

BUSINESS SAVINGS & MONEY MARKET

Earn competitive rates on your excess cash and manage your funds online at your convenience with a starting deposit of just \$25.

	BUSINESS SAVINGS	BUSINESS MONEY MARKET	BUSINESS PREMIER MONEY MARKET
BALANCE TO AVOID SERVICE CHARGE	\$250	\$2,500	\$10,000
MONTHLY SERVICE CHARGE	\$3	\$10	\$15
INTEREST TIERS ¹	\$.01 & above	Up to \$9,999 \$10,000-\$24,999 \$25,000-\$49,999 \$50,000-\$99,999 \$100,000-\$249,999 \$250,000-\$499,999 \$500,000 or greater	Up to \$9,999 \$10,000-\$24,999 \$25,000-\$49,999 \$50,000-\$99,999 \$100,000-\$249,999 \$250,000-\$499,999 \$500,000-\$999,999 \$1,000,000-\$4,999,999 \$5,000,000-\$9,999,999 \$10,000,000 or greater
STATEMENTS	Paper statements \$2 per month	Free	Free

CERTIFICATES OF DEPOSIT

Choose terms ranging from one month to five years. With a CD, you will know exactly how much interest you'll earn during the term, and you can easily renew your CD to keep your savings growing.

EXPLORE OUR RESOURCE CENTER

From budgeting articles to loan calculators, our Resource Center is a wealth of information at your fingertips.



1) Interest compounded and paid monthly.



BUSINESS | PERSONAL | MORTGAGE | WEALTH

Independent Financial is a trademark of Independent Bank. Member FDIC. NMLS# 411428. Equal Housing Lender.



QUESTIONS? WE'RE HERE TO HELP.

WEBSITE
IFinancial.com

CUSTOMER CARE
800.460.6634
M-F 8 AM - 7 PM Central
Sat 9 AM - 1 PM Central

TREASURY SALES
TreasurySales@IFinancial.com

TREASURY CLIENT SUPPORT
833.635.9291

TELEPHONE BANKING
800.397.6120

90+ FINANCIAL CENTERS
IFinancial.com/Locations

ROUTING NUMBER
111916326

SWIFT BIC
IDNAUS44

BANKING FOR BUSINESS

BUSINESS ACCOUNTS & SERVICES



BUSINESS CHECKING

Our checking solutions are designed to give you more time to focus on your business and only require a minimum opening deposit of \$25.

	BUSINESS CHECKING	PREFERRED BUSINESS CHECKING	ANALYSIS CHECKING
BALANCE TO AVOID SERVICE CHARGE	\$0	\$3,000	May be offset with earnings credit
MONTHLY SERVICE CHARGE	\$0	\$12	Varies by plan
TRANSACTION FEES	150 free paper items per month \$0.40 each thereafter Unlimited electronic transactions	250 free paper items per month \$0.40 each thereafter Unlimited electronic transactions	May be offset with earnings credit
STATEMENTS	Paper statements \$2 per month	Free paper statements	Available in online banking
CASH MANAGEMENT	SMALL BUSINESS PACKAGE AVAILABLE Speak with a Treasury Solutions Officer		Speak with a Treasury Solutions Officer



NEARLY 40,000 FREE ATMS
MONEYPASS®

On the go? Use your Independent Financial Debit Mastercard® to withdraw funds for free from any MoneyPass® ATM nationwide.

BUSINESS ACCOUNT EXTRAS

Streamline your business with these featured account extras.

BUSINESS ONLINE & MOBILE BANKING

Whether you're in the office or on the road, you can move funds, manage your accounts, make payments, export to money management software and more.¹

INDEPENDENT FINANCIAL BUSINESS DEBIT MASTERCARD®

Use your debit card to make purchases and withdraw cash at ATMs.

MOBILE WALLET

Add your debit card to your mobile device or smart watch to shop in store, in app or online.¹

MERCHANT SERVICES

Never miss a sale. Accept debit cards, all major credit cards, chip cards and mobile wallet payments from your office, storefront, website or mobile devices.

EARN UP TO 4% CASH BACK

With **Easy Savings**,™ you can get paid **up to 4% cash back** when you dine, travel and refuel. Plus, take advantage of exclusive deals that can save you even more.²



MANAGE YOUR ACCOUNTS IN ONE PLACE, FROM ANY PLACE.

Download the Independent Financial mobile banking app to get started.¹



1) Wireless provider fees may apply. 2) Payment must be made in full at a participating merchant location with an eligible business debit card. Purchases must be PIN-based and originate within the U.S. and processed through Mastercard U.S. Rebate will appear after purchase has been posted and may not be reflected until the next statement. For further terms and conditions, visit [IFinancial.com/EasySavings](https://ifinancial.com/EasySavings). All third-party trademarks are the property of their respective owners.

TREASURY SOLUTIONS

INFORMATION REPORTING

Retrieve timely, accurate information.

COMMERCIAL ONLINE BANKING

Improve cash flow, streamline processes, manage accounts and execute timely transactions.

Make Payments

Send one-time or recurring payments quickly and easily through wire transfers and Automated Clearing House (ACH) transactions. Add unlimited payees, track activity and manage payment history.

Access Statements, Check Images and Reports

Access account statements, account analysis statements and check images. Utilize customizable reports to access account and transaction data.

Stop Payments

Place or cancel stop payments in real time.

Alerts

Create alerts related to a specific event, balance or item.

Export to Money Management Software

Simplify financial management with one download to Quicken® or QuickBooks.®

FRAUD PREVENTION

Verify transactions and pay or return exception items.

POSITIVE PAY AND ACCOUNT RECONCILIATION

Verify checks presented for payment and pay or return exception items.

ACH DEBIT BLOCKS & FILTERS

Create filters and rules to help prevent unauthorized ACH debits from posting to your account.



RECEIVABLES

Accelerate incoming deposits.

AUTOMATED CLEARING HOUSE (ACH)

Automate receivables with preauthorized payments from vendors and customers.¹

REMOTE DEPOSIT CAPTURE & MOBILE RDC

Create electronic deposits from your desktop or mobile device with next day availability on checks scanned and received Monday through Friday by 8 PM CT.²

LOCKBOX

Outsource deposit processing and expedite funds availability on mailed payments with comprehensive account reconciliation and exception management tools.

MERCHANT CARD SERVICES¹

Accept Visa,® Mastercard,® American Express® and Discover® payments in person or online and never miss a sale.

PAYABLES

Extend and automate the payables process.

AUTOMATED CLEARING HOUSE (ACH) ORIGATION¹

Schedule same day or next day disbursements and make electronic payments through the U.S. Federal Reserve ACH Network.

DOMESTIC & INTERNATIONAL USD WIRES

Send wire transfers using our dual authorization security features.

FOREIGN EXCHANGE

Send wire transfers in local country currency through our branch network.

COMMERCIAL AND BUSINESS CREDIT CARDS^{1,3}

Increase revenue-generating opportunities and enjoy premium benefits.

1) Subject to credit approval. 2) Wireless provider fees may apply. 3) Third-party creditor responsible for making credit decisions, opening accounts and issuing credit cards.



SMALL BUSINESS ADMINISTRATION (SBA) LOANS¹

As a Preferred SBA Lender, we can help you get the job done with our flexible terms.

SBA EXPRESS TERM LOAN

Use existing assets to finance an expansion or purchase equipment.

- \$50,000 - \$500,000
- 12 months - 10 years

SBA EXPRESS LINE OF CREDIT

Access immediate cash flow by using your accounts receivable, equipment or other assets to secure a line of credit.

- \$50,000 - \$500,000
- 13 months - 10 years

SBA 7(A) LOAN

Funding for real estate purchases, expansion and construction, as well as financing for equipment, working capital, basic startup costs, partner buyouts, business acquisitions and debt refinancing.

- Up to \$5,000,000
- Up to 25 years for commercial real estate and 10 years for all other purposes

SBA 504 LOAN

Co-lender financing for small businesses to acquire major fixed asset purchases, including real estate, equipment, new facility construction or the purchase or renovation of an existing property.

- SBA debt portion up to \$5,500,000 and total project size up to \$20,000,000 with long-term fixed rate on SBA debt portion
- As little as 10% equity contribution

1) Subject to credit approval. Shared agreement with Independent Financial and the Small Business Administration. SBA packaging fee may apply.

SAVINGS & MONEY MARKET

Explore our savings & CD accounts to find a solution that fits with your financial goals. Get started today with just \$25.

	BASIC SAVINGS	MONEY MARKET	PREMIER MONEY MARKET
BALANCE TO AVOID SERVICE CHARGE	\$250	\$2,500	\$10,000
MONTHLY SERVICE CHARGE	\$3	\$10	\$15
INTEREST ¹	\$.01 and above	Tiered interest	Tiered interest
STATEMENTS	Paper statements \$2 per month	Free	Free
FREE ONLINE BANKING	✔	✔	✔
FREE MOBILE BANKING WITH MOBILE DEPOSIT ²	✔	✔	✔

CERTIFICATES OF DEPOSIT & IRAs

Open a new CD with as little as \$1,000 and choose terms ranging from one month to five years. With a CD, you will know exactly how much interest you'll earn during the term, and you can easily renew your CD to keep your savings growing.

MANAGE YOUR ACCOUNTS IN ONE PLACE, FROM ANY PLACE.

Download the Independent Financial mobile banking app to get started.²



1) Interest compounded and paid monthly. 2) Wireless provider fees may apply.



QUESTIONS? WE'RE HERE TO HELP.

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ROUTING NUMBER
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Banking for business.
Banking for life.



BUSINESS | PERSONAL | MORTGAGE | WEALTH

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BANKING
FOR LIFE

PERSONAL ACCOUNTS & SERVICES



CHECKING ACCOUNTS

Choose the checking account that fits your needs and get started with a \$25 minimum opening balance.

	PERSONAL CHECKING	INTEREST CHECKING	PREMIER CHECKING
BALANCE TO AVOID SERVICE CHARGE	\$0	\$1,500	\$5,000
MONTHLY SERVICE CHARGE	\$0	\$8	\$12
INTEREST ¹	–	\$.01 and above	\$.01 and above
STATEMENTS	Paper statements \$2 per month	Free	Free
FREE ONLINE BANKING	✔	✔	✔
FREE MOBILE BANKING & MOBILE DEPOSIT ²	✔	✔	✔
FREE DEBIT MASTERCARD®	✔	✔	✔
FREE CHECKS	–	–	One box of checks yearly
FREE CASHIER CHECKS	–	–	✔
FREE STOP PAYMENTS	–	–	✔
\$10 OFF SAFE DEPOSIT BOX ³	✔	✔	✔

EXPLORE OUR RESOURCE CENTER

From budgeting articles to loan calculators, our Resource Center is a wealth of information at your fingertips.



1) Interest compounded and paid monthly. 2) Wireless provider fees may apply. 3) Payment must be drafted from an Independent Financial checking account.

ACCOUNT EXTRAS

CONVENIENCE SERVICES

These additional services make banking with us even more convenient.

ONLINE BANKING

View statements, search transaction history, place stop payments, transfer funds and more while managing your accounts on your schedule.

MOBILE BANKING

Download the Independent Financial app and take us with you wherever you go.¹

MOBILE DEPOSITS

Deposit checks at your convenience from your mobile device.¹ Just take a photo of the front and back of your check and submit. It's that easy!

MOBILE WALLET

Add your debit card to your mobile device or smart watch and shop in store, in app or online.¹

BILL PAY

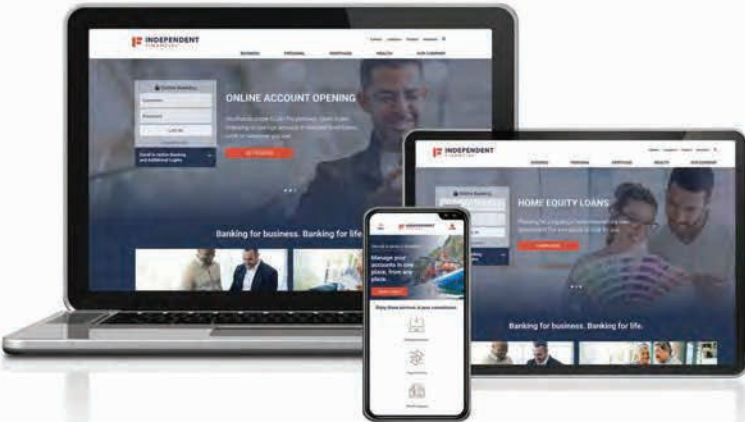
With Online Bill Pay, you can make payments on the go or schedule them in advance. Best of all, it's fast, secure and convenient.

ZELLE®

Reimburse friends, split expenses and pay people – wherever they bank. It's fast, safe and free.

ACCOUNT ALERTS

Set up email or text alerts to monitor account activity like new deposits and large withdrawals.¹



1) Wireless provider fees may apply.

DEBIT CARDS

Use your Independent Financial Debit Mastercard® to make purchases, withdraw money at ATMs and get cash back with point-of-sale transactions.

MASTERCARD® ID THEFT PROTECTION

Access several ID theft resolution services anytime day or night, 365 days a year.

ZERO LIABILITY PROTECTION

You won't be held responsible for unauthorized or fraudulent debit card transactions when you promptly report them.

PRICE PROTECTION

If you find a lower price within 60 days of purchase, Price Protection gives you the best price on products purchased with your card by refunding the difference.

OVERDRAFT SERVICES

Our overdraft services offer you peace of mind when it comes to protecting your account.

AUTO TRANSFERS

Link your checking account to another Independent Financial account or line of credit to avoid overdraft fees when your balance can't cover transactions.

OVERDRAFT PRIVILEGE

Overdraft privilege covers insufficient checks and bill payments. Fees charged on a per item basis.¹

1) For consideration, account must be in good standing (make sufficient deposits to bring end-of-day account balance positive and cover fees/charges at least once every 30 days, avoid excessive overdrafts, misuse service as continuing line of credit and have no legal orders, levies or liens). Amount of overdraft plus \$35 NSF paid fee for each item will be deducted from overdraft limit. If item is returned, \$35 NSF returned item fee will be deducted from account each time it is presented for payment and funds are not available. Maximum daily fee of \$175 (5 items). Fee waived for items that overdraw account by \$10 or less.



NEARLY 40,000 FREE ATMS

MONEYPASS®

On the go? Use your Independent Financial Debit Mastercard® to withdraw funds for free from any MoneyPass® ATM nationwide.

PERSONAL LOANS¹

We'll help you make the most of life's special occasions.

LOANS FOR EVERY NEED

Choose the solution that fits your needs best and enjoy competitive rates and terms.

- New & preowned autos, motorcycles, RVs, boats and more
- Secured & unsecured personal loans
- Multiple credit card options

RATE DISCOUNT

Sign up for automatic payments from your Independent Financial account and receive a discount on select personal loans.²

MORTGAGE LOANS¹

Purchase, refinance or build your home with us.

MORTGAGE LOANS

Ready to buy, build or refinance your home? Let us help you make the right move.

- Primary residences and vacation homes
- Fixed and adjustable rate mortgages
- FHA, VA, conventional loans and more

COMMUNITY PATH MORTGAGE LOANS

Our affordable mortgage options offer flexibility for borrowers looking to purchase a home in select neighborhoods within our communities.³

- Borrow up to \$500,000 on a fixed rate loan
- Put down as little as 0% with no PMI requirement
- Available on both new purchases and refinances

CREDIT CARDS

Choose one of our Visa® credit card options and enjoy a wide range of benefits.^{1,3}

- Competitive rates
- Potential savings with purchases & balance transfers
- Reward and travel programs

1) Subject to credit approval. 2) Restrictions apply. Payment must be drafted from an Independent Financial account. 3) Property must be located in low-to-moderate income or majority minority census tract within Independent Financial designated areas. See a loan officer for complete terms and conditions. 3) Third-party creditor responsible for making credit decisions, opening accounts and issuing credit cards.



HOME EQUITY AND HOME IMPROVEMENT LOANS¹

Unlock the equity in your home to fund major remodeling projects, tackle high-interest debt or manage unforeseen expenses.

	HOME EQUITY	HOME EQUITY LINE OF CREDIT (HELOC) ²	HOME IMPROVEMENT
GREAT FOR	Debt consolidation	Debt consolidation	Gourmet kitchen
	Home improvements	Home improvements	New flooring
	Planned expenses	Unplanned expenses	Backyard renovation
	School tuition	School tuition	Replacement roof
HOW MUCH CAN I BORROW	\$25,000 - \$99,999 ³ (2nd liens no maximum)	\$10,000 minimum (no maximum)	\$10,000 minimum (no maximum)
RATE	Fixed	Variable	Fixed
TERMS	Up to 180 months	120-month draw (interest only) THEN 120-month repayment period (principal & interest)	Up to 180 months

1) Subject to credit approval. Up to 80% combined loan-to-value (CLTV). Normal credit standards apply. Proof of current property insurance required. Payment example: \$50,000 for 60 months at 6.75% APR = \$984.17. Excludes taxes and insurance. Monthly payment amounts vary by loan term and rate. 2) Available in Colorado. 3) First liens \$100,000 and up available through Independent Financial's mortgage division.

RETURNED (NSF) AND OVERDRAFT FEES		
Description	Fee	Additional Information
NSF Returned Item Fee – When Independent Financial returns a payment transaction (check, draft, or ACH debit) unpaid, because your account does not have sufficient available funds to cover the transaction.	\$35	<p>Each time a transaction is presented for payment.</p> <p>Check and ACH payment transactions that are returned for nonsufficient available funds may be presented to us again for payment multiple times until paid. You may be charged a fee each time a transaction is presented for a payment and your account does not have sufficient available funds to cover the transaction.</p> <p>We do not charge a fee:</p> <ul style="list-style-type: none"> For items that would overdraw your account (if paid) by \$10 or less. If your debit card transaction or ATM cash withdrawal request is declined.
NSF/Overdraft Paid Item Fee – When Independent Financial pays an item (check, draft, ACH debit, or debit card transaction, or ATM withdrawal or transfer) and there are not sufficient available funds in the account to cover the item.	\$35	<p>For each item.</p> <p>We do not charge a fee:</p> <ul style="list-style-type: none"> For items that overdraw your account by \$10 or less. If your debit card transaction was authorized when there was a sufficient available balance in your account.

ATM FEES AND DEBIT CARD FEES		
Description	Fee	Additional Information
ATM Service Charge – ATM Withdrawal at ATMs we do not own	\$1.25	<p>Per withdrawal</p> <ul style="list-style-type: none"> ATM owner may charge an additional fee. These fees can be avoided by conducting ATM withdrawals at an Independent Financial ATM or MoneyPass® ATM.
ATM Service Charge – ATM Balance Inquiry at ATMs we do not own	\$0.50	<p>Per inquiry</p> <ul style="list-style-type: none"> ATM owner may charge an additional fee. These fees can be avoided by conducting ATM inquiries at an Independent Financial ATM or MoneyPass® ATM.
Cross Border Transaction Fee – You make a card purchase, non-ATM cash transaction or ATM withdrawal in a currency other than U.S. Dollars, including transactions initiated from within the U.S.	3%	of transaction amount
Mastercard® Debit Card Replacement	\$5	Per card
<p>Notice regarding Out-Of-Network ATM fees. If you use an ATM that is not operated by Independent Financial (an “Out-Of-Network” ATM), you may be charged a fee by the operator of the machine and/or an automated transfer network. If you use an Out-Of-Network ATM, Independent Financial may charge you both a balance inquiry fee and a withdrawal fee if you check your balance before or after making a withdrawal as part of the same ATM visit.</p>		

Mastercard is a registered trademark of Mastercard International Incorporated.

FOREIGN AND INTERNATIONAL SERVICES		
Description	Fee	Additional Information
Foreign Collection Item – An outgoing collection is a check or draft drawn on a foreign bank that is sent to the paying bank for collection. An incoming foreign collection is a check or draft drawn on Independent Financial sent by a foreign bank for payment.	\$40	Minimum per check charged by Independent Financial. <ul style="list-style-type: none"> The total cost may include fees from the paying bank or other fees charged during the collection process. Items drawn on foreign banks are subject to final payment by the foreign bank and may be returned unpaid later than a similar item drawn on a U.S. Bank. All credits to your account are provisional until final payment is received from the foreign bank.
Foreign Currency – Order foreign currency from the Bank.	Delivery Fee	

WIRE TRANSFER SERVICES		
Description	Fee	Additional Information
Incoming Wire – Domestic – A wire transfer received from a U.S. Bank and deposited into your account.	\$10	Per wire
Incoming Wire – International – A wire transfer received from a bank located outside the U.S. and deposited into your account.	\$10	Per wire
Outgoing Wire – Domestic – A wire transfer sent from your account to another account located in a U.S. bank.	\$25	Per wire
Outgoing Wire – International – A wire transfer sent from your account to another account located outside the U.S. that may be sent in U.S. or foreign currency.	\$45	Per wire

LEGAL PROCESSING		
Description	Fee	Additional Information
Levy – Processing of any tax levy against your accounts, whether or not the funds are actually paid.	\$50	Plus attorney fees
Garnishment – Processing of any garnishment against your accounts, whether or not the funds are actually paid.	\$50	Plus attorney fees

OTHER FEES		
Description	Fee	Additional Information
Account Closed within 30 days of opening	\$25	Per account
Cashier's Check – A check issued by the Bank.	\$5	Per check
Check Order – An order of business checks, deposit slips or other banking supplies.	Varies	Depending on the style and quantity selected.
Domestic Collection Item - Incoming or Outgoing collection of check and non-check items such as a draft, drawn on a U.S. bank.	\$20	Per item <ul style="list-style-type: none"> • NSF checks, oil and gas draft, sight drafts, without entry claims, etc. • Other banks involved in the collection process may charge additional fees.
Deposited Item/Cashed Check Returned Unpaid – Your deposited or cashed check or draft is returned unpaid.	\$8	Per item presentment <ul style="list-style-type: none"> • Per check or draft returned unpaid
Stop Payment - You request a stop payment on an ACH item or check by phone or at a financial center.	\$30	Per stop payment request <ul style="list-style-type: none"> • ACH stop payments are valid for 99 months. • Check stop payments are valid for 6 months
Incorrect Address Fee – When mail is returned to the Bank as undeliverable or is received back by the Bank because an address change notification was not received by the Bank or the address provided is incorrect.	\$5	Per account, per month <ul style="list-style-type: none"> • This fee can be avoided by providing the Bank with your current address each time you change your address.
Research – Research on your account including printing or viewing old statements, checks, and other documents.	\$25 \$2	Per hour (One hour minimum) Per page
Snapshot Statement - A statement of current activity that has occurred on your account since the last statement.	\$3	Per statement
Special Statement – Request by a customer to have a statement cut at a specific time of the month outside of the Bank designated time.	\$5	Per account, per statement cycle
Statement Reconciliation – A bank employee assists with reconciling your account.	\$25	Per hour (One hour minimum)
Night Depository Lock Bags	\$20	Per bag
Night Depository Zipper Bags	\$5	Per bag (one bag free)
Change Orders – Cash processing fee	\$0.20	Per \$100

SAFE DEPOSIT		
Description	Fee	Additional Information
Safe Deposit Annual Rent	Varies	By location
Drilling Fee – The Bank must drill the safe deposit box to gain access either due to lost keys or nonpayment rent.	\$125	Per occurrence
Lost Key Fee – One of the two keys to the safe deposit box is lost and is replaced.	\$25	Per occurrence

RETURNED (NSF) AND OVERDRAFT FEES		
Description	Fee	Additional Information
NSF Returned Item Fee – When Independent Financial returns a payment transaction (check, draft, or ACH debit) unpaid, because your account does not have sufficient available funds to cover the transaction.	\$35	<p>Each time a transaction is presented for payment (maximum 5 NSF Returned Item Fees and NSF/Overdraft Paid Item fees (\$175) per day).</p> <p>Check and ACH payment transactions that are returned for nonsufficient available funds may be presented to us again for payment multiple times until paid. You may be charged a fee each time a transaction is presented for a payment and your account does not have sufficient available funds to cover the transaction.</p> <p>We do not charge a fee:</p> <ul style="list-style-type: none"> For items that overdraw your account by \$10 or less. If your debit card transaction or ATM cash withdrawal request is declined.
NSF/Overdraft Paid Item Fee – When Independent Financial pays an item (check, draft, ACH debit, or debit card transaction or ATM withdrawal or transfer) when there are not sufficient available funds in the account to cover the item but we pay it anyway.	\$35	<p>For each item (maximum 5 NSF Returned Item Fees and NSF/Overdraft Paid Item fees (\$175) per day)</p> <p>We do not charge a fee:</p> <ul style="list-style-type: none"> For items that overdraw your account by \$10 or less. If your debit card transaction was authorized when there was a sufficient available balance in your account.

OVERDRAFT PRIVILEGE LIMITS AND ELIGIBLE ACCOUNTS							
	<table> <tr> <td>Personal Checking</td><td>\$500</td></tr> <tr> <td>Interest Checking</td><td>\$700</td></tr> <tr> <td>Premier Checking</td><td>\$700</td></tr> </table>	Personal Checking	\$500	Interest Checking	\$700	Premier Checking	\$700
Personal Checking	\$500						
Interest Checking	\$700						
Premier Checking	\$700						
<p>How soon can I use my Overdraft Privilege?</p> <p>If your account has been opened for 30 days and is in good standing, we may approve your overdraft items within your current available Overdraft Privilege limit as a courtesy. We do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transaction will be declined.</p> <p>For overdraft privilege consideration, your account is in good standing if you (1) make sufficient deposits to bring your account to a positive end-of-day balance at least once every 30 calendar days (including the payment of all bank fees and charges); (2) avoid excessive overdrafts suggesting the use of Overdraft Privilege as a continuing line of credit; and (3) there are no legal orders, levies or liens against your account.</p>							

ATM FEES AND DEBIT CARD FEES		
Description	Fee	Additional Information
ATM Service Charge – ATM Withdrawal at ATMs we do not own	\$1.25	Per withdrawal <ul style="list-style-type: none"> ATM owner may charge an additional fee. These fees can be avoided by conducting ATM withdrawals at an Independent Financial ATM or MoneyPass® ATM.
ATM Service Charge – ATM Balance Inquiry at ATMs we do not own	\$0.50	Per inquiry <ul style="list-style-type: none"> ATM owner may charge an additional fee. These fees can be avoided by conducting ATM withdrawals at an Independent Financial ATM or MoneyPass® ATM.
Cross Border Transaction Fee – You make a card purchase, non-ATM cash transaction or ATM withdrawal in a currency other than U.S. Dollars, including transactions initiated from within the U.S.	3%	of transaction amount
Mastercard® Debit Card Replacement	\$5	Per card
Notice regarding Out-Of-Network ATM fees. If you use an ATM that is not operated by Independent Financial (an “Out-Of-Network” ATM), you may be charged a fee by the operator of the machine and/or an automated transfer network. If you use an Out-Of-Network ATM, Independent Financial may charge you both a balance inquiry fee and a withdrawal fee if you check your balance before or after making a withdrawal as part of the same ATM visit.		

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FOREIGN AND INTERNATIONAL SERVICES		
Description	Fee	Additional Information
Foreign Collection Item – An outgoing collection is a check or draft drawn on a foreign bank that is sent to the paying bank for collection. An incoming foreign collection is a check or draft drawn on Independent Financial sent by a foreign bank for payment.	\$40	Minimum per check charged by Independent Financial. <ul style="list-style-type: none"> • The total cost may include fees from the paying bank or other fees charged during the collection process. • Items drawn on foreign banks are subject to final payment by the foreign bank and may be returned unpaid later than a similar item drawn on a U.S. Bank. • All credits to your account are provisional until final payment is received from the foreign bank.
Foreign Currency – Order foreign currency from the Bank.	Delivery Fee	

WIRE TRANSFER SERVICES		
Description	Fee	Additional Information
Incoming Wire – Domestic – A wire transfer received from a U.S. Bank and deposited into your account.	\$10	Per wire
Incoming Wire – International – A wire transfer received from a bank located outside the U.S. and deposited into your account.	\$10	Per wire
Outgoing Wire – Domestic – A wire transfer sent from your account to another account located in a U.S. bank.	\$25	Per wire
Outgoing Wire – International – A wire transfer sent from your account to another account located outside the U.S. that may be sent in U.S. or foreign currency.	\$45	Per wire

LEGAL PROCESSING		
Description	Fee	Additional Information
Levy – Processing of any tax levy against your accounts, whether or not the funds are actually paid.	\$50	Plus attorney fees
Garnishment – Processing of any garnishment against your accounts, whether or not the funds are actually paid.	\$50	Plus attorney fees

OTHER FEES		
Description	Fee	Additional Information
Account Closed within 30 days of opening	\$25	Per account
Cashier's Check – A check issued by the Bank.	\$5	Per check
Check Order – An order of personal checks, deposit slips or other banking supplies.	Varies	Depending on the style and quantity selected.
Domestic Collection Item - Incoming or Outgoing collection of check and non-check items such as a draft, drawn on a U.S. bank.	\$20	Per item <ul style="list-style-type: none"> • NSF checks, oil and gas draft, sight drafts, without entry claims, etc. • Other banks involved in the collection process may charge additional fees.
Deposited Item/Cashed Check Returned Unpaid – Your deposited or cashed check or draft is returned unpaid.	\$8	Per item presentment Per check or draft returned unpaid
Stop Payment - You request a stop payment on an ACH item or check by phone or at a financial center.	\$30	Per stop payment request <ul style="list-style-type: none"> • ACH stop payments are valid for 99 months • Check stop payments are valid for 6 months
Incorrect Address Fee – When mail is returned to the Bank as undeliverable or is received back by the Bank because an address change notification was not received by the Bank or the address provided is incorrect.	\$5	Per account, per month This fee can be avoided by providing the Bank with your current address each time you change your address.
Research – Research on your account including printing or viewing old statements, checks, and other documents.	\$25 \$2	Per hour (One hour minimum) Per page
Snapshot Statement - A statement of current activity that has occurred on your account since the last statement.	\$3	Per statement
Special Statement – Request by a customer to have a statement cut at a specific time of the month outside of the Bank designated time.	\$5	Per account, per statement cycle
Statement Reconciliation – A bank employee assists with reconciling your account.	\$25	Per hour (One hour minimum)
Night Depository Lock Bags	\$20	Per bag
Night Depository Zipper Bags	\$5	Per bag (one bag free)
Change Orders – Cash processing fee	\$0.20	Per \$100

SAFE DEPOSIT		
Description	Fee	Additional Information
Safe Deposit Annual Rent	Varies	By location
Drilling Fee – The Bank must drill the safe deposit box to gain access either due to lost keys or nonpayment rent.	\$125	Per occurrence
Lost Key Fee – One of the two keys to the safe deposit box is lost and is replaced.	\$25	Per occurrence

2022 Quarter 1

No activity

2022 Quarter 2***Opened:***

LPO/DPO – Houston Village Tower II, 9651 Katy Freeway, Suite 200, Houston, Tx 77024

Date: 05/04/2022 CT: 4305.00 / Upper

LPO – South Dallas Mortgage Office, 7220 S. Westmoreland Blvd., Suite 225, Dallas, Tx 75237

Date: 06/01/2022 CT: 0109.04 / Low

2022 Quarter 3

No activity

2022 Quarter 4

No activity

2023 Quarter 1

No activity

2023 Quarter 2***Closed:***

Eaton, 100 Oak Avenue, Eaton, CO 80615

Date: 4/28/2023 CT: 0015.00 / Middle

2023 Quarter 3***Opened:***

LPO – San Antonio, 2722 W. Bitters Rd, Suite 126 & 128, San Antonio, Texas 78248
Date: 6/1/2023 CT: 1914.06 / Upper

Relocated:

Greeley, 930 11th Ave, Greeley, CO 80631
Date: 8/7/2023 CT: 0001.00 / Low
Relocated to 1140 8th Avenue, Unit #3, Greeley, CO 80631

Closed:

Plano, 2701 Dallas Pkwy., Ste 100, Plano, TX 75093
Date: 9/8/23 CT: 0316.47 / Upper

2023 Quarter 4

No activity

2024 Quarter 1***Opened:***

San Antonio, 2722 W. Bitters Rd, Suite 126 & 128, San Antonio, Texas 78248
Date: 3/6/24 CT: 1914.06 / Upper ¹

Closed:

LPO – Dallas, 16660 Dallas Parkway, Dallas, TX 75248
Date: 3/15/24 CT: 0136.11 / Upper

2024 Quarter 2

No activity

¹ This is an LPO converted to a branch.

2024 Quarter 3

No activity

2024 Quarter 4***Opened:***

Sugar Land, 7220 Cotesworth Ave. Sugar Land, TX 77478
Date: 11/4/24 CT: 6739.02 / Upper

Closed:

Sugar Land, 19855 Southwest Freeway Suite 100, Sugar Land, TX 77479
Date: 11/1/2024 CT: 6746.01 / Upper

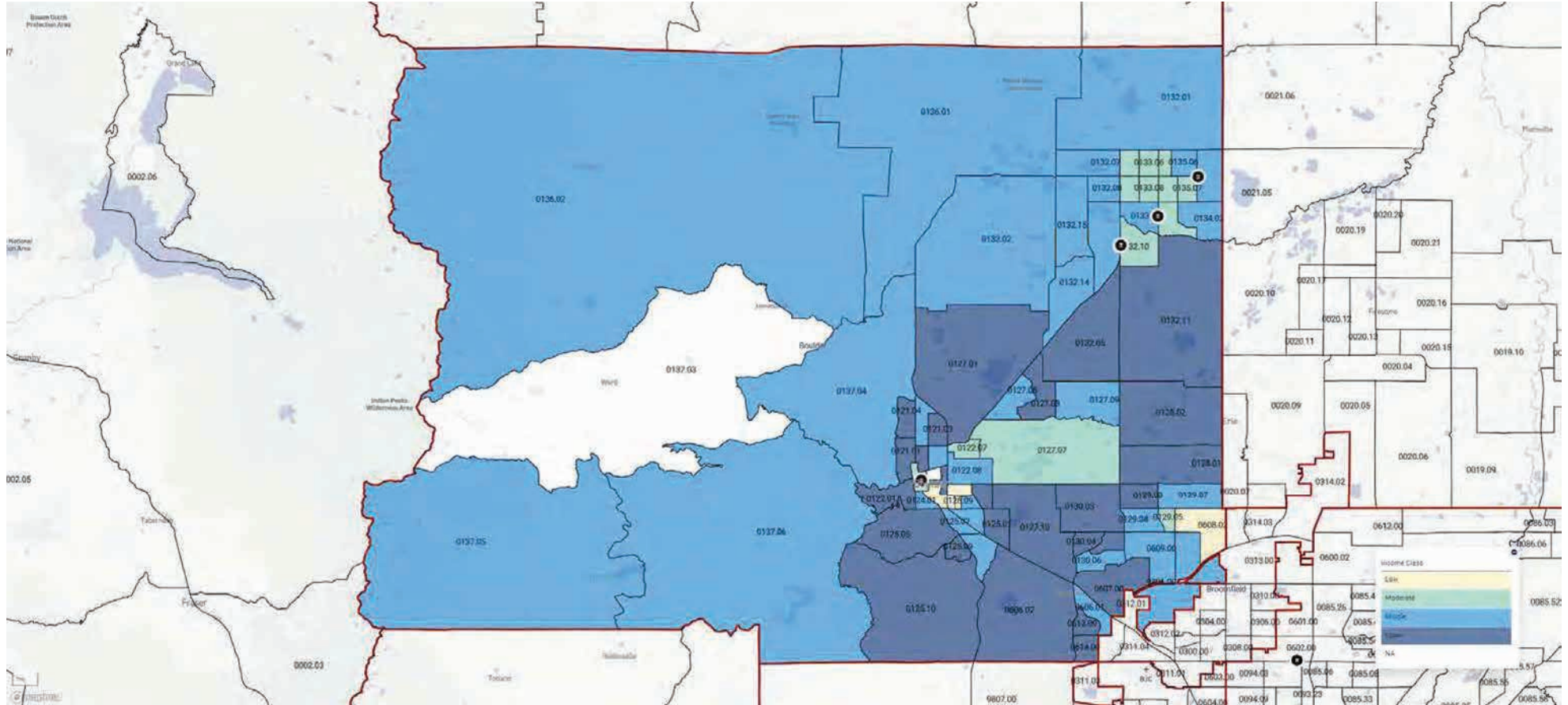
RiskExec Assessment Areas/REMA



Assessment Set: 2024 ASSESSMENT AREA

Assessment Area: 01 - BOULDER 2024 AA

01 - BOULDER 2024 AA





TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 01 - BOULDER 2024 AA

FIPS Codes

COLORADO (08) - BOULDER COUNTY (013) - 78 Tracts

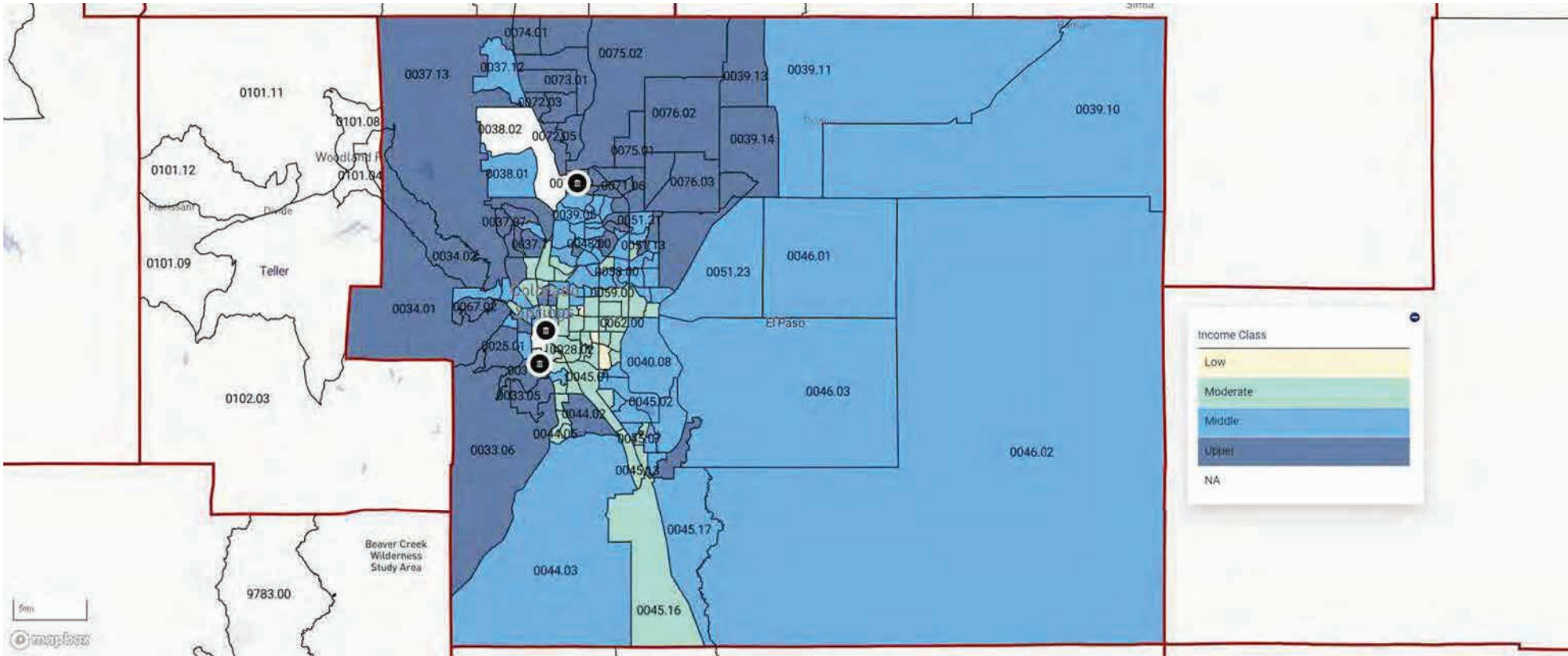
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08 013 0122.07	08 013 0122.08	08 013 0123.00	08 013 0124.01	08 013 0125.01	08 013 0125.05	08 013 0125.07	08 013 0125.08	08 013 0125.09	08 013 0125.10
08 013 0125.11	08 013 0126.03	08 013 0126.05	08 013 0126.08	08 013 0126.09	08 013 0126.10	08 013 0127.01	08 013 0127.05	08 013 0127.07	08 013 0127.08
08 013 0127.09	08 013 0127.10	08 013 0128.01	08 013 0128.02	08 013 0129.03	08 013 0129.04	08 013 0129.05	08 013 0129.07	08 013 0130.03	08 013 0130.04
08 013 0130.05	08 013 0130.06	08 013 0132.01	08 013 0132.02	08 013 0132.05	08 013 0132.07	08 013 0132.08	08 013 0132.10	08 013 0132.11	08 013 0132.12
08 013 0132.14	08 013 0132.15	08 013 0133.02	08 013 0133.05	08 013 0133.06	08 013 0133.07	08 013 0133.08	08 013 0134.01	08 013 0134.02	08 013 0135.03
08 013 0135.05	08 013 0135.06	08 013 0135.07	08 013 0135.08	08 013 0136.01	08 013 0136.02	08 013 0137.03	08 013 0137.04	08 013 0137.05	08 013 0137.06
08 013 0606.01	08 013 0606.02	08 013 0607.00	08 013 0608.01	08 013 0608.02	08 013 0609.00	08 013 0613.00	08 013 0614.00		

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

RiskExec Assessment Areas/REMA



Assessment Set: 2024 ASSESSMENT AREA
Assessment Area: 02 - COLORADO SPRINGS 2024 AA
02 - COLORADO SPRINGS 2024 AA



TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 02 - COLORADO SPRINGS 2024 AA

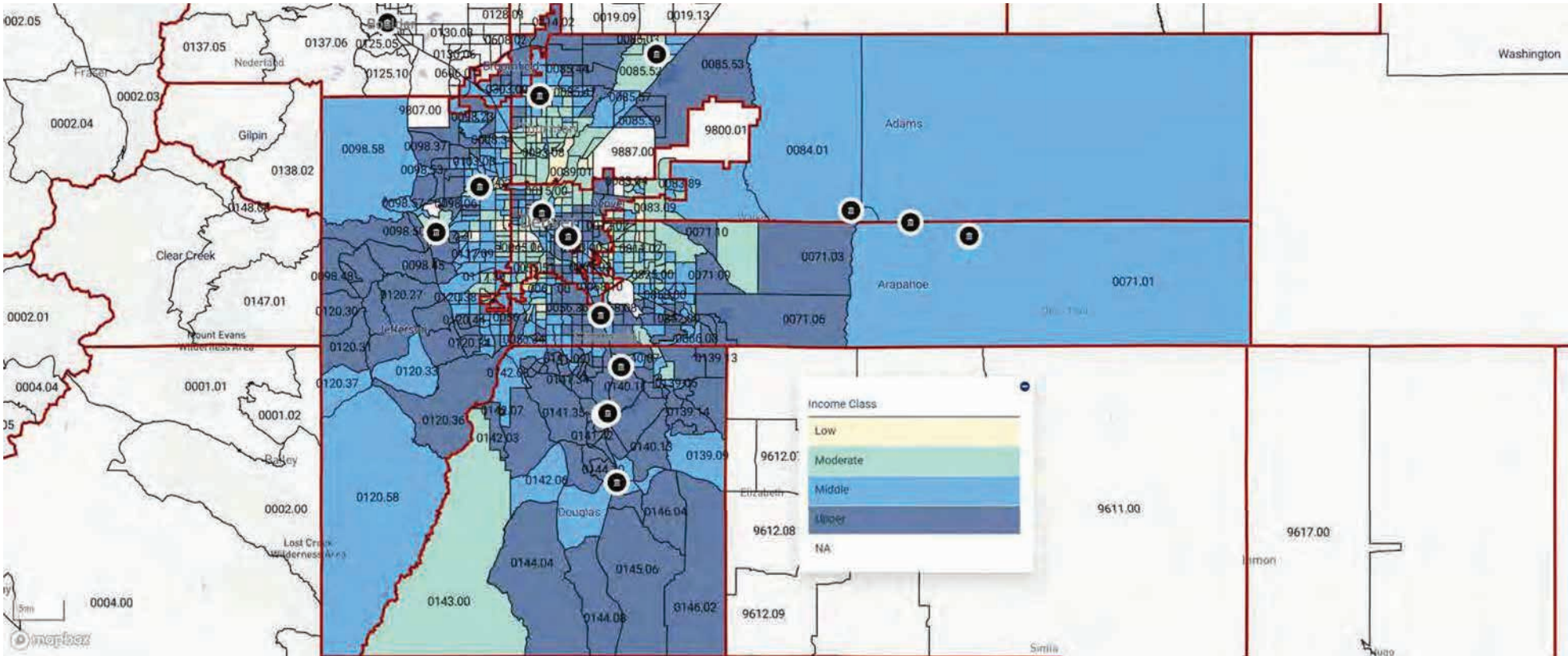
FIPS Codes

COLORADO (08) - EL PASO COUNTY (041) - 167 Tracts

08 041 0001.02	08 041 0001.03	08 041 0001.04	08 041 0002.02	08 041 0002.03	08 041 0003.01	08 041 0003.02	08 041 0004.00	08 041 0005.00	08 041 0006.00
08 041 0007.00	08 041 0008.00	08 041 0009.00	08 041 0010.00	08 041 0011.01	08 041 0011.04	08 041 0013.01	08 041 0013.02	08 041 0014.00	08 041 0015.00
08 041 0016.00	08 041 0017.00	08 041 0018.00	08 041 0019.01	08 041 0019.02	08 041 0020.00	08 041 0021.01	08 041 0021.02	08 041 0022.00	08 041 0023.00
08 041 0024.01	08 041 0024.02	08 041 0025.01	08 041 0025.02	08 041 0027.00	08 041 0028.01	08 041 0028.02	08 041 0029.01	08 041 0029.02	08 041 0030.01
08 041 0030.02	08 041 0031.00	08 041 0033.03	08 041 0033.05	08 041 0033.06	08 041 0033.07	08 041 0033.08	08 041 0034.01	08 041 0034.02	08 041 0037.02
08 041 0037.05	08 041 0037.06	08 041 0037.07	08 041 0037.08	08 041 0037.10	08 041 0037.11	08 041 0037.12	08 041 0037.13	08 041 0038.01	08 041 0038.02
08 041 0039.05	08 041 0039.06	08 041 0039.10	08 041 0039.11	08 041 0039.12	08 041 0039.13	08 041 0039.14	08 041 0040.08	08 041 0040.09	08 041 0041.00
08 041 0042.00	08 041 0043.00	08 041 0044.02	08 041 0044.03	08 041 0044.04	08 041 0044.05	08 041 0044.06	08 041 0045.01	08 041 0045.02	08 041 0045.06
08 041 0045.07	08 041 0045.12	08 041 0045.13	08 041 0045.14	08 041 0045.15	08 041 0045.16	08 041 0045.17	08 041 0045.18	08 041 0045.19	08 041 0045.20
08 041 0046.01	08 041 0046.02	08 041 0046.03	08 041 0047.01	08 041 0047.02	08 041 0047.03	08 041 0047.06	08 041 0047.07	08 041 0047.08	08 041 0048.00
08 041 0049.01	08 041 0049.02	08 041 0050.00	08 041 0051.10	08 041 0051.12	08 041 0051.13	08 041 0051.14	08 041 0051.15	08 041 0051.16	08 041 0051.17
08 041 0051.18	08 041 0051.19	08 041 0051.20	08 041 0051.21	08 041 0051.22	08 041 0051.23	08 041 0051.24	08 041 0051.25	08 041 0052.01	08 041 0052.02
08 041 0053.00	08 041 0054.00	08 041 0055.01	08 041 0055.02	08 041 0056.01	08 041 0056.02	08 041 0057.00	08 041 0058.00	08 041 0059.00	08 041 0060.00
08 041 0061.00	08 041 0062.00	08 041 0063.01	08 041 0063.02	08 041 0064.00	08 041 0065.01	08 041 0065.02	08 041 0066.00	08 041 0067.01	08 041 0067.02
08 041 0068.01	08 041 0068.02	08 041 0069.01	08 041 0069.02	08 041 0070.00	08 041 0071.03	08 041 0071.04	08 041 0071.05	08 041 0071.06	08 041 0072.03
08 041 0072.04	08 041 0072.05	08 041 0072.06	08 041 0073.01	08 041 0073.02	08 041 0074.01	08 041 0074.02	08 041 0075.01	08 041 0075.02	08 041 0076.02
08 041 0076.03	08 041 0076.04	08 041 0077.00	08 041 0078.01	08 041 0078.02	08 041 0079.00	08 041 0080.00			

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Set: 2024 ASSESSMENT AREA
Assessment Area: 03 - DENVER-AURORA-LAKEWOOD 2024 AA
03 - DENVER-AURORA-LAKEWOOD 2024 AA



RiskExec

TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 03 - DENVER-AURORA-LAKEWOOD 2024 AA

FIPS Codes

COLORADO (08) - ADAMS COUNTY (001) - 107 Tracts

08 001 0078.01	08 001 0078.02	08 001 0079.00	08 001 0080.00	08 001 0081.00	08 001 0082.00	08 001 0083.08	08 001 0083.09	08 001 0083.54	08 001 0083.55
08 001 0084.01	08 001 0084.02	08 001 0085.05	08 001 0085.06	08 001 0085.07	08 001 0085.08	08 001 0085.24	08 001 0085.26	08 001 0085.33	08 001 0085.34
08 001 0085.35	08 001 0085.36	08 001 0085.38	08 001 0085.40	08 001 0085.44	08 001 0085.45	08 001 0085.46	08 001 0085.47	08 001 0085.48	08 001 0085.49
08 001 0085.50	08 001 0085.51	08 001 0085.52	08 001 0085.53	08 001 0085.54	08 001 0085.55	08 001 0085.56	08 001 0085.57	08 001 0085.58	08 001 0085.59
08 001 0085.60	08 001 0085.61	08 001 0085.62	08 001 0085.63	08 001 0085.64	08 001 0085.65	08 001 0086.03	08 001 0086.04	08 001 0086.05	08 001 0086.06
08 001 0087.05	08 001 0087.06	08 001 0087.09	08 001 0088.01	08 001 0088.02	08 001 0089.01	08 001 0090.01	08 001 0090.03	08 001 0090.04	08 001 0091.01
08 001 0091.03	08 001 0091.04	08 001 0092.02	08 001 0092.03	08 001 0092.04	08 001 0092.06	08 001 0092.07	08 001 0093.04	08 001 0093.06	08 001 0093.07
08 001 0093.08	08 001 0093.09	08 001 0093.10	08 001 0093.16	08 001 0093.18	08 001 0093.19	08 001 0093.20	08 001 0093.21	08 001 0093.22	08 001 0093.23
08 001 0093.25	08 001 0093.26	08 001 0093.27	08 001 0094.01	08 001 0094.06	08 001 0094.07	08 001 0094.08	08 001 0094.09	08 001 0094.10	08 001 0094.11
08 001 0095.01	08 001 0095.02	08 001 0095.53	08 001 0096.03	08 001 0096.04	08 001 0096.06	08 001 0096.07	08 001 0096.08	08 001 0097.51	08 001 0097.52
08 001 0150.00	08 001 0600.01	08 001 0600.02	08 001 0601.00	08 001 0602.00	08 001 0612.00	08 001 9887.00			

