

PUBLIC DISCLOSURE

March 8, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

FirsTier Bank
Certificate Number: 17478

115 South Walnut Street
Kimball, Nebraska 69145

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

1100 Walnut Street, Suite 2100
Kansas City, Missouri 64106

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 areas, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The Lending Test is rated Satisfactory.

- The loan-to-deposit ratio is more than reasonable given the bank's size, financial condition, and assessment areas' credit needs.
- A majority of the small business and small farm loans reviewed were inside the assessment areas.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas.
- The distribution by borrowers reflects overall reasonable penetration among businesses and farms of different sizes.
- The institution did not receive any complaints regarding its Community Reinvestment Act (CRA) performance since the previous evaluation. As a result, examiners did not evaluate the bank's record of responding to CRA-related complaints.

The Community Development Test is rated Outstanding.

The institution demonstrated excellent responsiveness to community development needs of its assessment areas through community development loans, qualified investments, and community development services, as appropriate. Examiners considered the institution's capacity as well as the need and availability of community development activities inside the assessment areas.

DESCRIPTION OF INSTITUTION

FirsTier Bank is headquartered in Kimball, Nebraska and solely owned by FirsTier II Bancorp, Cheyenne, Wyoming, a one-bank holding company. The bank received a CRA rating of “Satisfactory” at its previous FDIC Performance Evaluation dated May 29, 2018, where examiners used Interagency Small Institution Examination Procedures.

The bank operates nine full service offices in Nebraska (4), Wyoming (2), and Colorado (3). Since the prior evaluation, the institution opened a branch in Greeley, Colorado (January 2020) as well as a branch in Broomfield, Colorado (February 2021). The bank offers a wide variety of loan products including commercial, agricultural, home mortgage, and consumer loans. In addition, the institution offers multiple deposit products including checking, savings, and certificates of deposit. Alternative banking services include telephone, internet, and mobile banking, electronic bill pay, and ten automated teller machines (ATMs).

The institution reported assets of \$531,250,000; total loans of \$ 428,373,000; and deposits of \$464,488,000 on its December 31, 2020 Report of Condition. Commercial loans are the institution’s primary credit product, followed by agricultural loans. The following table illustrates the loan portfolio.

Loan Portfolio Distribution as of 12/31/2020		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	50,380	11.8
Secured by Farmland	12,678	2.9
Secured by 1-4 Family Residential Properties	38,629	9.0
Secured by Multifamily (5 or more) Residential Properties	4,312	1.0
Secured by Nonfarm Nonresidential Properties	74,991	17.5
Total Real Estate Loans	180,990	42.2
Commercial and Industrial Loans	189,467	44.2
Agricultural Production and Other Loans to Farmers	51,334	12.0
Consumer Loans	7,767	1.8
Obligations of State and Political Subdivisions in the U.S.	232	0.1
Other Loans	14	0.0
Lease Financing Receivable (net of unearned income)	0	<0.0
Less: Unearned Income	1,431	(0.3)
Total Loans	428,373	100.0
<i>Source: Reports of Condition and Income</i>		

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

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which its performance will be evaluated. FirsTier Bank designated seven assessment areas, all in the states of

Nebraska, Wyoming, and Colorado: 1) Kearney Nonmetropolitan; 2) Kimball Nonmetropolitan; 3) Cheyenne Metropolitan; 4) Upton Nonmetropolitan; 5) Castle Rock Metropolitan; 6) Greeley Metropolitan; and 7) Broomfield Metropolitan. The Greeley and Broomfield assessment areas are new since the May 29, 2018 evaluation and were established after the institution opened its Greeley, Colorado and Broomfield, Colorado offices. FirsTier Bank established the Castle Rock assessment area in April 2018 after opening its Castle Rock, Colorado office.

