



## **PUBLIC DISCLOSURE**

October 21, 2024

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Trustmark National Bank  
Charter Number: 10523

248 East Capitol Street  
Jackson, MS 39201

Office of the Comptroller of the Currency

Midsized Bank Supervision  
425 S. Financial Place, Suite 1700  
Chicago, IL 60605

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Outstanding**.

The following table indicates the performance level of **Trustmark National Bank** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Trustmark National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	x		
High Satisfactory		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 major factors that support this rating include:

- The Lending Test rating is based on Outstanding performance in the state of Mississippi, the state of Texas, and the Memphis Multistate Metropolitan Statistical Area (MMSA). The bank was a leader in making community development (CD) loans in all rating areas. The bank made extensive use of innovative and flexible loan products in all rating areas.
- The Investment Test rating is based on High Satisfactory performance in the states of Alabama, Florida, and Mississippi.
- The Service Test rating is based on High Satisfactory performance in the Memphis MMSA, and the states of Alabama and Texas.

### Lending in Assessment Area

A high percentage of the bank's loans are in its assessment areas (AAs).

The bank originated and purchased 86.1 percent of its total loans inside its AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	19,858	85.5	3,375	14.5	23,233	3,595,481	83.9	687,667	16.1	4,283,148
Small Business	6,258	88.5	817	11.5	7,075	773,396	86.8	117,208	13.2	890,604
Small Farm	957	83.2	193	16.8	1,150	82,426	81.8	18,374	18.2	100,800
Total	27,073	86.1	4,385	13.9	31,458	4,451,303	84.4	823,249	15.6	5,274,552

The OCC considered the overall bank lending inside the bank's AAs when concluding upon the geographical distribution of loans within the bank's respective rating areas. Lending inside the AAs had a positive impact on the geographical distribution of loan ratings, throughout the evaluation period and rating areas.

## Description of Institution

Trustmark National Bank (Trustmark or bank) is an interstate bank headquartered in Jackson, Mississippi and a wholly owned by the Trustmark Corporation (TMC). The bank was chartered in December 1889. TMC has several subsidiaries, including Trustmark Investment Advisors, Inc. and Fisher Brown Bottrell Insurance, Inc. Affiliate activities were not considered in evaluating the bank's performance during the evaluation period.

The bank currently operates 170 branch offices and 258 deposit taking automated teller machines (ATMs) and Interactive Teller Machines (ITMs) distributed across 17 AAs in four states: Alabama, Florida, Mississippi, Texas, and one MMSA across Tennessee and Mississippi.

As of December 31, 2023, Trustmark reported total assets of \$18.7 billion and tier 1 capital of \$1.6 billion. Total net loans and leases outstanding were \$13.0 billion. The bank's loan portfolio consisted of 26.1 percent non-farm non-residential loans, 23.8 percent 1-4 family residential loans, 14.6 percent commercial and industrial loans, 8.0 percent construction and development loans, 11.5 percent obligations of state and political subdivisions, and 16.0 percent in other loans.

Trustmark offers a full range of loan and deposit products to businesses and individuals, including alternative retail services such as direct deposit, free checking accounts, and access to electronic banking services such as bill payment, mobile banking, and e-statements. The bank offers a standard mix of loans, including Federal Housing Administration (FHA), Veterans Administration (VA), and Small Business Administration (SBA) loans. Trustmark's primary focus is home mortgage and commercial lending, including lending to small- and medium-sized commercial enterprises. The trust department provides investments and insurance products and services to customers through its affiliates and wholly owned subsidiaries.

Trustmark's prior CRA performance evaluation, dated April 24, 2023, resulted in a Needs to Improve rating with a High Satisfactory in the Lending Test rating, High Satisfactory in the Investment Test rating, and High Satisfactory in the Service Test rating. The Needs to Improve rating was driven by the consideration of discriminatory or other illegal credit practices, which occurred between 2014 and 2016. Given that those previous practices were considered during the prior evaluation, they do not impact the

conclusions of this performance evaluation. There are no legal, financial or other factors impeding the bank's ability to help meet the credit needs in its AA during the evaluation period.

### **Innovative or Flexible Loan Products**

The bank utilizes these products to meet the needs of low and moderate income (LMI) borrowers as well as individuals living in LMI geographies throughout its rating areas. See the innovative and flexible products section in each rating area for a summary of usage of these products.

### ***Home Advantage and Home Advantage Plus***

The Home Advantage product is available to any income level applicant applying for loans to purchase properties located in LMI Census Tracts (CTs) and majority minority census tracts (MMCTs). This product is also available to applicants purchasing properties located outside these CTs where the applicant's income is no more than 80.0 percent of the median income of the relevant area. This product offers up to 100.0 percent financing for the purchase or refinance of a customer's primary residence, no mortgage insurance requirement, and low down payment options based on the applicant's credit score, debt-to-income ratios, and cash reserves. The program includes both purchase and refinance options, and at the end of the evaluation period in 2023, the program was revised to include a maximum loan amount of up to \$450,000 with a 3.0 percent down payment and 3.0 percent borrower investment requirements. Homebuyers also receive financial education as part of the program.

The Home Advantage PLUS is a loan product for Home Advantage homeowners that offers borrowers residing in LMI CTs, MMCTs, and LMI borrowers approved for the Home Advantage program with an additional loan up to \$6,500 to put towards a down payment, closing costs, home improvements, or any other needs associated with their home purchase.

### ***Fannie Mae HomeReady***

The Fannie Mae HomeReady loan product is a Fannie Mae mortgage loan program designed for low-income borrowers with features such as reduced mortgage insurance coverage requirements, up to 97.0 percent loan-to-value financing, and flexible and innovative loan underwriting.

### ***Home Affordable***

During the 2023 calendar year, the bank launched a new program to support mortgage financing needs of LMI borrowers. The product is a fixed rate second mortgage product, which provides a Freddie Mac Home Possible and Fannie Mae HomeReady loan of 3.0 percent of the sales price (or a maximum of \$15,000) for the purpose of down payment assistance, payment of closing costs, or funding of permanent interest rate buydown at the same rate as the first mortgage.

### ***True Advantage***

Trustmark's True Advantage program is intended to provide LMI borrowers and residents in LMI CTs and MMCTs with a loan of up to \$6,500. The True Advantage loan is secured by the borrower's single-family, owner-occupied residential property with no equity requirements and does not require a first lien position. The product allows LMI borrowers, including minority borrowers and those in MMCTs, to use funds from the collateralization of their homes for any of their needs. This product is available in all markets except Texas.

### ***USDA Rural Development Mortgage Product***

Trustmark makes mortgage loans under the U.S. Department of Agriculture's (USDA) Single Family Guaranteed Loan Program. This program is intended to provide LMI and other households the opportunity to own a home in an eligible rural area. To qualify under this program, applicants must not exceed 115.0 percent of the median household income for the area and must occupy the home as their permanent residence.

### ***Fannie Mae RefiNow***

Trustmark offers Fannie Mae RefiNow loans for low-income homeowners to refinance their existing Fannie Mae-backed conventional loan at a lower interest rate.

### ***Freddie Mac Home Possible***

Trustmark offers Freddie Mac Home Possible loans to very low- to low-income borrowers to help achieve homeownership with downpayment requirements as low as 3.0 percent.

### **Federal Home Loan Bank of Dallas Membership Programs**

Trustmark partners with the Federal Home Loan Bank (FHLB) of Dallas to offer grant funding on affordable housing projects, down payment assistance for LMI homebuyers, rehabilitation grants for LMI homeowners with special needs, and donation matching for qualified community service organizations.

### ***Affordable Housing Project (AHP)***

Trustmark worked in cooperation with the FHLB to administer funding for several AHPs within the bank's Mississippi AAs that include a low-income senior living center and an affordable housing development.

### ***Home Equity Leverage Partnership***

Trustmark's Community Lending Specialists assisted LMI applicants to secure grant funds offered through this subsidy program.

### ***Special Needs Assistance Program***

Trustmark partners with a local community organization to identify special needs homeowners in need of home repairs and rehabilitation. Through the program, homeowners were able to obtain funding for needed repairs on their homes.

### ***Partnership Grant Program***

The FHLB offers a three-to-one match for Trustmark contributions to a local community-based organization (CBO). Trustmark partnered with and provided contributions under the program to a housing education and economic development entity that is based in the Mississippi area.

### **Outside rating area CD loans**

The bank made three CD loans totaling \$60.1 million that benefitted an area outside of the rating areas. The CD loans did not have a purpose, mandate, or function to serve bank rating areas. Two of the CD loans totaling \$60.0 million benefitted revitalization and stabilization efforts in response to Hurricane Ida in the state of Louisiana. Outside rating area CD loans had a neutral impact on the bank's Lending Test performance.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

The evaluation period for the examination is January 1, 2022 through December 31, 2023. The OCC evaluated the lending, investment, and service tests for all products and services, for the entirety of this evaluation period.

To be considered a primary product for this evaluation, the bank must have originated at least 20 loans in an AA. The OCC conducted analysis and determined conclusions for home mortgage loans and CRA small business loans in all rating areas. See the scope of evaluation section in each rating area for details on which AAs were evaluated for small farm lending.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more AA(s) within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), MMSA, or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

### **Ratings**

The bank's overall rating is a blend of the state ratings and multistate ratings.

The states of Alabama and Mississippi carried the greatest weight in the overall conclusions. In total, these two rating areas represented 80.0 percent of the bank's home mortgage, small business, and small farm loan originations, and 76.1 percent of the dollar volume of those loans, within bank rating areas. The states of Alabama and Mississippi accounted for 33.3 percent and 44.7 percent of loan originations and 38.6 percent and 37.5 percent of loan volume in bank rating areas, respectively. Additionally, these two states represented 80.1 percent of the bank's deposits, with 16.2 percent in Alabama and 63.9 percent in Mississippi. The MMSA and state ratings are based on performance in all bank AAs.

When determining conclusions for the Lending Test in the rating areas, more weight was given to the performance of home mortgage lending as compared to small business and small farm lending. In total, home mortgage lending performance accounted for 73.3 percent of loan originations and 80.9 percent of the lending by dollar volume within bank rating areas, throughout the evaluation period.

Refer to the “Scope” section under each State and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.



## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR §25.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by, or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## **Multistate Metropolitan Statistical Area Rating**

### **Memphis MMSA**

**CRA rating for the Memphis MMSA<sup>1</sup>:** Outstanding

**The Lending Test is rated:** Outstanding

**The Investment Test is rated:** Outstanding

**The Service Test is rated:** High Satisfactory

The major factors that support this rating include:

- Lending Levels reflect excellent responsiveness to AA credit needs.
- The bank exhibits an excellent geographic distribution of loans.
- The bank exhibits an excellent distribution of home mortgage loans among individuals of different income levels.
- The bank was a leader in making CD loans. CD lending had a positive impact on the Lending Test rating.
- The institution makes extensive use of innovative and/or flexible lending practices.
- The bank made an excellent level of qualified investments, grants, and donations. Qualified investments were responsive in addressing community credit needs.
- Service delivery systems were readily accessible to geographies and individuals of different income levels. The bank provided a limited level of CD services.

### **Description of Institution's Operations in Memphis MMSA**

The bank's Memphis MMSA is comprised of three entire counties: Fayette and Shelby in Tennessee and Desoto in Mississippi. As of the 2020 U.S. Census, the Memphis MMSA contained 301 CTs, of which 51 were low-income CTs, 78 were designated as moderate-income CTs, 68 were middle-income CTs, 92 were upper-income CTs, and 12 had no income designation.

The population of the Memphis MMSA as reported through the 2020 U.S. Census was 1,157,048, of which 12.4 percent were low-income individuals and 25.1 percent were moderate-income individuals.

Based on FDIC deposit market share data as of June 30, 2023, the bank had \$1.0 billion in deposits representing a 2.7 percent deposit market share and was ranked ninth out of 36 depository institutions doing business within the MMSA. The largest depository institutions within the MMSA included First Horizon and Regions Bank with a combined market share of 45.7 percent.

Memphis MMSA operations represented 6.7 percent of the bank's deposits, 11.2 percent of the bank's branches, and 9.0 percent of all bank loans by dollar volume. Home mortgages represented 92.8 percent,

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<sup>1</sup> This rating reflects performance within the multistate metropolitan statistical area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area.

loans to small businesses represented 6.5 percent, and small loans to farms represented 0.7 percent of lending in the MMSA. The bank offers a full range of loan and deposit products and services in its Memphis MMSA through 19 branches and 25 ATMs and ITMs.

The median housing value of owner-occupied housing units for the Memphis MMSA was \$160,630 in 2023. According to the 2020 U.S. Census demographic data, the number of housing units within the MMSA was 491,873. Owner-occupied housing units and rental units represented 52.0 percent and 36.8 percent of total housing units, respectively, with 11.1 percent of housing units being vacant.

The poverty level across the MMSA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such, are less likely to have the financial resources to qualify for a home loan than those with income above poverty. According to the 2020 U. S. Census, 12.9 percent of families in the Memphis MMSA had income below the federal poverty level.

The OCC evaluated the disparity between the median income of families within the MMSA and the cost of housing. Low-income families earned less than \$2,834 per month and moderate-income families earned less than \$4,534 per month. One method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30.0 percent of the applicant's income. For the evaluation period, the calculated maximum affordable monthly mortgage payment was \$850 for a low-income borrower and between \$851 and \$1,360 for a moderate-income borrower. Assuming a 30-year mortgage with a 7.0 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home in the MMSA using the median housing value would be \$1,069. Based on these calculations, low-income and some moderate-income borrowers would be challenged to qualify for a mortgage loan at the median housing value within the MMSA.

According to the 2024 Moody's Analytics report, the Memphis MMSA strengths included low business costs, especially office rents, the presence of a transportation hub with global connections, and a low cost of living. The economic drivers continue to be medical centers and logistics. The lower relative costs continue to attract new technology and finance businesses within the MMSA. In addition, new electric vehicle manufacturing projects have commenced. Over the past two years, Memphis experienced economic growth through various large development projects, including St. Jude's Children's Research Hospital, Ford Blue Oval City, Fed Ex Forum, and Simmons Bank Liberty Stadium.

The unemployment rate for the MMSA of 4.2 percent in 2022 and 4.0 percent in 2023 was slightly higher than the national average during the evaluation period of 3.6 percent. However, unemployment has continued to improve since 2021. Major employers included FedEx Corp., Methodist Le Bonheur Healthcare, Baptist Memorial Healthcare, and St. Jude Children's Research Hospital.

The OCC reviewed one community contact that had been completed during the review period with an organization serving the area. The organization's focus is economic development with particular attention on expanding and diversifying the industrial and manufacturing market within the area. The contact noted that the economic situation since the pandemic has magnified disparities in unemployment. The contact would also like to see more outreach to small business owners, particularly minority small business owners to build deeper relationships.

Additionally, affordable housing was identified as a need of the community. According to the contact, while housing development has been robust, housing affordability is lacking. In some areas where community development has occurred, low-and moderate-income individuals were being displaced. The contact also noted that many financial institutions offer first-time homebuyer down payment assistance; however, the primary need continues to be affordable housing.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Memphis MMSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	301	16.9	25.9	22.6	30.6	4.0
Population by Geography	1,157,048	12.4	25.1	25.0	36.4	1.1
Housing Units by Geography	491,873	14.7	26.1	24.9	33.4	0.9
Owner-Occupied Units by Geography	256,015	6.9	20.8	25.7	46.3	0.3
Occupied Rental Units by Geography	181,056	21.0	31.7	25.2	20.3	1.7
Vacant Units by Geography	54,802	30.2	32.0	20.1	16.6	1.2
Businesses by Geography	142,223	9.3	24.3	23.1	41.5	1.9
Farms by Geography	3,191	8.5	20.6	24.9	44.9	1.1
Family Distribution by Income Level	278,745	23.1	15.9	17.9	43.1	0.0
Household Distribution by Income Level	437,071	24.8	15.2	16.6	43.3	0.0
Median Family Income MSA - 32820 Memphis, TN-MS-AR MSA		\$68,008	Median Housing Value			\$160,630
			Median Gross Rent			\$979
			Families Below Poverty Level			12.9%
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.						

## Scope of Evaluation in Memphis MMSA

The OCC conducted a full-scope review of the Memphis MMSA.

Conclusions for lending activity, geographic distribution of loans, and borrower distribution of loans gave significantly more weight to home mortgage lending performance since home mortgage loans represented 93.3 percent of the total home mortgage, small business, and small farm loan originations within the AA.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MEMPHIS MMSA

### LENDING TEST

The bank's performance under the Lending Test in the Memphis MMSA is rated Outstanding.

Based on a full-scope review, the bank's performance in the Memphis MMSA is excellent.

## Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

<b>Number of Loans</b>					
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total
Memphis MMSA	3,156	221	25	11	3,413

<b>Dollar Volume of Loans</b>					
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total
Memphis MMSA	\$369,677	\$28,907	\$3,088	\$20,979	\$422,651

According to the June 30, 2023 FDIC Summary of Deposits report, the bank had \$1.0 billion in deposits representing a 2.7 percent market share. The bank's deposit market share ranked ninth out of 39 deposit taking institutions, placing performance in the top 23.1 percent of all deposit taking institutions in the AA.

According to 2023 peer mortgage data, the bank reported 1,016 home mortgage loan originations in the AA. The bank's home mortgage loans originations were equivalent to a 4.3 percent market share of home mortgage loan originations, which was stronger than its deposit market share. The bank's market share of home mortgage loan originations ranked third out of 526 lenders in the AA behind Rocket Mortgage and PennyMac Loan Services LLC, placing performance in the top 0.1 percent. The bank's market share ranking relative to all lenders of home mortgage loan originations was stronger than its deposit market share ranking relative to all deposit taking institutions.

