**358**	**71.3**	**144**	**28.7**	**502**	**389,078**	**60.3**	**256,511**	**39.7**	**645,589**
Small Business										
2021	875	78.9	234	21.1	1,109	237,875	75.9	75,627	24.1	313,502
2022	681	81.2	158	18.8	839	186,977	81.7	41,971	18.3	228,948
2023	610	78.5	167	21.5	777	188,406	76.0	59,460	24.0	247,866
Subtotal	**2,166**	**79.5**	**559**	**20.5**	**2,725**	**613,258**	**77.6**	**177,058**	**22.4**	**790,316**
Total	**2,524**	**78.2**	**703**	**21.8**	**3,227**	**1,002,336**	**69.8**	**433,569**	**30.2**	**1,435,905**

Source: Bank Data
Due to rounding, totals may not equal 100.0%

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the institution's assessment areas. This conclusion is consistent with the bank's performance in the Kansas City MSA and Kansas rated areas. Although the bank's performance in the remaining rated areas exceeded this overall conclusion, the performance in the Kansas City and Kansas rated areas carried the greatest weight for this evaluation. For this criterion, examiner focused on the bank's percentage of lending in low- and moderate-income census tracts within the assessment areas. A complete discussion of the bank's performance can be found in the applicable assessment area sections of this evaluation.

Borrower Profile

The distribution of borrowers reflects poor penetration among businesses of different sizes and individuals of different income levels. The bank's lending performance was generally consistent among the rated areas, with the exception of Kansas, Oklahoma, Colorado, and New Mexico, which showed adequate penetration. For this criterion, examiners focused on the percentage of small business loans to businesses with gross annual revenues of $1 million or less and the percentage of home mortgage loans to low- and moderate-income borrowers within the assessment areas. A complete discussion of the bank's performance can be found in the applicable assessment area sections of this evaluation.

Innovative or Flexible Lending Practices
CrossFirst Bank uses innovative and/or flexible lending practices in order to serve the credit needs of its assessment areas. The bank continues to offer government-guaranteed loan programs through the SBA, including 7(a) and 504 loans. These are flexible programs available institution-wide and require extra effort by bank personnel compared to conventional loans, and this extra effort helps borrowers that might not otherwise qualify for conventional financing. During the review period, CrossFirst Bank originated 151 loans totaling $175.7 million through these programs. In 2021, the bank also continued to originate loans through the SBA's Paycheck Protection Program (PPP). These loans involved flexible underwriting due to unique financial strains on businesses and their employees as a result of the Coronavirus Disease 2019 (COVID-19) pandemic. In 2021, the bank originated 566 PPP loans totaling $133.8 million.

In addition to SBA loans, the bank began offering additional government-guaranteed loan products. For example, the bank originated 7 loans totaling $3.1 million through Farm Services Agency, which offers agricultural loans to family-size farmers who cannot obtain traditional commercial credit. The bank also offered home loans through Veteran Affairs and the Federal Housing Administration, both of which offer flexible financing options with easier credit qualifications and lower down payments. The bank originated 57 home mortgage loans totaling $24.4 million before ceasing these home loan offerings in December 2023.

Finally, in 2023, CrossFirst Bank began offering micro small business loans and lines of credit through a new program called Business ProSuite. This innovative program was developed in an effort to better serve the micro-business market segment and offers less stringent loan documentation and qualification standards. While this continues to be an evolving program, the bank has originated 9 loans totaling $731 thousand since its initial launch.

A breakdown of these products by assessment area was not available. As such, performance under this criterion is considered consistent across all rated areas.

Community Development Loans
Overall, CrossFirst Bank is a leader in making community development loans. The bank's performance in the Kansas City MSA, Texas, and Arizona rated areas primarily supports this conclusion, but a relatively high level of community development loans is also noted in the Kansas and Oklahoma rated areas. Examiners were able to consider loans in the broader statewide or regional area since the bank was responsive to community development needs and opportunities within the assessment areas. During the review period, CrossFirst Bank originated or renewed 281 community development loans totaling $1.6 billion. This level of community development lending is a notable increase since the previous evaluation when the bank received credit for 154 community development loans totaling $693.8 million.

CrossFirst Bank's community development lending represents 21.5 percent of total assets and 26.0 percent of net loans as of March 31, 2024. The bank's ratios significantly exceed the ratios of three other large institutions operating in the central Midwest that had CRA evaluations during the review period. For these similarly situated banks (SSBs), the community development loans to total assets ratios ranged from 7.6 percent to 14.2 percent, and community development loans to net loans ratios ranged from 7.6 percent to 17.9 percent.

The following tables show the breakdown of the bank's community development loans by assessment area, category, and year.

Community Development Lending by Assessment Area										
Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Total	
	#	$	#	$	#	$	#	$	#	$
Kansas City	0	0	10	16,761	39	229,119	9	65,959	**58**	**311,839**
Wichita	0	0	3	10,050	10	39,078	6	34,523	**19**	**83,651**
Tulsa	2	2,100	0	0	5	10,764	4	19,210	**11**	**32,074**
Oklahoma City	0	0	2	400	3	10,216	4	32,825	**9**	**43,441**
Dallas/Fort Worth	1	29,000	11	17,038	16	108,390	16	86,954	**44**	**241,382**
Phoenix	0	0	0	0	17	115,145	15	76,166	**32**	**191,311**
Tucson	0	0	0	0	2	8,652	1	2,060	**3**	**10,712**
Denver	0	0	0	0	0	0	4	34,459	**4**	**34,459**
Colorado Springs	0	0	0	0	7	13,585	2	1,375	**9**	**14,960**
New Mexico	0	0	0	0	0	0	0	0	**0**	**0**
Subtotal	**3**	**31,100**	**26**	**44,249**	**99**	**534,949**	**61**	**353,531**	**189**	**963,829**
Broader Statewide/Regional Area	4	23,503	2	18,068	40	313,888	46	284,182	92	639,641
Total	**7**	**54,603**	**28**	**62,317**	**139**	**848,837**	**107**	**637,713**	**281**	**1,603,470**
Source: Bank Data										

Community Development Lending by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
2021 (Partial)	0	0	10	18,928	23	107,245	25	124,018	**58**	**250,191**
2022	2	23,833	5	27,715	42	351,569	40	318,713	**89**	**721,830**
2023	2	30,050	6	6,312	58	327,668	30	158,549	**96**	**522,579**
2024 (YTD)	3	720	7	9,362	16	62,355	12	36,433	**38**	**108,870**
Total	**7**	**54,603**	**28**	**62,317**	**139**	**848,837**	**107**	**637,713**	**281**	**1,603,470**
Source: Bank Data										

INVESTMENT TEST

Overall, CrossFirst Bank demonstrated high satisfactory performance under the Investment Test. The bank's performance in the Kansas City MSA, Kansas, Texas, and Oklahoma rated areas is consistent with this overall conclusion, while performance in the New Mexico, Colorado, and Arizona rated areas trailed overall performance.

Investment and Grant Activity

CrossFirst Bank has a significant level of qualified community development investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. During the evaluation period, CrossFirst Bank received credit for $103.0 million of

qualified investment and grant activity. This total includes approximately $578 thousand in grants and donations. Investment activity increased in dollar volume from the previous evaluation when the bank received credit for $61.5 million in investment and grant activity. The bank also maintains $32.1 million in prior period qualified investments, which remained outstanding as of the evaluation date. Examiners were able to consider investments in the broader statewide or regional area since the bank was responsive to community development needs and opportunities within the assessment areas.

CrossFirst Bank's qualified investments represented 1.4 percent of total assets and 13.1 percent of total securities as of March 31, 2024. The bank's ratios are within the range of the three SSBs, whose qualified investments to total assets ratios ranged from 0.6 percent to 3.3 percent, and qualified investments to total securities ratios ranged from 3.3 percent to 21.9 percent.

The following tables show the breakdown of the bank's qualified investments by assessment area, category, and year.

Qualified Investments by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Total	
	#	$	#	$	#	$	#	$	#	$
Kansas City	40	29,741	32	4,709	7	117	0	0	79	34,567
Wichita	23	19,047	11	1,052	0	0	0	0	34	20,099
Tulsa	18	7,487	4	11	3	13	0	0	25	7,511
Oklahoma City	14	9,124	9	20	1	6	0	0	24	9,150
Dallas/Fort Worth	18	14,473	21	107	7	94	1	12	47	14,686
Phoenix	3	2,344	5	15	0	0	0	0	8	2,359
Tucson	0	0	0	0	0	0	0	0	0	0
Denver	4	2,189	0	0	1	6	0	0	5	2,195
Colorado Springs	7	5,763	0	0	1	3	0	0	8	5,766
New Mexico	0	0	0	0	0	0	0	0	0	0
Subtotal	**127**	**90,168**	**82**	**5,914**	**20**	**239**	**1**	**12**	**230**	**96,333**
Statewide or Regional Area	5	4,671	1	5	1	2,000	0	0	7	6,676
Total	**132**	**94,839**	**83**	**5,919**	**21**	**2,239**	**1**	**12**	**237**	**103,009**
Source: Bank Data										

Qualified Investments by Year										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Total	
	#	$	#	$	#	$	#	$	#	$
Prior Period	52	26,445	3	5,621	-	-	-	-	55	32,066
2021 (Partial)	-	-	-	-	-	-	-	-	-	-
2022	18	14,377	-	-	1	2,000	-	-	19	16,377
2023	46	46,292	-	-	-	-	-	-	46	46,292
2024 (YTD)	6	7,696	-	-	-	-	-	-	6	7,696
Subtotal	**122**	**94,810**	**3**	**5,621**	**1**	**2,000**	**-**	**-**	**126**	**102,431**
Grants & Donations	10	28	80	298	20	240	1	12	111	578
Total	**132**	**94,838**	**83**	**5,919**	**21**	**2,240**	**1**	**12**	**237**	**103,009**
Source: Bank Data										

Responsiveness to Credit and Community Development Needs

The institution exhibits good responsiveness to credit and community development needs. This conclusion is supported by the bank's investments in affordable housing, community services, and economic development, which are primary needs for the assessment areas served.

Community Development Initiatives

CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives. The investments purchased during the evaluation period are routinely provided by private investors and do not evidence innovation or complexity.

SERVICE TEST

CrossFirst Bank demonstrated high satisfactory performance under the Service Test. This conclusion is consistent with the bank's performance in the Kansas City, Kansas, Texas, and Oklahoma rated areas.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the institution's assessment areas. CrossFirst Bank operates 16 full-service branches and 14 ATMs, 4 of which accept deposits. Two of the bank's branches and ATMs are located in moderate-income census tracts. The bank's branching network offers a variety of retail services, and customers are able to conduct business at any of these locations. Although the bank made several changes to its branch locations since the previous evaluation, the overall branch and ATM distribution by area income level remains consistent with the previous evaluation when 12.5 percent of the bank's branches were located in moderate-income census tracts. See the following table for more details.

Branch and ATM Distribution by Geography Income Level								
Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	55	12.4	140,954	9.4	0	0.0	0	0.0
Moderate	112	25.2	367,432	24.6	2	13.3	2	25.0
Middle	134	30.1	492,607	32.9	1	6.7	1	12.5
Upper	121	27.2	482,010	32.2	12	80.0	10	62.5
NA	23	5.2	13,309	0.9	1	6.7	1	12.5
Total	**445**	**100.0**	**1,496,312**	**100.0**	**16**	**100.0**	**14**	**100.0**
Source: 2015 ACS Data; Bank Data								

In addition to its physical branches and ATMs, CrossFirst Bank offers alternative delivery systems that include internet and mobile banking. Mobile banking is available for customers to access account information, transfer funds, make bill payments, and deposit checks. The bank operates a website that has general information about its products and services, allows consumers to open an account or apply for a loan, and provides customers access to online banking services. Customers can access account information, make transfers, and make loan and bill payments via online banking.

Changes in Branch Locations
The institution's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies, and/or to low- and moderate-income individuals. CrossFirst Bank opened or acquired nine new branches in four states. The institution closed one limited-service branch in a moderate-income census tract in Des Moines, New Mexico shortly after acquiring it in 2022. However, this closure had minimal impact to the area. The bank also relocated two branches in Phoenix and Fort Worth a short distance from their temporary locations. Refer to subsequent sections for more details regarding branching changes in each individually rated area.

Reasonableness of Business Hours and Services
Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals. CrossFirst Bank's business hours and services are reasonable in comparison to other financial institutions operating in the assessment areas. Operating hours do not vary significantly between branches, with the exception of the branch located in Roy, New Mexico, which is only open one day a week. These limited hours are nevertheless reasonable considering the very limited population in this community and surrounding area. All of the bank's branches are full-service, and deposit and loan services are available at each location. Business hours for the branches are reasonable for the different markets in the assessment areas, and hours are generally consistent with traditional business hours of the communities served.

Community Development Services
CrossFirst Bank is a leader in providing community development services. The institution received consideration for 445 community development services during the evaluation period, which reflects a notable increase from the previous evaluation when the bank received credit for 185 community

development services. CrossFirst Bank's level of community development services exceeds that of three other large SSBs. According to their most recent performance evaluations, these institutions received consideration for community development services that ranged from 172 to 305 services.

The bank's community development services primarily include bank representatives serving in key roles for organizations that support low- and moderate-income individuals or bank staff providing financial education at schools where the majority of students come from low- or moderate-income families. Community development services promoting affordable housing, economic development, and revitalization/stabilization efforts were also noted.

The following tables show a breakdown of CrossFirst Bank's community development service activities by assessment area, category, and year.

Community Development Services by Assessment Area				
Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Total
	#	#	#	#	#
Kansas City	1	91	18	-	**110**
Wichita	-	75	-	-	**75**
Tulsa	-	26	3	-	**29**
Oklahoma City	-	59		1	**60**
Dallas/Fort Worth	5	37	83	-	**125**
Phoenix	-	29	2	-	**31**
Tucson	-	1	-	-	**1**
Denver	-	3	-	-	**3**
Colorado Springs	-	1	-	-	**1**
New Mexico	-	7	-	-	**7**
Subtotal	**6**	**329**	**106**	**1**	**442**
BSRA	**-**	**3**	**-**	**-**	**3**
Total	**6**	**332**	**106**	**1**	**445**
Source: Bank Data					

Community Development Services by Year				
Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Total
	#	#	#	#	#
2021 (Partial)	-	13	-	-	**13**
2022	1	27	3	-	**31**
2023	-	169	10	1	**180**
2024 (YTD)	5	123	93	-	**221**
Total	**6**	**332**	**106**	**1**	**445**
Source: Bank Data					

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

KANSAS CITY MULTI-STATE MSA

CRA RATING FOR KANSAS CITY MULTI-STATE MSA: <u>SATISFACTORY</u>

The Lending Test is rated: High Satisfactory
The Investment Test is rated: High Satisfactory
The Service Test is rated: High Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE KANSAS CITY MULTI-STATE MSA.

The Kansas City Assessment Area includes Jackson County in Missouri, and Johnson and Wyandotte counties in Kansas, which comprise a portion of the Kansas City Missouri-Kansas multistate MSA. The bank operates three full-service branches and three ATMs in this assessment area.

Economic and Demographic Data

The Kansas City Assessment Area is comprised of 55 low-income tracts, 112 moderate-income tracts, 134 middle-income tracts, 121 upper-income tracts, and 23 tracts without an income designation based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area - Kansas City						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	445	12.4	25.2	30.1	27.2	5.2
Population by Geography	1,496,312	9.4	24.6	32.9	32.2	0.9
Housing Units by Geography	638,794	10.4	25.7	33.5	29.3	1.1
Owner-Occupied Units by Geography	367,076	6.0	20.7	35.4	37.4	0.5
Occupied Rental Units by Geography	218,455	15.4	31.7	32.4	18.8	1.7
Vacant Units by Geography	53,263	20.1	35.8	24.7	16.7	2.8
Businesses by Geography	220,868	7.4	20.4	31.0	37.7	3.5
Farms by Geography	5,009	6.2	20.5	35.3	36.5	1.5
Family Distribution by Income Level	364,334	20.9	17.3	20.8	41.0	0.0
Household Distribution by Income Level	585,531	24.8	16.2	17.7	41.3	0.0
Median Family Income MSA - 28140 Kansas City, MO-KS MSA		$86,562	Median Housing Value			$205,238
Families Below Poverty Level		7.5%	Median Gross Rent			$1,009
Source: 2020 U.S. Census and 2023 D&B Data *Due to rounding, totals may not equal 100.0%* *(*) The NA category consists of geographies that have not been assigned an income classification.*						

According to 2023 D&B data, service industries represent the largest portion of businesses in the assessment area at 34.6 percent; followed by non-classifiable establishments (26.2 percent); and finance, insurance, and real estate (12.2 percent). In addition, 61.0 percent of the area businesses have four or fewer employees and 93.5 percent operate from a single location.