The CRA also requires regulatory agencies to assign performance ratings for each state and multistate metropolitan statistical area (MSA) in which the institution operates. As a result, examiners rated FirsTier Bank's performance in the states of Nebraska, Wyoming, and Colorado, and assigned an overall CRA rating. The bank's State of Nebraska rating was based on its performance in the Kearney and Kimball Nonmetropolitan assessment areas. Similarly, the institution's State of Wyoming rating was based on its performance in the Cheyenne Metropolitan and Upton Nonmetropolitan assessment areas. Last, the bank's State of Colorado rating was based on its performance in the Castle Rock and Greeley Metropolitan assessment areas. Examiners did not rate the bank's performance in the State of Colorado at the May 28, 2018, evaluation since the institution had only operated in the state for one month when the evaluation occurred. Similarly, examiners did not evaluate the bank's performance in the Broomfield assessment area at the current evaluation since the bank just opened the Broomfield office in February 2021. Descriptions of the assessment areas and rated areas are presented later in the evaluation.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated May 29, 2018, to the current evaluation dated March 8, 2021. Examiners used Interagency Intermediate Small Institution Examination Procedures to evaluate the bank's performance. These procedures include two tests: 1) Lending Test and 2) Community Development Test. Refer to the Appendices for information on each test.

Examiners used full-scope procedures to evaluate FirsTier Bank's performance in the Kearney Nonmetropolitan, Kimball Nonmetropolitan, Cheyenne Metropolitan, and Greeley Metropolitan assessment areas and limited-scope procedures to evaluate the bank's performance in the Upton Nonmetropolitan and Castle Rock Metropolitan assessment areas. The decision to use limited-scope procedures for the Upton Nonmetropolitan and Castle Rock Metropolitan assessment areas was due, in part, to the lack of low- and moderate-income census tracts, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies in these areas. Additionally, the bank has fewer loans and deposits in the Upton Nonmetropolitan assessment area compared to the Cheyenne Metropolitan assessment area in Wyoming. As stated previously, examiners did not evaluate the bank's performance in the Broomfield, Colorado Metropolitan assessment area since its Bloomfield office just opened in February 2021 and lending data is limited.

FirsTier Bank's performance in Nebraska and Wyoming received equal weight when drawing conclusions since the majority of the institution's deposits and offices are in Nebraska, and the majority of its loans are in Wyoming. The bank's performance in Colorado received the least

weight when drawing conclusions since the institution has fewer loans, deposits, and offices in this state.

The following table provides a breakdown of the bank’s loans, deposits, and branches, by assessment area and state.

Assessment Area Breakdown of Loans, Deposits, and Branches *						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Kearney Nonmetropolitan	80,066	21.0	107,688	25.4	3	37.5
Kimball Nonmetropolitan	21,865	5.7	175,485	41.3	1	12.5
Nebraska Subtotal	101,931	26.7	283,173	66.7	4	50.0
Cheyenne Metropolitan	188,830	49.5	61,965	14.6	1	12.5
Upton Nonmetropolitan	3,515	0.9	34,964	8.2	1	12.5
Wyoming Subtotal	192,345	50.4	96,929	22.8	2	25.0
Castle Rock Metropolitan	50,578	13.3	31,937	7.5	1	12.5
Greeley Metropolitan	36,556	9.6	12,730	3.0	1	12.5
Colorado Subtotal	87,134	22.9	44,667	10.5	2	25.0
Total	381,410	100.0	424,769	100.0	8	100.0

*Source: Bank Data; FDIC Summary of Deposits (06/30/2020). *Excludes one branch in Colorado that was not reviewed for this evaluation.*

Activities Reviewed

Examiners selected small business and small farm loans to evaluate the bank’s lending performance. These products were chosen based on the bank’s business strategy, assessment area credit needs, and number and dollar volume of loans originated during the evaluation period.

FirsTier Bank was subject to Home Mortgage Disclosure Act (HMDA) reporting in 2018 and 2019. The bank reported 58 mortgage originations totaling approximately \$10.3 million in 2018 and 59 originations totaling approximately \$8.0 million in 2019, respectively. However, the bank was not a HMDA reporter in 2020 because it did not originate enough home mortgage loans. Additionally, home mortgage loans represented 6.3 percent, by number, and 9.7 percent, by dollar volume, of all loans originated in 2020. FirsTier Bank management also indicated that home mortgage loans are not a primary credit product. Based on the above, examiners did not review home mortgage loans to evaluate the bank’s lending performance.