According to 2022 peer small business data, the bank reported 119 small business loans. The bank's small business loan originations were equivalent to a 0.5 percent market share of small business loan originations, which was weaker than its deposit market share. The bank's market share of small business loan originations ranked 27<sup>th</sup> out of 142 small business lenders in the AA, placing performance in the top 19.0 percent. The top three small business and small farm lenders were American Express, Capital One, and JP Morgan. The bank's market share ranking of small business loan originations relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

According to 2022 peer small business data, the bank reported 11 small farm loans. The bank's small farm loan originations were equivalent to a 6.1 percent market share, which was stronger than its deposit market share. The bank's market share of small farm originations ranked sixth out of 21 small farm lenders in the AA, placing performance in the top 28.6 percent. The bank's market share ranking of small farm loan originations was weaker than its deposit market share ranking.

## Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA.

### *Home Mortgage Loans*

Refer to Table O in the MMSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans is excellent. The proportion of bank home mortgage loans to LMI CTs exceeded both the percentage of owner-occupied housing and the aggregate lenders distribution of home mortgage loans in those geographies.

### ***Small Loans to Businesses***

Refer to Table Q in the MMSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is poor. The proportion of bank small business loans in low-income CTs was significantly below both the percentage of businesses and the aggregate industry distribution of loans to those businesses. The proportion of bank small business loans in moderate-income CTs was below the percentage of businesses and was near to the aggregate industry distribution of loans to those geographies.

### ***Small Loans to Farms***

Refer to Table S in the MMSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to farms.

The geographic distribution of small loans to farms is excellent. While the proportion of bank small loans to farms was significantly below the percentage of farms in low-income geographies, it exceeded the aggregate industry distribution of loans in those same geographies. The proportion of small loans to farms exceeded both the percentage of farms and the aggregate industry distribution of loans in moderate income geographies.

### ***Lending Gap Analysis***

The OCC evaluated the lending distribution in the AA to determine if any unexplained, conspicuous gaps existed. Examiners reviewed summary reports, maps, and analyzed the bank's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. The OCC did not identify any unexplained or conspicuous gaps.

## **Distribution of Loans by Income Level of the Borrower**

The bank exhibits an excellent distribution of loans among individuals of different income levels and business and farms of different sizes.

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

Refer to Table P in the MMSA section of appendix D for the facts and data used to evaluate the borrower distribution of the institution's home mortgage loan originations and purchases.

When determining the conclusion for borrower distribution, the OCC considered housing costs in relation to median family incomes that limited affordability for low-income borrowers and some

moderate-income borrowers. Examiners therefore placed more emphasis on the bank's performance compared to the aggregate distribution.

The borrower distribution of home mortgage loans was excellent. The proportion of bank home mortgage loans to low-income borrowers was significantly below the percentage of low-income families, but exceeded the aggregate industry distribution of loans to those borrowers. The proportion of bank home mortgage loans to moderate-income borrowers exceeded both the percentage of moderate-income families and the aggregate industry distribution of home mortgage loans to those borrowers.

### ***Small Loans to Businesses***

Refer to Table R in the MMSA section of appendix D for the facts and data used to evaluate the borrower distribution of the institution's originations and purchases of small loans to businesses.

The borrower distribution of loans to small businesses was poor. The proportion of the bank's small business loans was significantly below the percentage of businesses with gross revenues of \$1.0 million or less and below the aggregate industry distribution of loans to those businesses as well.

### ***Small Loans to Farms***

Refer to Table T in the MMSA section of appendix D for the facts and data used to evaluate the borrower distribution of the institution's originations and purchases of small loans to farms.

The borrower distribution of loans to small farms was good. The proportion of bank small farm loans was significantly below the percentage of farms with gross revenues of \$1.0 million or less, but exceeded the aggregate industry distribution of loans to those farms.

## **Community Development Lending**

The institution is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Throughout the evaluation period, the bank made 11 CD loans totaling nearly \$21.0 million. CD lending was equivalent to 19.6 percent of allocated tier 1 capital and had a positive impact on the Lending Test conclusion. CD loans were responsive to community needs and supported affordable housing, community services, and revitalization of the community. By dollar volume, 43.7 percent of CD lending funded revitalization efforts, 23.6 percent supported affordable housing, and 32.7 percent was appropriated to community services. CD loans demonstrated some leadership and complexity, particularly those CD loans for revitalization and stabilization.

Examples of CD loans:

- Three loans totaling \$9.2 million as part of the financing of a comprehensive revitalization plan to promote economic development within the Memphis MMSA. These loans were made in conjunction with a government bond program that supports the community through job creation in the Memphis area, which has a higher unemployment rate than the state and national averages.

- One loan for \$1.9 million to finance a new facility for a Memphis nonprofit organization that provides job training, employment placement services, and other community-based programs for people who have faced barriers to employment in the past. The organizations efforts primarily support LMI individuals.
- Two loans totaling \$3.5 million to an organization to support affordable housing. The loans were used to improve student housing that consists of 135 one-, two-, and three-bedroom units. Of the 135 units, 126 units have rents that are less than HUD's fair market rent in the AA.

## Product Innovation and Flexibility

The institution makes extensive use of innovative and/or flexible lending practices in serving the AA's credit needs.

During the evaluation period, the bank originated or purchased 1,633 loans totaling over \$197.8 million among the various flexible lending products that were offered throughout the Memphis MMSA. Of the bank's innovate and flexible lending, 665 loans were through the Home Advantage and Home Advantage PLUS program totaling \$113.4 million, 604 loans were through the True Advantage program totaling \$3.7 million, and 172 were FHA loans totaling \$46.7 million.

For a description of these programs, see the "Product Innovation and Flexibility" section of the Overall Description of Bank.

## INVESTMENT TEST

The institution's performance under the Investment Test in the Memphis MMSA is rated Outstanding.

Based on a full-scope review, the institution's performance in the Memphis MMSA is excellent.

The institution exhibits excellent responsiveness to credit and community economic development needs. The bank makes significant use of innovative and/or complex investments to support CD initiatives.

## Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Memphis MMSA	19	\$6,348	890	\$10,330	909	100.0	\$16,678	100.0	0	0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

The bank had an excellent level of qualified CD investments and grants. In total, the bank had 909 qualified CD investments totaling \$16.7 million. The dollar volume of current and prior period investments represented 15.6 percent of allocated tier 1 capital. Total qualified investments throughout the current period included 890 qualifying investments, grants, and donations totaling \$10.3 million. In addition, the Memphis MMSA continued to benefit from the ongoing impact of 19 prior period CD



investments totaling \$6.3 million. Throughout the current evaluation period, the bank was responsive to the need for affordable housing and focused 92.3 percent of the current period investments on supporting affordable housing. The balance of the bank's current period CD investments funded economic development and community services targeted to LMI individuals. Bank CD investments demonstrated some leadership and complexity.

Examples of community development investments include:

- The bank launched a loan subsidy program within the Memphis MMSA that provided qualified LMI borrowers with up to \$10,000 in down payment assistance and \$2,000 in closing cost credits. The program disbursed a total of \$5.7 million in assistance to eligible borrowers throughout the Memphis MMSA during the current review period. The program was responsive to affordable housing needs in the AA.
- The bank continued to support a local minority depository institution by renewing two certificates of deposit totaling \$490,000. The investment supports community services by allowing the minority depository institution to gain investors and thereby serve communities and individuals who are traditionally underrepresented by the financial industry.
- The bank purchased mortgage-backed securities (MBS) totaling \$3.5 million that were made up of home mortgage loans to LMI individuals and/or home mortgage loans located in LMI geographies within the Memphis MMSA. These MBS provided 19 affordable units, which benefitted affordable housing needs in the AA.
- The bank partnered with a national non-profit organization to promote financial wellbeing and economic empowerment with free financial counseling to LMI community residents. During the current review period, the bank invested close to \$217,000 in direct financial support and in-kind donations.

## **SERVICE TEST**

The institution's performance under the Service Test in the Memphis MMSA is rated High Satisfactory.

Based on a full-scope review, the institution's performance in the Memphis MMSA is good.

## **Retail Banking Services**

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography*			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Memphis MMSA	100.0	19	100.0	0.0	26.3	26.3	47.4	12.4	25.1	25.0	36.4

\*Does not equal 100% due to NA CTs

The bank had a total of 19 branches within the MMSA, with five branches located in moderate-income CTs. Conclusions considered changes in the 2020 U.S. Census whereby one branch previously located in a low-income geography was reclassified to a middle-income CT as of January 1, 2022. The bank did not have any branches in low-income CTs. The distribution of branches in moderate-income geographies exceeded the percentage of the population living within those geographies.

The bank compliments its traditional service delivery methods with alternative retail delivery systems such as deposit-taking ATMs and ITMs, online banking, and mobile banking. The bank has 17 ATMs and eight ITMs located within the MMSA, including two ATMs and two ITMs located in moderate-income CTs. The bank did not provide data detailing LMI usage; therefore, no significance was placed on these service delivery methods.

The bank did not open or close branches during the evaluation period.

## Community Development Services

The institution provided a limited level of CD services.

Bank employees provided 77 qualified CD service activities totaling 182 qualified hours within the Memphis MMSA during the evaluation period. The bank was responsive in delivering 179 hours of financial literacy assistance primarily to students and seniors.

Service activity examples during the evaluation period include:

- A bank employee participated in a two-hour “Adulting 101” event at a local high school where 700 seniors of the high school were in attendance. The FDIC Money Smart curriculum provided the format for the event. The majority of the school’s students receive free or reduced-price lunch.
- Two two-hour financial literacy events were held at a senior living facility in the Memphis MMSA. Over 90 seniors attended the events with topics including planning for unexpected life events, protecting themselves against scams, and banking products that may be beneficial to seniors. The seminars benefitted primarily LMI people.
- The bank conducted five financial literacy events through a local non-profit. Bank employees provided nine hours of financial literacy empowerment and economic education.

## State Rating

### State of Alabama

**CRA rating for the State of Alabama:** Satisfactory

**The Lending Test is rated:** High Satisfactory

**The Investment Test is rated:** High Satisfactory

**The Service Test is rated:** High Satisfactory

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- The bank exhibits an adequate geographic distribution of loans.
- The bank exhibits a good borrower distribution of loans.
- The institution is a leader in making CD loans.
- The institution has a significant level of qualified CD investments and grants.
- Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AA. The level of CD Services is adequate.

### Description of Institution's Operations in Alabama

Trustmark had eight AAs in the state of Alabama: Auburn MSA, Birmingham MSA, Daphne MSA, Huntsville MSA, Mobile MSA, Montgomery MSA, Tuscaloosa MSA, and the Alabama Non-MSA. For the Alabama Non-MSA, all Non-MSA counties are combined and analyzed as one AA. The AAs meet the requirements of the regulation and do not arbitrarily exclude LMI CTs.

The bank's operations in Alabama comprise 16.2 percent of total bank deposits and 10.0 percent of total bank branches. Trustmark's AAs in the Alabama Non-MSA and Mobile MSA received full-scope reviews. The remaining AAs received a limited-scope review. The components of the full-scope AAs are discussed below.

#### Alabama Non-MSA

The Alabama Non-MSA consists of Barbour, Butler, Dallas, Escambia, Marengo, and Monroe counties in Alabama. Based on 2020 U.S. Census data, the AA contained 62 CTs in 2023 that included four low-income CTs, 15 moderate-income CTs, 34 middle-income CTs, and eight upper-income CTs. One CT had no income designation.

As of the 2020 U.S. Census, the Alabama Non-MSA had a population 158,588, of which 7.0 percent are low-income individuals and 23.3 percent are moderate-income individuals.

As of June 30, 2023, the bank had \$868 million in deposits in the Alabama Non-MSA, representing 5.8 percent of the bank's total deposits. During the evaluation period, the bank made \$1.7 billion or 5.3

percent of its total dollar volume of HMDA and CRA small business and small farm loan originations within the AA.

The bank operates 11 full-service branches and 17 deposit taking ATMs within this AA. According to the June 30, 2023 FDIC deposit market share report, there were 25 FDIC-insured institutions operating 65 branches in the AA. The bank ranked first in deposit market share at 20.9 percent. In addition to Trustmark, Truist Bank, United Bank, Robertson Banking Company, and Regions make up the top five competitors for deposits in the AA. The top five banks hold a combined 64.7 percent market share. Significant competition for loans exists in the AA. Based on 2023 aggregate mortgage loan data, 204 lending institutions reported originating or purchasing home mortgage loans. Trustmark was the number one ranked mortgage lender with a market share of 8.6 percent. According to 2022 peer small business data, 78 lending institutions reported originating or purchasing small business loans. The bank ranked second with 14.6 percent market share. Forty lending institutions reported originating or purchasing small farm loans. The bank ranked second with 27.6 percent market share.

During the evaluation period, the state of Alabama continued its five-year initiative to bring broadband to the unserved and underserved households in the state. The state recognized the impact that reliable and accessible broadband has for communities' opportunities to grow, expand, and retain jobs. The counties in the bank's AA have greater unserved and underserved household populations totaling 8.8 percent compared to the state average of 3.4 percent.

According to the Alabama Department of Labor, Civilian Labor Force Data as of September 2023, the state unemployment rate was 2.6 percent and the bank's AA had a 4 percent unemployment rate on average, which is higher than the state unemployment.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such, are less likely to have the financial resources to qualify for a home loan than those with income above poverty levels. According to the 2020 U.S. Census, 18.6 percent of families in the Alabama Non-MSA had income below the federal poverty line.

The median housing value of owner-occupied housing units for the Alabama Non-MSA was \$94,212 in 2023. According to the 2020 U.S. Census demographic data, the number of housing units in the MSA was 81,049. Owner-occupied housing units and rental units represented 47.7 percent and 26.1 percent of total housing units, respectively, with 26.1 percent of housing units being vacant.

The OCC evaluated the disparity between the median income of families within the AA and cost of housing. Low-income families earned less than \$2,332 per month in 2023 and moderate-income families earned less than \$3,731 per month in 2023. The maximum low-income and maximum moderate-income annual income calculations are based on 50.0 percent and 80.0 percent of the FFIEC adjusted median family income for the AA. One method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30.0 percent of the applicant's income. For the 2022 through 2023 evaluation period, the calculated maximum affordable monthly mortgage payment was \$700 for a low-income borrower and between \$701 and \$1,119 for a moderate-income borrower. Assuming a 30-year mortgage with a 7.0 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home in the AA using the median housing value would be \$627 in 2022-2023. Based on these calculations, some low-income borrowers would be challenged to qualify for a mortgage loan in the AA.

The OCC utilized one community contact for this evaluation. The contact worked for a non-profit promoting economic development and regional planning activities throughout southeast Alabama. The primary goal of the organization is to improve the lives of the members in its communities. The contact stated a need for grants for small businesses to be made available through municipalities. Also, the price of building materials is impacting builders trying to meet LMI individual housing needs for affordable housing.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Alabama Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	62	6.5	24.2	54.8	12.9	1.6
Population by Geography	158,588	7.0	23.3	56.4	12.7	0.6
Housing Units by Geography	81,049	7.6	24.0	55.0	12.5	1.0
Owner-Occupied Units by Geography	38,666	4.8	22.4	57.2	14.9	0.8
Occupied Rental Units by Geography	21,194	14.0	26.8	49.5	9.1	0.6
Vacant Units by Geography	21,189	6.2	24.2	56.4	11.4	1.8
Businesses by Geography	12,857	8.1	21.8	56.1	13.4	0.6
Farms by Geography	648	3.4	24.1	57.9	13.7	0.9
Family Distribution by Income Level	36,313	27.0	17.6	18.4	37.0	0.0
Household Distribution by Income Level	59,860	32.5	16.3	14.7	36.5	0.0
Median Family Income Non-MSAs - AL		\$55,960	Median Housing Value			\$94,212
			Median Gross Rent			\$622
			Families Below Poverty Level			18.6%
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.						

### Mobile MSA

The Mobile MSA consists of Mobile County, AL. Based on 2020 U.S. Census data, the AA contained 135 CTs in 2023 that included nine low-income CTs, 42 moderate-income CTs, 48 middle-income CTs, and 33 upper-income CTs. Three CTs had no income designation.

As of the 2020 U.S. Census, the Mobile MSA had a population of 414,809, of which 3.3 percent are low-income individuals and 25.7 percent are moderate-income individuals.

As of June 30, 2023, the bank had \$395.0 million in deposits in the Mobile MSA, representing 2.6 percent of the bank's total deposits. During the evaluation period, the bank made \$291.3 million or 17.2 percent of its total dollar volume of HMDA and CRA small business loan originations within the AA. The bank operates six full-service branches and six deposit taking ATMs within this AA. According to the June 30, 2023 FDIC deposit market share report, there were 25 FDIC-insured institutions operating 106 branches in the AA. The bank ranked seventh in deposit market share at 4.1 percent. The five top competitors for deposits include Regions Bank, PNC Bank, Hancock Whitney Bank, Wells Fargo Bank, and First Horizon Bank, which represents a combined market share of 72.8.

Significant competition for loans exists in the AA. Based on 2023 aggregate mortgage loan data, 345 lending institutions reported originating or purchasing home mortgage loans. Trustmark ranked third with 5.6 percent market share. According to 2022 peer small business data, 95 lending institutions reported originating or purchasing small business loans. The bank ranked 13<sup>th</sup> with 2.1 percent market share.

According to Moody's Analytics, the Mobile MSA economy is at risk. The AA has had stagnant job growth, which pushed the unemployment rate above the national average. The economy is reliant on a declining logistics sector and growing manufacturing sector. Area economic drivers were chemicals and manufacturing. Area strengths included a strong transportation infrastructure, consistent expansion at the Port of Mobile, and a strong manufacturing base. The University of South Alabama and medical facilities are the primary employers in the MSA. Other top employers include Infirmary Health System, Austal USA, Computer Programs and Systems, Inc., AM/NS Calvert, and Providence Hospital.

Employment levels in the MSA improved from 2022 through 2023. According to the Bureau of Labor Statistics (BLS), the unemployment rate in the MSA was 3.2 percent in December 2022, which was higher than the state of Alabama unemployment rate of 2.6 percent. The unemployment rate dropped to 2.8 percent in the MSA by December 2023, which was near the state rate of 2.9 percent.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such, are less likely to have the financial resources to qualify for a home loan than those with income above poverty levels. According to the 2020 U.S. Census, 13.1 percent of families in the Mobile MSA had income below the federal poverty line.