COLORADO (08) - ARAPAHOE COUNTY (005) - 161 Tracts

08 005 0049.51	08 005 0049.52	08 005 0055.51	08 005 0055.52	08 005 0055.53	08 005 0056.11	08 005 0056.12	08 005 0056.14	08 005 0056.19	08 005 0056.20
08 005 0056.21	08 005 0056.22	08 005 0056.23	08 005 0056.24	08 005 0056.25	08 005 0056.26	08 005 0056.27	08 005 0056.28	08 005 0056.29	08 005 0056.30
08 005 0056.31	08 005 0056.32	08 005 0056.33	08 005 0056.34	08 005 0056.35	08 005 0056.36	08 005 0057.01	08 005 0057.02	08 005 0058.00	08 005 0059.51
08 005 0059.52	08 005 0060.00	08 005 0061.00	08 005 0062.00	08 005 0063.00	08 005 0064.00	08 005 0065.01	08 005 0065.02	08 005 0066.01	08 005 0066.03
08 005 0066.04	08 005 0067.04	08 005 0067.05	08 005 0067.06	08 005 0067.07	08 005 0067.08	08 005 0067.09	08 005 0067.11	08 005 0067.12	08 005 0067.13
08 005 0068.08	08 005 0068.15	08 005 0068.54	08 005 0068.57	08 005 0068.59	08 005 0068.60	08 005 0068.61	08 005 0068.62	08 005 0068.63	08 005 0068.64
08 005 0071.01	08 005 0071.03	08 005 0071.06	08 005 0071.08	08 005 0071.09	08 005 0071.10	08 005 0071.11	08 005 0071.12	08 005 0071.13	08 005 0072.01
08 005 0072.02	08 005 0073.01	08 005 0073.02	08 005 0074.00	08 005 0075.00	08 005 0076.00	08 005 0077.02	08 005 0077.03	08 005 0077.04	08 005 0151.00
08 005 0800.00	08 005 0801.00	08 005 0802.00	08 005 0803.00	08 005 0804.00	08 005 0805.00	08 005 0806.00	08 005 0807.00	08 005 0808.00	08 005 0809.00
08 005 0810.01	08 005 0810.02	08 005 0811.01	08 005 0811.02	08 005 0812.00	08 005 0813.00	08 005 0814.00	08 005 0815.00	08 005 0816.00	08 005 0817.00
08 005 0818.00	08 005 0819.00	08 005 0820.00	08 005 0821.00	08 005 0822.00	08 005 0823.00	08 005 0824.00	08 005 0825.00	08 005 0826.00	08 005 0827.00
08 005 0828.00	08 005 0829.00	08 005 0830.00	08 005 0831.00	08 005 0832.01	08 005 0832.02	08 005 0833.00	08 005 0834.00	08 005 0835.00	08 005 0836.00
08 005 0837.00	08 005 0838.00	08 005 0839.00	08 005 0840.00	08 005 0841.00	08 005 0842.00	08 005 0843.00	08 005 0844.00	08 005 0845.00	08 005 0846.00
08 005 0847.00	08 005 0848.00	08 005 0849.00	08 005 0850.00	08 005 0851.00	08 005 0852.00	08 005 0853.00	08 005 0854.00	08 005 0855.00	08 005 0856.00
08 005 0857.00	08 005 0858.00	08 005 0859.00	08 005 0860.01	08 005 0860.02	08 005 0861.00	08 005 0862.00	08 005 0863.00	08 005 0864.00	08 005 0865.00
08 005 0866.00	08 005 0867.00	08 005 0868.01	08 005 0868.02	08 005 0869.00	08 005 0870.00	08 005 0871.00	08 005 0872.00	08 005 0873.01	08 005 0873.02
08 005 9800.00									

COLORADO (08) - BROOMFIELD COUNTY (014) - 24 Tracts

08 014 0300.00	08 014 0301.00	08 014 0302.00	08 014 0303.00	08 014 0304.00	08 014 0305.00	08 014 0306.00	08 014 0307.00	08 014 0308.00	08 014 0309.00
08 014 0310.00	08 014 0311.01	08 014 0311.02	08 014 0311.03	08 014 0311.04	08 014 0312.01	08 014 0312.02	08 014 0313.00	08 014 0314.01	08 014 0314.02
08 014 0314.03	08 014 9801.00	08 014 9802.00	08 014 9803.00						

COLORADO (08) - DENVER COUNTY (031) - 178 Tracts

08 031 0001.02	08 031 0002.01	08 031 0002.02	08 031 0003.01	08 031 0003.02	08 031 0003.03	08 031 0004.01	08 031 0004.03	08 031 0004.04	08 031 0005.01
08 031 0005.03	08 031 0005.04	08 031 0006.00	08 031 0007.03	08 031 0007.04	08 031 0007.05	08 031 0007.06	08 031 0008.00	08 031 0009.02	08 031 0009.03
08 031 0009.04	08 031 0009.05	08 031 0010.00	08 031 0011.01	08 031 0011.02	08 031 0013.01	08 031 0013.02	08 031 0014.01	08 031 0014.02	08 031 0014.03
08 031 0015.00	08 031 0016.01	08 031 0016.02	08 031 0016.03	08 031 0017.03	08 031 0017.04	08 031 0017.05	08 031 0017.06	08 031 0017.07	08 031 0018.00
08 031 0019.01	08 031 0020.00	08 031 0021.01	08 031 0021.02	08 031 0023.00	08 031 0024.02	08 031 0024.04	08 031 0024.05	08 031 0026.02	08 031 0026.03

08 031 0026.04	08 031 0027.04	08 031 0027.05	08 031 0027.06	08 031 0027.07	08 031 0027.08	08 031 0027.09	08 031 0028.01	08 031 0028.02	08 031 0028.04
08 031 0028.05	08 031 0029.01	08 031 0029.02	08 031 0030.02	08 031 0030.03	08 031 0030.04	08 031 0030.05	08 031 0030.06	08 031 0031.01	08 031 0031.02
08 031 0032.02	08 031 0032.03	08 031 0032.04	08 031 0032.05	08 031 0033.00	08 031 0034.01	08 031 0034.02	08 031 0035.01	08 031 0035.02	08 031 0036.01
08 031 0036.02	08 031 0036.03	08 031 0037.01	08 031 0037.02	08 031 0037.03	08 031 0038.01	08 031 0038.02	08 031 0039.01	08 031 0039.02	08 031 0040.02
08 031 0040.03	08 031 0040.04	08 031 0040.05	08 031 0040.06	08 031 0041.01	08 031 0041.02	08 031 0041.03	08 031 0041.04	08 031 0041.08	08 031 0041.09
08 031 0041.10	08 031 0041.11	08 031 0041.12	08 031 0041.13	08 031 0042.01	08 031 0042.02	08 031 0043.02	08 031 0043.03	08 031 0043.06	08 031 0043.07
08 031 0043.08	08 031 0043.09	08 031 0043.10	08 031 0044.03	08 031 0044.04	08 031 0044.06	08 031 0044.07	08 031 0045.03	08 031 0045.04	08 031 0045.05
08 031 0045.06	08 031 0046.01	08 031 0046.02	08 031 0046.03	08 031 0047.00	08 031 0048.01	08 031 0050.01	08 031 0050.03	08 031 0050.04	08 031 0051.02
08 031 0051.04	08 031 0052.00	08 031 0053.00	08 031 0055.02	08 031 0055.03	08 031 0067.01	08 031 0068.04	08 031 0068.10	08 031 0068.12	08 031 0068.13
08 031 0068.14	08 031 0068.15	08 031 0068.16	08 031 0068.17	08 031 0068.18	08 031 0069.02	08 031 0069.03	08 031 0070.06	08 031 0070.13	08 031 0070.37
08 031 0070.88	08 031 0070.90	08 031 0070.91	08 031 0083.04	08 031 0083.05	08 031 0083.06	08 031 0083.12	08 031 0083.86	08 031 0083.87	08 031 0083.88
08 031 0083.89	08 031 0083.90	08 031 0083.91	08 031 0119.02	08 031 0119.03	08 031 0120.01	08 031 0120.10	08 031 0120.15	08 031 0120.16	08 031 0153.00
08 031 0154.00	08 031 0155.00	08 031 0156.00	08 031 0157.00	08 031 0158.00	08 031 9800.01	08 031 9801.00	08 031 9802.00		

COLORADO (08) - DOUGLAS COUNTY (035) - 72 Tracts

08 035 0139.04	08 035 0139.05	08 035 0139.07	08 035 0139.09	08 035 0139.10	08 035 0139.11	08 035 0139.12	08 035 0139.13	08 035 0139.14	08 035 0139.15
08 035 0140.05	08 035 0140.06	08 035 0140.07	08 035 0140.08	08 035 0140.09	08 035 0140.10	08 035 0140.11	08 035 0140.13	08 035 0140.14	08 035 0140.15
08 035 0140.16	08 035 0140.17	08 035 0141.07	08 035 0141.08	08 035 0141.09	08 035 0141.10	08 035 0141.12	08 035 0141.13	08 035 0141.14	08 035 0141.15
08 035 0141.16	08 035 0141.23	08 035 0141.24	08 035 0141.25	08 035 0141.26	08 035 0141.27	08 035 0141.28	08 035 0141.29	08 035 0141.30	08 035 0141.31
08 035 0141.32	08 035 0141.33	08 035 0141.34	08 035 0141.35	08 035 0141.38	08 035 0141.39	08 035 0141.40	08 035 0141.41	08 035 0141.42	08 035 0141.43
08 035 0141.44	08 035 0141.45	08 035 0141.46	08 035 0142.03	08 035 0142.05	08 035 0142.06	08 035 0142.07	08 035 0142.08	08 035 0143.00	08 035 0144.04
08 035 0144.05	08 035 0144.07	08 035 0144.08	08 035 0144.09	08 035 0144.10	08 035 0145.03	08 035 0145.04	08 035 0145.05	08 035 0145.06	08 035 0146.02
08 035 0146.03	08 035 0146.04								

COLORADO (08) - JEFFERSON COUNTY (059) - 146 Tracts

08 059 0098.06	08 059 0098.07	08 059 0098.15	08 059 0098.23	08 059 0098.24	08 059 0098.27	08 059 0098.28	08 059 0098.29	08 059 0098.30	08 059 0098.31
08 059 0098.32	08 059 0098.33	08 059 0098.34	08 059 0098.35	08 059 0098.36	08 059 0098.37	08 059 0098.38	08 059 0098.39	08 059 0098.40	08 059 0098.41
08 059 0098.42	08 059 0098.45	08 059 0098.46	08 059 0098.47	08 059 0098.48	08 059 0098.50	08 059 0098.51	08 059 0098.52	08 059 0098.53	08 059 0098.54
08 059 0098.55	08 059 0098.56	08 059 0098.57	08 059 0098.58	08 059 0099.01	08 059 0100.01	08 059 0101.00	08 059 0102.05	08 059 0102.06	08 059 0102.08
08 059 0102.09	08 059 0102.10	08 059 0102.11	08 059 0102.12	08 059 0102.13	08 059 0103.03	08 059 0103.04	08 059 0103.05	08 059 0103.06	08 059 0103.07
08 059 0103.08	08 059 0104.02	08 059 0104.03	08 059 0104.05	08 059 0104.06	08 059 0105.02	08 059 0105.03	08 059 0105.04	08 059 0106.03	08 059 0106.04
08 059 0107.01	08 059 0107.02	08 059 0108.01	08 059 0109.01	08 059 0109.02	08 059 0110.00	08 059 0111.01	08 059 0111.02	08 059 0112.02	08 059 0113.00
08 059 0114.01	08 059 0114.02	08 059 0115.51	08 059 0115.52	08 059 0116.01	08 059 0116.02	08 059 0117.01	08 059 0117.02	08 059 0117.08	08 059 0117.09
08 059 0117.10	08 059 0117.11	08 059 0117.12	08 059 0117.20	08 059 0117.21	08 059 0117.23	08 059 0117.24	08 059 0117.25	08 059 0117.26	08 059 0117.27
08 059 0117.28	08 059 0117.29	08 059 0117.30	08 059 0117.31	08 059 0117.32	08 059 0117.33	08 059 0118.03	08 059 0118.04	08 059 0118.06	08 059 0118.07
08 059 0118.08	08 059 0119.04	08 059 0119.51	08 059 0120.22	08 059 0120.23	08 059 0120.24	08 059 0120.26	08 059 0120.27	08 059 0120.30	08 059 0120.31
08 059 0120.32	08 059 0120.33	08 059 0120.34	08 059 0120.35	08 059 0120.36	08 059 0120.37	08 059 0120.38	08 059 0120.39	08 059 0120.41	08 059 0120.42
08 059 0120.43	08 059 0120.44	08 059 0120.45	08 059 0120.46	08 059 0120.47	08 059 0120.48	08 059 0120.49	08 059 0120.50	08 059 0120.51	08 059 0120.52
08 059 0120.53	08 059 0120.54	08 059 0120.55	08 059 0120.57	08 059 0120.58	08 059 0120.59	08 059 0120.60	08 059 0158.00	08 059 0159.00	08 059 0603.00
08 059 0604.00	08 059 0605.01	08 059 9800.00	08 059 9804.00	08 059 9807.00	08 059 9808.00				

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Area: 04 - FORT COLLINS 2024 AA

Income Class

- Low
- Moderate
- Middle
- Upper
- NA



TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 04 - FORT COLLINS 2024 AA

FIPS Codes

COLORADO (08) - LARIMER COUNTY (069) - 86 Tracts

08 069 0001.00	08 069 0002.01	08 069 0002.02	08 069 0003.00	08 069 0004.01	08 069 0004.02	08 069 0005.03	08 069 0005.04	08 069 0005.05	08 069 0005.06
08 069 0006.00	08 069 0007.00	08 069 0008.01	08 069 0008.02	08 069 0009.01	08 069 0009.02	08 069 0010.03	08 069 0010.04	08 069 0010.07	08 069 0010.08
08 069 0010.09	08 069 0010.10	08 069 0011.04	08 069 0011.06	08 069 0011.07	08 069 0011.09	08 069 0011.10	08 069 0011.11	08 069 0011.12	08 069 0011.13
08 069 0011.14	08 069 0013.01	08 069 0013.04	08 069 0013.05	08 069 0013.06	08 069 0013.07	08 069 0013.08	08 069 0016.01	08 069 0016.02	08 069 0016.03
08 069 0016.05	08 069 0016.06	08 069 0016.07	08 069 0016.08	08 069 0017.06	08 069 0017.07	08 069 0017.08	08 069 0017.10	08 069 0017.11	08 069 0017.12
08 069 0017.13	08 069 0017.14	08 069 0017.15	08 069 0018.04	08 069 0018.07	08 069 0018.08	08 069 0018.10	08 069 0018.11	08 069 0018.12	08 069 0018.13
08 069 0019.01	08 069 0019.02	08 069 0019.04	08 069 0019.05	08 069 0020.05	08 069 0020.07	08 069 0020.08	08 069 0020.10	08 069 0020.11	08 069 0023.00
08 069 0024.01	08 069 0024.03	08 069 0024.04	08 069 0025.03	08 069 0025.04	08 069 0025.05	08 069 0025.06	08 069 0025.07	08 069 0025.08	08 069 0026.01
08 069 0026.02	08 069 0027.00	08 069 0028.01	08 069 0028.03	08 069 0028.04	08 069 0028.05				

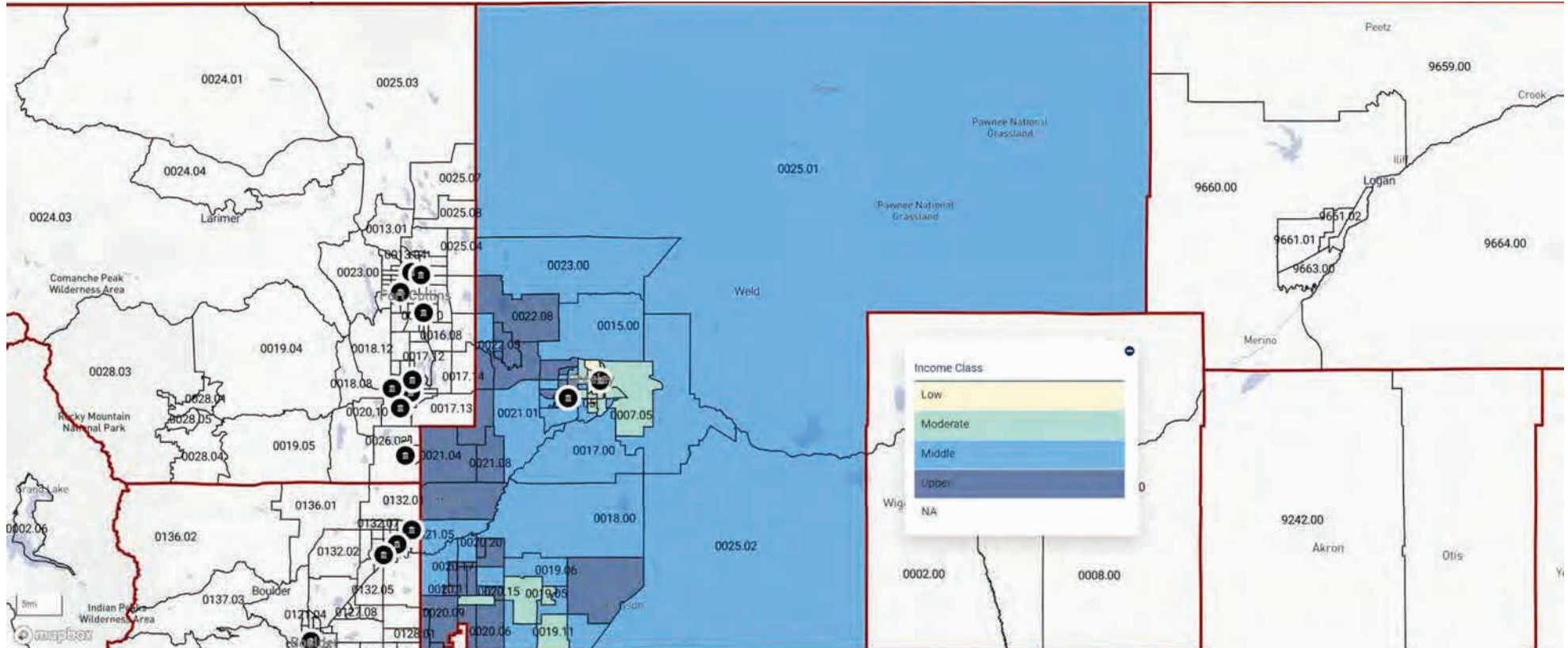
Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

RiskExec Assessment Areas/REMA

Assessment Set: 2024 ASSESSMENT AREA

Assessment Area: 05 - GREELEY 2024 AA

05 - GREELEY 2024 AA



TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 05 - GREELEY 2024 AA

FIPS Codes

COLORADO (08) - WELD COUNTY (123) - 83 Tracts

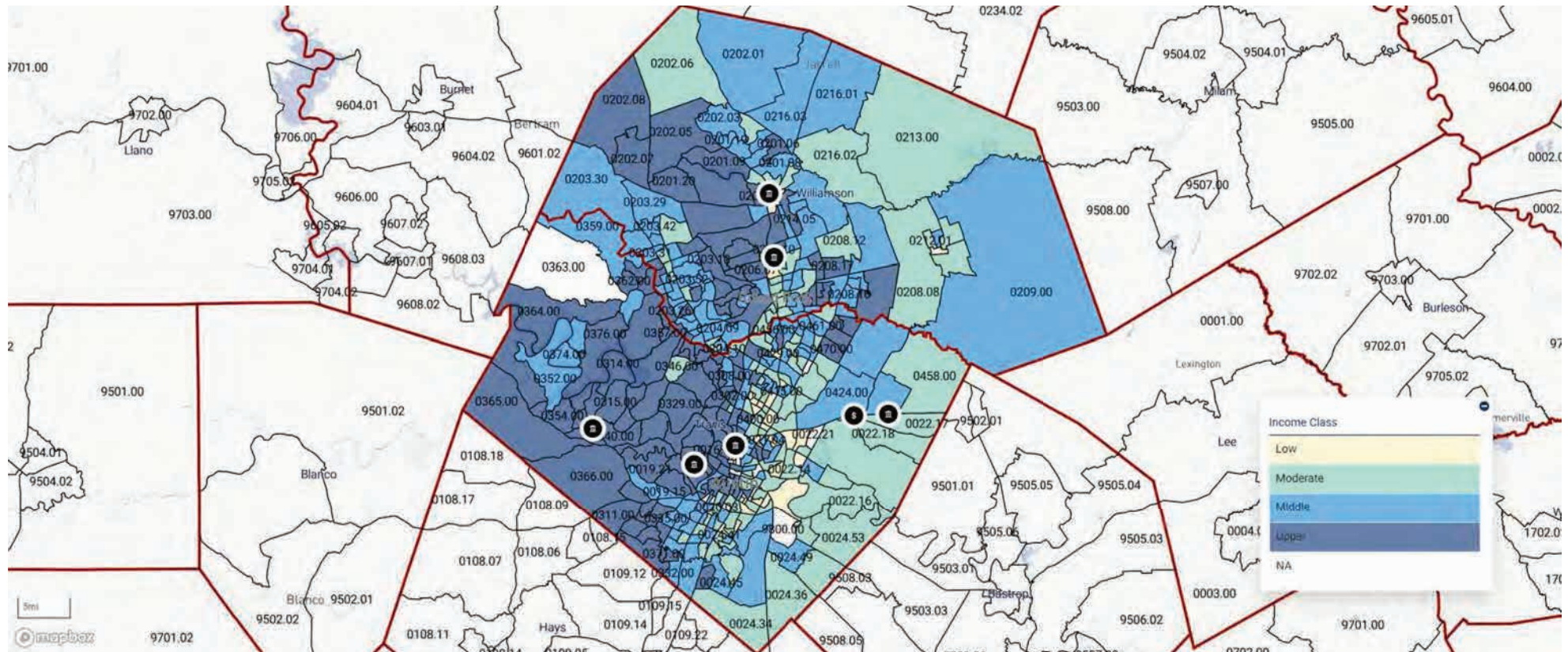
08 123 0001.00	08 123 0002.00	08 123 0003.00	08 123 0004.01	08 123 0004.02	08 123 0005.01	08 123 0005.02	08 123 0006.00	08 123 0007.01	08 123 0007.03
08 123 0007.04	08 123 0007.05	08 123 0008.00	08 123 0009.00	08 123 0010.03	08 123 0010.04	08 123 0010.05	08 123 0010.06	08 123 0011.00	08 123 0012.01
08 123 0012.02	08 123 0013.00	08 123 0014.04	08 123 0014.05	08 123 0014.06	08 123 0014.07	08 123 0014.08	08 123 0014.09	08 123 0014.10	08 123 0014.11
08 123 0014.12	08 123 0014.13	08 123 0014.14	08 123 0014.15	08 123 0014.16	08 123 0014.17	08 123 0015.00	08 123 0016.00	08 123 0017.00	08 123 0018.00
08 123 0019.05	08 123 0019.06	08 123 0019.09	08 123 0019.10	08 123 0019.11	08 123 0019.12	08 123 0019.13	08 123 0019.14	08 123 0020.04	08 123 0020.05
08 123 0020.06	08 123 0020.07	08 123 0020.08	08 123 0020.09	08 123 0020.10	08 123 0020.11	08 123 0020.12	08 123 0020.13	08 123 0020.14	08 123 0020.15
08 123 0020.16	08 123 0020.17	08 123 0020.18	08 123 0020.19	08 123 0020.20	08 123 0020.21	08 123 0021.01	08 123 0021.04	08 123 0021.05	08 123 0021.06
08 123 0021.07	08 123 0021.08	08 123 0022.03	08 123 0022.04	08 123 0022.05	08 123 0022.06	08 123 0022.07	08 123 0022.08	08 123 0022.09	08 123 0022.10
08 123 0023.00	08 123 0025.01	08 123 0025.02							

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Set: 2024 ASSESSMENT AREA

Assessment Area: 06 - AUSTIN-ROUND ROCK-GEORGETOWN 2024 AA

06 - AUSTIN-ROUND ROCK-GEORGETOWN 2024 AA



RiskExec

TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 06 - AUSTIN-ROUND ROCK-GEORGETOWN 2024 AA

FIPS Codes

TEXAS (48) - TRAVIS COUNTY (453) - 290 Tracts

48 453 0001.01	48 453 0001.02	48 453 0002.03	48 453 0002.04	48 453 0002.05	48 453 0002.06	48 453 0003.02	48 453 0003.04	48 453 0003.05	48 453 0003.07
48 453 0003.08	48 453 0003.09	48 453 0004.01	48 453 0004.02	48 453 0005.00	48 453 0006.01	48 453 0006.05	48 453 0006.06	48 453 0006.07	48 453 0006.08
48 453 0007.00	48 453 0008.01	48 453 0008.02	48 453 0008.03	48 453 0008.04	48 453 0009.01	48 453 0009.02	48 453 0010.00	48 453 0011.01	48 453 0011.02
48 453 0011.03	48 453 0012.00	48 453 0013.04	48 453 0013.07	48 453 0013.08	48 453 0013.09	48 453 0013.10	48 453 0013.11	48 453 0013.12	48 453 0014.01
48 453 0014.02	48 453 0014.03	48 453 0015.01	48 453 0015.03	48 453 0015.04	48 453 0015.05	48 453 0016.02	48 453 0016.03	48 453 0016.04	48 453 0016.05
48 453 0016.06	48 453 0019.10	48 453 0019.11	48 453 0019.12	48 453 0019.13	48 453 0019.14	48 453 0019.15	48 453 0019.16	48 453 0019.17	48 453 0019.18
48 453 0019.19	48 453 0019.20	48 453 0019.21	48 453 0019.22	48 453 0019.23	48 453 0020.02	48 453 0020.03	48 453 0020.04	48 453 0020.06	48 453 0020.07
48 453 0021.04	48 453 0021.05	48 453 0021.06	48 453 0021.07	48 453 0021.08	48 453 0021.09	48 453 0021.10	48 453 0021.11	48 453 0021.12	48 453 0021.13
48 453 0022.01	48 453 0022.11	48 453 0022.13	48 453 0022.14	48 453 0022.15	48 453 0022.16	48 453 0022.17	48 453 0022.18	48 453 0022.19	48 453 0022.20
48 453 0022.21	48 453 0022.22	48 453 0023.04	48 453 0023.07	48 453 0023.10	48 453 0023.13	48 453 0023.14	48 453 0023.15	48 453 0023.16	48 453 0023.19
48 453 0023.20	48 453 0023.21	48 453 0023.22	48 453 0023.23	48 453 0023.24	48 453 0023.25	48 453 0023.26	48 453 0023.27	48 453 0024.03	48 453 0024.07
48 453 0024.09	48 453 0024.10	48 453 0024.11	48 453 0024.12	48 453 0024.13	48 453 0024.19	48 453 0024.22	48 453 0024.23	48 453 0024.24	48 453 0024.30
48 453 0024.32	48 453 0024.34	48 453 0024.36	48 453 0024.37	48 453 0024.38	48 453 0024.39	48 453 0024.40	48 453 0024.41	48 453 0024.42	48 453 0024.43
48 453 0024.44	48 453 0024.45	48 453 0024.46	48 453 0024.47	48 453 0024.48	48 453 0024.49	48 453 0024.50	48 453 0024.51	48 453 0024.52	48 453 0024.53
48 453 0025.00	48 453 0300.00	48 453 0301.00	48 453 0302.00	48 453 0303.00	48 453 0304.00	48 453 0305.00	48 453 0306.00	48 453 0307.00	48 453 0308.00
48 453 0309.00	48 453 0310.00	48 453 0311.00	48 453 0312.00	48 453 0313.00	48 453 0314.00	48 453 0315.00	48 453 0316.00	48 453 0317.00	48 453 0318.00
48 453 0319.00	48 453 0320.00	48 453 0321.00	48 453 0322.00	48 453 0323.00	48 453 0324.00	48 453 0325.00	48 453 0326.00	48 453 0327.00	48 453 0328.00
48 453 0329.00	48 453 0330.00	48 453 0331.00	48 453 0332.00	48 453 0333.00	48 453 0334.00	48 453 0335.00	48 453 0336.00	48 453 0337.00	48 453 0338.00
48 453 0339.00	48 453 0340.00	48 453 0341.00	48 453 0342.00	48 453 0343.00	48 453 0344.00	48 453 0345.00	48 453 0346.00	48 453 0347.00	48 453 0348.00
48 453 0349.00	48 453 0350.00	48 453 0351.00	48 453 0352.00	48 453 0353.00	48 453 0354.00	48 453 0355.00	48 453 0356.00	48 453 0357.00	48 453 0358.00
48 453 0359.00	48 453 0360.00	48 453 0361.00	48 453 0362.00	48 453 0363.00	48 453 0364.00	48 453 0365.00	48 453 0366.00	48 453 0367.00	48 453 0368.00
48 453 0369.00	48 453 0370.00	48 453 0371.00	48 453 0372.00	48 453 0373.00	48 453 0374.00	48 453 0375.00	48 453 0376.00	48 453 0400.00	48 453 0401.00
48 453 0402.00	48 453 0403.00	48 453 0404.00	48 453 0405.00	48 453 0406.00	48 453 0407.00	48 453 0408.00	48 453 0409.00	48 453 0410.00	48 453 0411.00
48 453 0412.00	48 453 0413.00	48 453 0414.00	48 453 0415.00	48 453 0416.00	48 453 0417.00	48 453 0418.00	48 453 0419.00	48 453 0420.00	48 453 0421.00
48 453 0422.00	48 453 0423.00	48 453 0424.00	48 453 0425.00	48 453 0426.00	48 453 0427.00	48 453 0428.00	48 453 0429.00	48 453 0430.00	48 453 0431.00
48 453 0432.00	48 453 0433.00	48 453 0434.00	48 453 0435.00	48 453 0436.00	48 453 0437.00	48 453 0438.00	48 453 0439.00	48 453 0440.00	48 453 0441.00
48 453 0442.00	48 453 0443.00	48 453 0444.00	48 453 0445.00	48 453 0446.00	48 453 0447.00	48 453 0448.00	48 453 0449.00	48 453 0450.00	48 453 0451.00
48 453 0452.00	48 453 0453.00	48 453 0454.00	48 453 0455.00	48 453 0456.00	48 453 0457.00	48 453 0458.00	48 453 0459.00	48 453 0460.00	48 453 0461.00
48 453 0462.00	48 453 0463.00	48 453 0464.00	48 453 0465.00	48 453 0466.00	48 453 0467.00	48 453 0468.00	48 453 0469.00	48 453 0470.00	48 453 9800.00

TEXAS (48) - WILLIAMSON COUNTY (491) - 135 Tracts

48 491 0201.06	48 491 0201.08	48 491 0201.09	48 491 0201.11	48 491 0201.13	48 491 0201.14	48 491 0201.15	48 491 0201.16	48 491 0201.17	48 491 0201.18
48 491 0201.19	48 491 0201.20	48 491 0201.21	48 491 0201.22	48 491 0201.23	48 491 0201.24	48 491 0202.01	48 491 0202.03	48 491 0202.05	48 491 0202.06
48 491 0202.07	48 491 0202.08	48 491 0203.10	48 491 0203.11	48 491 0203.19	48 491 0203.21	48 491 0203.23	48 491 0203.25	48 491 0203.26	48 491 0203.27
48 491 0203.29	48 491 0203.30	48 491 0203.31	48 491 0203.32	48 491 0203.33	48 491 0203.34	48 491 0203.35	48 491 0203.36	48 491 0203.37	48 491 0203.38
48 491 0203.39	48 491 0203.40	48 491 0203.41	48 491 0203.42	48 491 0203.43	48 491 0203.44	48 491 0203.45	48 491 0203.46	48 491 0203.47	48 491 0203.48
48 491 0203.49	48 491 0203.50	48 491 0203.51	48 491 0203.52	48 491 0203.53	48 491 0203.54	48 491 0203.55	48 491 0203.56	48 491 0204.03	48 491 0204.04
48 491 0204.05	48 491 0204.06	48 491 0204.08	48 491 0204.09	48 491 0204.10	48 491 0204.11	48 491 0205.03	48 491 0205.05	48 491 0205.07	48 491 0205.08
48 491 0205.09	48 491 0205.11	48 491 0205.12	48 491 0205.13	48 491 0205.14	48 491 0205.15	48 491 0205.16	48 491 0205.17	48 491 0206.02	48 491 0206.04
48 491 0206.06	48 491 0206.07	48 491 0206.08	48 491 0206.09	48 491 0207.01	48 491 0207.04	48 491 0207.06	48 491 0207.07	48 491 0207.09	48 491 0207.10
48 491 0207.11	48 491 0207.12	48 491 0207.13	48 491 0208.08	48 491 0208.10	48 491 0208.11	48 491 0208.12	48 491 0208.13	48 491 0208.14	48 491 0208.15
48 491 0208.16	48 491 0208.17	48 491 0208.18	48 491 0208.19	48 491 0208.20	48 491 0208.21	48 491 0208.22	48 491 0209.00	48 491 0210.00	48 491 0211.00
48 491 0212.01	48 491 0212.02	48 491 0212.03	48 491 0213.00	48 491 0214.02	48 491 0214.04	48 491 0214.05	48 491 0214.06	48 491 0214.07	48 491 0215.02

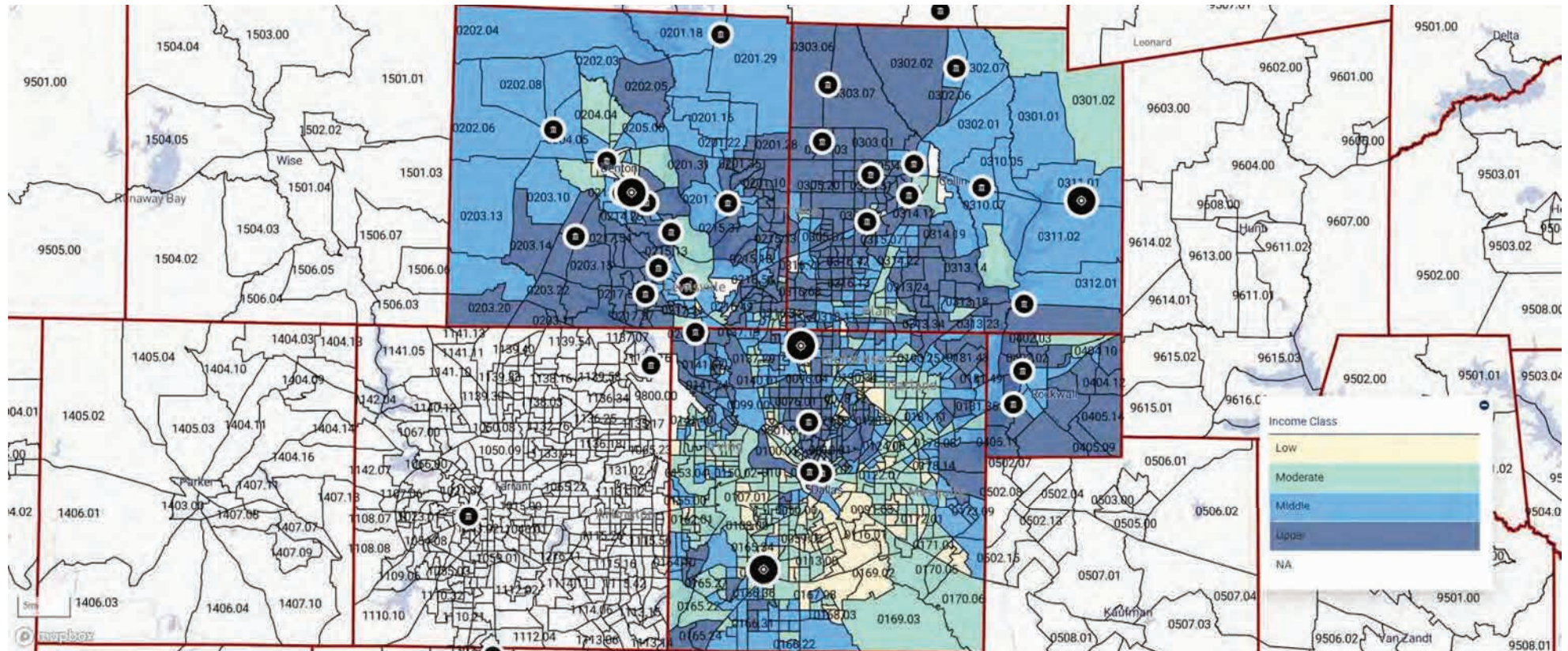
48 491 0215.03	48 491 0215.06	48 491 0215.09	48 491 0215.10	48 491 0215.11	48 491 0215.12	48 491 0215.13	48 491 0215.14	48 491 0215.15	48 491 0215.16
48 491 0215.17	48 491 0215.18	48 491 0216.01	48 491 0216.02	48 491 0216.03					

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Set: 2024 ASSESSMENT AREA

Assessment Area: 07 - DALLAS 2024 AA

07 - DALLAS 2024 AA



RiskExec

TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 07 - DALLAS 2024 AA

FIPS Codes

TEXAS (48) - COLLIN COUNTY (085) - 220 Tracts

48 085 0301.01	48 085 0301.02	48 085 0302.01	48 085 0302.02	48 085 0302.04	48 085 0302.05	48 085 0302.06	48 085 0302.07	48 085 0303.01	48 085 0303.02
48 085 0303.03	48 085 0303.04	48 085 0303.06	48 085 0303.07	48 085 0304.03	48 085 0304.04	48 085 0304.05	48 085 0304.06	48 085 0304.07	48 085 0304.09
48 085 0304.10	48 085 0305.04	48 085 0305.05	48 085 0305.06	48 085 0305.07	48 085 0305.09	48 085 0305.10	48 085 0305.11	48 085 0305.12	48 085 0305.15
48 085 0305.16	48 085 0305.17	48 085 0305.18	48 085 0305.19	48 085 0305.20	48 085 0305.21	48 085 0305.24	48 085 0305.25	48 085 0305.29	48 085 0305.31
48 085 0305.32	48 085 0305.33	48 085 0305.34	48 085 0305.35	48 085 0305.36	48 085 0305.37	48 085 0305.38	48 085 0305.39	48 085 0305.40	48 085 0305.41
48 085 0305.42	48 085 0305.43	48 085 0305.44	48 085 0305.45	48 085 0305.46	48 085 0305.47	48 085 0305.48	48 085 0305.49	48 085 0305.50	48 085 0306.04
48 085 0306.05	48 085 0306.06	48 085 0306.07	48 085 0306.08	48 085 0306.09	48 085 0307.01	48 085 0307.02	48 085 0308.01	48 085 0308.02	48 085 0309.01
48 085 0309.02	48 085 0309.03	48 085 0310.03	48 085 0310.05	48 085 0310.06	48 085 0310.07	48 085 0310.08	48 085 0311.01	48 085 0311.02	48 085 0312.01
48 085 0312.02	48 085 0313.08	48 085 0313.14	48 085 0313.18	48 085 0313.19	48 085 0313.20	48 085 0313.21	48 085 0313.22	48 085 0313.23	48 085 0313.24
48 085 0313.25	48 085 0313.26	48 085 0313.27	48 085 0313.28	48 085 0313.29	48 085 0313.30	48 085 0313.31	48 085 0313.32	48 085 0313.33	48 085 0313.34
48 085 0313.35	48 085 0313.36	48 085 0314.08	48 085 0314.11	48 085 0314.12	48 085 0314.13	48 085 0314.14	48 085 0314.15	48 085 0314.16	48 085 0314.17
48 085 0314.18	48 085 0314.19	48 085 0314.20	48 085 0314.21	48 085 0314.22	48 085 0314.23	48 085 0314.24	48 085 0314.25	48 085 0315.04	48 085 0315.07
48 085 0315.08	48 085 0315.09	48 085 0315.10	48 085 0315.11	48 085 0315.12	48 085 0316.11	48 085 0316.13	48 085 0316.21	48 085 0316.22	48 085 0316.23
48 085 0316.24	48 085 0316.25	48 085 0316.26	48 085 0316.27	48 085 0316.28	48 085 0316.29	48 085 0316.30	48 085 0316.31	48 085 0316.32	48 085 0316.33
48 085 0316.34	48 085 0316.35	48 085 0316.36	48 085 0316.39	48 085 0316.41	48 085 0316.42	48 085 0316.43	48 085 0316.45	48 085 0316.46	48 085 0316.47
48 085 0316.49	48 085 0316.54	48 085 0316.55	48 085 0316.57	48 085 0316.59	48 085 0316.60	48 085 0316.61	48 085 0316.62	48 085 0316.63	48 085 0316.64
48 085 0316.65	48 085 0316.66	48 085 0316.67	48 085 0316.68	48 085 0316.69	48 085 0316.70	48 085 0316.71	48 085 0316.72	48 085 0316.73	48 085 0316.74
48 085 0316.75	48 085 0316.76	48 085 0316.77	48 085 0316.78	48 085 0316.79	48 085 0316.80	48 085 0316.81	48 085 0316.82	48 085 0317.04	48 085 0317.06
48 085 0317.08	48 085 0317.09	48 085 0317.11	48 085 0317.13	48 085 0317.15	48 085 0317.16	48 085 0317.17	48 085 0317.18	48 085 0317.19	48 085 0317.20
48 085 0317.21	48 085 0317.22	48 085 0317.23	48 085 0317.24	48 085 0318.06	48 085 0318.07	48 085 0318.08	48 085 0318.09	48 085 0318.10	48 085 0318.11
48 085 0318.12	48 085 0318.13	48 085 0318.14	48 085 0318.15	48 085 0318.16	48 085 0319.01	48 085 0319.02	48 085 0319.03	48 085 0319.04	48 085 0320.03
48 085 0320.08	48 085 0320.10	48 085 0320.12	48 085 0320.13	48 085 0320.14	48 085 0320.15	48 085 0320.16	48 085 0320.17	48 085 0320.18	48 085 0320.19

TEXAS (48) - DALLAS COUNTY (113) - 645 Tracts

48 113 0001.00	48 113 0002.01	48 113 0002.02	48 113 0003.00	48 113 0004.01	48 113 0004.05	48 113 0004.07	48 113 0004.08	48 113 0004.09	48 113 0004.10
48 113 0005.01	48 113 0005.02	48 113 0005.03	48 113 0006.05	48 113 0006.06	48 113 0006.07	48 113 0006.08	48 113 0006.09	48 113 0006.10	48 113 0006.11
48 113 0007.03	48 113 0007.04	48 113 0007.05	48 113 0007.06	48 113 0008.01	48 113 0008.02	48 113 0009.01	48 113 0009.02	48 113 0010.01	48 113 0010.02
48 113 0011.01	48 113 0011.02	48 113 0012.02	48 113 0012.03	48 113 0012.04	48 113 0013.01	48 113 0013.02	48 113 0014.00	48 113 0015.02	48 113 0015.03
48 113 0015.04	48 113 0016.01	48 113 0016.02	48 113 0017.03	48 113 0017.05	48 113 0018.01	48 113 0018.02	48 113 0019.01	48 113 0019.02	48 113 0020.01
48 113 0020.02	48 113 0021.00	48 113 0022.00	48 113 0024.00	48 113 0025.00	48 113 0027.03	48 113 0031.02	48 113 0031.03	48 113 0037.00	48 113 0042.01
48 113 0042.02	48 113 0043.00	48 113 0044.00	48 113 0045.00	48 113 0046.00	48 113 0047.00	48 113 0048.00	48 113 0050.00	48 113 0051.00	48 113 0052.00
48 113 0053.00	48 113 0054.00	48 113 0055.00	48 113 0056.00	48 113 0057.00	48 113 0059.01	48 113 0059.02	48 113 0060.01	48 113 0060.02	48 113 0061.00
48 113 0062.00	48 113 0063.01	48 113 0063.02	48 113 0064.01	48 113 0064.02	48 113 0065.01	48 113 0065.02	48 113 0067.01	48 113 0067.02	48 113 0068.00
48 113 0069.00	48 113 0071.01	48 113 0071.02	48 113 0072.03	48 113 0072.04	48 113 0072.05	48 113 0072.06	48 113 0073.01	48 113 0073.02	48 113 0076.01
48 113 0076.04	48 113 0076.05	48 113 0077.01	48 113 0077.02	48 113 0078.01	48 113 0078.05	48 113 0078.09	48 113 0078.10	48 113 0078.12	48 113 0078.15
48 113 0078.19	48 113 0078.21	48 113 0078.22	48 113 0078.23	48 113 0078.24	48 113 0078.25	48 113 0078.26	48 113 0078.27	48 113 0078.28	48 113 0078.29
48 113 0078.30	48 113 0078.31	48 113 0078.32	48 113 0078.33	48 113 0078.34	48 113 0078.35	48 113 0079.02	48 113 0079.03	48 113 0079.06	48 113 0079.09
48 113 0079.10	48 113 0079.12	48 113 0079.13	48 113 0079.14	48 113 0079.15	48 113 0079.16	48 113 0080.00	48 113 0081.01	48 113 0081.02	48 113 0082.00
48 113 0084.01	48 113 0084.02	48 113 0085.00	48 113 0086.04	48 113 0087.01	48 113 0087.03	48 113 0087.04	48 113 0087.05	48 113 0088.01	48 113 0088.02
48 113 0090.01	48 113 0090.02	48 113 0091.01	48 113 0091.03	48 113 0091.04	48 113 0091.05	48 113 0092.02	48 113 0092.03	48 113 0092.04	48 113 0093.01
48 113 0093.03	48 113 0093.04	48 113 0094.01	48 113 0094.02	48 113 0095.00	48 113 0096.03	48 113 0096.04	48 113 0096.05	48 113 0096.07	48 113 0096.08
48 113 0096.09	48 113 0096.10	48 113 0096.11	48 113 0097.01	48 113 0097.02	48 113 0098.02	48 113 0098.03	48 113 0098.04	48 113 0099.00	48 113 0100.01
48 113 0100.02	48 113 0100.03	48 113 0101.01	48 113 0101.02	48 113 0105.00	48 113 0106.01	48 113 0106.02	48 113 0107.01	48 113 0107.04	48 113 0108.04

TEXAS (48) - DENTON COUNTY (121) - 193 Tracts

48 121 0201.21	48 121 0201.22	48 121 0201.23	48 121 0201.24	48 121 0201.25	48 121 0201.26	48 121 0201.27	48 121 0201.28	48 121 0201.29	48 121 0201.30
48 121 0201.31	48 121 0201.32	48 121 0201.33	48 121 0201.34	48 121 0201.35	48 121 0201.36	48 121 0201.37	48 121 0202.03	48 121 0202.04	48 121 0202.05
48 121 0202.06	48 121 0202.07	48 121 0202.08	48 121 0203.05	48 121 0203.10	48 121 0203.11	48 121 0203.12	48 121 0203.13	48 121 0203.14	48 121 0203.15
48 121 0203.16	48 121 0203.17	48 121 0203.18	48 121 0203.19	48 121 0203.20	48 121 0203.21	48 121 0203.22	48 121 0204.02	48 121 0204.03	48 121 0204.04
48 121 0204.05	48 121 0205.04	48 121 0205.05	48 121 0205.06	48 121 0205.07	48 121 0205.08	48 121 0206.01	48 121 0206.03	48 121 0206.04	48 121 0206.05
48 121 0207.00	48 121 0208.00	48 121 0209.00	48 121 0210.00	48 121 0211.00	48 121 0212.02	48 121 0212.03	48 121 0212.04	48 121 0213.01	48 121 0213.04
48 121 0213.05	48 121 0213.06	48 121 0213.07	48 121 0214.10	48 121 0214.11	48 121 0214.12	48 121 0214.13	48 121 0214.14	48 121 0214.15	48 121 0214.16
48 121 0214.17	48 121 0214.18	48 121 0214.19	48 121 0214.20	48 121 0214.21	48 121 0214.22	48 121 0214.23	48 121 0215.02	48 121 0215.05	48 121 0215.12
48 121 0215.13	48 121 0215.14	48 121 0215.16	48 121 0215.17	48 121 0215.18	48 121 0215.20	48 121 0215.21	48 121 0215.22	48 121 0215.26	48 121 0215.28
48 121 0215.29	48 121 0215.30	48 121 0215.31	48 121 0215.32	48 121 0215.33	48 121 0215.34	48 121 0215.35	48 121 0215.36	48 121 0215.37	48 121 0215.38
48 121 0215.39	48 121 0215.40	48 121 0216.11	48 121 0216.12	48 121 0216.13	48 121 0216.14	48 121 0216.15	48 121 0216.16	48 121 0216.18	48 121 0216.19
48 121 0216.20	48 121 0216.21	48 121 0216.22	48 121 0216.26	48 121 0216.30	48 121 0216.31	48 121 0216.32	48 121 0216.33	48 121 0216.34	48 121 0216.35
48 121 0216.37	48 121 0216.38	48 121 0216.39	48 121 0216.40	48 121 0216.41	48 121 0216.42	48 121 0216.43	48 121 0216.44	48 121 0216.45	48 121 0216.46
48 121 0216.47	48 121 0216.48	48 121 0216.49	48 121 0216.50	48 121 0216.51	48 121 0216.52	48 121 0216.53	48 121 0216.54	48 121 0216.55	48 121 0217.15
48 121 0217.16	48 121 0217.17	48 121 0217.19	48 121 0217.20	48 121 0217.21	48 121 0217.22	48 121 0217.23	48 121 0217.24	48 121 0217.25	48 121 0217.26
48 121 0217.27	48 121 0217.28	48 121 0217.29	48 121 0217.30	48 121 0217.31	48 121 0217.32	48 121 0217.33	48 121 0217.34	48 121 0217.35	48 121 0217.36
48 121 0217.37	48 121 0217.38	48 121 0217.39	48 121 0217.40	48 121 0217.41	48 121 0217.42	48 121 0217.43	48 121 0217.44	48 121 0217.45	48 121 0217.46
48 121 0217.48	48 121 0217.49	48 121 0217.50	48 121 0217.51	48 121 0217.52	48 121 0217.54	48 121 0217.55	48 121 0217.56	48 121 0217.57	48 121 0217.58
48 121 0217.59	48 121 0218.00	48 121 0219.00							

TEXAS (48) - ROCKWALL COUNTY (397) - 29 Tracts

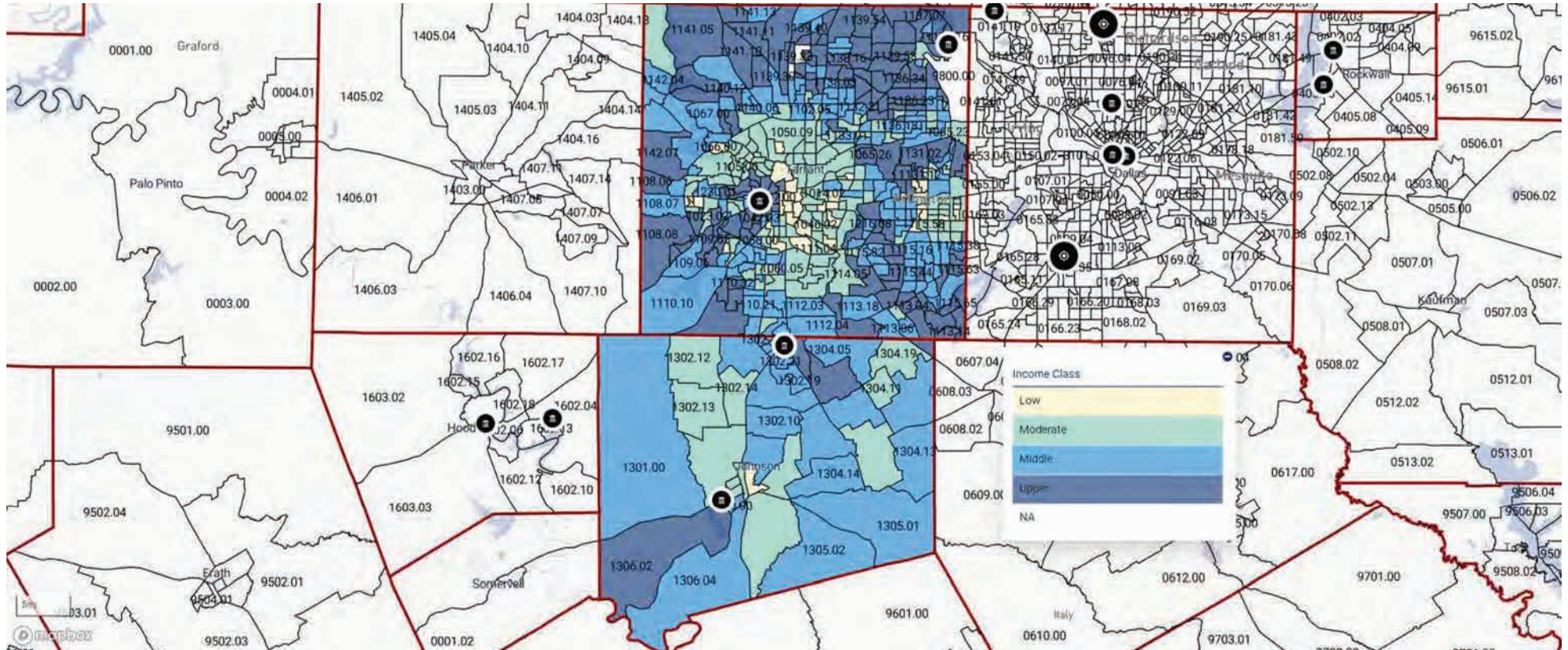
48 397 0401.01	48 397 0401.03	48 397 0401.04	48 397 0402.01	48 397 0402.02	48 397 0402.03	48 397 0403.01	48 397 0403.03	48 397 0403.04	48 397 0403.05
48 397 0404.03	48 397 0404.04	48 397 0404.05	48 397 0404.06	48 397 0404.07	48 397 0404.08	48 397 0404.09	48 397 0404.10	48 397 0404.11	48 397 0404.12
48 397 0405.03	48 397 0405.07	48 397 0405.08	48 397 0405.09	48 397 0405.10	48 397 0405.11	48 397 0405.12	48 397 0405.13	48 397 0405.14	

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Set: 2024 ASSESSMENT AREA

Assessment Area: 08 - FORT WORTH 2024 AA

08 - FORT WORTH 2024 AA





TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 08 - FORT WORTH 2024 AA

FIPS Codes

TEXAS (48) - JOHNSON COUNTY (251) - 39 Tracts

48 251 1301.00	48 251 1302.05	48 251 1302.10	48 251 1302.11	48 251 1302.12	48 251 1302.13	48 251 1302.14	48 251 1302.15	48 251 1302.16	48 251 1302.17
48 251 1302.18	48 251 1302.19	48 251 1302.20	48 251 1302.21	48 251 1302.22	48 251 1303.02	48 251 1303.03	48 251 1303.04	48 251 1304.05	48 251 1304.06
48 251 1304.11	48 251 1304.12	48 251 1304.13	48 251 1304.14	48 251 1304.15	48 251 1304.16	48 251 1304.17	48 251 1304.18	48 251 1304.19	48 251 1305.01
48 251 1305.02	48 251 1306.02	48 251 1306.03	48 251 1306.04	48 251 1307.00	48 251 1308.00	48 251 1309.00	48 251 1310.00	48 251 1311.00	