Examiners used Federal Financial Institutions Examination Council (FFIEC)-updated median family income figures for the Kansas City, Missouri-Kansas MSA to analyze home mortgage loans under the Borrower Profile criterion, and to review for certain qualifying community development activities. The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Kansas City, MO-KS MSA Median Family Income (28140)				
2021 ($86,300)	<$43,150	$43,150 to <$69,040	$69,040 to <$103,560	≥$103,560
2022 ($97,300)	<$48,650	$48,650 to <$77,840	$77,840 to <$116,760	≥$116,760
2023 ($104,400)	<$52,200	$52,200 to <$83,520	$83,520 to <$125,280	≥$125,280
2024 ($86,562)	<$43,281	$43,281 to <$69,250	$69,250 to <$103,874	≥$103,874
Source: FFIEC				

Competition

There is a high level of competition for financial services in this assessment area. According to June 30, 2023 FDIC Deposit Market Share data, 82 financial institutions operate 450 branches within the assessment area. Of these institutions, CrossFirst Bank ranked 6th in deposit market share with 4.0 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data revealed that 170 institutions reported 36,398 small business loans, and the 2022 HMDA aggregate data revealed 614 institutions reported 47,708 home mortgage loans in this assessment area.

Community Contacts

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

Examiners reviewed two interviews that were recently conducted with individuals from organizations familiar with local credit needs within the assessment area. One contact stated that housing stock is generally older, particularly in the urban core, and these houses are often harder to maintain for low- and moderate-income households. The contact further stated that the urban core has many vacant lots, and a third of households are considered housing insecure. Another contact noted a need for small business lending, particularly for start-up businesses, as they are struggling to find quality hires, access to capital, and access to affordable childcare. There are also concerns regarding vacant office space, with about 14.0 percent of office space currently vacant. Existing small businesses are also struggling to renew building leases due to rising rents. Both contacts identified a need for small business and affordable home mortgage loans, with one contact indicating local institutions have become more conservative, making it more difficult for small businesses to obtain adequate financing.

Credit and Community Development Needs and Opportunities

Considering information from the community contacts, bank management, and demographic and economic data, examiners determined that small business and home mortgage loans represent primary credit needs in the Kansas City Assessment Area. Community development needs include affordable housing, community services, revitalization and stabilization efforts, and economic development. According to the community contacts, opportunities for community development exist, such as efforts to finance small businesses and increase the volume of affordable housing units.

SCOPE OF EVALUATION – KANSAS CITY MULTI-STATE MSA

Examiners conducted a full-scope review of the bank's CRA performance in the Kansas City Assessment Area. Examiners reviewed small business and home mortgage lending, with more weight placed on small business lending performance.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE KANSAS CITY MULTI-STATE MSA

LENDING TEST

CrossFirst Bank's Lending Test activity in the Kansas City MSA reflects high satisfactory performance, which is supported by collective performance under the criteria.

Lending Activity

CrossFirst Bank's lending activity performance in the Kansas City Assessment Area reflects good responsiveness to assessment area credit needs. During the review period, CrossFirst Bank reported 836 small business loans totaling $237.1 million and 53 home mortgage loans totaling $51.1 million in this area. By number of originations, the most recent year of available aggregate data shows that CrossFirst Bank ranked 19th of 170 reporting lenders for small business loan originations and 193rd of 614 lenders for home mortgage loan originations in the assessment area.

Geographic Distribution

Overall, CrossFirst Bank's geographic distribution of loans reflects adequate penetration throughout the Kansas City Assessment Area. Although the home mortgage performance was poor, this conclusion is supported by the bank's adequate small business performance.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout this assessment area. While the bank's lending in low- and moderate-income tracts lags corresponding aggregate data, the bank's performance overall has improved from the previous evaluation and continued to improve in 2023.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
Low	7.5	6.4	8	2.7	2,235	2.9
Moderate	20.4	17.3	32	10.8	9,239	11.8
Middle	31.2	29.8	63	21.4	17,406	22.3
Upper	37.4	43.1	175	59.3	41,406	53.0
Not Available	3.6	3.3	17	5.8	7,897	10.1
Totals	100.0	100.0	295	100.0	78,183	100.0
Source: 2022 D&B Data; Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects poor penetration throughout this assessment area. As the following table shows, the bank only originated one loan in the low- or moderate-income geographies, which lagged demographic data and aggregate performance. The bank's home mortgage lending performance was consistent throughout the review period.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	$(000s)	%
Low	6.0	5.2	0	0.0	0	0.0
Moderate	20.7	21.1	1	4.8	350	1.6
Middle	35.4	35.3	3	14.3	4,284	19.5
Upper	37.4	37.8	17	81.0	17,295	78.9
Not Available	0.5	0.6	0	0.0	0	0.0
Totals	100.0	100.0	21	100.0	21,929	100.0
Source: 2020 U.S. Census; Bank Data; 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Borrower Profile

The distribution of borrowers reflects poor penetration among retail customers of different income levels and businesses of different revenue sizes. This conclusion is supported by the bank's poor small business and home mortgage lending performance.

Small Business Loans

The distribution of borrowers reflects poor penetration among business customers of different sizes. As the following table shows, the bank's lending performance to businesses with revenues of $1 million or less notably lags the corresponding aggregate and demographic data for this same revenue category.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000	89.3	51.0	112	38.0	22,460	28.7
>$1,000,000	3.6	--	150	50.8	47,414	60.6
Revenue Not Available	7.1	--	33	11.2	8,309	10.6
Totals	100.0	100.0	295	100.0	78,183	100.0

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

Home Mortgage Loans

The distribution of borrowers reflects poor penetration among individuals of different income levels. As the following table shows, the bank originated only one home mortgage loan to borrowers in the low- and moderate-income categories, which lags both demographic data and aggregate performance.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	$(000s)	%
Low	20.9	9.7	0	0.0	0	0.0
Moderate	17.3	18.8	1	4.8	350	1.6
Middle	20.8	19.8	0	0.0	0	0.0
Upper	41.0	33.8	18	85.7	19,905	90.8
Not Available	0.0	18.0	2	9.5	1,674	7.6
Totals	100.0	100.0	21	100.0	21,929	100.0

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

Innovative or Flexible Lending Practices

As noted previously, CrossFirst Bank makes use of innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans

CrossFirst Bank is a leader in making community development loans in the Kansas City Assessment Area. The bank made 58 community development loans totaling $311.8 million during the evaluation period that benefited the assessment area. This level of lending activity is a significant increase from the previous evaluation when the bank received credit for $77.4 million in community development loans. These loans promoted community services, economic development, and revitalization and/or stabilization efforts. The following are notable examples.

- The bank made a $53.6 million loan that was used to construct multiple warehouses that supported permanent job creation/retention for several hundred low- to moderate-income individuals.
- The bank originated a $10.0 million loan to a business located in a low-income area. The loan provided capital for the purpose of making payroll and purchasing supplies to complete multiple projects and thereby retained the business and several hundred workers, stabilizing the low-income area.

INVESTMENT TEST

CrossFirst Bank demonstrates high satisfactory performance under the Investment Test in the Kansas City MSA, which is primarily supported by the responsiveness and level of investment activity.

Investment and Grant Activity
CrossFirst Bank has a significant level of qualified community development investments and grants in this assessment area, with 79 qualified investments totaling $34.6 million during the evaluation period. These investments primarily promoted affordable housing and community services. The following are noteworthy examples.

- The bank purchased approximately $18.0 million in mortgage-backed security pools backed by loans to low- and moderate-income borrowers.
- The bank purchased four bonds totaling $2.0 million, which provided funding for a loan program that serves first-time homebuyers and veterans in low- and moderate-income census tracts.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits good responsiveness to credit and community development needs in the Kansas City Assessment Area. This is reflected through the bank's investments that support affordable housing and community services in the assessment area.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives, which is consistent with the institution's overall performance.

SERVICE TEST

CrossFirst Bank demonstrates high satisfactory performance under the Service Test in the Kansas City MSA. This conclusion is a composite of outstanding performance in areas like Community Development Services and weaker performance in areas like Accessibility of Delivery Systems.

Accessibility of Delivery Systems
The institution's delivery systems are reasonably accessible to essentially all portions of this assessment area. CrossFirst Bank operates three branches and three ATMs, two of which are located in upper-income tracts, and one that is located in a tract with no income designation. The branch distribution and alternate delivery methods in this assessment area are generally consistent with the institution's overall performance.

Changes in Branch Locations
No branches were opened or closed in this assessment area during the evaluation period. Therefore, there has been no impact on the accessibility of the bank's delivery systems.

Reasonableness of Business Hours and Services
Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Services and business hours in this assessment area are consistent with the bank's overall performance.

Community Development Services
CrossFirst Bank is a leader in providing community development services in this assessment area, with 110 qualifying services. This level of service activity is a notable increase from the previous evaluation when the bank received credit for 76 qualifying services. A majority of this activity was related to community services targeted to low- and moderate-income individuals, although there were some additional activities that promote affordable housing and economic development. The following are notable examples.

- Several bank employees collectively provided financial education courses to schools where a majority of students qualify for free or reduced-price lunches.
- Multiple employees serve as board or committee members for various organizations that provide community services such as meals, medical resources, and housing to low- and moderate-income individuals.

STATE OF KANSAS

CRA RATING FOR KANSAS: SATISFACTORY

The Lending Test is rated: <u>High Satisfactory</u>
The Investment Test is rated: <u>High Satisfactory</u>
The Service Test is rated: <u>High Satisfactory</u>

DESCRIPTION OF INSTITUTION'S OPERATIONS IN KANSAS

The Kansas rated area consists of the Wichita Assessment Area, the sole assessment area in the state. This assessment area has not changed since the previous evaluation, and continues to include all of Sedgwick and Butler counties in the Wichita, Kansas MSA. The bank operates one full-service branch and one ATM in an upper-income tract. This assessment area represents 16.7 percent of all reported small business and home mortgage loans, by dollar volume, during the review period.

Economic and Demographic Data

The Wichita Assessment Area is comprised of 8 low-income tracts, 44 moderate-income tracts, 59 middle-income tracts, 41 upper-income census tracts, and 2 tracts with no income designation based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	154	5.2	28.6	38.3	26.6	1.3
Population by Geography	591,204	3.4	25.4	38.4	32.2	0.6
Housing Units by Geography	247,724	4.2	28.6	38.3	27.9	1.0
Owner-Occupied Units by Geography	142,816	1.8	19.5	42.4	36.1	0.2
Occupied Rental Units by Geography	81,337	6.9	40.7	33.8	16.5	2.1
Vacant Units by Geography	23,571	9.1	41.8	29.3	17.7	2.2
Businesses by Geography	48,909	2.3	21.3	33.5	40.0	2.8
Farms by Geography	1,729	1.0	13.4	40.5	44.0	1.0
Family Distribution by Income Level	144,062	19.6	18.3	21.3	40.9	0.0
Household Distribution by Income Level	224,153	23.1	17.4	17.6	41.8	0.0
Median Family Income MSA - 48620 Wichita, KS MSA		$74,120	Median Housing Value			$143,390
Families Below Poverty Level		8.8%	Median Gross Rent			$845
Source: 2020 U.S. Census and 2023 D&B Data *Due to rounding, totals may not equal 100.0%* *(*) The NA category consists of geographies that have not been assigned an income classification.*						

According to 2023 D&B data, service industries represent the largest portion of businesses in the assessment area at 36.9 percent; followed by non-classifiable establishments (17.7 percent); and finance, insurance, and real estate (12.7 percent). In addition, 64.1 percent of the area businesses have four or fewer employees and 89.9 percent operate from a single location.

Examiners used FFIEC-updated median family income figures for the Wichita, Kansas MSA to analyze home mortgage loans under the Borrower Profile criterion, and to review for certain qualifying community development activities. The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Wichita, KS MSA Median Family Income (48620)				
2021 ($73,200)	<$36,600	$36,600 to <$58,560	$58,560 to <$87,840	≥$87,840
2022 ($85,700)	<$42,850	$42,850 to <$68,560	$68,560 to <$102,840	≥$102,840
2023 ($85,200)	<$42,600	$42,600 to <$68,160	$68,160 to <$102,240	≥$102,240
2024 ($74,120)	<$37,060	$37,060 to <$59,296	$59,296 to <$88,944	≥$88,944
Source: FFIEC				

Competition
There is a high level of competition for financial services in this assessment area. According to June 30, 2023 FDIC Deposit Market Share data, 38 financial institutions operate 184 branches within the assessment area. Of these institutions, CrossFirst Bank ranked 7th in deposit market share with 4.6 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data revealed that 101 institutions reported 10,702 small business loans, and the 2022 HMDA aggregate data revealed 372 institutions reported 17,756 home mortgage loans in this assessment area.

Credit and Community Development Needs and Opportunities
Considering information from bank management, and demographic and economic data, examiners determined that small business and home mortgage loans represent primary credit needs in the Wichita Assessment Area. Community development needs include affordable housing, community services, revitalization and stabilization efforts, and economic development. Opportunities for community development exist, as indicated by CRA and HMDA aggregate data, along with the area demographic data on the number of small businesses and families in the assessment area.

SCOPE OF EVALUATION – KANSAS

Examiners evaluated the bank's CRA performance for the State of Kansas through a full-scope review of the Wichita Assessment Area. Refer to the overall Scope of Evaluation section for additional information.

CONCLUSIONS ON PERFORMANCE CRITERIA IN KANSAS

LENDING TEST

CrossFirst Bank's Lending Test activity in the state of Kansas reflects high satisfactory performance, which is supported by collective performance under the criteria.

Lending Activity

CrossFirst Bank's lending activity performance in the Wichita Assessment Area reflects good responsiveness to assessment area credit needs. During the review period, the bank reported 474 small business loans totaling $115.7 million and 81 home mortgage loans totaling $51.3 million. By number of loan originations, the most recent year of available aggregate data shows that CrossFirst Bank ranks 11th out of 101 reporting lenders for small business loans and 82nd out of 372 lenders for home mortgage loan originations in the assessment area.

Geographic Distribution

CrossFirst Bank's geographic distribution of loans reflects adequate penetration throughout the Wichita Assessment Area. This conclusion is supported by the bank's adequate small business and home mortgage lending performance.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration. As shown in the following table, the bank's lending performance in low- and moderate-income categories somewhat lags but remains comparable to aggregate data. In 2021, the bank's performance exceeded corresponding aggregate data in both the low- and moderate-income categories.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
Low	2.4	2.2	0	0.0	0	0.0
Moderate	21.8	21.0	25	16.2	6,817	19.0
Middle	34.3	33.9	44	28.6	7,625	21.3
Upper	38.7	40.1	78	50.6	19,933	55.6
Not Available	2.8	2.8	7	4.5	1,470	4.1
Totals	100.0	100.0	154	100.0	35,845	100.0
Source: 2022 D&B Data; Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate penetration throughout this assessment area. As the following table shows, the bank's lending in low- and moderate-income tracts is consistent with aggregate data. The bank's performance varied throughout the evaluation period, with performance exceeding aggregate data in 2021, but notably lagging aggregate data in 2023.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	$(000s)	%
Low	1.8	1.3	0	0.0	0	0.0
Moderate	19.5	19.2	6	16.7	853	5.8
Middle	42.4	41.1	11	30.6	2,343	15.9
Upper	36.1	38.3	19	52.8	11,514	78.3
Not Available	0.2	0.2	0	0.0	0	0.0
Totals	100.0	100.0	36	100.0	14,710	100.0

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

Borrower Profile

Overall, the distribution of borrowers reflects adequate penetration among businesses of different revenue sizes and retail customers of different income levels. The bank's adequate small business lending performance outweighed its poor home mortgage lending performance, given the weight assigned to each loan product.