The median housing value of owner-occupied housing units for the Mobile MSA was \$140,207 in 2023. According to the 2020 U.S. Census demographic data, the number of housing units in the MSA was 184,321. Owner-occupied housing units and rental units represented 54.8 percent and 30.7 percent of total housing units, respectively. Vacant housing units totaled 14.5 percent.

The OCC evaluated the disparity between the median income of families within the AA and the cost of housing. Based on the below tables, low-income families earned less than \$2,568 per month in 2023 and moderate-income families earned less than \$4,108 per month. The maximum low-income and maximum moderate-income annual income calculations are based on 50.0 percent and 80.0 percent of the FFIEC adjusted median family income for the AA. One method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30.0 percent of the applicant's income. For the evaluation period, the calculated maximum affordable monthly mortgage payment was \$770 for a low-income borrower and between \$771 and \$1,233 for a moderate-income borrower. Assuming a 30-year mortgage with a 7.0 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home in the AA using the median housing value would be \$933 in 2022-2023. Based on these calculations, housing is unaffordable for low-income borrowers and some moderate-income borrowers would be challenged to qualify for a mortgage loan in the AA.

The OCC reviewed one community contact in this AA. The contact was a local HUD agency charged with providing safe, decent, and affordable housing to low-income individuals residing in the Low-Income Public Housing developments and administering the Housing Choice Voucher (HVC) program within the AA. The community contact identified affordable housing as one of the needs of community,

identifying that there is a longstanding shortage, specifically for two- and three-bedroom units. The contact also identified a growing need for multifamily mixed income housing. Additionally, the contact identified that the community could benefit from financial institutions improving mortgage offerings for low-income borrowers.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Mobile MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	135	6.7	31.1	35.6	24.4	2.2
Population by Geography	414,809	3.3	25.7	41.6	28.5	0.8
Housing Units by Geography	184,321	4.0	28.1	40.2	27.3	0.3
Owner-Occupied Units by Geography	100,955	2.1	20.7	44.2	32.7	0.3
Occupied Rental Units by Geography	56,602	6.1	38.4	35.6	19.4	0.4
Vacant Units by Geography	26,764	6.8	33.8	35.2	23.6	0.5
Businesses by Geography	45,554	3.5	26.8	34.5	34.9	0.3
Farms by Geography	976	2.4	17.4	45.7	34.4	0.1
Family Distribution by Income Level	102,767	21.9	17.5	19.9	40.7	0.0
Household Distribution by Income Level	157,557	25.7	15.2	17.0	42.1	0.0
Median Family Income MSA - 33660 Mobile, AL MSA		\$61,626	Median Housing Value			\$140,207
			Median Gross Rent			\$850
			Families Below Poverty Level			13.1%
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.						

## Scope of Evaluation in Alabama

For the state of Alabama, the OCC completed full-scope reviews of the Alabama Non-MSA and Mobile MSA AAs. The remaining AAs received limited-scope reviews.

Lending Test conclusions for the full-scope AAs gave more weight to performance in the Mobile MSA since the AA accounted for 62.6 percent of the home mortgage, small business, and small farm loan originations in the full-scope AAs.

In the Mobile MSA and limited-scope AAs, conclusions for lending activity, geographic distribution of loans, and borrower distribution of loans placed more weight on home mortgage lending performance as home mortgage loans represented 83.9 percent of the total home mortgage, small business, and small farm loan originations in these AAs.

In the Alabama Non-MSA, the OCC placed more weight on performance of small loans to businesses when determining conclusions for lending activity, geographic distribution, and borrower distribution of loans. The OCC placed more weight on small business loan performance because such loans accounted for 53.2 percent of home mortgage, small business, and small farm loan originations in the Alabama

Non-MSA. In all full-scope AAs, examiners gave significantly less weight to small farm lending since such loans made up the smallest percentage of loan originations in the state of Alabama.

Trustmark did not originate or purchase enough small loans to farms in the full scope Mobile MSA or limited scope AAs of Auburn MSA, Birmingham MSA, Huntsville MSA, Montgomery MSA, and Tuscaloosa MSA to conduct meaningful analyses.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ALABAMA**

### **LENDING TEST**

The bank's performance under the Lending Test in Alabama is rated High Satisfactory. Performance in limited scope AAs had a neutral impact on the overall rating.

### **Conclusions for Areas Receiving Full-Scope Reviews**

Based on full-scope reviews, the bank's performance in the Alabama Non-MSA and Mobile MSA is good.

#### **Lending Activity**

Lending levels reflect excellent responsiveness to AA credit needs.



Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Alabama Non-MSA	334	503	107	15	959	10.6	35.7
Auburn MSA	533	47	4	2	586	6.5	3.4
Birmingham MSA	1,728	113	10	1	1,852	20.5	7.2
Daphne MSA	909	292	30	2	1,233	13.6	9.7
Huntsville MSA	795	130	3	1	929	10.3	10.8
Mobile MSA	1,233	336	12	4	1,585	17.5	16.3
Montgomery MSA	1,420	222	15	1	1,658	18.4	16.1
Tuscaloosa MSA	150	75	6	0	231	2.6	0.8
Statewide**	0	0	0	1	1	NA	0.0
<b>Total</b>	<b>7,102</b>	<b>1,718</b>	<b>187</b>	<b>27</b>	<b>9,034</b>	<b>100</b>	<b>100</b>

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

\*\* Statewide CD loans not included in % of state loans.

Dollar Volume of Loans* (000's)							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State* Loans	%State Deposits
Alabama Non-MSA	\$36,444	\$41,670	\$12,855	\$6,775	\$97,744	5.6	35.7
Auburn MSA	\$137,057	\$6,590	\$626	\$2,304	\$146,577	8.3	3.4
Birmingham MSA	\$359,007	\$9,997	\$718	\$488	\$370,210	21.1	7.2
Daphne MSA	\$237,191	\$40,453	\$4,106	\$5,000	\$286,750	16.3	9.7
Huntsville MSA	\$187,256	\$18,504	\$306	\$500	\$206,566	11.7	10.8
Mobile MSA	\$235,074	\$56,206	\$1,206	\$24,233	\$316,719	18.0	16.3
Montgomery MSA	\$267,666	\$25,270	\$709	\$1,948	\$295,593	16.8	16.1
Tuscaloosa MSA	\$28,713	\$8,452	\$779	\$0	\$37,944	2.2	0.8
Statewide**	\$0	\$0	\$0	\$2,450	\$2,450	NA	0.0
<b>Total</b>	<b>\$1,488,408</b>	<b>\$207,142</b>	<b>\$21,305</b>	<b>\$43,698</b>	<b>\$1,760,553</b>	<b>100</b>	<b>100</b>

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

\*\* Statewide CD loans not included in % of state loans.

### Alabama Non-MSA

Lending levels reflect excellent responsiveness to AA credit needs.

According to the June 30, 2023 FDIC Summary of Deposits report, the bank had \$868.0 million in deposits in the AA representing a 20.9 percent market share. The bank's deposit market share ranked first out of 25 deposit taking institutions, placing performance in the top 4.0 percent all deposit taking institutions in the AA.

According to 2023 peer mortgage data, the bank reported 140 home mortgage loan originations in the AA. The bank's home mortgage loans originations were equivalent to 8.6 percent market share of home mortgage loan originations, which was less than its deposit market share. The bank's market share of home mortgage loan originations ranked first out of 204 lenders, placing performance in the top 0.5 percent. The bank's market share ranking of home mortgage loan originations relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

According to 2022 peer small business data, the bank reported 297 small business loans in in the AA. Trustmark's small business loan originations were equivalent to a 14.6 percent market share of small business loan originations, which was stronger than its deposit market share. The bank's market share of small business loan originations ranked second out of 78 small business lenders in the AA, placing performance in the top 2.6 percent. The bank's market share ranking of small business loan originations relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

According to 2022 peer small business data, the bank reported 55 small farm loans in the AA. The bank's small farm loan originations were equivalent to a 27.6 percent market share, which was stronger than its deposit market share. The bank's market share of small farm originations ranked second out of 20 small farm lenders in the AA, placing performance in the top 10.0 percent. The bank's market share ranking of small farm loan originations relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

### Mobile MSA

Lending levels reflect excellent responsiveness to AA credit needs.

According to June 30, 2023 FDIC Summary of Deposits report, the bank had \$395.0 million in deposits in the AA representing a 4.1 percent deposit market share. The bank's deposit market share ranked seventh out of 25 deposit taking institutions, placing performance in the top 28.0 percent all deposit taking institutions in the AA.

According to 2023 peer mortgage data, the bank reported 457 home mortgage loan originations in the AA. Home mortgage loan originations were equivalent to 5.6 percent market share of home mortgage loan originations, which was stronger than its deposit market share. The bank's market share of home mortgage loan originations ranked third out of 345 lenders in the AA, placing performance in the top 0.9 percent of all lenders. The bank's market share ranking of home mortgage loan originations relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

According to 2022 peer small business data, the bank reported 208 small business loans in the AA. The bank's small business loan originations were equivalent to a 2.1 percent market share of small business loan originations, which was weaker than its deposit market share. The bank's market share of small business loan originations ranked 13<sup>th</sup> out of 95 small business lenders in the AA, placing performance in the top 13.7 percent. The bank's market share ranking of small business loan originations relative to all lenders was less than its deposit market share ranking relative to all deposit taking institutions.

According to 2022 peer small business data, the bank reported nine small farm loans. The bank's small farm loan originations were equivalent to a 14.5 percent market share, which was stronger than its deposit market share. The bank's market share of small farm originations ranked second out of 14 small farm lenders in the AA, placing performance in the top 14.3 percent. The bank's market share ranking of small farm loan originations relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

## **Distribution of Loans by Income Level of the Geography**

The bank exhibits an adequate geographic distribution of loans in its AAs.

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

Refer to Table O in the state of Alabama section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

### Alabama Non-MSA

The geographic distribution of mortgage loans is poor. The proportion of bank home mortgage loans to low-income CTs was significantly below both the percentage of owner occupied housing and aggregate industry distribution of loans to those geographies. The proportion of bank home mortgage loans to moderate-income CTs was below the percentage of owner-occupied housing and well below aggregate industry distribution of home mortgage loans to those geographies.

#### Mobile MSA

The geographic distribution of mortgage loans for owner occupied housing is adequate. The proportion of bank home mortgage loans to low-income CTs was significantly below the percentage of owner-occupied housing and below the aggregate industry distribution of home mortgage loans to those geographies. The proportion of bank home mortgage loans to moderate-income CTs was below the percentage of owner-occupied housing, but exceeded the aggregate industry distribution of home mortgage loans to those geographies.

#### ***Small Loans to Businesses***

Refer to Table Q in the state of Alabama section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

#### Alabama Non-MSA

The geographic distribution of small loans to businesses is poor. The proportion of small loans to businesses in low-income CTs was significantly below both the percentage of businesses and aggregate industry distribution of loans to businesses in those geographies. The proportion of loans in moderate-income CTs was below both the percentage of businesses and aggregate industry distribution of loans in those geographies.

#### Mobile MSA

The geographic distribution of small loans to businesses is adequate. The proportion of small business loans in low-income CTs was near to both the percentage of businesses and aggregate industry distribution of loans to those businesses. The proportion of bank small business loans in moderate-income CTs was well below the percentage of businesses and below the aggregate industry distribution of loans to those geographies.

#### ***Small Loans to Farms***

Refer to Table S in the state of Alabama section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to farms.

#### Alabama Non-MSA

The geographic distribution of small loans to farms is poor. The proportion of bank small farm loans in low-income CTs was significantly below the percentage of farms and well below the aggregate industry distribution of loans to those farms. The proportion of bank small farm loans in moderate-income CTs was below both the percentage of farms and aggregate industry distribution of loans to those geographies.

### ***Lending Gap Analysis***

The OCC evaluated the lending distribution in the AA to determine if any unexplained, conspicuous gaps existed. Examiners reviewed summary reports, maps, and analyzed the bank's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. The OCC did not identify any unexplained or conspicuous gaps.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits a good distribution of loans among individuals of different income levels and business and farms of different sizes, given the product lines offered by the institution.

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

Refer to Table P in the state of Alabama section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The OCC considered the large percentage of the population with income levels below the poverty line, as compared to the national averages. Conclusions on distribution to low-income borrowers placed more weight on the aggregate lending level comparison as a result.

#### **Alabama Non-MSA**

The borrower distribution of home mortgage loans is excellent. The proportion of bank home mortgage loans to low-income borrowers was significantly below the percentage of owner-occupied housing, but exceeded the aggregate industry distribution to those borrowers. The proportion of bank home mortgage loans to moderate-income borrowers exceeded both the percentage of owner-occupied housing and aggregate industry distribution.

#### **Mobile MSA**

The borrower distribution of home mortgage loans is excellent. The proportion of bank home mortgage loans to low-income borrowers was significantly below the percentage of owner-occupied housing, but exceeded the aggregate industry distribution loans to those borrowers. The proportion of bank home mortgage loans to moderate-income borrowers exceeded both the percentage of owner-occupied housing and aggregate industry distribution.

#### ***Small Loans to Businesses***

Refer to Table R in the state of Alabama section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

#### **Alabama Non-MSA**

The borrower distribution of small loans to businesses was good. The proportion of the bank loans to businesses with gross revenue of \$1.0 million or less was well below the percentage of businesses, but exceeded the aggregate industry distribution of loans to those businesses.

#### **Mobile MSA**

The borrower distribution of small loans to businesses was adequate. The proportion of the bank loans to businesses with gross revenue of \$1.0 million or less was significantly below the percentage of businesses and near to the aggregate industry distribution of loans to those businesses.

### ***Small Loans to Farms***

Refer to Table T in the state of Alabama section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

### **Alabama Non-MSA**

The borrower distribution of loans to farms of different sizes was good. The proportion of bank loans to farms with gross revenue of \$1.0 million or less was well below the percentage of farms, but exceeded the aggregate industry distribution of loans to those farms.

## **Community Development Lending**

The institution is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

### **Alabama Non-MSA**

The institution is a leader in making CD loans within the Alabama Non-MSA. Throughout the evaluation period, the bank made 15 CD loans totaling \$6.8 million. CD lending is equivalent to 7.3 percent of allocated tier 1 capital. CD loans were responsive to revitalization and stabilization needs in the AA as CD loans dedicated to revitalization and stabilization represented 92.3 percent of CD Lending in the AA. In addition, 5.4 percent of CD lending supported community services, 1.3 percent supported affordable housing, and 1.0 percent supported economic development.

Examples of CD loans include:

- A \$85,150 loan for working capital to a local housing authority whose primary focus is to provide affordable housing to LMI individuals. The organization owns and operates affordable housing units and administers housing vouchers. The organization focuses on helping LMI families and individuals move to self-sufficiency. In addition to offering affordable housing, the organization provides a youth program that ensures youth and young adults who are out of high school are equipped with the necessary skills to facilitate lifelong success. The organization also works with employers in the local community to help LMI families and individuals gain employment.
- Two loans totaling \$3.4 million to a local city government to revitalize and stabilize the city, which has all underserved or distressed CTs. The lines of credits support general operating purposes and provide financing for emergency repairs after natural disasters until funding from the Federal Emergency Management Agency (FEMA) is received.

- Two loans totaling \$858,161 to a local county government to purchase equipment for a transportation project to revitalize and stabilize the county. Of nine total CTs, seven are designated distressed or underserved and one is a moderate-income CT.

### Mobile MSA

The institution is a leader in making CD loans within the Mobile MSA. Throughout the evaluation period, the bank made four CD loans totaling \$24.2 million. CD lending is equivalent to 57.4 percent of allocated tier 1 capital. CD loans were responsive to affordable housing needs in the AA. CD lending primarily supported revitalizing and stabilizing the community with 49.5 percent of CD loan volume as well as economic development representing 49.5 percent of CD loan volume.

Examples of CD loans include:

- One loan for \$216,938 to a local organization for affordable housing within the AA. The loan supports eight units, which are a mix of one bedroom and studio units. Rental rates are below market for LMI renters.
- Two loans totaling \$24.0 million to a local business to support business operations, which helped to retain 73 jobs. Ninety percent of the jobs retained employ low- to moderate-income individuals.
- Two loans totaling \$32,350 to a local non-profit to support community services, particularly the organization's mission of providing shelter to homeless families in the AA. Additionally, the non-profit works with families on the verge of homelessness to find affordable housing and provides resources to those served to break the cycle of poverty.

## **Product Innovation and Flexibility**

The institution makes extensive use of innovative and/or flexible lending practices to serve AA credit needs.

### Alabama Non-MSA

The institution makes limited use of flexible lending practices to serve AA credit needs. During the evaluation period, the bank made 73 loans totaling \$9.5 million among various flexible lending products in the Alabama Non-MSA. Of the innovative and flexible products, the bank provided 29 Home Advantage and Home Advantage Plus loans totaling \$2.6 million, 22 FHA loans totaling \$3.7 million, 7 USDA loans totaling \$1 million.

### Mobile MSA

The institution makes extensive use of flexible lending practices to serve AA credit needs. During the evaluation period, the bank made 539 loans totaling \$92.1 million among various flexible lending products in the Mobile MSA. Of the innovative and flexible products, the bank provided 232 Home Advantage and Home Advantage Plus loans totaling \$27.5 million, 193 FHA loans totaling \$41.7 million, 47 VA loans totaling \$13.2 million, and 31 USDA loans totaling \$6.4 million.

For a description of these programs, see the “Product Innovation and Flexibility” section of the Overall Description of Bank.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank’s performance under the Lending Test in the Montgomery MSA and Huntsville MSA is consistent with the full-scope areas. The bank’s performance in the Auburn MSA, Birmingham MSA, Daphne MSA, and Tuscaloosa MSA is stronger than the full-scope areas. Stronger performance was due to a greater proportion of home mortgage loans as compared to the demographic and aggregate comparisons of the geographic and borrower distribution of home mortgage. The performance in limited-scope AAs had a neutral impact on the overall Lending Test rating in Alabama.

Refer to Tables O through T in the state of Alabama section of appendix D for the facts and data that support these conclusions.