Examiners reviewed all small business and small farm loans originated or purchased in 2020 to conduct the Assessment Area Concentration analysis. In addition, they reviewed the small business and small farm loans located inside the assessment areas to conduct the Geographic Distribution analysis. To conduct the Borrower Profile analysis, examiners reviewed the small business and small farm loans located inside the assessment areas, or pulled a random sample of loans when lending volume was high for a particular product. 2020 D&B data provided a standard of comparison for the small business and small farm loans. Bank management indicated that the loans reviewed were representative of the institution’s performance during the entire evaluation period, and bank data confirms this statement. As a result, examiners did not review any additional years of data.

Small business lending received more weight than small farm lending when drawing conclusions because commercial loans are the bank’s largest credit product. Further, while examiners reviewed both the number and dollar volume of loans, and presented both figures throughout the evaluation, they emphasized performance by number of loans when conducting the Geographic Distribution and Borrower Profile analyses because the number of loans is a better indicator of geographies and businesses/farms served.

The following table details the loans reviewed by assessment area and performance criterion.

Loan Products Reviewed						
	Assessment Area Concentration		Geographic Distribution		Borrower Profile	
	#	\$(000’s)	#	\$(000’s)	#	\$(000’s)
Small Business – All Assessment Areas	251	36,416	164	17,340	123	6
Kearney Nonmetropolitan			97	6,980	41	3,128
Kimball Nonmetropolitan			*	*	11	487
Cheyenne Metropolitan			48	8,913	30	6,172
Upton Nonmetropolitan			*	*	13	885
Greeley Metropolitan			19	1,447	19	1,447
Castle Rock Metropolitan			*	*	9	2,742
Small Farm – All Assessment Areas	170	22,183	84	13,299	83	15,506
Kearney Nonmetropolitan			84	13,299	41	11,227
Kimball Nonmetropolitan			*	*	30	3,394
Cheyenne Metropolitan			#	#	#	#
Upton Nonmetropolitan			*	*	12	885
Greeley Metropolitan			#	#	#	#
Castle Rock Metropolitan			*	*	#	#

Source: 1/1/2019 - 12/31/2019 Bank Data.
** Assessment area does not contain any low- or moderate income geographies. Therefore, a geographic distribution analysis was not performed.*
Bank did not extend enough small farm loans to conduct a meaningful analysis.

For the Community Development Test, bank management provided examiners with data on community development loans, qualified investments, and community development services since the prior CRA evaluation dated May 29, 2018. Examiners also considered prior period qualified investments that were still outstanding at the start of the evaluation.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

FirsTier Bank demonstrated satisfactory performance under the Lending Test. Reasonable performance under the Assessment Area Concentration, Geographic Distribution, and Borrower Profile criteria primarily supports this conclusion. The bank demonstrated reasonable lending performance in Nebraska, Colorado, and Wyoming.

Loan-to-Deposit Ratio

FirsTier Bank’s loan-to-deposit ratio is more than reasonable given the institution’s size, financial condition, and assessment areas’ credit needs. The bank’s loan-to-deposit ratio, calculated from Call Report data, averaged 92.6 percent over the past 11 quarters from June 30, 2018, to December 31, 2020.

Examiners compared FirsTier Bank’s average net loan-to-deposit ratio to four other financial institutions. Examiners selected the comparable institutions based on their asset size, geographic location, and lending focus. As shown in the following table, FirsTier Bank’s average net loan-to-deposit noticeably exceeds the ratios of three comparable institutions and is slightly below the fourth institution, reflecting more than reasonable performance.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 06/30/2020 (\$000s)	Average Net LTD Ratio (%)
FirsTier Bank, Kimball, NE	531,250	92.6
First State Bank, Scottsbluff, NE	356,760	77.3
Platte Valley Bank, Scottsbluff, NE	833,722	96.9
Points West Community Bank, Windsor, CO	789,027	73.4
Wyoming Bank & Trust, Cheyenne, WY	254,315	56.9

Source: Reports of Condition and Income 6/30/2018 – 12/31/2020

Assessment Area Concentration

A majority of small business and small farm loans reviewed, by number and dollar volume, were located inside the assessment areas. The following table provides details.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans					Dollar Amount of Loans \$(000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$(000s)
Small Business	197	78.5	54	21.5	251	21,454	58.9	14,962	41.1	36,416
Small Farm	133	78.2	37	21.8	170	18,352	82.7	3,831	17.3	22,183

Source: 2020 Bank Data. Due to rounding, totals may not equal 100.0%.