Small Business Loans

Overall, the distribution of borrowers reflects adequate penetration to business customers of different sizes. As shown in the following table, the bank's performance in 2022 to businesses with revenues of $1 million or less lagged corresponding aggregate data in this revenue category. However, the bank's lending performance in 2021 (47.7 percent) was more consistent with aggregate data (52.4 percent), resulting in adequate performance overall.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000	83.5	51.2	64	41.6	15,478	43.2
>$1,000,000	5.4	--	65	42.2	14,228	39.7
Revenue Not Available	11.2	--	25	16.2	6,139	17.1
Totals	100.0	100.0	154	100.0	35,845	100.0

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

Home Mortgage Loans

The bank's distribution of borrowers reflects poor penetration to individuals of different income levels. As the following table shows, the bank's performance significantly lagged aggregate data to both low- and moderate-income borrowers. The bank's performance reflected similar performance in 2021 but showed some improvement in 2023, with 17.6 percent of loans to moderate-income borrowers.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	$(000s)	%
Low	19.6	9.6	0	0.0	0	0.0
Moderate	18.3	20.6	1	2.8	250	1.7
Middle	21.3	19.7	4	11.1	806	5.5
Upper	40.9	27.1	16	44.4	10,858	73.8
Not Available	0.0	22.9	15	41.7	2,796	19.0
Totals	100.0	100.0	36	100.0	14,710	100.0

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

Innovative or Flexible Lending Practices
As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans
CrossFirst Bank made a relatively high level of community development loans in the Wichita Assessment Area. The bank made 19 community development loans totaling $83.7 million during the evaluation period that benefited this assessment area. These loans promoted economic development, revitalization and/or stabilization of low- and moderate-income geographies, and community services. The following are notable examples.

- The bank made a $16.4 million loan that was used to finance construction of a mixed-use property that revitalized a moderate-income area by providing multi-family housing and space for retail businesses.
- The bank made a $16.0 million loan to a new business, providing permanent job creation for low- and moderate-income individuals.

INVESTMENT TEST

CrossFirst Bank demonstrates high satisfactory performance under the Investment Test in the state of Kansas, which is primarily supported by the bank's Investment and Grant Activity performance.

Investment and Grant Activity
CrossFirst Bank has a significant level of qualified community development investments and grants in this assessment area, with 34 qualified investments totaling $20.1 million during the evaluation period. These investments promoted affordable housing and community services. The following are noteworthy examples.

- CrossFirst Bank invested $15.5 million in mortgage-backed security pools backed by loans to low- and moderate-income borrowers.

- The bank maintained a prior period investment with an outstanding value of $1.0 million that helped finance construction and renovations for a school district in which the majority of students are low- or moderate-income.

Responsiveness to Credit and Community Development Needs
The institution exhibits good responsiveness to credit and community development needs. This conclusion is supported by the bank's investments in affordable housing and community services, which are primary needs for the assessment area.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives in this assessment area.

SERVICE TEST

CrossFirst Bank demonstrates high satisfactory performance under the Service Test in the state of Kansas. This conclusion is a composite of outstanding performance in areas like Community Development Services and adequate performance in areas including Accessibility of Delivery Systems.

Accessibility of Delivery Systems
The institution's delivery systems are reasonably accessible to essentially all portions of this assessment area. CrossFirst Bank operates one branch and one ATM in an upper-income census tract. Branch distribution and alternate delivery methods are consistent with the institution's overall performance.

Changes in Branch Locations
No branches were opened or closed in this assessment area during the evaluation period. Therefore, there has been no impact on the accessibility of the bank's delivery systems.

Reasonableness of Business Hours and Services
The institution's services and business hours do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Business hours and services in the assessment area are consistent with the institution's overall performance.

Community Development Services
The bank is a leader in providing community development services in this area, with 75 qualifying services. This level of service activity is a significant improvement from the previous evaluation when the bank received credit for 16 qualified services. All but 1 qualifying service involved employees providing financial education to schools where a majority of students are considered low- or moderate-income. One employee also provides budgeting expertise as a board member for an organization that provides rent and utility assistance to low- and moderate-income families.

STATE OF OKLAHOMA

CRA RATING FOR OKLAHOMA: <u>SATISFACTORY</u>.

The Lending Test is rated: <u>High Satisfactory</u>
The Investment Test is rated: <u>High Satisfactory</u>
The Service Test is rated: <u>High Satisfactory</u>

DESCRIPTION OF INSTITUTION'S OPERATIONS IN OKLAHOMA

CrossFirst Bank continues to designate two assessment areas in the state of Oklahoma, which includes the Tulsa Assessment Area and Oklahoma City Assessment Area. Refer to the corresponding sections of this evaluation for further details on these areas.

SCOPE OF EVALUATION – OKLAHOMA

Examiners evaluated the bank's CRA performance for the state of Oklahoma through reviews of the Tulsa and Oklahoma City Assessment Areas. Since both assessment areas contain the same number of branches and have similar lending and deposit activity, the assessment areas received equal weight.

CONCLUSIONS ON PERFORMANCE CRITERIA IN OKLAHOMA

LENDING TEST

CrossFirst Bank demonstrated high satisfactory performance under the Lending Test in the state of Oklahoma. This conclusion is consistent with the bank's performance in the Tulsa Assessment Area.

<u>Lending Activity</u>
The lending levels reflect good responsiveness to the credit needs in the assessment areas. This conclusion is supported by the relatively high market shares for small business and home mortgage lending in both assessment areas.

<u>Geographic Distribution</u>
Overall, the geographic distribution of loans reflects good penetration in the Oklahoma rated area. Although the Oklahoma City Assessment Area's performance was adequate, the bank demonstrated good small business lending performance in both assessment areas, which drove the overall conclusion.

<u>Borrower Profile</u>
The distribution of borrowers reflects adequate penetration among businesses of different sizes and retail customers of different income levels in the state of Oklahoma. This conclusion is consistent with the bank's adequate performance in both assessment areas.

Innovative or Flexible Lending Practices
As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans
CrossFirst Bank made a relatively high level of community development loans in Oklahoma. This conclusion is consistent with the bank's performance in both the Tulsa and Oklahoma City Assessment Areas. The bank made 20 community development loans totaling $75.5 million within the two Oklahoma assessment areas. This level of lending shows a decrease since the prior evaluation, but nonetheless continues to show good responsiveness to identified community development needs, including affordable housing, community services, economic development, and revitalization and/or stabilization.

INVESTMENT TEST

CrossFirst Bank demonstrated high satisfactory performance under the Investment Test in the state of Oklahoma, which is consistent with the bank's performance in both the Tulsa and Oklahoma City Assessment Areas

Investment and Grant Activity
The institution has a significant level of qualified community development investments and grants in the state of Oklahoma. The bank made or maintained 49 qualified investments/grants totaling $16.7 million in the Oklahoma assessment areas. This is a notable increase in volume from the previous evaluation.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits good responsiveness to credit and community development needs in the state of Oklahoma. Refer to each assessment area for specific examples of the bank's responsiveness to available opportunities in relation to assessment area credit and community development needs.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives.

SERVICE TEST

CrossFirst Bank demonstrated a high satisfactory performance under the Service Test in the state of Oklahoma. The bank's performance in the both the Tulsa and Oklahoma City Assessment Areas is consistent with this conclusion.

Accessibility of Delivery Systems
CrossFirst Bank's delivery systems are reasonably accessible to essentially all portions of the assessment areas in Oklahoma. The bank's branch distribution and alternative delivery systems for Oklahoma are consistent with those already presented for the institution overall.

Changes in Branch Locations

No branches were opened or closed in Oklahoma during the evaluation period. Therefore, there has been no impact on the accessibility of the bank's delivery systems.

Reasonableness of Business Hours and Services

Services and hours do not vary in a way that inconveniences certain portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals, within the state of Oklahoma. Performance is consistent with that already presented for the institution overall.

Community Development Services

CrossFirst Bank provides a relatively high level of community development services in the Oklahoma assessment areas. The bank received credit for 89 community development services within its Oklahoma assessment areas. This level of activity is similar to the services noted at the prior evaluation. Refer to the related sections of this evaluation for details on the qualifying purposes and specific examples of activity in each assessment area.

TULSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE TULSA ASSESSMENT AREA

The Tulsa Assessment Area includes all of Tulsa County in the Tulsa, Oklahoma MSA. This assessment area accounts for 7.6 percent of the bank's report small business and home mortgage lending activity. The bank operates one branch and one ATM in an upper-income tract. The following section details economic and demographic data based on 2020 U.S. Census data and 2023 D&B data.

Economic and Demographic Data

The Tulsa Assessment Area is comprised of 13 low-income tracts, 66 moderate-income tracts, 53 middle-income tracts, 75 upper-income tracts, and 1 tract without an income designation based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	208	6.3	31.7	25.5	36.1	0.5
Population by Geography	669,279	6.1	30.7	26.0	36.8	0.5
Housing Units by Geography	284,341	6.9	31.5	27.3	34.0	0.4
Owner-Occupied Units by Geography	151,162	3.6	23.2	27.7	45.4	0.1
Occupied Rental Units by Geography	102,747	11.0	40.6	27.0	20.6	0.8
Vacant Units by Geography	30,432	9.3	41.6	25.9	22.2	0.9
Businesses by Geography	115,870	4.1	24.3	28.6	42.8	0.1
Farms by Geography	2,901	3.7	22.1	35.0	39.0	0.2
Family Distribution by Income Level	159,053	21.5	17.3	18.9	42.4	0.0
Household Distribution by Income Level	253,909	24.0	16.5	17.4	42.1	0.0
Median Family Income MSA - 46140 Tulsa, OK MSA		$72,203	Median Housing Value			$164,872
Families Below Poverty Level		10.9%	Median Gross Rent			$897
Source: 2020 U.S. Census and 2023 D&B Data *Due to rounding, totals may not equal 100.0%* *(*) The NA category consists of geographies that have not been assigned an income classification.*						

According to 2023 D&B data, service industries represent the largest portion of businesses in the assessment area at 35.1 percent; followed by non-classifiable establishments (26.9 percent); and finance, insurance, and real estate (12.3 percent). In addition, 60.7 percent of the area businesses have four or fewer employees and 93.9 percent operate from a single location.

Examiners used FFIEC-updated median family income figures for the Tulsa, Oklahoma MSA to analyze home mortgage loans under the Borrower Profile criterion, and to review for certain qualifying community development activities. The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Tulsa, OK MSA Median Family Income (46140)				
2021 ($73,000)	<$36,500	$36,500 to <$58,400	$58,400 to <$87,600	≥$87,600
2022 ($81,300)	<$40,650	$40,650 to <$65,040	$65,040 to <$97,560	≥$97,560
2023 ($84,100)	<$42,050	$42,050 to <$67,280	$67,280 to <$100,920	≥$100,920
2024 ($72,203)	<$36,102	$36,102 to <$57,762	$57,762 to <$86,644	≥$86,644
Source: FFIEC				

Competition

There is a high level of competition for financial services in this assessment area. According to June 30, 2023 FDIC Deposit Market Share data, 49 financial institutions operate 197 branches within the assessment area. Of these institutions, CrossFirst Bank ranked 13th in deposit market share with 1.9 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data

revealed that 109 institutions reported 15,803 small business loans, and the 2022 HMDA aggregate data revealed 422 institutions reported 18,895 home mortgage loans in this assessment area.

Community Contact
Examiners reviewed an interview that was recently conducted with an individual actively promoting economic development in Tulsa. The contact indicated economic conditions in Tulsa are consistent with the rest of the county with housing costs outstripping wages, but overall, the economy remains strong. The contact identified small business lending as a primary need in the area. The contact also noted a shortage in housing for both affordable and market rate units, and they identified a need for more flexible home loan options, including homebuyer assistance and down payment programs. Finally, the contact identified a need for financial literacy programs for businesses and homeowners. The contact indicated local financial institutions are adequately addressing credit needs in the area, but noted they would like to see institutions involved in creating a housing investment fund for the city, which could be used for affordable and market rate housing.

Credit and Community Development Needs and Opportunities
Considering information from bank management, the community contact, and demographic and economic data, examiners determined that small business and home mortgage loans represent primary credit needs in the Tulsa Assessment Area. Community development needs include affordable housing, community services, revitalization and stabilization efforts, and economic development. Opportunities for community development exist, considering the percentage of small businesses and low- and moderate-income households in the assessment area as well as the community contact comments regarding affordable housing and financial education.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE TULSA ASSESSMENT AREA

LENDING TEST

CrossFirst Bank demonstrates good performance in this assessment area. This conclusion is supported by the bank's performance in Lending Activity, Geographic Distribution, and Community Development Loans.

Lending Activity
CrossFirst Bank's lending activity in the Tulsa Assessment Area reflects good responsiveness to assessment area credit needs. During the review period, the bank originated 221 small business loans totaling $57.1 million and 50 home mortgage loans totaling $19.3 million. While total lending volume decreased since the previous evaluation, the bank continues to hold solid market shares by number of reported loans in the assessment area. According to 2022 aggregate data, the bank ranked 27th out of 109 lenders for small business loans and 118th out of 244 lenders for home mortgage loans.

Geographic Distribution
Overall, CrossFirst Bank's geographic distribution of loans reflects good penetration throughout the Tulsa Assessment Area. The bank's good small business lending performance outweighed the adequate home mortgage lending performance.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the assessment area. The bank's lending performance is reasonably proportionate to aggregate data in the low-income tracts and exceeds aggregate performance and demographic data in the moderate-income tracts.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
Low	4.1	4.0	2	3.2	121	0.8
Moderate	24.3	23.5	21	33.3	5,141	33.3
Middle	28.9	27.8	17	27.0	4,215	27.3
Upper	42.6	44.5	23	36.5	5,968	38.6
Not Available	0.1	0.1	0	0.0	0	0.0
Totals	100.0	100.0	63	100.0	15,445	100.0
Source: 2022 D&B Data; Bank Data; 2022 CRA Aggregate Data, "--" data not available. *Due to rounding, totals may not equal 100.0%*						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate penetration throughout the assessment area. As shown in the following table, the bank's lending performance exceeded aggregate data in the low-income tracts, but it did not originate any loans in moderate-income tracts. Despite this lag, the bank's record of lending in moderate-income tracts (40.9 percent) significantly exceeded demographic data in 2021 (12.7 percent), and performance slightly improved again in 2023, resulting in overall adequate performance.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	$(000s)	%
Low	3.6	1.9	1	7.1	77	0.7
Moderate	23.2	18.6	0	0.0	0	0.0
Middle	27.7	28.0	1	7.1	212	1.8
Upper	45.4	51.5	12	85.7	11,375	97.5
Not Available	0.1	0.0	0	0.0	0	0.0
Totals	100.0	100.0	14	100.0	11,664	100.0
Source: 2020 U.S. Census; Bank Data; 2022 HMDA Aggregate Data, "--" data not available. *Due to rounding, totals may not equal 100.0%*						

Borrower Profile

Overall, the distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels. The bank's adequate small business lending performance outweighed the bank's poor home mortgage lending performance.

Small Business Loans

The distribution of small business loans reflects adequate penetration to business customers of different sizes. The following table shows the bank's lending performance to businesses with revenues of $1 million or less notably trails aggregate performance for the same revenue category in 2022. While the bank's record of lending was similar in 2021 (35.0 percent to businesses with revenues of $1 million or less), this performance was more proportionate to corresponding aggregate data (41.4 percent). The bank's performance subsequently improved in 2023, with 42.1 percent of loans to businesses with revenues of $1 million or less.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000	90.1	51.1	22	34.9	5,452	35.3
>$1,000,000	3.3	--	39	61.9	9,872	63.9
Revenue Not Available	6.6	--	2	3.2	121	0.8
Totals	100.0	100.0	63	100.0	15,445	100.0

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

Home Mortgage Loans

The distribution of home mortgage loans reflects poor penetration to low- and moderate-income borrowers. The following table shows the bank did not originate any loans to low- or moderate-income borrowers. While performance was similar in 2021, the bank's level of lending to moderate-income borrowers improved to 14.3 percent in 2023.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	$(000s)	%
Low	21.5	6.8	0	0.0	0	0.0
Moderate	17.3	17.0	0	0.0	0	0.0
Middle	18.9	18.5	0	0.0	0	0.0
Upper	42.4	34.1	6	42.9	9,133	78.3
Not Available	0.0	23.6	8	57.1	2,531	21.7
Totals	100.0	100.0	14	100.0	11,664	100.0

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

Innovative or Flexible Lending Practices

As noted previously, CrossFirst Bank makes use of innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans
CrossFirst Bank made a relatively high level of community development loans in the Tulsa Assessment Area. The bank made 11 community development loans totaling $32.1 million during the evaluation period that benefited this assessment area. These loans promoted affordable housing, economic development, and revitalization and/or stabilization of low- and moderate-income geographies. The following are notable examples.