### **INVESTMENT TEST**

The bank’s performance under the Investment Test in Alabama is rated High Satisfactory. Performance in limited scope areas had a neutral impact on the overall Investment Test rating.

### **Conclusions for Areas Receiving Full-Scope Reviews**

Based on full-scope reviews, the bank’s performance in the Alabama Non-MSA is poor and performance in the Mobile MSA is excellent.

The institution made a significant level of qualified CD 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 economic development needs. The institution occasionally uses innovative and/or complex investments to support CD initiatives.



Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Alabama Non-MSA	5	\$114	40	\$463	45	3.0	\$577	2.1	0	\$0
Auburn MSA	3	\$195	9	\$723	12	0.8	\$918	3.3	0	\$0
Birmingham MSA	6	\$601	735	\$4,718	741	49.6	\$5,319	18.9	0	\$0
Daphne MSA	8	\$1,302	17	\$1,613	25	1.7	\$2,915	10.4	0	\$0
Huntsville MSA	9	\$2,781	105	\$1,903	114	7.6	\$4,684	16.6	0	\$0
Mobile MSA	6	\$2,431	169	\$4,554	175	11.7	\$6,985	24.8	0	\$0
Montgomery MSA	6	\$2,163	364	\$3,832	370	24.7	\$5,995	21.3	0	\$0
Tuscaloosa MSA	5	\$163	8	\$588	13	0.9	\$751	2.7	0	\$0
Statewide**	0	\$0	1	\$2	1	NA	\$2	NA	0	\$0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Statewide CD investments not included in % of total.

### Alabama Non-MSA

The bank had a poor level of qualified CD investments and grants. The bank made 45 qualified CD investments totaling \$576,173. This included three current period investments totaling \$421,710 and 37 grants totaling \$40,888, which equaled \$462,598. The AA also benefitted from the ongoing impact of five prior period investments totaling \$113,576. The dollar volume of current and prior period investments was equivalent to 0.6 percent of allocated tier 1 capital. The bank was responsive to community needs with current period investments and grants for affordable housing in the AA. Three qualified investments and grants totaling \$421,710 benefitted affordable housing. Thirty-three qualified investments and grants totaling \$31,388 benefitted community service. Two qualified investments and grants totaling \$8,000 benefitted economic development. Finally, two qualified investments totaling \$1,500 benefitted revitalization and stabilization efforts. CD investments did not demonstrate leadership or complexity.

Examples of CD investments and grants included:

- Two investments in mortgage backed securities (MBS) totaling \$304,000. The MBS are comprised of loans primarily to LMI people and benefitted affordable housing needs in the AA.
- One donation totaling \$1,000 to an organization focused on revitalization and stabilization in the community. The nonprofit has focused on projects to revitalize and stabilize a state designated area. The funded project promoted economic development by bringing new businesses and jobs to the community and improved the downtown area to attract new businesses and consumers.
- Two donations totaling \$8,000 to a non-profit that supports economic development. The donations support the mission of the organization, which is to attract new industrial employers to the area, retain and expand existing industrial employers, and be a catalyst for workforce development.

- One donation totaling \$1,000 to support a local organization whose mission is to provide food to LMI individuals and those living in poverty. The donation allowed the organization to provide food to those individuals.

### Mobile MSA

The bank had an excellent level of qualified CD investments and grants. The bank made \$7.0 million of qualified CD investments in the Mobile MSA. This included 136 current period investments totaling \$4.5 million and 33 grants totaling \$32,259, which equaled \$4.6 million. The AA also benefitted from the ongoing impact of six prior period investments totaling \$2.4 million. The dollar volume of current and prior period investments was equivalent to 16.5 percent of allocated tier 1 capital. The bank was responsive to identified community needs with current period investments and grants for affordable housing in the AA. The bank made 141 qualified investments and grants totaling \$4.3 million that supported affordable housing, 25 qualified investments and grants totaling \$270,459 that supported community service, and three qualified investments and grants totaling \$3,800 that supported economic development. CD investments demonstrated some leadership and complexity.

Examples of CD investments and grants included:

- The bank provided 124 investments totaling \$248,000 for down payment assistance and closing cost grants to LMI borrowers. The grants support affordable housing in the community by assisting LMI borrowers to obtain affordable housing.
- An investment totaling \$245,000 to a minority depository institution to support community services, which allows the institution to serve communities and individuals who are traditionally underrepresented by the financial industry.
- Six donations totaling \$3,000 to a local non-profit in the community. The donations support the organization's mission to help individuals and families live more productive lives through counseling, assistance, referrals, and education. The bank's donations supported a HUD certified housing counseling program that works with clients who wish to become homeowners by providing one-on-one coaching and seminars.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Auburn MSA, Daphne MSA, Huntsville MSA, and Montgomery MSA is consistent with the bank's overall performance in the full-scope areas. The bank's performance in Birmingham MSA and Tuscaloosa MSA is stronger than the bank's overall performance in the full-scope areas. Stronger performance is due to a higher percentage of investment volume compared to allocated tier 1 capital. Limited-scope AAs had a neutral impact on the overall Investment Test rating.

## **SERVICE TEST**

The bank's performance under the Service Test in Alabama is rated High Satisfactory. Performance in limited-scope AAs had a negative impact on the Service Test rating.

## **Conclusions for Areas Receiving Full-Scope Reviews**

Based on full-scope reviews, the bank's performance in the Alabama Non-MSA and Mobile MSA is excellent.

## Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AAs.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography*			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Alabama Non-MSA	35.7	11	27.5	9.1	18.2	54.5	18.2	7.0	23.3	56.4	12.7
Auburn MSA*	3.4	2	5.0	0.0	0.0	50.0	0.0	3.6	20.2	46.3	21.4
Birmingham MSA	7.2	4	10.0	0.0	25.0	50.0	25.0	7.1	20.4	33.2	37.5
Daphne MSA	9.7	4	10.0	0.0	25.0	50.0	25.0	0.0	17.6	58.0	23.7
Huntsville MSA	10.8	5	12.5	0.0	20.0	0.0	80.0	11.7	19.0	32.5	36.3
Mobile MSA	16.3	6	15.0	16.7	33.3	16.7	33.3	3.3	25.7	41.6	28.5
Montgomery MSA	16.1	7	17.5	0.0	28.6	57.1	14.3	6.8	25.6	39.5	27.5
Tuscaloosa MSA	0.8	1	2.5	0.0	0.0	100.0	0.0	6.1	10.5	45.5	33.5

\*May not equal 100% due to NA CTs

### Alabama Non-MSA

The bank's branch distribution was readily accessible to geographies and individuals of different income levels in the AA. Conclusions considered changes in the 2020 U.S. Census whereby three branches previously located in moderate-income geographies were reclassified into middle-income CTs as of January 1, 2022. The proportion of bank branches in low-income geographies exceeded the percentage of low-income population in the AA. The proportion of bank branches in moderate-income geographies was below the percentage of the moderate-income population in the AA.

Trustmark had several alternative delivery systems, including ATMs, ITMs, and digital banking options. These systems provided additional delivery availability and access to banking services to both retail and business customers. Trustmark had 17 ATMs and ITMs in the AA. The bank did not provide data indicating the usage by LMI people; therefore, no significance was placed on these service delivery methods.

Mobile MSA

The bank's branch distribution was readily accessible to geographies and individuals of different income levels in the AA. The proportion of bank branches in LMI geographies exceeded the percentage of the LMI population living within the AA.

Trustmark had several alternative delivery systems, including ATMs, ITMs, and digital banking options. These systems provided additional delivery availability and access to banking services to both retail and business customers. Trustmark had six ATMs and ITMs in the AA. The bank did not provide data indicating the usage by LMI people; therefore, no significance was placed on these service delivery methods.

Distribution of Branch Openings/Closings						
	Branch Openings/Closings					
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or - )			
			Low	Mod	Mid	Upp
Alabama Non-MSA	0	0	0	0	0	0
Auburn MSA	0	0	0	0	0	0
Birmingham MSA	0	0	0	0	0	0
Daphne MSA	0	0	0	0	0	0
Huntsville MSA	0	1	0	-1	0	0
Mobile MSA	0	0	0	0	0	0
Montgomery MSA	0	0	0	0	0	0
Tuscaloosa MSA	0	0	0	0	0	0

Alabama Non-MSA

The bank did not open or close any branches in the AA during the evaluation period.

Services, including business hours where appropriate, do not vary in a way that inconveniences the AA, particularly LMI geographies and/or individuals.

Mobile MSA

The bank did not open or close any branches in the AA, throughout the evaluation period.

Services, including business hours where appropriate, do not vary in a way that inconveniences the AA, particularly LMI geographies and/or individuals.

**Community Development Services**

The bank provided an adequate level of CD services.

### Alabama Non-MSA

The institution provided a low level of CD services in the AA.

During the evaluation period, 17 bank employees provided 238 CD service hours to 20 different organizations. Additionally, six bank employees provided 57 CD service hours through board and committee participation. Eleven bank employees provided 73 CD service hours in financial education to LMI individuals.

Examples of CD services included:

- One bank employee provided two hours in leadership as chairman of the board for a local community-based health organization that is listed as a federally qualified health center. The organization brings primary care services to underserved communities and partners to provide additional comprehensive services to the patients in the community.
- One bank employee provided 6 hours of financial education to local high school students who are primarily eligible for free and/or reduced-price lunch. Financial education focused on money management, budget, income, credit, credit cards, and loans for youth.
- Three bank employees provided 38 hours of financial education to local students at a career readiness center. The employees focused on explaining checking and savings accounts, acquiring credit, and how to handle debt.

### Mobile MSA

The institution provided an adequate level of CD Services in the AA.

During the evaluation period, 14 bank employees provided 249 CD service hours to 21 different organizations. Additionally, four bank employees provided 83 CD service hours through board and committee participation. Bank employees provided nine CD service hours by conducting homebuyer education workshops, which helped to address an identified CD need for affordable housing.

Examples of CD services included:

- Two bank employees provided six hours of financial education to a local organization that supports affordable housing in the community. The organization provides homebuyer workshops to LMI individuals seeking downpayment assistance. The homebuyer workshop covers credit scores and improving credit, debt-to-income, escrows, mortgage application, and the closing process.
- One bank employee provided four hours of financial education to a local chamber of commerce. The employee presented financial education on business cash flow, financing, and accessing capital for growth and expansion. Additionally, the financial education covered the process for preparing business loan requests and resources for businesses, including capital-SBA programs.

- Three bank employees served 52 hours on the board of directors and/or committees to a non-profit that serves the LMI community. The organization focuses on providing financial stability, access to life's basic needs, health, and education for every person the organization serves.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Auburn MSA, Birmingham MSA, Daphne MSA, Huntsville MSA, Montgomery MSA, and Tuscaloosa MSA is weaker than the bank's overall performance under the Service Test in the full-scope areas. Weaker performance was due to no low-income branch distribution. The performance in the limited-scope AAs had a negative impact on the overall Service Test rating in Alabama.

## State Rating

### State of Florida

**CRA rating for the State of Florida:** Satisfactory

**The Lending Test is rated:** High Satisfactory

**The Investment Test is rated:** High Satisfactory

**The Service Test is rated:** Needs to Improve

The major factors that support this rating include:

- Lending levels reflect a good responsiveness to AA credit needs.
- The bank exhibits an excellent geographic distribution of loans.
- The bank exhibits a good distribution of loans among individuals of different income levels and business of different sizes.
- The institution is a leader in making CD loans. CD lending had a positive impact on the Lending Test rating. The bank makes extensive use of innovative and flexible home mortgage loan products.
- Lending Test performance in limited-scope AAs was weaker than full-scope areas and had a negative impact on the Lending Test rating.
- The institution had a significant level of qualified CD investments and grants.
- Delivery systems are accessible to portions of the AA, particularly moderate-income geographies and/or LMI individuals. Performance in limited-scope AAs had a negative impact on the Service Test rating.

### Description of Institution's Operations in Florida

Trustmark had three AAs in the state of Florida. The bank's AAs in Florida are the Crestview MSA, Panama City MSA, and Pensacola MSA. The AAs in Florida consist of whole counties, meet the requirements of the regulation, and do not arbitrarily exclude LMI CTs. Refer to appendix A for the list of counties reviewed.

The only full-scope AA in Florida is the Panama City MSA, which consists of Bay County. Based on the 2020 U.S. Census, the AA contained 50 CTs, of which 2.0 percent were low-income CTs and 24.0 percent were moderate-income CTs. The Panama City MSA also had a population of 175,216, of which 2.3 percent are low-income individuals and 22.5 percent are moderate-income individuals.

As of June 30, 2023, the bank had \$737.0 million in deposits in the AA representing a 15.8 percent deposit market share. The bank's deposit market share ranked second out of 19 deposit taking institutions, placing performance in the top 10.5 percent.

The bank operates seven full-service branches and nine deposit taking ATMs within this AA. According to FDIC deposit market share data as of June 30, 2023, there were 19 FDIC-insured institutions operating in the AA. The bank was ranked second with a market share of 15.8 percent. The other top four competitors had a combined 47.0 percent deposit market share, which included Regions Bank with nine branches and 16.5 percent market share; Hancock Whitney Bank with four branches and 12.4 percent market share; Cadence Bank with two branches and 9.2 percent market share; and Wells Fargo Bank with three branches and 8.8 percent market share.

According to Moody's Analytics, the leading industries in the Panama City MSA are healthcare and manufacturing. The top two employers are government and military branches. Other top employers include Maximus, Inc. and Eastern Shipbuilding, Inc. According to the BLS, the unemployment rate in the MSA was 3.8 percent in January 2022, which dropped to 3.0 percent as of December 2023. Unemployment rates were similar to statewide unemployment rates of 3.7 percent in January 2022 and 3.1 percent in December 2023.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the state poverty threshold, identified as having difficulty meeting basic needs, are less likely to have adequate financial resources to qualify for a home loan compared to those above the poverty line. According to the 2020 U.S. Census, 8.9 percent of families in the Panama City MSA had income below the poverty line.

The median housing value of owner-occupied housing units for the Panama City MSA was \$203,088 in 2023. According to 2020 U.S. Census demographic data, the number of housing units was 104,060. Owner-occupied housing units and rental units represented 47.5 percent and 23.1 percent of total housing units, respectively, with vacant units being 29.3 percent.

The OCC evaluated the disparity between the median income of families within the AA and the cost of housing. Low-income families earned less than \$2,857 per month and moderate-income families earned less than \$4,571 per month. The maximum low-income and maximum moderate-income annual income calculations are based on 50.0 percent and 80.0 percent of the FFIEC adjusted median family income for the AA. One method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30.0 percent of the applicant's income. The calculated maximum affordable monthly mortgage payment was \$857 for a low-income borrower and \$1,371 for a moderate-income borrower. Assuming a 30-year mortgage with a 7.0 percent fixed interest rate, and excluding a down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home in the Panama City MSA using the median housing value would be \$1,351. Based on these calculations, home mortgage loans are not affordable to low-income borrowers in the AA and moderate-income borrowers would be challenged to qualify for a mortgage loan in the AA.

The OCC reviewed one community contact with a non-profit that focuses on affordable housing. According to this contact, the Bay County community has a need for affordable housing. Some of the barriers involve a lack of providers like their organization and accessibility to home sites where organizations can build affordable housing. According to the non-profit, housing is the biggest need in the Bay County. Every sector of their community is impacted by the lack of affordable housing.



Table A – Demographic Information of the Assessment Area						
Assessment Area: Panama City MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	50	2.0	24.0	48.0	24.0	2.0
Population by Geography	175,216	2.3	22.5	49.3	26.0	0.0
Housing Units by Geography	104,060	1.9	20.0	53.8	24.4	0.0
Owner-Occupied Units by Geography	49,474	1.6	19.2	48.7	30.5	0.0
Occupied Rental Units by Geography	24,062	3.2	30.5	49.4	16.8	0.0
Vacant Units by Geography	30,524	1.1	13.1	65.5	20.4	0.0
Businesses by Geography	40,099	2.1	20.7	50.6	26.6	0.0
Farms by Geography	1,055	2.1	20.7	50.4	26.8	0.0
Family Distribution by Income Level	47,432	18.3	19.3	21.9	40.5	0.0
Household Distribution by Income Level	73,536	22.2	16.4	19.9	41.5	0.0
Median Family Income MSA - 37460 Panama City, FL MSA		\$68,575	Median Housing Value			\$203,088
			Median Gross Rent			\$1,119
			Families Below Poverty Level			8.9%
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.						

## Scope of Evaluation in Florida

The OCC conducted a full-scope review of the Panama City MSA. While the Panama City MSA represents a majority of the state, the overall conclusions and rating for the state consider all activities within all AA.

The Lending Test conclusion placed more weight on the performance of home mortgage lending compared to small loans to businesses since home mortgage loans represented 70.0 percent of the total home mortgage, small business, and small farm loan originations in the state of Florida. The bank did not originate enough small farm loans to conduct meaningful analysis in any of the AAs within Florida; therefore, no analysis was conducted on small farm lending.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FLORIDA

### LENDING TEST

The bank's performance under the Lending Test in Florida is rated High Satisfactory. Performance in the full-scope AA was excellent, but negatively impacted by performance in limited-scope AAs. Performance in limited-scope AAs lowered the overall Lending Test rating from Outstanding to High Satisfactory.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Panama City MSA is excellent.

## Lending Activity

Lending levels reflect a good responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Crestview MSA	329	139	0	3	471	30.8	44.2
Panama City MSA	666	215	0	3	884	57.7	51.6
Pensacola MSA	73	103	0	0	176	11.5	4.2

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Dollar Volume of Loans* (000's)							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State* Loans	%State Deposits
Crestview MSA	\$104,634	\$18,259	\$0	\$2,700	\$125,593	35.4	44.2
Panama City MSA	\$150,196	\$29,081	\$0	\$9,300	\$188,577	53.1	51.6
Pensacola MSA	\$22,901	\$17,954	\$0	\$0	\$40,855	11.5	4.2

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

According to the June 30, 2023, FDIC Summary of Deposits report, the bank had \$737.0 million in deposits in the AA representing a 15.9 percent deposit market share. The bank's deposit market share ranked second out of 19 deposit taking institutions, placing performance in the top 10.5 percent.