TEXAS (48) - TARRANT COUNTY (439) - 449 Tracts

48 439 1001.01	48 439 1001.02	48 439 1002.01	48 439 1002.02	48 439 1003.00	48 439 1004.01	48 439 1004.02	48 439 1005.03	48 439 1005.04	48 439 1005.05
48 439 1005.06	48 439 1006.01	48 439 1006.02	48 439 1007.00	48 439 1008.00	48 439 1009.00	48 439 1012.01	48 439 1012.02	48 439 1013.01	48 439 1013.02
48 439 1014.01	48 439 1014.02	48 439 1014.03	48 439 1015.00	48 439 1017.00	48 439 1020.00	48 439 1021.01	48 439 1021.02	48 439 1022.01	48 439 1022.02
48 439 1023.01	48 439 1023.02	48 439 1024.01	48 439 1024.02	48 439 1025.00	48 439 1026.01	48 439 1026.02	48 439 1027.00	48 439 1035.00	48 439 1036.01
48 439 1036.02	48 439 1037.01	48 439 1037.02	48 439 1038.00	48 439 1041.00	48 439 1042.02	48 439 1042.03	48 439 1042.04	48 439 1043.01	48 439 1043.02
48 439 1044.00	48 439 1045.02	48 439 1045.03	48 439 1045.04	48 439 1045.05	48 439 1046.01	48 439 1046.02	48 439 1046.03	48 439 1046.04	48 439 1046.05
48 439 1047.01	48 439 1047.02	48 439 1048.02	48 439 1048.03	48 439 1048.04	48 439 1049.00	48 439 1050.07	48 439 1050.08	48 439 1050.09	48 439 1052.01
48 439 1052.03	48 439 1052.04	48 439 1052.06	48 439 1052.07	48 439 1054.03	48 439 1054.04	48 439 1054.05	48 439 1054.07	48 439 1054.08	48 439 1055.02
48 439 1055.03	48 439 1055.05	48 439 1055.11	48 439 1055.12	48 439 1055.13	48 439 1055.14	48 439 1055.15	48 439 1055.16	48 439 1055.17	48 439 1055.18
48 439 1055.19	48 439 1055.20	48 439 1056.00	48 439 1057.01	48 439 1057.03	48 439 1057.05	48 439 1057.06	48 439 1058.00	48 439 1059.01	48 439 1059.02
48 439 1060.02	48 439 1060.04	48 439 1060.05	48 439 1060.06	48 439 1061.01	48 439 1061.02	48 439 1062.01	48 439 1062.02	48 439 1063.00	48 439 1064.00
48 439 1065.02	48 439 1065.03	48 439 1065.07	48 439 1065.09	48 439 1065.12	48 439 1065.13	48 439 1065.14	48 439 1065.15	48 439 1065.18	48 439 1065.19
48 439 1065.20	48 439 1065.21	48 439 1065.22	48 439 1065.23	48 439 1065.24	48 439 1065.25	48 439 1065.26	48 439 1066.00	48 439 1067.00	48 439 1101.02
48 439 1101.03	48 439 1101.04	48 439 1102.02	48 439 1102.04	48 439 1102.05	48 439 1102.06	48 439 1103.01	48 439 1103.02	48 439 1104.01	48 439 1104.02
48 439 1105.00	48 439 1106.00	48 439 1107.03	48 439 1107.04	48 439 1107.05	48 439 1107.06	48 439 1108.05	48 439 1108.06	48 439 1108.07	48 439 1108.08
48 439 1108.09	48 439 1109.01	48 439 1109.03	48 439 1109.05	48 439 1109.06	48 439 1109.07	48 439 1110.03	48 439 1110.10	48 439 1110.15	48 439 1110.18
48 439 1110.19	48 439 1110.20	48 439 1110.21	48 439 1110.22	48 439 1110.23	48 439 1110.24	48 439 1110.25	48 439 1110.26	48 439 1110.27	48 439 1110.28
48 439 1110.29	48 439 1110.30	48 439 1110.31	48 439 1110.32	48 439 1110.33	48 439 1111.02	48 439 1111.03	48 439 1111.04	48 439 1112.02	48 439 1112.03
48 439 1112.04	48 439 1113.04	48 439 1113.06	48 439 1113.07	48 439 1113.08	48 439 1113.09	48 439 1113.11	48 439 1113.12	48 439 1113.14	48 439 1113.15
48 439 1113.16	48 439 1113.17	48 439 1113.18	48 439 1113.19	48 439 1113.20	48 439 1114.02	48 439 1114.05	48 439 1114.06	48 439 1114.07	48 439 1114.08
48 439 1114.09	48 439 1114.10	48 439 1114.11	48 439 1115.05	48 439 1115.06	48 439 1115.13	48 439 1115.14	48 439 1115.16	48 439 1115.22	48 439 1115.25
48 439 1115.26	48 439 1115.29	48 439 1115.30	48 439 1115.31	48 439 1115.32	48 439 1115.33	48 439 1115.34	48 439 1115.36	48 439 1115.38	48 439 1115.40
48 439 1115.41	48 439 1115.42	48 439 1115.43	48 439 1115.44	48 439 1115.45	48 439 1115.46	48 439 1115.51	48 439 1115.52	48 439 1115.53	48 439 1115.54
48 439 1115.55	48 439 1115.56	48 439 1115.57	48 439 1115.58	48 439 1115.59	48 439 1115.60	48 439 1115.61	48 439 1115.62	48 439 1115.63	48 439 1115.64
48 439 1115.65	48 439 1115.66	48 439 1115.67	48 439 1115.68	48 439 1115.69	48 439 1115.70	48 439 1115.71	48 439 1115.72	48 439 1130.03	48 439 1130.04
48 439 1130.05	48 439 1130.06	48 439 1130.07	48 439 1131.02	48 439 1131.04	48 439 1131.07	48 439 1131.08	48 439 1131.09	48 439 1131.10	48 439 1131.12
48 439 1131.15	48 439 1131.16	48 439 1131.17	48 439 1131.18	48 439 1131.19	48 439 1131.20	48 439 1131.21	48 439 1131.22	48 439 1132.06	48 439 1132.07
48 439 1132.10	48 439 1132.12	48 439 1132.13	48 439 1132.14	48 439 1132.15	48 439 1132.16	48 439 1132.17	48 439 1132.18	48 439 1132.21	48 439 1132.22
48 439 1132.23	48 439 1133.01	48 439 1133.02	48 439 1134.03	48 439 1134.04	48 439 1134.07	48 439 1134.08	48 439 1134.09	48 439 1134.10	48 439 1135.09
48 439 1135.10	48 439 1135.11	48 439 1135.12	48 439 1135.13	48 439 1135.14	48 439 1135.16	48 439 1135.17	48 439 1135.19	48 439 1135.20	48 439 1135.21
48 439 1135.22	48 439 1136.07	48 439 1136.11	48 439 1136.12	48 439 1136.13	48 439 1136.18	48 439 1136.19	48 439 1136.22	48 439 1136.23	48 439 1136.24
48 439 1136.25	48 439 1136.26	48 439 1136.28	48 439 1136.29	48 439 1136.30	48 439 1136.32	48 439 1136.33	48 439 1136.34	48 439 1136.35	48 439 1136.36
48 439 1136.37	48 439 1136.38	48 439 1136.39	48 439 1136.40	48 439 1137.07	48 439 1137.09	48 439 1137.10	48 439 1137.11	48 439 1137.12	48 439 1137.13
48 439 1137.14	48 439 1137.15	48 439 1137.16	48 439 1138.03	48 439 1138.08	48 439 1138.09	48 439 1138.10	48 439 1138.11	48 439 1138.12	48 439 1138.13
48 439 1138.14	48 439 1138.15	48 439 1138.16	48 439 1139.06	48 439 1139.08	48 439 1139.12	48 439 1139.16	48 439 1139.17	48 439 1139.18	48 439 1139.19
48 439 1139.20	48 439 1139.23	48 439 1139.24	48 439 1139.25	48 439 1139.30	48 439 1139.31	48 439 1139.32	48 439 1139.33	48 439 1139.34	48 439 1139.35
48 439 1139.36	48 439 1139.37	48 439 1139.38	48 439 1139.39	48 439 1139.40	48 439 1139.41	48 439 1139.42	48 439 1139.43	48 439 1139.44	48 439 1139.45

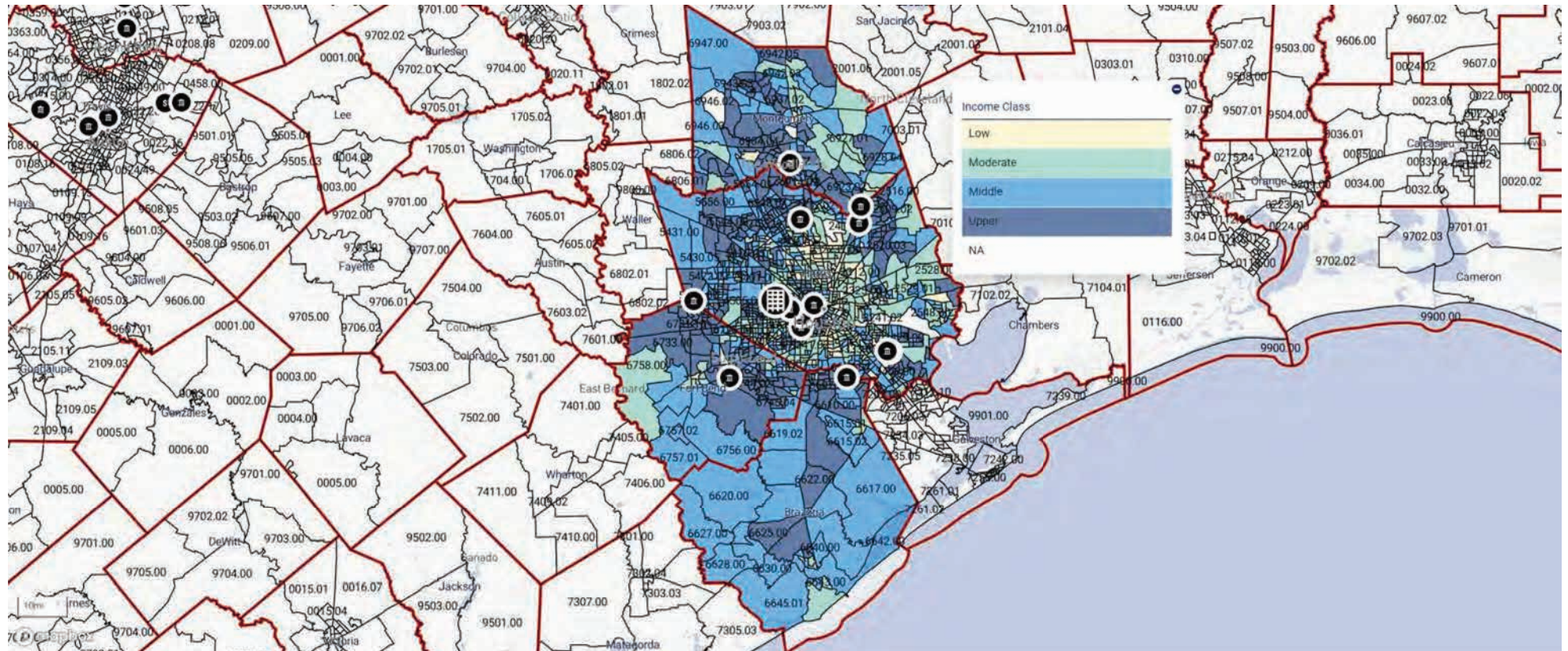
48 439 1139.46	48 439 1139.47	48 439 1139.48	48 439 1139.49	48 439 1139.50	48 439 1139.51	48 439 1139.52	48 439 1139.53	48 439 1139.54	48 439 1139.55
48 439 1139.56	48 439 1139.57	48 439 1139.58	48 439 1140.03	48 439 1140.06	48 439 1140.09	48 439 1140.10	48 439 1140.11	48 439 1140.12	48 439 1140.13
48 439 1140.14	48 439 1140.15	48 439 1141.05	48 439 1141.06	48 439 1141.07	48 439 1141.08	48 439 1141.09	48 439 1141.10	48 439 1141.11	48 439 1141.12
48 439 1141.13	48 439 1142.03	48 439 1142.04	48 439 1142.05	48 439 1142.06	48 439 1142.07	48 439 1216.05	48 439 1216.06	48 439 1216.08	48 439 1216.09
48 439 1216.10	48 439 1216.11	48 439 1216.12	48 439 1216.13	48 439 1216.14	48 439 1216.15	48 439 1217.02	48 439 1217.03	48 439 1217.04	48 439 1219.04
48 439 1219.05	48 439 1219.06	48 439 1219.07	48 439 1219.08	48 439 1220.01	48 439 1220.02	48 439 1221.00	48 439 1222.00	48 439 1223.00	48 439 1224.01
48 439 1224.02	48 439 1225.00	48 439 1226.00	48 439 1227.01	48 439 1227.02	48 439 1228.01	48 439 1228.02	48 439 1229.01	48 439 1229.02	48 439 1230.01
48 439 1230.02	48 439 1231.00	48 439 1232.00	48 439 1233.01	48 439 1233.02	48 439 1235.00	48 439 1236.00	48 439 1237.00	48 439 9800.00	

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Set: 2024 ASSESSMENT AREA

Assessment Area: 09 - HOUSTON - THE WOODLANDS - SUGARLAND 2024 AA

09 - HOUSTON - THE WOODLANDS - SUGARLAND 2024 AA



RiskExec

TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 09 - HOUSTON - THE WOODLANDS - SUGARLAND 2024 AA

FIPS Codes

TEXAS (48) - BRAZORIA COUNTY (039) - 78 Tracts

48 039 6601.00	48 039 6602.00	48 039 6603.01	48 039 6603.02	48 039 6603.03	48 039 6604.01	48 039 6604.02	48 039 6604.03	48 039 6605.01	48 039 6605.02
48 039 6605.03	48 039 6605.04	48 039 6606.03	48 039 6606.04	48 039 6606.05	48 039 6606.06	48 039 6606.07	48 039 6606.08	48 039 6606.09	48 039 6606.10
48 039 6606.11	48 039 6606.12	48 039 6606.13	48 039 6606.14	48 039 6606.15	48 039 6606.16	48 039 6607.03	48 039 6607.04	48 039 6607.05	48 039 6607.06
48 039 6607.07	48 039 6607.08	48 039 6608.03	48 039 6608.04	48 039 6608.05	48 039 6608.06	48 039 6609.01	48 039 6609.02	48 039 6610.00	48 039 6611.00
48 039 6612.00	48 039 6613.00	48 039 6614.00	48 039 6615.01	48 039 6615.02	48 039 6616.01	48 039 6616.02	48 039 6617.00	48 039 6618.00	48 039 6619.01
48 039 6619.02	48 039 6620.00	48 039 6621.00	48 039 6622.00	48 039 6623.00	48 039 6624.00	48 039 6625.00	48 039 6626.00	48 039 6627.00	48 039 6628.00
48 039 6629.00	48 039 6630.00	48 039 6631.00	48 039 6632.00	48 039 6633.00	48 039 6634.00	48 039 6635.00	48 039 6636.00	48 039 6637.00	48 039 6638.00
48 039 6639.00	48 039 6640.00	48 039 6641.00	48 039 6642.00	48 039 6643.00	48 039 6644.00	48 039 6645.01	48 039 9900.00		

TEXAS (48) - FORT BEND COUNTY (157) - 133 Tracts

48 157 6701.01	48 157 6701.02	48 157 6702.01	48 157 6702.02	48 157 6703.00	48 157 6704.00	48 157 6705.00	48 157 6706.02	48 157 6706.03	48 157 6706.04
48 157 6707.00	48 157 6708.01	48 157 6708.02	48 157 6708.03	48 157 6708.04	48 157 6709.02	48 157 6709.03	48 157 6709.04	48 157 6710.01	48 157 6710.02
48 157 6711.01	48 157 6711.02	48 157 6712.00	48 157 6713.00	48 157 6714.01	48 157 6714.02	48 157 6715.01	48 157 6715.02	48 157 6716.01	48 157 6716.02
48 157 6717.00	48 157 6718.00	48 157 6719.00	48 157 6720.02	48 157 6720.03	48 157 6720.04	48 157 6721.00	48 157 6722.01	48 157 6722.02	48 157 6723.03
48 157 6723.04	48 157 6723.05	48 157 6723.06	48 157 6724.01	48 157 6724.02	48 157 6725.00	48 157 6726.02	48 157 6726.03	48 157 6726.04	48 157 6727.01
48 157 6727.02	48 157 6727.03	48 157 6728.01	48 157 6728.02	48 157 6729.01	48 157 6729.02	48 157 6729.03	48 157 6729.04	48 157 6729.05	48 157 6729.06
48 157 6729.07	48 157 6730.04	48 157 6730.05	48 157 6730.06	48 157 6730.07	48 157 6730.08	48 157 6730.09	48 157 6730.10	48 157 6731.03	48 157 6731.04
48 157 6731.05	48 157 6731.06	48 157 6731.07	48 157 6731.08	48 157 6731.09	48 157 6731.10	48 157 6731.11	48 157 6731.12	48 157 6731.13	48 157 6732.01
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48 157 6738.01	48 157 6738.02	48 157 6739.02	48 157 6739.03	48 157 6739.04	48 157 6740.01	48 157 6740.02	48 157 6741.00	48 157 6742.00	48 157 6743.01
48 157 6743.02	48 157 6744.01	48 157 6744.02	48 157 6744.03	48 157 6744.04	48 157 6745.03	48 157 6745.04	48 157 6745.05	48 157 6745.06	48 157 6745.07
48 157 6745.08	48 157 6746.01	48 157 6746.02	48 157 6746.03	48 157 6746.04	48 157 6747.01	48 157 6747.02	48 157 6748.00	48 157 6749.00	48 157 6750.00
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TEXAS (48) - HARRIS COUNTY (201) - 1115 Tracts

48 201 1000.01	48 201 2104.00	48 201 2105.00	48 201 2106.00	48 201 2107.00	48 201 2108.00	48 201 2109.00	48 201 2110.00	48 201 2111.01	48 201 2111.02
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48 201 5538.01	48 201 5538.03	48 201 5538.04	48 201 5539.01	48 201 5540.01	48 201 5540.02	48 201 5541.03	48 201 5541.04	48 201 5542.01	48 201 5542.02
48 201 5543.01	48 201 5543.02	48 201 5544.04	48 201 5544.05	48 201 5544.06	48 201 5544.07	48 201 5544.08	48 201 5544.09	48 201 5544.10	48 201 5545.01
48 201 5545.02	48 201 5546.00	48 201 5547.01	48 201 5547.02	48 201 5548.03	48 201 5548.04	48 201 5548.05	48 201 5548.06	48 201 5548.07	48 201 5548.08
48 201 5548.09	48 201 5549.02	48 201 5549.04	48 201 5549.05	48 201 5549.06	48 201 5549.07	48 201 5549.08	48 201 5550.01	48 201 5550.02	48 201 5551.01
48 201 5551.02	48 201 5552.00	48 201 5553.01	48 201 5553.03	48 201 5553.04	48 201 5553.05	48 201 5554.01	48 201 5554.03	48 201 5554.04	48 201 5555.01
48 201 5555.03	48 201 5555.04	48 201 5555.05	48 201 5556.00	48 201 5557.01	48 201 5557.03	48 201 5557.04	48 201 5560.00	48 201 5561.00	48 201 9800.00
48 201 9801.00	48 201 9802.00	48 201 9803.00	48 201 9804.00	48 201 9807.00					

TEXAS (48) - MONTGOMERY COUNTY (339) - 133 Tracts

48 339 6901.01	48 339 6901.02	48 339 6902.03	48 339 6902.04	48 339 6902.05	48 339 6902.06	48 339 6902.07	48 339 6903.00	48 339 6904.03	48 339 6904.04
48 339 6904.05	48 339 6904.06	48 339 6904.07	48 339 6904.08	48 339 6905.01	48 339 6905.02	48 339 6905.03	48 339 6906.03	48 339 6906.04	48 339 6906.05
48 339 6906.06	48 339 6906.07	48 339 6906.08	48 339 6906.09	48 339 6906.10	48 339 6907.01	48 339 6907.02	48 339 6908.00	48 339 6909.00	48 339 6910.00
48 339 6911.00	48 339 6912.01	48 339 6912.02	48 339 6913.01	48 339 6913.02	48 339 6914.01	48 339 6914.02	48 339 6914.03	48 339 6915.00	48 339 6916.01
48 339 6916.02	48 339 6917.00	48 339 6918.01	48 339 6918.02	48 339 6919.00	48 339 6920.03	48 339 6920.04	48 339 6920.05	48 339 6920.06	48 339 6920.07
48 339 6920.08	48 339 6920.09	48 339 6920.10	48 339 6921.01	48 339 6921.02	48 339 6921.03	48 339 6922.01	48 339 6922.02	48 339 6923.01	48 339 6923.02
48 339 6923.03	48 339 6923.04	48 339 6924.01	48 339 6924.02	48 339 6925.01	48 339 6925.02	48 339 6926.01	48 339 6926.03	48 339 6926.04	48 339 6926.05
48 339 6927.01	48 339 6927.02	48 339 6928.02	48 339 6928.03	48 339 6928.04	48 339 6929.00	48 339 6930.01	48 339 6930.02	48 339 6931.02	48 339 6931.03
48 339 6931.04	48 339 6932.01	48 339 6932.02	48 339 6933.01	48 339 6933.02	48 339 6933.03	48 339 6933.04	48 339 6934.01	48 339 6934.02	48 339 6935.01
48 339 6935.02	48 339 6935.03	48 339 6936.00	48 339 6937.01	48 339 6937.02	48 339 6937.03	48 339 6938.00	48 339 6939.01	48 339 6939.02	48 339 6939.03
48 339 6939.04	48 339 6940.01	48 339 6940.02	48 339 6941.03	48 339 6941.04	48 339 6941.05	48 339 6941.06	48 339 6941.07	48 339 6942.03	48 339 6942.04
48 339 6942.05	48 339 6942.06	48 339 6942.07	48 339 6942.08	48 339 6942.09	48 339 6942.10	48 339 6943.03	48 339 6943.04	48 339 6943.05	48 339 6943.06
48 339 6943.07	48 339 6943.08	48 339 6943.09	48 339 6944.01	48 339 6944.02	48 339 6944.03	48 339 6945.01	48 339 6945.02	48 339 6945.03	48 339 6946.01
48 339 6946.02	48 339 6946.03	48 339 6947.00							

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Area: 10 - SHERMAN - DENISON 2024 AA

The map displays the income distribution across census tracts in Madison County, Tennessee. The income classes are categorized as follows:

- Low:** Yellow
- Moderate:** Light Green
- Middle:** Light Blue
- Upper:** Dark Blue
- NA:** White

Key locations and census tracts labeled on the map include:

- Cities/Towns:** Nashville, Clarksville, Cookeville, Thackerville, Oak Ridge, Valley View, Bailey, Ladonia, Ector, Ravenna, Calera, Achilles, Kemp, and Muenster.
- Census Tracts:** 0002.00, 0001.00, 0005.00, 0011.00, 0007.02, 0009.00, 0007.01, 0003.04, 0003.05, 0003.02, 0003.06, 0004.06, 0007.00, 0009.01, 0009.04, 0014.00, 0006.00, 0001.01, 0011.03, 0011.04, 0011.01, 0017.00, 0019.01, 0019.02, 0018.01, 0018.02, 0018.03, 0001.02, 9504.02, 9504.01, 9503.00, 9506.00, 9507.02, 9507.01, 9508.00, 9501.00, 9504.01, 9506.00, 9507.02, 9507.01, 9508.00, 9501.00, 9504.02, 9504.01, 9503.00, 9506.00, 9507.02, 9507.01, 9508.00, 9501.00.

TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 10 - SHERMAN - DENISON 2024 AA

FIPS Codes

TEXAS (48) - GRAYSON COUNTY (181) - 30 Tracts

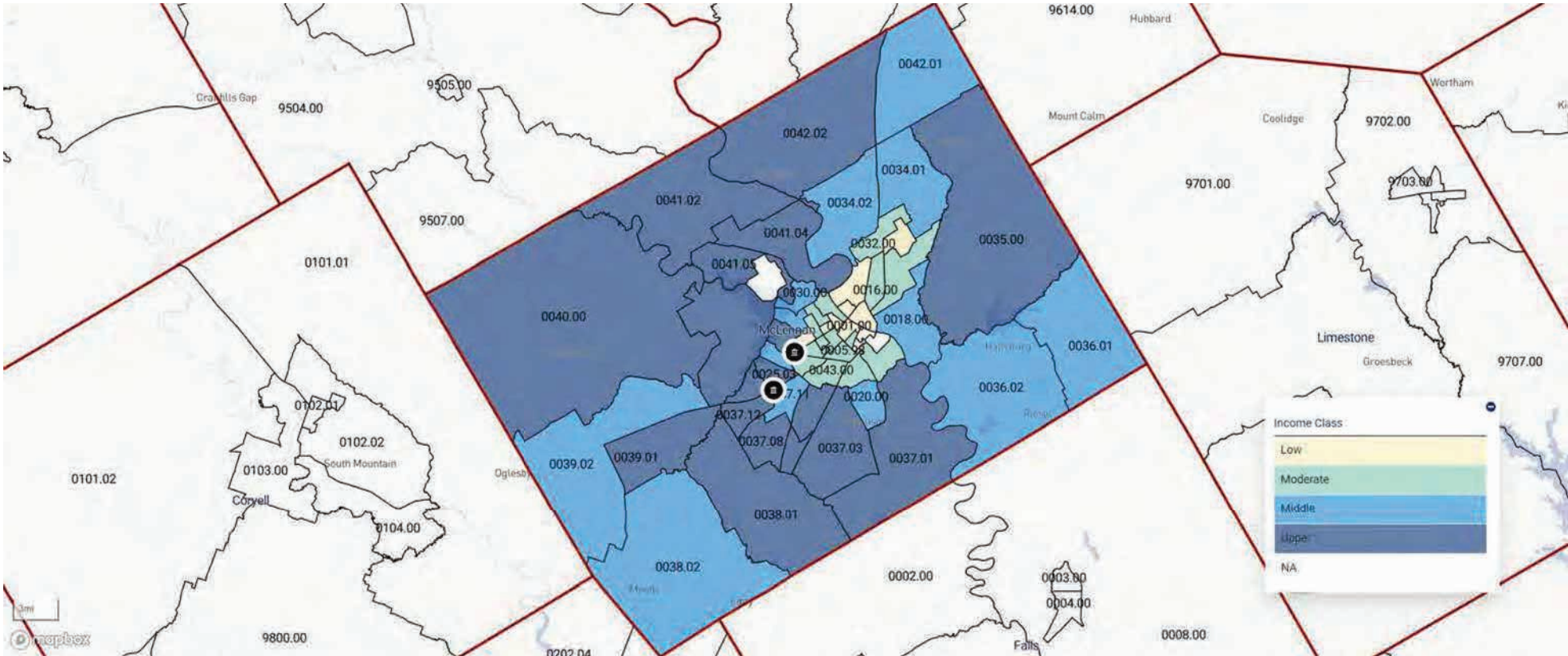
48 181 0001.01	48 181 0001.02	48 181 0002.00	48 181 0003.02	48 181 0003.04	48 181 0003.05	48 181 0003.06	48 181 0004.00	48 181 0005.01	48 181 0005.02
48 181 0006.00	48 181 0007.00	48 181 0008.00	48 181 0009.01	48 181 0009.03	48 181 0009.04	48 181 0011.01	48 181 0011.03	48 181 0011.04	48 181 0012.00
48 181 0013.00	48 181 0014.00	48 181 0015.00	48 181 0017.00	48 181 0018.01	48 181 0018.02	48 181 0018.03	48 181 0019.01	48 181 0019.02	48 181 0020.00

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Set: 2024 ASSESSMENT AREA

Assessment Area: 11 - WACO 2024 AA

11 - WACO 2024 AA





TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 11 - WACO 2024 AA

FIPS Codes

TEXAS (48) - MCLENNAN COUNTY (309) - 58 Tracts

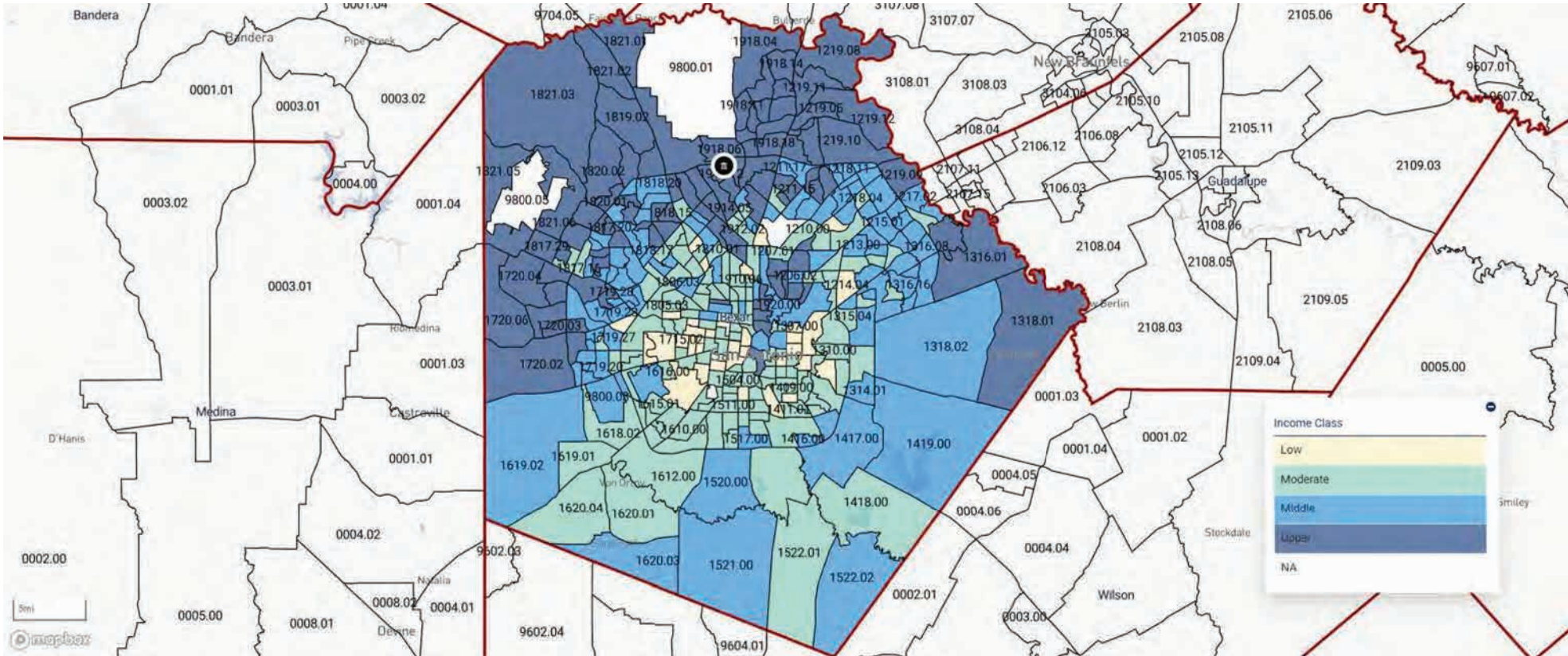
48 309 0001.00	48 309 0002.00	48 309 0003.00	48 309 0004.01	48 309 0004.02	48 309 0005.98	48 309 0007.00	48 309 0008.00	48 309 0009.00	48 309 0010.00
48 309 0011.00	48 309 0012.00	48 309 0013.00	48 309 0014.01	48 309 0014.02	48 309 0015.00	48 309 0016.00	48 309 0017.00	48 309 0018.00	48 309 0019.00
48 309 0020.00	48 309 0021.00	48 309 0023.02	48 309 0024.98	48 309 0025.01	48 309 0025.03	48 309 0025.04	48 309 0026.00	48 309 0027.00	48 309 0028.00
48 309 0029.00	48 309 0030.00	48 309 0032.00	48 309 0033.00	48 309 0034.01	48 309 0034.02	48 309 0035.00	48 309 0036.01	48 309 0036.02	48 309 0037.01
48 309 0037.03	48 309 0037.08	48 309 0037.09	48 309 0037.10	48 309 0037.11	48 309 0037.12	48 309 0038.01	48 309 0038.02	48 309 0039.01	48 309 0039.02
48 309 0040.00	48 309 0041.02	48 309 0041.04	48 309 0041.05	48 309 0042.01	48 309 0042.02	48 309 0043.00	48 309 9800.00		

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Set: 2024 ASSESSMENT AREA

Assessment Area: 12 - SAN ANTONIO 2024 AA

12 - SAN ANTONIO 2024 AA



TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 12 - SAN ANTONIO 2024 AA

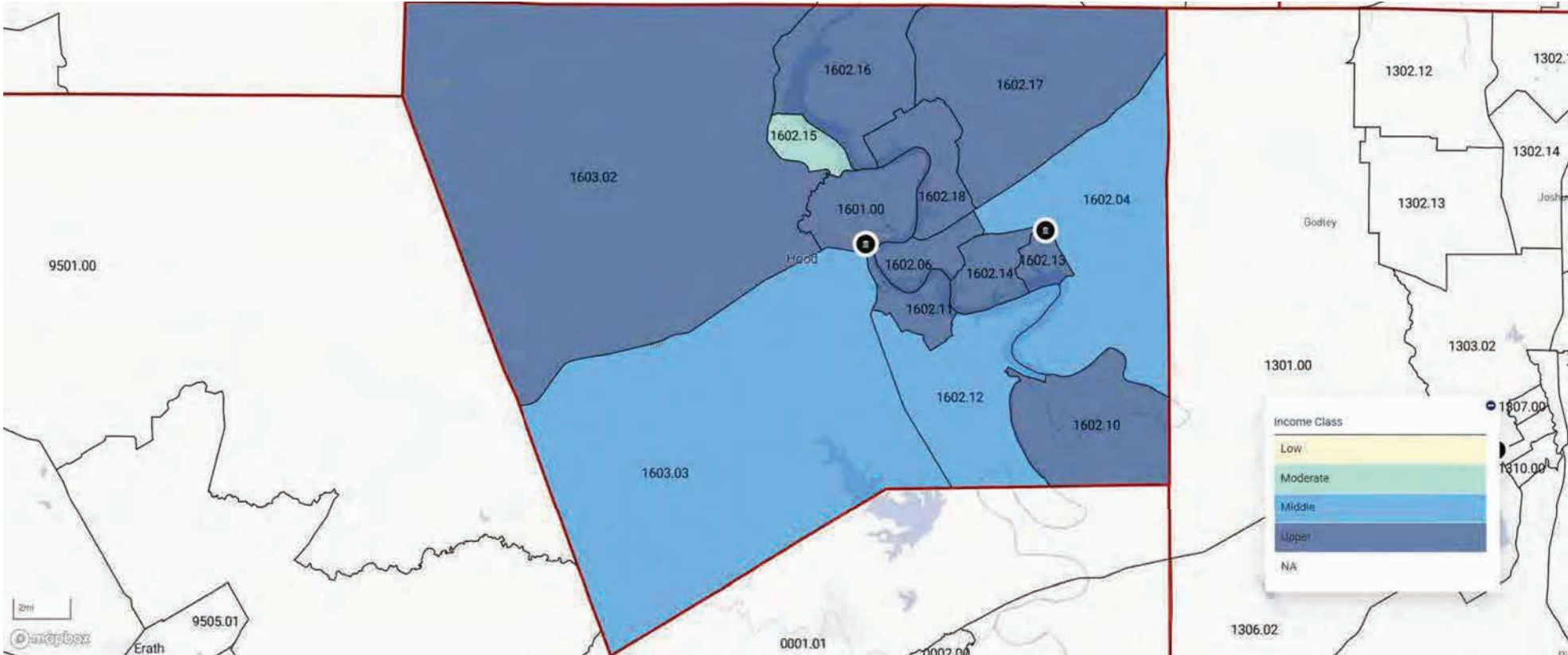
FIPS Codes

TEXAS (48) - BEXAR COUNTY (029) - 375 Tracts

48 029 1101.00	48 029 1103.00	48 029 1105.00	48 029 1106.00	48 029 1107.00	48 029 1110.00	48 029 1111.00	48 029 1201.00	48 029 1203.01	48 029 1203.02
48 029 1204.01	48 029 1204.02	48 029 1205.02	48 029 1205.03	48 029 1205.04	48 029 1206.01	48 029 1206.02	48 029 1207.01	48 029 1207.02	48 029 1208.00
48 029 1209.01	48 029 1209.02	48 029 1210.00	48 029 1211.10	48 029 1211.11	48 029 1211.12	48 029 1211.15	48 029 1211.16	48 029 1211.17	48 029 1211.18
48 029 1211.19	48 029 1211.20	48 029 1211.21	48 029 1211.22	48 029 1211.23	48 029 1211.24	48 029 1212.03	48 029 1212.04	48 029 1212.05	48 029 1212.06
48 029 1213.00	48 029 1214.02	48 029 1214.03	48 029 1214.04	48 029 1215.01	48 029 1215.04	48 029 1215.05	48 029 1215.06	48 029 1215.07	48 029 1215.08
48 029 1216.01	48 029 1216.04	48 029 1216.05	48 029 1216.06	48 029 1217.01	48 029 1217.02	48 029 1218.02	48 029 1218.03	48 029 1218.04	48 029 1218.08
48 029 1218.09	48 029 1218.10	48 029 1218.11	48 029 1218.12	48 029 1218.13	48 029 1219.03	48 029 1219.04	48 029 1219.05	48 029 1219.06	48 029 1219.08
48 029 1219.09	48 029 1219.10	48 029 1219.11	48 029 1219.12	48 029 1302.00	48 029 1303.00	48 029 1304.01	48 029 1304.02	48 029 1305.00	48 029 1306.00
48 029 1307.00	48 029 1308.00	48 029 1309.00	48 029 1310.00	48 029 1311.00	48 029 1312.00	48 029 1313.00	48 029 1314.01	48 029 1314.02	48 029 1315.03
48 029 1315.04	48 029 1315.05	48 029 1315.06	48 029 1315.07	48 029 1316.01	48 029 1316.06	48 029 1316.08	48 029 1316.09	48 029 1316.10	48 029 1316.12
48 029 1316.14	48 029 1316.15	48 029 1316.16	48 029 1317.00	48 029 1318.01	48 029 1318.02	48 029 1401.00	48 029 1402.00	48 029 1403.00	48 029 1404.00
48 029 1405.00	48 029 1406.00	48 029 1407.00	48 029 1408.00	48 029 1409.00	48 029 1410.00	48 029 1411.01	48 029 1411.02	48 029 1412.00	48 029 1413.00
48 029 1414.02	48 029 1414.03	48 029 1414.04	48 029 1416.00	48 029 1417.00	48 029 1418.00	48 029 1419.00	48 029 1501.00	48 029 1503.00	48 029 1504.00
48 029 1505.01	48 029 1505.02	48 029 1506.00	48 029 1507.00	48 029 1508.00	48 029 1509.00	48 029 1510.00	48 029 1511.00	48 029 1512.00	48 029 1513.01
48 029 1513.02	48 029 1514.00	48 029 1515.00	48 029 1516.00	48 029 1517.00	48 029 1519.00	48 029 1520.00	48 029 1521.00	48 029 1522.01	48 029 1522.02
48 029 1601.00	48 029 1602.00	48 029 1603.00	48 029 1604.00	48 029 1605.01	48 029 1605.02	48 029 1606.00	48 029 1607.01	48 029 1607.02	48 029 1609.01
48 029 1609.02	48 029 1610.00	48 029 1611.00	48 029 1612.00	48 029 1613.02	48 029 1613.03	48 029 1613.04	48 029 1614.00	48 029 1615.01	48 029 1615.03
48 029 1615.04	48 029 1616.00	48 029 1618.01	48 029 1618.02	48 029 1619.01	48 029 1619.02	48 029 1620.01	48 029 1620.03	48 029 1620.04	48 029 1701.01
48 029 1701.02	48 029 1702.00	48 029 1703.00	48 029 1704.01	48 029 1704.02	48 029 1705.00	48 029 1706.00	48 029 1707.00	48 029 1708.00	48 029 1709.00
48 029 1710.00	48 029 1711.00	48 029 1712.00	48 029 1713.01	48 029 1713.02	48 029 1714.01	48 029 1714.02	48 029 1715.01	48 029 1715.02	48 029 1716.01
48 029 1716.02	48 029 1717.00	48 029 1718.01	48 029 1718.02	48 029 1719.03	48 029 1719.12	48 029 1719.13	48 029 1719.14	48 029 1719.15	48 029 1719.16
48 029 1719.17	48 029 1719.18	48 029 1719.19	48 029 1719.20	48 029 1719.21	48 029 1719.22	48 029 1719.23	48 029 1719.24	48 029 1719.26	48 029 1719.27
48 029 1719.28	48 029 1719.29	48 029 1720.02	48 029 1720.03	48 029 1720.04	48 029 1720.05	48 029 1720.06	48 029 1720.08	48 029 1720.09	48 029 1801.01
48 029 1801.02	48 029 1802.01	48 029 1802.02	48 029 1803.00	48 029 1804.00	48 029 1805.01	48 029 1805.03	48 029 1805.04	48 029 1806.02	48 029 1806.03
48 029 1806.04	48 029 1807.01	48 029 1807.02	48 029 1808.00	48 029 1809.01	48 029 1809.02	48 029 1810.01	48 029 1810.03	48 029 1810.04	48 029 1810.05
48 029 1811.00	48 029 1812.00	48 029 1813.01	48 029 1813.02	48 029 1813.03	48 029 1814.02	48 029 1814.03	48 029 1814.04	48 029 1815.03	48 029 1815.04
48 029 1815.05	48 029 1815.06	48 029 1816.01	48 029 1816.02	48 029 1817.03	48 029 1817.04	48 029 1817.05	48 029 1817.11	48 029 1817.12	48 029 1817.13
48 029 1817.15	48 029 1817.16	48 029 1817.18	48 029 1817.20	48 029 1817.21	48 029 1817.22	48 029 1817.23	48 029 1817.24	48 029 1817.25	48 029 1817.26
48 029 1817.27	48 029 1817.29	48 029 1817.30	48 029 1817.31	48 029 1817.32	48 029 1817.33	48 029 1818.08	48 029 1818.09	48 029 1818.11	48 029 1818.13
48 029 1818.14	48 029 1818.15	48 029 1818.16	48 029 1818.17	48 029 1818.18	48 029 1818.19	48 029 1818.20	48 029 1818.21	48 029 1818.22	48 029 1818.23
48 029 1818.24	48 029 1818.25	48 029 1818.26	48 029 1819.01	48 029 1819.02	48 029 1820.01	48 029 1820.02	48 029 1820.03	48 029 1821.01	48 029 1821.02
48 029 1821.03	48 029 1821.05	48 029 1821.06	48 029 1901.00	48 029 1902.00	48 029 1904.00	48 029 1905.01	48 029 1905.03	48 029 1905.04	48 029 1906.01
48 029 1906.03	48 029 1906.04	48 029 1907.00	48 029 1908.00	48 029 1909.01	48 029 1909.02	48 029 1910.03	48 029 1910.04	48 029 1910.05	48 029 1910.06
48 029 1911.01	48 029 1911.02	48 029 1912.01	48 029 1912.02	48 029 1913.03	48 029 1913.04	48 029 1914.05	48 029 1914.06	48 029 1914.08	48 029 1914.09
48 029 1914.10	48 029 1914.11	48 029 1914.12	48 029 1914.13	48 029 1915.03	48 029 1915.04	48 029 1915.05	48 029 1915.06	48 029 1917.01	48 029 1917.02
48 029 1918.04	48 029 1918.06	48 029 1918.07	48 029 1918.08	48 029 1918.09	48 029 1918.10	48 029 1918.11	48 029 1918.12	48 029 1918.13	48 029 1918.14
48 029 1918.15	48 029 1918.16	48 029 1918.18	48 029 1918.19	48 029 1919.00	48 029 1920.00	48 029 1921.00	48 029 1922.00	48 029 1923.00	48 029 9800.01
48 029 9800.02	48 029 9800.03	48 029 9800.04	48 029 9800.05	48 029 9801.00					

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

Assessment Set: 2024 ASSESSMENT AREA
Assessment Area: 13 - HOOD NON MSA 2024 AA
13 - HOOD NON MSA 2024 AA



TRACTS LIST

Institution: INDEPENDENT BANK Assessment Set: 2024 ASSESSMENT AREA (2024), Area: 13 - HOOD NON MSA 2024 AA

FIPS Codes

TEXAS (48) - HOOD COUNTY (221) - 14 Tracts

48 221 1601.00	48 221 1602.04	48 221 1602.06	48 221 1602.10	48 221 1602.11	48 221 1602.12	48 221 1602.13	48 221 1602.14	48 221 1602.15	48 221 1602.16
48 221 1602.17	48 221 1602.18	48 221 1603.02	48 221 1603.03						

Sources: 2020 Census Data with 2020 ACS-5 Updates and Interim 2024 FFIEC Updates

PUBLIC DISCLOSURE

April 24, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Independent Bank
Certificate Number: 3076

7777 Henneman Way
McKinney, Texas 75070

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

600 North Pearl Street, Suite 700
Dallas, Texas 75201

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

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

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

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

The Lending Test is rated High Satisfactory.

- Lending levels reflect excellent responsiveness to assessment areas' credit needs.
- A high percentage of loans are made in the institution's assessment areas.
- The geographic distribution of loans reflects adequate penetration throughout the assessment areas.
- The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes.
- The institution makes extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs.
- The institution is a leader in making community development loans.
- The institution exhibits a good record of serving the credit needs of the most economically disadvantaged areas of its assessment areas, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices.

The Investment Test is rated Low Satisfactory.

- The institution has an adequate level of qualified community development 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 development needs.
- The institution occasionally uses innovative and/or complex investments to support community development initiatives.

The Service Test is rated Low Satisfactory.

- Delivery systems are reasonably accessible to essentially all portions of the institution's assessment areas.
- To the extent changes have been made, the institution's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies and/or to low- or moderate-income individuals.
- Services (including where appropriate, business hours) do not vary in a way that inconveniences portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals.
- The institution provides an adequate level of community development services.

DESCRIPTION OF INSTITUTION

Independent Bank operates as a state-chartered, retail bank headquartered in McKinney, Texas. Independent Bank Group, Inc., McKinney, Texas, a one-bank holding company, wholly owns Independent Bank. The institution maintains several affiliate and subsidiary relationships, one of which, Private Capital Management LLC, offers investment advice, estate planning, tax planning, and financial planning. The bank received a "Satisfactory" rating at its previous Federal Deposit Insurance Corporation (FDIC) Community Reinvestment Act (CRA) Evaluation dated November 30, 2020, using Large Bank Examination Procedures.

The bank operates 93 full-service offices, and 7 loan production offices (LPOs) in the designated assessment areas located throughout the States of Texas and Colorado. Since the prior evaluation, the bank opened one full-service office in Denison, Texas and closed one full-service office in Denison, Texas. In addition, the bank opened two LPOs, closed one LPO, and relocated one full-service office in Greeley, Colorado. The bank did not experience any merger or acquisition activity since the prior evaluation. The bank offers hours and days of service consistent with area and industry norms.

Independent Bank maintains a business focus on commercial lending, which remains consistent with the last evaluation. The bank offers a full line of loan products, deposit accounts, and other financial services, such as wealth management. Independent Bank also offers an array of alternative delivery systems including online banking, text banking, mobile banking, mobile deposit, bill pay, pay-a-friend services, as well as 87 automated teller machines (ATMs).

As of the December 31, 2022 Reports of Condition and Income, the bank reported total assets of approximately \$18.3 billion, total loans of \$13.9 billion, and total deposits of \$15.1 billion. Since the prior evaluation, total assets grew by 2.8 percent, total loans by 5.9 percent, and total deposits by 5.0 percent. As presented in the following table, the mix of outstanding loans as of December

31, 2022, shows that commercial lending represents the largest loan category at 63.8 percent of outstanding loans.

Loan Portfolio Distribution as of 12/31/2022		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	1,744,712	12.5
Secured by Farmland	114,707	0.8
Secured by 1-4 Family Residential Properties	1,601,724	11.5
Secured by Multifamily (5 or more) Residential Properties	881,898	6.3
Secured by Nonfarm Nonresidential Properties	6,945,636	49.9
Total Real Estate Loans	11,288,677	81.1
Commercial and Industrial Loans	1,941,748	13.9
Agricultural Production and Other Loans to Farmers	9,843	0.1
Consumer Loans	81,381	0.6
Obligations of State and Political Subdivisions in the U.S.	73,811	0.5
Other Loans	498,543	3.6
Lease Financing Receivable (net of unearned income)	40,615	0.3
Less: Unearned Income	(13,945)	(0.1)
Total Loans	13,920,673	100.0
<i>Source: Reports of Condition and Income</i>		

Based on the information discussed in this section as well as other regulatory data, the institution's financial condition, size, product offerings, prior performance, and status of any legal impediments did not affect its ability to meet the credit needs of the assessment areas.

DESCRIPTION OF ASSESSMENT AREAS

As more fully described under Description of Institution for each rated area, Independent Bank operates in two rated areas, the States of Texas and Colorado. The bank currently maintains seven assessment areas in the State of Texas and five in the State of Colorado. Please refer to the rated areas and individual assessment areas for additional information.

Since the prior evaluation, the bank expanded the Houston-The Woodlands-Sugarland Metropolitan Statistical Area (Houston MSA) assessment area to include Brazoria County in its entirety versus the portion noted at the last evaluation. Additionally, at the prior evaluation the Sherman-Dennison MSA assessment area included Cooke County, part the Texas Non-MSA, as it did not extend substantially beyond the MSA border. However, this evaluation excludes it.

Similar to the prior evaluation, the bank took contiguous counties in the Dallas-Irving-Plano, Texas Metropolitan Division (MD) and the Fort Worth-Arlington-Grapevine, Texas MD. Since these two MDs make up the greater Dallas-Fort Worth-Arlington, Texas MSA, examiners combined these two areas into one assessment area (DFW MSA assessment area) for analysis and presentation.

The review period covers two distinct census data periods, the 2015 American Community Survey (ACS) and 2020 U.S. Census. Examiners based "Branch and ATM Distribution" tables found

throughout this evaluation on the 2020 U.S. Census data. However, examiners based the banks performance under each applicable Large Bank CRA performance and test factor on the 2015 ACS data to align with the years of data evaluated and presented in this report. Aside from the “Branch and ATM Distribution” tables, the 2022 data under the borrower profile criterion also uses 2020 U.S. Census data.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation, dated November 30, 2020, to the current evaluation, dated April 24, 2023. To assess performance, examiners applied the Federal Financial Institutions Examination Council (FFIEC) Large Institution CRA Examination Procedures, which include the Lending, Investment, and Service Tests. The Appendix lists the applicable tests’ criteria.

Examiners applied full-scope procedures to the following assessment areas in the State of Texas: the DFW MSA assessment area and the Austin-Round Rock-Georgetown MSA (Austin MSA) assessment area. For the State of Colorado, examiners applied full-scope procedures to the Denver-Aurora-Lakewood MSA (Denver MSA) assessment area and the Fort Collins MSA assessment area. Examiners applied limited-scope procedures to the remaining assessment areas found within both rated areas. Please refer to the rated area sections for additional details.

The following table shows that the bank originated a majority of its loans, held a majority of its deposits, and operated a majority of its branches in the State of Texas. Consequently, examiners weighed records in the State of Texas heavier when arriving at applicable conclusions and ratings.

Rated Area Breakdown of Loans, Deposits, and Branches						
Rated Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
State of Texas	4,027,949	70.3	11,040,715	73.3	61	65.6
State of Colorado	1,701,773	29.7	4,028,542	26.7	32	34.4
Total	5,729,722	100.0	15,069,257	100.0	93	100.0
<i>Source: HMDA & CRA Data (2020-2022); FDIC Summary of Deposits (06/30/2022)</i>						

Activities Reviewed

For the Lending Test, CRA Large Bank procedures require examiners to consider a bank’s reported home mortgage, small business, and small farm loans, as well as all reported community development loans originated since the previous evaluation. Consequently, this evaluation considers total loans reported (inside and outside of the assessment areas) either according to the Home Mortgage Disclosure Act (HMDA) or CRA data collection reporting requirements:

Home Mortgage Loans (Total loans reported inside and outside of the assessment areas)

- 2020 – 3,785 loans totaling \$1,340,518,000
- 2021 – 3,242 loans totaling \$1,723,353,000
- 2022 – 2,054 loans totaling \$1,696,071,000

Small Business Loans (Total loans reported inside and outside of the assessment areas)

- 2020 – 8,038 loans totaling \$1,044,239,000
- 2021 – 4,358 loans totaling \$670,401,000
- 2022 – 1,529 loans totaling \$435,321,000

Small Farm Loans (Total loans reported inside and outside of the assessment areas)

- 2020 – 124 loans totaling \$9,715,000
- 2021 – 101 loans totaling \$7,634,000
- 2022 – 113 loans totaling \$9,488,000

Community Development Loans

- November 30, 2020 – April 24, 2023: 116 loans totaling \$861,669,000

This evaluation does not consider any affiliate lending. Based on the data above, small farm loans do not represent a major product in any assessment area and only account for 0.4 percent of the dollar volume of the total HMDA and CRA loans. Therefore, examiners did not analyze small farm loans since conclusions regarding the product would not materially affect any conclusions or ratings.