- The bank made a $12.0 million loan to a business that was used to finance operations and retain jobs, stabilizing a low-income area.
- The bank made two loans totaling $2.1 million to a nonprofit organization for the purpose of providing affordable multifamily housing.

INVESTMENT TEST

CrossFirst Bank demonstrates good performance under the Investment Test in the Tulsa Assessment Area. The bank's performance under Investment and Grant Activity and Responsiveness to Credit and Community Development Needs primarily supports this conclusion.

Investment and Grant Activity
CrossFirst Bank has a significant level of qualified community development investments and grants in the Tulsa Assessment Area. During the evaluation period, the bank had $7.5 million in qualifying activity in the assessment area. This lending volume is a notable increase from the prior evaluation when the bank received credit for $1.4 million in qualifying investments. Most investment activity was to promote affordable housing. All 16 qualifying investments were mortgage-backed security pools backed by loans to low- and moderate-income borrowers. Examples of qualifying donations include a donation to an intermediary that bundles microloans from Community Development Financial Institutions (CDFIs) for bank purchase, and donations to various organizations that provide charitable services to low- and moderate-income individuals.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits good responsiveness to credit and community economic development needs in the Tulsa Assessment Area. This is reflected through the bank's investments that support affordable housing and other services targeted to low- and moderate-income individuals and families.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives.

SERVICE TEST

CrossFirst Bank demonstrated good performance under the Service Test in the Tulsa Assessment Area. The bank's performance under Community Development Services and Accessibility of Delivery Systems primarily supports this conclusion.

Accessibility of Delivery Systems
The bank's delivery systems are reasonably accessible to essentially all portions of this assessment area. CrossFirst Bank operates one branch and ATM in an upper-income census tract. Branch distribution and alternative delivery methods are consistent with those already discussed in the bank's overall performance.

Changes in Branch Locations
During the evaluation period, no changes were made with regard to opening and/or closing branches in this assessment area.

Reasonableness of Business Hours and Services
Services do not vary in a way that inconveniences certain portions of the assessment area, particularly in low- or moderate-income geographies and/or individuals. Performance is consistent with that already presented for the overall institution.

Community Development Services
CrossFirst Bank provides a relatively high level of community development services in the Tulsa Assessment Area, with 29 qualifying services. This level of activity is similar to the services noted at the prior evaluation. The qualifying services primarily supported community services to low- and moderate-income individuals, but services promoting economic development were noted as well. The following are notable examples.

- Multiple bank employees provided financial literacy lessons through a nonprofit organization that targets low- and moderate-income students.
- A bank employee continues to provide financial expertise to an organization that provides substance abuse services.

OKLAHOMA CITY ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE OKLAHOMA CITY ASSESSMENT AREA

The Oklahoma City Assessment Area includes all of Oklahoma County, one of seven counties in the Oklahoma City MSA. The Oklahoma City Assessment Area includes one branch and accounts for approximately 7.5 percent of the bank's overall lending activity and 6.0 percent of overall deposits. There have been no changes to this assessment area since the previous evaluation.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE OKLAHOMA CITY ASSESSMENT AREA

Economic and Demographic Data
The Oklahoma City Assessment Area is comprised of 26 low-income tracts, 85 moderate-income tracts, 73 middle-income tracts, 67 upper-income tracts, and 15 tracts without income designations

based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	266	9.8	32.0	27.4	25.2	5.6
Population by Geography	796,292	9.0	31.7	29.5	28.3	1.5
Housing Units by Geography	341,512	9.1	33.5	30.0	25.7	1.8
Owner-Occupied Units by Geography	181,874	5.9	26.4	31.8	34.7	1.3
Occupied Rental Units by Geography	123,906	12.3	42.3	27.8	15.3	2.3
Vacant Units by Geography	35,732	13.7	39.3	28.1	16.3	2.6
Businesses by Geography	151,096	6.5	27.3	27.4	36.5	2.2
Farms by Geography	3,621	5.6	28.6	27.5	37.3	1.1
Family Distribution by Income Level	187,286	24.1	18.7	18.8	38.4	0.0
Household Distribution by Income Level	305,780	26.3	17.3	18.2	38.2	0.0
Median Family Income MSA - 36420 Oklahoma City, OK MSA		$75,170	Median Housing Value			$163,171
Families Below Poverty Level		11.7%	Median Gross Rent			$906
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

According to 2023 D&B data, service industries represent the largest portion of businesses in the assessment area at 31.1 percent; tied with non-classifiable establishments (31.1 percent); followed by finance, insurance, and real estate (12.5 percent); and retail trade (8.3 percent). In addition, 57.5 percent of the area businesses have four or fewer employees and 94.6 percent operate from a single location.

Examiners used FFIEC-updated median family income figures for the Oklahoma City, Oklahoma MSA to analyze home mortgage loans under the Borrower Profile criterion, and to review for certain qualifying community development activities. The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Oklahoma City, OK MSA Median Family Income (36420)				
2021 ($73,100)	<$36,550	$36,550 to <$58,480	$58,480 to <$87,720	≥$87,720
2022 ($84,900)	<$42,450	$42,450 to <$67,920	$67,920 to <$101,880	≥$101,880
2023 ($85,800)	<$42,900	$42,900 to <$68,640	$68,640 to <$102,960	≥$102,960
2024 ($75,170)	<$37,585	$37,585 to <$60,136	$60,136 to <$90,204	≥$90,204
Source: FFIEC				

Competition
There is a high level of competition for financial services in this assessment area. According to June 30, 2023 FDIC Deposit Market Share data, 58 financial institutions operate 233 branches within the assessment area. Of these institutions, CrossFirst Bank ranked 21st in deposit market share with 0.9 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data revealed that 132 institutions reported 20,410 small business loans, and the 2022 HMDA aggregate data revealed 457 institutions reported 23,386 home mortgage loans in this assessment area.

Credit and Community Development Needs and Opportunities
Considering information from bank management, and demographic and economic data, examiners determined that small business and home mortgage loans represent primary credit needs in the Oklahoma City Assessment Area. Opportunities exist for originating such loans, as indicated by the percentages of small businesses and families in the assessment area. In addition, community development needs include affordable housing, community services, revitalization and stabilization efforts, and economic development.

LENDING TEST

CrossFirst Bank demonstrates adequate performance under the Lending Test in the Oklahoma City Assessment Area. This conclusion is a composite of adequate performance under Geographic Distribution and Borrower Profile along with stronger performance in other criteria.

Lending Activity
CrossFirst Bank's lending activity in the Oklahoma City Assessment Area reflects good responsiveness to the assessment area's credit needs. During the review period, the bank originated 205 small business loans totaling $51.0 million and 34 home mortgage loans totaling $24.5 million. The lending activity reflects a slight decline in small business lending and an uptick in home mortgage lending since the previous evaluation. The bank continues to hold reasonable market shares for the number of reported loans in this assessment area, ranking 32nd out of 132 lenders for small business loans and 158th out of 457 lenders for home mortgage loans.

Geographic Distribution
Overall, the geographic distribution of loans reflects adequate penetration throughout the Oklahoma City Assessment Area. This conclusion is a composite of the bank's good small business lending performance and very poor home mortgage lending performance.

Small Business Loans
The geographic distribution of small business loans reflects good penetration throughout the assessment area. As shown in the following table, the bank's lending performance in low-income tracts is reasonably comparable to aggregate data, while performance in moderate-income tracts exceeds the corresponding aggregate data.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
Low	6.3	5.8	2	3.2	315	2.3
Moderate	27.4	26.3	19	30.2	3,948	28.8
Middle	27.6	26.7	16	25.4	3,800	27.7
Upper	36.3	39.2	19	30.2	3,916	28.6
Not Available	2.4	1.9	7	11.1	1,716	12.5
Totals	100.0	100.0	63	100.0	13,695	100.0

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

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects very poor penetration throughout the assessment area. As shown in the following table, the bank did not originate any home mortgage loans in low- or moderate-income tracts. The bank demonstrated similar performance in 2021, with no loan originates in low- or moderate-income tracts. The bank's performance for 2023 was not analyzed, as only one home loan was originated in the assessment area.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	$(000s)	%
Low	5.9	4.5	0	0.0	0	0.0
Moderate	26.4	22.8	0	0.0	0	0.0
Middle	31.8	31.2	4	28.6	2,839	22.0
Upper	34.7	40.6	10	71.4	10,063	78.0
Not Available	1.3	1.0	0	0.0	0	0.0
Totals	100.0	100.0	14	100.0	12,902	100.0

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

Borrower Profile

Overall, the distribution of borrowers reflects adequate penetration among retail customers of different income levels and business customers of different sizes. The bank's adequate small business lending performance outweighed the very poor home mortgage lending performance.

Small Business Loans

The distribution of small business loans reflects adequate penetration to business customers of different sizes. As shown in the following table, the bank's performance to businesses with revenues of $1 million or less significantly trails aggregate data. However, performance fluctuated throughout the review period, and the bank's performance exceeded corresponding aggregate data

by 0.8 percent in 2021. The bank's performance slightly improved again in 2023, with 38.8 percent of report loans originated to businesses with revenues of $1 million or less.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000	90.9	51.1	20	31.7	4,303	31.4
>$1,000,000	2.7	--	41	65.1	9,277	67.7
Revenue Not Available	6.3	--	2	3.2	115	0.8
Totals	100.0	100.0	63	100.0	13,695	100.0

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

Home Mortgage Loans
The distribution of home loans reflects very poor penetration to low- and moderate-income borrowers. CrossFirst Bank's performance has continued to decline since the previous evaluation, as the bank did not originate any loans to low- or moderate-income borrowers during the review period. The following table shows the bank's home mortgage lending performance in 2022.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	$(000s)	%
Low	24.1	7.4	0	0.0	0	0.0
Moderate	18.7	16.0	0	0.0	0	0.0
Middle	18.8	16.7	3	21.4	814	6.3
Upper	38.4	30.3	9	64.3	5,538	42.9
Not Available	0.0	29.8	2	14.3	6,550	50.8
Totals	100.0	100.0	14	100.0	12,902	100.0

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

Innovative or Flexible Lending Practices
As noted previously, CrossFirst Bank makes use of innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans
CrossFirst Bank made a relatively high level of community development loans in the Oklahoma City Assessment Area. The bank made 9 community development loans totaling $43.4 million during the evaluation period that benefited this assessment area. These loans promoted economic development, revitalization and/or stabilization of low- and moderate-income geographies, and community services. The following are notable examples.

- The bank made a $20.0 million loan that was used to revitalize a moderate-income area by providing a new multi-family housing development that will attract residents to the area.
- The bank made a $5.0 million loan for a business to expand operations and provide permanent job creation for low- and moderate-income individuals.

INVESTMENT TEST

CrossFirst Bank demonstrated good performance under the Investment Test in the Oklahoma City Assessment Area. The bank's performance under Investment and Grant Activity and Responsiveness to Credit and Community Development Needs primarily supports this conclusion.

Investment and Grant Activity
CrossFirst Bank has a significant level of qualified community development investments in the Oklahoma City Assessment Area. During the evaluation period, the bank received credit for $9.2 million in qualifying activity in the assessment area. This is a significant increase in volume from the prior evaluation when the bank had $1.5 million in qualifying activities. The qualifying investments primarily promote affordable housing, but activities promoting community services and economic development were also noted. All 13 qualifying securities are pooled mortgage-backed securities backed by loans to low- and moderate-income borrowers. The following are examples of donations provided in the assessment area.

- The bank provided $5,000 to a hospital that serves several adjacent low- and moderate-income tracts.
- The bank made donations totaling $4,000 to an organization in a moderate-income census tract that assists victims of domestic violence and sexual assault.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits good responsiveness to credit and community economic development needs in the Oklahoma City Assessment Area. This is reflected through the bank's investments that support affordable housing and other services targeted to low- and moderate-income individuals and families.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives.

SERVICE TEST

CrossFirst Bank demonstrated good performance under the Service Test in the Oklahoma City Assessment Area. This conclusion is a composite of strong performance in some criteria along with weaker performance in others.

Accessibility of Delivery Systems
The bank's delivery systems are reasonably accessible to essentially all portions of the assessment area. Branch distribution and alternative delivery methods are consistent with those already discussed in the bank's overall performance.

Changes in Branch Locations
During the evaluation period, no changes were made regarding opening and/or closing branches in this assessment area.

Reasonableness of Business Hours and Services
Services do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Performance is consistent with that already presented for the overall institution.

Community Development Services
CrossFirst Bank is a leader in providing community development services in the Oklahoma City Assessment Area, with 60 qualifying services. This level of activity is similar to the services noted at the prior evaluation. A substantial majority of the qualifying services supported community services to low- and moderate-income individuals. The following are notable examples.

- Several bank employees provided financial literacy lessons through an organization that serves low- and moderate-income adults with disabilities.
- Several bank employees provide financial expertise by serving on boards or committees for organizations that provide services to people in need, including single mothers, and children and families experiencing homelessness.

STATE OF TEXAS

CRA RATING FOR TEXAS: <u>SATISFACTORY</u>

The Lending Test is rated: <u>High Satisfactory</u>
The Investment Test is rated: <u>High Satisfactory</u>
The Service Test is rated: <u>High Satisfactory</u>

DESCRIPTION OF INSTITUTION'S OPERATIONS IN TEXAS

CrossFirst Bank's Dallas-Fort Worth Assessment Area consists of all of Collin and Dallas counties in the Dallas, Texas MSA, as well as Tarrant County in the Fort Worth, Texas MSA. Previously, the bank only designated portions of Collin and Dallas counties, but this area has since been expanded to include whole counties. Additionally, the bank added Tarrant County after opening a new branch in Fort Worth. The bank also opened a third branch in Dallas, but this addition did not result in any changes to the assessment area. The bank now operates a total of four branches and four ATMs in the assessment area, all of which are located in upper-income census tracts. Lending activity in Texas represents 18.6 percent of all small business and home mortgage loans reported since the previous evaluation, by dollar volume of originations.

Economic and Demographic Data
The Dallas-Fort Worth Assessment Area is comprised of 144 low-income tracts, 372 moderate-income tracts, 362 middle-income tracts, 415 upper-income tracts, and 21 tracts without income designations based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area – Dallas-Fort Worth						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,314	11.0	28.3	27.5	31.6	1.6
Population by Geography	5,788,644	10.4	27.7	28.7	32.4	0.9
Housing Units by Geography	2,184,380	11.0	26.8	29.4	32.0	0.9
Owner-Occupied Units by Geography	1,140,967	5.4	22.4	30.8	41.0	0.4
Occupied Rental Units by Geography	880,966	17.2	32.0	28.1	21.2	1.4
Vacant Units by Geography	162,447	16.2	29.4	25.8	26.8	1.8
Businesses by Geography	1,059,377	5.4	18.8	30.0	44.8	1.0
Farms by Geography	15,588	4.5	18.8	30.4	45.7	0.7
Family Distribution by Income Level	1,370,139	23.6	17.8	19.1	39.5	0.0
Household Distribution by Income Level	2,021,933	24.1	17.3	18.0	40.6	0.0
Median Family Income MSA - 19124 Dallas-Plano-Irving, TX	$88,315	Median Housing Value				$246,347
Median Family Income MSA - 23104 Fort Worth-Arlington-Grapevine, TX	$82,649	Median Gross Rent				$1,223
		Families Below Poverty Level				9.0%
Source: 2020 U.S. Census and 2023 D&B Data. Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

According to 2023 D&B data, service industries represent the largest portion of businesses in the assessment area at 33.0 percent; followed by non-classifiable establishments (30.1 percent); and finance, insurance, and real estate (12.4 percent). In addition, 59.2 percent of the area businesses have four or fewer employees and 94.6 percent operate from a single location.