Geographic Distribution

The geographic distribution of loans reflects reasonable performance. Examiners focused on the percentage of loans in low- and moderate-income census tracts, as applicable. Reasonable performance was noted in all three states. Refer to the State of Nebraska, State of Wyoming, and State of Colorado sections for a detailed analysis of the bank’s performance.

Borrower Profile

The distribution of borrowers reflects reasonable performance. Examiners focused on the percentage of small business and small farm loans to entities with gross annual revenues of \$1

million or less. The bank demonstrated reasonable performance in the states of Wyoming and Colorado, and excellent performance in the State of Nebraska. Since FirstTier Bank's combined lending volume in Wyoming and Colorado exceeds its lending volume in Nebraska, the institution's overall Borrower Profile performance is reasonable. Refer to the State of Nebraska, State of Wyoming, and State of Colorado sections for a detailed analysis of the bank's performance.

COMMUNITY DEVELOPMENT TEST

FirstTier Bank's performance under the Community Development Test is outstanding. The institution demonstrated an excellent responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services. A high volume of community development loans primarily supports this conclusion. Examiners considered the bank's capacity and the need and availability of such opportunities. Since the bank was responsive to the community development needs of its assessment areas, community development activities benefitting broader statewide or regional areas were also included in the analysis. FirstTier Bank's overall community development performance is consistent with the conclusions for the states of Nebraska, Wyoming, and Colorado.

Community Development Loans

The bank originated 793 community development loans totaling approximately \$79.7 million during the evaluation period. This includes 755 Paycheck Protection Program (PPP) loans totaling approximately \$43 million. The PPP, established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and implemented through the Small Business Administration (SBA), helped small businesses and farms maintain their payroll, hire back employees, and cover applicable overhead expenses during the coronavirus pandemic (COVID-19). The bank's PPP loans financed businesses and farms and resulted in permanent job creation, retention, and/or improvement for low- and moderate-income individuals.

FirstTier Bank's volume of community development loans represented 15.0 percent of total assets and 18.9 percent of net loans as of December 31, 2020. Examiners compared the bank's level of community development lending to four similarly situated institutions that had their community development activities rated "Satisfactory." These institutions' community development loans ranged from 1.1 to 7.8 percent of total assets and from 1.3 to 9.9 percent of net loans. Examiners also compared FirstTier Bank's performance to one similarly situated institution that had its community development activities rated "Outstanding." This institution's community development loans offset 12.6 percent of total assets and 18.3 percent of net loans.

FirstTier Bank's ratios exceeded the comparable institutions' ratios. However, some of the comparable institutions' ratios did not include PPP loans due to the timing of the data. Excluding PPP loans from the analysis, FirstTier Bank's community development loan ratios still compare favorably to the similarly situated institutions' ratios. The following tables illustrate community development loans by rated area, purpose, and year. Additional details on community development lending activities are located in the states of Nebraska, Wyoming, and Colorado sections of the evaluation.

Community Development Lending by Rated Area										
Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
State of Nebraska	15	1,192	0	0	383	11,682	9	6,880	407	19,754
State of Wyoming	3	19,209	1	400	80	4,822	2	4,909	86	29,340
State of Colorado	0	0	0	0	258	28,484	1	250	259	28,734
Regional Activities	0	0	0	0	41	1,911	0	0	41	1,911
Total	18	20,401	1	400	762	46,899	12	12,039	793	79,739
<i>Source: Bank Records</i>										

Community Development Lending by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2018 (Partial)	3	287	0	0	1	95	0	0	4	383
2019	5	17,392	1	400	2	71	9	6,470	17	24,332
2020	10	2,722	0	0	396	28,839	2	4,769	408	36,330
2021 (YTD)	0	0	0	0	363	17,894	1	800	364	18,694
Total	18	20,401	1	400	762	46,899	12	12,039	793	79,739
<i>3Source: Bank Records</i>										