Since no trends exist between the different years' data that materially affect applicable conclusions or ratings, unless otherwise noted, this evaluation only presents the 2021 HMDA and small business data, the most recent year for which aggregate data exists as of this evaluation date. However, examiners included 2020 through 2022 HMDA and CRA data in the Assessment Area Concentration discussion. Examiners compared the bank's small business lending to aggregate data in 2020 and 2021, as well as D&B data in 2022. Examiners compared the bank's HMDA lending to aggregate data in 2020 and 2021, as well as 2020 U.S. Census data in 2022.

The weighting for the specific loan categories varies for each of the assessment areas. However, as suggested by the above figures, total home mortgage loans surpassed the dollar volume of total small business lending while small business lending surpassed the number volume of home mortgage loans. Additionally, examiners considered the bank's primary commercial lending focus, loan portfolio composition, and lending activity during the evaluation period. Consistent with the prior evaluation, examiners will place equal weight among the products when drawing conclusions.

The scopes for the Investment and Service Tests consider applicable current period community development activities, including qualified investments and community development services. The Investment Test's scope further encompasses all prior period qualified investments. Prior period qualified investments involve those purchased prior to the previous evaluation but still outstanding as of this evaluation's date. Examiners use the book value as of the current evaluation date for all prior period qualified investments.

For the Service Test, examiners reviewed the delivery systems for providing retail banking services, including branches and alternative delivery systems, and the impact of any branch openings/closings during the evaluation period. The review further evaluated retail banking products and services targeted toward low- and moderate-income individuals or small businesses and/or tailored to meet specific needs within the assessment areas.

Given the institution's method and compilation of community development data, examiners reviewed all community development loans, qualified investments, and community development services from the previous evaluation to April 24, 2023.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Independent Bank demonstrated a high satisfactory record for the bank as a whole regarding the Lending Test. A high percentage of loans made in the assessment areas combined with a leader level of community development loans and extensive use of innovative and flexible lending practices offset by the adequate geographic distribution and borrower profile records to support this conclusion. In addition, the bank displayed excellent lending levels. Conclusions regarding the institution's overall Lending Test performance were consistent within both rated areas.

Lending Activity

Lending levels reflect excellent responsiveness to assessment area credit needs for the institution as a whole. Excellent records regarding home mortgage and small business lending support this conclusion. Examiners considered the bank's size, business strategy, and capacity relative to the assessment areas' credit needs when arriving at this conclusion.

Home Mortgage Loans

Home mortgage lending levels reflect excellent responsiveness to assessment area credit needs. For 2021, the bank originated 2,554 reportable home mortgage loans totaling approximately \$1.3 billion in its assessment areas. Independent Bank captured a 0.2 percent market share of the total number of home mortgage loans and a 0.3 percent market share of the total dollar volume of loans. This volume of activity ranks the bank 88th out of 1,342 total lenders in the bank's assessment areas. This ranking lands the bank in the top 6.6 percent of lenders reporting such loans in the bank's assessment areas. The ranking considers the total number and dollar amount of loans made by each institution.

Small Business Loans

Small business lending levels reflect excellent responsiveness to assessment area credit needs. For 2021, the bank originated 4,042 reportable small business loans totaling approximately \$594.8 million inside its assessment areas. Independent Bank captured a 0.6 percent market share of the total number of small business loans and a 2.3 percent market share of the total dollar volume of loans. This volume of activity ranks the bank 24th out of 434 total lenders in the bank's assessment areas. This ranking lands the bank in the top 5.5 percent of lenders reporting such loans in the bank's assessment areas. The ranking considers the total number and dollar amount of loans made

by each institution.

Assessment Area Concentration

The institution originated a high percentage of loans inside its assessment areas for the institution as a whole. Adequate percentages of home mortgage hampered the substantial majority of small business loans originated in the assessment areas to support this conclusion. Examiners considered the bank's asset size and office structure as well as the loan categories reviewed relative to the areas' combined size and economy when arriving at this conclusion.

Home Mortgage Loans

The institution originated an adequate percentage of home mortgage loans inside its assessment areas. The following table shows that, for home mortgage loans by both measures, the percentages of the number and dollar volume, the bank originated an adequate percentage inside its assessment areas.

Small Business Loans

The institution originated a substantial majority of its small business loans inside its assessment areas. The following table shows that, for small business loans by both measures, the bank originated a substantial majority inside its assessment areas.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollars Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2020	3,186	84.2	599	15.8	3,785	1,147,957	85.6	192,561	14.4	1,340,518
2021	2,554	78.8	688	21.2	3,242	1,315,751	76.3	407,603	23.7	1,723,353
2022	1,585	77.2	469	22.8	2,054	1,110,257	65.5	585,815	34.5	1,696,071
Subtotal	7,325	80.7	1,756	19.3	9,081	3,573,965	75.1	1,185,979	24.9	4,759,942
Small Business										
2020	7,496	93.3	542	6.7	8,038	945,024	90.5	99,215	9.5	1,044,239
2021	4,042	92.7	316	7.3	4,358	594,817	88.7	75,584	11.3	670,401
2022	1,345	88.0	184	12.0	1,529	377,430	86.7	57,891	13.3	435,321
Subtotal	12,883	92.5	1,042	7.5	13,925	1,917,910	89.2	232,051	10.8	2,149,961
Total	20,208	87.8	2,798	12.2	23,006	5,491,875	79.5	1,418,030	20.5	6,909,903
Source: HMDA Reported Data; CRA Reported Data Due to rounding, totals may not equal 100.0%										

Geographic Distribution

Independent Bank's geographic distribution of loans reflects adequate penetration throughout the rated areas for the bank as a whole. Performance in the States of Texas and Colorado proved consistent with the overall conclusion. Examiners focused on the percentage by number of loans in low- and moderate-income census tracts when arriving at conclusions for this performance factor.

Refer to the rated area and assessment area sections for a complete discussion of the geographic distribution.

Borrower Profile

Independent Bank's distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes for the bank as a whole. Performance in the States of Texas and Colorado demonstrated consistent performance with the overall conclusion. Examiners focused on the percentage by number of loans to low- and moderate-income individuals and to businesses with gross annual revenue of \$1 million or less when arriving at conclusions for this performance factor. Refer to the rated area and assessment area sections for a complete discussion of the borrower profile.

Innovative or Flexible Lending Practices

The institution makes extensive use of innovative or flexible lending practices in order to serve assessment area credit needs for the bank as a whole. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of its assessment areas when arriving at this conclusion. The following points describe various innovative or flexible programs offered by the bank.

- **Down Payment Assistance Program:** The bank offers various down payment assistance programs, in conjunction with state and county housing agencies, designed for low- and moderate-income borrowers and borrowers in low- and moderate-income areas in the States of Texas and Colorado. The products contain terms and features to support applicants who may not otherwise qualify through traditional credit reviews.

The terms and features include providing eligible homebuyers with down payment assistance, second lien assistance, and/or closing cost assistance when purchasing a home. Eligibility requirements generally include income restrictions for low- and moderate-income borrowers, first time homebuyers, and loan specific qualifications. Depending on the program, the assistance could be as much as 5.0 percent based on the final loan amount.

The bank participates with several programs in the State of Texas including the Texas Department of Housing and Community Affairs, Texas State Affordable Housing Corporation, and the Southeast Texas Housing Finance Corp. While in the State of Colorado, the programs include the El Paso County Housing Authority. Independent Bank funded 188 loans totaling \$46.7 million with the various down payment assistance programs in both rated areas since the prior evaluation.

- **Individual Tax Identification Number (ITIN) Mortgage Loan Program:** In September 2018, Independent Bank created the ITIN program, which gives non-citizens the opportunity for home ownership by applying with a valid ITIN. The product gives Independent Bank the flexibility to qualify an applicant through non-traditional credit reviews, including no credit

score or extremely limited credit history.

The bank's ITIN program eligibility requirements include the purchase or refinance of an owner-occupied primary residence, a 30-year fixed rate, and flexibility for credit scores with sufficient non-traditional credit restrictions. The bank originated 205 ITIN loans totaling \$45.9 million within the rated areas since the prior evaluation.

Additionally, the bank participates in various federal loan programs including the Federal Housing Administration (FHA) and Veterans Administration (VA) programs. These programs generally offer low down payments and interest rate options.

- **FHA:** This federal program allows first-time homebuyers to put down as little as 3.5 percent, most closing costs can be included in the loans, and a lower minimum credit score required to qualify. Independent Bank originated 349 FHA loans totaling \$94.8 million within the rated areas since the previous evaluation.
- **VA:** This federal program offers long-term financing to eligible veterans and surviving spouses. It helps veterans purchase homes with no down payment, provides 100.0 percent financing without private mortgage insurance, and allows veterans to receive up to 6.0 percent towards closing costs. The bank originated 106 VA loans totaling \$40.5 million within the rated areas since the prior evaluation.
- **Paycheck Protection Program (PPP):** On March 11, 2020, the World Health Organization declared the COVID-19 Pandemic and both states went under lock-down. On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which provided direct economic assistance for employees, families, small businesses, and industries. The CARES Act provided funding by the Small Business Administration (SBA) to create a new SBA program called the PPP, which includes loan forgiveness.

The PPP loan is a loan designed to provide a direct incentive for small businesses to keep their workers on payroll. In order to facilitate emergency funding, banks were not required to collect gross annual revenue documentation. In 2021, Independent Bank funded 2,808 PPP loans totaling \$251.4 million, which included loans in both the States of Colorado and Texas. In 2020, the bank funded 6,251 PPP loans totaling \$602.8 million within the rated areas.

- **SBA:** The bank continues to be an approved SBA lender and now maintains a designation as a Preferred Lender. SBA loans make it possible to fund commercial projects that would not normally qualify under the bank's requirements. Depending on the loan structure, SBA guarantees these loans, with the focus geared towards small businesses start-ups. Under the Preferred Lender Program, the bank has more autonomy to make faster decisions in loan approvals and processing. Independent Bank originated 238 SBA loans totaling \$278.5 million since the prior evaluation within the States of Texas and Colorado.

Furthermore, early in 2023, the bank launched a new mortgage product to help those who otherwise would not have qualified for traditional credit. The program, targeted to low- and moderate-income

areas in the States of Texas and Colorado, offers 100 percent financing with no private mortgage insurance required. Given the recent development of this product, no originations occurred as of the evaluation date; however, the bank received several inquiries and applications.

Community Development Loans

The institution is a leader in making community development loans for the bank as a whole. Independent Bank's leadership level of community development loans and its good responsiveness to community development needs support this conclusion. The bank demonstrated consistent performance in both the State of Texas and the State of Colorado.

Regarding the overall level of community development loans, the following table shows that, since the previous evaluation, the bank granted 116 community development loans totaling \$861.7 million. This level equates to 4.7 percent of average total assets of \$18.2 billion since the last previous evaluation and 6.6 percent of average total loans of \$13.0 billion for the same period, thereby reflecting leadership levels. While, these levels reflect a decrease from the 358 total community development loans representing \$1.1 billion, or 8.5 percent of average assets and 11.1 percent of average total loans reported at the previous evaluation, they still reflect a leadership level.

Community Development Lending Institution										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2020 (11/30 - 12/31)	0	0	0	0	0	0	0	0	0	0
2021	9	82,045	1	3,531	10	28,567	36	320,289	56	434,432
2022	13	66,184	1	3,220	9	38,750	37	319,083	60	427,237
2023 (1/1 – 4/24)	0	0	0	0	0	0	0	0	0	0
Total	22	148,229	2	6,751	19	67,317	73	639,372	116	861,669
<i>Source: Bank Data.</i>										

In addition to reflecting a leadership level of lending, the community development loans reflect good responsiveness to the assessment areas' community development needs. The community development loans proved responsive to the assessment areas' needs given that they primarily addressed revitalization and stabilization, and affordable housing efforts throughout the assessment areas. As seen in the prior table, 74.2 percent by dollar volume addressed revitalization and stabilization efforts, and 17.2 percent by dollar volume promoted affordable housing. Revitalizing or stabilizing qualifying geographies represents a community development need in the bank's assessment areas.

Community Development Loans By Rated Area Institution										
Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
State of Texas	16	140,661	1	3,531	12	40,403	49	364,003	78	548,598
State of Colorado	6	7,568	1	3,220	7	26,914	24	275,369	38	313,071
Total	22	148,229	2	6,751	19	67,317	73	639,372	116	861,669
<i>Source: Bank records</i>										

As shown in the table above, all of the bank's community development loans originated within the rated areas directly; therefore, please reference the rated area sections of this evaluation for examples of specific bank activities.

INVESTMENT TEST

Independent Bank demonstrated a low satisfactory record for the bank as a whole regarding the Investment Test. The adequate level of qualified investments and adequate responsiveness to community development needs combined with the occasional use of complex qualified investments supports this conclusion. Conclusions regarding the institution's overall Investment Test performance proved consistent both rated areas.

Investment and Grant Activity

The institution has an adequate level of qualified community development investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors, for the bank as a whole. As seen in the following table, the bank made use of 294 qualified investments totaling \$130.4 million, which includes donations of \$1.4 million and prior period investments of \$50.7 million. The total dollar amount equates to 0.7 percent of average total assets of \$18.2 billion since the previous evaluation and 7.4 percent of average total securities of \$1.7 billion for the same period, thereby reflecting an adequate level. These levels reflect a slight increase over the 0.5 percent of average total assets and the 7.3 percent of average total securities reported in the previous evaluation.

Qualified Investments by Year Institution										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	1	2,610	40	46,594	2	1,161	1	337	44	50,701
2020 (4/1-12/31)	0	0	1	1,781	0	0	0	0	1	1,781
2021	0	0	12	41,133	0	0	0	0	12	41,133
2022	0	0	7	35,370	0	0	0	0	7	35,370
2023 (1/1-3/31)	0	0	0	0	0	0	0	0	0	0
Subtotal	1	2,610	60	124,878	2	1,161	1	337	64	128,986
Qualified Grants & Donations	20	112	199	1,243	8	61	3	21	230	1,437
Total	21	2,723	259	126,121	10	1,222	4	358	294	130,424
<i>Source: Bank Records</i>										

Qualified Investments by Rated Area Institution										
Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
State of Texas	12	74	203	122,413	8	1,202	3	357	226	124,046
State of Colorado	9	2,649	56	3,708	2	20	1	1	68	6,378
Total	21	2,723	259	126,121	10	1,222	4	358	294	130,424
<i>Source: Bank records</i>										

As shown in the table above, all of the bank’s qualified community development investments and grants originated within the rated areas directly; therefore, please reference the rated area sections of this evaluation for examples of specific bank activities.

Responsiveness to Credit and Community Development Needs

Independent Bank exhibits adequate responsiveness to credit and community development needs for the bank as a whole. The prior tables show responsiveness through the bank’s investments by dollar amount across all community development categories, while primarily focusing on the community service category with 96.7 percent of the investment activities. Refer to the individual assessment areas’ sections for details.

Community Development Initiatives

Independent Bank occasionally uses innovative and/or complex investments to support community development initiatives for the bank as a whole. For example, as a member institution of the Federal Home Loan Bank of Dallas, Independent Bank has access to several specialized grant programs that assist in financing affordable housing and spurring economic development in the communities in which the bank serves. One such program the bank participates in is the Homebuyer Equity Leverage Partnership (HELP) program. The HELP program provides down

payment and closing cost assistance through member institutions to income-qualified, first-time homebuyers. HELP is one of three FHLB grant programs that can be used to fund out-of-district projects. Independent Bank distributed \$27,500 in HELP funds to low- and moderate-income homebuyers through this partnership since the prior evaluation.

The bank also continues their relationship with Habitat for Humanity of Colorado (HFH) to offer HFH affiliates, within the bank's assessment areas, the opportunity to apply for grant funds from the HELP program. The program serves as an important financing tool that the affiliates use to advance the HFH mission of providing quality, affordable housing to low- and moderate-income individuals. Through this partnership, HFH coordinates the application process with interested affiliates, collects all necessary documentation, and then submits it to the Independent Bank's local Community Development Officer to review and submit to FHLB Dallas for approval and funding. The bank piloted the program in 2019 by approving a \$2.0 million guidance line of credit dedicated to purchasing HFH mortgages. As of the current evaluation date, the line increased to \$3.0 million. All loans under this guidance line of credit include zero percent interest rate mortgages purchased by the bank at a 10 percent discount. HFH affiliates use loan sale proceeds to fund the development of affordable housing, to provide gap financing, or to expand organizational capacity.

SERVICE TEST

Independent Bank demonstrated a low satisfactory performance regarding the Service Test. The bank demonstrated an adequate level of community development services, coupled with delivery systems that are reasonably accessible to essentially all portions of the assessment areas, which primarily support this conclusion. In addition, changes in branch locations generally did not adversely affect the accessibility of delivery systems in low- and moderate-income geographies or to low- and moderate-income individuals. Finally, the retail banking hours and services did not inconvenience portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. The bank demonstrated consistent performance among the rated areas.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the bank's assessment areas for the bank as a whole. The bank makes its full-service offices and alternative delivery systems reasonably accessible. Adequate accessibility of branches in low- and moderate-income geographies supports this conclusion.

The bank's branch distribution in low- and moderate-income census tracts falls 5.1 and 4.1 percentage points below the population found in these same tracts, respectively, reflecting an adequate level. The bank opened and closed one branch in Denison, Texas, located in Grayson County in 2021. Both of the branches operated in moderate-income census tracts. Therefore, this activity did not affect the distribution of branches within the Sherman MSA assessment area or for the bank as a whole. The bank also relocated one branch in Greeley, Colorado in 2022 with both branches located in the same low-income census tract.

Branch and ATM Distribution Institution												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	448	9.6	1,710,542	8.3	3	3.2	3	3.4	0	0.0	0	0.0
Moderate	1,170	25.1	5,029,016	24.5	19	20.4	17	19.5	1	100.0	1	100.0
Middle	1,436	30.8	6,531,372	31.8	32	34.4	32	36.8	0	0.0	0	0.0
Upper	1,495	32.1	7,007,627	34.1	39	41.9	35	40.2	0	0.0	0	0.0
NA	114	2.4	261,942	1.3	0	0.0	0	0.0	0	0.0	0	0.0
Totals	4,663	100.0	20,540,499	100.0	93	100.0	87	100.0	1	100.0	1	100.0
<i>Source: 2020 U.S. Census Data; Bank Data. Due to rounding, totals may not equal 100.0</i>												

The bank's alternative delivery systems are reasonably accessible to essentially all portions of the bank's assessment areas for the bank as a whole. The bank offers deposit accounts that are accessible online, by phone, via text messaging, through debit cards, at ATMs, and through a mobile banking application for smart phones. The mobile banking application gives the user the ability to make mobile deposits by taking pictures of the checks. Additionally, mobile banking allows customers access to view balances, view transaction history, pay bills, and make transfers. Furthermore, online services include the ability to complete bill pay, transfer funds, view account balances, and review transaction histories.

Further, customers can receive refunded ATM fees, up to \$20, on their Free Rewards Checking account if they meet qualifying criteria. This allows customers the ability to seek out a more conveniently located ATM.

Changes in Branch Locations

To the extent changes have been made, the institution's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income geographies and/or to low- and moderate-income individuals for the bank as a whole. During the evaluation period, the bank opened and closed one branch in Denison, Texas; however, this activity did not have an effect on the branch distribution as both locations lie in moderate-income census tracts. During the evaluation period, the bank maintained 22 branch locations in low- and moderate-income census tracts falling slightly below the population within those same tracts.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals. The bank offers service hours as well as loan and deposit products that are substantially similar throughout the rated areas and assessment areas.

Independent Bank maintains hours and services typical for the areas served and the industry. Most locations maintain lobby hours from 9:00 AM to 5:00 PM, Monday through Friday. On Saturday, the bank operates from 9:00 AM to 12:00 PM at open locations. Of the 31 locations open on Saturday, 25.8 percent operate in moderate-income census tracts. In addition, a reasonable number of branches located in low- and moderate-income census tracts operate drive-thru locations with 2.4 percent of the 85 drive-thru locations being located in low-income census tracts and 15.3 percent located in moderate-income census tracts.

The bank offers an array of deposit accounts that benefit all portions of the assessment areas, including low- and moderate-income individuals. The bank offers various checking accounts including Free Rewards Checking, in addition to several types of savings accounts including the free Real Saver account. The Free Rewards Checking, Free Checking, and the Real Saver accounts do not include a maintenance fee; however, customers must meet certain requirements before they can receive a majority of the monetary benefits like increased interest earned and refund of ATM fees. Additionally, the bank offers the Intro Checking Account, which meets the Bank On national account standards. The account, designed for those beginning a banking relationship, offers features such as a low monthly maintenance fee, no non-sufficient fund charges, and no digital banking fees. Credit-related products offered for consumer and commercial entities include non-residential loans, home mortgage loans, home equity loans, and various commercial-purpose loan products.

Community Development Services

Independent Bank provides an adequate level of community development services for the bank as a whole. The following table shows that the bank provided 651 community development services since the previous evaluation. This number equates to an average of 2.9 community development services, per office, per year since the previous evaluation, thereby reflecting an adequate level for the evaluation period. The bank averaged 92 full-service offices for the 2.4 years since the previous evaluation. These levels reflect an increased trend from the 358 community development services, equating to 1.3 services, per office, per year, noted at the previous evaluation. The following tables display the community development services by activity type, year, and rated area for the institution as a whole.

Community Development Services by Year Institution					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2020*	3	5	0	0	8
2021	50	146	45	0	241
2022	61	278	62	1	402
2023**	0	0	0	0	0
Total	114	429	107	1	651
<i>Source: Bank Data. *11/30/2020-12/31/2020; **1/1/2023-4/24/2023</i>					

Community Development Services by Rated Area Institution					
Rated Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
State of Texas	72	324	47	1	444
State of Colorado	42	105	60	0	207
Regional Activities	0	0	0	0	0
Total	114	429	107	1	651
<i>Source: Bank Data (11/30/2020 – 04/24/2023)</i>					

As shown in the table above, all of the bank’s community development services originated within the rated areas directly; therefore, please reference the rated area sections of this evaluation for examples of specific bank activities.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

STATE OF TEXAS

CRA RATING FOR STATE OF TEXAS: SATISFACTORY

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Low Satisfactory

The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN STATE OF TEXAS

Independent Bank designated seven assessment areas in the State of Texas; however, as noted in the table below and discussed previously, examiners combined the counties within the two MDs that make up the DFW MSA. Therefore, this evaluation presents discussion on six assessment areas. Additionally, since the prior evaluation, the bank expanded the Houston MSA assessment area to include Brazoria County, in its entirety. Further, the bank excluded Cooke County, part of the Texas Non-MSA, from the Sherman-Dennison MSA assessment area. All of the bank's assessment areas in the State of Texas conform to the CRA regulatory requirements.

Description of Texas Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Austin MSA	Travis, Williamson	425	6
DFW MSA	Collin, Dallas, Denton, Rockwall, Johnson, Tarrant	1,575	33
Houston MSA	Brazoria, Fort Bend, Harris, Montgomery	1,459	13
Sherman-Dennison MSA	Grayson	30	5
Texas Non-MSA	Hood	14	2
Waco MSA	McLennan	58	2
Source: Bank Records; 2020 U.S. Census Data			

SCOPE OF EVALUATION – STATE OF TEXAS

For the Lending Test, examiners considered the following loans granted inside the bank's State of Texas assessment areas as reported according to either the HMDA or CRA data collection reporting requirements:

Home Mortgage Loans

- 2020 – 2,411 loans totaling \$809,389,000
- 2021 – 2,017 loans totaling \$1,023,542,000
- 2022 – 1,362 loans totaling \$922,299,000

Small Business Loans

- 2020 – 4,835 loans totaling \$608,907,000
- 2021 – 2,608 loans totaling \$386,016,000
- 2022 – 884 loans totaling \$233,973,000

The weightings for the specific loan categories varies for each of the assessment areas. As indicated by the above figures, total home mortgage lending surpassed the dollar volume of total small business lending, while small business lending surpassed the number volume of home mortgage loans, with the exception of calendar year 2022. Examiners considered the bank's primary lending focus in commercial loan products, loan portfolio composition, and lending activity during the evaluation period. Consequently, examiners placed equal weight on the products reviewed when arriving at conclusions.

The following table shows that the DFW MSA assessment area generated the largest percentage of loans, gathered the largest percentage of deposits, and offered the largest number of branches in the State of Texas. Consequently, examiners applied full-scope procedures and weighted performance in the DFW MSA assessment area heaviest after contemplating all considerations in outstanding guidance, particularly the level of activity. In addition, examiners applied full-scope procedures to the Austin MSA assessment area, as this area did not receive a review using full-scope procedures at either of the last two evaluations. Examiners applied limited-scope procedures to the other four State of Texas assessment areas and weighed performance in each reviewed area consistent with that area's lending level as reflected in the following table.

Assessment Area Distribution – State of Texas						
Assessment Area*	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Austin MSA	883,861	21.9	1,085,433	9.8	6	9.8
DFW MSA	1,641,162	40.7	6,976,167	63.2	33	54.1
Houston MSA	1,224,436	30.4	1,900,977	17.2	13	21.3
Sherman-Dennison MSA	143,794	3.5	554,248	5.0	5	8.2
Texas Non-MSA	10,754	0.3	113,497	1.0	2	3.3
Waco MSA	123,942	3.1	410,393	3.7	2	3.3
Total	4,027,949	100.0	11,040,715	100.0	61	100.0
<i>Source: HMDA & CRA Data (2020-2022); FDIC Summary of Deposits (06/30/2022). Due to rounding, totals may not equal 100.0 percent.</i>						

For the Investment and Service Tests, the scopes remain consistent for this rated area as for the institution as a whole. Please refer to the Scope of Evaluation section at the Institution level for additional details.

CONCLUSIONS ON PERFORMANCE CRITERIA IN STATE OF TEXAS

LENDING TEST

Independent Bank demonstrated a high satisfactory record in the State of Texas regarding the Lending Test. Excellent lending levels and a leadership level of community development loans hampered by the adequate performances regarding geographic distribution and borrower profile support this conclusion. The bank also makes extensive use of innovative and/or flexible lending in this state. Conclusions regarding the institution's performance in the State of Texas were consistent with the conclusions for the DFW MSA, Houston MSA, and Waco MSA assessment areas within

the rated area. Conclusions within the Austin MSA, Sherman-Denison MSA, and Texas Non-MSA assessment areas demonstrated inconsistent performance, below that of the rated area.

Lending Activity

Lending levels reflect excellent responsiveness to assessment area credit needs in the State of Texas. Excellent performance regarding home mortgage and small business loans support this conclusion. Examiners considered the bank's size, business strategy, and capacity in this state relative to its credit needs when arriving at this conclusion.

Home Mortgage Loans

Home mortgage lending levels reflect excellent responsiveness to assessment area credit needs in the State of Texas. For 2021, the bank originated 2,017 reportable home mortgage loans totaling approximately \$1.0 billion in its State of Texas assessment areas. Independent Bank captured a 0.3 percent market share of the total number of home mortgage loans and a 0.4 percent market share of the total dollar volume of loans. This volume of activity ranks the bank 75th out of 1,114 total lenders in the bank's State of Texas assessment areas. This ranking lands the bank in the top 6.7 percent of lenders reporting such loans.

Small Business Loans

Small business lending levels reflect excellent responsiveness to assessment area credit needs in the State of Texas. For 2021, the bank originated 2,608 reportable small business loans totaling approximately \$386.0 million inside its State of Texas assessment areas. Independent Bank captured a 0.5 percent market share of the total number of small business loans and 1.9 percent market share of the total dollar volume of loans. This volume of activity ranks the bank 23rd out of 404 total lenders in the bank's State of Texas assessment areas. This ranking lands the bank in the top 5.7 percent of lenders reporting such loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the assessment areas within the State of Texas. The bank demonstrated consistent performance within all of the assessment areas within this rated area. However, the Texas Non-MSA assessment area does not include any low- and moderate-income geographies, and a review of the Geographic Distribution criterion would not result in meaningful conclusions. Therefore, this criterion was not evaluated within the Texas Non-MSA assessment area.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes throughout the State of Texas. The Austin MSA, DFW MSA, Houston MSA, Sherman-Dennison MSA, Waco MSA, and Texas Non-MSA assessment areas demonstrated consistent performance with that noted for the state overall.

Innovative or Flexible Lending Practices

Independent Bank makes extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs in the State of Texas. Management made efforts to serve the needs of the community through the same loan programs noted for the whole institution: Down Payment Assistance Programs, ITIN loans, FHA, VA, SBA, and PPP loans. Examiners considered the dollar volume relative to the institution's capacity and the assessment areas' needs when arriving at this conclusion. For the State of Texas, the bank funded the following since the previous evaluation:

- Down Payment Assistance Program: 167 loans totaling \$41.8 million
- ITIN: 156 ITIN loans totaling \$30.6 million
- FHA: 266 FHA loans totaling \$71.1 million
- VA: 50 VA loans totaling \$19.4 million
- PPP: 5,513 PPP loans totaling \$511.4 million
- SBA loans: 137 SBA loans totaling \$144.4 million

Additionally, early in 2023, the bank launched a new mortgage product to help those who otherwise could not qualify for traditional credit. The program, targeted to low- and moderate-income areas in the State of Texas, offers 100 percent financing with no private mortgage insurance required. Given the recent implementation of this product, no originations occurred as of the evaluation date; however, the bank received several inquiries and applications.

Community Development Loans

The institution is a leader in making community development loans in the State of Texas. Its extent, or dollar volume, of community development loans and the community development loans' good responsiveness support this conclusion. The DFW MSA, Houston MSA, and Waco MSA assessment areas demonstrated consistent performance with that noted for the State of Texas. The Austin MSA, Sherman-Dennison MSA, and Texas Non-MSA assessment areas demonstrated inconsistent performance, falling below the level noted for the State of Texas.

The following table shows that, since the previous evaluation, the bank granted 78 community development loans totaling approximately \$548.6 million in this state. The dollar amount equates to 63.7 percent of the bank's overall leadership level of community development loans as compared to the 70.3 percent of overall HMDA and CRA loans attributed to this state. The current level reflects a decline from that noted at the last evaluation, where the bank originated 254 loans totaling \$812.4 million in the State of Texas.

Community Development Lending by Assessment Area State of Texas										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Austin MSA	0	0	0	0	2	2,653	3	19,284	5	21,937
DFW MD	4	21,083	1	3,531	4	20,550	15	119,985	24	165,149
Houston MSA	12	119,578	0	0	4	14,000	30	222,109	46	355,687
Sherman-Dennison MSA	0	0	0	0	0	0	0	0	0	0
Texas Non-MSA	0	0	0	0	0	0	0	0	0	0
Waco MSA	0	0	0	0	2	3,200	1	2,625	3	5,825
Total	16	140,661	1	3,531	12	40,403	49	364,003	78	548,598
<i>Source: Bank records.</i>										

Independent Bank had no regional or statewide community development lending in this rated area. Please reference the full-scope assessment area sections that follow for examples of the bank's community development lending in the State of Texas.

Besides their extent, the community development loans reflect good responsiveness to the state's community development needs. As seen in the table above, approximately 66.4 percent of the dollar volume of the state's community development loans revitalize or stabilize low- and moderate-income geographies, 25.6 percent promote affordable housing, 7.4 percent promote economic development, and 0.6 percent provide community services for low- and moderate-income individuals.

As noted under the applicable Description of Institution's Operations sections, activities that provide community services for low- and moderate-income individuals, affordable housing, and revitalization or stabilization of qualifying geographies represent community development needs in the bank's assessment areas. Therefore, relative to the bank's capacity and the extent of community development lending opportunities and needs in its assessment areas throughout the State of Texas, the bank established a leadership level of originating community development loans.

INVESTMENT TEST

Independent Bank demonstrated a low satisfactory record in the State of Texas regarding the Investment Test. The significant level of qualified community development investments hampered by the adequate responsiveness to community development needs and the lack of use of complex investments supports this conclusion. The Austin MSA, DFW MSA, Houston MSA, and Waco MSA assessment areas demonstrated consistent performance with that of the rated area. The Sherman-Dennison MSA and Texas Non-MSA assessment areas demonstrated inconsistent performance, falling below that noted for the State of Texas.

Investment and Grant Activity

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

investors in the State of Texas. The table below shows that the bank made 226 qualified investments totaling approximately \$124.0 million in the State of Texas. By dollar volume, this equates to 95.1 percent of the bank's total adequate level of qualified investments as compared to 73.3 percent of total deposits in this rated area. These levels represent increases from the 217 qualified investments totaling \$50.8 million reported at the previous evaluation.

Qualified Investments State of Texas										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Austin MSA	1	5	20	2,281	0	0	0	0	21	2,286
DFW MD	7	53	101	52,176	6	41	2	20	116	52,290
Houston MSA	2	10	63	49,135	0	0	0	0	65	49,145
Sherman-Dennison MSA	0	0	8	41	0	0	0	0	8	41
Texas Non-MSA	0	0	0	0	0	0	0	0	0	0
Waco MSA	2	6	11	18,780	0	0	0	0	13	18,786
Statewide Activities	0	0	0	0	2	1,161	1	337	3	1,498
Total	12	74	203	122,413	8	1,202	3	357	226	124,046
<i>Source: Bank Data</i>										

Since Independent Bank's investments addressed community credit needs inside the bank's assessment areas within the State of Texas, statewide activities include investments in areas outside of the bank's defined assessment areas, but within the State of Texas. The following point describes an example of the statewide qualified community development investment provided by the bank.

- ***Economic Development*** – The bank continues to invest in a Community Development Financial Institution (CDFI) small business investment fund and provided \$631,181 in funding throughout the State of Texas. This CDFI helps promote economic development by financing small businesses.

Responsiveness to Credit and Community Development Needs

Independent Bank exhibits adequate responsiveness to credit and community development needs in the State of Texas. The above table shows the bank demonstrates responsiveness with 98.7 percent of the dollar volume addressing community service needs, supporting an identified community development need in the assessment areas.

Community Development Initiatives

Independent Bank does not use innovative and/or complex investments to support community development initiatives in the State of Texas.

SERVICE TEST

Independent Bank demonstrated a low satisfactory record for the State of Texas regarding the Service Test. The bank granted an adequate level of community development services, business hours and services that do not vary, and branch openings and closings that generally do not adversely affect accessibility support this conclusion. However, delivery systems are accessible to limited portions of the assessment areas. The performance is consistent for all assessment areas in this state, with the exception of the Sherman-Denison MSA assessment area, which demonstrated performance inconsistent with the rated area, falling below the state rated conclusion.

Accessibility of Delivery Systems

Delivery systems are accessible to limited portions of the areas. Limited branch accessibility hampered the reasonably accessible alternative delivery systems to support this conclusion. The State of Texas demonstrates inconsistent performance with the institution as a whole, falling below the overall level.

The bank makes its full-service offices accessible to limited portions of the institution's assessment areas in the State of Texas. The bank's level of branch distribution in low-income tracts falls 9.5 percentage points below the population in low-income census tracts, reflecting a poor level. The bank's level in moderate-income census tracts falls 9.6 percentage points below the population, also reflecting a poor level.

Branch and ATM Distribution by Geography Income Level State of Texas												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	398	11.2	1,511,799	9.5	0	0.0	1	1.8	0	0.0	0	0.0
Moderate	903	25.4	3,871,672	24.4	9	14.8	5	9.1	1	100.0	1	100.0
Middle	1,010	28.4	4,755,906	29.9	19	31.1	19	34.6	0	0.0	0	0.0
Upper	1,162	32.6	5,526,850	34.8	33	54.1	30	54.6	0	0.0	0	0.0
NA	88	2.5	219,908	1.4	0	0.0	0	0.0	0	0.0	0	0.0
Totals	3,561	100.0	15,886,135	100.0	61	100.0	55	100.00	1	100.0	1	100.0
<i>Source: 2020 U.S. Census Data; Bank Data. Due to rounding, totals may not equal 100.0%</i>												

The bank's alternative delivery systems and product offerings demonstrate reasonable accessibility to essentially all portions of the bank's assessment areas. In addition to ATM access, the bank's deposit accounts are accessible online, by phone, via text messaging, through debit cards, at ATMs, and through a mobile banking application for smart phones. Refer to the Service Test section at the Institution level for specific details of retail banking services available through alternative delivery systems.

Changes in Branch Locations

To the extent changes have been made, the institution's record of opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly low- and moderate-income geographies and/or to low- and moderate-income individuals in the State of Texas. During the evaluation period, the bank opened one branch and closed one branch in Denison, Texas; both branches operated in moderate-income census tracts.

Reasonableness of Business Hours and Services

Independent Bank's services, including business hours, do not vary in a way that inconvenience portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals. The State of Texas reflects product offerings, services, and branch hours consistent with the discussion at the institution level.

Community Development Services

The institution provides an adequate level of community development services for the State of Texas. Adequate performance regarding the extent and responsiveness of community development services to available opportunities primarily supports this conclusion.

The bank provided 444 qualified services since the previous evaluation. The number equates to an average of 3.0 community development services, per office, per year, since the previous evaluation, thereby reflecting an adequate level. This level reflects an increase from the previous examination as the bank provided an average of 1.4 services per branch per year.

Community Development Services State of Texas					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Austin MSA	4	35	0	0	39
DFW MSA	27	191	29	0	247
Houston MSA	28	66	18	1	113
Sherman-Dennison MSA	0	13	0	0	13
Texas Non-MSA	0	15	0	0	15
Waco MSA	13	4	0	0	17
Total	72	324	47	1	444
<i>Source: Bank Data (04/01/2019 – 03/31/2022)</i>					

These activities reflect personnel participation on various Boards or committees. Independent Bank had no regional or statewide community development services in this rated area, so please reference the full-scope assessment area sections for examples of the bank's community development services in the State of Texas.

DFW MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN DFW MSA ASSESSMENT AREA

The DFW MSA assessment area located in northeast Texas includes all 1,214 census tracts (2015 ACS data) that make up Collin, Dallas, Denton, and Rockwall Counties, four of the seven counties that make up the Dallas-Plano-Irving, Texas MD as well as Johnson and Tarrant Counties, two of the four counties that make up the Fort Worth-Arlington-Grapevine, Texas MD.

Economic and Demographic Data

The assessment area’s census tracts reflect the following income designations based on 2015 ACS data: 163 low-, 315 moderate-, 324 middle-, 405 upper-income tracts, and 7 tracts with no income designation. FEMA declared this assessment area as a major disaster area due to the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area according to the 2015 ACS.

Demographic Information of the Assessment Area DFW MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,214	13.4	25.9	26.7	33.4	0.6
Population by Geography	6,234,581	11.3	25.4	28.5	34.7	0.1
Housing Units by Geography	2,380,381	11.8	24.2	29.0	34.8	0.2
Owner-Occupied Units by Geography	1,293,307	5.3	19.5	30.0	45.0	0.1
Occupied Rental Units by Geography	906,953	19.2	30.0	28.3	22.2	0.3
Vacant Units by Geography	180,121	20.9	28.1	25.6	25.1	0.3
Businesses by Geography	747,085	7.0	17.9	26.4	48.0	0.7
Farms by Geography	12,641	4.7	16.0	30.3	48.5	0.5
Family Distribution by Income Level	1,516,288	23.5	16.5	18.0	42.1	0.0
Household Distribution by Income Level	2,200,260	23.8	16.5	17.7	41.9	0.0
Median Family Income MSA - 19124 Dallas-Plano-Irving, TX		\$71,149	Median Housing Value			\$179,067
Median Family Income MSA - 23104 Fort Worth-Arlington-Grapevine, TX		\$69,339	Median Gross Rent			\$983
			Families Below Poverty Level			11.5%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The ‘Branch and ATM Distribution’ table under the Service Test includes differing census tract totals due to the use of 2020 U.S. Census data, the most recent demographic data available as of the evaluation date. Changes that occurred due to the 2020 U.S. Census include an increase in the total number of census tracts to 1,575, which include the following: 150 low-, 415 moderate-, 455 middle-, 531 upper-income tracts, and 24 tracts with no income designation.

According to Moody's Analytics, Precis U.S. Metro from February 2023, the DFW MSA's economy remains strong. Every major industry outperformed the corresponding national total except government. Hospitality, financial, and healthcare performed especially well, as did core professional services. Weakness in this area includes diminished housing affordability as the DFW MSA matures. Unemployment rates remain stable in the 3.5 percent range since mid-2022, reflecting full employment. According to the U.S. Bureau of Labor Statistics as of April 2023, the DFW MSA's unemployment rate at 3.8 percent is above the national average at 3.4 percent.

According to the 2021 D&B data, the DFW MSA assessment area includes 747,085 businesses. The analysis of small business loans under the borrower profile criterion compares the distribution of businesses by gross annual revenue (GAR) level. For businesses located in the DFW MSA assessment area, approximately 88.4 percent reported GAR of \$1 million or less, 3.6 percent reported GAR of more than \$1 million, and 8.0 percent reported no GAR information.

The following table denotes the income ranges for the low-, moderate-, middle- and upper-income designations based on the Federal Financial Institutions Examination Council (FFIEC)-estimated median family incomes.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Dallas-Plano-Irving, TX Median Family Income (19124)				
2020 (\$86,200)	<\$43,100	\$43,100 to <\$68,960	\$68,960 to <\$103,440	≥\$103,440
2021 (\$89,000)	<\$44,500	\$44,500 to <\$71,200	\$71,200 to <\$106,800	≥\$106,800
2022 (\$97,400)	<\$48,700	\$48,700 to <\$77,920	\$77,920 to <\$116,880	≥\$116,880
Fort Worth-Arlington-Grapevine, TX Median Family Income (23104)				
2020 (\$81,100)	<\$40,550	\$40,550 to <\$64,880	\$64,880 to <\$97,320	≥\$97,320
2021 (\$80,500)	<\$40,250	\$40,250 to <\$64,400	\$64,400 to <\$96,600	≥\$96,600
2022 (\$92,400)	<\$46,200	\$46,200 to <\$73,920	\$73,920 to <\$110,880	≥\$110,880
<i>Source: FFIEC</i>				

Services represent the largest portion of businesses at 40.0 percent, followed by non-classifiable establishments at 20.1 percent, and finance, insurance, and real estate at 11.8 percent. Major employers in the assessment area include AMR/American Airlines, Lockheed Martin, and Texas Health Resources.

Competition

The area contains a moderate level of competition from other chartered banks based on its population, with each of the 161 institutions with 1,453 offices serving about 4,291 people on average. Independent Bank ranks 12th in market share by capturing 0.8 percent of the area's deposits based on the June 30, 2022 FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include financial technology (fintech) companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Community Contacts

Examiners reviewed two existing interviews with community members knowledgeable of the area's economic, demographic, and housing environment to help assess the area's current economic conditions, community credit needs, and potential opportunities for bank involvement in the area. The contacts represent nonprofit housing and community service organizations that target their services to lower income individuals and families, as well as depressed communities in the area.

The first contact noted that, although the Dallas area experienced solid growth, affordable housing, particularly in low- and moderate-income areas, continues to represent a primary need. The contact noted an escalation in the implementation of programs to increase mortgage lending and to provide access to home ownership. On a nationwide level, approximately 40 percent of individuals rent and 60 percent own; however, the Dallas area shows reversed percentages. The contact noted a heightened need to reach and provide general banking services for the unbanked. While banks offer small businesses access to capital, a lack of individuals that qualify for the capital exists. The contact further discussed a need for physical bank locations, with extended hours, particularly on Saturdays.

The second contact stated inflation costs remain a concern amongst small businesses in addition to the difficulties of meeting staffing needs. As a result, the contact noted an increase in family mergers and collaboration as well as generations choosing to combine their wealth and households by living together. Furthermore, the contact noted that although institutions offered an increase of new home mortgage products, the products most needed in the communities include consumer products. Borrowers need access to consumer emergency loans and savings vehicles that accrue interest. Consumers want to have access to quick dollars and the ability to pay back quickly versus financing these activities on a credit card. Lastly, the contact noted significant opportunity exists for local financial institutions to create affordable mortgage products that expand homeownership opportunities and provide homeownership counseling.

Credit and Community Development Needs and Opportunities

Considering information obtained from the community contact, bank management, and demographic and economic data, examiners determined that the area's primary credit needs included small business and home mortgage lending.

With respect to the area's community development needs, 2015 ACS demographic data shows that 39.3 percent of the area's census tracts received low- or moderate-income designations, and along with the federal disaster designations, suggest a need for activities that revitalize or stabilize qualifying geographies. Demographic data also shows that 40.0 percent of the area's families reported low or moderate incomes suggesting a need for activities that benefit projects or organizations that provide a community development services targeted to these families.

Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant retail banking service need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. A financial inclusion need exists for increased

access to consumer and commercial retail banking services to low- and moderate-income borrowers and tracts. Additionally, a retail banking service need exists for digital products with evolving features and technology built in to improve the customer's financial wellness.

CONCLUSIONS ON PERFORMANCE CRITERIA IN DFW MSA ASSESSMENT AREA

LENDING TEST

Independent Bank demonstrated a high satisfactory record in the DFW MSA assessment area regarding the Lending Test. The excellent lending levels combined with the leadership level of community development lending and the extensive use of innovative and/or flexible lending practices to offset the adequate geographic distribution and borrower profile performances to support this conclusion.

Lending Activity

Lending levels reflect excellent responsiveness to assessment area credit needs in the DFW MSA assessment area. Excellent performance regarding home mortgage and small business loans supports this conclusion.

Home Mortgage Loans

Home mortgage lending levels reflect excellent responsiveness to assessment area credit needs in the DFW MSA assessment area. For 2021, the bank originated 907 reportable home mortgage loans totaling approximately \$430.0 million in this area. Independent Bank captured a 0.3 percent market share of the total number and a 0.4 percent market share of the total dollar volume of home mortgage loans. The bank's activity by number of loans ranks it 80th out of 901 total lenders in the DFW MSA assessment area. This ranking lands the bank in the top 8.9 percent of lenders reporting such loans.

Small Business Loans

Small business lending levels reflect excellent responsiveness to assessment area credit needs in the DFW MSA assessment area. For 2021, the bank originated 1,147 reportable small business loans totaling approximately \$140.5 million in this area. Independent Bank captured a 0.5 percent market share of the total number of loans and a 1.6 percent market share of the total dollar volume of loans. The bank's activity by number of loans ranks it 26th out of 343 total lenders in the DFW MSA assessment area. This ranking lands the bank in the top 7.6 percent of lenders reporting such loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the DFW MSA assessment area. Adequate records regarding home mortgage and small business loans support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate performance in the DFW

MSA assessment area. Adequate performance in both low- and moderate-income geographies supports this conclusion.

As seen in the table below, the bank's lending in low-income census tracts lands slightly below the aggregate data by 0.3 percentage points, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level rises 3.7 percentage points above the aggregate data, reflecting an adequate level.

Geographic Distribution of Home Mortgage Loans DFW MSA Assessment Area						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	5.3	2.8	23	2.5	26,403	6.1
Moderate	19.5	11.7	140	15.4	66,581	15.5
Middle	30.0	30.9	345	38.0	112,130	26.1
Upper	45.0	54.4	399	44.0	224,921	52.3
Not Available	0.1	0.2	0	0.0	0	0.0
Totals	100.0	100.0	907	100.0	430,035	100.0
<i>Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Business Loans

The geographic distribution of small business loans reflects adequate performance in the DFW MSA assessment area. Adequate performances in both low- and moderate-income geographies support this conclusion.

As seen in the table below, the bank's lending in low-income census tracts falls below the aggregate data by 2.8 percentage points, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level falls 4.1 percentage points below the aggregate data, also reflecting an adequate level.

Geographic Distribution of Small Business Loans DFW MSA Assessment Area						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	7.0	7.2	51	4.4	7,116	5.1
Moderate	17.9	18.7	167	14.6	31,799	22.6
Middle	26.4	25.5	394	34.4	40,405	28.7
Upper	48.0	47.9	528	46.0	59,866	42.6
Not Available	0.7	0.7	7	0.6	1,359	1.0
Totals	100.0	100.0	1,147	100.0	140,545	100.0
Source: 2021 D&B Data; Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes in the DFW MSA assessment area. The adequate record regarding small business loans combined with the adequate record regarding home mortgage loans to support this conclusion.

Home Mortgage Loans

The distribution of home mortgage loans based on the borrowers' profiles reflects adequate performance in the DFW MSA assessment area. Adequate performance to both low- and moderate-income borrowers supports this conclusion.

As seen in the table below, the bank's lending to low-income borrowers exceeds the aggregate data by 1.6 percentage points, reflective of adequate performance. The table further shows that, to moderate-income borrowers, the bank's lending level rises 7.0 percentage points above the aggregate data, also reflecting an adequate level.

Distribution of Home Mortgage Loans by Borrower Income Level DFW MSA Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	23.5	3.3	44	4.9	6,302	1.5
Moderate	16.5	12.5	177	19.5	36,923	8.6
Middle	18.0	18.3	184	20.3	46,859	10.9
Upper	42.1	43.9	386	42.6	187,868	43.7
Not Available	0.0	21.9	116	12.8	152,083	35.4
Totals	100.0	100.0	907	100.0	430,035	100.0
Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Small Business Loans

The distribution of small business loans based on the borrowers' profiles reflects adequate performance in the DFW MSA assessment area. An adequate performance to businesses with gross annual revenues of \$1 million or less supports this conclusion. The following table illustrates the distribution of lending by borrower revenue levels within the assessment area.

Distribution of Loans to Small Businesses by Gross Annual Revenues DFW MSA Assessment Area											
Year	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
2020	1,956	219,117	26.1	139,803	88.6	8.5	37.8	3.9	7.0	7.5	84.5
2021	1,147	140,545	28.4	221,882	88.4	15.6	43.1	3.6	12.6	8.0	71.8
2022	294	72,725	21.7	--	91.8	43.5	--	2.4	44.9	5.8	11.6
<i>Source: 2020-2022 D&B Data; 2020-2022 CRA Data; 2020 & 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0.</i>											

PPP lending affected the bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less, as the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 1,894 and 798 PPP loans, respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 47.1 percent and 51.3 percent, respectively, compared to the bank's 2022 level.

In 2020 and 2021, the bank originated 73.3 percent and 74.2 percent, respectively, of small business loans in the assessment area within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest business borrowers.

As further shown in the table above, the bank's small business lending percentages in 2022, to businesses with gross annual revenues of \$1 million or less, falls 48.3 percentage points below the 2022 demographic figure. However, when compared to a more meaningful figure, the 2021 aggregate level reflects adequate performance for 2022.

Considering all years in the review period, the overall conclusion reflects adequate penetration for the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less.

Innovative or Flexible Lending Practices

Independent Bank makes extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs in the DFW MSA assessment area. Management made efforts to serve the needs of the community through the same loan programs noted for the whole institution: Down Payment Assistance Programs, ITIN loans, FHA, VA, SBA, and PPP loans. Examiners

considered the dollar volume relative to the institution's capacity and the assessment areas' needs when arriving at this conclusion. Innovative and/or flexible lending practices completed in the DFW MSA assessment area since the previous evaluation include:

- Down Payment Assistance Program: 110 loans totaling \$28.6 million
- ITIN: 33 ITIN loans totaling \$7.6 million
- FHA: 171 FHA loans totaling \$48.6 million
- VA: 33 VA loans totaling \$13.9 million
- PPP: 2,692 PPP loans totaling \$232.6 million
- SBA loans: 75 SBA loans totaling \$65.2 million

Community Development Loans

The institution is a leader in making community development loans in the DFW MSA assessment area. Its extent, or dollar volume, of community development loans and the community development loans' responsiveness support this conclusion.

As noted under the rated area level, the bank originated 24 community development loans totaling approximately \$165.1 million in the DFW MSA assessment area. By dollar volume, this equates to 30.1 percent of the bank's leader level of community development loans in the State of Texas as compared to the 40.7 percent of the bank's HMDA and CRA loans attributed to this assessment area. The following points discuss the bank's community development loans in the DFW MSA assessment area.

- ***Affordable Housing*** – The bank originated a loan totaling \$1.9 million to renovate a 32-unit apartment complex. The rents for these units target individuals/families of low- and moderate-incomes.
- ***Revitalize or Stabilize*** – The bank originated a loan totaling \$8.9 million for a business located in a moderate-income census tract. The loan helps to retain this business in a moderate-income census tract. Thus, the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing, businesses or residents.