Examiners used FFIEC-updated median family income figures for the Dallas-Plano-Irving, Texas MSA and Fort Worth-Arlington-Grapevine, Texas MSA to analyze home mortgage loans under the Borrower Profile criterion, and to review for certain qualifying community development activities. The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Dallas-Plano-Irving, TX Median Family Income (19124)				
2021 ($89,000)	<$44,500	$44,500 to <$71,200	$71,200 to <$106,800	≥$106,800
2022 ($97,400)	<$48,700	$48,700 to <$77,920	$77,920 to <$116,880	≥$116,880
2023 ($105,600)	<$52,800	$52,800 to <$84,480	$84,480 to <$126,720	≥$126,720
2024 ($88,315)	<$44,158	$44,158 to <$70,652	$70,652 to <$105,978	≥$105,978
Fort Worth-Arlington-Grapevine, TX Median Family Income (23104)				
2021 ($80,500)	<$40,250	$40,250 to <$64,400	$64,400 to <$96,600	≥$96,600
2022 ($92,400)	<$46,200	$46,200 to <$73,920	$73,920 to <$110,880	≥$110,880
2023 ($97,600)	<$48,800	$48,800 to <$78,080	$78,080 to <$117,120	≥$117,120
2024 ($82,649)	<$41,325	$41,325 to <$66,119	$66,119 to <$99,179	≥$99,179
Source: FFIEC				

Competition
There is a high level of competition for financial services in this assessment area. According to
June 30, 2023 FDIC Deposit Market Share data, 155 financial institutions operate 1,244 branches
within the assessment area. Of these institutions, CrossFirst Bank ranked 42nd in deposit market
share with 0.2 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data
revealed that 296 institutions reported 184,837 small business loans, and 2022 HMDA aggregate
data revealed that 992 institutions reported 152,946 home mortgage loans in this assessment area.

Community Contact
Examiners reviewed an interview that was recently conducted with an individual who promotes
homeownership and community development in the assessment area. The contact stated there is a
shortage of affordable homes, with investors often purchasing affordable homes and subsequently
raising housing prices and taxes within the area. The wages in the area remain low, and a majority
of individuals do not earn a living wage. The contact noted that small businesses suffered during
the COVID-19 pandemic due to increased operating costs and changing suppliers. Businesses still
have not fully recovered as supply costs continue to increase, with the restaurant industry being the
hardest hit. The contact also noted a need for flexible lending options for borrowers who do not
have social security numbers. While the contact has seen an improvement in banking relationships
in the area, they identified ample opportunities for bank involvement. Opportunities include
financial literacy courses, donations to local CDFIs, and partnerships with community development
organizations.

Credit and Community Development Needs and Opportunities
Considering information from bank management, the community contact, and demographic and
economic data, examiners determined that small business and home mortgage loans represent the
primary credit needs in the Dallas-Fort Worth Assessment Area. Community development needs
include affordable housing, community services, revitalization and stabilization efforts, and
economic development. Opportunities for community development exist, as indicated by the
percentages of small businesses and families in the assessment area as well as comments from the
community contact.

SCOPE OF EVALUATION – TEXAS

Because the Dallas and Fort Worth Assessment Areas are part of the Dallas-Fort Worth Combined
Statistical Area, examiners combined the two assessment areas for presentation purposes.
Nevertheless, conclusions were primarily supported by performance in the Dallas MSA, as Tarrant
County was not added until mid-2023 and does not yet show significant lending activity.

CONCLUSIONS ON PERFORMANCE CRITERIA IN TEXAS

LENDING TEST

CrossFirst Bank demonstrates high satisfactory performance under the Lending Test in the state of Texas. This conclusion is a composite of good to excellent performance in some criteria, combined with weaker performance in other criteria.

Lending Activity

CrossFirst Bank's lending activity in the Dallas-Fort Worth Assessment Area reflects good responsiveness to assessment area credit needs. During the review period, the bank reported 279 small business loans totaling $94.1 million and 46 home loans totaling $92.6 million in the Dallas-Fort Worth Assessment Area. This level of lending represents a slight decrease in home loan lending and a notable increase in small business lending since the previous evaluation. The bank continues to hold reasonable market shares by the number of reported loans in the assessment area, particularly given the exceptionally high level of banking competition in this area. The bank ranked 61st out of 267 lenders of small business loans and 353rd out of 901 lenders of home mortgage loans.

Geographic Distribution

Overall, CrossFirst Bank's lending performance reflects good penetration throughout the Dallas-Fort Worth Assessment Area. Although the home mortgage lending performance was adequate, this conclusion is primarily supported by the bank's good small business lending performance.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the assessment area. As shown in the following table, the bank's lending performance in low-income tracts exceeded aggregate performance and was reasonably comparable to aggregate performance in moderate-income tracts. The bank's lending performance in both low- and moderate-income tracts continued to improve in 2023.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
Low	5.1	5.1	6	7.0	1,800	6.0
Moderate	18.5	20.0	16	18.6	5,663	18.8
Middle	30.3	28.7	15	17.4	7,280	24.2
Upper	45.1	45.2	49	57.0	15,312	50.9
Not Available	0.9	0.9	0	0.0	0	0.0
Totals	**100.0**	**100.0**	**86**	**100.0**	**30,055**	**100.0**
Source: 2022 D&B Data; Bank Data; 2022 CRA Aggregate Data, "--" data not available.						
Due to rounding, totals may not equal 100.0%						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate penetration throughout the assessment area. While the bank's performance lagged aggregate performance in both low- and moderate-income tracts, the bank's performance in moderate-income tracts improved in 2023, with 16.9 percent of reported loans extended to borrowers in moderate-income areas.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	$(000s)	%
Low	5.4	5.0	0	0.0	0	0.0
Moderate	22.4	17.0	2	9.1	587	1.4
Middle	30.8	31.8	1	4.5	320	0.7
Upper	41.0	45.7	19	86.4	42,210	97.9
Not Available	0.4	0.5	0	0.0	0	0.0
Totals	**100.0**	**100.0**	**22**	**100.0**	**43,117**	**100.0**

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

Borrower Profile

Overall, the distribution of borrowers reflects poor penetration among business customers of different sizes and retail customers of different income levels. Although the home mortgage lending performance was very poor, the bank's poor small business lending performance primarily supports this conclusion.

Small Business Loans

As shown in the following table, the distribution of small business loans reflects poor penetration to business customers of different sizes. As was also noted at the previous evaluation, the bank's lending performance to businesses with revenues of $1 million or less continues to notably trail aggregate data in this same revenue category for all years reviewed. Performance was more consistent with aggregate performance in 2021 but still lagged corresponding aggregate data by 4.7 percent.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000	91.6	48.8	30	34.9	9,691	32.2
>$1,000,000	2.5	--	34	39.5	12,675	42.2
Revenue Not Available	5.9	--	22	25.6	7,689	25.6
Totals	**100.0**	**100.0**	**86**	**100.0**	**30,055**	**100.0**

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

Home Mortgage Loans
The distribution of home mortgage loans reflects very poor penetration to low- and moderate-income borrowers. As was also noted at the previous evaluation, the bank's lending penetration to low- and moderate-income borrowers continues to significantly trail aggregate data, with no home loan originations to low- or moderate-income borrowers during the entire review period. The following table shows the bank's home mortgage lending performance in 2022.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	$(000s)	%
Low	23.6	4.3	0	0.0	0	0.0
Moderate	17.8	13.4	0	0.0	0	0.0
Middle	19.1	19.3	3	13.6	890	2.1
Upper	39.5	42.1	18	81.8	41,002	95.1
Not Available	0.0	20.9	1	4.5	1,225	2.8
Totals	100.0	100.0	22	100.0	43,117	100.0

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

Innovative or Flexible Lending Practices
As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans
CrossFirst Bank is a leader in making community development loans in the Dallas-Fort Worth Assessment Area. The bank made 44 community development loans totaling $241.4 million during the evaluation period that benefited this assessment area. This volume reflects a significant increase from the previous evaluation, when the bank received credit for 10 qualifying loans totaling $47.1 million. The qualifying loans promoted affordable housing, economic development, revitalization and/or stabilization of low- and moderate-income geographies, and community services. The following are notable examples.

- The bank made a $29.0 million loan that was used to provide affordable multi-family housing.
- The bank made a $25.0 million loan that provided financing for two new industrial buildings, which attracted and retained businesses and workers and revitalized a moderate-income area.

INVESTMENT TEST

CrossFirst Bank demonstrates high satisfactory performance under the Investment Test in the state of Texas. The bank's performance under Investment and Grant Activity and Responsiveness to Credit and Community Development Needs primarily supports this conclusion.

Investment and Grant Activity
CrossFirst Bank has a significant level of qualified community development investments and grants in the Dallas-Fort Worth Assessment Area. During the evaluation period, the bank had $14.7 million in qualifying activity in the assessment area. This is a slight increase in volume from the prior evaluation when the bank received credit for $10.5 million in qualifying activity. The current investment activity primarily promotes affordable housing, with donation activity also promoting community services, economic development, and revitalization/stabilization efforts. The following are notable examples.

- The bank purchased $3.6 million and maintained another $9.7 million in pools of mortgage-backed securities that are backed by loans to low- and moderate-income borrowers
- The bank invested $2.0 million in a fund to promote affordable housing to low- and moderate-income borrowers and in low- and moderate-income communities throughout the assessment area.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits good responsiveness to credit and community development needs in the Dallas-Fort Worth Assessment Area. This is reflected through the bank's investments that support affordable housing, community services, economic development, and revitalization/stabilization efforts.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives in this assessment area.

SERVICE TEST

CrossFirst Bank demonstrates high satisfactory performance under the Service Test in the state of Texas. This conclusion is a composite of strong performance in certain criteria, combined with weaker performance in other criteria.

Accessibility of Delivery Systems
The institution's delivery systems are reasonably accessible to all portions of this assessment area. CrossFirst Bank operates four branches in this assessment area, all located in upper-income tracts. Each branch has an ATM that does not accept deposits. Branch distribution and alternate delivery methods in this assessment area are generally consistent with the institution's overall performance.

Changes in Branch Locations
Branching activity in this assessment area has generally not adversely affected the accessibility of the bank's delivery systems, particularly low- and moderate-income geographies and/or individuals.

The bank opened two additional branches in upper-income tracts in Dallas and Fort Worth, and no offices have been closed in this assessment area.

Reasonableness of Business Hours and Services
Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Services and business hours in this assessment area are consistent with the bank's overall performance.

Community Development Services
CrossFirst Bank is a leader in providing community development services in the Dallas-Fort Worth Assessment Area, with 125 qualifying services. This level of activity is a significant increase from the previous evaluation when the bank received credit for only 8 qualifying services. Qualifying services primarily promoted community services and economic development, with a handful of services also promoting affordable housing. The following are notable examples.

- Multiple bank employees provided financial education to schools and districts where a majority of students are considered low- or moderate-income.
- Several bank employees provided financial expertise by serving on board or committees for organizations that promote economic development initiatives in the assessment area.

STATE OF ARIZONA

CRA RATING FOR ARIZONA: <u>SATISFACTORY</u>

The Lending Test is rated: <u>Low Satisfactory</u>
The Investment Test is rated: <u>Low Satisfactory</u>
The Service Test is rated: <u>Low Satisfactory</u>

DESCRIPTION OF INSTITUTION'S OPERATIONS IN ARIZONA

CrossFirst Bank has two assessment areas in the state of Arizona, both of which were added since the previous evaluation. The Phoenix Assessment Area was added in 2021 after opening a new branch in Phoenix, Arizona. The Tucson Assessment Area was subsequently added in 2023 after acquiring a branch office in Tucson. The bank operates a total of two branches and two ATMs in Arizona. The lending activity in Arizona represented 14.2 percent of all small business and home mortgage loan originations since the previous evaluation. Home mortgage volume has been declining in this assessment area, with only 5 originations in 2022 and 4 originations in 2023.

SCOPE OF EVALUATION – ARIZONA

Examiners evaluated the bank's CRA performance for the state of Arizona through reviews of the Phoenix and Tucson Assessment Areas. The Phoenix Assessment Area showed notably higher loan volume compared to the newer Tucson Assessment Area and received greater weight when drawing overall conclusions. Furthermore, home mortgage lending is not a major lending focus in these assessment areas, with only five home loan originations in 2022 and four originations in 2023. As a result, examiners only analyzed the bank's small business lending performance for the Lending Activity, Geographic Distribution, and Borrower Profile criteria.

CONCLUSIONS ON PERFORMANCE CRITERIA IN ARIZONA

LENDING TEST

CrossFirst Bank demonstrated low satisfactory performance under the Lending Test in the state of Arizona. This conclusion is consistent with the bank's performance for both assessment areas.

<u>Lending Activity</u>
The lending levels reflect adequate responsiveness to the credit needs in the assessment areas. This conclusion is supported by reasonable market shares for both small business and home mortgage loans in both assessment areas, particularly considering the extensive competition in these assessment areas.

Geographic Distribution
Overall, the geographic distribution of loans reflects good penetration throughout the assessment areas in Arizona. The bank's good performance in the Phoenix Assessment Area outweighed the excellent lending performance in the Tucson Assessment Area.

Borrower Profile
Overall, the distribution of borrowers reflects poor penetration among businesses of different sizes in Arizona. This conclusion was consistent with the bank's performance in both assessment areas.

Innovative or Flexible Lending Practices
As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans
CrossFirst Bank is a leader in making community development loans in Arizona. While performance in the Tucson Assessment Area is adequate, the bank's excellent performance in the Phoenix Assessment Area carried the most weight. The bank made 35 community development loans totaling $202.0 million within the two Arizona assessment areas. This level of lending shows good responsiveness to identified community development needs, including affordable housing, community services, economic development, and revitalization and/or stabilization efforts.

INVESTMENT TEST

Overall, CrossFirst Bank demonstrated low satisfactory performance under the Investment Test in the state of Arizona. Although the Tucson Assessment Area showed poor performance, the bank's adequate performance in the Phoenix Assessment Area received greater weight and is consistent with the overall conclusion for the state of Arizona.

Investment and Grant Activity
CrossFirst Bank has an adequate level of qualified community development investments and grants in the state of Arizona. The bank made or maintained qualified investments and grants totaling $2.4 million in the Phoenix Assessment Area to support this conclusion.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits adequate responsiveness to credit and community development needs in the state of Arizona. Refer to each assessment area for specific examples of the bank's responsiveness to available opportunities in relation to assessment area credit and community development needs.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives.

SERVICE TEST

CrossFirst Bank demonstrated low satisfactory performance under the Service Test in the state of Arizona. Although the bank's performance in the Tucson Assessment Area was below the state of Arizona, the bank's performance in the Phoenix Assessment Area carried the most weight and was consistent with the overall conclusion.

Accessibility of Delivery Systems
CrossFirst Bank's delivery systems are reasonably accessible to essentially all portions of the assessment areas in Arizona. The bank's branch distribution and alternative delivery systems for Arizona are consistent with those already presented for the institution overall.

Changes in Branch Locations
To the extent changes have been made, the bank's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or individuals. The bank opened or acquired two new branches in upper-income tracts since the previous evaluation.

Reasonableness of Business Hours and Services
Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Services and business hours in this assessment area are consistent with the bank's overall performance.

Community Development Services
The institution provides an adequate level of community development services in Arizona, with 32 qualifying services. Although there was only 1 qualifying service in the Tucson Assessment Area, the bank's good performance in the Phoenix Assessment Area supports this conclusion, which received more weight in the Arizona rated area.

PHOENIX ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE PHOENIX ASSESSMENT AREA

CrossFirst Bank's Phoenix Assessment Area was added in 2021 and consists of all of Maricopa County, which is part of the Phoenix-Mesa-Chandler, Arizona MSA. The Phoenix Assessment Area includes one branch and accounts for 13.7 percent of all reported small business and home mortgage lending activity and 2.3 percent of the institution's total deposits.

Economic and Demographic Data
The Phoenix Assessment Area is comprised of 64 low-income tracts, 259 moderate-income tracts, 314 middle-tracts, 348 upper-income tracts, and 24 tracts without income designations based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,009	6.3	25.7	31.1	34.5	2.4
Population by Geography	4,420,568	5.8	25.6	32.6	35.4	0.6
Housing Units by Geography	1,765,880	5.4	26.5	33.5	34.3	0.4
Owner-Occupied Units by Geography	1,008,487	2.6	20.6	34.7	41.9	0.1
Occupied Rental Units by Geography	588,297	10.0	35.6	31.6	22.1	0.7
Vacant Units by Geography	169,096	5.6	29.3	32.5	32.0	0.6
Businesses by Geography	1,047,857	4.0	18.2	28.5	48.8	0.5
Farms by Geography	17,296	4.4	20.4	30.2	44.4	0.7
Family Distribution by Income Level	1,047,899	20.4	17.9	20.0	41.7	0.0
Household Distribution by Income Level	1,596,784	22.3	16.9	18.5	42.3	0.0
Median Family Income MSA - 38060 Phoenix-Mesa-Chandler, AZ MSA		$78,930	Median Housing Value			$292,183
Families Below Poverty Level		9.1%	Median Gross Rent			$1,221
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

According to 2023 D&B data, service industries represent the largest portion of businesses in the assessment area at 35.4 percent; followed by non-classifiable establishments (28.5 percent); and finance, insurance, and real estate (13.7 percent). In addition, 63.4 percent of the area businesses have four or fewer employees and 96.7 percent operate from a single location.