According to 2023 peer mortgage data, the bank reported 272 home mortgage loan originations in the AA. The bank's home mortgage loans originations were equivalent to a 3.8 percent market share, which was weaker than its deposit market share. The bank's market share of home mortgage loan originations ranked seventh out of 502 lenders in the AA, placing performance in the top 1.4 percent. The bank's market share ranking of home mortgage loan originations relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

According to the 2022 peer small business data, the bank reported 112 small business loans. The bank's small business loan originations were equivalent to a 2.0 percent market share of small business loan originations, which was weaker than its deposit market share. The bank's market share of small business loan origination ranked 14<sup>th</sup> out of 91 small business lenders in the AA, placing performance in the top 15.4 percent. The bank's market share ranking of small business loan originations relative to all lenders was weaker than its deposit market share ranking relative to all deposit taking institutions.

## Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA.

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

Refer to Table O in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home mortgage loans is excellent. The proportion of bank home mortgage loans in low-income CTs was below the percentage of owner-occupied housing, but exceeded the aggregate industry distribution of loans to those geographies. The proportion of bank home mortgage loans in moderate-income CTs approximates the percentage of owner-occupied housing and exceeded the aggregate industry distribution of loans to those geographies.

### ***Small Loans to Businesses***

Refer to Table Q in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small business loans to businesses is good. The proportion of small business loans in low-income CTs was below both the percentage of businesses and the aggregate industry distribution of loans to those businesses. The proportion of small business loans in moderate-income CTs exceeded both the percentage of businesses and the aggregate industry distribution of loans to those geographies.

### ***Lending Gap Analysis***

The OCC evaluated the lending distribution in the AA to determine if any unexplained, conspicuous gaps existed. Examiners reviewed summary reports, maps, and analyzed the bank's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. The OCC did not identify any unexplained, conspicuous gaps.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the institution.

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

Refer to Table P in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Conclusions on borrower distribution considered the value of the median family home and low-income borrowers would be challenged to qualify for a home mortgage loan in the AA. As a result, affordability impacts the bank's ability to make home mortgage loans to low-income borrowers. Conclusion for low-income borrowers gave more weight to performance compared to the aggregate distribution of loans as a result.

The borrower distribution of home mortgage loans was excellent. The proportion of bank home mortgage loans to low-income borrowers was significantly below the percentage of low-income families, but exceeded the aggregate industry distribution of loans to those borrowers. The proportion of

bank home mortgage loans to moderate-income borrowers exceeded both the percentage of moderate-income families and the aggregate industry distribution of home mortgage loans to those borrowers.

### ***Small Loans to Businesses***

Refer to Table R in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was poor. The proportion of bank loans to businesses with gross revenue of \$1.0 million or less was significantly below the percentage of businesses and below the aggregate industry distribution of loans to those businesses.

### **Community Development Lending**

The institution is a leader in making CD loans. CD lending had a positive impact on the Lending Test rating.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Throughout the evaluation period, the bank originated three qualified CD loans totaling \$9.3 million, which was equivalent to 11.8 percent of allocated tier 1 capital. CD loans were responsive to identified community needs. Of the total CD loans in the AA, 53.8 percent supported economic development and 43.0 percent of the activities supported revitalization and stabilization efforts. CD loans exhibited some leadership and complexity.

Examples of CD lending included:

- One \$4.0 million loan benefitted the revitalization and stabilization of the AA. This loan was responsive to the needs of the community by providing capital during disaster recovery after Hurricane Sally. The loan was a non-revolving line of credit made as a capital investment to a municipality located in Bay County, which was declared a FEMA disaster area due to the hurricane. Loan funds will be used to pay for contractors until the city is reimbursed by FEMA.
- One \$5.0 million loan that benefitted economic development. The recipient business of the loan met the SBA size threshold and funds loan supported wages for LMI workers in the AA.

### **Product Innovation and Flexibility**

The institution makes extensive use of innovative and/or flexible lending practices to serve AA credit needs.

The bank made 173 loans that are considered innovative and flexible products totaling \$38.6 million in the state of Florida. The primary products used were Home Advantage loans, FHA loans, and VA loans. These loans were responsive to affordable housing initiatives in Florida.

For a description of these programs, see the "Product Innovation and Flexibility" section of the Overall Description of Bank.

## Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Crestview MSA and Pensacola MSA is weaker than the bank's overall performance under the Lending Test in the full-scope AA. Weaker performance was due to a smaller proportion of bank home mortgage loans as compared to the demographic and aggregate comparisons of the geographic and borrower distribution of home mortgage loans, as well as the geographic distribution of small loans to businesses. The performance in the limited-scope AAs had a negative impact on the overall Lending Test rating in Florida.

Refer to Tables O through R in the state of Florida section of appendix D for the facts and data that support these conclusions.

## INVESTMENT TEST

The bank's performance under the Investment Test in Florida is rated High Satisfactory. The performance in the limited scope areas had a neutral impact on the overall investment rating.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Panama City MSA is good.

The institution had a significant level of qualified CD investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits adequate responsiveness to credit and community economic development needs. The institution rarely uses innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Crestview MSA	6	\$1,746	23	\$2,568	29	49.2	\$4,314	47.2	0	\$0
Panama City MSA	3	\$3,509	20	\$494	23	39.0	\$4,003	43.8	0	\$0
Pensacola MSA	0	\$0	7	\$819	7	11.9	\$819	9.0	0	\$0
Statewide**	0	0	1	\$2	1	NA	\$2	NA	0	0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Statewide CD investments not included in % of total.

The bank had a significant level of qualified CD investments and grants. The bank had 23 qualified investments totaling \$4.0 million. The dollar volume of current and prior period investments was equivalent to 5.1 percent of allocated tier 1 capital. The bank's current period investments totaled \$494,000, which consisted of two CD investments totaling \$467,000 and 18 grants totaling \$27,000. The AA benefitted from the ongoing impact of three prior period investments totaling \$3.5 million. The bank was responsive to identified community needs with current period investments and grants for affordable housing and community service in the AA. The overwhelming majority of the bank's current period CD

investments benefitted affordable housing, while the remainder were donations for community service. The bank's CD investments were not innovative or complex.

Examples of CD investments include:

- Two investments in MBS totaling \$467,000. These securities were responsive to the affordable housing needs in the AA.
- An \$11,000 donation to a non-profit that partners with agencies to offer community services to LMI families and individuals in the community.

## Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the Pensacola MSA is consistent with the bank's overall performance under the Investment Test in the full-scope area. The bank's performance in the Crestview MSA was stronger than performance in the full-scope AA. Stronger performance was due to a higher percentage of CD investments as compared to allocated tier 1 capital. Performance had a neutral impact on the Investment Test rating in Florida.

## SERVICE TEST

The bank's performance under the Service Test in Florida is rated Needs to Improve. Performance in the limited-scope AAs had a negative impact on the Service Test rating.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Panama City MSA is adequate.

## Retail Banking Services

Delivery systems are accessible to portions of the AA, particularly moderate-income geographies and/or LMI individuals.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography*			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Crestview MSA	44.2	7	46.7	0.0	0.0	42.9	57.1	3.9	20.3	45.6	30.2
Panama City MSA	51.6	7	46.7	0.0	14.3	85.7	0.0	2.3	22.5	49.3	26.0
Pensacola MSA	4.2	1	6.6	0.0	0.0	0.0	100.0	6.0	29.4	44.5	20.0

\*May not equal 100% due to NA CTs

The bank had seven branches in the Panama City MSA, but no branches in low-income CTs. Conclusions considered changes in the 2020 U.S. Census whereby two branches previously located in moderate-income geographies were reclassified to middle-income CTs as of January 1, 2022. The proportion of bank branches in moderate-income CTs is well below the percentage of the population in those geographies. Bank provided data confirms the two middle-income branches that were previously located in a moderate-income CTs (now in proximity to moderate-income CTs) continue to serve LMI individuals in that area. These branches had a positive impact on the retail branch distribution conclusion.

The bank compliments its traditional service delivery methods with alternative retail delivery systems, including deposit-taking ATMs, ITMs, online banking, and mobile banking. The bank has nine ATMs, of which one was in a moderate-income CT. No significant weight is placed on these services as no data was available to determine the impact on, or usage by, LMI individuals.

The bank did not open or close any branches in the Panama City MSA.

Services, including business hours where appropriate, do not vary in a way that inconveniences its AA, particularly LMI geographies and/or individuals.

## **Community Development Services**

The institution provides an adequate level of CD services.

During the evaluation period, 109 bank employees provided 117 service hours to 55 different organizations. Additionally, two bank employees provided 60 CD hours through board and committee participation. Bank employees provided 99 CD service hours by mentoring LMI students. In addition, bank employees provided five CD hours by providing financial education to parents.

Examples of CD services include:

- One bank employee provided 30 hours by serving on the board of directors as treasurer for a non-profit organization. The organization provides care for homeless, at-risk, abused, and neglected children as well as their families in the AA. The activity benefitted community service needs.
- One bank employee provided 12 hours by serving on the board of directors for a non-profit organization. The organization provides food and shelter for homeless individuals in the AA. The activity benefitted community service needs.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Crestview MSA is weaker and performance in the Pensacola MSA is consistent with overall performance under the Service Test in the full-scope area. Weaker performance in the Crestview MSA was due to no branches in LMI geographies. Performance in the limited-scope AAs had a negative impact on the Service Test ratings.

## State Rating

### State of Mississippi

**CRA rating for the State of Mississippi<sup>2</sup>:** Outstanding

**The Lending Test is rated:** Outstanding

**The Investment Test is rated:** High Satisfactory

**The Service Test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- The bank exhibits a good geographic distribution of loans in its AAs.
- The bank exhibits an excellent distribution of loans among individuals of different income levels.
- The institution is a leader in making CD loans.
- The bank makes extensive use of innovative and flexible home mortgage loan products.
- The institution has a significant level of qualified CD investments and grants.
- Service delivery systems are readily accessible to geographies and individuals of different income levels. The bank is a leader in providing CD services.

### Description of Institution's Operations in Mississippi

Trustmark has four AAs within the state of Mississippi. These AAs are comprised of Gulfport-Biloxi MSA, Hattiesburg MSA, Jackson MSA, and MS Non-MSA. The Mississippi Non-MSA counties are combined and analyzed as one AA. The AAs consist of whole MSAs or counties and do not arbitrarily exclude LMI CTs. Refer to appendix A for the list of counties reviewed.

The bank's operations in Mississippi is the largest rated area comprising 50.0 percent of total branches, 45.1 percent of total loans, and 63.9 percent of total deposits. The Jackson MSA received a full-scope review. All other AAs in the State received limited scope reviews.

#### Jackson MSA

The Jackson MSA consists of Copiah, Hinds, Madison, Rankin, and Simpson counties. Based on 2020 U.S. Census data, the AA contained 147 CTs that included 17 low-income CTs, 37 moderate-income CTs, 47 middle-income CTs, and 44 upper-income CTs. Two CTs had no income designation. As of the 2020 U.S. Census, the Jackson MSA had a population of 548,235, of which 11.6 percent are low-income individuals and 25.2 percent are moderate-income individuals.

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<sup>2</sup> The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area.



The bank operates 31 retail branches, 28 ATMs, and 51 ITMs within the AA. According to the June 30, 2023, FDIC deposit market share report, there were 34 FDIC-insured institutions operating 220 branches in the AA. The bank ranked first in deposit market share at 31.3 percent. In addition to Trustmark, Regions Bank, BankPlus, Cadence Bank, Community Bank of Mississippi, and Renasant Bank make up the top five competitors for deposits for a combined market share of 48.8 percent.

Moody's Analytics noted that the Jackson MSA economy has gained momentum, but remains at risk. The presence of large hospitals helps limit employment volatility and rising education attainment points to improving workforce quality. However, some healthcare services are closing and/or moving out of the area due to budget issues, which is weighing on healthcare payrolls. Manufacturing is a key stabilizer for the local economy. Auto manufacturing jobs are high paying and will be positive for local incomes. Top employers include the University of Mississippi Medical Center, Merit Health, Nissan, and Baptist Health Systems. Employment growth has accelerated. According to the BLS, the unemployment rate in the MSA was 2.8 percent compared to 3.2 percent for the state in December 2023.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such, are less likely to have the financial resources to qualify for a home loan than those with income above poverty. According to the 2020 U.S. Census, 11.1 percent of families in the Jackson MSA had income below the poverty line.

The median housing value of owner-occupied housing units for the Jackson MSA was \$143,884 in 2023. Owner-occupied housing units represented 59.7 percent of total housing units, while rental units represented 27.9 percent. Additionally, 12.4 percent of total housing units were vacant.

Examiners evaluated the disparity between the median income of families within the AA and the cost of housing. Low-income families earned less than \$2,800 per month and moderate-income families earned less than \$4,571 per month. The maximum low-income and maximum moderate-income annual income calculations are based on 50.0 percent and 80.0 percent of the FFIEC adjusted median family income for the AA. One method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30.0 percent of the applicant's income. The calculated maximum affordable monthly mortgage payment was \$840 for a low-income borrower and \$1,344 for a moderate-income borrower. Assuming a 30-year mortgage with a 7.0 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home in the AA using the median housing value would be \$957. Based on these calculations, low-income borrowers would be challenged to qualify for a mortgage loan in the AA.

The OCC utilized two community contacts in the AA, including a local housing and community development organization that provides affordable housing related services such as downpayment and rental assistance. The organization's primary target group is LMI families. Another contact was the director of a minority and small business development organization whose purpose is to promote economic development through capacity building, economic assistance, and contracting opportunities. The organizations emphasized a need for affordable housing.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Jackson MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	147	11.6	25.2	32.0	29.9	1.4
Population by Geography	548,235	7.3	21.8	34.9	35.6	0.4
Housing Units by Geography	233,876	9.3	23.9	34.5	31.6	0.6
Owner-Occupied Units by Geography	139,720	4.3	17.0	38.7	39.8	0.1
Occupied Rental Units by Geography	65,146	17.8	33.5	27.3	19.7	1.7
Vacant Units by Geography	29,010	14.2	35.4	30.6	18.9	0.9
Businesses by Geography	89,184	6.4	19.7	30.6	40.5	2.9
Farms by Geography	2,876	3.1	15.6	34.5	45.6	1.1
Family Distribution by Income Level	136,087	21.7	16.0	19.3	43.0	0.0
Household Distribution by Income Level	204,866	23.5	15.7	17.0	43.8	0.0
Median Family Income MSA - 27140 Jackson, MS MSA		\$67,202	Median Housing Value			\$143,884
			Median Gross Rent			\$888
			Families Below Poverty Level			11.1%
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.						

## Scope of Evaluation in Mississippi

The Jackson MSA was selected for analysis using full-scope procedures. The AA holds the largest portion of the bank's deposits and loans in Mississippi. While Jackson MSA represents a majority of the state, the overall conclusions and rating for the state consider all activities within all AA.

When determining conclusions for the Lending Test, performance of home mortgage lending received more weight since home mortgage loans represented 65.2 percent of the total home mortgage, small business, and small farm loan originations in Mississippi.

Ratings are primarily based on results of the full-scope area. Please see appendix A for more information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MISSISSIPPI

### LENDING TEST

The bank's performance under the Lending Test in Mississippi is rated Outstanding. The performance in limited scope AAs had a neutral impact on the overall Lending Test rating.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Jackson MSA is excellent.

## Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Gulfport Biloxi MSA	471	72	1	2	546	4.5	0.5
Hattiesburg MSA	708	302	35	5	1,050	8.6	8.3
Jackson MSA	4,009	1,525	189	47	5,770	47.3	68.9
Mississippi Non-MSA	2,695	1,599	490	58	4,842	39.7	22.3
Statewide**	0	0	0	13	13	NA	NA

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

\*\* Statewide CD loans not included in % of state loans.

Dollar Volume of Loans* (000's)							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State* Loans	%State Deposits
Gulfport Biloxi MSA	\$76,808	\$12,051	\$51	\$11,063	\$99,973	5.5	0.5
Hattiesburg MSA	\$117,313	\$36,299	\$3,398	\$8,405	\$165,415	9.1	8.3
Jackson MSA	\$648,284	\$211,043	\$14,909	\$108,922	\$983,158	54.0	68.9
Mississippi Non-MSA	\$393,650	\$122,269	\$34,218	\$26,837	\$576,974	31.4	22.3
Statewide**	0	0	0	\$12,583	\$12,583	NA	NA

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

\*\* Statewide CD loans not included in % of state loans.

According to the June 30, 2023 FDIC Summary of Deposit report, the bank had \$6.6 billion in deposits in the AA representing a 31.3 percent deposit market share. The bank's deposit market share ranked first out of 34 deposit taking institutions, placing performance in the top 2.9 percent of all deposit taking institutions in the AA.

According to 2023 peer mortgage data, the bank reported 1,846 home mortgage loan originations in the AA. Home mortgage loans originations were equivalent to a 16.1 percent market share, which was less than its deposit market share. The bank's market share ranked first out of 300 home mortgage lenders, placing performance in the top 0.3 percent. The bank's market share ranking relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

According to 2022 peer small business data, the bank reported 808 small business loan originations. The bank's small business loan originations were equivalent to a 5.9 percent market share, which was weaker than its deposit market share. The bank's market share of small business loan originations

ranked fourth out of 108 small business lenders in the AA, placing performance in the top 3.7 percent. The bank's market share ranking of small business loan originations relative to all lenders was consistent with its deposit market share ranking relative to all deposit taking institutions.

According to 2022 peer small business data, the bank reported 107 small farm loan originations. The bank's small farm loan originations were equivalent to a 29.0 percent market share, which was stronger than its deposit market share. The bank's market share ranked first out of 25 small farm lenders, placing performance in the top 4.0 percent. The bank's market share ranking of small farm loans relative to all lenders was consistent with its deposit market share ranking relative to all deposit taking institutions.

## **Distribution of Loans by Income Level of the Geography**

The bank exhibits a good geographic distribution of loans in its AAs.