In addition, the community development loans reflect good responsiveness to the community development needs of the assessment area. Approximately 72.7 percent of the dollar volume of the assessment area's community development loans help to revitalize and stabilize low- and moderate-income geographies, 12.8 percent promotes affordable housing, 2.1 percent are for community services to low- and moderate-income individuals, and 12.4 percent promotes economic development.

INVESTMENT TEST

Independent Bank demonstrated an adequate record in the DFW MSA assessment area regarding the Investment Test. The adequate level of qualified community development investments and adequate responsiveness to community development needs offset the lack of use of complex and innovative investments to support this conclusion.

Investment and Grant Activity

The bank has an adequate level of qualified community development investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors in the DFW MSA assessment area. As seen in the table for the State of Texas, Independent Bank made 116 qualified investments totaling approximately \$52.3 million in the DFW MSA assessment area. By dollar volume, this equates to 42.2 percent of the total significant level of investments in the State of Texas as compared to 63.2 percent of total deposits attributed to this rated area.

The following is an example of key investments in the DFW MSA assessment area.

- ***Community Services*** – The bank made use of 11 qualified investments in the DFW MSA assessment area, allocating approximately \$39.1 million, in municipal bonds. The bonds contain underlying loans to schools in low- and moderate-income areas.

Responsiveness to Credit and Community Development Needs

Independent Bank exhibits adequate responsiveness to credit and community development needs through use of qualified investments in the DFW MSA assessment area. As noted in the qualified investment table for the State of Texas, the DFW MSA assessment area shows responsiveness to community development needs by the dollar amount to all community development categories, with a primary focus on community services. These donations and investments support identified community development needs in the DFW MSA assessment area.

Community Development Initiatives

Independent Bank does not use innovative and/or complex investments to support community development initiatives in the State of Texas.

SERVICE TEST

Independent Bank demonstrated a low satisfactory record in the DFW MSA assessment area regarding the Service Test. The adequate level regarding the bank's community development services, no changes to branch locations, reasonableness of business hours and services, and reasonably accessible delivery systems supports this conclusion.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the DFW MSA assessment area. Reasonable accessibility of branch distribution and alternative delivery systems support this conclusion. The DFW MSA assessment area reflects a consistent conclusion to the Institution's Accessibility of Delivery System performance; however, demonstrates inconsistent performance to that noted for the State of Texas, exceeding the level of performance noted at the rated area.

The bank makes its full-service offices reasonably accessible throughout the DFW MSA assessment area, considering to extremely large number of tracts and population. The bank's level of branch distribution in low-income tracts falls 8.9 percentage points below the population in low-income census tracts, reflecting a poor level. The bank maintains six office locations within moderate-income geographies. Thus, the bank's level in moderate-income tracts falls 7.2 percentage points below the population, reflecting an adequate level. Given the consideration of the greater population within moderate-income geographies, the adequate performance for moderate-income geographies lifts the poor performance in the low-income geographies.

Branch and ATM Distribution by Geography Income Level DFW MSA Assessment Area												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	150	9.5	622,320	8.9	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	415	26.3	1,791,976	25.7	6	18.2	6	20.0	0	0.0	0	0.0
Middle	455	28.9	2,080,758	29.8	11	33.3	10	33.3	0	0.0	0	0.0
Upper	531	33.7	2,428,194	34.8	16	48.5	14	46.7	0	0.0	0	0.0
NA	24	1.5	59,564	0.9	0	0.0	0	0.0	0	0.0	0	0.0
Totals	1,575	100.0	6,982,812	100.0	33	100.0	30	100.0	0	0.0	0	0.0
<i>Source: 2020 U.S. Census Data; bank Data. Due to rounding, totals may not equal 100.0%</i>												

The bank's alternative delivery systems and product offerings demonstrate reasonable accessibility to essentially all portions of the bank's DFW MSA assessment area. In addition to ATM access, the bank's deposit accounts are accessible online, by phone, via text messaging, through debit cards, and through a mobile banking application for smart phones. Refer to the Institution Service Test section for specific details of retail banking services available through alternative delivery systems.

Changes in Branch Locations

During the evaluation period, the bank did not open or close any branches in this assessment area. Therefore, this criterion did not affect the overall Service Test rating for the DFW MSA assessment area.

Reasonableness of Business Hours and Services

Independent Bank's services, including business hours, do not vary in a way that inconvenience portions of the DFW assessment area, particularly low- and moderate-income geographies and/or individuals. The DFW MSA assessment area reflects product offerings, services, and branch hours consistent with discussion at the Institution level.

Community Development Services

The institution provides an adequate level of community development services in the DFW MSA assessment area. Adequate performances regarding the extent of community development services

and the responsiveness of community development services to available opportunities primarily support this conclusion.

As seen in the table for the State of Texas, the bank provided 247 community development services since the previous evaluation in the DFW MSA assessment area. Based on the time since the last evaluation and an average of 33.0 branches (accounting for the length of time each branch remained opened), the bank provided an average of 3.1 services, per branch, per year. Service activities demonstrate the responsiveness to various community needs, such as small business technical assistance, general financial literacy, housing and shelter for the homeless population, and daycare for those with limited finances.

The following are notable examples of community development services specific to DFW MSA assessment area.

- ***Community Services*** – Multiple employees and officers participated in the planning and development of The Family Health Center at Virginia Parkway, a federally qualified health Clinic. The bank identified a need for a clinic that services the medically underserved population of McKinney and Collin County, coordinated stakeholders to design and implement the clinic, and identified and coordinated various financial resources to fund the clinic.
- ***Economic Development*** – An employee taught a small business development course to an organization that provides prisoner reform by bringing together the expertise from employers and leaders to share best practices about providing skills training to former prisoners re-entering the workforce.

AUSTIN MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN AUSTIN MSA ASSESSMENT AREA

The Austin MSA assessment area located in central Texas includes all 307 census tracts (2015 ACS data) that make up Travis and Williamson Counties, two of the five counties that make up the Austin-Round Rock-Georgetown, Texas MSA.

Economic and Demographic Data

The assessment area’s census tracts reflect the following income designations based on 2015 ACS data: 35 low-, 61 moderate-, 109 middle-, 96 upper-income tracts, and 6 tracts with no income designation. FEMA declared this assessment area as a major disaster area due to the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area Austin MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	307	11.4	19.9	35.5	31.3	2.0
Population by Geography	1,595,237	11.2	19.4	35.4	32.7	1.3
Housing Units by Geography	636,310	11.1	17.5	36.7	33.7	1.0
Owner-Occupied Units by Geography	332,220	4.4	15.0	37.8	42.6	0.2
Occupied Rental Units by Geography	257,793	19.2	20.7	35.7	22.4	2.0
Vacant Units by Geography	46,297	13.8	17.3	34.7	32.3	1.9
Businesses by Geography	229,104	6.4	11.2	32.2	48.8	1.3
Farms by Geography	4,275	5.1	13.0	36.4	44.9	0.5
Family Distribution by Income Level	361,818	22.1	16.3	19.6	42.0	0.0
Household Distribution by Income Level	590,013	22.8	16.5	18.0	42.7	0.0
Median Family Income MSA - 12420 Austin-Round Rock-Georgetown, TX MSA		\$78,997	Median Housing Value			\$247,438
			Median Gross Rent			\$1,082
			Families Below Poverty Level			9.3%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The 'Branch and ATM Distribution' table under the Service Test includes differing census tract totals due to the use of 2020 U.S. Census data, the most recent demographic data available as of the evaluation date. Changes that occurred due to the 2020 U.S. Census include an increase in the total number of census tracts to 425, which include the following: 27 low-, 100 moderate-, 142 middle-, 140 upper-income tracts, and 16 tracts with no income designation.

According to Moody's Analytics, Precis U.S. Metro from February 2023, the Austin MSA's strong population growth supports demographically driven consumer demand. Job growth decelerated since summer 2022. The primary weakness in this area includes the cost of living, while housing affordability also reflects a relatively high level for the State of Texas. According to the U.S. Bureau of Labor Statistics as of April 2023, the Austin MSA's unemployment rate at 3.6 percent is above the national average at 3.4 percent.

According to the 2021 D&B data, the Austin MSA assessment area includes 229,104 businesses. The analysis of small business loans under the borrower profile criterion compared the distribution of businesses by GAR level. For businesses location in the Austin MSA assessment area, approximately 89.5 percent reported GAR of \$1 million or less, 3.0 percent reported GAR of more than \$1 million, and 7.5 percent reported no GAR information.

The following table denotes the income ranges, for the Austin MSA, for the low-, moderate-, middle- and upper-income designations based on the FFIEC-estimated median family incomes.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2020 (\$97,600)	<\$48,800	\$48,800 to <\$78,080	\$78,080 to <\$117,120	≥\$117,120
2021 (\$98,900)	<\$49,450	\$49,450 to <\$79,120	\$79,120 to <\$118,680	≥\$118,680
2022 (\$110,300)	<\$55,150	\$55,150 to <\$88,240	\$88,240 to <\$132,360	≥\$132,360
Source: FFIEC				

Services represent the largest portion of businesses at 39.5 percent, followed by non-classifiable establishments at 23.9 percent, and finance, insurance, and real estate at 11.6 percent. Major employers in the assessment area include the State of Texas, University of Texas at Austin, and H-E-B.

Competition

The area contains a moderate level of competition from other chartered banks based on its population, with each of the 62 institutions with 370 offices serving about 4,311 people on average. Independent Bank ranks 11th in market share by capturing 1.7 percent of the area's deposits based on the June 30, 2022 FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Credit and Community Development Needs and Opportunities

Consistent with other metropolitan areas, the Austin MSA assessment area created varied loan demand. Considering information from bank management, and demographic and economic information, examiners ascertained that the primary credit needs of the area include home mortgage and small business loans.

Demographic data indicates that a high percentage (38.4 percent) of the assessment area's families based on 2015 ACS data; receive a designation of low- or moderate-income, with 9.3 percent living below the poverty level. This signifies a continued need for community development services. The relatively high percentage (31.3 percent) of low- and moderate-income census tracts and the national COVID-19 pandemic supports the need for revitalization and stabilization efforts.

Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant retail banking service need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. A financial inclusion need exists for increased access to consumer and commercial retail banking services to low- and moderate-income borrowers and tracts. Additionally, a retail banking service need exists for digital products with evolving features and technology built in to improve the customer's financial wellness.

CONCLUSIONS ON PERFORMANCE CRITERIA IN AUSTIN MSA ASSESSMENT AREA

LENDING TEST

Independent Bank demonstrated a low satisfactory record in the Austin MSA assessment area regarding the Lending Test. The adequate geographic distribution and borrower profile performances and an adequate level of community development lending hampered the excellent lending level and extensive use of innovative and/or flexible lending in this assessment area.

Lending Activity

Lending levels reflect excellent responsiveness to assessment area credit needs in the Austin MSA assessment area. Excellent performance regarding both home mortgage and small business loans to support this conclusion.

Home Mortgage Loans

Home mortgage lending levels reflect excellent responsiveness to assessment area credit needs in the Austin MSA assessment area. For 2021, the bank originated 493 reportable home mortgage loans totaling approximately \$255.6 million in this area. Independent Bank captured a 0.4 percent market share of the total number and a 0.5 percent market share of the total dollar volume of home mortgage loans. The bank's activity by number of loans ranks it 66th out of 710 total lenders in the Austin MSA assessment area. This ranking lands the bank in the top 9.3 percent of lenders reporting such loans.

Small Business Loans

Small business lending levels reflect excellent responsiveness to assessment area credit needs in the Austin MSA assessment area. For 2021, the bank originated 308 reportable small business loans totaling approximately \$52.0 million in this area. Independent Bank captured a 0.5 percent market share of the total number of loans and a 2.1 percent market share of the total dollar volume of loans. The bank's activity by number of loans ranks it 23rd out of 260 total lenders in the Austin MSA assessment area. This ranking lands the bank in the top 8.8 percent of lenders reporting such loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the Austin MSA assessment area. Adequate records regarding home mortgage and small business loans support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate performance in the Austin MSA assessment area. Adequate performance in low- and moderate-income geographies supports this conclusion.

As seen in the table below, the bank's lending in low-income census tracts lands slightly above the aggregate data by 0.7 percentage points, reflective of adequate performance. The table further

shows that in moderate-income census tracts the bank's lending level falls 1.5 percentage points below the aggregate data, also reflecting an adequate level.

Geographic Distribution of Home Mortgage Loans Austin MSA Assessment Area						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	4.4	4.0	23	4.7	14,410	5.6
Moderate	15.0	11.4	49	9.9	23,466	9.2
Middle	37.8	41.9	154	31.2	62,968	24.6
Upper	42.6	42.5	267	54.2	154,781	60.6
Not Available	0.2	0.2	0	0.0	0	0.0
Totals	100.0	100.0	493	100.0	255,626	100.0
Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Small Business Loans

The geographic distribution of small business loans reflects adequate performance in the Austin MSA assessment area. Adequate performances in low- and moderate-income geographies support this conclusion.

As seen in the table below, the bank's lending in low-income census tracts lands above the aggregate data by 1.6 percentage points, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level rises 4.4 percentage points above the aggregate data, also reflecting an adequate level.

Geographic Distribution of Small Business Loans Austin MSA Assessment Area						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	6.4	7.2	27	8.8	4,476	8.6
Moderate	11.2	12.8	53	17.2	8,915	17.1
Middle	32.2	33.6	91	29.5	17,144	32.9
Upper	48.8	45.5	136	44.2	21,340	41.0
Not Available	1.3	0.9	1	0.3	185	0.4
Totals	100.0	100.0	308	100.0	52,060	100.0
Source: 2021 D&B Data; Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes. The adequate record regarding small business loans combined with the adequate record

regarding home mortgage loans to support this conclusion.

Home Mortgage Loans

The distribution of home mortgage loans based on the borrowers' profiles reflects adequate performance in the Austin MSA assessment area. Adequate performance to low- and moderate-income borrowers supports this conclusion.

As seen in the table below, the bank's lending to low-income borrowers falls below aggregate data by 0.8 percentage points, reflective of adequate performance. The table further shows that, to moderate-income borrowers, the bank's lending level falls 3.5 percentage points below the aggregate data, also reflecting an adequate level.

Distribution of Home Mortgage Loans by Borrower Income Level Austin MSA Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	22.1	3.0	11	2.2	1,570	0.6
Moderate	16.3	12.0	42	8.5	10,563	4.1
Middle	19.6	18.1	56	11.4	17,522	6.9
Upper	42.0	47.0	308	62.5	159,747	62.5
Not Available	0.0	19.9	76	15.4	66,225	25.9
Totals	100.0	100.0	493	100.0	255,626	100.0
<i>Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Business Loans

The distribution of small business loans based on the borrowers' profiles reflects adequate performance in the Austin MSA assessment area. An adequate performance to businesses with gross annual revenues of \$1 million or less supports this conclusion. The following table illustrates the distribution of lending by borrower revenue levels within the assessment area.

Distribution of Loans to Small Businesses by Gross Annual Revenues Austin MSA Assessment Area											
Year	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
2020	587	80,411	7.8	57,814	89.8	11.2	39.3	3.2	9.5	7.1	79.2
2021	308	52,060	7.6	64,948	89.5	22.4	45.2	3.0	10.4	7.5	67.2
2022	97	27,715	7.2	--	93.7	51.5	--	1.7	40.2	4.6	8.2
<i>Source: 2020-2022 D&B Data; 2020-2022 CRA Data; 2020 & 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0.</i>											

PPP lending affected the bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less, as the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 457 and 199 PPP loans, respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 50.8 percent and 63.3 percent, respectively, compared to the bank's 2022 level.

In 2020 and 2021, the bank originated 71.3 percent and 66.3 percent, respectively, of small business loans in the assessment area within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest business borrowers.

As further shown in the table above, the bank's small business lending percentages in 2022 to businesses with gross annual revenues of \$1 million or less lands 42.2 percentage points below the 2022 demographic data; however, when compared to a more meaningful figure, the 2021 aggregate level, reflects adequate performance for 2022.

Considering all years in the review period, the overall conclusion is adequate penetration for the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less.

Innovative or Flexible Lending Practices

Independent Bank makes extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs in the Austin MSA assessment area. Management made efforts to serve the needs of the community through the same loan programs noted for the whole institution: Down Payment Assistance Programs, ITIN loans, FHA, VA, SBA, and PPP loans. Examiners considered the dollar volume relative to the institution's capacity and the assessment areas' needs when arriving at this conclusion. Innovative and/or flexible lending practices completed in the Austin MSA assessment area since the previous evaluation include:

- Down Payment Assistance Program: one loan for \$316,592
- ITIN: 17 ITIN loans totaling \$4.5 million
- VA: six VA loans totaling \$2.4 million
- PPP: 656 PPP loans totaling \$67.4 million
- SBA loans: 42 SBA loans totaling \$67.1 million

Community Development Loans

The institution made an adequate level of community development loans in the Austin MSA assessment area. Its extent, or dollar volume, of community development loans and the community development loans' responsiveness support this conclusion.

As noted under the rated area level, the bank originated five community development loans totaling approximately \$21.9 million in the Austin MSA assessment area. By dollar volume, this equates to 4.0 percent of the bank's leader level of community development loans in the State of Texas as compared to the 21.9 percent of the bank's HMDA and CRA loans attributed to this assessment

area. The following points discuss the bank's community development loans in the Austin MSA assessment area.

- ***Economic Development*** – The bank originated a PPP loan totaling \$1.2 million for working capital to a small business located in a low-income census tract.
- ***Revitalize or Stabilize*** – The bank originated a loan totaling \$4.0 million for a business located in a moderate-income census tract. The loan helps to retain this business and thus the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing, businesses or residents.

INVESTMENT TEST

Independent Bank demonstrated a low satisfactory record in the Austin MSA assessment area regarding the Investment Test. The adequate level of qualified community development investments and adequate responsiveness to community development needs offset the lack of use of complex and innovative investments to support this conclusion.

Investment and Grant Activity

The bank has an adequate level of qualified community development investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors in the Austin MSA assessment area. As seen in the table for the State of Texas, Independent Bank made 21 qualified investments totaling approximately \$2.3 million in the Austin MSA assessment area. By dollar volume, this equates to 1.8 percent of the total significant level of investments in the State of Texas as compared to 9.8 percent of total deposits attributed to this rated area.

The following is an example of a key investment in the Austin MSA assessment area.

- ***Community Service*** – The bank allocated approximately \$2.2 million in municipal bonds to schools in the Austin MSA assessment area, where the majority of students receive free or reduced-price lunch. Therefore, the investment benefits low- and moderate-income individuals.

Responsiveness to Credit and Community Development Needs

Independent Bank exhibits adequate responsiveness through use of qualified investments that directly address identified needs in the Austin MSA assessment area. As noted in the qualified investment table for the State of Texas, the Austin MSA assessment area shows responsiveness to community development needs by the dollar amount to affordable housing and community service efforts. These donations and investments support identified community development needs in the Austin MSA assessment area.

Community Development Initiatives

Independent Bank does not use innovative and/or complex investments to support community development initiatives in the Austin MSA assessment area.

SERVICE TEST

Independent Bank demonstrated a low satisfactory record in the Austin MSA assessment area regarding the Service Test. Reasonably accessible delivery systems combined with hours and services that do not vary and an adequate level of community development services to support this conclusion.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the bank's assessment areas in the Austin MSA assessment area. Reasonably accessible branch distribution and alternative delivery systems supports this conclusion. The Austin MSA assessment area reflects a consistent conclusion to the Institution's Accessibility of Delivery System performance and an inconsistent conclusion with that noted for the State of Texas, exceeding the level of performance noted at the rated area.

The bank's branch distribution is reasonably accessible to essentially all portions of the Austin MSA assessment area. The bank operated six branches and six ATMs within this assessment area. The bank has no branches in low-income tracts within this assessment area, falling behind the demographic 6.1 percentage points, reflective of adequate performance. Within moderate-income census tracts, the bank level falls 5.7 percentage points below the population percentage, also reflective of adequate performance.

Branch and ATM Distribution by Geography Income Level												
Austin MSA Assessment Area												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	27	6.4	115,622	6.1	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	100	23.5	425,195	22.4	1	16.7	1	16.7	0	0.0	0	0.0
Middle	142	33.4	664,775	35.0	1	16.7	1	16.7	0	0.0	0	0.0
Upper	140	32.9	648,458	34.1	4	66.6	4	66.6	0	0.0	0	0.0
NA	16	3.8	45,155	2.4	0	0.00	0	0.00	0	0.0	0	0.0
Totals	425	100.0	1,899,205	100.0	6	100.00	6	100.00	0	0.0	0	0.0
<i>Source: 2020 U.S. Census Data; Bank Data Due to rounding, totals may not equal 100.0%</i>												

The bank's delivery systems and product offerings demonstrate reasonable accessibility to essentially all portions of the bank's Austin MSA assessment area. In addition to ATM access, the bank's deposit accounts are accessible online, by phone, via text messaging, through debit cards, and through a mobile banking application for smart phones. Refer to the Institution Service Test section for specific details of retail banking services available through alternative delivery systems.

Changes in Branch Locations

The institution did not have any changes to branch locations since the last evaluation in the Austin MSA assessment area. Therefore, this criterion did not affect the overall Service Test rating for the Austin MSA assessment area.

Reasonableness of Business Hours and Services

Services, including business hour, do not vary in a way that inconveniences portions of the Austin MSA assessment area, particularly low- and moderate-income geographies and/or individuals. In addition, the Austin MSA assessment area reflects product offerings, services, and branch hours consistent with the discussion at the Institution level.

Community Development Services

The institution provides an adequate level of community development services within the Austin MSA assessment area. An adequate level of services combined with the adequate responsiveness of community development needs primarily supports this conclusion.

The table included at the State of Texas level shows that the bank provided 39 community development services in the Austin MSA assessment area. Based on the time since the last evaluation and an average of 6.0 branches (accounting for the length of time branches remained opened), the bank provided an average of 2.7 services, per branch, per year. Service activities demonstrate the responsiveness to various community needs, such as small business technical assistance, general financial literacy, housing and shelter for the homeless population, and daycare for those with limited finances.

The following are notable examples of community development services specific to Austin MSA assessment area.

- ***Community Services*** – Bank employees taught financial literacy as part of Junior Achievement for students at a school where the majority of the population qualifies for free or reduced lunch.
- ***Affordable Housing*** – Bank employees taught financial education at a first time homebuyers seminar for individuals in an area, where nearly all families in attendance qualified as low- or moderate-income.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE ASSESSMENT AREAS

The following table summarizes the conclusions for the Houston MSA, Sherman-Dennison MSA, Waco MSA, and Texas Non-MSA assessment areas. Examiners drew conclusions regarding the institution's CRA performance from reviewing available facts and data, including performance figures, economic data, competition, community contact, and demographic information. The conclusions from the limited-scope review did not alter the bank's overall CRA performance rating.

Assessment Area	Lending Test	Investment Test	Service Test
Houston MSA	Consistent	Consistent	Consistent
Sherman-Dennison MSA	Below	Below	Below
Waco MSA	Consistent	Consistent	Consistent
Texas Non-MSA	Below	Below	Consistent

Facts and data supporting conclusions for the assessment areas' follows, including a summary of the institution's operations and activities, followed by geographic distribution and borrower profile tables by loan type. Demographic data and deposit market share information for the limited-scope areas are included in the Appendices of this Performance Evaluation.

Houston MSA Assessment Area

The Houston MSA assessment area consists of Brazoria, Fort Bend, Harris, Montgomery Counties. The bank operates 13 full-service branches with one located in a moderate-income census tract, three located in middle-income census tracts, and nine located in upper-income census tracts within this assessment area. Branch locations did not change during the review period. Branch distribution, deposit products, and services are consistent with the institution overall.

Activity	#	\$(000)
Home Mortgage Loans	416	276,029
Small Business Loans	781	158,320
Community Development Loans	46	355,687
Qualified Investments	65	49,145
Community Development Services	113	-
<i>Source: Bank Data</i>		

Sherman-Dennison MSA Assessment Area

The Sherman-Dennison MSA assessment area consists of Grayson County. The bank operates five full-service branches with one located in a moderate-income census tract, two located in middle-income census tracts, and two located in upper-income census tracts within this assessment area. Branch locations did not change during the review period. Branch distribution, deposit products, and services are consistent with the institution overall.

Activity	#	\$(000)
Home Mortgage Loans	131	31,081
Small Business Loans	201	14,620
Community Development Loans	0	0
Qualified Investments	8	41
Community Development Services	13	-
<i>Source: Bank Data</i>		

Waco MSA Assessment Area

The Waco MSA assessment area consists of McLennan County. The bank operates two full-service branches with one located in a middle-income census tract, and one located in an upper-income census tract within this assessment area. Branch locations did not change during the review period. Branch distribution, deposit products, and services are consistent with the institution overall.

Activity	#	\$(000)
Home Mortgage Loans	58	27,741
Small Business Loans	145	18,538
Community Development Loans	3	5,825
Qualified Investments	13	18,786
Community Development Services	17	-
<i>Source: Bank Data</i>		

Texas Non-MSA Assessment Area

The Texas Non-MSA assessment area consists of Hood County. The bank operates two full-service branches with one located in a middle-income census tract, and one located in an upper-income census tract within this assessment area. Branch locations did not change during the review period. Branch distribution, deposit products, and services are consistent with the institution overall.

Activity	#	\$(000)
Home Mortgage Loans	12	3,030
Small Business Loans	26	1,933
Community Development Loans	0	0
Qualified Investments	0	0
Community Development Services	15	-
<i>Source: Bank Data</i>		

Geographic Distribution

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2021
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% 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
Houston	416	276,029	12.0	278,556	5.4	8.2	2.7	21.1	20.4	12.1	28.8	28.8	26.7	44.6	42.3	58.4	0.1	0.2	0.1
Sherman	131	31,081	3.8	7,329	0.0	0.0	0.0	20.4	14.5	16.0	50.0	49.6	44.6	29.6	35.9	39.4	0.0	0.0	0.0
TX Non-MSA	12	3,030	0.3	4,019	0.0	0.0	0.0	0.0	0.0	0.0	36.6	25.0	32.8	63.4	75.0	67.2	0.0	0.0	0.0
Waco	58	27,741	1.7	9,828	4.5	0.0	4.8	22.1	8.6	15.4	26.9	17.2	19.7	46.4	74.1	60.2	0.0	0.0	0.0

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Small Business Loans

Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2021
	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	781	158,320	19.3	222,878	9.5	14.3	9.7	17.5	17.2	18.3	22.7	21.8	24.1	50.0	46.5	47.8	0.2	0.3	0.2
Sherman	201	14,620	5.0	3,347	0.0	0.0	0.0	21.2	20.9	21.6	48.6	48.8	43.3	30.3	30.3	35.1	0.0	0.0	0.0
TX Non-MSA	26	1,933	0.6	1,624	0.0	0.0	0.0	0.0	0.0	0.0	31.9	15.4	30.0	68.1	84.6	70.0	0.0	0.0	0.0
Waco	145	18,538	3.6	4,108	5.1	2.1	4.6	30.3	24.1	26.6	24.8	31.7	26.8	39.3	42.1	41.5	0.6	0.0	0.4

Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Borrower Profile

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2021
	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	416	276,029	12.0	278,556	24.6	3.6	2.6	16.1	18.3	12.1	17.0	19.0	18.7	42.3	37.0	44.2	0.0	22.1	22.4
Sherman	131	31,081	3.8	7,329	22.4	4.6	3.6	17.5	8.4	11.6	19.3	16.0	17.0	40.9	51.1	41.9	0.0	19.8	25.9
TX Non-MSA	12	3,030	0.3	4,019	21.3	8.3	1.7	18.2	0.0	6.9	22.3	8.3	15.2	38.3	75.0	54.8	0.0	8.3	21.4
Waco	58	27,741	1.7	9,828	22.5	0.0	1.8	17.7	1.7	9.4	18.0	12.1	18.2	41.8	69.0	46.7	0.0	17.2	24.0

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Small Business Loans

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues										2021	
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Houston	781	158,320	19.3	222,878	88.3	23.6	42.0	4.1	18.1	7.6	58.4
Sherman	201	14,620	5.0	3,347	85.1	30.8	41.3	3.7	8.0	11.2	61.2
TX Non-MSA	26	1,933	0.6	1,624	90.2	3.8	43.0	2.7	3.8	7.1	92.3
Waco	145	18,538	3.6	4,108	84.2	28.3	41.2	4.5	20.7	11.2	51.0
<i>Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>											

STATE OF COLORADO

CRA RATING FOR STATE OF COLORADO: SATISFACTORY

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Low Satisfactory

The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN STATE OF COLORADO

Independent Bank designated five assessment areas in State of Colorado as noted in the table below. The bank did not add, eliminate, or change any assessment areas within this rated area since the prior evaluation. All of the bank's assessment areas in the State of Colorado conform to the CRA regulatory requirements.

Description of Colorado Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Boulder MSA	Boulder	78	4
Colorado Springs MSA	El Paso	167	3
Denver MSA	Adams, Arapahoe, Broomfield, Denver, Douglas, Jefferson	688	13
Fort Collins MSA	Larimer	86	9
Greeley MSA	Weld	83	3
<i>Source: Bank Records; 2020 U.S. Census Data</i>			

SCOPE OF EVALUATION – STATE OF COLORADO

For the Lending Test, examiners considered the following loans granted inside the bank's State of Colorado assessment areas as reported according to either the HMDA or CRA data collection reporting requirements:

Home Mortgage Loans

- 2020 – 775 loans totaling \$338,568,000
- 2021 – 537 loans totaling \$292,209,000
- 2022 – 223 loans totaling \$187,958,000

Small Business Loans

- 2020 – 2,661 loans totaling \$336,117,000
- 2021 – 1,434 loans totaling \$208,801,000
- 2022 – 461 loans totaling \$143,457,000

The weightings for the specific loan categories varies for each of the assessment areas. As suggested by the above figures, total home mortgage lending slightly surpassed the dollar volume of total small business lending while small business lending surpassed the number volume of home

mortgage loans. Additionally, examiners considered the bank’s primary lending focus in commercial loan products, loan portfolio composition, and lending activity during the evaluation period. Consequently, examiners placed equal weight on the products reviewed when arriving at conclusions.

The following table shows that the Denver MSA assessment area generated the largest percentage of loans, gathered the largest percentage of deposits, and offered the largest number of branches in the State of Colorado. Consequently, examiners applied full-scope procedures and weighted performance in the Denver MSA assessment area heaviest after contemplating all considerations in outstanding guidance, particularly the level of activity. In addition, examiners applied full-scope procedures to the Fort Collins MSA assessment area, as this area was not reviewed using full-scope procedures at either of the last two evaluations. Examiners applied limited-scope procedures to the other State of Colorado assessment areas and weighed performance in each reviewed area consistent with the lending level reflected in the following table.

Assessment Area Distribution – State of Colorado						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Boulder MSA	172,081	10.1	578,399	14.4	4	12.5
Colorado Springs MSA	246,215	14.5	227,649	5.7	3	9.4
Denver MSA	719,916	42.3	1,701,757	42.2	13	40.6
Fort Collins MSA	268,132	15.8	1,254,886	31.1	9	28.1
Greeley MSA	295,429	17.4	265,851	6.6	3	9.4
Total	1,701,773	100.0	4,028,542	100.0	32	100.0
<i>Source: HMDA & CRA Data (2020-2022); FDIC Summary of Deposits (06/30/2022). Due to rounding, totals may not equal 100.0 percent.</i>						

For the Investment and Service Tests, the scopes remain consistent for this rated area as for the institution as a whole. Please refer to the Scope of Evaluation section at the Institution level for additional details.

CONCLUSIONS ON PERFORMANCE CRITERIA IN STATE OF COLORADO

LENDING TEST

Independent Bank demonstrated a high satisfactory record in the State of Colorado regarding the Lending Test. Good lending levels combined with a leader level of community development loans and extensive use of innovative and/or flexible lending lifted the adequate performances regarding geographic distribution and borrower profile to support this conclusion. Conclusions regarding the institution’s performance in the State of Colorado were consistent with the conclusions for the Denver MSA, Fort Collins MSA, Colorado Springs MSA, and Greeley MSA assessment areas. The Boulder MSA assessment area displayed inconsistent performance, landing below the State of Colorado.

Lending Activity

Lending levels reflect good responsiveness to assessment area credit needs in the State of Colorado. The good home mortgage lending level hampered the excellent small business lending level to support this conclusion. Examiners considered the bank's size, business strategy, and capacity in this state relative to its credit needs when arriving at this conclusion.

Home Mortgage Loans

Home mortgage lending levels reflect good responsiveness to assessment area credit needs in the State of Colorado. For 2021, the bank originated 537 reportable home mortgage loans totaling approximately \$292.2 million in its State of Colorado assessment areas. Independent Bank captured a 0.1 percent market share of the total number of home mortgage loans and 0.2 percent market share of the total dollar volume of home mortgage loans. This volume of activity ranks the bank 127th out of 874 total lenders in the bank's State of Colorado assessment areas. This ranking lands the bank in the top 14.5 percent of lenders reporting such loans.

Small Business Loans

Small business lending levels reflect excellent responsiveness to assessment area credit needs in the State of Colorado. For 2021, the bank originated 1,434 reportable small business loans totaling approximately \$208.8 million inside its State of Colorado assessment areas. Independent Bank captured a 0.9 percent market share of the total number of small business loans and a 3.4 percent market share of the total dollar volume of loans. This volume of activity ranks the bank 19th out of 301 total lenders in the bank's State of Colorado assessment areas. This ranking lands the bank in the top 6.3 percent of lenders reporting such loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the assessment areas in the State of Colorado. The bank demonstrated consistent performance within the Denver MSA, Fort Collins MSA, Boulder MSA, and Greeley MSA assessment areas, while Colorado Springs MSA assessment area demonstrated inconsistent performance, exceeding that of the rated area.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes. The Denver MSA, Fort Collins MSA, and Greeley MSA assessment areas demonstrated consistent performance, while the Boulder MSA assessment area demonstrated inconsistent performance, falling below that of the rated area. Additionally, the Colorado Springs MSA assessment area demonstrated inconsistent performance, exceeding that of the rated area.

Innovative or Flexible Lending Practices

Independent Bank makes extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs in the State of Colorado. Management made efforts to serve the needs of the community through the same loan programs noted for the whole institution: Down

Payment Assistance Programs, ITIN loans, FHA, VA, SBA, and PPP loans. Examiners considered the dollar volume relative to the institution’s capacity and the assessment areas’ needs when arriving at this conclusion. For the State of Colorado, the bank funded the following since the previous evaluation:

- Down Payment Assistance Program: one loan for \$351,647
- ITIN: 44 ITIN loans totaling \$14.2 million
- FHA: 28 FHA loans totaling \$9.5 million
- VA: 22 VA loans totaling \$9.4 million
- PPP: 3,369 PPP loans totaling \$314.1 million
- SBA loans: 91 SBA loans totaling \$117.0 million

Community Development Loans

The institution is a leader in making community development loans in the State of Colorado. Its extent, or dollar volume, of community development loans and the community development loans’ good responsiveness support this conclusion. The Denver MSA, Fort Collins MSA, Boulder MSA, and Greeley MSA assessment areas demonstrated consistent performance with that noted for the State of Colorado. The Colorado Springs MSA demonstrated inconsistent performance, falling below the level noted for the State of Colorado.

The following table shows that, since the previous evaluation, the bank granted 38 community development loans totaling approximately \$313.1 million in this state. The dollar amount equates to 36.3 percent of the bank’s overall leadership level of community development loans as compared to the 29.7 percent of overall HMDA and CRA loans attributed to this state.

Community Development Lending by Assessment Area State of Colorado										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Boulder MSA	1	350	0	0	2	2,914	1	4,000	4	7,264
Colorado Springs MSA	0	0	0	0	1	2,000	1	1,016	2	3,016
Denver MSA	2	2,981	1	3,220	2	18,000	15	192,730	20	216,931
Fort Collins MSA	1	1,750	0	0	1	2,000	5	46,889	7	50,639
Greeley MSA	2	2,487	0	0	1	2,000	2	30,734	5	35,221
Total	6	7,568	1	3,220	7	26,914	24	275,369	38	313,071
<i>Source: Bank records.</i>										

Independent Bank had no regional or statewide community development lending in this rated area. Reference the full-scope assessment area sections that follow for examples of the bank’s community development lending in the State of Colorado.

INVESTMENT TEST

Independent Bank demonstrated a low satisfactory record in the State of Colorado regarding the Investment Test. The poor level of qualified community development investments lifted by the adequate responsiveness to community development needs and the occasional use of complex investments supports this conclusion. The Denver MSA, Fort Collins MSA, Boulder MSA, Colorado Springs MSA, and Greeley MSA assessment areas demonstrated consistent performance with the rated area.

Investment and Grant Activity

The bank has a poor level of qualified community development investments and grants, but not in a leadership position, particularly those that are not routinely provided by private investors. The table below shows that the bank made 68 qualified investments totaling approximately \$6.4 million in the State of Colorado. By dollar volume, this equates to 4.9 percent of the total institution's adequate level of qualified investment as compared to 26.7 percent of total deposits attributed to this rated area.

Qualified Investments State of Colorado										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Boulder MSA	2	10	10	66	0	0	0	0	12	76
Colorado Springs MSA	0	0	6	241	0	0	0	0	6	241
Denver MSA	3	2,617	26	2,241	2	20	1	1	32	4,879
Fort Collins MSA	4	22	12	650	0	0	0	0	16	672
Greeley MSA	0	0	2	510	0	0	0	0	2	510
Total	9	2,649	56	3,708	2	20	1	1	68	6,378
<i>Source: Bank Data</i>										

Independent Bank had no regional or statewide community development investments in this rated area. Reference the full-scope assessment area sections that follow for examples of the bank's community development investments in the State of Colorado.

Responsiveness to Credit and Community Development Needs

Independent Bank exhibits adequate responsiveness to credit and community economic development needs in the State of Colorado. The above table shows the bank demonstrates responsiveness by the higher dollar amounts within community services and affordable housing, supporting a community development need in the assessment areas.

Community Development Initiatives

Independent Bank occasionally uses innovative and/or complex investments to support community development initiatives in the State of Colorado. The bank has access to several specialized grant

programs, including the HELP program. The bank provided HELP grants to local affordable housing organizations in the Fort Collins MSA and Boulder MSA assessment areas.

- In 2021, the bank distributed \$27,500 of HELP funds to low- and moderate-income homebuyers through this partnership. In the Fort Collins MSA assessment area, the program distributed \$22,000, while \$5,500 went to help individuals in the Boulder MSA assessment area.

SERVICE TEST

Independent Bank demonstrated low satisfactory performance in the State of Colorado regarding the Service Test. The bank demonstrated an adequate level of community development services coupled with delivery systems that are reasonably accessible to essentially all portions of the institution's assessment areas, which primarily supports this conclusion. In addition, no changes to branch locations occurred. Finally, retail banking hours and services do not vary in a way that inconvenience portions of the assessment areas.

Performance was consistent in the Denver MSA, Colorado Springs MSA, and Greeley MSA assessment areas, while the Fort Collins MSA and Boulder MSA assessment areas were inconsistent, exceeding the State of Colorado record.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the institution's assessment areas. As of this evaluation, the bank operated 32 branches and 32 ATMs within its assessment areas in the State of Colorado. Within low-income census tracts, the bank maintains three branches, which exceeds the population percentage by 5.1 percentage points and illustrates adequate performance. Within moderate-income census tracts the bank's branching lands 6.4 percentage points above the population percentage, also reflecting adequate performance. The branch distribution performance in the State of Colorado proved consistent with that noted for the bank as a whole.

Branch and ATM Distribution by Geography Income Level State of Colorado												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	50	4.5	198,743	4.3	3	9.4	2	6.3	0	0.0	0	0.0
Moderate	267	24.2	1,157,344	24.9	10	31.3	12	37.5	0	0.0	0	0.0
Middle	426	38.7	1,775,466	38.2	13	40.6	13	40.6	0	0.0	0	0.0
Upper	333	30.2	1,480,777	31.8	6	18.8	5	15.6	0	0.0	0	0.0
NA	26	2.4	42,034	0.9	0	0.0	0	0.0	0	0.0	0	0.0
Totals	1,102	100.0	4,654,364	100.0	32	100.0	32	100.0	0	100.0	0	100.0
Source: 2020 U.S. Census Data; Bank Data. Due to rounding, totals may not equal 100.0												

The bank's alternative delivery systems are reasonably accessible to essentially all portions of the institution's assessment areas in the State of Colorado. In addition to ATM access, the bank's deposit accounts are accessible online, by phone, via text messaging, through debit cards, and through a mobile banking application for smart phones. Refer to the Institution level Service Test section for specific details of retail banking services available through alternative delivery systems.

Changes in Branch Locations

During the evaluation period, the bank did not open or close any branches. However, the bank relocated one branch in this rated area during the evaluation period within the same low-income census tract. Therefore, this criterion did not affect the overall Service Test rating for the State of Colorado.

Reasonableness of Business Hours and Services

Independent Bank's services, including business hours, do not vary in a way that inconvenience portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals within the State of Colorado. The State of Colorado reflects product offerings, services, and branch hours consistent with discussion at the Institution level.

Community Development Services

The institution provides an adequate level of community development services for the State of Colorado. Adequate performance regarding the extent and responsiveness of community development services to available opportunities primarily support this conclusion.

The following table shows that the bank provided 207 community development services in the State of Colorado since the previous evaluation. This number equates to an average of 2.7 community development services, per office, per year, since the previous evaluation, thereby reflecting an adequate level. The bank averaged 32.0 full-service offices for the 2.4 years since the previous evaluation. The COVID-19 pandemic affected the number of community development services by not allowing in person educational events during 2020.

Community Development Services State of Colorado					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Boulder MSA	9	8	9	0	26
Colorado Springs MSA	1	7	7	0	15
Denver MSA	15	43	39	0	97
Fort Collins MSA	15	31	5	0	51
Greeley MSA	2	16	0	0	18
Total	42	105	60	0	207
<i>Source: Bank Data (04/01/2019 – 03/31/2022)</i>					

Independent Bank had no regional or statewide community development services in this rated area. Reference the full-scope assessment area sections that follow for examples of the bank’s community development services in the State of Colorado.

DENVER MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN DENVER MSA ASSESSMENT AREA

The Denver MSA assessment area located in north central Colorado includes the 605 census tracts (2015 ACS data) that make up Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson Counties, six of the ten counties that make up the Denver-Aurora-Lakewood, Colorado MSA.

Economic and Demographic Data

The assessment area’s census tracts reflect the following income designations based on 2015 ACS data: 51 low-, 147 moderate-, 196 middle-, 203 upper-income tracts, and 8 tracts with no income designation. FEMA declared this assessment area as a major disaster area due to the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area Denver MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	605	8.4	24.3	32.4	33.6	1.3
Population by Geography	2,649,187	8.9	24.4	32.7	34.0	0.1
Housing Units by Geography	1,072,923	8.5	23.8	34.2	33.6	0.0
Owner-Occupied Units by Geography	640,084	4.7	18.9	33.9	42.5	0.0
Occupied Rental Units by Geography	379,476	14.3	31.8	34.7	19.1	0.0
Vacant Units by Geography	53,363	11.9	25.8	33.5	28.7	0.0
Businesses by Geography	501,914	6.9	19.0	31.9	41.9	0.3
Farms by Geography	8,758	7.9	19.6	31.1	41.0	0.3
Family Distribution by Income Level	643,475	21.4	17.5	20.4	40.7	0.0
Household Distribution by Income Level	1,019,560	23.5	16.6	18.2	41.8	0.0
Median Family Income MSA - 19740 Denver-Aurora-Lakewood, CO MSA		\$80,820	Median Housing Value			\$280,726
			Median Gross Rent			\$1,072
			Families Below Poverty Level			8.1%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The ‘Branch and ATM Distribution’ table under the Service Test includes differing census tract totals due to the use of 2020 U.S. Census data, the most recent demographic data available as of the evaluation date. Changes that occurred due to the 2020 U.S. Census include an increase in the total number of census tracts to 688, which include the following: 37 low-, 173 moderate-, 246 middle-, 213 upper-income tracts, and 19 tracts with no income designation.

According to Moody’s Analytics, Precis U.S. Metro from February 2023, the Denver MSA’s economy reflect intermittent and sporadic movement. The Denver MSA failed to achieve consecutive months of growth since May 2022, with payrolls essentially flat since summer 2022. Most industries continue to show weakness, but leisure, hospitality, and professional services contributed to growth. A significantly overvalued housing market and falling affordability demonstrate weakness in the area. The unemployment rate hit a low in January, likely due to recent backtracking in the labor force. According to the U.S. Bureau of Labor Statistics as of April 2023, the Denver MSA’s unemployment rate at 2.8 percent is below the national average at 3.4 percent.

According to the 2021 D&B data, the Denver MSA assessment area includes 501,914 businesses. The analysis of small business loans under the borrower profile criterion compared the distribution of businesses by GAR level. For businesses located in the Denver MSA assessment area, approximately 92.4 percent reported GAR of \$1 million or less, 2.4 percent reported GAR of more than \$1 million, and 5.2 percent reported no GAR information.

The following table denotes the income ranges, for the Denver MSA, for the low-, moderate-, middle- and upper-income designations based on the FFIEC-estimated median family incomes.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2020 (\$100,000)	<\$50,000	\$50,000 to <\$80,000	\$80,000 to <\$120,000	≥\$120,000
2021 (\$104,800)	<\$52,400	\$52,400 to <\$83,840	\$83,840 to <\$125,760	≥\$125,760
2022 (\$117,800)	<\$58,900	\$58,900 to <\$94,240	\$94,240 to <\$141,360	≥\$141,360
<i>Source: FFIEC</i>				

Services represent the largest portion of businesses at 34.3 percent, followed by non-classifiable establishments at 31.4 percent, and finance, insurance, and real estate at 10.2 percent. Major employers in the assessment area include HealthONE, UCHealth: University of Colorado Hospital, and Lockheed Martin Corporation.

Competition

The area contains a moderate level of competition from other chartered banks based on its population, with each of the 67 institutions with 588 offices serving about 4,505 people on average. Independent Bank ranks 12th in market share by capturing 1.3 percent of the area’s deposits based on the June 30, 2022 FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Community Contact

Examiners reviewed a recent contact to help assess the current economic conditions, community credit needs, and potential opportunities for bank involvement in the assessment area. The contact, from a housing organization, noted Denver has 28,000 fewer affordable rental units since 2010 due to the loss of Naturally Occurring Affordable Housing (NOAH), an affordable housing program that rents to low-income households at a price point without restrictions or requirements. The contact's organization identified primary credit needs of the area include access to loans and financial assistance through the agency's Metro Down Payment Assistance Program and interest rate buy-down programs for low- and moderate-income individuals and minorities in order to expand access to homeownership. The contact noted financial institutions lack programs that will benefit communities such as special purpose credit programs for homeownership that target low- and moderate-income areas and individuals as well as minorities.

Credit and Community Development Needs and Opportunities

Consistent with other metropolitan areas, the Denver MSA assessment area created varied loan demand. Considering information from bank management and demographic and economic information, examiners ascertained that the primary credit needs of the area include home mortgage and small business loans.

The 2015 ACS demographic data indicates that a high percentage (38.9 percent) of the assessment area's families receive a designation of low- or moderate-income, with 8.1 percent living below the poverty level. This signifies a continued need for community development services and affordable housing. The relatively high percentage (32.7 percent) of low- and moderate-income census tracts and the national COVID-19 pandemic support the need for revitalization and stabilization efforts.

Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant retail banking service need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. A financial inclusion need exists for increased access to consumer and commercial retail banking services to low- and moderate-income borrowers and tracts. Additionally, a retail banking service need exists for digital products with evolving features and technology built in to improve the customer's financial wellness.

CONCLUSIONS ON PERFORMANCE CRITERIA IN DENVER MSA ASSESSMENT AREA

LENDING TEST

Independent Bank demonstrated a high satisfactory record in the Denver MSA assessment area regarding the Lending Test. Adequate performance records regarding geographic distribution and borrower profile hampered the extensive use of innovative and flexible lending practices, good performance regarding lending activity, and leadership level regarding community development lending to support this conclusion.

Lending Activity

Lending levels reflect good responsiveness to assessment area credit needs in the Denver MSA assessment area. Good performance regarding home mortgage loans hampered the excellent performance regarding small business loans to support this conclusion.

Home Mortgage Loans

Home mortgage lending levels reflect good responsiveness to assessment area credit needs in the Denver MSA assessment area. For 2021, the bank originated 186 reportable home mortgage loans totaling approximately \$119.4 million. Independent Bank captured a 0.1 percent market share of the total number and a 0.1 percent market share of the total dollar volume of home mortgage loans. The bank's activity by number of loans ranks it 174th out of 774 total lenders in the Denver MSA assessment area. This ranking lands the bank in the top 22.5 percent of lenders reporting such loans.

Small Business Loans

Small business lending levels reflect excellent responsiveness to assessment area credit needs in the Denver MSA assessment area. For 2021, the bank originated 573 reportable small business loans totaling approximately \$102.8 million. Independent Bank captured a 0.6 percent market share of the total number of loans and a 2.5 percent market share of the total dollar volume of loans. The bank's activity by number of loans ranks it 23rd out of 269 total lenders in the Denver MSA assessment area. This ranking lands the bank in the top 8.6 percent of lenders reporting such loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the Denver MSA assessment area. Adequate records regarding home mortgage and small business loans support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate performance in the Denver MSA assessment area. Adequate performance in low- and moderate-income geographies supports this conclusion.

As seen in the table below, the bank's lending in low-income census tracts rises above the aggregate data by 3.7 percentage points, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level rises 1.6 percentage points above the aggregate data, also reflecting an adequate level.

Geographic Distribution of Home Mortgage Loans Denver MSA Assessment Area						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	4.7	4.4	15	8.1	20,598	17.3
Moderate	18.9	17.8	36	19.4	16,463	13.8
Middle	33.9	32.9	55	29.6	22,524	18.9
Upper	42.5	44.9	80	43.0	59,800	50.1
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	186	100.0	119,385	100.0
Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Small Business Loans

The geographic distribution of small business loans reflects adequate performance in the Denver MSA assessment area. Adequate performances in low- and moderate-income geographies support this conclusion.

As seen in the table below, the bank's lending in low-income census tracts rises slightly above the aggregate data by 0.5 percentage points, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level falls 2.3 percentage points below the aggregate data, also reflecting an adequate level.

Geographic Distribution of Small Business Loans Denver MSA Assessment Area						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	6.9	7.7	47	8.2	13,379	13.0
Moderate	19.0	18.7	94	16.4	20,638	20.1
Middle	31.9	31.0	187	32.6	33,195	32.3
Upper	41.9	42.3	243	42.4	35,298	34.3
Not Available	0.3	0.3	2	0.3	285	0.3
Totals	100.0	100.0	573	100.0	102,795	100.0
Source: 2021 D&B Data; Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes. Adequate records regarding home mortgage and small business loans support this conclusion.

Home Mortgage Loans

The distribution of home mortgage loans based on the borrowers' profiles reflects adequate performance in the Denver MSA assessment area. Adequate performance to low- and moderate-income borrowers supports this conclusion.

As seen in the table below, the bank's lending to low-income borrowers falls below the aggregate data by 3.0 percentage points, reflective of adequate performance. The table further shows that, to moderate-income borrowers, the bank's lending level falls 1.9 percentage points below the aggregate data, also reflecting an adequate level.

Distribution of Home Mortgage Loans by Borrower Income Level Denver MSA Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	21.4	7.8	9	4.8	1,676	1.4
Moderate	17.5	18.6	31	16.7	10,093	8.5
Middle	20.4	22.2	46	24.7	16,780	14.1
Upper	40.7	33.7	55	29.6	35,965	30.1
Not Available	0.0	17.7	45	24.2	54,872	46.0
Totals	100.0	100.0	186	100.0	119,385	100.0
Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Small Business Loans

The distribution of small business loans based on the borrowers' profiles reflects adequate performance in the Denver MSA assessment area. Adequate performance to businesses with gross annual revenues of \$1 million or less supports this conclusion. The following table illustrates the distribution of lending by borrower revenue levels within the assessment area.

Distribution of Loans to Small Businesses by Gross Annual Revenues Denver MSA Assessment Area											
Year	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
2020	1,126	163,363	15.0	96,387	91.2	7.1	40.8	2.9	8.7	5.8	84.2
2021	573	102,795	14.2	101,584	92.4	11.9	47.6	2.4	10.5	5.2	77.7
2022	210	73,394	15.5	--	93.7	31.0	--	1.9	64.8	4.5	4.3
Source: 2020-2022 D&B Data; 2020-2022 CRA Data; 2020 & 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0.											

PPP lending affected the bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less, as the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 961 and 447 PPP loans,

respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 44.9 percent and 53.1 percent, respectively, compared to the bank's 2022 level, reflecting adequate performance.

In 2020 and 2021, the bank originated 69.2 percent and 65.8 percent, respectively, of small business loans in the assessment area within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest business borrowers.