Competition
There is a high level of competition for financial services in this assessment area. According to June 30, 2023 FDIC Deposit Market Share data, 58 financial institutions operate 645 branches within the assessment area. Of these institutions, CrossFirst Bank ranked 38th in deposit market share with 0.1 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data revealed that 237 institutions reported 134,847 small business loans, and the 2022 HMDA aggregate data revealed that 977 institutions reported 184,261 home mortgage loans in this assessment area.

Credit and Community Development Needs and Opportunities
Considering demographic and economic data, examiners determined that small business and home mortgage loans represent primary credit needs in the assessment area. Opportunities exist for originating such loans, as indicated by the percentages of small businesses and families in the assessment area. In addition, community development needs include affordable housing, economic development, community services, and revitalization and/or stabilization.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE PHOENIX ASSESSMENT AREA

LENDING TEST

CrossFirst Bank demonstrates adequate performance under the Lending Test in the Phoenix Assessment Area. This conclusion is a composite of bank's lending performance in all criteria.

Lending Activity

CrossFirst Bank's lending activity in the Phoenix Assessment Area reflects adequate responsiveness to assessment area credit needs. Lending activity in this assessment area represents 13.2 percent of the total dollar volume of all reported small business and home mortgage loans since the previous evaluation. The activity consisted of 57 small business loans totaling $25.7 million and 17 home mortgage loans totaling $111.6 million. The bank held an adequate share of the market, ranking 80th out of 237 lenders for small business loans and 550th out of 977 lenders for home mortgage loans.

Geographic Distribution

The geographic distribution of small business loans reflects good penetration throughout the Phoenix Assessment Area. As shown in the following table, the bank's small business lending performance significantly exceeds aggregate data in low-income tracts, and is reasonably proportionate to aggregate data in moderate-income tracts.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
Low	4.0	3.6	7	36.8	6,973	52.6
Moderate	18.3	17.8	3	15.8	1,093	8.2
Middle	28.2	28.6	0	0.0	0	0.0
Upper	48.9	49.3	9	47.4	5,188	39.1
Not Available	0.6	0.7	0	0.0	0	0.0
Totals	100.0	100.0	19	100.0	13,254	100.0
Source: 2022 D&B Data; Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Borrower Profile

The distribution of small business loans reflects poor penetration to business customers of different sizes. The following table shows the bank's lending performance to businesses with revenues of $1 million or less notably trails aggregate data in this same revenue category. While numbers improved in 2023, the bank's performance (37.0 percent) still notably trails historical aggregate data for the two prior years.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000	93.0	54.2	3	15.8	1,886	14.2
>$1,000,000	1.5	--	13	68.4	9,768	73.7
Revenue Not Available	5.5	--	3	15.8	1,600	12.1
Totals	**100.0**	**100.0**	**19**	**100.0**	**13,254**	**100.0**

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

Innovative or Flexible Lending Practices

As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans

CrossFirst Bank is a leader in making community development loans in the Phoenix Assessment Area. The bank made 32 community development loans totaling $191.3 million during the evaluation period that benefited this assessment area. These loans promoted economic development and revitalization and/or stabilization of low- and moderate-income geographies. The following are notable examples.

- The bank made a $27.8 million loan to finance an industrial project that supported permanent job creation for low- and moderate-income individuals in the area.
- The bank made a $20.0 million loan that will facilitate commercial lot leases to attract businesses to a low-income area, thereby revitalizing the area by attracting new businesses jobs.

INVESTMENT TEST

CrossFirst Bank demonstrates adequate performance under the Investment Test in the Phoenix Assessment Area. The bank's performance under Investment and Grant Activity and Responsiveness to Credit and Community Development Needs primarily supports this conclusion.

Investment and Grant Activity

CrossFirst Bank has an adequate level of qualified community development investments and grants in the Phoenix Assessment Area. During the evaluation period, the bank had $2.4 million in qualifying activity in the assessment area. Nearly all of the qualifying activities, by dollar volume, were investments in pools of mortgage-backed securities backed by loans to low- and moderate-income borrowers. The remaining activities involved donations to organizations providing community services, including a $5,000 donation to a children's healthcare system where a majority of patients are considered low- to moderate-income.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits adequate responsiveness to credit and community development needs in the Phoenix Assessment Area. This is reflected through the bank's investments that support affordable housing and other services targeted to low- and moderate-income individuals and families.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives.

SERVICE TEST

CrossFirst Bank demonstrated adequate performance under the Service Test in the Phoenix Assessment Area. The bank's overall performance for all the criteria supports this conclusion.

Accessibility of Delivery Systems
The bank's delivery systems are reasonably accessible to essentially all portions of the assessment area. Branch distribution and alternative delivery methods are consistent with those already discussed in the bank's overall performance.

Changes in Branch Locations
To the extent changes have been made, the institution's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems. The bank opened one branch in an upper-income census tract in Phoenix. The bank also operates one deposit-taking ATM at the branch location.

Reasonableness of Business Hours and Services
Services do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Performance is consistent with that already presented for the overall institution.

Community Development Services
CrossFirst Bank provides a relatively high level of community development services in the Phoenix Assessment Area. Bank personnel performed 31 qualifying services in the assessment area. The qualifying services promote community services and economic development. The following are notable examples.

- One bank member provided financial expertise by serving on boards and committees for organizations that provide various services to low- and moderate-income individuals. These organizations include a children's hospital and an organization that provides grants to non-profits and health-related organizations in greater Phoenix.
- Other bank members provided financial education through an organization that provides out-of-school programs to low- and moderate-income youths and families.

TUCSON ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE TUCSON ASSESSMENT AREA

CrossFirst Bank's Tucson Assessment Area was added in 2023 and consists of all of Pima County, which is part of the Tucson, Arizona MSA. The Tucson Assessment Area includes one branch and one ATM and accounts for less than 1.0 percent of all reported small business and home mortgage loans since the previous evaluation.

Economic and Demographic Data

The Tucson Assessment Area is comprised of 10 low-income tracts, 82 moderate-income tracts, 81 middle-income tracts, 87 upper-income tracts, and 10 tracts without income designations based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area - Tucson						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	270	3.7	30.4	30.0	32.2	3.7
Population by Geography	1,043,433	3.9	32.5	28.5	33.6	1.6
Housing Units by Geography	463,236	3.7	33.0	29.3	33.0	1.0
Owner-Occupied Units by Geography	263,142	2.0	26.3	30.5	40.4	0.8
Occupied Rental Units by Geography	147,800	6.3	44.3	27.6	20.6	1.2
Vacant Units by Geography	52,294	4.5	35.0	28.7	30.7	1.0
Businesses by Geography	168,325	2.1	24.8	26.2	44.9	2.0
Farms by Geography	3,507	2.9	28.4	28.2	39.6	0.8
Family Distribution by Income Level	250,845	21.9	17.4	19.6	41.2	0.0
Household Distribution by Income Level	410,942	24.1	16.2	17.4	42.4	0.0
Median Family Income MSA - 46060 Tucson, AZ MSA		$69,466	Median Housing Value			$207,996
Families Below Poverty Level		11.3%	Median Gross Rent			$952
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

According to 2023 D&B data, service industries represent the largest portion of businesses in the assessment area at 37.9 percent; followed by non-classifiable establishments (25.0 percent); and finance, insurance, and real estate (12.8 percent). In addition, 65.0 percent of the area businesses have four or fewer employees and 95.4 percent operate from a single location.

Competition

There is a moderate level of competition for financial services in this assessment area. According to the June 30, 2024 FDIC Deposit Market Share data, 18 financial institutions operate 133 branches within the assessment area. Of these institutions, CrossFirst Bank ranked 14th in deposit market share with 0.7 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data revealed that 132 institutions reported 20,652 small business loans, and the 2022 HMDA aggregate data revealed that 592 institutions reported 37,434 home mortgage loans in this assessment area.

Credit and Community Development Needs and Opportunities

Considering demographic and economic data, examiners determined that small business and home mortgage loans represent primary credit needs in the assessment area. Opportunities exist for originating such loans, as evidenced by the percentages of small businesses and families in the assessment area. In addition, community development needs include affordable housing, economic development, community services, and revitalization and/or stabilization.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE TUCSON ASSESSMENT AREA

LENDING TEST

CrossFirst Bank demonstrates adequate performance under the Lending Test in the Tucson Assessment Area. The bank's Lending Activity and Community Development Loans performance supports this conclusion.

Lending Activity

CrossFirst Bank's lending activity in the Tucson Assessment Area reflects adequate responsiveness to assessment area credit needs. Since the addition of this assessment area, the bank originated 14 small business loans totaling $6.2 million. While 2023 aggregate data is not available for comparison, the bank's loan volume in 2023 would have placed CrossFirst Bank in the top 40.0 percent out of 132 lenders of small business loans in 2022. Considering the bank's loan volume and market share, particularly in comparison to the institution's deposit market share of 0.80 percent as of June 30, 2023, the bank's performance overall is adequate.

Geographic Distribution

The distribution of borrowers reflects excellent penetration among business customers of different income levels. As shown in the following table, although CrossFirst Bank originated no loans in the low-income tracts, the bank's lending performance in the moderate-income tracts exceeds demographic data for 2023.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
Low	2.1	--	0	0.0	0	0.0
Moderate	24.8	--	7	50.0	3,040	48.7
Middle	26.2	--	3	21.4	1,272	20.4
Upper	44.9	--	4	28.6	1,924	30.9
Not Available	2.0	--	0	0.0	0	0.0
Totals	100.0	--	14	100.0	6,236	100.0

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

Borrower Profile

The distribution of borrowers reflects poor penetration among business customers of different sizes. As shown in the following table, the bank's lending performance to businesses with revenues of $1 million or less significantly trails demographic data in this same revenue category.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000	92.7	--	2	14.3	909	14.6
>$1,000,000	1.6	--	8	57.1	3,099	49.7
Revenue Not Available	5.7	--	4	28.6	2,228	35.7
Totals	100.0	--	14	100.0	6,236	100.0

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

Innovative or Flexible Lending Practices

As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans

CrossFirst Bank made an adequate level of community development loans in the Tucson Assessment Area. The bank made three community development loans totaling $10.7 million during the evaluation period that benefited this assessment area. These loans promoted economic development and revitalization and/or stabilization of low- and moderate-income geographies. The following is a notable example.

- The bank made a $4.9 million SBA 504 loan to a business to expand operations and provide permanent job creation for low- and moderate-income individuals in a moderate-income area.

INVESTMENT TEST

CrossFirst Bank's performance is poor under the Investment Test in the Tucson Assessment Area. The bank's performance under Investment and Grant Activity and Responsiveness to Credit and Community Development Needs primarily supports this conclusion.

Investment and Grant Activity

CrossFirst Bank has a poor level of qualified community development investments and grants. The bank did not receive credit for any investments, grants, or donations since the addition of the Tucson Assessment Area.

Responsiveness to Credit and Community Development Needs

CrossFirst Bank exhibits poor responsiveness to credit and community development needs, as the bank did not make any investments in the Tucson Assessment Area.

Community Development Initiatives

CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives in this assessment area.

SERVICE TEST

CrossFirst Bank demonstrates adequate performance under the Service Test in the Tucson Assessment Area. The bank's performance under Accessibility of Delivery Systems, Changes in Branch Locations, and Community Development Services supports this conclusion.

Accessibility of Delivery Systems

The institution's delivery systems are reasonably accessible to all portions of this assessment area. CrossFirst Bank operates one branch, and one deposit-taking ATM located in an upper-income tract in this assessment area. Branch distribution and alternate delivery methods in this assessment area are consistent with the institution's overall performance.

Changes in Branch Locations

Branching activity in this assessment area has generally not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies and/or individuals. The bank opened one branch in an upper-income census tract in Tucson, Arizona, and no offices have been closed in this assessment area.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Services and business hours in this assessment area are consistent with the bank's overall performance.

Community Development Services

The bank provided a limited number of community development services in this area. The bank received credit for one service during the review period. Specifically, one employee provided financial education to low- and moderate-income students through a local nonprofit organization.

STATE OF COLORADO

CRA RATING FOR COLORADO: <u>SATISFACTORY</u>

The Lending Test is rated: <u>Low Satisfactory</u>
The Investment Test is rated: <u>Low Satisfactory</u>
The Service Test is rated: <u>Low Satisfactory</u>

DESCRIPTION OF INSTITUTION'S OPERATIONS IN COLORADO

CrossFirst Bank has two new assessment areas in the state of Colorado, which includes the Colorado Springs Assessment Area and the Denver Assessment Area. Refer to the corresponding sections of this evaluation for further details on these assessment areas.

SCOPE OF EVALUATION – COLORADO

Examiners evaluated the bank's CRA performance for the state of Colorado through reviews of the Colorado Springs Assessment Area and the Denver Assessment Area. Both areas have similar home mortgage and small business lending activity by dollar volume, so the areas were weighted equally.

CONCLUSIONS ON PERFORMANCE CRITERIA IN COLORADO

LENDING TEST

CrossFirst Bank demonstrated low satisfactory performance under the Lending Test in the state of Colorado. This conclusion consistent with the bank's performance in both assessment areas in this state.

<u>Lending Activity</u>
The lending levels reflect adequate responsiveness to the credit needs in the assessment areas. This conclusion is supported by the volume of small business and home loan originations in each assessment area, particularly considering the extensive competition in both areas. While the Colorado Springs Assessment Area showed good responsiveness, it did not elevate the overall adequate conclusion.

<u>Geographic Distribution</u>
The geographic distribution of loans reflects excellent penetration throughout the assessment areas in Colorado. This conclusion is consistent with the bank's performance in both assessment areas.

<u>Borrower Profile</u>
Overall, the distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels in Colorado. Although the Colorado

Springs Assessment Area reflected poor penetration, the bank's adequate performance in the Denver Assessment Area supports this conclusion.

Innovative or Flexible Lending Practices
As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans
CrossFirst Bank made an adequate level of community development loans in Colorado. This conclusion is consistent with the bank's performance in both assessment areas. The bank made 13 community development loans totaling $49.4 million in the Colorado assessment areas. This level of lending is reasonable considering the length of time CrossFirst Bank has operated in Colorado as well as the extensive competition in the assessment areas.

INVESTMENT TEST

CrossFirst Bank demonstrated low satisfactory performance under the Investment Test in the state of Colorado. This conclusion is consistent with the bank' performance for both Colorado assessment areas.

Investment and Grant Activity
CrossFirst Bank has an adequate level of qualified community development investments and grants in the state of Colorado. The bank made or maintained 13 qualified investments and grants totaling $8.0 million in the Colorado assessment areas. These activities primarily promoted affordable housing and economic development initiatives.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits adequate responsiveness to credit and community development needs in the state of Colorado. Refer to each assessment area for specific examples of the bank's responsiveness to available opportunities in relation to assessment area credit and community development needs.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives.

SERVICE TEST

CrossFirst Bank demonstrated low satisfactory performance under the Service Test in the state of Colorado. This conclusion is consistent with performance in both assessment areas.

Accessibility of Delivery Systems
CrossFirst Bank's delivery systems are reasonably accessible to essentially all portions of the assessment areas in Colorado. CrossFirst Bank operates two branches and one ATM in the Colorado assessment areas. Branch distribution and alternate delivery methods in this assessment area are generally consistent with the institution's overall performance.

Changes in Branch Locations
To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies. Performance in the state of Colorado is slightly better than that of the entire institution, as the opening of the Colorado Springs branch helped improve accessibility of the bank's delivery systems in moderate-income geographies within that assessment area.

Reasonableness of Business Hours and Services
Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Services and business hours in the Colorado assessment areas are consistent with the bank's overall performance.