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

Refer to Table O in the state of Mississippi section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of loans was good. The proportion of bank home mortgage loans in low-income CTs was well below the percentage of owner-occupied housing, but exceeded the aggregate industry distribution of home mortgage loans to those geographies. The proportion of bank home mortgage loans in moderate-income CTs was well below the percentage of owner-occupied housing and approximated the aggregate industry distribution of home mortgage loans to those geographies.

### ***Small Loans to Businesses***

Refer to Table Q in the state of Mississippi section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses was excellent. The proportion of bank small loans to businesses in low-income CTs was well below the percentage of businesses and approximated the aggregate industry distribution of small business loans to those geographies. The proportion of bank small loans to businesses in moderate-income geographies exceeded both the percentage of businesses and the aggregate industry distribution of small business loans to those geographies.

### ***Small Loans to Farms***

Refer to Table S in the state of Mississippi section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to farms.

The geographic distribution of small loans to farms is good. Conclusions considered the limited opportunities in low-income CTs and placed more emphasis on performance in moderate-income CTs as a result. The bank did not originate any loans in low-income CTs. The proportion of bank small farm loans in moderate-income CTs exceeded both the percentage of farms and the aggregate industry distribution of small farm loans to those geographies.

### ***Lending Gap Analysis***

The OCC evaluated the lending distribution in the AA to determine if any unexplained, conspicuous gaps existed. Examiners reviewed summary reports, maps, and analyzed the bank's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. The OCC did not identify any unexplained, conspicuous gaps.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits an excellent distribution of loans among individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the institution.

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

Refer to Table P in the state of Mississippi section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The conclusion on borrower distribution considered housing costs in relation to the median family income, which limited affordability for low-income borrowers. Examiners placed more emphasis on the bank's performance compared to the aggregate distribution as a result.

The borrower distribution of home mortgage loans was excellent. The proportion of bank home mortgage loans to low-income borrowers was well below the percentage of low-income families, but exceeded the aggregate distribution of loans to those borrowers. The proportion of bank home mortgage loans to moderate-income borrowers exceeded both the percentage of moderate-income families and aggregate industry distribution of home mortgage loans to those borrowers.

#### ***Small Loans to Businesses***

Refer to Table R in the state of Mississippi section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses was good. The percentage of small loans to businesses was well below the percentage of businesses with gross revenues of \$1.0 million or less, but exceeded the aggregate industry distribution of loans to those businesses.

#### ***Small Loans to Farms***

Refer to Table T in the state of Mississippi section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The borrower distribution of small loans to farms is good. The proportion of bank small farm loans was below the percentage of small farms and exceeded the aggregate industry distribution of loans to those farms.

### **Community Development Lending**

The institution is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Throughout the evaluation period, the bank made 47 CD loans totaling \$108.9 million or 16.4 percent of allocated tier 1 capital. CD loans were responsive to activities that revitalize or stabilize the AA and represented 55.2 percent of CD lending activity. The majority of CD lending, by dollar volume, went to projects that revitalize and stabilize the community with over \$60.0 million in funding. The bank also provided needed funds that were responsive to community service, affordable housing, and economic development needs. The bank's CD loans demonstrate complexity and leadership.

Examples of CD loans include:

- Two loans totaling \$40.0 million that provided essential capital for a local school district where over 90.0 percent of students receive free or reduced-price lunch. The funds will be used to improve the district's facilities, hire teachers, and pay for other initiatives to improve education and generally address disparities in resources to LMI students. The funds support revitalization and stabilization efforts in the AA.
- A \$9.7 million affordable housing loan for the construction of a 76-unit affordable housing project. The project will provide a new facility for low-income seniors and all units are set aside for those making less than 60.0 percent of the area median income. The project utilizes Low Income Housing Tax Credits (LIHTCs).
- Two loans totaling \$1.0 million that supported economic development. The organization promotes small businesses and public and private partnerships to develop solutions for economic competitiveness, advocate for public policy, and provide funding to small businesses.

## **Product Innovation and Flexibility**

The institution makes extensive use of innovative and/or flexible lending products to serve AA credit needs.

The bank made 2,069 innovative or flexible loans in Mississippi that totaled \$232.0 million. Within the full-scope AA, the bank made a significant amount of Home Advantage loans (170 totaling \$33.3 million), FHA loans (157 totaling \$40.1 million), and USDA loans (23 totaling \$5.3 million).

For a description of these programs, see the "Product Innovation and Flexibility" section of the Overall Description of Bank.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Gulfport-Biloxi MSA, Hattiesburg MSA, and Mississippi Non-MSA is consistent with performance in the full-scope area. The limited-scope AAs had a neutral impact on the overall rating for the Lending Test rating.

Refer to Tables O through T in the state of Mississippi section of appendix D for the facts and data that support these conclusions.

## INVESTMENT TEST

The bank's performance under the Investment Test in Mississippi is rated High Satisfactory. Performance in the limited scope AAs had a neutral impact on the overall investment rating.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Jackson MSA is good.

The institution has a significant level of qualified CD 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 economic development needs. The institution makes significant use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Gulfport Biloxi MSA	11	\$598	9	\$421	20	3.4	\$1,019	1.5	0	\$0
Hattiesburg MSA	13	\$909	38	\$5,452	51	8.6	\$6,361	9.1	0	\$0
Jackson MSA	40	\$11,196	299	\$32,896	339	57.1	\$44,092	62.9	1	\$7,298
Mississippi Non-MSA	28	\$2,356	156	\$16,226	184	31.0	\$18,582	26.5	0	\$0
Statewide***	1	\$161	5	\$253	6	NA	\$414	NA	0	0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

\*\*\*Statewide CD Investments not included in % of total.

The bank exhibits good performance in the Jackson AA. The bank had 339 qualified CD investments and donations totaling \$44.1 million. CD investment volume is equivalent to 6.3 percent of allocated tier 1 capital. During the evaluation period, Trustmark made 299 CD investments and donations totaling \$32.9 million. Additionally, the AA benefitted from the ongoing impact of 40 prior period CD investments holding balances of \$11.2 million. Current period investments include LIHTC, New Markets Tax Credit (NMTC), historic tax credits, and MBS. Donations include contributions to organizations that provide community services that meet the needs of LMI individuals. Prior period investments also include MBS and low-income housing tax credit funds. The bank's CD investments and donations were responsive primarily to the affordable housing needs in the AA.

Examples of CD investments and donations include:

- A \$23.4 million investment in two LIHTCs for the construction, rehabilitation, and redevelopment of low-income housing units. In total, the two projects provided 105-units of affordable housing, which benefitted affordable housing in the AA.

- The bank invested \$3.5 million in a new market tax credit for the rehabilitation and redevelopment of a medical clinic. The medical clinic is adjacent to a bank investment in a LIHTC and will primarily serve LMI seniors, which benefitted community service needs.
- The bank invested in a \$331,623 MBS. The underlying loans supported affordable housing to LMI people in the AA.

### **Conclusions for Areas Receiving a Limited-Scope Review**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Hattiesburg MSA and Mississippi Non-MSA is consistent with the full-scope AA. Bank performance in the Gulfport-Biloxi MSA was stronger than performance in the full-scope AA. Stronger performance was due to a higher percentage of CD investments as compared to allocated tier 1 capital. The limited-scope AAs had a neutral impact on the overall rating for the Investment Test rating.

### **SERVICE TEST**

The bank's performance under the Service Test in Mississippi is rated Outstanding. The performance rating in the limited scope areas had a neutral impact on the overall Service Test rating.

### **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank's performance in the Jackson MSA is excellent.

### **Retail Banking Services**

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AA.



Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography*			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Gulfport Biloxi MSA	0.5	2	2.4	0.0	0.0	100.0	0.0	10.2	18.7	37.3	32.2
Hattiesburg MSA*	8.3	8	9.5	0.0	25.0	50.0	12.5	0.0	23.0	32.8	39.5
Jackson MSA*	68.9	31	36.9	9.7	32.3	25.8	25.8	7.3	21.8	34.9	35.6
Mississippi Non-MSA*	22.3	43	51.2	16.3	14.0	53.5	16.3	5.2	16.5	43.0	34.6

\*May not equal 100% due to NA CTs

The bank had 31 branches in the Jackson MSA. Conclusions changes in the U.S. Census whereby three branches previously located in moderate-income geographies were reclassified as of January 1, 2022. Two of these branches were redesignated in middle-income CTs and one branch was reassigned to a NA CT. Additionally, one branch moved from a low-income CT to a moderate-income CT. The proportion of bank branches in low-income CTs exceeded the percentage of the population in those geographies. The proportion of bank branches in moderate-income CTs exceeded the percentage of the population in those geographies.

In addition to traditional service delivery methods, the bank also offers alternative retail delivery systems, including deposit-taking ATMs, online banking, and mobile banking. The bank has a total of 28 ATMs and 51 ITMs located in the AA. Of these, 13 are in low-income CTs and 24 were in moderate-income CTs. No significant weight was placed on these services as no data was available to determine the impact on, or usage by, LMI individuals.

Distribution of Branch Openings/Closings						
Assessment Area	Branch Openings/Closings					
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or - )			
			Low	Mod	Mid	Upp
Gulfport Biloxi MSA	0	0	0	0	0	0
Hattiesburg MSA	0	0	0	0	0	0
Jackson MSA	1	7	0	-3	-1	-2
Mississippi Non-MSA	1	4	-1	-1	-1	0

To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI

individuals. The bank closed three branches in moderate-income CTs, one in a middle-income, and two branches in upper-income CTs during the evaluation period. Closures to branches in moderate-income geographies negatively impacted LMI geographies. However, branch distribution in moderate-income CTs still exceeded the percentage of the moderate-income population in those geographies. The bank closed the branches in the moderate-income CTs due to reduced traffic after reopening from the Covid-19 Pandemic and to improve operational efficiency.

Services, including business hours where appropriate, do not vary in a way that inconveniences its AA, particularly LMI geographies and/or individuals.

## **Community Development Services**

The institution is a leader in providing CD services.

During the evaluation period, 37 bank employees provided 641 CD service hours to 44 different organizations. Additionally, 11 bank employees provided 461 CD service hours through board and committee participation. Bank employees provided 97 CD service hours of financial education and technical assistance, which is responsive to the need for financial literacy education, specifically for LMI youth. Additionally, employees provided technical assistance, helping first time homebuyers complete applications for downpayment assistance programs.

Examples of CD services included:

- One bank employee provided 175 hours serving as the Board President for the Executive Committee of an organization that provides education and family support programs for LMI individuals.
- Four bank employees provided 122 hours serving as the Treasurer or on the board of directors for an organization that provides grants to teachers in a school district where 100.0 percent of students qualify for free or reduced-price lunch.
- Twenty-two bank employees provided 95 hours of financial literacy education to LMI individuals, teaching them general banking relationships, fundamentals in interest rates, and how to open and maintain Checking and Savings Accounts.

## **Conclusions for Areas Receiving a Limited-Scope Review**

Based on a limited scope review, the bank's performance under the Service Test in the Hattiesburg MSA and the Mississippi Non-MSA was consistent with the bank's performance in the full-scope AA. Performance in the Gulfport-Biloxi MSA was weaker than performance in the full-scope AA. Weaker performance was due to no branches in LMI CTs, although the bank had just two branches in the Gulfport-Biloxi MSA. Performance in the limited-scope AAs had a neutral impact on the Service Test rating. The positive impact was primarily due to performance in the Mississippi Non-MSA, where the proportion of branches in low-income geographies exceeded the percentage of the population in those geographies.

## State Rating

### State of Texas

**CRA rating for the State of Texas:** Outstanding

**The Lending Test is rated:** Outstanding

**The Investment Test is rated:** Outstanding

**The Service Test is rated:** High Satisfactory

The major factors that support this rating include:

- Lending activity reflects an excellent level of responsiveness to AA credit needs.
- The bank exhibits an excellent geographic distribution of loans in its AA.
- The bank exhibits a good distribution of loans among individuals of different income levels and businesses.
- The bank is a leader in providing CD loans.
- The bank made extensive use of innovative or flexible loans to serve AA credit needs.
- The bank has an excellent level of qualified CD investments and grants.
- Service delivery systems are accessible to geographies and individuals of different income levels. The bank is a leader in providing CD services.

### Description of Institution's Operations in Texas

The bank's AA within the Houston-Woodlands-Sugar Land MSA (Houston MSA) includes the complete counties of Fort Bend, Harris, Montgomery, and Waller in Texas. According to the 2020 U.S. Census, the population of the Houston MSA was 6.2 million. The AA meets the requirements of the regulation and does not arbitrarily exclude LMI geographies. Refer to appendix A for the list of counties reviewed.

Based on the FDIC deposit market share data report as of June 30, 2023, the bank had a 0.2 percent deposit market share in the AA, which ranked 31<sup>st</sup> out of 87 deposit taking institutions. Deposits of \$550.3 million accounted for 3.7 percent of the bank's total deposits. Primary market competitors include a mix of large institutions such as JP Morgan Chase Bank, which ranked first in deposit market share with 151 offices; Wells Fargo Bank, which ranked second in deposit market share with 135 offices; and Bank of America, which ranked third in deposit market share with 99 offices. The top three competitors had a combined deposit market share of 67.4 percent.

Trustmark provides a full range of loan and deposit products and services in the MSA. The bank operated 11 full-services branches in the AA, representing 6.5 percent of the bank's total branch network. Additionally, the bank has 10 deposit-taking ATMs throughout the AA.

Employment levels in the MSA improved from 2022 to 2023. According to the BLS, the unemployment rate in the MSA was 5.1 percent in January 2022, which was higher than the state of Texas unemployment rate of 4.3 percent. Unemployment dropped to 3.8 percent in the MSA by December 2023, which was near the state of Texas unemployment rate of 3.9 percent.

According to Moody's Analytics, the Houston MSA economy is in late expansion. Energy and resources, manufacturing, and logistics are the top economic drivers in the AA. Top employers include NASA Johnson Space Center, University of Texas Medical Branch, and ExxonMobil, each with 10,000 or more employees in the AA. Strengths within the AA include support of technical and professional service jobs through leadership in oil and gas technology, as well as trade and export links associated with the AA's location on the Gulf Coast of Texas.

The energy sector has experienced a slight recovery. However, active Texas drill rigs have declined steadily by about 20 percent over the past year. While the price of West Texas Intermediate has been consistently above the break-even point for new drilling, companies have sought to boost production through productivity gains, with less focus on exploration.

Moody's Analytics also indicates single-family housing market prices have experienced a modest 2 percent increase over the past year, which is below the 6 percent gain nationally. Mortgage rates have remained higher than previously anticipated, which has caused new permits for construction to decline. In the multi-family sector, the large amount of construction in 2022 and 2023 has led to an oversupply of finished apartments, which caused a decline in rents and sharp decline in new permits.

According to 2020 U.S. Census data, there are 2.3 million housing units consisting of 54.3 percent owner-occupied housing units and 37.3 percent rental occupied units. Vacant units represent 8.3 percent.

Examiners evaluated the disparity between the median income of families within the AA and the cost of housing. Low-income families earned less than \$3,411 per month and moderate-income families earned less than \$5,458 per month. The maximum low-income and maximum moderate-income annual income calculations are based on 50.0 percent and 80.0 percent of the FFIEC adjusted median family income for the AA. One method to determine housing affordability assumes a maximum affordable monthly principal and interest payment of no more than 30.0 percent of the applicant's income. For the 2022 through 2023 evaluation period, the calculated maximum affordable monthly mortgage payment was \$1,023 for a low-income borrower and between \$1,024 and \$1,637 for a moderate-income borrower. Assuming a 30-year mortgage with a 7.0 percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home in the AA using the median housing value would be \$1,552 in 2022-2023. Based on these calculations, low-income borrowers and some moderate-income borrowers would be challenged to qualify for a mortgage loan in the AA.

The OCC reviewed three community contacts during the evaluation period in the AA. The community contacts consisted of a nonprofit affordable housing developer, local community development support corporation, and economic development corporation. The contacts identified needs within the community as affordable housing and financial education.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Houston MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,392	15.0	25.9	25.1	30.7	3.2
Population by Geography	6,231,161	11.8	24.6	27.6	34.3	1.7
Housing Units by Geography	2,297,046	12.6	24.6	26.7	34.2	1.9
Owner-Occupied Units by Geography	1,248,293	5.6	20.6	29.5	43.4	0.9
Occupied Rental Units by Geography	857,060	21.5	30.1	23.3	22.0	3.1
Vacant Units by Geography	191,693	19.1	26.6	23.1	28.0	3.2
Businesses by Geography	1,061,878	9.2	19.5	24.2	44.9	2.2
Farms by Geography	14,262	6.5	18.5	28.1	45.2	1.6
Family Distribution by Income Level	1,484,326	24.2	16.8	17.8	41.2	0.0
Household Distribution by Income Level	2,105,353	24.8	16.2	16.9	42.1	0.0
Median Family Income MSA - 26420 Houston-The Woodlands-Sugar Land, TX MSA		\$81,859	Median Housing Value			\$233,328
			Median Gross Rent			\$1,182
			Families Below Poverty Level			11.0%
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.						

## Scope of Evaluation in Texas

The Houston MSA was selected for analysis using full-scope procedures.

Conclusions for lending activity, geographic distribution, and borrower distribution gave more weight to home mortgage lending performance since home mortgage loans represented 64.6 percent of the total home mortgage and small business loan originations in the MSA. The bank did not make enough small farm loans to be considered a primary product.

Ratings are based on the results of the full-scope area. Please see appendix A for more information.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

### LENDING TEST

The bank's performance under the Lending Test in Texas is rated Outstanding.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Houston MSA is excellent.

## Lending Activity

Lending levels reflects excellent responsiveness to AA credit needs.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State Loans	%State Deposits
Houston MSA	649	364	0	3	1,016	100.0	100.0
Statewide**	0	0	0	2	2	NA	NA

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

\*\* Statewide CD loans not included in % of state loans.

Dollar Volume of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	%State* Loans	%State Deposits
Houston MSA	\$223,984	\$90,391	\$0	\$29,294	\$343,669	100.0	100.0
Statewide	\$0	\$0	\$0	\$5,447	\$5,447	NA	NA

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

\*\* Statewide CD loans not included in % of state loans.