As shown in the table above, the bank's small business lending percentages in 2022 to businesses with gross annual revenues of \$1 million or less is 62.7 percentage points below the 2022 demographic data; additionally, when compared to a more meaningful figure, the 2021 aggregate level, reflects poor performance for 2022.

Considering all years in the review period, the overall conclusion is adequate penetration for the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less.

Innovative or Flexible Lending Practices

Independent Bank makes extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs in the Denver MSA assessment area. Management made efforts to serve the needs of the community through the same loan programs noted for the whole institution: Down Payment Assistance Programs, ITIN loans, FHA, VA, SBA, and PPP loans. Examiners considered the dollar volume relative to the institution's capacity and the assessment areas' needs when arriving at this conclusion. Innovative and/or flexible lending practices completed in the Denver MSA assessment area since the previous evaluation include:

- ITIN: 25 ITIN loans totaling \$8.2 million
- FHA: nine FHA loans totaling \$3.3 million
- VA: seven VA loans totaling \$2.6 million
- PPP: 1,408 PPP loans totaling \$155.5 million
- SBA loans: 37 SBA loans totaling \$34.7 million

Community Development Loans

The institution is a leader in making community development loans in the Denver MSA assessment area. Its extent, or dollar volume, of community development loans and the community development loans' responsiveness support this conclusion.

As noted under the rated area level, the bank originated 20 community development loans totaling approximately \$216.9 million in the Denver MSA assessment area. By dollar volume, this equates to 69.3 percent of the bank's leader level of community development loans in the State of Colorado as compared to the 42.3 percent of the bank's HMDA and CRA loans attributed to this assessment area. The following points discuss the bank's community development loans in the Denver MSA assessment area.

- ***Affordable Housing*** – The bank originated two loans totaling \$2.9 million to acquire and renovate multi-family apartment complexes. The rents for these units target individuals/families of low- and moderate-incomes.
- ***Revitalize or Stabilize*** – The bank originated a loan totaling \$9.7 million to acquire a vacant building in a moderate-income census tract. The loan helps to create jobs and revitalize the community. Thus, the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing, businesses or residents.

INVESTMENT TEST

Independent Bank demonstrated a low satisfactory record in the Denver MSA assessment area regarding the Investment Test. The adequate level of investments and adequate responsiveness to community development needs uplifted the lack of use regarding complex and innovative investments to support this conclusion.

Investment and Grant Activity

The bank has an adequate level of qualified community development investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors in the Denver MSA assessment area. As seen in the table for the State of Colorado, Independent Bank made 32 qualified investments totaling approximately \$4.9 million in the Denver MSA assessment area. By dollar volume, this equates to 76.5 percent of the total poor level of investments in the State of Colorado as compared to 42.2 percent of total deposits attributed to this rated area.

The following is an example of a key investment in the Denver MSA assessment area.

- ***Affordable Housing*** – The bank allocated approximately \$2.6 million in a mortgage-backed security in the Denver MSA assessment area with the underlying loans to low- and moderate-income individuals for affordable apartments.

Responsiveness to Credit and Community Development Needs

Independent Bank exhibits adequate responsiveness to credit and community development needs through use of qualified investments that directly address identified needs in the Denver MSA assessment area. As noted in the qualified investment table for the State of Colorado, the Denver MSA assessment area shows responsiveness to community development needs by the dollar amount to all the community development categories, with a focus on affordable housing and community services. These donations and investments support identified community development needs in the Denver MSA assessment area.

Community Development Initiatives

Independent Bank does not use innovative and/or complex investments to support community development initiatives in the Denver MSA assessment area.

SERVICE TEST

Independent Bank demonstrated a low satisfactory record in the Denver MSA assessment area regarding the Service Test. Adequate records regarding the bank's community development services and the reasonableness of accessibility of its delivery systems primarily support this conclusion.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the bank's Denver MSA assessment area. The reasonably accessible branch distribution and the reasonably accessible alternative delivery systems support this conclusion. The branch distribution performance in the Denver MSA assessment area reflects a consistent conclusion with that noted for the bank as a whole and the State of Colorado.

The bank's branch distribution is reasonably accessible to essentially all portions of the Denver MSA assessment area. As of this evaluation, the bank operated 13 branches and 13 ATMs within this assessment area. As seen in the following table, the bank does not maintain any branches in low-income census tracts, falling 5.2 percentage points below the population percentage. The bank maintains three branches in moderate-income census tracts, which reflects an adequate record falling 3.8 percentage points below the population total in the same areas.

Branch and ATM Distribution by Geography Income Level Denver MSA Assessment Area												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	37	5.4	151,063	5.2	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	173	25.1	782,101	26.9	3	23.1	3	23.1	0	0.0	0	0.0
Middle	246	35.8	986,711	34.0	6	46.2	6	46.2	0	0.0	0	0.0
Upper	213	31.0	958,860	33.0	4	30.8	4	30.8	0	0.0	0	0.0
NA	19	2.8	26,429	0.9	0	0.0	0	0.0	0	0.0	0	0.0
Totals	688	100.0	2,905,164	100.0	13	100.0	13	100.0	0	0.0	0	0.0
<i>Source: 2020 U.S. Census Data; Bank Data Due to rounding, totals may not equal 100.0%</i>												

The bank's alternative delivery systems are reasonably accessible to essentially all portions of the Denver MSA assessment area. In addition to ATM access, the bank's deposit accounts are accessible online, by phone, via text messaging, through debit cards, and through a mobile banking application for smart phones. Refer to the Institution level Service Test section for specific details of retail banking services available through alternative delivery systems.

Changes in Branch Locations

During the evaluation period, the bank did not open or close any branches in the Denver MSA assessment area. Therefore, this criterion did not affect the overall Service Test rating for the Denver MSA assessment area.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconvenience portions of the Denver MSA assessment area, particularly low- and moderate-income geographies and/or individuals. In addition, the Denver MSA assessment area reflects product offerings, services, and branch hours consistent with the discussion at the Institution level.

Community Development Services

Independent Bank provided an adequate level of community development services in the Denver MSA assessment area. An adequate level of services combined with the adequate responsiveness of community development needs primarily supports this conclusion.

The table found within the rated area discussion shows that the bank provided 97 community development services in the Denver MSA assessment area. Based on the time since the last evaluation and an average of 13.0 branches (accounting for the length of time branches remained opened), the bank provided an average of 3.1 services, per branch, per year. This indicates an increased trend from the previous evaluation when the bank provided 30 community development services for an average of 0.9 services, per branch, per year.

Service activities demonstrate the responsiveness to various community needs, such as small business technical assistance, general financial literacy, and housing and shelter for the homeless population.

The following are notable examples of community development services specific to Denver MSA assessment area.

- ***Community Services*** – Bank employees taught financial literacy in a three part educational series every quarter during 2021. The organization is committed to closing the prosperity gap for low- and moderate-income families and individuals, helping them achieve success in education, employment, and business ownership.
- ***Economic Development*** – The bank partners with a CDFI to provide technical expertise for an organization that assists small businesses and brings together employers, innovative leaders, and the regions workforce development partners. This allows all parties the opportunity to communicate with policy makers and economic developers and share best practices about providing skills training to the region's workforce.

FORT COLLINS MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN FORT COLLINS MSA ASSESSMENT AREA

The Fort Collins MSA assessment area located in northern Colorado includes the 73 census tracts (2015 ACS data) that make up the entire Fort Collins, Colorado MSA, which includes only one county, Larimer County.

Economic and Demographic Data

The assessment area’s census tracts reflect the following income designations based on 2015 ACS data: 3 low-, 20 moderate-, 36 middle-, 13 upper-income census tracts, and 1 tract with no income designation. FEMA declared this assessment area a major disaster area due to the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area Fort Collins MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	73	4.1	27.4	49.3	17.8	1.4
Population by Geography	318,227	3.5	25.8	48.8	21.9	0.0
Housing Units by Geography	136,851	1.9	29.9	48.9	19.2	0.1
Owner-Occupied Units by Geography	80,264	1.5	20.5	52.7	25.2	0.0
Occupied Rental Units by Geography	44,874	2.8	42.7	43.0	11.4	0.1
Vacant Units by Geography	11,713	1.2	44.9	45.4	7.4	1.2
Businesses by Geography	58,199	3.1	26.8	42.2	27.9	0.0
Farms by Geography	1,947	4.1	18.8	46.0	31.1	0.1
Family Distribution by Income Level	78,216	20.5	17.2	22.6	39.6	0.0
Household Distribution by Income Level	125,138	24.6	16.2	17.7	41.5	0.0
Median Family Income MSA - 22660 Fort Collins, CO MSA		\$76,886	Median Housing Value			\$270,378
			Median Gross Rent			\$1,048
			Families Below Poverty Level			6.4%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The ‘Branch and ATM Distribution’ table under the Service Test includes differing census tract totals due to the use of 2020 U.S. Census data, the most recent demographic data available as of the evaluation date. Changes that occurred due to the 2020 U.S. Census include an increase in the total number of census tracts to 86, which include the following: 1 low-, 16 moderate-, 52 middle-, 16 upper-income census tracts, and 1 tract with no income designation.

According to Moody’s Analytics, Precis U.S. Metro from February 2023, the Fort Collins’ economy momentum declined due to the weakness in the tech sector. Private services have seen job growth stall and professional, business services, and health care underperformed. Higher mortgage rates and low affordability weakened the area’s housing market, with single-family prices declining since mid-2022. Unemployment rates remain stable in the 2.5 percent range despite low job creation. According to the U.S. Bureau of Labor Statistics as of April 2023, the Fort Collins’ unemployment rate at 2.3 percent is below the national average at 3.4 percent.

According to the 2021 D&B data, the Fort Collins MSA assessment area includes 58,199 businesses. The analysis of small business loans under the borrower profile criterion compared the distribution of businesses by GAR level. For businesses location in the Fort Collins MSA assessment area, approximately 92.6 percent reported GAR of \$1 million or less, 2.0 percent reported GAR of more than \$1 million, and 5.4 percent reported no GAR information.

The following table denotes the income ranges for the low-, moderate-, middle- and upper-income designations based on the FFIEC-estimated median family incomes for the Fort Collins MSA.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2020 (\$99,400)	<\$49,700	\$49,700 to <\$79,520	\$79,520 to <\$119,280	≥\$119,280
2021 (\$95,900)	<\$47,950	\$47,950 to <\$76,720	\$76,720 to <\$115,080	≥\$115,080
2022 (\$111,300)	<\$55,650	\$55,650 to <\$89,040	\$89,040 to <\$133,560	≥\$133,560
<i>Source: FFIEC</i>				

Services represent the largest portion of businesses at 35.7 percent, followed by non-classifiable establishments at 29.3 percent, and finance, insurance, and real estate at 9.8 percent. Major employers in the assessment area include University of Colorado Health, Colorado State University, and Woodward Governor Co.

Competition

The area contains a moderate level of competition from other chartered banks based on its population, with each of the 24 institutions with 90 offices serving about 3,535 people on average. Independent Bank ranks 4th in market share by capturing 11.1 percent of the area’s deposits based on the June 30, 2022 FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Credit and Community Development Needs and Opportunities

Consistent with other metropolitan areas, the Fort Collins MSA assessment area created varied loan demand. Considering information from bank management and demographic and economic information, examiners ascertained that the primary credit needs of the area include home mortgage and small business loans.

Demographic data indicates that a high percentage (37.7 percent) of the assessment area's families receive a designation of low- or moderate-income, with 6.4 percent living below the poverty level. This signifies a continued need for community development services. The relatively high percentage (31.8 percent) of low- and moderate-income census tracts and the national COVID-19 pandemic support the need for revitalization and stabilization efforts.

Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant retail banking service need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. A financial inclusion need exists for increased access to consumer and commercial retail banking services to low- and moderate-income borrowers and tracts. Additionally, a retail banking service need exists for digital products with evolving features and technology built in to improve the customer's financial wellness.

CONCLUSIONS ON PERFORMANCE CRITERIA IN FORT COLLINS MSA ASSESSMENT AREA

LENDING TEST

Independent Bank demonstrated a high satisfactory record in the Fort Collins MSA assessment area regarding the Lending Test. The good lending levels combined with the leader level of community development loans and the bank's extensive use of innovative and flexible lending lifted the adequate geographic distribution and borrower profile to support this conclusion.

Lending Activity

Lending levels reflect good responsiveness to assessment area credit needs in the Fort Collins MSA assessment area. Good performance regarding home mortgage hampered the excellent performance regarding small business loans to support this conclusion.

Home Mortgage Loans

Home mortgage lending levels reflect good responsiveness to assessment area credit needs in the Fort Collins MSA assessment area. For 2021, the bank originated 125 reportable home mortgage loans totaling approximately \$53.9 million. Independent Bank captured a 0.4 percent market share of the total number and a 0.5 percent market share of the total dollar volume of home mortgage loans. The bank's activity by number of loans ranks it 57th out of 458 total lenders in the Fort Collins MSA assessment area. This ranking lands the bank in the top 12.4 percent of lenders reporting such loans.

Small Business Loans

Small business lending levels reflect excellent responsiveness to assessment area credit needs in the Fort Collins MSA assessment area. For 2021, the bank originated 422 reportable small business loans totaling approximately \$47.1 million. Independent Bank captured a 3.3 percent market share of the total number of loans and 8.7 percent market share of the total dollar volume of loans. The bank's activity by number of loans ranks it 10th out of 135 total lenders in the Fort Collins MSA assessment area. This ranking lands the bank in the top 7.4 percent of lenders reporting such loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the Fort Collins MSA assessment area. An adequate record regarding home mortgage loans hampered the good record regarding small business loans to support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate performance in the Fort Collins MSA assessment area. Adequate performance in low- and moderate-income geographies supports this conclusion.

As seen in the table below, the bank's lending in low-income census tracts falls slightly below the aggregate data by 0.2 percentage points, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level rises 4.8 percentage points above the aggregate data, also reflecting an adequate level.

Geographic Distribution of Home Mortgage Loans Fort Collins MSA Assessment Area						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	1.5	1.8	2	1.6	5,910	11.0
Moderate	20.5	20.0	31	24.8	13,147	24.4
Middle	52.7	46.8	51	40.8	18,203	33.8
Upper	25.2	31.4	41	32.8	16,643	30.9
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	125	100.0	53,903	100.0
<i>Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Business Loans

The geographic distribution of small business loans reflects good performance in the Fort Collins MSA assessment area. Adequate performance in the low-income geographies lifted by the good performance in the moderate-income geographies to support this conclusion.

As seen in the table below, the bank's lending in low-income census tracts exceeds the aggregate data by 1.0 percentage point, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level rises 9.7 percentage points above the aggregate data, reflecting a good level.

Geographic Distribution of Small Business Loans Fort Collins MSA Assessment Area						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	3.1	4.7	24	5.7	3,110	6.6
Moderate	26.8	26.6	153	36.3	18,221	38.7
Middle	42.2	40.0	160	37.9	13,359	28.4
Upper	27.9	28.8	85	20.1	12,412	26.4
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	422	47,102	102,795	100.0
Source: 2021 D&B Data; Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes. An adequate record regarding small business loans combines with an adequate record regarding home mortgage loans to support this conclusion.

Home Mortgage Loans

The distribution of home mortgage loans based on the borrowers' profiles reflects adequate performance in the Fort Collins assessment area. Adequate performance to low- and moderate-income borrowers supports this conclusion.

As seen in the table below, the bank's lending to low-income borrowers exceeds the aggregate data by 7.0 percentage points, reflective of adequate performance. The table further shows that, to moderate-income borrowers, the bank's lending level rises 5.5 percentage points above the aggregate data, also reflecting an adequate level.

Distribution of Home Mortgage Loans by Borrower Income Level Fort Collins MSA Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	20.5	6.6	17	13.6	3,280	6.1
Moderate	17.2	17.7	29	23.2	8,160	15.1
Middle	22.6	22.5	18	14.4	5,187	9.6
Upper	39.6	34.9	53	42.4	21,961	40.7
Not Available	0.0	18.3	8	6.4	15,316	28.4
Totals	100.0	100.0	125	100.0	53,903	100.0
Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Small Business Loans

The distribution of small business loans based on the borrowers' profiles reflects adequate performance in the Fort Collins MSA assessment area. Adequate performance to businesses with gross annual revenues of \$1 million or less supports this conclusion. The following table illustrates the distribution of lending by borrower revenue levels within the assessment area.

Distribution of Loans to Small Businesses by Gross Annual Revenues Fort Collins MSA Assessment Area											
Year	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
2020	759	67,904	10.1	11,762	91.6	5.4	41.1	2.4	7.2	6.0	87.4
2021	422	47,102	10.4	12,421	92.6	11.4	48.0	2.0	13.0	5.4	75.6
2022	101	22,470	7.5	--	93.7	44.6	--	1.6	50.5	4.7	5.0
<i>Source: 2020-2022 D&B Data; 2020-2022 CRA Data; 2020 & 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0.</i>											

PPP lending affected the bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less, as the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 661 and 319 PPP loans, respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 41.8 percent and 46.6 percent, respectively, compared to the bank's 2022 level. These levels reflect adequate performance when compared to aggregate.

In 2020 and 2021, the bank originated 80.5 percent and 83.4 percent, respectively, of small business loans in the assessment area within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest business borrowers.

The bank's 2022 data is more indicative of the bank's lending when PPP loans are not a factor. As shown in the table above, the bank's small business lending percentages in 2022 to businesses with gross annual revenues of \$1 million or less is 49.1 percentage points below the 2022 demographic data; however, when compared to a more meaningful figure, the 2021 aggregate level, reflects adequate performance for 2022.

Considering all years in the review period, the overall conclusion is adequate penetration for the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less.

Innovative or Flexible Lending Practices

Independent Bank makes extensive use of innovative and/or flexible lending practices in order to serve assessment area credit needs in the Fort Collins MSA assessment area. Management made

efforts to serve the needs of the community through the same loan programs noted for the whole institution: Down Payment Assistance Programs, ITIN loans, FHA, VA, SBA, and PPP loans. Examiners considered the dollar volume relative to the institution's capacity and the assessment areas' needs when arriving at this conclusion. Innovative and/or flexible lending practices completed in the Fort Collins MSA assessment area since the previous evaluation include:

- FHA: one FHA loan for \$430,300
- VA: three VA loans totaling \$1.5 million
- PPP: 980 PPP loans totaling \$69.0 million
- SBA loans: 27 SBA loans totaling \$34.5 million

Community Development Loans

The institution is a leader in making community development loans in the Fort Collins MSA assessment area. Its extent, or dollar volume, of community development loans and the community development loans' responsiveness support this conclusion.

As noted under the rated area level, the bank originated seven community development loans totaling approximately \$50.6 million in the Fort Collins MSA assessment area. By dollar volume, this equates to 16.2 percent of the bank's leader level of community development loans in the State of Colorado as compared to the 15.8 percent of the bank's HMDA and CRA loans attributed to this assessment area. The following points discuss the bank's community development loans in the Fort Collins MSA assessment area.

- ***Affordable Housing*** – The bank refinanced a loan totaling \$1.7 million to a multifamily-unit apartment complex located in a moderate-income census tract. The rents for these units target individuals/families of low- and moderate-incomes and cater to college and young professionals that live off campus near Colorado State University.
- ***Revitalize or Stabilize*** – The bank originated a loan totaling \$30.6 million for the acquisition of a regional shopping center located in a moderate-income census tract. The loan helps to retain this business in a moderate-income census tract. Thus, the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing, businesses or residents.

INVESTMENT TEST

Independent Bank demonstrated a low satisfactory record in the Fort Collins MSA assessment area regarding the Investment Test. The adequate responsiveness to community development needs and occasional use of complex and innovative investments lifted the poor level to support this conclusion.

Investment and Grant Activity

The bank has a poor level of qualified community development investments and grants, but not in a leadership position, particularly those that are not routinely provided by private investors in the Fort Collins MSA assessment area. As seen in the table for the State of Colorado, Independent Bank

made 16 qualified investments totaling approximately \$672,000 in the Fort Collins MSA assessment area. By dollar volume, this equates to 10.5 percent of the total poor level of investments in the State of Colorado as compared to 31.1 percent of total deposits attributed to this rated area.

The following is an example of a key investment in the Fort Collins MSA assessment area.

- ***Community Service*** – One prior period investment remains outstanding, which financed a municipal bond of approximately \$585,000 in the Fort Collins MSA assessment area with the underlying loans to fund public works located in low- and moderate-income areas.

Responsiveness to Credit and Community Development Needs

Independent Bank exhibits adequate responsiveness through use of qualified investments that directly address identified needs in the Fort Collins MSA assessment area. As noted in the qualified investment table for the State of Colorado, the Fort Collins MSA assessment area shows responsiveness to community development needs by the dollar amount through affordable housing and community services. These donations and investments support identified community development needs in the Fort Collins MSA assessment area.

Community Development Initiatives

Independent Bank occasionally uses innovative and/or complex investments to support community development initiatives in the Fort Collins MSA assessment area. The bank has access to several specialized grant programs, including the HELP program. As noted under the State of Colorado section, the bank provided HELP grants to local affordable housing organizations in the Fort Collins MSA assessment area.

- In 2021, the bank distributed \$22,000 in HELP funds to low- and moderate-income homebuyers through this partnership.

SERVICE TEST

Independent Bank demonstrated a high satisfactory record in the Fort Collins MSA assessment area regarding the Service Test. An adequate record regarding the bank's community development services lifted by the readily accessible delivery systems primarily support this conclusion.

Accessibility of Delivery Systems

Delivery systems are readily accessible to all portions of the bank's Fort Collins MSA assessment area. The readily accessible branch distribution enhanced the reasonably accessible alternative delivery systems to support this conclusion. The branch distribution performance in the Fort Collins MSA assessment area reflects a conclusion inconsistent with the Institution and the State of Colorado, landing above those noted performances.

The bank's branch distribution is readily accessible to all portions of the Fort Collins MSA assessment area. As of this evaluation, the bank operated nine branches and nine ATMs within this

assessment area. As seen in the following table, the bank does maintain one branch in a low-income census tract, exceeding the population percentage by 9.5 percentage points, reflective of good performance. The bank also maintains four branches in moderate-income census tracts rising 26.2 percentage points above the population total for the same area, which reflects an excellent record.

Branch and ATM Distribution by Geography Income Level Fort Collins MSA Assessment Area												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	1	1.2	6,019	1.7	1	11.2	1	11.2	0	0.0	0	0.0
Moderate	16	18.6	65,512	18.2	4	44.4	4	44.4	0	0.0	0	0.0
Middle	52	60.5	220,273	61.3	4	44.4	4	44.4	0	0.0	0	0.0
Upper	16	18.6	67,140	18.7	0	0.0	0	0.0	0	0.0	0	0.0
NA	1	1.2	122	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Totals	86	100.0	359,066	100.0	9	100.0	9	100.0	0	0.0	0	0.0
Source: 2020 U.S. Census & Bank Data Due to rounding, totals may not equal 100.0%												

The bank's alternative delivery systems are reasonably accessible to all portions in the Fort Collins MSA assessment area. In addition to ATM access, the bank's deposit accounts are accessible online, by phone, via text messaging, through debit cards, and through a mobile banking application for smart phones. Refer to the Institution level Service Test section for specific details of retail banking services available through alternative delivery systems.

Changes in Branch Locations

The institution did not have any changes to branch locations since the last evaluation in the Fort Collins MSA assessment area. Therefore, this criterion did not affect the overall Service Test rating for this area.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconvenience portions of the Fort Collins MSA assessment area, particularly low- and moderate-income geographies and/or individuals. In addition, the Fort Collins MSA assessment area reflects product offerings, services, and branch hours consistent with discussion at the Institution level.

Community Development Services

The institution provides an adequate level of community development services for the Fort Collins MSA assessment area. An adequate level of services combined with the adequate responsiveness of community development needs primarily supports this conclusion. The table found within the rated area discussion shows that the bank provided 51 community development services in the Fort Collins MSA assessment area. Based on the time since the last evaluation and an average of 9.0

branches (accounting for the length of time branches remained opened), the bank provided an average of 2.4 services, per branch, per year.

Service activities demonstrate the responsiveness to various community needs, such as small business technical assistance, general financial literacy, housing and shelter for the homeless population, and daycare for those with limited finances. The following are notable examples of community development services specific to the Fort Collins MSA assessment area.

- **Community Services** – Bank employees taught financial literacy classes through the Loveland Housing Authority, which provides low- and moderate-income residents of Loveland with opportunities for home and community through housing.
- **Affordable Housing** – Bank employees partner with a Housing assistance program offering 30-year fixed-rate mortgages with down payment assistance. The bank employees use their financial expertise to assist low- and moderate-income individuals with aid for low down payment assistance opportunities.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE ASSESSMENT AREAS

The following table summarizes the conclusions for the Boulder MSA, Colorado Springs MSA, and Greeley MSA assessment areas. Examiners drew conclusions regarding the institution's CRA performance from reviewing available facts and data, including performance figures, economic data, competition, community contact, and demographic information. The conclusions from the limited-scope review did not alter the bank's overall CRA performance rating.

Assessment Area	Lending Test	Investment Test	Service Test
Boulder MSA	Below	Consistent	Exceeds
Colorado Springs MSA	Consistent	Consistent	Consistent
Greeley MSA	Consistent	Consistent	Consistent

Facts and data supporting conclusions for the assessment areas' follows, including a summary of the institution's operations and activities, followed by geographic distribution and borrower profile tables by loan type. Demographic data and deposit market share information for the limited-scope areas are included in the Appendices of this Performance Evaluation.

Boulder MSA Assessment Area

The Boulder MSA assessment area consists of Boulder County. The bank operates four full-service branches with three located in moderate-income census tracts, and one located in a middle-income census tract within this assessment area. Branch locations did not change during the review period. Branch distribution, deposit products, and services are consistent with the institution overall.

Activity	#	\$(000)
Home Mortgage Loans	13	12,181
Small Business Loans	165	25,513
Community Development Loans	4	7,264
Qualified Investments	12	76
Community Development Services	26	-
<i>Source: Bank Data</i>		

Colorado Springs MSA Assessment Area

The Colorado Springs MSA assessment area consists of El Paso County. The bank operates three full-service branches with one located in a low-income census tract, and two located in upper-income census tracts within this assessment area. Branch locations did not change during the review period. Branch distribution, deposit products, and services are consistent with the institution overall.

Activity	#	\$(000)
Home Mortgage Loans	109	33,991
Small Business Loans	109	11,885
Community Development Loans	2	3,016
Qualified Investments	6	241
Community Development Services	15	-
<i>Source: Bank Data</i>		

Greeley MSA Assessment Area

The Greeley MSA assessment area consists of Weld County. The bank operates three full-service branches with one located in a low-income census tract, and two located in middle-income census tracts within this assessment area. Branch locations did not change during the review period. Branch distribution, deposit products, and services are consistent with the institution overall.

Activity	#	\$(000)
Home Mortgage Loans	104	72,749
Small Business Loans	165	21,506
Community Development Loans	5	35,221
Qualified Investments	4	521
Community Development Services	18	-
<i>Source: Bank Data</i>		

Geographic Distribution

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2021
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
Boulder	13	12,181	0.4	25,137	3.0	7.7	3.4	18.0	0.0	16.8	45.6	30.8	47.1	33.3	61.5	32.7	0.0	0.0	0.0
Colorado Springs	109	33,991	3.1	71,262	3.3	7.3	2.3	20.7	32.1	17.3	42.2	42.2	43.6	33.8	18.3	36.8	0.0	0.0	0.0
Greeley	104	72,749	3.0	34,073	3.5	7.7	2.1	19.9	15.4	15.0	40.5	42.3	35.9	36.0	34.6	47.0	0.0	0.0	0.0

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Small Business Loans

Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2021
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
Boulder	165	25,513	4.1	14,228	3.8	12.1	3.9	27.7	41.2	28.8	38.7	29.1	38.3	29.8	17.6	28.9	0.0	0.0	0.0
Colorado Springs	109	11,885	2.7	17,565	6.9	20.2	7.4	23.2	26.6	22.6	34.1	33.0	32.5	35.7	20.2	37.4	0.1	0.0	0.0
Greeley	165	21,506	4.1	9,423	6.1	8.5	5.0	16.0	13.9	15.4	37.3	35.8	36.6	40.6	41.8	43.1	0.0	0.0	0.0

Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Borrower Profile

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2021
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
Boulder	13	12,181	0.4	25,137	22.3	0.0	8.6	17.0	7.7	16.8	19.9	7.7	20.9	40.8	61.5	40.7	0.0	23.1	13.0
Colorado Springs	109	33,991	3.1	71,262	20.4	6.4	4.1	18.5	29.4	14.5	20.3	24.8	20.7	40.8	33.0	32.8	0.0	6.4	27.8
Greeley	104	72,749	3.0	34,073	20.6	10.6	5.3	18.4	17.3	18.8	21.0	24.0	26.1	39.9	39.4	30.7	0.0	8.7	19.1

Source: 2015 ACS ; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Small Business Loans

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues										2021	
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Boulder	165	25,513	4.1	14,228	92.8	7.3	48.2	2.3	17.0	4.9	75.8
Colorado Springs	109	11,885	2.7	17,565	92.6	5.5	54.4	1.9	19.3	5.5	75.2
Greeley	165	21,506	4.1	9,423	92.4	12.1	47.1	2.3	13.3	5.4	74.5
Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%											

APPENDICES

LARGE BANK PERFORMANCE CRITERIA

Lending Test

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

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

Investment Test

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

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

Service Test

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

The bank's retail banking services are evaluated pursuant to the following criteria:

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

The bank's community development services are evaluated pursuant to the following criteria:

- 1) The extent to which the bank provides community development services; and
- 2) The innovativeness and responsiveness of community development services.

SCOPE OF EVALUATION

Independent Bank	
Scope of Examination: Full scope reviews were performed on the following assessment areas within the noted rated areas: State of Texas: DFW MSA Assessment Area Austin MSA Assessment Area State of Colorado: Denver MSA Assessment Area Fort Collins MSA Assessment Area	
Time Period Reviewed:	11/30/2020 to 04/24/2023
Products Reviewed: Home Mortgage Loans: (01/01/2020 – 12/31/2022) Small Business Loans: (01/01/2020 – 12/31/2022)	

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test	Investment Test	Service Test	Rating
State of Texas	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
State of Colorado	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory

DESCRIPTION OF LIMITED-SCOPE ASSESSMENT AREAS

STATE OF TEXAS

Houston MSA Assessment Area

The Houston MSA assessment area consists of all of Brazoria, Fort Bend, Harris, and Montgomery Counties. Demographic data for this assessment area is included in the following table.

Demographic Information of the Assessment Area Houston MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	972	15.6	28.7	24.8	30.0	0.8
Population by Geography	5,849,020	12.2	26.0	27.2	34.3	0.3
Housing Units by Geography	2,191,969	12.9	25.1	26.4	35.3	0.3
Owner-Occupied Units by Geography	1,191,066	5.4	21.1	28.8	44.6	0.1
Occupied Rental Units by Geography	800,398	21.9	30.0	23.9	23.6	0.6
Vacant Units by Geography	200,505	21.7	28.8	22.5	26.7	0.3
Businesses by Geography	635,796	9.5	17.5	22.7	50.0	0.2
Farms by Geography	9,199	5.6	15.3	28.5	50.5	0.1
Family Distribution by Income Level	1,406,159	24.6	16.1	17.0	42.3	0.0
Household Distribution by Income Level	1,991,464	24.8	15.9	16.8	42.4	0.0
Median Family Income MSA - 26420 Houston-The Woodlands-Sugar Land, TX MSA		\$69,373	Median Housing Value			\$175,521
			Median Gross Rent			\$977
			Families Below Poverty Level			13.0%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The Houston MSA assessment area contains a moderate level of competition in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2022, 93 institutions operated 1,259 offices serving about 4,646 people on average within this assessment area. Of these institutions, Independent Bank ranked 20th with 0.5 percent deposit market share. The top three financial institutions account for 68.2 percent of the total deposit market share.

For 2021, the bank's market share of home mortgage and small business lending by dollar volume in the assessment area reflects good performance compared to the bank's market share for deposits by dollar amount in the assessment area. In 2021, the bank's ranking by loan products based on number of loans and market share percentage based on dollar volume is as follows: home mortgage lending ranked 120th out of 863 with a 0.3 percent market share this ranking lands the bank in the top 13.9 percent of lenders reporting such loans, and small business ranked 27th out of 305 with a 1.8 percent market share this ranking lands the bank in the top 8.9 percent of lenders reporting such loans.

Sherman-Dennison MSA Assessment Area

The Sherman-Dennison MSA assessment area consists of all of Grayson County. Demographic data for this assessment area is included in the following table.

Demographic Information of the Assessment Area Sherman-Dennison MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	26	0.0	30.8	46.2	23.1	0.0
Population by Geography	122,780	0.0	24.4	48.3	27.3	0.0
Housing Units by Geography	54,244	0.0	22.5	51.5	26.1	0.0
Owner-Occupied Units by Geography	31,593	0.0	20.4	50.0	29.6	0.0
Occupied Rental Units by Geography	15,622	0.0	27.4	51.1	21.4	0.0
Vacant Units by Geography	7,029	0.0	20.6	58.9	20.5	0.0
Businesses by Geography	9,764	0.0	21.2	48.6	30.3	0.0
Farms by Geography	453	0.0	8.6	45.7	45.7	0.0
Family Distribution by Income Level	32,294	22.4	17.5	19.3	40.9	0.0
Household Distribution by Income Level	47,215	24.6	16.0	16.7	42.7	0.0
Median Family Income MSA - 43300 Sherman-Denison, TX MSA		\$60,873	Median Housing Value			\$110,160
			Median Gross Rent			\$777
			Families Below Poverty Level			12.3%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The Sherman-Dennison MSA assessment area contains a moderate level of competition in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2022, 15 institutions operated 37 offices serving about 3,318 people on average within this assessment area. Of these institutions, Independent Bank ranked 2nd with 15.7 percent deposit market share.

For 2021, the bank's market share of home mortgage and small business lending by dollar volume in the assessment area reflects excellent performance compared to the bank's market share for deposits by dollar amount in the assessment area. In 2021, the bank's ranking by loan products based on number of loans and market share percentage based on dollar volume is as follows: home mortgage lending ranked 15th out of 304 with a 1.8 percent market share this ranking lands the bank in the top 4.9 percent of lenders reporting such loans, and small business ranked 4th out of 93 with a 10.1 percent market share this ranking lands the bank in the top 4.3 percent of lenders reporting such loans.

Texas Non-MSA Assessment Area

The Texas Non-MSA assessment area consists of all of Hood County. Demographic data for this assessment area is included in the following table.

Demographic Information of the Assessment Area Texas Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	10	0.0	0.0	40.0	60.0	0.0
Population by Geography	53,171	0.0	0.0	39.5	60.5	0.0
Housing Units by Geography	25,350	0.0	0.0	39.3	60.7	0.0
Owner-Occupied Units by Geography	16,070	0.0	0.0	36.6	63.4	0.0
Occupied Rental Units by Geography	4,862	0.0	0.0	40.0	60.0	0.0
Vacant Units by Geography	4,418	0.0	0.0	48.1	51.9	0.0
Businesses by Geography	6,144	0.0	0.0	31.9	68.1	0.0
Farms by Geography	253	0.0	0.0	40.3	59.7	0.0
Family Distribution by Income Level	14,328	21.3	18.2	22.3	38.3	0.0
Household Distribution by Income Level	20,932	23.7	18.6	19.3	38.4	0.0
Median Family Income Non-MSAs - TX		\$52,198	Median Housing Value			\$144,790
			Median Gross Rent			\$885
			Families Below Poverty Level			7.9%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The Texas Non-MSA assessment area contains a moderate level of competition in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2022, 13 institutions operated 22 offices serving about 2,417 people on average within this assessment area. Of these institutions, Independent Bank ranked 4th with 6.3 percent deposit market share.

For 2021, the bank's market share of home mortgage and small business lending by dollar volume in the assessment area reflects good performance compared to the bank's market share for deposits by dollar amount in the assessment area. In 2021, the bank's ranking by loan products based on number of loans and market share percentage based on dollar volume is as follows: home mortgage lending ranked 60th out of 242 with a 0.3 percent market share this ranking lands the bank in the top 24.8 percent of lenders reporting such loans, and small business ranked 13th with a 2.6 percent market share this ranking lands the bank in the top 16.7 percent of lenders reporting such loans.

Waco MSA Assessment Area

The Waco MSA assessment area consists of all of McLennan County. Demographic data for this assessment area is included in the following table.

Demographic Information of the Assessment Area Waco MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	51	13.7	29.4	25.5	27.5	3.9
Population by Geography	241,505	10.4	29.8	23.2	35.0	1.6
Housing Units by Geography	96,935	12.1	30.1	24.8	33.0	0.0
Owner-Occupied Units by Geography	50,850	4.5	22.1	26.9	46.4	0.0
Occupied Rental Units by Geography	35,919	20.7	40.9	20.5	17.9	0.0
Vacant Units by Geography	10,166	19.6	31.8	29.2	19.3	0.0
Businesses by Geography	19,452	5.1	30.3	24.8	39.3	0.6
Farms by Geography	669	2.4	14.5	36.9	46.2	0.0
Family Distribution by Income Level	57,860	22.5	17.7	18.0	41.8	0.0
Household Distribution by Income Level	86,769	25.3	16.0	15.6	43.1	0.0
Median Family Income MSA - 47380 Waco, TX MSA		\$54,026	Median Housing Value			\$112,021
			Median Gross Rent			\$780
			Families Below Poverty Level			14.7%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The Waco MSA assessment area contains a moderate level of competition in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2022, 23 institutions operated 61 offices serving about 3,959 people on average within this assessment area. Of these institutions, Independent Bank ranked 9th with 5.8 percent deposit market share.

For 2021, the bank's market share of home mortgage and small business lending by dollar volume in the assessment area reflects good performance compared to the bank's market share for deposits by dollar amount in the assessment area. In 2021, the bank's ranking by loan products based on number of loans and market share percentage based on dollar volume is as follows: home mortgage lending ranked 40th out of 315 with a 1.2 percent market share this ranking lands the bank in the top 12.7 percent of lenders reporting such loans, and small business ranked 7th with a 14.5 percent market share this ranking lands the bank in the top 6.3 percent of lenders reporting such loans.

STATE OF COLORADO

Boulder MSA Assessment Area

The Boulder MSA assessment area consists of all of Boulder County. Demographic data for this assessment area is included in the following table.

Demographic Information of the Assessment Area Boulder MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	68	7.4	20.6	44.1	27.9	0.0
Population by Geography	310,032	6.7	22.3	43.1	27.9	0.0
Housing Units by Geography	129,739	7.1	22.4	43.9	26.7	0.0
Owner-Occupied Units by Geography	76,163	3.0	18.0	45.6	33.3	0.0
Occupied Rental Units by Geography	46,353	13.9	29.9	39.7	16.5	0.0
Vacant Units by Geography	7,223	5.9	19.8	51.9	22.4	0.0
Businesses by Geography	69,753	3.8	27.7	38.7	29.8	0.0
Farms by Geography	1,640	4.6	24.5	40.1	30.9	0.0
Family Distribution by Income Level	72,418	22.3	17.0	19.9	40.8	0.0
Household Distribution by Income Level	122,516	26.0	15.4	15.8	42.8	0.0
Median Family Income MSA - 14500 Boulder, CO MSA		\$96,926	Median Housing Value			\$398,953
			Median Gross Rent			\$1,225
			Families Below Poverty Level			6.4%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The Boulder MSA assessment area contains a moderate level of competition in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2022, 32 institutions operated 95 offices serving about 3,263 people on average within this assessment area. Of these institutions, Independent Bank ranked 5th with 4.0 percent deposit market share.

For 2021, the bank's market share of home mortgage and small business lending by dollar volume in the assessment area reflects adequate performance compared to the bank's market share for deposits by dollar amount in the assessment area. In 2021, the bank's ranking by loan products based on number of loans and market share percentage based on dollar volume is as follows: home mortgage lending ranked 172nd out of 417 with a 0.1 percent market share this ranking lands the bank in the top 41.3 percent of lenders reporting such loans, and small business ranked 15th with a 4.2 percent market share this ranking lands the bank in the top 10.6 percent of lenders reporting such loans.

Colorado Springs MSA Assessment Area

The Colorado Springs MSA assessment area consists of all of El Paso County. Demographic data for this assessment area is included in the following table.

Demographic Information of the Assessment Area Colorado Springs MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	130	5.4	30.8	38.5	23.8	1.5
Population by Geography	655,024	4.7	26.8	39.7	27.4	1.4
Housing Units by Geography	261,745	5.3	28.8	39.2	26.7	0.0
Owner-Occupied Units by Geography	153,354	3.3	20.7	42.2	33.8	0.0
Occupied Rental Units by Geography	91,933	8.1	41.5	35.1	15.3	0.1
Vacant Units by Geography	16,458	7.6	34.5	33.5	24.4	0.0
Businesses by Geography	96,961	6.9	23.2	34.1	35.7	0.1
Farms by Geography	2,284	6.9	20.9	42.2	30.0	0.0
Family Distribution by Income Level	168,103	20.4	18.5	20.3	40.8	0.0
Household Distribution by Income Level	245,287	22.7	16.7	19.0	41.6	0.0
Median Family Income MSA - 17820 Colorado Springs, CO MSA		\$71,351	Median Housing Value			\$224,065
			Median Gross Rent			\$987
			Families Below Poverty Level			8.4%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The Colorado Springs MSA assessment area contains a moderate level of competition in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2022, 39 institutions operated 125 offices serving about 5,240 people on average within this assessment area. Of these institutions, Independent Bank ranked 12th with 2.0 percent deposit market share. The top three financial institutions account for 48.6 percent of the total deposit market share.

For 2021, the bank's market share of home mortgage and small business lending by dollar volume in the assessment area reflects good performance compared to the bank's market share for deposits by dollar amount in the assessment area. In 2021, the bank's ranking by loan products based on number of loans and market share percentage based on dollar volume is as follows: home mortgage lending ranked 93rd out of 516 with a 0.2 percent market share this ranking lands the bank in the top 18.0 percent of lenders reporting such loans, and small business ranked 21st out of 139 with a 2.3 percent market share this ranking lands the bank in the top 15.1 percent of lenders reporting such loans.

Greeley MSA Assessment Area

The Greeley MSA assessment area consists of all of Weld County. Demographic data for this assessment area is included in the following table.

Demographic Information of the Assessment Area Greeley MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	77	9.1	20.8	33.8	35.1	1.3
Population by Geography	270,948	9.7	23.2	37.5	28.9	0.8
Housing Units by Geography	99,226	9.9	22.3	39.7	28.2	0.0
Owner-Occupied Units by Geography	65,424	3.5	19.9	40.5	36.0	0.0
Occupied Rental Units by Geography	28,870	23.2	27.7	36.5	12.7	0.0
Vacant Units by Geography	4,932	16.5	21.8	46.4	15.3	0.0
Businesses by Geography	36,937	6.1	16.0	37.3	40.6	0.0
Farms by Geography	2,039	2.9	13.6	53.2	30.3	0.0
Family Distribution by Income Level	68,305	20.6	18.4	21.0	39.9	0.0
Household Distribution by Income Level	94,294	23.3	16.6	19.1	41.1	0.0
Median Family Income MSA - 24540 Greeley, CO MSA		\$70,457	Median Housing Value			\$200,800
			Median Gross Rent			\$938
			Families Below Poverty Level			8.8%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The Greeley MSA assessment area contains a moderate level of competition in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2022, 24 institutions operated 68 offices serving about 3,985 people on average within this assessment area. Of these institutions, Independent Bank ranked 7th with 4.3 percent deposit market share. The top three financial institutions account for 45.0 percent of the total deposit market share.

For 2021, the bank's market share of home mortgage and small business lending by dollar volume in the assessment area reflects good performance compared to the bank's market share for deposits by dollar amount in the assessment area. In 2021, the bank's ranking by loan products based on number of loans and market share percentage based on dollar volume is as follows: home mortgage lending ranked 62nd out of 440 with a 0.7 percent market share this ranking lands the bank in the top 14.1 percent of lenders reporting such loans, and small business ranked 13th out of 112 with a 5.2 percent market share this ranking lands the bank in the top 11.6 percent of lenders reporting such loans.

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose bank:
 - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
 - (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as non-MSA): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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

Small Farm Loan: A loan included in “loans to small farms” as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area’s population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.



Improving Lives, One Community at a Time

December 6, 2022

Independent Bank
7777 Henneman Way
McKinney, TX 75070

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office
1601 Bryan Street, Suite 1410
Dallas, Texas 75201

RE: Complaint against Independent Financials' Predatory Credit Policy

The undersigned community organization is submitting this letter to file a complaint against Independent Financial.

The Community Reinvestment Act (CRA) is a law intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income (LMI) neighborhoods.

Independent Financial is not meeting the small dollar credit needs of our community, which specifically includes low- and moderate-income neighbor located in Southern Dallas. Independent Financial *fails* to provide any type of small dollar loans in the DFW MSA.

Federal Agencies Share Principles for Offering Responsible Small-Dollar Loans

<https://www.fdic.gov/news/press-releases/2020/pr20061.html>

<https://www.fdic.gov/news/financial-institution-letters/2020/fil20058.html>

Independent Financial *fails* to invest in CDFIs that do small dollar loans in the DFW MSA.

Small Dollar Loan Program - CDFI Fund

<https://www.cdfifund.gov/programs-training/programs/sdlp>

<http://www.clcofdallas.org/>

Independent Financial does finance predatory lenders that can charge over 400% interest in minority communities

According to the advocacy group Texas Appleseed, in 2019, payday and auto title lenders charged Texans more than \$2 billion in fees. While Blacks and Latinos make up 45% of all Texas households, they make up 71% of auto title customers, and 74% of payday loan customers, according to an analysis of FDIC data by Texas Appleseed.

<https://www.wfaa.com/article/money/diabolical-and-wrong-wells-fargo-other-banks-finance-predatory-lenders-that-can-charge-over-400-interest-in-minority-communities/287-f84efb8d-0936-443e-97ad-493776cc153f>

Change in Credit Policy

Some banks have begun to change their policies on financing predatory lenders. Independent Financial has not change their credit policy and still finances payday and auto title lenders.

Independent Financial avoids meeting the credit needs of our underserved community and supports payday lenders that engage in Reverse Redlining.

Conclusion

The CRA regulation is very clear — a finding that a bank failed to comply with laws on fair and responsible lending trumps otherwise satisfactory or even outstanding CRA performance. The CRA regulations specifically state that a rating will be "adversely affected by evidence of discriminatory or other illegal credit practices," including but not limited to violations of the Equal Credit Opportunity Act, the Fair Housing Act, the Home Ownership and Equity Protection Act, the Federal Trade Commission Act, the Real Estate Settlement Procedures Act, and the Truth in Lending Act.

We would look forward to this case being reviewed and referred to the U.S. Department of Justice (DOJ) and the Consumer Financial Protection Bureau (CFPB).

Sincerely,

James McGee

James McGee

President/Chair

JMcGee@SouthernDallasProgress.com

Southern Dallas Progress Community Development Corporation



February 9, 2023

Re: Memorandum Regarding James McGee Complaint Dated December 12, 2022

The purpose of this memorandum is to respond to a complaint letter written by James McGee received by Independent Financial (the “Bank”) on December 12, 2022 (the “Complaint”).

The Complaint contained the following allegations:

1. The Bank is not meeting the small dollar credit needs of low and moderate-income communities in Southern Dallas.
2. The Bank does not invest in Community Development Financial Institutions Funds (“CDFIs”).
3. The Bank finances predatory payday lenders.

The Bank took the Complaint seriously and conducted a thorough internal review to determine whether any of the allegations were accurate. Through the review, the Bank has determined the allegations in the Complaint are unsubstantiated and without merit.



Improving Lives, One Community at a Time

May 7, 2023

Independent Bank
7777 Henneman Way
McKinney, TX 75070

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office
1601 Bryan Street, Suite 1410
Dallas, Texas 75201

RE: Discrimination and Redlining Compliant

Dear Federal Regulator,

The undersigned community organization is submitting this letter to file a redlining and discrimination complaint against Independent Bank. From 2010 to 2020, Independent Bank has excluded several Low to Moderate Income Census Tracts in Southern Dallas from their assessment area map. Also, the census tracts excluded are majority minority.

Independent Bank's exclusion of Southern Dallas' low to moderate income and majority minority neighborhoods from its CRA assessment area reduced credit availability, investments, lending and discouraged prospective applicants.

REDLINING CONCERNS/ DESCRIPTION OF ASSESSMENT AREA

Per 2011 Performance Evaluation

When Town Center Bank, Coppell, Texas, was acquired in 2010, bank management designated two census tracts in Tarrant County and 11 census tracts in Dallas County for a total of 13 census tracts as this portion of their assessment area. The bank maintains one office in this assessment area in Coppell, Texas. Tarrant County is located in the Fort Worth-Arlington MSA.
https://crapes.fdic.gov/publish/2011/03076_111114.PDF

Per 2014 Performance Evaluation

Independent designated six assessment areas described as follows: (1) Dallas-Plano-Irving MD, which includes all of Collin and Denton Counties, and portions of Dallas County (117 tracts). Two census tracts in far northeastern Tarrant County, which is part of the Fort Worth-Arlington MD, are also included in this area.

https://crapes.fdic.gov/publish/2014/03076_140908.PDF

Per 2017 Performance Evaluation

Independent Bank designated all of Collin and Denton Counties as well as a portion of Dallas County as its assessment area within the Dallas-Plano-Irving MD. The entire area consists of 407 census tracts. Since the previous exam, the number of census tracts in this assessment area decreased by one; however, maintained similar demographics to those noted at the previous CRA evaluation.

https://crapes.fdic.gov/publish/2017/03076_170821.PDF

To clarify, the Dallas MD AA consists of 529 contiguous census tracts in Dallas County, which comprises a portion of the Dallas-Plano-Irving MD and has a total population of 2,667,720. According to the 2015 ACS US Census, the assessment area contained 107 low-income, 187 moderate-income, 110 middle-income, 120 upper-income census tracts, and 5 census tracts with no income designation.

CRA requires each financial institution to define one or more assessment areas within which examiners will evaluate its performance. Independent Bank delineated portions of Dallas County within the Dallas MD AA assessment area.

12 CFR 345.41(e) Limitations on the delineation of an assessment area. *Each bank's assessment area(s):*

(1) Must consist only of whole geographies;

(2) May not reflect illegal discrimination;

(3) May not arbitrarily exclude low- or moderate-income geographies, taking into account the bank's size and financial condition; and

(4) May not extend substantially beyond an MSA boundary or beyond a state boundary unless the assessment area is located in a multistate MSA. If a bank serves a geographic area that extends substantially beyond a state boundary, the bank shall delineate separate assessment areas for the areas in each state. If a bank serves a geographic area that extends substantially beyond an MSA boundary, the bank shall delineate separate assessment areas for the areas inside and outside the MSA.

[https://www.ecfr.gov/current/title-12/chapter-III/subchapter-B/part-345/subpart-C/section-345.41#p-345.41\(e\)](https://www.ecfr.gov/current/title-12/chapter-III/subchapter-B/part-345/subpart-C/section-345.41#p-345.41(e))

Independent Bank does arbitrarily exclude high minority and low to moderate-income areas in Southern Dallas.¹ Independent Bank does Not include Southern Dallas (City of Dallas & Dallas County) in their assessment area.

¹ <https://www.justice.gov/crt/case-document/report-and-recommendation-united-states-v-kleinbank-d-minn>

Southern Dallas Zip Codes (LMI/High Minority Areas)

75203, 75207, 75208, 75210, 75211, 75212, 75215, 75216, 75217, 75223, 75224, 75226, 75227, 75228, 75232, 75233, 75236, 75237, 75241, 75249, 75253

The following section discuss demographic in the Southern Dallas area.

- Southern Dallas is home to 43% of all Dallas residents in just 57% of the city's land area.
- Of the 560,000 residents of neighborhoods in southern Dallas, approximately 38% live below poverty - roughly 9% higher than the City's overall poverty rate of 29%.
- Overall, 56% of Dallas residents living below poverty live in the southern neighborhoods of Dallas.
- *The City of Dallas is a unique place. There is a difference between "South Dallas" and "Southern Dallas".*
- *The Southern Sector of Dallas (Southern Dallas) is commonly defined as those areas south of Interstate 30.*
- *The Southern Dallas is 196.7 total square miles. 45% of the City's residents live in Southern Dallas (91% of the residents are minorities in Southern Dallas).*

Redlining Violates the Fair Housing Act and the Equal Credit Opportunity Act

The federal financial regulators have long recognized that redlining violates the fair lending laws, including in the following policy documents:

- 1994 Interagency Policy Statement on Discrimination in Lending: Redlining refers to the illegal practice of refusing to make residential loans or imposing more onerous terms on any loans made because of the predominant race, national origin, etc., of the residents of the neighborhood in which the property is located. Redlining violates both the Fair Housing Act and the Equal Credit Opportunity Act.
- 2009 Interagency Fair Lending Examination Procedures: Redlining is a form of illegal disparate treatment in which a lender provides unequal access to credit, or unequal terms of credit, because of the race, color, national origin, or other prohibited characteristic(s) of the residents of the area in which the credit seeker resides or will reside or in which the residential property to be mortgaged is located.