Community Development Services
The institution provides an adequate level of community development services in Colorado. The bank received credit for four qualifying services in the assessment areas. Although Colorado Springs provided only a limited level of community development services, it did not outweigh the adequate performance in Denver.

COLORADO SPRINGS ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE COLORADO SPRINGS ASSESSMENT AREA

The Colorado Springs Assessment Area is new and includes all of El Paso and Teller counties, which are a part of the Colorado Springs, Colorado MSA. This assessment area accounts for only 4.0 percent of the bank's reported small business and home mortgage loans during the review period. The bank operates one branch in a moderate-income census tract. The following section details economic and demographic data based on 2020 U.S. Census data and 2023 D&B data.

Economic and Demographic Data
The Colorado Springs Assessment Area is comprised of 4 low-income tracts, 48 moderate-income tracts, 72 middle-tracts, 49 upper-income tracts, and 2 tracts without income designations based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	175	2.3	27.4	41.1	28.0	1.1
Population by Geography	755,105	1.8	25.2	40.2	32.1	0.6
Housing Units by Geography	289,808	2.0	27.9	41.4	28.5	0.3
Owner-Occupied Units by Geography	179,897	1.2	20.0	43.4	35.2	0.3
Occupied Rental Units by Geography	93,343	3.6	41.6	38.5	15.8	0.5
Vacant Units by Geography	16,568	1.5	36.1	36.2	26.0	0.3
Businesses by Geography	151,944	1.3	26.5	37.7	33.9	0.6
Farms by Geography	3,562	0.8	23.9	44.7	30.0	0.6
Family Distribution by Income Level	185,712	18.8	18.8	21.9	40.5	0.0
Household Distribution by Income Level	273,240	22.7	16.7	19.2	41.3	0.0
Median Family Income MSA - 17820 Colorado Springs, CO MSA		$83,751	Median Housing Value			$300,265
Families Below Poverty Level		6.5%	Median Gross Rent			$1,240
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

According to 2023 D&B data, non-classifiable establishments represent the largest portion of businesses in the assessment area at 33.4 percent; followed by service industries (33.1 percent); and finance, insurance, and real estate (9.5 percent). In addition, 58.7 percent of the area businesses have four or fewer employees and 96.2 percent operate from a single location.

Examiners used FFIEC-updated median family income figures for the Colorado Springs, Colorado MSA to analyze home mortgage loans under the Borrower Profile criterion, and to review for certain qualifying community development activities. The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Colorado Springs, CO MSA Median Family Income (17820)				
2021 ($81,900)	<$40,950	$40,950 to <$65,520	$65,520 to <$98,280	≥$98,280
2022 ($96,200)	<$48,100	$48,100 to <$76,960	$76,960 to <$115,440	≥$115,440
2023 ($105,000)	<$52,500	$52,500 to <$84,000	$84,000 to <$126,000	≥$126,000
2024 ($83,751)	<$41,876	$41,876 to <$67,001	$67,001 to <$100,501	≥$100,501
Source: FFIEC				

Competition
There is a high level of competition for financial services in this assessment area. According to June 30, 2023 FDIC Deposit Market Share data, 41 financial institutions operate 132 branches within the assessment area. Of these institutions, CrossFirst Bank ranked 16th in deposit market share with 1.5 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data

revealed that 139 institutions reported 19,728 small business loans, and the 2022 HMDA aggregate data revealed 596 institutions reported 39,042 home mortgage loans in this assessment area.

Community Contact

Examiners reviewed an interview that was recently conducted with an individual promoting economic development in the assessment area. The contact stated the general economy is doing well. The housing market is similar to that of the rest of the country, with increasing housing prices and rising interest rates making it challenging to afford a home. The contact noted that downtown Colorado Springs has recently expanded following the construction of around 1,000 new multi-family units built in the last year, with another 1,000 units planned. Duplexes and triplexes are also on the rise in the eastern side of the city, as zoning laws are changing to allow for easier construction of these properties. The contact indicated there are many financial institutions in Colorado Springs and it is a highly competitive market, with many that are very active in the community. The contact did not identify any unmet credit needs.

Credit and Community Development Needs and Opportunities

Considering information from bank management, the community contact, and demographic and economic data, examiners determined that small business and home mortgage loans represent primary credit needs in the Colorado Springs Assessment Area. Community development needs include affordable housing, community services, revitalization and stabilization efforts, and economic development. Opportunities for community development exist, considering the percentage of low- and moderate-income households and small businesses in the area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE COLORADO SPRINGS ASSESSMENT AREA

LENDING TEST

CrossFirst Bank demonstrated adequate performance under the Lending Test in this assessment area. This conclusion is a composite of adequate performance in some criteria and stronger performance in others.

Lending Activity

CrossFirst Bank's lending activity in the Colorado Springs Assessment Area reflects good responsiveness to assessment area credit needs. During the review period, the bank originated 24 small business loans totaling $9.2 million, and 67 home mortgage loans totaling $30.9 million in this assessment area. Because CrossFirst Bank did not enter the Colorado market until 2022, the 2022 market share reports show little to no market share for small business and home mortgage loans. Nevertheless, lending activity is considered good overall considering the strong competition and the length of time that CrossFirst Bank has been operating in the Colorado Springs Assessment Area.

Geographic Distribution

Overall, CrossFirst Bank's geographic distribution of loans reflects excellent penetration throughout the assessment area. The bank's excellent small business lending performance carried the most weight in overall conclusions.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the assessment area. As shown in the following table, the bank did not originate any loans in low-income geographies, but performance in moderate-income census tracts significantly exceeds the corresponding demographic data.

	Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
Low	1.3	--	0	0.0	0	0.0
Moderate	26.5	--	12	50.0	4,901	53.3
Middle	37.7	--	6	25.0	3,405	37.0
Upper	33.9	--	6	25.0	888	9.7
Not Available	0.6	--	0	0.0	0	0.0
Totals	100.0	--	24	100.0	9,194	100.0
Source: 2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%						

Home Mortgage

The geographic distribution of home mortgage loans reflects good penetration throughout the assessment area. The bank's lending performance in low-income tracts exceeds corresponding demographic data, and performance in moderate-income tracts is reasonably proportionate to the demographic data.

	Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	$(000s)	%
Low	1.2	--	3	4.5	779	2.6
Moderate	20.0	--	13	19.7	4,718	15.5
Middle	43.4	--	28	42.4	12,030	39.6
Upper	35.2	--	22	33.3	12,853	42.3
Not Available	0.3	--	0	0.0	0	0.0
Totals	100.0	--	66	100.0	30,380	100.0
Source: 2020 U.S. Census; Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Borrower Profile

Overall, the distribution of borrowers reflects poor penetration in the Colorado Springs Assessment Area. The bank's poor small business lending performance is the driver for this conclusion.

Small Business Loans
The distribution of small business loans reflects poor penetration to business customers of different sizes. As shown in the following table, the bank's lending performance to businesses with revenues of $1 million or less notably lags demographic data in 2023.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000	94.6	--	10	41.7	2,027	22.0
>$1,000,000	1.2	--	13	54.2	7,157	77.8
Revenue Not Available	4.2	--	1	4.2	10	0.1
Totals	100.0	--	24	100.0	9,194	100.0
Source:2023 D&B Data; Bank Data; "--" data not available. *Due to rounding, totals may not equal 100.0%*						

Home Mortgage Loans
The distribution of home mortgage loans reflects adequate penetration to low- and moderate-income borrowers. CrossFirst Bank's lending performance to low-income borrowers notably trails the corresponding demographic data. However, it is important to consider that 6.5 percent of low-income families generate incomes below the poverty level. These families likely face significant difficulties in qualifying for traditional home mortgage loans. Additionally, the bank's percentage of loans to moderate-income borrowers well exceeds demographic data, resulting in overall adequate penetration.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	$(000s)	%
Low	18.8	--	1	1.5	255	0.8
Moderate	18.8	--	16	24.2	5,350	17.6
Middle	21.9	--	18	27.3	7,227	23.8
Upper	40.5	--	28	42.4	15,548	51.2
Not Available	0.0	--	3	4.5	2,000	6.6
Totals	100.0	--	66	100.0	30,380	100.0
Source: 2020 U.S. Census; Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Innovative or Flexible Lending Practices
As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans
CrossFirst Bank has made an adequate level of community development loans in the Colorado Springs Assessment Area. The bank made nine community development loans totaling $15.0 million during the evaluation period that benefited this assessment area. These loans promoted

economic development and revitalization and/or stabilization of low- and moderate-income geographies. The following is a notable example.

- The bank made a $5.4 million loan to a business to expand operations and provide permanent job creation primarily for low- and moderate income individuals.

INVESTMENT TEST

CrossFirst Bank demonstrated adequate performance under the Investment Test in the Colorado Springs Assessment Area. The bank's performance under Investment and Grant Activity and Responsiveness to Credit and Community Development Needs supports this conclusion.

Investment and Grant Activity
CrossFirst Bank has an adequate level of qualified community development investments and grants in the Colorado Springs Assessment Area. The bank received credit for eight qualifying activities totaling $5.8 million. All seven investments were for mortgage-backed security pools backed by loans to low- and moderate-income borrowers. In addition to these investments, the bank made one donation to an organization that purchases and bundles microloans from CDFIs.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits adequate responsiveness to credit and community development needs in the Colorado Springs Assessment Area. This is reflected through the bank's investments in affordable housing and economic development.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives.

SERVICE TEST

CrossFirst Bank demonstrated adequate performance under the Service Test in the Colorado Springs Assessment Area. This conclusion is supported by the limited level of Community Development Services in the assessment area.

Accessibility of Delivery Systems
The bank's delivery systems are reasonably accessible to essentially all portions of this assessment area. Branch distribution and alternative delivery methods are consistent with those already discussed in the bank's overall performance.

Changes in Branch Locations
The bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems. During the review period, the bank acquired a full-service branch in Colorado Springs, Colorado. The branch is located in a moderate-income tract based on 2020 U.S. Census data. This branch opening has improved the accessibility of its delivery systems in low- and moderate-income geographies.

Reasonableness of Business Hours and Services
Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Services and business hours in this assessment area are consistent with the bank's overall performance.

Community Development Services
The institution provides a limited level of qualifying services in this assessment area. During the review period, CrossFirst Bank reported only one qualifying service. This activity demonstrated responsiveness through involvement with an organization that provides community services to low- and moderate-income families and children.

DENVER ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE DENVER ASSESSMENT AREA

The Denver Assessment Area is new and includes all of Arapahoe, Denver, Douglas, and Elbert counties in the Denver-Aurora-Lakewood, Colorado MSA. This assessment area accounts for only 2.3 percent of all reported small business and home mortgage loans during the review period. The bank operates a single branch in an upper-income census tract in Denver, Colorado.

Economic and Demographic Data
The Denver Assessment Area is comprised of 21 low-income tracts, 104 moderate-income tracts, 129 middle-income tracts, 153 upper-income tracts, and 11 tracts without income designations based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area - Denver						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	418	5.0	24.9	30.9	36.6	2.6
Population by Geography	1,754,632	4.5	25.9	29.4	38.8	1.4
Housing Units by Geography	694,150	4.6	25.9	30.8	36.8	1.9
Owner-Occupied Units by Geography	404,756	2.5	21.0	30.7	45.0	0.8
Occupied Rental Units by Geography	255,197	7.7	33.6	31.1	24.1	3.5
Vacant Units by Geography	34,197	5.1	27.3	28.9	35.7	3.1
Businesses by Geography	487,806	3.2	19.0	28.8	43.8	5.2
Farms by Geography	8,107	3.6	21.4	31.8	40.2	2.9
Family Distribution by Income Level	396,470	19.9	17.4	20.9	41.8	0.0
Household Distribution by Income Level	659,953	22.9	16.7	18.3	42.1	0.0
Median Family Income MSA - 19740 Denver-Aurora-Lakewood, CO MSA		$103,157	Median Housing Value			$455,434
Families Below Poverty Level		5.5%	Median Gross Rent			$1,465
Source: 2020 U.S. Census and 2023 D&B Data *Due to rounding, totals may not equal 100.0%* *(*) The NA category consists of geographies that have not been assigned an income classification.*						

According to 2023 D&B data, non-classifiable establishments represent the largest portion of businesses in the assessment area at 35.5 percent; followed by service industries (31.8 percent); and finance, insurance, and real estate (11.4 percent). In addition, 56.2 percent of the area businesses have four or fewer employees and 96.2 percent operate from a single location.

Examiners used FFIEC-updated median family income figures for the Denver-Aurora-Lakewood, Colorado MSA to analyze home mortgage loans under the Borrower Profile criterion, and to review for certain qualifying community development activities. The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Denver-Aurora-Lakewood, CO MSA Median Family Income (19740)				
2021 ($104,800)	<$52,400	$52,400 to <$83,840	$83,840 to <$125,760	≥$125,760
2022 ($117,800)	<$58,900	$58,900 to <$94,240	$94,240 to <$141,360	≥$141,360
2023 ($125,500)	<$62,750	$62,750 to <$100,400	$100,400 to <$150,600	≥$150,600
Denver-Aurora-Centennial, CO MSA Median Family Income (19740)				
2024 ($103,157)	<$51,579	$51,579 to <$82,526	$82,526 to <$123,788	≥$123,788
Source: FFIEC				

Competition
There is a high level of competition for financial services in this assessment area. According to June 30, 2023 FDIC Deposit Market Share data, 61 financial institutions operate 372 branches within the assessment area. Of these institutions, CrossFirst Bank ranked 35th in deposit market share with 0.2 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data revealed that 202 institutions reported 62,488 small business loans, and the 2022 HMDA aggregate data revealed 759 institutions reported 79,466 home mortgage loans in this assessment area.

Community Contact
Examiners reviewed an interview that was recently conducted with an individual representing an organization that offers microloans in the assessment area. The contact stated economic conditions across Colorado remain relatively strong yet mixed among geographical areas. Consistent with U.S. forecasts, the Colorado economy slowed in 2023. The state remains one of the fastest growing populations, which has impacted affordability. The contact indicated roughly 40 percent of lower income households feel financially worse off, and there are 22 percent fewer small businesses operating due to the pandemic. The pandemic highlighted and grew inequalities in the small business landscape. As a result, businesses owned by entrepreneurs closed at higher rates, and women specifically left the workforce and their businesses at higher rates. Many microbusinesses fell through the COVID-19 relief cracks because they didn't have an established banking relationship or had less formal of a financial system.

The contact identified needs for technical assistance as well as educational programs and incubators to walk alongside entrepreneurs for the life of their business. The contact also noted a need for more flexible capital products, as there is a hesitancy for micro/small businesses to take on debt or increase debt. While the contact did not note any concerns with financial institutions meeting credit needs, they did indicate ample opportunities for financial institutions to work with small businesses and entrepreneurs in the area.

Credit and Community Development Needs and Opportunities
Considering information from bank management, the community contact, and demographic and economic data, examiners determined that small business and home mortgage loans represent primary credit needs in the Denver Assessment Area. Community development needs include affordable housing, community services, revitalization and stabilization efforts, and economic development. Opportunities for community development exist, considering the percentage of small businesses as well as comments made by the community contact.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE DENVER ASSESSMENT AREA

LENDING TEST

CrossFirst Bank demonstrates adequate performance in this assessment area. This conclusion is supported by the bank's performance in Lending Activity, Borrower Profile, and Community Development Lending.

Lending Activity

CrossFirst Bank's lending activity in the Denver Assessment Area reflects adequate responsiveness to assessment area credit needs. During the review period, the bank originated 41 small business loans totaling $15.8 million and 9 home mortgage loans totaling $7.6 million. Because the Denver branch was just acquired in 2022, the 2022 small business and HMDA aggregate reports show CrossFirst Bank having little to no market share in either loan category. Nonetheless, the overall volume of small business and home mortgage loans is considered adequate, particularly given the very high level of competition in the area as well as the short period of time that CrossFirst Bank has been operating in Colorado.