According to the June 30, 2023 FDIC Summary of Deposits report, Trustmark reported \$550.3 million in deposits in the AA representing a 0.2 percent market share. The bank ranked 31<sup>st</sup> out of 87 deposit taking institutions, placing performance in the top 35.6 percent of all deposit taking institutions in the AA.

According to 2023 peer mortgage data, the bank reported 243 home mortgage loan originations. Home mortgage loan originations were equivalent to a 0.2 percent market share, which was consistent with its deposit market share. The bank's market share of home mortgage loan originations ranked 96<sup>th</sup> out of 920 lenders in the AA, placing performance in the top 10.4 percent of all lenders. The bank's market share ranking of home mortgage loans originations relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

According to 2022 peer small business data, the bank reported 188 small business loan originations. Small business loan originations were equivalent to 0.1 percent market share, which was weaker than its deposit market share. The bank's small business loan originations ranked 55<sup>th</sup> out of 267 small business lenders, placing performance in the top 20.6 percent. The bank's market share ranking of small business loans relative to all lenders was stronger than its deposit market share ranking relative to all deposit taking institutions.

## Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in its AA.

### *Home Mortgage Loans*

Refer to Table O in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of mortgage loans is excellent. The proportion of bank home mortgage loans to low-income CTs exceeded both the percentage of owner-occupied housing units and aggregate industry distribution of home mortgage loans to those geographies. The proportion of bank home mortgage loans to moderate-income CTs was below the percentage of owner-occupied housing and exceeded the aggregate industry distribution of home mortgage loans to those geographies.

### ***Small Loans to Businesses***

Refer to Table Q in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is excellent. The proportion of bank small business loans in both low- and moderate-income CTs exceeded both the percentage of businesses and the aggregate industry distribution of loans to those businesses in the geography.

### ***Lending Gap Analysis***

The OCC evaluated the lending distribution in the AA to determine if any unexplained, conspicuous gaps existed. Examiners reviewed summary reports, maps, and analyzed the bank's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. The OCC did not identify any unexplained, conspicuous gaps.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits a good distribution of loans among individuals of different income levels and business and farms of different sizes, given the product lines offered by the institution.

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

Refer to Table P in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The conclusion on borrower distribution considered housing costs in relation to the median family income, which limited the affordability for low-income borrowers and some moderate-income borrowers. Examiners placed more emphasis on the bank's performance compared to the aggregate distribution as a result.

The borrower distribution of home mortgage loans is excellent. The proportion of bank home mortgage loans to low-income borrowers was significantly below the percentage of low-income families, but exceeded the aggregate industry distribution of home mortgage loans to those borrowers. The proportion of bank home mortgage loans to moderate-income borrowers approximated the percentage of moderate-income families and exceeded the aggregate industry distribution of home mortgage loans to those borrowers.

### ***Small Loans to Businesses***

Refer to Table R in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small business loans was poor. The proportion of bank loans to businesses with gross revenue of \$1.0 million or less was significantly below the percentage of businesses and well below the aggregate industry distribution of loans to those businesses.

## **Community Development Lending**

The institution a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

The volume of CD lending was excellent. During the evaluation period, the bank originated three CD loans totaling \$29.3 million, which is equivalent to 49.8 percent of allocated tier 1 capital. CD loans were responsive to the credit and community needs in the AA. By dollar volume, 67.1 percent funded community services and 32.9 percent funded economic development. CD loans did not exhibit leadership or complexity.

Examples of CD lending include:

- A \$19.6 million community service loan where proceeds were used to fund the operations of a hospital system established in part to assist indigent and low-income residents in Fort Bend County, Texas.
- A \$3.2 million economic development loan for the construction of a gas station and convenience store in an LMI area. The gas station and convenience store will create 10 new jobs for LMI individuals.
- A \$6.5 million economic development loan for the construction of a gas station and convenience store in a moderate-income CT. The facility will create 10 new jobs for LMI individuals.

## **Product Innovation and Flexibility**

The bank makes extensive use of innovative and/or flexible lending practices to serve AA credit needs.

The bank made 176 innovative or flexible loans totaling \$55.4 million in the Houston MSA. This included 169 Home Advantage loans totaling \$52.7 million.

For a description of these programs, see the "Product Innovation and Flexibility" section of the Overall Description of Bank.

## **INVESTMENT TEST**

The bank's performance under the Investment Test in Texas is rated Outstanding.

## **Conclusions for Area Receiving a Full-Scope Review**



Based on a full-scope review, the bank's performance in the Houston MSA is excellent.

The institution has an excellent level of qualified CD 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 economic development needs. It occasionally uses innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Houston MSA	6	1,931	109	6,607	115	100.0	8,538	100	0	\$0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

The bank exhibits good performance in the Houston MSA. The bank had 115 qualified CD investments and donations totaling \$8.5 million, which is equivalent to 14.5 percent of allocated tier 1 capital. During the evaluation period, Trustmark made 109 current period CD investments and donations totaling \$6.6 million. Additionally, the AA benefitted from the ongoing impact of six prior period CD investments with an outstanding balance of \$1.9 million. CD investments were responsive to affordable housing needs in the AA. CD investments in affordable housing accounted for 99.0 percent of the total CD investments.

Examples of CD investments and donations include:

- A \$4.0 million investment in a LIHTC fund to support the construction of 144 senior housing units within the AA through a developer selected by the fund specializing in affordable housing. Construction on the project is complete and the property has stabilized. The LIHTC was responsive to affordable housing needs in the AA.
- The purchase of 10 MBS to benefit LMI individuals and geographies totaling \$2.1 million. The investments were responsive to affordable housing needs.

## SERVICE TEST

The bank's performance under the Service Test in Texas is rated High Satisfactory.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Houston MSA is good.

## Retail Banking Services

Service delivery systems are accessible to geographies and individuals of different income levels in the institution's AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography*			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Houston MSA**	100.0	11	100.0	9.1	18.2	36.4	36.4	11.8	24.6	27.6	34.3

\*Does not equal 100% due to NA CTs

\*\* Does not equal 100% due to rounding

Service delivery systems are accessible to geographies and individuals of different income levels in the institution's AA. The bank's distribution of branches in LMI geographies was near to the percentage of the population living within those geographies.

Trustmark had several alternative delivery systems, including debit cards and ATMs, telephone and online banking, electronic bill pay, and mobile banking options. These systems provided additional delivery availability and access to banking services to both retail and business customers. The bank had 10 deposit-taking ATMs in the AA with one in a low-income geography and two in moderate-income geographies. The bank did not provide any data indicating LMI usage; therefore, no significance was placed on these service delivery methods.

Distribution of Branch Openings/Closings						
Assessment Area	Branch Openings/Closings					
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or - )			
			Low	Mod	Mid	Upp
Houston MSA	2	2	0	0	0	0

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 LMI geographies and/or to LMI individuals. There was one branch closure in both the middle- and upper-income CTs, and one branch opening in both the middle- and upper-income CTs.

Services, including business hours where appropriate, do not vary in a way that inconveniences its AA, particularly LMI geographies and/or individuals.

## Community Development Services

The bank provides a relatively high level of CD services in the Houston MSA.

CD services were responsive in helping to address community needs. The bank conducted or supported a good level of CD services, consistent with its capacity and expertise to conduct specific activities. Bank employees from various lines of business provided technical assistance to seven different CD

organizations totaling 173 hours during the evaluation period. Bank staff served on one board committee for an organization that provide community services targeted to LMI individuals.

Examples of CD services include:

- The bank had 13 employees provide financial education in schools where an excess of 80.0 percent of students are eligible for a free lunch program. This activity benefitted community service needs in the AA.
- Two employees taught a homebuyer education course to LMI individuals to promote affordable housing initiatives, economic development projects to drive job growth, and homeownership.
- One employee served as a member on the Board of Directors of a healthcare organization that provides medical care, mental health services, addiction counseling, case management, and dental care to LMI individuals. The activity benefitted community service.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	1/1/2022 to 12/31/2023	
<b>Bank Products Reviewed:</b>	Loans - home mortgage, small business, and small farm. Community Development - loans, investments, and services.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>MMSA</b>		
Memphis MMSA	full-scope	Mississippi – Desoto County; Tennessee – Fayette, Shelby Counties
<b>States</b>		
<b>Alabama</b>		
Alabama Non-MSA	full-scope	Barbour, Butler, Dallas, Escambia, Marengo, and Monroe Counties
Auburn MSA	limited-scope	Lee County
Birmingham MSA	limited-scope	Bibb, Jefferson, and Shelby Counties
Daphne MSA	limited-scope	Baldwin County
Huntsville MSA	limited-scope	Limestone and Madison County
Mobile MSA	full-scope	Mobile County
Montgomery MSA	limited-scope	Autauga, Elmore, Lowndes, and Montgomery Counties
Tuscaloosa MSA	limited-scope	Tuscaloosa County
<b>Florida</b>		
Crestview MSA	limited-scope	Okaloosa and Walton Counties
Panama City MSA	full-scope	Bay County
Pensacola MSA	limited-scope	Escambia County
<b>Mississippi</b>		
Gulfport Biloxi MSA	limited-scope	Harrison County
Hattiesburg MSA	limited-scope	Forrest, Lamar, and Perry Counties
Jackson MSA	full-scope	Copiah, Hinds, Madison, Rankin, and Simpson Counties
Mississippi Non-MSA	limited-scope	Alcorn, Amite, Itawamba, Jones, Lafayette, Lauderdale, Leake, Lee, Leflore, Lincoln, Lowndes, Marion, Neshoba, Oktibbeha, Pike, Smith, Walthall, Warren Counties, and Washington
<b>Texas</b>		
Houston MSA	full-scope	Fort Bend, Harris, Montgomery, and Waller Counties

## Appendix B: Summary of MMSA and State Ratings

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RATINGS		Trustmark National Bank		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Trustmark National Bank	Outstanding	High Satisfactory	High Satisfactory	Outstanding
MMSA or State:				
Memphis MMSA	Outstanding	Outstanding	High Satisfactory	Outstanding
Alabama	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Florida	High Satisfactory	High Satisfactory	Needs to Improve	Satisfactory
Mississippi	Outstanding	High Satisfactory	Outstanding	Outstanding
Texas	Outstanding	Outstanding	High Satisfactory	Outstanding

(\*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

## Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

**Community Development (CD):** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**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, other secured consumer loans, and other unsecured consumer loans.

**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, which 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).

**Full-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that conduct 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, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

**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 state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an

employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent 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 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**MMSA (state):** Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

**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 qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical 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 multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

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

**Small Loan(s) to Farm(s):** 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, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.



**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated the same as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** – Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2022-23**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Memphis MMSA	3,156	369,676,658	100.0	23,771	6.9	8.2	5.4	20.8	28.6	18.2	25.7	32.4	26.0	46.3	30.5	50.0	0.3	0.2	0.3
<b>Total</b>	<b>3,156</b>	<b>369,676,658</b>	<b>100.0</b>	<b>23,771</b>	<b>6.9</b>	<b>8.2</b>	<b>5.4</b>	<b>20.8</b>	<b>28.6</b>	<b>18.2</b>	<b>25.7</b>	<b>32.4</b>	<b>26.0</b>	<b>46.3</b>	<b>30.5</b>	<b>50.0</b>	<b>0.3</b>	<b>0.2</b>	<b>0.3</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2022-23**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Memphis MMSA	3,156	369,676,658	100.0	23,771	23.1	9.8	3.9	15.9	28.5	13.9	17.9	28.4	19.3	43.1	30.7	41.9	0.0	2.7	21.0
<b>Total</b>	<b>3,156</b>	<b>369,676,658</b>	<b>100.0</b>	<b>23,771</b>	<b>23.1</b>	<b>9.8</b>	<b>3.9</b>	<b>15.9</b>	<b>28.5</b>	<b>13.9</b>	<b>17.9</b>	<b>28.4</b>	<b>19.3</b>	<b>43.1</b>	<b>30.7</b>	<b>41.9</b>	<b>0.0</b>	<b>2.7</b>	<b>21.0</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2022-23**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Memphis MMSA	221	28,907	100.0	25,136	9.3	3.2	7.8	24.3	18.1	19.3	23.1	36.7	22.8	41.5	37.1	48.3	1.9	5.0	1.8
<b>Total</b>	<b>221</b>	<b>28,907</b>	<b>100.0</b>	<b>25,136</b>	<b>9.3</b>	<b>3.2</b>	<b>7.8</b>	<b>24.3</b>	<b>18.1</b>	<b>19.3</b>	<b>23.1</b>	<b>36.7</b>	<b>22.8</b>	<b>41.5</b>	<b>37.1</b>	<b>48.3</b>	<b>1.9</b>	<b>5.0</b>	<b>1.8</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2022-23**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Memphis MMSA	221	28,907	100.0	25,136	90.3	38.0	47.0	2.8	42.1	6.9	19.9
<b>Total</b>	<b>221</b>	<b>28,907</b>	<b>100.0</b>	<b>25,136</b>	<b>90.3</b>	<b>38.0</b>	<b>47.0</b>	<b>2.8</b>	<b>42.1</b>	<b>6.9</b>	<b>19.9</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography** **2022-23**

Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Memphis MMSA	25	3,088	100.0	180	8.5	4.0	2.2	20.6	28.0	6.7	24.9	52.0	50.0	44.9	16.0	41.1	1.1	0.0	0.0
<b>Total</b>	<b>25</b>	<b>3,088</b>	<b>100.0</b>	<b>180</b>	<b>8.5</b>	<b>4.0</b>	<b>2.2</b>	<b>20.6</b>	<b>28.0</b>	<b>6.7</b>	<b>24.9</b>	<b>52.0</b>	<b>50.0</b>	<b>44.9</b>	<b>16.0</b>	<b>41.1</b>	<b>1.1</b>	<b>0.0</b>	<b>0.0</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** **2022-23**

Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Memphis MMSA	25	3,088	100.0	180	96.9	48.0	37.2	1.7	16.0	1.3	36.0
<b>Total</b>	<b>25</b>	<b>3,088</b>	<b>100.0</b>	<b>180</b>	<b>96.9</b>	<b>48.0</b>	<b>37.2</b>	<b>1.7</b>	<b>16.0</b>	<b>1.3</b>	<b>36.0</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography										2022-23
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Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Full-Scope AAs																			
Alabama Non-MSA	334	36,444,485	4.7	1,635	4.8	1.8	3.9	22.4	15.0	23.4	57.2	57.2	56.4	14.9	25.7	15.6	0.8	0.3	0.7
Auburn County	533	137,057,201	7.5	4,109	2.3	2.3	1.9	21.3	31.5	23.1	48.4	31.9	47.2	25.2	33.0	25.2	2.8	1.3	2.6
Limited-Scope AAs																			
Birmingham MSA	1,728	359,006,979	24.3	21,145	4.7	4.7	2.8	18.7	26.3	13.9	34.5	34.4	35.5	41.1	34.0	47.4	1.1	0.5	0.4
Daphne MSA	909	237,191,293	12.8	9,372	0.0	0.0	0.0	17.4	9.2	14.2	59.4	53.4	56.3	22.5	36.4	26.3	0.7	1.0	3.1
Huntsville MSA	795	187,255,938	11.2	17,243	6.1	6.2	4.9	17.4	20.8	16.0	35.0	36.1	38.0	41.4	36.9	41.0	0.1	0.1	0.1
Mobile MSA	1,233	235,074,249	17.4	8,229	2.1	0.8	1.0	20.7	17.1	15.8	44.2	41.9	42.2	32.7	40.1	41.0	0.3	0.1	0.1
Montgomery MSA	1,420	267,665,897	20.0	7,391	4.6	1.1	1.5	22.7	22.0	17.8	42.4	40.2	40.2	30.2	36.6	40.3	0.2	0.1	0.1
Tuscaloosa MSA	150	28,712,982	2.1	4,412	4.5	1.3	2.5	7.6	4.0	6.0	45.1	42.0	41.2	39.7	45.3	45.7	3.3	7.3	4.6
Total	7,102	1,488,409,022	100.0	73,536	4.0	2.5	2.6	18.7	20.4	15.3	41.6	40.5	41.4	34.8	36.0	39.7	0.9	0.6	1.0

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2022-23**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Alabama Non-MSA	334	36,444,485	4.7	1,635	27.0	9.0	5.9	17.6	19.2	17.6	18.4	21.6	23.7	37.0	42.5	36.5	0.0	7.8	16.4
Auburn County	533	137,057,201	7.5	4,109	23.5	7.5	3.3	15.5	22.5	15.6	19.7	26.1	22.0	41.2	42.0	43.9	0.0	1.9	15.3
Birmingham MSA	1,728	359,006,978	24.3	21,145	21.6	17.4	7.6	16.5	36.2	18.2	18.4	18.0	21.0	43.5	27.0	37.5	0.0	1.3	15.8
Daphne MSA	909	237,191,293	12.8	9,372	19.6	5.4	5.3	19.1	17.3	16.2	21.1	23.2	21.0	40.2	50.2	38.9	0.0	4.0	18.6
Huntsville MSA	795	187,255,938	11.2	17,243	23.1	12.5	9.3	16.3	25.5	19.3	19.5	23.4	21.8	41.1	34.8	29.8	0.0	3.8	19.9
Mobile MSA	1,233	235,074,249	17.4	8,229	21.9	6.9	5.0	17.5	24.3	16.7	19.9	22.2	23.3	40.7	41.8	35.9	0.0	4.7	19.0
Montgomery MSA	1,420	267,665,897	20.0	7,391	23.8	11.8	5.3	16.3	28.9	16.0	18.6	23.7	22.7	41.2	33.7	40.9	0.0	2.0	15.1
Tuscaloosa MSA	150	28,712,982	2.1	4,412	21.4	8.7	5.6	16.3	28.7	16.6	18.8	23.3	20.4	43.5	34.7	34.9	0.0	4.7	22.5
<b>Total</b>	<b>7,102</b>	<b>1,488,409,022</b>	<b>100.0</b>	<b>73,536</b>	<b>22.4</b>	<b>11.0</b>	<b>6.8</b>	<b>16.8</b>	<b>27.1</b>	<b>17.6</b>	<b>19.1</b>	<b>22.0</b>	<b>21.7</b>	<b>41.7</b>	<b>36.8</b>	<b>36.2</b>	<b>0.0</b>	<b>3.1</b>	<b>17.8</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%