Courts have repeatedly recognized that redlining is a violation of the Fair Housing Act and the Equal Credit Opportunity Act. *See, e.g., Ring v. First Interstate Mortgage, Inc.*, 984 F. 2d 924 (8th Cir. 1993); *Hirschfeld v. Metlife Bank, N.A.*, 2012 WL 3240669 (E.D.N.Y. July 31, 2012); *JAT, Inc. v. Nat'l City Bank of Midwest*, 460 F. Supp. 2d 812, 819-20 (E.D. Mich. 2006); *Hargraves v. Capital City Mortg. Corp.*, 140 F.

<https://www.justice.gov/crt/case-document/order-entering-settlement-agreement-and-agreed-order-united-states-v-first>

<https://www.justice.gov/crt/case-document/consent-order-united-states-v-union-savings-bank-and-guardian-savings-bank-sd-oh-0>

Supp. 2d 7, 21 (D.D.C. 2000); Milton v. Bancplus Mortgage Corp., 1996 WL 197532 (N.D. Ill. Apr. 19, 1996); Old West End Ass'n v. Buckeye Federal Sav. & Loan, 675 F. Supp. 1100 (N.D. Ohio 1987); Harrison v. Otto G. Heinzerth Mortg. Co., 430 F. Supp. 893 (N.D. Ohio 1977); Laufman v. Oakley Bldg. & Loan Co., 408 F. Supp. 489 (S.D. Ohio 1976).

Since the 1990s, the DOJ has litigated multiple court-approved settlements citing redlining as a violation of the Fair Housing Act and the Equal Credit Opportunity Act.

Redlining Violates the Fair Housing Act

The Fair Housing Act, 42 U.S.C. § 3601, et seq., prohibits discrimination in housing and “residential real estate-related transactions” on the basis of race, color, national origin, sex, religion, familial status, or disability. A “residential real estate-related transaction” includes making loans or providing other financial assistance for purchasing, constructing, improving, repairing, or maintaining a dwelling. 42 U.S.C. § 3605(b)(1)(A). In addition, the U.S. Department of Housing and Urban Development (“HUD”) has the authority to promulgate regulations to implement the Fair Housing Act, which can be found at 24 C.F.R. Part 100.

Redlining is prohibited under the following provisions of the Fair Housing Act (in relevant part) and its implementing regulation:

- It shall be unlawful for any person or other entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of race, color, or national origin.
 - *Fair Housing Act: 42 U.S.C. § 3605(a).*
 - *Regulations: 24 C.F.R. §§ 100.110(b), 100.120(a)-(b).*
- It shall be unlawful to discriminate against any person in the terms, conditions, or privileges of the sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, or national origin.
 - *Fair Housing Act: 42 U.S.C. § 3604(b).*
 - *Regulations: 24 C.F.R. §§ 100.50(b)(2), 100.65.*
- It shall be unlawful to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, or national origin.
 - *Fair Housing Act: 42 U.S.C. § 3604(a).*
 - *Regulation: 24 C.F.R. § 100.50(b)(3).*
- It shall be unlawful to make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, or national origin, or an intention to make any such preference, limitation, or discrimination.
 - *Fair Housing Act: 42 U.S.C. § 3604(c).*
 - *Regulation: 24 C.F.R. § 100.50(b)(4).*

Redlining Violates the Equal Credit Opportunity Act

The Equal Credit Opportunity Act (“ECOA”), 15 U.S.C. § 1691, et seq., prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of race, color, national origin, sex, religion, marital status, age, because all or part of the applicant’s income derives from any public assistance program, or because of the applicant’s exercise in good faith of any right under the Consumer Credit Protection Act. ECOA applies to any extension of credit, including mortgage loans and small business loans. 15 U.S.C. § 1691a(d). In addition, the Consumer Financial Protection Bureau (“CFPB”) has the authority to promulgate regulations to implement the ECOA, which is known as “Regulation B” and can be found at 12 C.F.R. Part 1002.

Redlining is prohibited under the following provisions of the ECOA and its implementing regulation:

It shall be unlawful for any creditor to discriminate against any applicant, with respect to any aspect of a credit transaction, on the basis of race, color, or national origin. Equal Credit Opportunity Act, 15 U.S.C. § 1691(a)(1). Regulation: 12 C.F.R. § 1002.4(a).

- A creditor shall not make any oral or written statement, in advertising or otherwise, to applicants or prospective applicants that would discourage, on the basis of race, color, or national origin, a reasonable person from making or pursuing an application. Regulation: 12 C.F.R. § 1002.4(b). (See also Equal Credit Opportunity Act, 15 U.S.C. § 1691(a)(1)).
- ECOA and Regulation B prohibit discrimination on a “prohibited basis,” which includes on the basis of race, color, and national origin. 12 C.F.R. § 1002.2(z). The commentary to Regulation B clarifies that a creditor may not discriminate against persons associated with the applicant on a prohibited basis, including, for example, “because of the race of other residents in the neighborhood where the property offered as collateral is located.” 12 C.F.R. Part 1002, Supp. I, ¶ 2(z)-1.

Regulatory Framework: Bank Supervision and Enforcement

Each of the federal financial regulators has the authority to examine and supervise the regulated financial institutions within its jurisdiction for compliance with the fair lending laws: the Fair Housing Act and ECOA.

ECOA requires the regulators refer matters to the Justice Department when a creditor is engaged in a pattern or practice of discrimination which violates ECOA.

Redlining Cases

Justice Department Announces New Initiative to Combat Redlining

<https://www.justice.gov/opa/pr/justice-department-announces-new-initiative-combat-redlining>

Justice Department and Office of the Comptroller of the Currency Announce Actions to Resolve Lending Discrimination Claims Against Cadence Bank

<https://www.justice.gov/opa/pr/justice-department-and-office-comptroller-currency-announce-actions-resolve-lending>

Justice Department Secures Agreement with Lakeland Bank to Address Discriminatory Redlining

<https://www.justice.gov/opa/pr/justice-department-secures-agreement-lakeland-bank-address-discriminatory-redlining>

Justice Department Secures Over \$31 Million from City National Bank to Address Lending Discrimination Allegations

<https://www.justice.gov/opa/pr/justice-department-secures-over-31-million-city-national-bank-address-lending-discrimination>

Justice Department Secures \$9 Million from Park National Bank to Address Lending Discrimination Allegations

<https://www.justice.gov/opa/pr/justice-department-secures-9-million-park-national-bank-address-lending-discrimination>

Justice Department Announces Actions to Resolve Lending Discrimination Claims Against Evolve Bank and Trust

<https://www.justice.gov/opa/pr/justice-department-announces-actions-resolve-lending-discrimination-claims-against-evolve>

CFPB, DOJ Order Trident Mortgage Company to Pay More Than \$22 Million for Deliberate Discrimination Against Minority Families

<https://www.consumerfinance.gov/about-us/newsroom/cfpb-doj-order-trident-mortgage-company-to-pay-more-than-22-million-for-deliberate-discrimination-against-minority-families/>

Cadence Bank Announces Settlement of Claims Made by U.S. Department of Justice and the Office of the Comptroller of the Currency

<https://www.justice.gov/crt/case/united-states-v-cadence-bank>

Conclusion

The CRA regulation is very clear — a finding that a bank failed to comply with laws on fair and responsible lending trumps otherwise satisfactory or even outstanding CRA performance. The CRA regulations specifically state that a rating will be "adversely affected by evidence of discriminatory or other illegal credit practices," including but not limited to violations of the Equal Credit Opportunity Act, the Fair Housing Act, the Home Ownership and Equity Protection Act, the Federal Trade Commission Act, the Real Estate Settlement Procedures Act, and the Truth in Lending Act.

Independent Bank's board and senior management failed to self-identify redlining risks and taken appropriate corrective action.

We would look forward to this case being reviewed and referred to the U.S. Department of Justice (DOJ) and the Consumer Financial Protection Bureau (CFPB).

Sincerely,

James McGee

James McGee
President/Chair

JMcGee@SouthernDallasProgress.com

Southern Dallas Progress Community Development Corporation



Improving Lives, One Community at a Time

June 25, 2023

Independent Bank
7777 Henneman Way
McKinney, TX 75070

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office
1601 Bryan Street, Suite 1410
Dallas, Texas 75201

RE: Response to Independent Bank about their Predatory Credit Policy

This letter responds to the misleading letter provided by Independent Bank. As mentioned in my letter dated December 6, 2022, Independent Bank is not meeting the small dollar credit needs of our community, which specifically includes low- and moderate-income neighbor located in Southern Dallas. Independent Bank *fails* to provide any type of small dollar loans in the DFW MSA.

Independent Bank *fails* to invest in CDFIs that do small dollar loans in the DFW MSA. Independent Bank does finance predatory lenders that can charge over 400% interest in minority communities.

Our review of public records filed with the U.S. Securities and Exchange Commission reveals that Independent Bank shares in a \$400 million line of credit to First Cash.

SEC Filings:

<https://www.sec.gov/Archives/edgar/data/840489/000084048920000077/fcfs11092020exhibit101.htm>

First Cash Holdings Hit with Class Action After CFPB Sues Over Allegedly Illegal Loans to Military Members

<https://www.classaction.org/news/firstcash-holdings-hit-with-class-action-after-cfpb-sues-over-allegedly-illegal-loans-to-military-members>

Change in Credit Policy

Independent Bank fails to change their credit policy and still finances payday and auto title lenders.

Independent Bank avoids meeting the credit needs of our underserved community and supports payday lenders that engage in Reverse Redlining.

Conclusion

The CRA regulation is very clear — a finding that a bank failed to comply with laws on fair and responsible lending trumps otherwise satisfactory or even outstanding CRA performance. The CRA regulations specifically state that a rating will be "adversely affected by evidence of discriminatory or other illegal credit practices," including but not limited to violations of the Equal Credit Opportunity Act, the Fair Housing Act, the Home Ownership and Equity Protection Act, the Federal Trade Commission Act, the Real Estate Settlement Procedures Act, and the Truth in Lending Act.

We would look forward to this case being reviewed and referred to the U.S. Department of Justice (DOJ) and the Consumer Financial Protection Bureau (CFPB).

Sincerely,

James McGee

James McGee
President/Chair

JMcGee@SouthernDallasProgress.com

Southern Dallas Progress Community Development Corporation



July 6, 2023

Re: Memorandum Regarding James McGee Complaints Dated May 7, 2023, and June 26, 2023

The purpose of this memorandum is to respond to two complaint letters written by James McGee received by Independent Financial (the “Bank”) on May 7, 2023 (the “May Complaint”) and June 26, 2023 (the “June Complaint”). The May Complaint alleges the Bank arbitrarily excluded majority minority and low- and moderate-income census tracts in southern Dallas, Texas from the CRA assessment from 2011-2020. The June Complaint alleges the Bank has predatory lending practices with claims substantially similar to the ones made in a letter received from Mr. McGee in December 2022.

The Bank takes these Complaints seriously and conducted a thorough internal review to determine whether any of the allegations were accurate. Through the review, the Bank has determined the allegations in both Complaints are unsubstantiated and without merit.

7777 Henneman Way

McKinney, Texas 75070

972.562.9004 | ifinancial.com

Independent Financial is a trademark of Independent Bank

Member FDIC  Equal Housing Lender



Division of Risk Management Supervision
Division of Depositor and Consumer Protection

Dallas Regional Office
600 North Pearl Street, Suite 700
Dallas, Texas 75201
(214) 754-0098 FAX (972) 761-2082

August 2, 2023

David Brooks
Chief Executive Officer
Independent Bank
7777 Henneman Way
McKinney, Texas 75070

Subject: Application to Establish a Branch in San Antonio, Texas

Dear Mr. Brooks:

This letter is in reference to a Community Reinvestment Act (“CRA”) protest filed by Southern Dallas Progress Community Development Corporation concerning your application, received on July 25, 2023, to establish a branch in San Antonio, Texas. We reviewed the enclosed correspondence and consider it to constitute a protest for purposes of this application, in accordance with the provisions of 12 C.F.R. Section 303, due to adverse comments regarding the bank’s assessment area delineation, and lack of small business and consumer lending services. Therefore, your application will not qualify for expedited processing.

You may provide a written response on the protest to this office until August 16, 2023, in accordance with 12 C.F.R. Section 303. If you choose to respond in writing to the protester, please provide this office with a copy. A copy shall also be forwarded to each protester and each supervisory authority that received a copy of the application.

Please notify Assistant Regional Director Rafael A. Valle by telephone at (615) 391-0098, extension 4812 or email at rvalle@fdic.gov, within three business days of receiving this letter, regarding whether you intend to respond to the protest. Please contact Assistant Regional Director Valle or Review Examiner Lauri S. Angle at (972) 761-8337 or email at langle@fdic.gov with any questions you may have regarding this matter.

As a reminder, written correspondence should be addressed to Kristie K. Elmquist, Regional Director, FDIC, Dallas Regional Office, and sent as a PDF document through the FDIC's Secure Email portal (<https://securemail.fdic.gov/>) using the following e-mail address: DALMailRoom@fdic.gov. Information about how to use secure email and FAQs about the service can be found at <https://www.fdic.gov/secureemail/>.

Sincerely,

Kristie K. Elmquist
Regional Director

Enclosure

cc: Southern Dallas Progress Community Development Corporation
Texas Department of Banking
Federal Reserve Bank of Dallas



Improving Lives, One Community at a Time

July 26, 2023

Independent Bank
7777 Henneman Way
McKinney, TX 75070

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office
1601 Bryan Street, Suite 1410
Dallas, Texas 75201

RE: APPLICATION TO ESTABLISH FOR INDEPENDENT FINANCIAL TO ESTABLISH SAN ANTONIO BRANCH APPLICATION TO ESTABLISH SAN ANTONIO BRANCH

Dear Federal Regulator,

The undersigned community organization is submitting this letter to Protest Independent Bank's Notice of Application to Establish a Branch. **We do not support the** application submitted by Independent Bank's for the branch to be located at 2722 W. Bitters Rd. Suite 126/128, San Antonio, Texas 78248.

The passing of the 1977 Community Reinvestment Act aimed at reversing the practice of redlining when banks and the government would restrict credit in communities deemed "risky" — based on the race and background of that community's residents.

The Community Reinvestment Act (CRA), enacted by Congress in 1977 (12 U.S.C. 2901) and implemented by Regulations 12 CFR parts 25, 228, 345, and 195, is intended to encourage depository institutions to help meet the **credit needs** of the communities in which they operate, including low- and moderate-income (LMI) neighborhoods.

From 2010 to 2020, Independent Bank has excluded several Low to Moderate Income Census Tracts in Southern Dallas from there assessment area map. Also, the census tracts excluded are majority minority.

Independent Bank's exclusion of Southern Dallas' low to moderate income and majority minority neighborhoods from its CRA assessment area reduced credit availability, investments, lending and discouraged prospective applicants.

Independent Bank is not meeting the needs of our community, which specifically includes low- and moderate-income neighbors located in Southern Dallas. Independent Bank *fails* to provide small business and/or consumer lending services in Southern Dallas' majority African American/Hispanic communities.

REDLINING CONCERNS/ DESCRIPTION OF ASSESSMENT AREA

Per 2011 Performance Evaluation

When Town Center Bank, Coppell, Texas, was acquired in 2010, bank management designated two census tracts in Tarrant County and 11 census tracts in Dallas County for a total of 13 census tracts as this portion of their assessment area. The bank maintains one office in this assessment area in Coppell, Texas. Tarrant County is located in the Fort Worth-Arlington MD.

https://crapes.fdic.gov/publish/2011/03076_111114.PDF

Per 2014 Performance Evaluation

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https://crapes.fdic.gov/publish/2014/03076_140908.PDF

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https://crapes.fdic.gov/publish/2017/03076_170821.PDF

To clarify, the Dallas MD AA consists of 529 contiguous census tracts in Dallas County, which comprises a portion of the Dallas-Plano-Irving MD and has a total population of 2,667,720. According to the 2015 ACS US Census, the assessment area contained 107 low-income, 187 moderate-income, 110 middle-income, 120 upper-income census tracts, and 5 census tracts with no income designation.

CRA requires each financial institution to define one or more assessment areas within which examiners will evaluate its performance. Independent Bank delineated portions of Dallas County within the Dallas MD AA assessment area.

12 CFR 345.41(e) Limitations on the delineation of an assessment area. *Each bank's assessment area(s):*

(1) *Must consist only of whole geographies;*

(2) May not reflect illegal discrimination;

(3) May not arbitrarily exclude low- or moderate-income geographies, taking into account the bank's size and financial condition; and

(4) May not extend substantially beyond an MSA boundary or beyond a state boundary unless the assessment area is located in a multistate MSA. If a bank serves a geographic area that extends substantially beyond a state boundary, the bank shall delineate separate assessment areas for the areas in each state. If a bank serves a geographic area that extends substantially beyond an MSA boundary, the bank shall delineate separate assessment areas for the areas inside and outside the MSA.

[https://www.ecfr.gov/current/title-12/chapter-III/subchapter-B/part-345/subpart-C/section-345.41#p-345.41\(e\)](https://www.ecfr.gov/current/title-12/chapter-III/subchapter-B/part-345/subpart-C/section-345.41#p-345.41(e))

Independent Bank does arbitrarily exclude high minority and low to moderate-income areas in Southern Dallas.¹ Independent Bank does **Not** include Southern Dallas (City of Dallas & Dallas County) in their assessment area.

Southern Dallas Zip Codes (LMI/High Minority Areas)

75203, 75207, 75208, 75210, 75211, 75212, 75215, 75216, 75217, 75223, 75224, 75226, 75227, 75228, 75232, 75233, 75236, 75237, 75241, 75249, 75253

The following section discuss demographic in the Southern Dallas area.

- Southern Dallas is home to 43% of all Dallas residents in just 57% of the city's land area.
- Of the 560,000 residents of neighborhoods in southern Dallas, approximately 38% live below poverty - roughly 9% higher than the City's overall poverty rate of 29%.
- Overall, 56% of Dallas residents living below poverty live in the southern neighborhoods of Dallas.
- *The City of Dallas is a unique place. There is a difference between "South Dallas" and "Southern Dallas".*
- *The Southern Sector of Dallas (Southern Dallas) is commonly defined as those areas south of Interstate 30.*
- *The Southern Dallas is 196.7 total square miles. 45% of the City's residents live in Southern Dallas (91% of the residents are minorities in Southern Dallas).*

Redlining Violates the Fair Housing Act and the Equal Credit Opportunity Act

The federal financial regulators have long recognized that redlining violates the fair lending laws, including in the following policy documents:

¹ "<https://www.justice.gov/crt/case-document/report-and-recommendation-united-states-v-kleinbank-d-minn>

<https://www.justice.gov/crt/case-document/order-entering-settlement-agreement-and-agreed-order-united-states-v-first>

<https://www.justice.gov/crt/case-document/consent-order-united-states-v-union-savings-bank-and-guardian-savings-bank-sd-oh-0>

- 1994 Interagency Policy Statement on Discrimination in Lending: Redlining refers to the illegal practice of refusing to make residential loans or imposing more onerous terms on any loans made because of the predominant race, national origin, etc., of the residents of the neighborhood in which the property is located. Redlining violates both the Fair Housing Act and the Equal Credit Opportunity Act.
- 2009 Interagency Fair Lending Examination Procedures: Redlining is a form of illegal disparate treatment in which a lender provides unequal access to credit, or unequal terms of credit, because of the race, color, national origin, or other prohibited characteristic(s) of the residents of the area in which the credit seeker resides or will reside or in which the residential property to be mortgaged is located.

Courts have repeatedly recognized that redlining is a violation of the Fair Housing Act and the Equal Credit Opportunity Act. *See, e.g., Ring v. First Interstate Mortgage, Inc.*, 984 F. 2d 924 (8th Cir. 1993); *Hirschfeld v. Metlife Bank, N.A.*, 2012 WL 3240669 (E.D.N.Y. July 31, 2012); *JAT, Inc. v. Nat'l City Bank of Midwest*, 460 F. Supp. 2d 812, 819-20 (E.D. Mich. 2006); *Hargraves v. Capital City Mortg. Corp.*, 140 F. Supp. 2d 7, 21 (D.D.C. 2000); *Milton v. Bancplus Mortgage Corp.*, 1996 WL 197532 (N.D. Ill. Apr. 19, 1996); *Old West End Ass'n v. Buckeye Federal Sav. & Loan*, 675 F. Supp. 1100 (N.D. Ohio 1987); *Harrison v. Otto G. Heinzeroth Mortg. Co.*, 430 F. Supp. 893 (N.D. Ohio 1977); *Laufman v. Oakley Bldg. & Loan Co.*, 408 F. Supp. 489 (S.D. Ohio 1976).

Since the 1990s, the DOJ has litigated multiple court-approved settlements citing redlining as a violation of the Fair Housing Act and the Equal Credit Opportunity Act.

Redlining Violates the Fair Housing Act

The Fair Housing Act, 42 U.S.C. § 3601, et seq., prohibits discrimination in housing and “residential real estate-related transactions” on the basis of race, color, national origin, sex, religion, familial status, or disability. A “residential real estate-related transaction” includes making loans or providing other financial assistance for purchasing, constructing, improving, repairing, or maintaining a dwelling. 42 U.S.C. § 3605(b)(1)(A). In addition, the U.S. Department of Housing and Urban Development (“HUD”) has the authority to promulgate regulations to implement the Fair Housing Act, which can be found at 24 C.F.R. Part 100.

Redlining is prohibited under the following provisions of the Fair Housing Act (in relevant part) and its implementing regulation:

- It shall be unlawful for any person or other entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of race, color, or national origin.
 - *Fair Housing Act: 42 U.S.C. § 3605(a).*
 - *Regulations: 24 C.F.R. §§ 100.110(b), 100.120(a)-(b).*
- It shall be unlawful to discriminate against any person in the terms, conditions, or privileges of the sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, or national origin.

- *Fair Housing Act: 42 U.S.C. § 3604(b).*
- *Regulations: 24 C.F.R. §§ 100.50(b)(2), 100.65.*
- It shall be unlawful to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, or national origin.
 - *Fair Housing Act: 42 U.S.C. § 3604(a).*
 - *Regulation: 24 C.F.R. § 100.50(b)(3).*
- It shall be unlawful to make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, or national origin, or an intention to make any such preference, limitation, or discrimination.
 - *Fair Housing Act: 42 U.S.C. § 3604(c).*
 - *Regulation: 24 C.F.R. § 100.50(b)(4).*

Redlining Violates the Equal Credit Opportunity Act

The Equal Credit Opportunity Act (“ECOA”), 15 U.S.C. § 1691, et seq., prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of race, color, national origin, sex, religion, marital status, age, because all or part of the applicant’s income derives from any public assistance program, or because of the applicant’s exercise in good faith of any right under the Consumer Credit Protection Act. ECOA applies to any extension of credit, including mortgage loans and small business loans. 15 U.S.C. § 1691a(d). In addition, the Consumer Financial Protection Bureau (“CFPB”) has the authority to promulgate regulations to implement the ECOA, which is known as “Regulation B” and can be found at 12 C.F.R. Part 1002.

Redlining is prohibited under the following provisions of the ECOA and its implementing regulation:

It shall be unlawful for any creditor to discriminate against any applicant, with respect to any aspect of a credit transaction, on the basis of race, color, or national origin. Equal Credit Opportunity Act, 15 U.S.C. § 1691(a)(1). Regulation: 12 C.F.R. § 1002.4(a).

- A creditor shall not make any oral or written statement, in advertising or otherwise, to applicants or prospective applicants that would discourage, on the basis of race, color, or national origin, a reasonable person from making or pursuing an application. Regulation: 12 C.F.R. § 1002.4(b). (See also Equal Credit Opportunity Act, 15 U.S.C. § 1691(a)(1)).
- ECOA and Regulation B prohibit discrimination on a “prohibited basis,” which includes on the basis of race, color, and national origin. 12 C.F.R. § 1002.2(z). The commentary to Regulation B clarifies that a creditor may not discriminate against persons associated with the applicant on a prohibited basis, including, for example, “because of the race of other residents in the neighborhood where the property offered as collateral is located.” 12 C.F.R. Part 1002, Supp. I, ¶ 2(z)-1.

Regulatory Framework: Bank Supervision and Enforcement

Each of the federal financial regulators has the authority to examine and supervise the regulated financial institutions within its jurisdiction for compliance with the fair lending laws: the Fair Housing Act and ECOA.

ECOA requires the regulators refer matters to the Justice Department when a creditor is engaged in a pattern or practice of discrimination which violates ECOA.

Redlining Cases

Justice Department Announces New Initiative to Combat Redlining

<https://www.justice.gov/opa/pr/justice-department-announces-new-initiative-combat-redlining>

Justice Department and Office of the Comptroller of the Currency Announce Actions to Resolve Lending Discrimination Claims Against Cadence Bank

<https://www.justice.gov/opa/pr/justice-department-and-office-comptroller-currency-announce-actions-resolve-lending>

Justice Department Secures Agreement with Lakeland Bank to Address Discriminatory Redlining

<https://www.justice.gov/opa/pr/justice-department-secures-agreement-lakeland-bank-address-discriminatory-redlining>

Justice Department Secures Over \$31 Million from City National Bank to Address Lending Discrimination Allegations

<https://www.justice.gov/opa/pr/justice-department-secures-over-31-million-city-national-bank-address-lending-discrimination>

Justice Department Secures \$9 Million from Park National Bank to Address Lending Discrimination Allegations

<https://www.justice.gov/opa/pr/justice-department-secures-9-million-park-national-bank-address-lending-discrimination>

Justice Department Announces Actions to Resolve Lending Discrimination Claims Against Evolve Bank and Trust

<https://www.justice.gov/opa/pr/justice-department-announces-actions-resolve-lending-discrimination-claims-against-evolve>

CFPB, DOJ Order Trident Mortgage Company to Pay More Than \$22 Million for Deliberate Discrimination Against Minority Families

<https://www.consumerfinance.gov/about-us/newsroom/cfpb-doj-order-trident-mortgage-company-to-pay-more-than-22-million-for-deliberate-discrimination-against-minority-families/>

Cadence Bank Announces Settlement of Claims Made by U.S. Department of Justice and the Office of the Comptroller of the Currency

<https://www.justice.gov/crt/case/united-states-v-cadence-bank>

Conclusion

The CRA regulation is very clear — a finding that a bank failed to comply with laws on fair and responsible lending trumps otherwise satisfactory or even outstanding CRA performance. The CRA regulations specifically state that a rating will be "adversely affected by evidence of discriminatory or other illegal credit practices," including but not limited to violations of the Equal Credit Opportunity Act, the Fair Housing Act, the Home Ownership and Equity Protection Act, the Federal Trade Commission Act, the Real Estate Settlement Procedures Act, and the Truth in Lending Act.

Independent Bank's board and senior management failed to self-identify redlining risks and taken appropriate corrective action.

We would look forward to this case being reviewed and referred to the U.S. Department of Justice (DOJ) and the Consumer Financial Protection Bureau (CFPB).

Sincerely,

James McGee

James McGee
President/Chair
JMcGee@SouthernDallasProgress.com
Southern Dallas Progress Community Development Corporation



August 15, 2023

Kristie K. Elmquist
Regional Director
600 North Pearl Street, Suite 700
Dallas, Texas 75201

Re: Application to Establish a Branch in San Antonio, Texas
Response to Protest

Dear Ms. Elmquist,

Independent Bank, doing business as Independent Financial (the “Bank”), submits this response to the Comment Letter (the “Protest”)¹ submitted by Southern Dallas Progress Community Development Corporation (the “Protestant”) with regard to the above-referenced Branch Application (the “Application”). Contrary to the allegations in the Protest, the Bank did not arbitrarily exclude low- and moderate-income or majority minority census tracts from its assessment area nor did it fail to provide small business or consumer lending services in Southern Dallas’ majority African American/Hispanic communities.

Background

All performance evaluations completed by the FDIC include a review of the Bank’s assessment area delineation and the Bank’s lending performance. Throughout the period in question as identified by the Protestant, the FDIC made the determination that the Bank’s assessment areas, including the Dallas assessment area, were acceptable and able to be used in performance evaluations. If an assessment area violated the regulatory requirements as cited by the Protestant, it would have caused the FDIC to change the assessment area before using it in a performance evaluation, which it did not.

In addition, all performance evaluations have received a satisfactory rating by the FDIC. Although not directly reflective of lending in majority minority census tracts, the performance evaluation rating does allow for adjustments to the ratings based on evidence of discriminatory or other illegal credit practices. Any evidence or determination the Bank was avoiding lending in majority minority census tracts would have been reflected in the rating. It was not and the Bank assures Protestant and the FDIC that there was not and is not any no discriminatory or illegal credit practices occurring at the Bank.

Finally, throughout the period in question, the Bank experienced significant change in structure, location, and size. As a result, the assessment area also underwent significant change to

¹ The “Redlining Violates the Fair Housing Act and Equal Credit Opportunity Act”; “Regulatory Framework: Bank Supervision and Enforcement”; and “Redlining Cases” sections of the Protest contain general information that is not specific to any allegations regarding the Bank or the Bank’s Application. As such, the Bank does not respond to those sections in this response.

adjust for growth of the Bank. To evaluate whether an assessment area was acceptable at a specific time, one must consider the state of the Bank at that time to evaluate whether its exclusion of certain areas was reflective of discrimination or the Bank's logistical ability to reach said areas. Looking at the Bank's size, structure and location today is not indicative nor determinative of the appropriateness of the Bank's historical assessment area.

Assessment Area Delineation

2011 Performance Evaluation Assessment Area

The 2011 performance evaluation assessment area the Protestant refers to was newly revised (2010) due to the acquisition of another institution. Lending patterns of the newly combined institution were still under evaluation; however, the acquired institution's lending portfolio was predominately north of the City of Dallas. At the time, the Bank's activity, both before and after the acquisition, was not expansive enough to have all of Dallas County as part of the assessment area.

Branch activity was relatively limited during this period and predominantly north of the entirety of Dallas as the Bank was only beginning its expansion south. The Bank only maintained one branch in this assessment area in Coppell. The market of Coppell is significantly different from the City of Dallas and the zip codes the Protestant is referring to and is notably further north. As a result, it would be unreasonable for the Bank to take all census tracts within Dallas County for purposes of determining its assessment area.

2014 and 2017 Performance Evaluation Assessment Areas

During this time, the Bank was gradually expanding its branch presence within Dallas County primarily through the acquisition of other banks. During this period, the Bank had only just begun to enter the City of Dallas. The Bank used its branch network and loan applications to determine its assessment area and found at the time that taking the entirety of Dallas County was not representative of areas the Bank was reasonably able to lend to and operate in.

2017-2020

Although the Protest claims the assessment area was redlined from 2010-2020, the letter contains no support for this claim from the time period of 2017-2020. During this time, the Bank's assessment area contained all of Dallas County as is evident in the 2020 performance evaluation. Any alleged harm the Protestant claims came about as a result of the assessment area—the Bank does not concede that any harm occurred—would have been fully resolved in 2017.

Lending Activity

Historical Lending Analysis

The Protest asserts that the Bank fails to provide small business and/or consumer lending services in Southern Dallas, specifically in majority African American and Hispanic communities, without providing specific warrants as to why this claim is true. The Bank continues to offer both residential and consumer lending services to communities within its assessment area, including Southern Dallas. The Bank's publicly reported small business and home mortgage data support this statement.

For home mortgage lending in 2022, the Bank was in-line with similarly situated banks in both applications and originations from majority Hispanic census tracts with no statistically significant differences. Further, the Bank has shown improvement in applications and originations in majority Black census tracts from 2021 to 2022 as well.

For small business lending in 2022, the bank was in-line with the market aggregate in majority minority census tracts, majority Hispanic census tracts, and majority Black census tracts with no differences being statistically significant. In addition, the Bank showed improvement year-over-year from 2021 to 2022 in majority minority census tracts and majority Black census tracts.

Steps Taken to Improve Lending

The Bank has engaged in numerous strategic initiatives to help improve its lending in South Dallas. For example, the Bank has strategic partnerships with organizations in South Dallas such as Not My Son, NAREB, and Inspiring You to Greatness to teach first-time homebuyer classes. A specific example is the Bank's work with the Protestant in June 2023 at the Protestant's Homeownership Fair.

Furthermore, the Bank has created an Affordable Mortgage Path product to improve lending in South Dallas. This product has 100 percent financing with no private mortgage requirements. When this product was launched, the Bank implemented a marketing effort to spread awareness of the product and further increase lending.

Within the past year, the Bank has also opened a loan production office (LPO) within Southern Dallas to help improve lending in the area. As part of this, the Bank has also strived to hire mortgage loan officers that reflect the community to further help lending in the area.

Summary and Request

In summary, the Protestant's allegations are unfounded. Throughout the period in question, the Bank did not arbitrarily exclude the zip codes in question from its assessment area, nor did it fail to provide small business and/or consumer lending services in Southern Dallas' majority African American/Hispanic communities. Although the foundation of the Protestant's claims is unfounded, the Bank has taken immense efforts since the period in question to improve lending in Southern Dallas including adding it to the assessment area, expanding marketing, opening an LPO, and launching a new loan product.



For these reasons, the Protest is without merit and should not affect the FDIC's approval of the Application. The Bank respectfully requests the FDIC promptly complete its review of the Protest and subsequently approve the Bank's Application.

If you need any further information or wish to discuss, please do not hesitate to contact me.

Yours very truly,

A handwritten signature in blue ink that reads 'Ankita Puri'.

Ankita Puri
Executive Vice-President, Chief Legal Officer
Ankita.Puri@ifinancial.com
(214) 307-7610



Improving Lives, One Community at a Time

August 21, 2023

Independent Bank
7777 Henneman Way
McKinney, TX 75070

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office
1601 Bryan Street, Suite 1410
Dallas, Texas 75201

RE: APPLICATION TO ESTABLISH FOR INDEPENDENT FINANCIAL TO ESTABLISH SAN ANTONIO BRANCH APPLICATION TO ESTABLISH SAN ANTONIO BRANCH

Dear Federal Regulator,

The undersigned community organization is submitting this letter in response to the letter dated August 15, 2023, received from Independent Bank. We do not support the application submitted by Independent Bank's for the branch to be located at 2722 W. Bitters Rd. Suite 126/128, San Antonio, Texas 78248 (Branch will be in an upper income census tract and in a white majority community).

Independent Bank did arbitrarily exclude low- or moderate-income geographies in Dallas County for 10 years, specifically Southern Dallas. Independent Bank's assessment area map reflected illegal discrimination by excluding areas in Southern Dallas which are LMI majority-minority census tracts.

As mentioned in my previous letter dated July 26, 2023, Independent Bank is not meeting the needs the needs of our community, which specifically includes low- and moderate-income neighbor located in Southern Dallas.

Independent Bank failed to provide any lending data for Southern Dallas which it illegally redlined from 2010 to 2020.

Southern Dallas Zip Codes (LMI/High Minority Areas)

75203, 75207, 75208, 75210, 75211, 75212, 75215, 75216, 75217, 75223, 75224, 75226, 75227, 75228, 75232, 75233, 75236, 75237, 75241, 75249, 75253

Redlining Southern Dallas/ Illegal Discrimination

From 2010 to 2020 (10 years), Independent Bank engaged in unlawful redlining by acting to meet the credit needs of majority White Middle to Upper Income neighborhoods in the Dallas-Fort Worth Metropolitan Statistical Area ("DFW MSA" or "MSA") while avoiding the credit needs of Low to Moderate census tracts in Southern Dallas. Also, these census tracts were majority minority.

Products available for the Underserved/Minority Communities

Access to affordable credit is a key component of an individual's ability to cultivate a strong financial position and participate fully in the DFW economy. The Equal Credit Opportunity Act of 1974 was passed to protect all consumers, yet the effects of the discrimination endure today.

Independent Bank fails to offer any solutions for the 163,000 unbanked/underbanked residents in the DFW MSA.

- https://household-survey.fdic.gov/place-data?type=msa&area=Dallas_Fort_Worth_Arlington_TX
 - The underbanked/unbanked information is available on the FDIC website.
- <https://www.aba.com/about-us/press-room/press-releases/aba-urges-americas-banks-to-offer-bank-on-certified-accounts>

Independent Bank does not have any special-purpose credit programs to address disparities in small business & mortgage lending in underserved high minority communities like Southern Dallas.

- <https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-issues-advisory-opinion-to-help-expand-fair-equitable-and-nondiscriminatory-access-to-credit/>
- https://www.hud.gov/sites/dfiles/GC/documents/Special_Purpose_Credit_Program_OGC_guidance_12-6-2021.pdf
- [12 CFR § 202.8 - Special purpose credit programs.](#)
 - <https://www.ffiec.gov/PDF/fairlend.pdf>

Activities under the CRA since 2020 CRA Performance Evaluation

Independent Bank failed to describe any significant CRA initiatives undertaken, particularly with respect to credit and deposit products and retail banking services targeted toward low- and moderate-income geographies, African American/Hispanic geographies, and individuals, identifying key elements of the products and services, the approximate date introduced, and results achieved to date.

Independent Bank failed to provide any details current community outreach and marketing efforts to residents and businesses throughout Bank's low-income census tracts, moderate-income census tracts, and major minority census tracts, specifically in Southern Dallas.

Independent Bank Dallas County Bank Locations:

2100 McKinney Ave Suite 1200 Dallas, TX 75201¹; **Date Established 04/30/2012**; Located in an upper income census tract and in a white majority community. (North of Interstate 30)

654 N. Denton Tap Road Coppel, TX 75019; **Date Acquired 07/30/2010**; Located in an upper income census tract and in a white majority community.

3206 Live Oak Dallas, TX 75204; **Date Acquired 01/01/2014**; Located in a middle-income census tract and in a white majority community. (North of Interstate 30)

16000 Dallas Parkway Suite 125 Dallas, TX 75254; **Date Acquired 11/01/2015**; Located in a middle-income census tract and in a white majority community. (North of Interstate 30)

REDLINING CONCERNS/ DESCRIPTION OF ASSESSMENT AREA

From 2010 to 2020 (10 years) Independent Bank arbitrarily excluded high minority and low to moderate-income areas in Southern Dallas.² Independent Bank did **Not** include Southern Dallas (City of Dallas & Dallas County) in their assessment area.

Per 2011 Performance Evaluation

When Town Center Bank, Coppel, Texas, was acquired in 2010, bank management designated two census tracts in Tarrant County and **11 census tracts in Dallas County for a total of 13 census tracts as this portion of their assessment area.** The bank maintains one office in this assessment area in Coppel, Texas. Tarrant County is located in the Fort Worth-Arlington MD.

https://crapes.fdic.gov/publish/2011/03076_111114.PDF

- Independent Bank acquired the branch located at 654 N. Denton Tap Road Coppel, TX 75019 in Dallas County on 07/30/2010.

Independent Bank violated Equal Credit Opportunity Act (ECOA) and the Fair Housing Act (FHA) by excluding residents in Southern Dallas and failing to meet their credit needs.

2023 DOJ Redlining Case Reference

¹ Dallas is a **majority-minority city** (66.1 percent of the population) with 41.8 percent of residents identifying as Hispanic and 24.3 percent identifying as Black. Dallas is a city with a population of just under 1,344,000, including 24.3 percent African American residents, 41.8 percent Hispanic/Latinx residents, and 3.4 percent Asian residents; and 30.5 White (Non-Hispanic)

² “<https://www.justice.gov/crt/case-document/report-and-recommendation-united-states-v-kleinbank-d-minn>
<https://www.justice.gov/crt/case-document/order-entering-settlement-agreement-and-agreed-order-united-states-v-first>

<https://www.justice.gov/crt/case-document/consent-order-united-states-v-union-savings-bank-and-guardian-savings-bank-sd-oh-0>

<https://www.justice.gov/opa/pr/justice-department-secures-over-3-million-redlining-settlement-involving-essa-bank-trust>

Per 2014 Performance Evaluation

Independent designated six assessment areas described as follows: (1) Dallas-Plano-Irving MD, which includes all of Collin and Denton Counties, and portions of Dallas County (117 tracts). Two census tracts in far northeastern Tarrant County, which is part of the Fort Worth-Arlington MD, are also included in this area.

https://crapes.fdic.gov/publish/2014/03076_140908.PDF

- Independent Bank opened a branch located at 2100 McKinney Ave Suite 1200 Dallas, TX 75201 in Dallas on 04/30/2012.
- Independent Bank acquired the branch located at 3206 Live Oak Dallas, TX 75204 in Dallas County on 01/01/2014.
- Independent Bank acquired the branch located at 16000 Dallas Parkway Suite 125 Dallas, TX 75254 in Dallas County on 11/01/2015.

Independent Bank violated Equal Credit Opportunity Act (ECOA) and the Fair Housing Act (FHA) by excluding residents in Southern Dallas and failing to meet their credit needs.

2023 DOJ Redlining Case Reference

<https://www.justice.gov/opa/pr/justice-department-secures-over-3-million-redlining-settlement-involving-essa-bank-trust>

Per 2017 Performance Evaluation

Independent Bank designated all of Collin and Denton Counties as well as a portion of Dallas County as its assessment area within the Dallas-Plano-Irving MD. The entire area consists of 407 census tracts. Since the previous exam, the number of census tracts in this assessment area decreased by one; however, maintained similar demographics to those noted at the previous CRA evaluation.

https://crapes.fdic.gov/publish/2017/03076_170821.PDF

Independent Bank violated Equal Credit Opportunity Act (ECOA) and the Fair Housing Act (FHA) by excluding residents in Southern Dallas and failing to meet their credit needs.

2023 DOJ Redlining Case Reference

<https://www.justice.gov/opa/pr/justice-department-secures-over-3-million-redlining-settlement-involving-essa-bank-trust>

To clarify, the Dallas MD AA consists of 529 contiguous census tracts in Dallas County, which comprises a portion of the Dallas-Plano-Irving MD and has a total population of 2,667,720. According to the 2015 ACS US Census, the assessment area contained 107 low-income, 187 moderate-income, 110 middle-income, 120 upper-income census tracts, and 5 census tracts with no income designation.

CRA requires each financial institution to define one or more assessment areas within which examiners will evaluate its performance. Independent Bank delineated **portions** of Dallas County within the Dallas MD AA assessment area.

12 CFR 345.41(e) Limitations on the delineation of an assessment area. *Each bank's assessment area(s):*

(1) *Must consist only of whole geographies;*

(2) **May not reflect illegal discrimination;**

(3) **May not arbitrarily exclude low- or moderate-income geographies,** *taking into account the bank's size and financial condition; and*

(4) *May not extend substantially beyond an MSA boundary or beyond a state boundary unless the assessment area is located in a multistate MSA. If a bank serves a geographic area that extends substantially beyond a state boundary, the bank shall delineate separate assessment areas for the areas in each state. If a bank serves a geographic area that extends substantially beyond an MSA boundary, the bank shall delineate separate assessment areas for the areas inside and outside the MSA.*

[https://www.ecfr.gov/current/title-12/chapter-III/subchapter-B/part-345/subpart-C/section-345.41#p-345.41\(e\)](https://www.ecfr.gov/current/title-12/chapter-III/subchapter-B/part-345/subpart-C/section-345.41#p-345.41(e))

Per 2020 Performance Evaluation

The Investment Test is rated Low Satisfactory.

The Service Test is rated Low Satisfactory.

https://crapes.fdic.gov/publish/2020/3076_201130.PDF

Fair Lending Concerns

I worked with the National Community Reinvestment Coalition (NCRC) to analyze the home purchase and small business lending of Independent Bank in Dallas. This is what NCRC found.

- According to the Home Mortgage Disclosure Act (HMDA) data from 2017 to 2018, INDEPENDENT BANK made a total of 129 in Dallas County. This data demonstrated that in 2019, **1 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).**
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2018 to 2019, INDEPENDENT BANK made a total of 204 in Dallas County. This data demonstrated that in 2019, **2 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).**
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2019 to 2020, INDEPENDENT BANK made a total of 163 in Dallas County. This data demonstrated that in 2020, **5 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).**

- Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
- No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2020 to 2021, INDEPENDENT BANK made a total of 162 in Dallas County. This data demonstrated that in 2021, 4 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2021 to 2022, INDEPENDENT BANK made a total of 30 in Dallas County. This data demonstrated that in 2022, 113 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- Small Business Lending
 - SDPCDC compared Independent Bank small business lending to other non-credit card small business lenders in Dallas and found that Independent Bank trailed in lending to businesses with less than \$1 million in annual revenue.
 - Extremely low amount of small business loans were made in Southern Dallas from 2010 to 2022

Community Development Lending

Independent Bank failed to provide the number of loans made in Southern Dallas compared to Northern Dallas.

Small Business/Commercial Lending

Independent Bank failed to provide the number of loans made in Southern Dallas compared to Northern Dallas.

Mortgage Lending

Independent Bank failed to provide the number of loans made in Southern Dallas compared to Northern Dallas.

Lack of Staff and Board Diversity

Independent Bank does not have any African Americans and/or Hispanics on the Board of Directors.

<https://ir.ifinancial.com/corporate-profile/officers-and-directors/default.aspx>

Independent Bank does not have any African Americans and/or Hispanics on the DFW MSA Leadership Team.

<https://www.independent-bank.com/our-company/leadership.html>

Independent Bank does not have any Commercial Loans Officers in the DFW MSA that are African Americans and/or Hispanics.

<https://www.independent-bank.com/business/commercial/commercial-real-estate.html>

Independent Bank does not have any Mortgage Loans Officers in the DFW MSA that are African Americans.

<https://independentfinancialmortgage.zipforhome.com/CompanySite/LoanOfficers>

Independent Bank does not participate in the Dodd-Frank Act Section 342(b)(2)(C) Diversity self-assessment.

<https://www.fdic.gov/about/diversity/analysisdsa.html>

Independent Bank is not a member of any of the Minority Trade Organizations below:

<https://regionalhca.org/>

<https://www.namcdfw.org/>

<https://blackcontractors.org/>

<https://aacatx.com/>

Independent Bank is not a member of any of the Minority Chambers below:

<https://dallasblackchamber.org/>

<https://arlingtonblackchamber.org/>

<https://fwmbcc.org/>

<https://fwhcc.org/>

<https://www.gdhcc.com/>

Independent Bank is not a member of any of the Minority Real Estate Trade Organizations below:

<https://www.narebdallas.org/>

<http://nahrepdallas.org/>

<https://www.varep.net/index.php/dallas-chapter>

<https://narebnorthtexas.org/nareb-north-texas>

<https://wcdallas.com/>

<https://realestatealliance.org/>

<https://www.areaa.org/dfw>

Regulatory Scrutiny

Independent Bank failed to consult the CFPB, HUD, and DOJ as it relates to excluding low- and moderate-income census tracts in Southern Dallas.

It's concerning to note that Independent Bank has not furnished any supporting documentation indicating that the FDIC sanctioned the exclusion of Low- and Moderate-Income areas in Southern Dallas from 2010 to 2020. Furthermore, it appears that Independent Bank did not adhere to the guidelines

provided to FDIC-supervised banks, which are accessible through the following link: [FDIC Redlining Fair Lending Resources](#).

The Consumer Financial Protection Bureau (CFPB) holds the role of enforcement authority for the Equal Credit Opportunity Act (Regulation B). Meanwhile, the Department of Justice (DOJ) and the Department of Housing and Urban Development (HUD) jointly share the responsibility of enforcing the Fair Housing Act.

Notably, Independent Bank did not consult the CFPB, HUD, or DOJ concerning the exclusion of low- and moderate-income census tracts in Southern Dallas. These developments raise valid concerns about adherence to fair lending practices and the equitable treatment of communities in your region.

Conclusion

Southern Dallas Progress Community Development Corporation expresses deep disappointment upon discovering that Independent Bank engaged in redlining practices within our Southern Dallas community between 2010 and 2020. The exceedingly low lending figures to African Americans during this period are disheartening and raise concerns about persistent disparities.

It's unfortunate that, even after eight decades, redlining continues to affect our Southern Dallas Community. Our organization firmly believes in upholding the principles of honesty, integrity, accountability, and transparency in all community relationships. Recent indications that Independent Bank might prefer the suppression of this factual data due to their support of a community event hosted by SDPCDC are noted.

We are resolute in our commitment to address and shed light on these disparities openly and constructively. We firmly believe that addressing these issues openly will contribute to fostering genuine, lasting community relationships built on trust and shared values.

On behalf of the Southern Dallas County Community, would ask that you deny this application and refer this bank to the U.S. Department of Justice (DOJ) and the Consumer Financial Protection Bureau (CFPB).

Sincerely,

James McGee

James McGee
President/Chair
JMcGee@SouthernDallasProgress.com
Southern Dallas Progress Community Development Corporation



Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection

CONTROLLED//FDIC BUSINESS

Dallas Regional Office
600 North Pearl Street, Suite 700, Dallas, Texas 75201

January 2, 2024

Mr. James McGee
President/Chair
Southern Dallas Progress Community Development Corporation
1402 Corinth Street, Suite 147
Dallas, Texas 75215

Dear Mr. McGee,

The FDIC completed our review of your correspondence concerning the application filed by Independent Bank, McKinney, Texas to establish a branch office in San Antonio, Texas, on July 28, 2023. The FDIC took into consideration the issues you raised in your Community Reinvestment Act (CRA) protest and investigated those issues as well as the bank's overall CRA performance. Based on our review, we approved the application on December 20, 2023, subject to the condition described in the enclosed Statement.

If there are any questions regarding this letter, please contact Assistant Regional Director Rafael S. Valle at (615) 391-0098, extension 4812 or Review Examiner Lauri S. Angle at (972) 761-8337.

Sincerely,

David E. Wright
Deputy Regional Director

cc:
Independent Bank, McKinney, Texas

FEDERAL DEPOSIT INSURANCE CORPORATION

Re: Independent Bank
McKinney, Texas

Application to Establish a Branch in San Antonio, Texas

STATEMENT

Per Section 345.29 of the CRA regulation, the FDIC takes into account any views expressed by interested parties that are submitted in accordance with Part 303 of the FDIC's Rules and Regulations in considering bank applications. Additionally, the FDIC must consider the statutory factors set forth in Section 6 of the FDI Act (12 U.S.C. 1816). This includes an analysis of the convenience and needs of the community to be served.

In evaluating this proposed transaction, FDIC staff reviewed: (i) the bank's CRA record of performance; (ii) written public comments; (iii) the fair lending and other consumer compliance records of the bank; (iv) information provided by the bank in response to public comments; and (v) confidential supervisory information.

CRA Performance Evaluation Rating

For the purposes of the CRA, the FDIC assigned Independent Bank an overall "Satisfactory" rating at its most recently issued CRA Performance Evaluation as of November 30, 2020.

CRA Protest

In the course of reviewing public input on the application, the FDIC received an adverse comment that was considered a CRA protest. The CRA protest was critical of Independent Bank's assessment area, home mortgage and small business lending activities in Dallas County and Southern Dallas, product offerings, diversity in staff, and lack of membership in minority trade organizations.

Bank's Response

Regarding the allegation of the assessment area delineation, the bank notes all CRA performance evaluations received a satisfactory rating and did not include any evidence of discriminatory or illegal credit practices. The bank response provided context as to the size, locations, and merger activities, and noted the assessment area underwent significant changes throughout the period in question, 2010 to 2017, due to growth. The response noted a review of the structure and locations of the bank today would not be reflective of the bank at a given point during the time in question.

Regarding the allegation the bank failed to provide small business and/or consumer lending services in Southern Dallas, the bank notes the comment does not provide any detail to support the claim. The bank indicates they offer residential and consumer lending services to all communities within the assessment area, including Southern Dallas. They further note the publicly reported small business and home mortgage data support this statement. The response noted for home mortgage lending in 2022, the bank was in line with similarly situated banks for both applications and originations from majority-Hispanic census tracts and continued to demonstrate improvement within majority-Black census tracts. For small business lending, the bank response indicates the bank was in line with market aggregate in majority-minority, majority-Hispanic, and majority-Black census tracts.

The response also provided details on the bank's actions taken to improve lending. The response notes the bank began strategic partnerships with organizations in Southern Dallas to teach first-time homebuyer classes. Further, the bank indicated they worked with the protestor in June 2023 at his organization's homeownership fair. The bank response also notes the bank created an Affordable Mortgage Path product to improve lending in Southern Dallas and opened a loan production office within Southern Dallas. Finally, the bank strived to hire mortgage loan officers that reflect the community to further help lending in the area.

Summary Analysis

The FDIC fully considered and assessed the issues and concerns raised in the CRA protest and Independent Bank's response. The FDIC also considered confidential information regarding the institution. Following the 2017 CRA evaluation, the bank revised its assessment areas and the 2020 and 2023 evaluations include a defined assessment area that contains all census tracts in Dallas County, and conforms to CRA regulatory requirements.

The FDIC used data from the most recent 2023 evaluation as well as Independent Bank's 2020, 2021, and 2022 reported HMDA and CRA data to analyze the allegations. Such analyses generally revealed lending data similar to the data presented by the protestor within majority-Black census tracts and to Black applicants. However, it also showed the bank does maintain lending in Southern Dallas and does offer product solutions for the unbanked and underbanked.