Geographic Distribution

Overall, CrossFirst Bank's geographic distribution of loans reflects excellent penetration throughout the Denver Assessment Area. The bank's small business lending performance supports this conclusion.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the assessment area. As shown in the following table, the bank's lending levels exceeded corresponding demographic data in both low- and moderate-income tracts.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
Low	3.2	--	5	13.5	1,978	13.9
Moderate	19.0	--	10	27.0	2,308	16.3
Middle	28.8	--	6	16.2	2,162	15.2
Upper	43.8	--	15	40.5	7,724	54.5
Not Available	5.2	--	1	2.7	10	0.1
Totals	100.0	--	37	100.0	14,182	100.0

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

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects good penetration throughout the assessment area. As shown in the following table, although there are no loans in the low-income tracts, the bank's performance in moderate-income tracts is well above the corresponding demographic data.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	$(000s)	%
Low	2.5	--	0	0.0	0	0.0
Moderate	21.0	--	3	33.3	3,666	48.0
Middle	30.7	--	4	44.4	1,828	23.9
Upper	45.0	--	2	22.2	2,150	28.1
Not Available	0.8	--	0	0.0	0	0.0
Totals	100.0	--	9	100.0	7,644	100.0
Source: 2020 U.S. Census; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%						

Borrower Profile

The distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels. This conclusion is supported by the bank's adequate small business and home mortgage lending performance.

Small Business Loans

The distribution of small business loans reflects adequate penetration to business customers of different sizes. Although the following table shows that the bank's performance to businesses with revenues of $1 million or less trailed corresponding demographic data in 2023, the performance is reasonably comparable to historical aggregate data for prior years, which ranged from 47.5 percent in 2021 to 54.4 percent in 2022.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000	94.3	--	16	43.2	5,315	37.5
>$1,000,000	1.7	--	19	51.4	8,423	59.4
Revenue Not Available	4.1	--	2	5.4	444	3.1
Totals	100.0	--	37	100.0	14,182	100.0
Source:2023 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%						

Home Mortgage Loans

The distribution of home mortgage loans reflects adequate penetration to low- and moderate-income borrowers. The following table shows a slight lag, yet overall reasonable performance compared to corresponding demographic data in low- and moderate-income census tracts.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	$(000s)	%
Low	19.9	--	1	11.1	290	3.8
Moderate	17.4	--	1	11.1	155	2.0
Middle	20.9	--	0	0.0	0	0.0
Upper	41.8	--	5	55.6	3,823	50.0
Not Available	0.0	--	2	22.2	3,376	44.2
Totals	100.0	--	9	100.0	7,644	100.0

Source: 2020 U.S. Census; Bank Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Innovative or Flexible Lending Practices
As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans

CrossFirst Bank has made an adequate level of community development loans in the Denver Assessment Area. The bank made four community development loans totaling $34.5 million during the evaluation period that benefited this assessment area. These loans promoted revitalization and/or stabilization of low- and moderate-income geographies. The following is a notable example.

- The bank made a $23.6 million loan for the development of a mixed-use property that will revitalize a low-income area by providing retail businesses and multifamily housing, thereby attracting new businesses and residents to the area.

INVESTMENT TEST

CrossFirst Bank demonstrates adequate performance under the Investment Test in the Denver Assessment Area. Performance under Investment and Grant Activity and Responsiveness to Credit and Community Development Needs primarily supports this conclusion.

Investment and Grant Activity
CrossFirst Bank has an adequate level of qualified community development investments and grants in the Denver Assessment Area. During the evaluation period, the bank had $2.2 million in qualifying activity in this assessment area. The qualifying activity included four investments totaling $2.2 million for the purchase of pooled mortgage-backed securities backed by loans to low- and moderate-income borrowers. The remaining qualifying activity is a donation to an organization that promotes economic development by purchasing and bundling microloans from CDFIs.

Responsiveness to Credit and Community Development Needs
CrossFirst Bank exhibits adequate responsiveness to credit and community economic development needs in the Denver Assessment Area. This is reflected through the bank's investments that support affordable housing and donation supporting economic development.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives.

SERVICE TEST

CrossFirst Bank demonstrated adequate performance under the Service Test in the Denver Assessment Area. Performance under Accessibility of Delivery Systems, Changes in Branch Locations, and Community Development Services supports this conclusion.

Accessibility of Delivery Systems
The bank's delivery systems are reasonably accessible to essentially all portions of this assessment area. Branch distribution and alternative delivery methods are consistent with those already discussed in the bank's overall performance.

Changes in Branch Locations
This branch opening did not generally adversely affect the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income households. The bank acquired the only full-service branch in this assessment area in 2022, which is located in an upper-income census tract in Denver.

Reasonableness of Business Hours and Services
Services do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Performance is consistent with the bank's overall performance as previously described.

Community Development Services
CrossFirst Bank provided an adequate level of community development services in the Denver Assessment Area. During the evaluation period, the bank provided three qualifying services in the assessment area. These services demonstrated responsiveness by providing community services to low- and moderate-income individuals. For example, one employee participated in board and committee meetings for an organization that promotes equity and inclusion among families and individuals with disabilities.

STATE OF NEW MEXICO

CRA RATING FOR NEW MEXICO: <u>SATISFACTORY</u>

The Lending Test is rated: <u>High Satisfactory</u>
The Investment Test is rated: <u>Needs to Improve</u>
The Service Test is rated: <u>Low Satisfactory</u>

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NEW MEXICO

CrossFirst Bank's New Mexico Assessment Area was acquired in 2022 following the purchase of another institution. The assessment area includes all of Harding and Union counties in northwestern rural New Mexico. The two contiguous counties are considered nonmetropolitan areas that are sparsely populated. The bank acquired three branches in the small towns of Clayton, Des Moines, and Roy. The branch located in Clayton offered typical business hours during weekdays, while the remaining two branches had limited hours, with lobby hours only available on certain days of the week. Due to operational challenges as well as a declining population and customer base, the bank closed the branch in Des Moines in January 2024. Although the Des Moines branch was located in a moderate-income tract, the bank continues its operations in the remaining two branches, including the full-time Clayton facility that is also located in a moderate-income tract. Lending and deposit activity is nominal in this assessment area, representing less than 1.0 percent of all reported small business and home mortgage loans originated during the review period. Similarly, this assessment area held approximately 1.6 percent of the bank's deposits, by dollar volume, as of June 23, 2023.

Economic and Demographic Data
The New Mexico Assessment Area is comprised of one moderate- and one middle-income tract based on 2020 U.S. Census data. The following table illustrates select demographic characteristics of this assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2	0.0	50.0	50.0	0.0	0.0
Population by Geography	4,736	0.0	86.1	13.9	0.0	0.0
Housing Units by Geography	2,816	0.0	83.6	16.4	0.0	0.0
Owner-Occupied Units by Geography	980	0.0	89.7	10.3	0.0	0.0
Occupied Rental Units by Geography	600	0.0	87.5	12.5	0.0	0.0
Vacant Units by Geography	1,236	0.0	76.9	23.1	0.0	0.0
Businesses by Geography	606	0.0	82.2	17.8	0.0	0.0
Farms by Geography	138	0.0	69.6	30.4	0.0	0.0
Family Distribution by Income Level	850	28.7	22.5	16.8	32.0	0.0
Household Distribution by Income Level	1,580	30.8	20.8	15.2	33.2	0.0
Median Family Income Non-MSAs - NM		$57,380	Median Housing Value			$92,766
Families Below Poverty Level		18.5%	Median Gross Rent			$523
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

According to 2023 D&B data, service industries represent the largest portion of businesses in the assessment area at 26.6 percent; followed by agriculture, forestry, and fishing (18.6 percent); and non-classifiable establishments (15.2 percent). In addition, 69.6 percent of the area businesses have four or fewer employees and 87.4 percent operate from a single location.

Competition

There is a moderate level of competition for financial services in this assessment area. According to June 30, 2023 FDIC Deposit Market Share data, two financial institutions operate four branches within the assessment area. Of these institutions, CrossFirst Bank ranked first in deposit market share with 63.1 percent of the assessment area's deposits. In addition, the 2022 CRA aggregate data revealed that 23 institutions reported 97 small business loans, and the 2022 HMDA aggregate data revealed 21 institutions reported 45 home mortgage loans in this assessment area.

Community Contact

Examiners referenced a recent community contact familiar with housing and commercial credit needs in the assessment area. While the contact described the local economy as fairly strong overall, they noted a slow decline over recent years, largely due to increasing inflation, elevated input costs, thin profit margins, and a weakening oil and gas sector. The contact noted that the local economy is tied to the oil and gas sector, with some reliance on agriculture as well. It was noted that younger individuals are leaving rural areas, resulting in an aging population. No sizable area employers are expanding staffing, and larger oil and gas firms have been leaving the fields in portions of the state. The contact also identified challenges in the agricultural sector and indicated the agricultural economy was marginal at best, with many farmers supplementing operational revenues with off-farm income. The contact indicated the local housing market has rapid turnover

of available units, and new construction remains slow as few local contractors stayed in business after the great recession. Many low- and moderate-income families cannot afford homes due to limited availability of affordable housing as well as a lack of financial literacy and education. The contact further noted that lower-income families frequently rely on credit cards to meet day-to-day needs.

Despite these challenges, the contact noted that local institutions are meeting the area's banking and credit needs and did not identify any specific opportunities for participation by local financial institutions. While housing, auto-secured, business, and agricultural lending were all identified as credit needs, the contact stated it is becoming increasingly difficult to find qualified applicants in the area.

Credit and Community Development Needs and Opportunities
Considering information from bank management, the community contact, and demographic and economic data, examiners determined that small farm, small business, and home mortgage loans all represent credit needs in this assessment area. However, opportunities are not as abundant as the bank's metropolitan assessment areas, as evidenced by the demographic and comments from the community contact regarding declining population and lack of qualified credit applicants. The community development needs include affordable housing, community services, and revitalization efforts. Some opportunities for community development exist, considering the percentage of low- and moderate-income individuals/geographies and presence of distressed or underserved geographies in the assessment area.

SCOPE OF EVALUATION – NEW MEXICO

Examiners evaluated the bank's CRA performance for the State of New Mexico through a full-scope review of the New Mexico Assessment Area. Because this assessment area represents a nominal percentage of overall lending activity, this assessment area was weighted significantly less than all other assessment areas. Additionally, home loans were not reviewed under Lending Activity, Geographic Distribution, or Borrower Profile Analysis, as they do not represent a major lending focus in this assessment area. The bank originated only one home mortgage loan in New Mexico since the addition of this assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN NEW MEXICO

LENDING TEST

CrossFirst Bank demonstrates high satisfactory performance under the Lending Test in the New Mexico rated area. The bank's conclusion is a composite of stronger performance in certain criteria, such as Lending Activity and Geographic Distribution, along with adequate performance in other criteria, including Community Development Lending and Borrower Profile.

Lending Activity

CrossFirst Bank's lending activity in the New Mexico Assessment Area reflects good responsiveness to the assessment area's credit needs. During the review period, the bank originated 14 small business loans totaling $878 thousand. Small business and home mortgage market share data is not available for 2023. However, the volume of small business originations in 2023 is comparable to the performance of the top three lenders of small business loans in this assessment area, according to aggregate data. This level of lending, particularly in comparison to the very small percentage of deposits in this assessment area, demonstrates good responsiveness to credit needs.

Geographic Distribution

The geographic distribution of small business loans reflects excellent penetration throughout the assessment area. All of the bank's 14 small business loans were originated to operations located in moderate-income tracts. This exceeds demographic data, which indicates 82.2 percent of assessment area businesses are located in moderate-income tracts.

Borrower Profile

The distribution of borrowers reflects adequate penetration among business customers of different sizes. The following table shows the bank's lending performance to businesses with revenues of $1 million or less slightly lagged yet remains proportionate to demographic data for this same revenue category.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	$(000s)	%
<=$1,000,000	81.0	--	10	71.4	402	45.8
>$1,000,000	2.0	--	2	14.3	250	28.5
Revenue Not Available	17.0	--	2	14.3	226	25.7
Totals	100.0	--	14	100.0	878	100.0

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

Innovative or Flexible Lending Practices

As noted previously, CrossFirst Bank uses innovative and/or flexible lending practices to serve assessment area credit needs, and these practices are available bank wide. Refer to the institution's overall conclusions for detailed information.

Community Development Loans

The bank made no community development loans in this assessment area.

INVESTMENT TEST

CrossFirst Bank's performance under the Investment Test is needs to improve in the New Mexico rated area. Although the bank did not receive credit for any investment or grant activity, the bank's Responsiveness to Credit and Community Development Needs elevated overall conclusions.

Investment and Grant Activity
CrossFirst Bank did not have any qualifying investment or grant activity in this assessment area.

Responsiveness to Credit and Community Development Needs
Although the bank did not receive credit for any qualifying investment or grant activity, the performance context indicates investment opportunities may be rather limited in the New Mexico Assessment Area, as supported by comments from bank management and the community contact, as well as relevant demographic data. Considering this information, the bank demonstrated overall poor responsiveness to credit and community development needs.

Community Development Initiatives
CrossFirst Bank does not use innovative and/or complex investments to support community development initiatives.

SERVICE TEST

CrossFirst Bank demonstrates low satisfactory performance under the Service Test in the New Mexico rated area. Performance under Community Development Services primarily drove the overall conclusions.

Accessibility of Delivery Systems
The bank's delivery systems are reasonably accessible to essentially all portions of this assessment area. Branch distribution and alternative delivery methods are consistent with those already discussed in the bank's overall performance.

Changes in Branch Locations
As noted under the Description of Institution's Operations for this assessment area, the bank acquired three branches in this new assessment area and subsequently closed one. The closed branch was located in a moderate-income tract. However, considering that the bank still operates two other branches somewhat adjacent to the closed Clayton branch, one of which (Roy) is also located in a moderate-income tract, these openings and closures overall have not adversely affected the accessibility of the bank's delivery systems.

Reasonableness of Business Hours and Services
Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area. While the Clayton branch offers typical business hours during weekdays, the branch in Roy offers limited hours one day a week. However, this variance is reasonable considering the very small population surrounding that location (fewer than 400 people), and limited demand for banking services or extended business hours.

Community Development Services
CrossFirst Bank provided an adequate level of community development services in the area. The bank received credit for seven qualifying services, all of which promoted community services for low- and moderate-income individuals. These services were provided to organizations including local hospitals and schools where a majority of students are eligible to receive free- or reduced lunches.

APPENDICES

LARGE 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) through its lending activities by considering a bank's home mortgage, small business, small farm, and community development lending. If consumer lending constitutes a substantial majority of a bank's business, the FDIC will evaluate the bank's consumer lending in one or more of the following categories: motor vehicle, credit card, other secured, and other unsecured. The bank's lending performance is evaluated pursuant to the following criteria:

1) The number and amount of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area;
2) The geographic distribution of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on the loan location, including:
    i. The proportion of the bank's lending in the bank's assessment area(s);
    ii. The dispersion of lending in the bank's assessment areas(s); and
    iii. The number and amount of loans in low-, moderate-, middle- and upper-income geographies in the bank's assessment area(s);
3) The distribution, particularly in the bank's assessment area(s), of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on borrower characteristics, including the number and amount of:
    i. Home mortgage loans low-, moderate-, middle- and upper-income individuals
    ii. Small business and small farm loans to businesses and farms with gross annual revenues of $1 million or less;
    iii. Small business and small farm loans by loan amount at origination; and
    iv. Consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals;
4) The bank's community development lending, including the number and amount of community development loans, and their complexity and innovativeness; and
5) The bank's use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

Investment Test

The Investment Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s). Activities considered under the Lending or Service Test may not be considered under the investment test. The bank's investment performance is evaluated pursuant to the following criteria:

1) The dollar amount of qualified investments;
2) The innovativeness or complexity of qualified investments;
3) The responsiveness of qualified investments to available opportunities; and
4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

The Service Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

The bank's retail banking services are evaluated pursuant to the following criteria:
1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;
2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;
3) The availability and effectiveness of alternative systems for delivering retail banking services (*e.g.,* RSFs, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals; and
4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

The bank's community development services are evaluated pursuant to the following criteria:
1) The extent to which the bank provides community development services; and
2) The innovativeness and responsiveness of community development services.

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test	Investment Test	Service Test	Rating
ARIZONA	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
COLORADO	Low Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
KANSAS	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
KANSAS CITY MSA	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
NEW MEXICO	High Satisfactory	Needs to Improve	Low Satisfactory	Satisfactory
OKLAHOMA	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
TEXAS	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory

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. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank 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 bank:
    (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank'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 bank's assessment area(s) or a broader statewide or regional area including the bank'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 <u>financial</u> services; and
(3) Has not been considered in the evaluation of the bank'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 (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, 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 (for example, 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.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

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.