**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2022-23**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Alabama Non-MSA	503	41,670	29.3	1,984	8.1	1.8	7.3	21.8	14.9	21.5	56.1	60.4	54.2	13.4	20.5	16.1	0.6	2.4	0.9
Auburn County	47	6,590	2.7	3,273	2.1	0.0	1.3	20.0	12.8	20.4	42.6	48.9	43.1	27.0	34.0	28.2	8.3	4.3	7.0
Birmingham MSA	113	9,997	6.6	21,129	8.1	2.7	7.2	15.1	20.4	13.7	27.9	46.0	28.4	47.2	23.0	49.7	1.8	8.0	1.0
Daphne MSA	292	40,453	17.0	7,509	0.0	0.0	0.0	14.2	8.9	13.9	56.4	59.2	53.7	27.4	31.8	30.7	2.0	0.0	1.8
Huntsville MSA	130	18,504	7.6	9,874	13.6	10.8	12.8	17.4	16.9	15.9	26.2	28.5	27.3	40.4	43.1	42.0	2.4	0.8	2.0
Mobile MSA	336	56,206	19.6	9,966	3.5	3.0	3.5	26.8	16.4	24.0	34.5	32.7	36.3	34.9	47.9	36.0	0.3	0.0	0.1
Montgomery MSA	222	25,270	12.9	7,446	7.1	5.0	5.3	24.1	21.6	21.6	34.1	41.4	36.2	29.7	30.2	33.3	5.0	1.8	3.7
Tuscaloosa MSA	75	8,452	4.4	3,985	5.5	8.0	5.3	10.2	8.0	9.8	45.0	44.0	43.4	33.6	32.0	36.7	5.8	8.0	4.8
<b>Total</b>	<b>1,718</b>	<b>207,142</b>	<b>100.0</b>	<b>65,166</b>	<b>7.1</b>	<b>3.1</b>	<b>6.0</b>	<b>18.2</b>	<b>15.2</b>	<b>16.9</b>	<b>34.6</b>	<b>48.0</b>	<b>35.7</b>	<b>37.5</b>	<b>31.8</b>	<b>39.5</b>	<b>2.6</b>	<b>2.0</b>	<b>2.0</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2022-23**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Alabama Non-MSA	503	41,670	29.3	1,984	83.2	51.9	45.9	3.3	27.2	13.5	20.9
Auburn County	47	6,590	2.7	3,273	89.0	48.9	48.2	2.3	29.8	8.7	21.3
Birmingham MSA	113	9,997	6.6	21,129	88.8	50.4	43.5	3.3	27.4	8.0	22.1
Daphne MSA	292	40,453	17.0	7,509	90.0	42.5	45.4	2.4	44.2	7.6	13.4
Huntsville MSA	130	18,504	7.6	9,874	89.0	36.2	46.9	2.7	39.2	8.4	24.6
Mobile MSA	336	56,206	19.6	9,966	87.7	39.3	42.9	3.2	44.6	9.1	16.1
Montgomery MSA	222	25,270	12.9	7,446	87.6	50.0	47.2	2.8	31.1	9.6	18.9
Tuscaloosa MSA	75	8,452	4.4	3,985	88.2	40.0	48.0	3.2	38.7	8.6	21.3
<b>Total</b>	<b>1,718</b>	<b>207,142</b>	<b>100.0</b>	<b>65,166</b>	<b>88.4</b>	<b>45.7</b>	<b>45.1</b>	<b>3.0</b>	<b>35.5</b>	<b>8.6</b>	<b>18.8</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography** **2022-23**

Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Alabama Non-MSA	107	12,855	57.2	199	3.4	0.9	1.5	24.1	19.6	25.1	57.9	59.8	60.8	13.7	19.6	11.1	0.9	0.0	1.5
Auburn County	4	626	2.1	31	3.0	0.0	0.0	21.6	50.0	25.8	42.0	50.0	58.1	28.9	0.0	12.9	4.5	0.0	3.2
Birmingham MSA	10	718	5.3	76	4.4	0.0	1.3	13.7	20.0	6.6	36.1	40.0	40.8	44.8	30.0	51.3	1.0	10.0	0.0
Daphne MSA	30	4,106	16.0	102	0.0	0.0	0.0	17.8	13.3	18.6	61.1	86.7	65.7	20.2	0.0	15.7	0.9	0.0	0.0
Huntsville MSA	3	306	1.6	149	7.5	0.0	0.0	19.1	33.3	20.8	39.4	66.7	60.4	33.3	0.0	18.8	0.8	0.0	0.0
Mobile MSA	12	1,206	6.4	58	2.4	0.0	0.0	17.4	33.3	13.8	45.7	50.0	58.6	34.4	16.7	27.6	0.1	0.0	0.0
Montgomery MSA	15	709	8.0	153	4.2	0.0	0.7	21.6	33.3	20.9	43.1	53.3	52.9	29.7	13.3	24.2	1.4	0.0	1.3
Tuscaloosa MSA	6	779	3.2	47	2.2	0.0	4.3	9.5	0.0	10.6	42.5	50.0	34.0	43.4	33.3	51.1	2.4	16.7	0.0
<b>Total</b>	<b>187</b>	<b>21,305</b>	<b>100.0</b>	<b>815</b>	<b>4.0</b>	<b>0.5</b>	<b>0.9</b>	<b>17.5</b>	<b>20.9</b>	<b>19.4</b>	<b>43.7</b>	<b>61.5</b>	<b>56.2</b>	<b>33.6</b>	<b>16.0</b>	<b>22.8</b>	<b>1.2</b>	<b>1.1</b>	<b>0.7</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** **2022-23**

Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Alabama Non-MSA	107	12,855	57.2	199	96.1	47.7	40.7	1.2	31.8	2.6	20.6
Auburn County	4	626	2.1	31	94.2	25.0	64.5	1.7	50.0	4.1	25.0
Birmingham MSA	10	718	5.3	76	95.6	70.0	46.1	1.9	20.0	2.5	10.0
Daphne MSA	30	4,106	16.0	102	95.5	33.3	40.2	1.3	60.0	3.2	6.7
Huntsville MSA	3	306	1.6	149	96.2	66.7	38.3	1.2	33.3	2.6	0.0
Mobile MSA	12	1,206	6.4	58	96.6	91.7	63.8	2.0	8.3	1.3	0.0
Montgomery MSA	15	709	8.0	153	96.4	86.7	58.2	1.5	6.7	2.0	6.7
Tuscaloosa MSA	6	779	3.2	47	97.8	50.0	63.8	1.0	50.0	1.2	0.0
<b>Total</b>	<b>187</b>	<b>21,305</b>	<b>100.0</b>	<b>815</b>	<b>96.0</b>	<b>52.4</b>	<b>47.9</b>	<b>1.6</b>	<b>33.2</b>	<b>2.4</b>	<b>14.4</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2022-23**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Crestview MSA	329	104,633,929	30.8	11,482	2.6	0.6	2.2	18.2	2.1	17.9	46.6	43.8	42.6	32.6	53.5	37.3	0.0	0.0	0.0
Panama City MSA	666	150,195,554	62.4	7,088	1.6	1.2	0.8	19.2	19.1	14.6	48.7	48.9	56.7	30.5	30.8	27.9	0.0	0.0	0.0
Pensacola MSA	73	22,901,097	6.8	9,200	4.7	2.7	3.7	26.9	12.3	24.9	42.6	37.0	41.4	25.8	47.9	30.0	0.0	0.0	0.0
<b>Total</b>	<b>1,068</b>	<b>277,730,580</b>	<b>100.0</b>	<b>27,770</b>	<b>3.2</b>	<b>1.1</b>	<b>2.3</b>	<b>21.8</b>	<b>13.4</b>	<b>19.4</b>	<b>45.6</b>	<b>46.5</b>	<b>45.8</b>	<b>29.5</b>	<b>39.0</b>	<b>32.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2022-23**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Crestview MSA	329	104,633,929	30.8	11,482	19.7	3.0	3.6	18.7	6.4	15.1	21.5	14.9	20.6	40.1	70.8	37.9	0.0	4.9	22.8
Panama City MSA	666	150,195,554	62.4	7,088	18.3	6.3	3.0	19.3	19.8	9.7	21.9	23.1	20.3	40.5	46.7	45.8	0.0	4.1	21.3
Pensacola MSA	73	22,901,097	6.8	9,200	22.5	4.1	4.3	19.9	12.3	16.6	21.1	12.3	21.6	36.5	57.5	30.9	0.0	13.7	26.7
<b>Total</b>	<b>1,068</b>	<b>277,730,580</b>	<b>100.0</b>	<b>27,770</b>	<b>20.4</b>	<b>5.2</b>	<b>3.7</b>	<b>19.3</b>	<b>15.2</b>	<b>14.2</b>	<b>21.4</b>	<b>19.9</b>	<b>20.8</b>	<b>38.8</b>	<b>54.9</b>	<b>37.6</b>	<b>0.0</b>	<b>5.0</b>	<b>23.7</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2022-23**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Crestview MSA	139	18,259	30.4	10,280	4.5	2.2	4.4	14.0	5.0	12.5	39.6	34.5	40.0	41.9	58.3	43.2	0.0	0.0	0.0
Panama City MSA	215	29,081	47.0	5,667	2.1	1.4	1.9	20.7	24.7	17.4	50.6	56.3	54.1	26.6	17.7	26.6	0.0	0.0	0.0
Pensacola MSA	103	17,954	22.5	7,703	5.5	1.0	5.5	28.4	18.4	28.2	38.0	29.1	34.6	28.1	51.5	31.7	0.0	0.0	0.0
<b>Total</b>	<b>457</b>	<b>65,294</b>	<b>100.0</b>	<b>23,650</b>	<b>4.2</b>	<b>1.5</b>	<b>4.1</b>	<b>20.6</b>	<b>17.3</b>	<b>18.8</b>	<b>41.7</b>	<b>43.5</b>	<b>41.6</b>	<b>33.4</b>	<b>37.6</b>	<b>35.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%





**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2022-23**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Gulfport Biloxi MSA	471	76,808,002	6.0	4,560	5.7	3.4	3.5	15.2	22.5	17.5	37.2	38.6	36.6	40.8	35.0	41.6	1.1	0.4	0.8
Hattiesburg MSA	708	117,312,616	9.0	3,106	0.0	0.0	0.0	13.3	14.4	12.8	38.0	33.3	33.9	46.3	51.0	52.8	2.4	1.3	0.5
Jackson MSA	4,009	648,283,877	50.9	11,505	4.3	2.3	1.7	17.0	11.5	11.6	38.7	35.4	35.1	39.8	50.7	51.6	0.1	0.0	0.1
Mississippi Non-MSA	2,695	393,650,039	34.2	11,637	2.9	2.2	1.6	15.2	12.7	11.6	44.4	39.5	41.8	37.0	45.0	44.3	0.5	0.6	0.7
<b>Total</b>	<b>7,883</b>	<b>1,236,054,533</b>	<b>100.0</b>	<b>30,808</b>	<b>3.5</b>	<b>2.2</b>	<b>1.7</b>	<b>15.7</b>	<b>12.8</b>	<b>12.6</b>	<b>41.1</b>	<b>36.8</b>	<b>37.7</b>	<b>39.1</b>	<b>47.9</b>	<b>47.5</b>	<b>0.6</b>	<b>0.3</b>	<b>0.5</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2022-23**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Gulfport Biloxi MSA	471	76,808,002	6.0	4,560	24.7	8.1	4.3	17.0	24.8	15.4	19.0	24.4	22.1	39.2	31.4	36.5	0.0	11.3	21.8
Hattiesburg MSA	708	117,312,616	9.0	3,106	22.5	7.3	7.1	14.7	25.0	15.4	19.4	21.3	21.6	43.3	37.1	36.6	0.0	9.2	19.4
Jackson MSA	4,009	648,283,877	50.9	11,505	21.7	6.6	5.1	16.0	21.6	15.9	19.3	20.8	19.8	43.0	38.2	39.6	0.0	12.8	19.7
Mississippi Non-MSA	2,695	393,650,039	34.2	11,637	22.6	5.1	5.2	15.3	15.3	12.5	17.8	21.9	19.3	44.3	47.5	45.8	0.0	10.3	17.3
<b>Total</b>	<b>7,883</b>	<b>1,236,054,533</b>	<b>100.0</b>	<b>30,808</b>	<b>22.6</b>	<b>6.3</b>	<b>5.2</b>	<b>15.7</b>	<b>19.9</b>	<b>14.5</b>	<b>18.6</b>	<b>21.4</b>	<b>20.1</b>	<b>43.1</b>	<b>40.8</b>	<b>41.2</b>	<b>0.0</b>	<b>11.5</b>	<b>19.0</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2022-23**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Gulfport Biloxi MSA	72	12,051	2.1	4,797	10.9	1.4	9.5	22.2	20.8	21.5	36.8	40.3	35.3	28.4	36.1	32.0	1.8	1.4	1.7
Hattiesburg MSA	302	36,299	8.6	3,172	0.0	0.0	0.0	24.2	18.9	20.5	30.2	31.5	29.6	40.5	46.4	46.1	5.0	3.3	3.8
Jackson MSA	1,525	211,043	43.6	13,498	6.4	4.1	4.3	19.7	26.1	18.1	30.6	29.6	30.6	40.5	37.7	44.6	2.9	2.5	2.4
Mississippi Non-MSA	1,599	122,269	45.7	14,687	7.2	3.1	6.5	14.4	18.3	13.6	42.2	51.1	42.0	35.2	26.1	36.9	0.9	1.5	0.9
<b>Total</b>	<b>3,498</b>	<b>381,662</b>	<b>100.0</b>	<b>36,154</b>	<b>6.7</b>	<b>3.2</b>	<b>5.5</b>	<b>18.3</b>	<b>21.8</b>	<b>16.9</b>	<b>35.8</b>	<b>39.8</b>	<b>35.8</b>	<b>37.0</b>	<b>33.1</b>	<b>39.9</b>	<b>2.2</b>	<b>2.1</b>	<b>1.8</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2022-23**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Gulfport Biloxi MSA	72	12,051	2.1	4,797	89.9	41.7	52.1	2.0	31.9	8.1	26.4
Hattiesburg MSA	302	36,299	8.6	3,172	89.8	48.3	50.6	2.4	33.4	7.8	18.2
Jackson MSA	1,525	211,043	43.6	13,498	91.6	49.2	47.5	2.2	34.8	6.2	16.1
Mississippi Non-MSA	1,599	122,269	45.7	14,687	88.4	61.2	50.2	2.7	22.0	9.0	16.9
<b>Total</b>	<b>3,498</b>	<b>381,662</b>	<b>100.0</b>	<b>36,154</b>	<b>90.0</b>	<b>54.4</b>	<b>49.5</b>	<b>2.4</b>	<b>28.7</b>	<b>7.6</b>	<b>16.8</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

**Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography** **2022-23**

Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Gulfport Biloxi MSA	1	51	0.1	12	7.2	0.0	8.3	20.8	0.0	8.3	35.1	0.0	41.7	34.9	100.0	41.7	1.9	0.0	0.0
Hattiesburg MSA	35	3,398	4.9	91	0.0	0.0	0.0	13.9	8.6	13.2	35.0	60.0	40.7	48.0	31.4	46.2	3.1	0.0	0.0
Jackson MSA	189	14,909	26.4	368	3.1	0.0	0.3	15.6	31.7	24.2	34.5	39.2	33.7	45.6	28.6	41.6	1.1	0.5	0.3
Mississippi Non-MSA	490	34,218	68.5	1,185	3.4	0.2	1.8	13.5	14.5	14.8	47.6	59.2	51.2	35.0	26.1	31.8	0.5	0.0	0.4
<b>Total</b>	<b>715</b>	<b>52,576</b>	<b>100.0</b>	<b>1,656</b>	<b>3.3</b>	<b>0.1</b>	<b>1.4</b>	<b>14.9</b>	<b>18.7</b>	<b>16.7</b>	<b>40.8</b>	<b>53.8</b>	<b>46.7</b>	<b>40.0</b>	<b>27.1</b>	<b>34.8</b>	<b>1.0</b>	<b>0.1</b>	<b>0.4</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%



**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2022-23**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Houston MSA	649	223,984,206	100.0	117,809	24.2	4.8	2.7	16.8	16.2	12.9	17.8	21.6	19.2	41.2	55.6	41.0	0.0	1.8	24.1
<b>Total</b>	<b>649</b>	<b>223,984,206</b>	<b>100.0</b>	<b>117,809</b>	<b>24.2</b>	<b>4.8</b>	<b>2.7</b>	<b>16.8</b>	<b>16.2</b>	<b>12.9</b>	<b>17.8</b>	<b>21.6</b>	<b>19.2</b>	<b>41.2</b>	<b>55.6</b>	<b>41.0</b>	<b>0.0</b>	<b>1.8</b>	<b>24.1</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2023 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2022-23**

	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Houston MSA	364	90,391	100.0	209,428	9.3	11.3	8.5	19.5	26.4	19.2	24.2	24.7	25.1	44.9	36.3	45.6	2.2	1.4	1.5
<b>Total</b>	<b>364</b>	<b>90,391</b>	<b>100.0</b>	<b>209,428</b>	<b>9.3</b>	<b>11.3</b>	<b>8.5</b>	<b>19.5</b>	<b>26.4</b>	<b>19.2</b>	<b>24.2</b>	<b>24.7</b>	<b>25.1</b>	<b>44.9</b>	<b>36.3</b>	<b>45.6</b>	<b>2.2</b>	<b>1.4</b>	<b>1.5</b>

Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2022-23
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Houston MSA	364	90,391	100.0	209,428	92.7	29.7	50.0	2.4	53.8	4.9	16.5
Total	364	90,391	100.0	209,428	92.7	29.7	50.0	2.4	53.8	4.9	16.5
Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%											