After a careful review of the concerns, the FDIC decided to approve the application with a new condition. This condition will help ensure home mortgage and small business lending needs in Independent Bank's CRA assessment areas are met. In addition, the condition will ensure the bank solicits applications and originates home mortgage loans among minority individuals.

Develop an Action Plan (Plan) that is adopted by the Board of Directors of Independent Bank and submitted to the FDIC for approval within 60 days of the application approval date. The Plan should address strategies to improve home mortgage and small business lending in majority-minority and Majority-Black census tracts within the Dallas-Fort Worth-Arlington Metropolitan Statistical Area assessment area (DFW MSA AA), primarily within Dallas County. The Plan should also address strategies to improve home mortgage applications and originations to Black applicants. The Plan should be developed in the context of available demographic data, as well as safe and sound lending considerations, and provide for periodic review of the Bank's efforts, using measurable criteria, to assess actions and progress under the Plan. The Bank will provide quarterly updates to the FDIC's Dallas Regional Office detailing the Bank's progress under the Plan.



Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection

CONTROLLED//FDIC BUSINESS

Dallas Regional Office
600 North Pearl Street, Suite 700, Dallas, Texas 75201

April 12, 2024

Mr. James McGee
President/Chair
Southern Dallas Progress Community Development Corporation
1402 Corinth Street, Suite 147
Dallas, Texas 75215

Re: Community Reinvestment Act Comment

Dear Mr. McGee:

This letter serves to acknowledge receipt of your correspondence dated March 30, 2024, regarding Independent Bank, McKinney, Texas, sent via electronic mail. At this time, the FDIC does not have an outstanding application for this bank. If the bank does not file an application with the FDIC within 30 days of receipt of your correspondence, we will evaluate your comment through the consumer complaint process or during the next Community Reinvestment Act evaluation of the institution.

Should you have any questions, please contact me at (972) 761-8337 or lang@fdic.gov.

Sincerely,

Lauri S. Angle
Assistant Regional Director

cc: Independent Bank, McKinney, Texas



Improving Lives, One Community at a Time

March 30, 2024

Independent Bank
7777 Henneman Way
McKinney, TX 75070

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office
1601 Bryan Street, Suite 1410
Dallas, Texas 75201

RE: Discrimination and Redlining Compliant

Dear Federal Regulator,

This correspondence serves as a response to the inaccurate letter written by Independent Bank dated 7/6/2023. As highlighted in my prior letter, spanning a period of 10 years from 2010 to 2020, Independent Bank consistently excluded the majority of Low to Moderate Income Census Tracts from its assessment area map. Notably, these excluded census tracts predominantly consist of minority residents.

Independent Bank's decision to exclude low to moderate-income and majority minority neighborhoods in Southern Dallas from its CRA (Community Reinvestment Act) assessment area has had detrimental effects. This exclusion has resulted in reduced credit availability, limited investments, decreased lending activities, and has created a discouraging environment for prospective applicants in these communities.

Southern Dallas Zip Codes (LMI/High Minority Areas) *

75203, 75207, 75208, 75210, 75211, 75212, 75215, 75216, 75217, 75223, 75224, 75226, 75227, 75228, 75232, 75233, 75236, 75237, 75241, 75249, 75253

*This major minority community is home to 500,000 residents.

Regulatory Enforcement Authority

As a reminder to Independent Bank, it's crucial to acknowledge that the Consumer Financial Protection Bureau (CFPB) is the enforcing authority for the Equal Credit Opportunity Act (Regulation B).

Additionally, enforcement responsibilities for the Fair Housing Act are jointly held by the Department of Justice (DOJ) and the Department of Housing and Urban Development (HUD).

It is significant to highlight that Independent Bank has not taken the initiative to self-report their actions to the Consumer Financial Protection Bureau (CFPB), the Department of Housing and Urban Development (HUD), and the Department of Justice (DOJ) concerning the exclusion of low- and moderate-income census tracts in Southern Dallas. This lack of proactive reporting may have implications for regulatory compliance and cooperation with relevant enforcement authorities.

Regulatory Violations:

Between 2010 and 2020, Independent Bank breached the following regulatory requirements:

12 CFR § 345.41(e)(2):

- Violation: Engaged in practices that may reflect illegal discrimination.

12 CFR § 345.41(e)(3):

- Violation: Arbitrarily excluded low- or moderate-income geographies, without considering the bank's size and financial condition.

DOJ, CFPB, and OCC announce aggressive redlining initiative; take action against national bank for alleged lending discrimination.

On October 22, 2021 the DOJ, in collaboration with the CFPB and the OCC, [announced](#) a new initiative to combat redlining and lending discrimination. The Combatting Redlining Initiative will be led by the DOJ's Civil Rights Division's Housing and Civil Enforcement Section in partnership with U.S. Attorney's offices, and will, among other things, (i) "ensure that fair lending enforcement is informed by local expertise on housing markets and the credit needs of local communities of color"; (ii) "expand the department's analyses of potential redlining to both depository and non-depository institutions" (the DOJ noted that non-depository lenders now make the majority of mortgages in the U.S.); (iii) strengthen financial regulator partnerships to ensure fair lending violations are identified and referred to the DOJ; and (iv) increase fair lending coordination with state attorneys general to identify potential violations. Attorney General Merrick Garland [stated](#) that the initiative will "address modern-day redlining by making far more robust use of our fair lending authorities," and marks the DOJ's "most aggressive, coordinated effort to address redlining." Garland noted that several redlining investigations are currently ongoing, and more are expected to be opened in the upcoming months.

<https://www.justice.gov/opa/pr/justice-department-announces-new-initiative-combat-redlining>

Department of Justice (DOJ) Redlining Cases

All banks fined by the Department of Justice (DOJ) previously received a Satisfactory or Outstanding rating in their Community Reinvestment Act (CRA) Performance Evaluation conducted by their regulator. In these evaluations, the regulator did not identify discriminatory or other illegal credit practices by these financial institutions. However, despite these positive evaluations, the DOJ issued regulatory fines for redlining and discrimination. The Justice Department's Combating Redlining Initiative has secured over \$107 million in relief for communities of color nationwide that have experienced lending discrimination by banks.

<https://www.justice.gov/crt/recent-accomplishments-housing-and-civil-enforcement-section>

Conclusion

From 2010 to 2020, Independent Bank engaged in a pattern or practice of redlining in violation of the Fair Housing Act ("FHA"), 42 U.S.C. §§ 3601–3619, the Equal Credit Opportunity Act ("ECOA"), 15 U.S.C. §§ 1691–1691f, and Regulation B, 12 C.F.R. § 1002.1 et seq., by discriminating based on race, color, and national origin. Specifically, Independent Bank engaged in redlining by avoiding providing home loans, small business loans, and other financial services in majority-Black/Hispanic and Low to Moderate Income census tracts.

On behalf of the Southern Dallas Community, we asked that the OCC take the rare action of downgrading Independent Bank's CRA rating to "Needs Improve". We would look forward to this case being referred to the U.S. Department of Justice (DOJ) and the Consumer Financial Protection Bureau (CFPB).

Sincerely,

James McGee

James McGee
President/Chair

JMcGee@SouthernDallasProgress.com

Southern Dallas Progress Community Development Corporation

REDLINING CONCERNS/ DESCRIPTION OF ASSESSMENT AREA

Per 2011 Performance Evaluation

When Town Center Bank, Coppell, Texas, was acquired in 2010, bank management designated two census tracts in Tarrant County and 11 census tracts in Dallas County for a total of 13 census tracts as this portion of their assessment area. The bank maintains one office in this assessment area in Coppell, Texas. Tarrant County is located in the Fort Worth-Arlington MD.
https://crares.fdic.gov/publish/2011/03076_111114.PDF

Per 2014 Performance Evaluation

Independent designated six assessment areas described as follows: (1) Dallas-Plano-Irving MD, which includes all of Collin and Denton Counties, and portions of Dallas County (117 tracts). Two census tracts in far northeastern Tarrant County, which is part of the Fort Worth-Arlington MD, are also included in this area.
https://crares.fdic.gov/publish/2014/03076_140908.PDF

Per 2017 Performance Evaluation

Independent Bank designated all of Collin and Denton Counties as well as a portion of Dallas County as its assessment area within the Dallas-Plano-Irving MD. The entire area consists of 407 census tracts. Since the previous exam, the number of census tracts in this assessment area decreased by one; however, maintained similar demographics to those noted at the previous CRA evaluation.
https://crares.fdic.gov/publish/2017/03076_170821.PDF

To clarify, the Dallas MD AA consists of 529 contiguous census tracts in Dallas County, which comprises a portion of the Dallas-Plano-Irving MD and has a total population of 2,667,720. According to the 2015 ACS US Census, the assessment area contained 107 low-income, 187 moderate-income, 110 middle-income, 120 upper-income census tracts, and 5 census tracts with no income designation.



Improving Lives, One Community at a Time

March 30, 2024

Independent Bank
7777 Henneman Way
McKinney, TX 75070

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office
1601 Bryan Street, Suite 1410
Dallas, Texas 75201

RE: COMPLAINT AGAINST INDEPENDENT BANK

Dear Federal Regulator,

The undersigned community organization is submitting this letter to file a complaint against Independent Bank.

The Community Reinvestment Act (CRA) of 1977 was introduced to address the discriminatory practice of redlining, in which banks and government entities restricted access to credit in communities based on the race and socioeconomic status of residents. Enacted by Congress in 1977 (12 U.S.C. 2901) and enforced through Regulations 12 CFR parts 25, 228, 345, and 195, the CRA is designed to encourage depository institutions to actively engage in meeting the credit needs of the communities they serve, particularly in low- and moderate-income (LMI) neighborhoods.

Independent Bank's banking and mortgage services have been notably absent in predominantly Black and Hispanic neighborhoods in Southern Dallas. Instead, Independent Bank has concentrated its lending activities predominantly in white areas of Dallas. Meanwhile, other lenders have been processing applications in majority-Black and Hispanic neighborhoods at rates four to five times higher than Independent Bank. Similarly, although Independent Bank operates several branches in Dallas, it has never established a branch in a majority-Black and Hispanic neighborhood situated in Southern Dallas.

Independent Bank is failing to address the credit needs of our community, particularly those of low- and moderate-income residents in Southern Dallas.

Southern Dallas Zip Codes (LMI/High Minority Areas)

75203, 75207, 75208, 75210, 75211, 75212, 75215, 75216, 75217, 75223, 75224, 75226, 75227, 75228, 75232, 75233, 75236, 75237, 75241, 75249, 75253

Independent Bank Dallas County Bank Locations:

2100 McKinney Ave Suite 1200 Dallas, TX 75201¹; **Date Established 04/30/2012**; Located in an upper income census tract and in a white majority community. (North of Interstate 30)

654 N. Denton Tap Road Coppell, TX 75019; **Date Acquired 07/30/2010**; Located in an upper income census tract and in a white majority community.

3206 Live Oak Dallas, TX 75204; **Date Acquired 01/01/2014**; Located in a middle-income census tract and in a white majority community. (North of Interstate 30)

16000 Dallas Parkway Suite 125 Dallas, TX 75254; **Date Acquired 11/01/2015**; Located in a middle-income census tract and in a white majority community. (North of Interstate 30)

Per 2020 Performance Evaluation

The Investment Test is rated Low Satisfactory.

The Service Test is rated Low Satisfactory.

https://crapes.fdic.gov/publish/2020/3076_201130.PDF

Fair Lending Concerns

I worked with the National Community Reinvestment Coalition (NCRC) to analyze the home purchase and small business lending of Independent Bank in Dallas. This is what NCRC found.

- According to the Home Mortgage Disclosure Act (HMDA) data from 2017 to 2018, INDEPENDENT BANK made a total of 129 in Dallas County. This data demonstrated that in 2019, 1 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2018 to 2019, INDEPENDENT BANK made a total of 204 in Dallas County. This data demonstrated that in 2019, 2 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).

¹ Dallas is a majority-minority city (66.1 percent of the population) with 41.8 percent of residents identifying as Hispanic and 24.3 percent identifying as Black. Dallas is a city with a population of just under 1,344,000, including 24.3 percent African American residents, 41.8 percent Hispanic/Latinx residents, and 3.4 percent Asian residents; and 30.5 White (Non-Hispanic)

- Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
- No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2019 to 2020, INDEPENDENT BANK made a total of 163 in Dallas County. This data demonstrated that in 2020, 5 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2020 to 2021, INDEPENDENT BANK made a total of 162 in Dallas County. This data demonstrated that in 2021, 4 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2021 to 2022, INDEPENDENT BANK made a total of 30 in Dallas County. This data demonstrated that in 2022, 113 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- Small Business Lending
 - SDPCDC compared Independent Bank small business lending to other non-credit card small business lenders in Dallas and found that Independent Bank trailed in lending to businesses with less than \$1 million in annual revenue.
 - Extremely low amount of small business loans were made in Southern Dallas from 2010 to 2022

Community Credit Needs Assessment

Independent Bank failed to conduct a Community Credit Needs Assessment for majority-Black and Hispanic census tracts within the DFW MSA, specifically Southern Dallas.

A Community Credit Needs Assessment is a research-based market study to help a lender identify the needs for financial services in an area.

This assessment should include the following information about majority-Black and Hispanic census tracts within Covered Lending Area: (1) an evaluation (to include market research and interviews) of residential mortgage credit needs and current lending opportunities available in the area; (2) recent demographic and socioeconomic data; (3) potential strategies for Independent Bank to provide residential mortgage lending services in these census tracts; (4) a review of loan products offered by other lenders and their success in the market; (5) an overview of federal, state, and local programs that are available to residents seeking and obtaining residential mortgage loans;

Community Development Partnership Program

Independent Bank does not have a written description of how proposed partnership(s) will be used to meet the credit needs identified in the Community Credit Needs Assessment.

Products available for the Underserved/Minority Communities

Access to affordable credit is a key component of an individual's ability to cultivate a strong financial position and participate fully in the DFW economy. The Equal Credit Opportunity Act of 1974 was passed to protect all consumers, yet the effects of the discrimination endure today.

Independent Bank failed to offer any solutions for the 163,000 unbanked/underbanked residents in the DFW MSA.

- https://household-survey.fdic.gov/place-data?type=msa&area=Dallas_Fort_Worth_Arlington_TX
 - The underbanked/unbanked information is available on the FDIC website.

Independent Bank failed to Adopt Bank On standards.

- <https://joinbankon.org/accounts/>
- <https://2wvkof1mfraz2etgea1p8kiy-wpengine.netdna-ssl.com/wp-content/uploads/2020/10/Bank-On-National-Account-Standards-2021-2022.pdf>
- <https://www.aba.com/about-us/press-room/press-releases/aba-urges-americas-banks-to-offer-bank-on-certified-accounts>

Independent Bank does not have any special-purpose credit programs to address disparities in small business & mortgage lending in underserved high minority communities like Southern Dallas.

- <https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-issues-advisory-opinion-to-help-expand-fair-equitable-and-nondiscriminatory-access-to-credit/>
- https://www.hud.gov/sites/dfiles/GC/documents/Special_Purpose_Credit_Program_OGC_guidance_12-6-2021.pdf
- [12 CFR § 202.8 - Special purpose credit programs.](#)
 - <https://www.ffiec.gov/PDF/fairlend.pdf>

Independent Bank fails to offer Credit Builder Loans or Credit Builder Loans to help Rebuild Southern Dallas LMI residents' Credit History.

- <https://www.dallasfed.org/cd/cct/18cctdallas>

Activities under the CRA since the most recent CRA Performance Evaluation

Independent Bank failed to describe any significant **Southern Dallas CRA initiatives** undertaken, particularly with respect to credit and deposit products and retail banking services targeted toward low- and moderate-income geographies, African American/Hispanic geographies, and individuals, identifying key elements of the products and services, the approximate date introduced, and results achieved to date.

Independent Bank failed to provide any details current community outreach and marketing efforts to residents and businesses throughout Bank's low-income census tracts, moderate-income census tracts, and major minority census tracts, **specifically in Southern Dallas.**

Equal Credit Opportunity Act (ECOA) and Fair Housing Act (FHA)

Independent Bank violates Equal Credit Opportunity Act (ECOA) and the Fair Housing Act (FHA) by discriminating against African Americans and other minority consumers. The Equal Credit Opportunity Act (ECOA) prohibits lenders from discriminating based on race and other characteristics.

In terms of the discrimination, we assert that Independent Bank does engage in the following:

- All Independent Bank branches are in white-majority neighborhoods, compared to having none in majority-minority neighborhoods.
- Independent Bank's marketing initiatives showed a significant lower level of marketing efforts toward minority areas and media/intermediaries that tend to reach minority areas when compared to majority-white areas.
- Does not employ any African American mortgage or commercial loan officers in the DFW MSA
- Independent Bank significantly underperformed its "peer lenders" in generating loan applications from majority-Black and Hispanic neighborhoods;
- The geographic distribution of loans from 2017 through 2022 is poor, with a small number of loans in low-income areas that are not proportional to the number of households in Southern Dallas

Regulation B, the ECOA's implementing regulation, provides that a creditor shall not make any oral or written statement, in advertising or otherwise, to applicants or prospective applicants that would discourage on a prohibited basis a reasonable person from making or pursuing an application. But the ECOA itself does not set forth such a prohibition.

Independent Bank lacks Product Innovation and Flexibility

Failed to invest in BIPOC Small Business Accelerator – People Fund

https://peoplefund.org/bipoc-business-accelerator/?gclid=Cj0KCQjwuuKXBhCRARIsAC-gM0iouy3e3lN66yehV5YQ25VcHQY7uV7DoK9WgkXcZ3VzRzsXo2iZWikaAjXUEALw_wcB

Failed to form a Subsidiary Community Development Corporation

<https://www.occ.gov/topics/consumers-and-communities/community-affairs/resource-directories/public-welfare-investments/formation-of-subsiadiary-cdc.html#q3>

Failed to invest in Growth by NCRC

<https://growthbyncrc.com/>

Failed to invest in Dallas College Bankwork\$ Program.

<https://www.dallascollege.edu/cd/ce/training/business-mgmt/pages/bankworks.aspx>

Redlining Southern Dallas/ Illegal Discrimination

From 2010 to 2020 (10 years), Independent Bank engaged in unlawful redlining by acting to meet the credit needs of majority White Middle to Upper Income neighborhoods in the Dallas-Fort Worth Metropolitan Statistical Area ("DFW MSA" or "MSA") while avoiding the credit needs of Low to Moderate census tracts in Southern Dallas. Also, these census tracts were majority minority.

Community Development Lending

Independent Bank made a significant lower level of Community Development loans in minority areas (Southern Dallas) when compared to majority-white areas (Northern Dallas).

Small Business/Commercial Lending

Independent Bank made a significant lower level of Small Business/Commercial loans in minority areas (Southern Dallas) when compared to majority-white areas (Northern Dallas).

Mortgage Lending

Independent Bank made a significant lower level of mortgage loans in minority areas (Southern Dallas) when compared to majority-white areas (Northern Dallas).

Lack of Staff and Board Diversity

Independent Bank does not have any African Americans on the Board of Directors.

Independent Bank does not have any African Americans on the DFW MSA Leadership Team.

Independent Bank does not have any Mortgage Loans Officers in the DFW MSA that are African Americans.

Independent Bank does not participate in the Dodd-Frank Act Section 342(b)(2)(C) Diversity self-assessment.

Independent Bank failed to share this diversity opportunity with staff.

<https://www.mba.org/industry-resources/diversity-equity-and-inclusion/path-to-diversity-scholarship-program>

Independent Bank is not a member of any of the Minority Trade Organizations below:

<https://www.namcdfw.org/>

<https://blackcontractors.org/>

Independent Bank is not a member of any of the Minority Chambers below:

<https://dallasblackchamber.org/>

<https://arlingtonblackchamber.org/>

Independent Bank is not a member of any of the Minority Real Estate Trade Organizations below:

<https://www.varep.net/index.php/dallas-chapter>

<https://narebnorthtexas.org/nareb-north-texas>

<https://wcdallas.com/>

Conclusion

On behalf of the Southern Dallas Community, we asked that the Federal Reserve take the rare action of downgrading Independent Bank's CRA rating to "Needs Improve".

Sincerely,

James McGee

James McGee
President/Chair

JMcGee@SouthernDallasProgress.com

Southern Dallas Progress Community Development Corporation

Research on Dallas Community Needs

Dallas has a *housing* shortage of approximately 20,000 units.

<https://dallascityhall.com/departments/housing-neighborhood-revitalization/DCH%20Documents/Adopted%20Housing%20Policy.pdf>

North Texas Regional Housing Assessment

<https://dhantx.com/report/north-texas-regional-housing-assessment/>

Dallas' Small Business Ecosystem Assessment

<https://www.dallasecocodev.org/DocumentCenter/View/2789/Dallas-Small-Business-Ecosystem-Report-PDF>

Report on Housing Affordability and Vulnerability in Dallas, Texas

<https://nalcab.org/nalcab-releases-report-on-housing-affordability-and-vulnerability-in-dallas-texas/>

FINDING G: MINORITY OWNED BUSINESSES ACCESS TO CREDIT/CAPITAL ANALYSIS (CHAPTER 6)

<https://dallascityhall.com/departments/public-affairs-outreach/DCH%20Documents/availability-disparity-study.pdf>



Improving Lives, One Community at a Time

July 3, 2024

Independent Bank (Independent Financial)
7777 Henneman Way
McKinney, TX 75070

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office
1601 Bryan Street, Suite 1410
Dallas, Texas 75201

RE: APPLICATION TO ESTABLISH FOR INDEPENDENT FINANCIAL TO ESTABLISH DALLAS BRANCH

Dear Federal Regulator,

The undersigned community organization is formally objecting to Independent Bank's Notice of Application to Establish a Branch. We do not support the application submitted by Independent Bank's for the branch located 1409 Botham Jean Blvd #1510 Dallas, TX 75215 (Branch will be in an upper income census tract; MSA-State-County-Tract: 19124-48-113-0204.02).

The Community Reinvestment Act (CRA) of 1977 was introduced to address the discriminatory practice of redlining, in which banks and government entities restricted access to credit in communities based on the race and socioeconomic status of residents. Enacted by Congress in 1977 (12 U.S.C. 2901) and enforced through Regulations 12 CFR parts 25, 228, 345, and 195, the CRA is designed to encourage depository institutions to actively engage in meeting the credit needs of the communities they serve, particularly in low- and moderate-income (LMI) neighborhoods.

Independent Bank's banking and mortgage services have been notably absent in predominantly Black and Hispanic neighborhoods in Southern Dallas. Instead, Independent Bank) has concentrated its lending activities predominantly in white areas of Dallas. Meanwhile, other lenders have been processing applications in majority-Black and Hispanic neighborhoods at rates four to five times higher than Independent Bank. Similarly, although Independent Bank operates several branches in Dallas, it has never established a branch in a majority-Black and Hispanic neighborhood situated in Southern Dallas.

Independent Bank is failing to address the credit needs of our community, particularly those of low- and moderate-income residents in Southern Dallas.

Southern Dallas Zip Codes (LMI/High Minority Areas)

75203, 75207, 75208, 75210, 75211, 75212, 75215, 75216, 75217, 75223, 75224, 75226, 75227, 75228, 75232, 75233, 75236, 75237, 75241, 75249, 75253

Redlining Southern Dallas/ Illegal Discrimination

From 2010 to 2020 (10 years), Independent Bank engaged in unlawful redlining by acting to meet the credit needs of majority White Middle to Upper Income neighborhoods in the Dallas-Fort Worth Metropolitan Statistical Area ("DFW MSA" or "MSA") while avoiding the credit needs of Low to Moderate census tracts in Southern Dallas. Also, these census tracts were majority minority.

Products available for the Underserved/Minority Communities

Access to affordable credit is a key component of an individual's ability to cultivate a strong financial position and participate fully in the DFW economy. The Equal Credit Opportunity Act of 1974 was passed to protect all consumers, yet the effects of the discrimination endure today.

Independent Bank fails to offer [Credit Builder Loans or Credit Builder Loans to help Rebuild Southern Dallas LMI residents' Credit History](#).

- <https://www.dallasfed.org/cd/cct/18cctdallas>

Independent Bank does not have any special-purpose credit programs to address disparities in small business & mortgage lending in underserved high minority communities like Southern Dallas.

- <https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-issues-advisory-opinion-to-help-expand-fair-equitable-and-nondiscriminatory-access-to-credit/>
- https://www.hud.gov/sites/dfiles/GC/documents/Special_Purpose_Credit_Program_OGC_guidance_12-6-2021.pdf
- [12 CFR § 202.8 - Special purpose credit programs](#).
 - <https://www.ffiec.gov/PDF/fairlend.pdf>

Activities under the CRA since 2020 CRA Performance Evaluation

Independent Bank failed to describe any significant CRA initiatives undertaken, particularly with respect to credit and deposit products and retail banking services targeted toward low- and moderate-income geographies, African American/Hispanic geographies, and individuals, identifying key elements of the products and services, the approximate date introduced, and results achieved to date.

Independent Bank failed to provide any details current community outreach and marketing efforts to residents and businesses throughout Bank's low-income census tracts, moderate-income census tracts, and major minority census tracts, specifically in Southern Dallas.

Independent Bank Dallas County Bank Locations:

2100 McKinney Ave Suite 1200 Dallas, TX 75201¹; **Date Established 04/30/2012**; Located in an upper income census tract and in a white majority community. (North of Interstate 30)

654 N. Denton Tap Road Coppell, TX 75019; **Date Acquired 07/30/2010**; Located in an upper income census tract and in a white majority community.

3206 Live Oak Dallas, TX 75204; **Date Acquired 01/01/2014**; Located in a middle-income census tract and in a white majority community. (North of Interstate 30)

16000 Dallas Parkway Suite 125 Dallas, TX 75254; **Date Acquired 11/01/2015**; Located in a middle-income census tract and in a white majority community. (North of Interstate 30)

Per 2020 Performance Evaluation

The Investment Test is rated Low Satisfactory.

The Service Test is rated Low Satisfactory.

https://crapes.fdic.gov/publish/2020/3076_201130.PDF

Per 2023 Performance Evaluation

The Investment Test is rated Low Satisfactory.

The Service Test is rated Low Satisfactory.

https://crapes.fdic.gov/publish/2023/3076_230424.PDF

Fair Lending Concerns

I worked with the National Community Reinvestment Coalition (NCRC) to analyze the home purchase and small business lending of Independent Bank in Dallas. This is what NCRC found.

- According to the Home Mortgage Disclosure Act (HMDA) data from 2017 to 2018, INDEPENDENT BANK made a total of 129 in Dallas County. This data demonstrated that in 2019, 1 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas

¹ Dallas is a majority-minority city (66.1 percent of the population) with 41.8 percent of residents identifying as Hispanic and 24.3 percent identifying as Black. Dallas is a city with a population of just under 1,344,000, including 24.3 percent African American residents, 41.8 percent Hispanic/Latinx residents, and 3.4 percent Asian residents; and 30.5 White (Non-Hispanic)

- According to the Home Mortgage Disclosure Act (HMDA) data from 2018 to 2019, INDEPENDENT BANK made a total of 204 in Dallas County. This data demonstrated that in 2019, **2 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).**
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2019 to 2020, INDEPENDENT BANK made a total of 163 in Dallas County. This data demonstrated that in 2020, **5 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).**
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2020 to 2021, INDEPENDENT BANK made a total of 162 in Dallas County. This data demonstrated that in 2021, **4 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).**
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2021 to 2022, INDEPENDENT BANK made a total of 30 in Dallas County. This data demonstrated that in 2022, **113 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).**
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- Small Business Lending
 - SDPCDC compared Independent Bank small business lending to other non-credit card small business lenders in Dallas and found that Independent Bank trailed in lending to businesses with less than \$1 million in annual revenue.
 - Extremely low amount of small business loans were made in Southern Dallas from 2010 to 2022

Regulatory Scrutiny

Independent Bank failed to consult the CFPB, HUD, and DOJ as it relates to excluding low- and moderate-income census tracts in Southern Dallas.

It's concerning to note that Independent Bank has not furnished any supporting documentation indicating that the FDIC sanctioned the exclusion of Low- and Moderate-Income areas in Southern Dallas from 2010 to 2020. Furthermore, it appears that Independent Bank did not adhere to the guidelines provided to FDIC-supervised banks, which are accessible through the following link: [FDIC Redlining Fair Lending Resources](#).

The Consumer Financial Protection Bureau (CFPB) holds the role of enforcement authority for the Equal Credit Opportunity Act (Regulation B). Meanwhile, the Department of Justice (DOJ) and the Department of Housing and Urban Development (HUD) jointly share the responsibility of enforcing the Fair Housing Act.

Notably, Independent Bank did not consult the CFPB, HUD, or DOJ concerning the exclusion of low- and moderate-income census tracts in Southern Dallas. These developments raise valid concerns about adherence to fair lending practices and the equitable treatment of communities in your region.

Equal Credit Opportunity Act (ECOA) and Fair Housing Act (FHA)

Independent Bank violates Equal Credit Opportunity Act (ECOA) and the Fair Housing Act (FHA) by discriminating against African Americans and other minority consumers. The Equal Credit Opportunity Act (ECOA) prohibits lenders from discriminating based on race and other characteristics.

In terms of the discrimination, we assert that Independent Bank does engage in the following:

- All Independent Bank branches are in white-majority neighborhoods, compared to having none in majority-minority neighborhoods.
- Independent Bank's marketing initiatives showed a significant lower level of marketing efforts toward minority areas and media/intermediaries that tend to reach minority areas when compared to majority-white areas.
- Does not employ any African American commercial loan officers in the DFW MSA
- Independent Bank significantly underperformed its "peer lenders" in generating loan applications from majority-Black and Hispanic neighborhoods;
- The geographic distribution of loans from 2010 through 2023 is poor, with a small number of loans in low-income areas that are not proportional to the number of households in Southern Dallas

Regulation B, the ECOA's implementing regulation, provides that a creditor shall not make any oral or written statement, in advertising or otherwise, to applicants or prospective applicants that would discourage on a prohibited basis a reasonable person from making or pursuing an application. But the ECOA itself does not set forth such a prohibition.

Conclusion

The CRA regulation is unequivocal — any failure to comply with laws governing fair and responsible lending overrides satisfactory CRA performance. The regulation explicitly states that a bank's rating can be "adversely affected by evidence of discriminatory or other illegal credit practices," encompassing violations of key laws such as the Equal Credit Opportunity Act, Fair Housing Act, Home Ownership and Equity Protection Act, Federal Trade Commission Act, Real Estate Settlement Procedures Act, and Truth in Lending Act.

We formally request the denial of this application and urge for a thorough review, with appropriate referral to the U.S. Department of Justice (DOJ) and the Consumer Financial Protection Bureau (CFPB).

Sincerely,

James McGee

James McGee

President/Chair

JMcGee@SouthernDallasProgress.com

Southern Dallas Progress Community Development Corporation



July 29, 2024

Kristie K. Elmquist
Regional Director
600 North Pearl Street, Suite 700
Dallas, Texas 75201

**Re: Application to Establish a Branch in South Dallas,
Response to Comment Letter**

Dear Ms. Elmquist,

Independent Bank, doing business as Independent Financial (the “Bank”), submits this response to the Comment Letter¹ submitted by Southern Dallas Progress Community Development Corporation (the “SDPCDC”) with regard to the above-referenced Branch Application (the “Application”). Contrary to the claims in the Comment Letter, the Bank did not fail to provide services in Southern Dallas’ majority African American/Hispanic and low- and moderate-income communities.

Background

The Comment Letter does not consider recent actions taken by the Bank to serve the Southern Dallas’ majority African American/Hispanic and low- and moderate-income communities. This response will demonstrate that within the past two years alone, the Bank has taken significant steps to further serve South Dallas including, but not limited to, a Loan Production Office (LPO), new products, and expanded marketing and hiring efforts.

In addition, this Application specifically enables the Bank to better serve the zip codes identified in the Comment Letter, as it is directly located within South Dallas according to the zip codes in the Comment Letter. Specifically, the identified location is within in a majority minority census tract. The Application is a continuation of the Bank’s actions to serve South Dallas and should be considered as such in addition to other recent initiatives. Denying the Application would be counter-productive to the goal of providing increased banking services to the South Dallas community.

Products available for the Underserved/Minority Communities

The Comment Letter asserts that the Bank fails to provide access to affordable credit, however, the Bank has several programs that are intended to help underserved communities take advantage of affordable credit opportunities. These products include several federally sponsored loan programs (Federal Housing Authority, United States Department of Agriculture, and Veterans Affairs). The Bank also offers internally developed loan programs to further support underserved communities with down payment assistance programs, such as the Community Path Mortgage loans, and the Individual Taxpayer Identification Number

¹ The “Southern Dallas Zip Codes (LMI/High Minority Areas),” and “Redlining Southern Dallas/Illegal Discrimination,” sections of the Comment Letter contain general information that is not specific to any claims regarding the Bank or the Bank’s Application or are summaries of other sections. As such, the Bank does not respond to those sections in this response.



loans. In addition, the Bank has expanded its small business lending programs to better serve communities. For example, the Bank added small business equipment Small Business Administration loans to its product offerings in early 2024. Additionally, the Bank regularly participates in other activities and services, such as holding financial literacy courses to provide education to help credit history.

Activities under the CRA since 2020 CRA Performance Evaluation

The Comment Letter further claims that the Bank failed to describe any CRA initiatives undertaken or details on community outreach and marketing efforts since 2020. Descriptions of the Bank's CRA initiatives and community outreach activities have been made available to the SDPCDC via several means. First, the 2023 CRA Performance Evaluation describes efforts taken from 2020-2023. This evaluation covered all relevant CRA performance considered by the agencies, including key elements of products and services and community outreach and determined them to be Satisfactory. In addition, the Bank has directly communicated its actions to the SDPCDC in response to its previous comment letters. For example, the Bank's response to the SDPCDC's comment letter to the Bank's San Antonio application (the "San Antonio Response") described the Bank's strategic initiatives to help improve lending in South Dallas. These initiatives included creating strategic partnerships with organizations in South Dallas such as Not My Son, NAREB, and Inspiring You to Greatness to teach first-time homebuyer classes. The San Antonio Response also detailed the Bank's Affordable Mortgage Path product, which was created to improve lending in lower and moderate-income communities.

Independent Bank Dallas County Bank Locations

The Comment Letter lists several Bank locations in Dallas County; however, the list is incomplete and not reflective of the Bank's performance in Dallas County on the whole. The list does not take into account updated census tract information. For example, the branch in Coppell and on Live Oak in Dallas are both now in a majority minority census tracts due to demographic changes overtime. The only location established by the Bank on the list is from more than 12 years prior. The list contained in the Comment Letter does not include recent developments in location structure. More recently, the Bank has opened a LPO within South Dallas.

Furthermore, while the Bank believes it is completely in compliance with the CRA and it vehemently denies any allegations that it discriminates in its practices, the Bank is always seeking to better serve lower and moderate-income communities. One of the reasons the Bank is seeking approval of the Application is to provide another location that provides banking services in Dallas County. Denying the Application would result in a delay of additional banking services in that area of Dallas County.

Performance Evaluations

The Comment Letter lists some components of the 2020 and 2023 Performance Evaluations without explaining their significance or context. The overall rating of these Performance Evaluations, which include full-scope reviews of the Dallas Assessment Area, found the Bank's performance Satisfactory. Furthermore, the area highlighted most frequently in the Comment Letter, lending, received a High Satisfactory rating in both evaluations. Additionally, neither Performance Evaluations identified any discriminatory lending practices in the Bank's performance. Finally, it is important to note that many of the statements and



comments the SDPCDC makes in its Comment Letter are largely the same as the ones the SDPCDC made in its comment letter to the Bank's San Antonio Application.

Fair Lending Concerns

The SDPCDC claims that the Bank made an inadequate number of loans to African Americans and/or in majority Black and Hispanic neighborhoods in Southern Dallas compared to its peers; however, Home Mortgage Disclosure Act data illustrates that those claims are incorrect.

In 2019-2022 the Bank originated a higher number of loans in each year in both Dallas County and Southern Dallas zip codes compared to the numbers provided within the Comment Letter. In all instances, the Bank outperformed its peers. The Bank also generally outperformed peers within majority Black and Hispanic census tracts in the Comment Letter's South Dallas Zip Codes.

In all Performance Evaluations since 2012, the Bank was determined to have at least adequate lending levels to businesses with \$1 million or less in gross annual revenue and to lending in low- and moderate-income census tracts within the Dallas assessment area.

Regulatory Scrutiny

The SDPCDC claims the Bank failed to consult the CFPB, HUD, and the DOJ regarding the alleged exclusion of low and moderate-income census tracts in South Dallas. Notably, the SDPCDC fails to identify any statutorily required consultation with regulators that the Bank failed to participate in. There are no mandatory consultations, reporting requirements, or audits with regulators that the Bank does not promptly participate in or respond to. The comments suggesting that the Bank failed to consult with regulators is without merit.

Equal Credit Opportunity Act (ECOA) and Fair Housing Act (FHA)

Several claims are made within this section of the Comment Letter. The first claim the SDPCDC makes is that the Bank has no Branches in majority minority areas. In Dallas County alone, the Bank has three branches and one LPO in majority minority census tracts.

Another assertion presented in this section is that the Bank used significantly lower levels of marketing efforts toward minority areas and media/intermediaries that reach these markets. This is incorrect as the Bank has completed several marketing initiatives in all of the zip codes identified in the Comment Letter for both home mortgage and small business lending.

This section further claims the Bank does not employ an African American commercial loan officer in the DFW MSA; however, the Bank has several African American loan officers for both home mortgage and commercial lending in Dallas.

Furthermore, the SDPCDC claims the Bank has underperformed its "peer lenders" in generating loan applications from majority-Black and Hispanic neighborhoods. For home mortgage lending in 2022, the



Bank was in-line with similarly situated banks in both applications and originations from majority Hispanic census tracts with no statistically significant differences. Additionally, the Bank has shown improvement in applications and originations in majority Black census tracts from 2021 to 2022 as well.

For small business lending in 2022, the Bank was in-line with the market aggregate in majority minority census tracts, majority Hispanic census tracts, and majority Black census tracts with no differences being statistically significant. In addition, the Bank showed improvement year-over-year from 2021 to 2022 in majority minority census tracts and majority Black census tracts.

Finally, this section claims the distribution of loans from 2010 through 2023 is poor compared to the number of low-income households in Southern Dallas. In all Performance Evaluations from 2012-2023, the geographic distribution has been rated as at least adequate, disproving this claim.

Summary and Request

In summary, the statements contained in the Comment Letter are unfounded. Throughout the period in question, the Bank did not fail to provide services in Southern Dallas' majority African American/Hispanic communities or to low and moderate-income communities. The Bank has taken immense efforts to improve lending in Southern Dallas including expanding marketing, opening an LPO, and launching new loan products. This Application is a continuation of those efforts to better serve Southern Dallas.

For these reasons, the Comment Letter is without merit and should not affect the FDIC's approval of the Application. The Bank respectfully requests the FDIC promptly complete its review of the Comment Letter and subsequently approve the Bank's Application.

If you need any further information or wish to discuss, please do not hesitate to contact me.

Kind Regards,

A handwritten signature in blue ink that reads 'Ankita Puri'.

Ankita Puri
Chief Legal Officer, Executive Vice President
Ankita.puri@ifinancial.com
(214) 307-7610



Improving Lives, One Community at a Time

July 17, 2024

Independent Bank Group, Inc.
7777 Henneman Way
McKinney, TX 75070

SouthState Corporation
1101 First Street South, Suite 202
Winter Haven, FL 33880

Federal Reserve Bank of Atlanta
1000 Peachtree Street N.E.
Atlanta, GA 30309-4470

RE: Notice of Application for Merger of Bank Holding Companies (SouthState Corporation & Independent Bank Group)

Dear Federal Regulator,

This letter responds to the correspondence issued by SouthState Bank on 7/15/2024. As stated in my protest letter, Southern Dallas Progress CDC does not support the "Bank Merger" application submitted by SouthState Corporation and Independent Bank Group. **From 2010 to 2020, Independent Bank engaged in illegal redlining, excluding several low- to moderate-income, majority-minority census tracts from their assessment area map.**

The Community Reinvestment Act (CRA) of 1977 was introduced to address the discriminatory practice of redlining, in which banks and government entities restricted access to credit in communities based on the race and socioeconomic status of residents. Enacted by Congress in 1977 (12 U.S.C. 2901) and enforced through Regulations 12 CFR parts 25, 228, 345, and 195, the CRA is designed to encourage depository institutions to actively engage in meeting the credit needs of the communities they serve, particularly in low- and moderate-income (LMI) neighborhoods.

Independent Bank's banking and mortgage services have been notably absent in predominantly Black and Hispanic neighborhoods in Southern Dallas. Instead, Independent Bank) has concentrated its lending activities predominantly in white areas of Dallas. Meanwhile, other lenders have been processing applications in majority-Black and Hispanic neighborhoods at rates four to five times higher

than Independent Bank. Similarly, although Independent Bank operates several branches in Dallas, it has never established a branch in a majority-Black and Hispanic neighborhood situated in Southern Dallas.

Independent Bank is failing to address the credit needs of our community, particularly those of low- and moderate-income residents in Southern Dallas.

Southern Dallas Zip Codes (LMI/High Minority Areas)

75203, 75207, 75208, 75210, 75211, 75212, 75215, 75216, 75217, 75223, 75224, 75226, 75227, 75228, 75232, 75233, 75236, 75237, 75241, 75249, 75253

Redlining Southern Dallas/ Illegal Discrimination- (SouthState Bank does not appear to take this law seriously in their recent response)

From 2010 to 2020 (10 years), Independent Bank engaged in unlawful redlining by acting to meet the credit needs of majority White Middle to Upper Income neighborhoods in the Dallas-Fort Worth Metropolitan Statistical Area ("DFW MSA" or "MSA") while avoiding the credit needs of Low to Moderate census tracts in Southern Dallas. Also, these census tracts were majority minority.

Products available for the Underserved/Minority Communities (SouthState Bank failed to provide a written response)

Access to affordable credit is a key component of an individual's ability to cultivate a strong financial position and participate fully in the DFW economy. The Equal Credit Opportunity Act of 1974 was passed to protect all consumers, yet the effects of the discrimination endure today.

Independent Bank fails to offer [Credit Builder Loans or Credit Builder Loans to help Rebuild Southern Dallas LMI residents' Credit History](#).

- <https://www.dallasfed.org/cd/cct/18cctdallas>

Independent Bank does not have any special-purpose credit programs to address disparities in small business & mortgage lending in underserved high minority communities like Southern Dallas.

- <https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-issues-advisory-opinion-to-help-expand-fair-equitable-and-nondiscriminatory-access-to-credit/>
- [https://www.hud.gov/sites/dfiles/GC/documents/Special Purpose Credit Program OGC guidance 12-6-2021.pdf](https://www.hud.gov/sites/dfiles/GC/documents/Special_Purpose_Credit_Program_OGC_guidance_12-6-2021.pdf)
- [12 CFR § 202.8 - Special purpose credit programs](#).
 - <https://www.ffiec.gov/PDF/fairlend.pdf>

Activities under the CRA since 2023 CRA Performance Evaluation (SouthState Bank failed to provide a written response)

Independent Bank failed to describe any significant CRA initiatives undertaken, particularly with respect to credit and deposit products and retail banking services targeted toward low- and moderate-income geographies, African American/Hispanic geographies, and individuals, identifying key elements of the products and services, the approximate date introduced, and results achieved to date.

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Independent Bank Dallas County Bank Locations:

2100 McKinney Ave Suite 1200 Dallas, TX 75201¹; **Date Established 04/30/2012**; Located in an upper income census tract and in a white majority community. (North of Interstate 30)

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16000 Dallas Parkway Suite 125 Dallas, TX 75254; **Date Acquired 11/01/2015**; Located in a middle-income census tract and in a white majority community. (North of Interstate 30)

Per 2020 Performance Evaluation (SouthState Bank failed to provide a written response)

The Investment Test is rated Low Satisfactory.

The Service Test is rated Low Satisfactory.

https://crares.fdic.gov/publish/2020/3076_201130.PDF

Per 2023 Performance Evaluation (SouthState Bank failed to provide a written response)

The Investment Test is rated Low Satisfactory.

The Service Test is rated Low Satisfactory.

¹ Dallas is a majority-minority city (66.1 percent of the population) with 41.8 percent of residents identifying as Hispanic and 24.3 percent identifying as Black. Dallas is a city with a population of just under 1,344,000, including 24.3 percent African American residents, 41.8 percent Hispanic/Latinx residents, and 3.4 percent Asian residents; and 30.5 White (Non-Hispanic)

Fair Lending Concerns (SouthState Bank failed to provide a written response)

I worked with the National Community Reinvestment Coalition (NCRC) to analyze the home purchase and small business lending of Independent Bank in Dallas. This is what NCRC found.

- According to the Home Mortgage Disclosure Act (HMDA) data from 2017 to 2018, INDEPENDENT BANK made a total of 129 in Dallas County. This data demonstrated that in 2019, 1 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2018 to 2019, INDEPENDENT BANK made a total of 204 in Dallas County. This data demonstrated that in 2019, 2 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2019 to 2020, INDEPENDENT BANK made a total of 163 in Dallas County. This data demonstrated that in 2020, 5 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2020 to 2021, INDEPENDENT BANK made a total of 162 in Dallas County. This data demonstrated that in 2021, 4 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2021 to 2022, INDEPENDENT BANK made a total of 113 in Dallas County. This data demonstrated that in 2022, 6 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas
- According to the Home Mortgage Disclosure Act (HMDA) data from 2022 to 2023, INDEPENDENT BANK made a total of 56 in Dallas County. This data demonstrated that in 2022, 1 of INDEPENDENT BANK's home loans were extended to Blacks (African Americans).
 - Made a smaller percentage of HMDA-reportable residential mortgage loans in majority-Black and Hispanic neighborhoods compared to its peers in the DFW MSA
 - No loans were made in Southern Dallas

- Small Business Lending
 - SDPCDC compared Independent Bank small business lending to other non-credit card small business lenders in Dallas and found that Independent Bank trailed in lending to businesses with less than \$1 million in annual revenue.
 - Extremely low amount of small business loans were made in Southern Dallas from 2010 to 2022

Regulatory Scrutiny (SouthState Bank please read)

Independent Bank failed to consult the CFPB, HUD, and DOJ as it relates to excluding low- and moderate-income census tracts in Southern Dallas.

It's concerning to note that Independent Bank has not furnished any supporting documentation indicating that the FDIC sanctioned the exclusion of Low- and Moderate-Income areas in Southern Dallas from 2010 to 2020. Furthermore, it appears that Independent Bank did not adhere to the guidelines provided to FDIC-supervised banks, which are accessible through the following link: [FDIC Redlining Fair Lending Resources](#).

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Notably, Independent Bank did not consult the CFPB, HUD, or DOJ concerning the exclusion of low- and moderate-income census tracts in Southern Dallas. These developments raise valid concerns about adherence to fair lending practices and the equitable treatment of communities in your region.

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In terms of the discrimination, we assert that Independent Bank does engage in the following:

- All Independent Bank branches are in white-majority neighborhoods, compared to having none in majority-minority neighborhoods.
- Independent Bank's marketing initiatives showed a significant lower level of marketing efforts toward minority areas and media/intermediaries that tend to reach minority areas when compared to majority-white areas.
- Does not employ any African American commercial loan officers in the DFW MSA
- Independent Bank significantly underperformed its "peer lenders" in generating loan applications from majority-Black and Hispanic neighborhoods;

- The geographic distribution of loans from 2010 through 2023 is poor, with a small number of loans in low-income areas that are not proportional to the number of households in Southern Dallas

Regulation B, the ECOA's implementing regulation, provides that a creditor shall not make any oral or written statement, in advertising or otherwise, to applicants or prospective applicants that would discourage on a prohibited basis a reasonable person from making or pursuing an application. But the ECOA itself does not set forth such a prohibition.

Conclusion

CRA regulation is unequivocal — any failure to comply with laws governing fair and responsible lending overrides satisfactory CRA performance. The regulation explicitly states that a bank's rating can be "adversely affected by evidence of discriminatory or other illegal credit practices," encompassing violations of key laws such as the Equal Credit Opportunity Act, Fair Housing Act, Home Ownership and Equity Protection Act, Federal Trade Commission Act, Real Estate Settlement Procedures Act, and Truth in Lending Act.

We formally request the denial of this application and urge a thorough review, with appropriate referral to the U.S. Department of Justice (DOJ) and the Consumer Financial Protection Bureau (CFPB).

Sincerely,

James McGee

James McGee
President/Chair
JMcGee@SouthernDallasProgress.com
Southern Dallas Progress Community Development Corporation

CC:

Department of Justice
Antitrust Division/Redlining
U.S. Department of Justice
950 Pennsylvania Avenue NW
Washington DC 20530

Consumer Financial Protection Bureau, Enforcement
PO Box 27170

Washington, DC 20038



Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection

CONTROLLED//FDIC BUSINESS

Dallas Regional Office
600 North Pearl Street, Suite 700, Dallas, TX 75201

November 4, 2024

James McGee
President/Chair
Southern Dallas Progress Community Development Corporation
1402 Corinth Street, Suite 147
Dallas, Texas 75215
JMcGee@SouthernDallasProgress.com

Re: Independent Bank – Application to Establish a Branch Office in Dallas, Texas

Dear Mr. McGee,

The FDIC completed our review of your correspondence concerning the application filed by Independent Bank, McKinney, Texas to establish a branch office in Dallas, Texas, on June 26, 2024. The FDIC took into consideration the issues you raised in your Community Reinvestment Act (CRA) protest and investigated those issues as well as the bank's overall CRA performance. Based on our review, we approved the application on November 1, 2024, subject to the condition described in the enclosed Statement.

If there are any questions regarding this letter, please contact Assistant Regional Director Lauri S. Angle at (972) 761-8337, or Review Examiner David Harrell at (501) 859-5858.

Sincerely,

David E. Wright
Deputy Regional Director

Enclosure

cc: Independent Bank, McKinney, Texas

FEDERAL DEPOSIT INSURANCE CORPORATION

Re: Independent Bank
McKinney, Texas

Application to Establish a Branch in Dallas, Texas

STATEMENT

Per Section 345.29 of the CRA regulation, the FDIC takes into account any views expressed by interested parties that are submitted in accordance with Part 303 of the FDIC's Rules and Regulations in considering bank applications. Additionally, the FDIC must consider the statutory factors set forth in Section 6 of the FDI Act (12 U.S.C. 1816). This includes an analysis of the convenience and needs of the community to be served.

In evaluating this proposed transaction, FDIC staff reviewed: (i) the bank's CRA record of performance; (ii) written public comments; (iii) the fair lending and other consumer compliance records of the bank; (iv) information provided by the bank in response to public comments; and (v) confidential supervisory information.

CRA Performance Evaluation Rating

For the purposes of the CRA, the FDIC assigned Independent Bank an overall "Satisfactory" rating at its most recently issued CRA Performance Evaluation as of April 24, 2023.

CRA Protest

In the course of reviewing public input on the application, the FDIC received an adverse comment that was considered a CRA protest. The CRA protest was critical of Independent Bank's home mortgage and small business lending activities in Dallas County and South Dallas, lending activity to Black applicants, branch locations, CRA initiatives, marketing/outreach efforts, product offerings, and diversity in staff.

Bank's Response

The bank notes they have several loan programs that are intended to help underserved communities take advantage of affordable credit opportunities. In addition, the bank holds financial literacy courses to provide education to help credit history. The bank also notes that in all Performance Evaluations from 2012 to 2023, the geographic distribution performance factor has been rated at least adequate and that specifically the 2023 CRA Public Evaluation describes efforts taken from 2020 through 2023.

The bank identified that two of their four branch locations in Dallas County operate in majority-minority tracts based on 2020 U.S. Census Data. The response also confirms the bank employs several African American loan officers for both home mortgage and commercial lending in Dallas.

The bank notes 2022 home mortgage and small business lending was in line with similarly situated banks in both applications and originations.

Summary Analysis

The FDIC fully considered and assessed the issues and concerns raised in the CRA protest and Independent Bank's response. The FDIC also considered confidential information regarding the institution.

The FDIC evaluated the bank's HMDA and CRA data to analyze the allegations and determined that the bank does serve South Dallas and does offer product solutions for the unbanked and underbanked.

After a careful review of the concerns, the FDIC approved the application with a condition. This condition will help continue to ensure home mortgage and small business lending needs in Independent Bank's CRA assessment areas are met.

Implement the Action Plan (Plan) approved by the Board of Directors of Independent Bank on April 18, 2024, and the FDIC on June 11, 2024. Implementation of the approved Plan will include action on the Bank-developed strategies to improve home mortgage and small business lending in majority-minority and majority-Black tracts within the bank's Dallas-Fort Worth MSA assessment area, primarily within Dallas County. The implementation also addresses strategies to improve home mortgage applications and originations to Black applicants using Bank developed metrics, to assess actions and progress under the Plan. The Bank should continue to provide quarterly updates to the FDIC's Dallas Regional Office detailing the Bank's progress under the Plan.