Qualified Investments

FirsTier Bank purchased, retained, or donated 29 qualified investments totaling approximately \$433,000 during the evaluation period. The volume of qualified investments represented 0.1 percent of total assets and 2.1 percent of total securities as of December 31, 2020. Examiners compared FirsTier Bank’s qualified investment volume to four similarly situated institutions that had their community development activities rated “Satisfactory.” The comparable institutions’ qualified investments ranged from 0.0 percent to 1.8 percent of total assets and from 0.3 percent to 12.1 percent of total securities. Examiners also compared FirsTier Bank’s performance to one similarly situated institution that had its community development activities rated “Outstanding.” This institution had qualified investments representing 0.7 percent of total assets and 2.9 percent of total securities.

The following tables illustrate the bank’s qualified investments by rated area, purpose, and year. Additional information on the bank’s qualified investment activity is located in the states of Nebraska, Wyoming, and Colorado sections of the evaluation.

Qualified Investments by Rated Area										
Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
State of Nebraska	0	0	2	1	0	0	6	420	8	421
State of Wyoming	1	1	19	10	0	0	0	0	20	11
State of Colorado	0	0	1	1	0	0	0	0	1	1
Total	1	1	22	12	0	0	6	420	29	433

Source: Bank Records

Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	0	0	5	325	5	325
2018 (Partial)	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	1	95	1	95
2020	0	0	0	0	0	0	0	0	0	0
2021 (YTD)	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	6	420	6	420
Qualified Grants & Donations	1	1	22	12	0	0	0	0	23	13
Total	1	1	22	12	0	0	6	420	29	433

Source: Bank Records

Community Development Services

FirsTier Bank representatives provided 24 instances of financial expertise or technical assistance to various community development-related organizations within its assessment areas during the evaluation period. Examiners compared the bank’s level of community development services to four similarly situated institutions that had their community development activities rated “Satisfactory.” These institutions’ provided between 26 and 66 community development services. Examiners also compared the bank’s performance to one similarly situated institution that had its community development activities rated “Outstanding.” This institution provided 37 community development services.

FirsTier Bank’s number of community development services is below the comparable institutions’ ratios. However, the bank’s record of providing community development loans offsets the shortfall.

The following tables illustrate the bank’s community development service activity by rated area, purpose, and year. Additional information on the bank’s community development services is located in the State of Nebraska and the State of Wyoming sections. FirsTier Bank did not provide any community development services in the State of Colorado.

Community Development Services by Rated Area					
Rated Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
State of Nebraska	1	10	3	3	17
State of Wyoming	3	4	0	0	7
State of Colorado	0	0	0	0	0
Total	4	14	3	3	24
<i>Source: Bank Data</i>					

Community Development Services by Year					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2018 (Partial)	1	5	1	0	7
2019	1	6	1	1	9
2020	1	2	1	1	5
2021 (YTD)	1	1	0	1	3
Total	4	14	3	3	24
<i>Source: Bank Records</i>					

In addition to community development services, the bank offers alternative banking services that are readily accessible to assessment area residents, including low- and moderate-income individuals. This includes internet and mobile banking and 10 ATMs.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any evidence of discriminatory or other illegal credit practices inconsistent with helping meet community credit needs.

STATE OF NEBRASKA

CRA RATING FOR NEBRASKA: SATISFACTORY

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NEBRASKA

FirsTier Bank maintains two assessment areas in Nebraska: 1) Kearney Nonmetropolitan; and 2) Kimball Nonmetropolitan. The bank operates four full-service offices and five ATMs in its Nebraska assessment areas. Refer to the descriptions of the institution's operations in each assessment area later in the evaluation for more information.

SCOPE OF EVALUATION – NEBRASKA

Examiners reviewed small business and small farm loans in the Kearney Nonmetropolitan and Kimball Nonmetropolitan assessment areas. Small business loans received the most weight when drawing conclusions since commercial loans represent the largest segment of the bank's loan portfolio. Further, FirstTier Bank's performance in the Kearney Nonmetropolitan assessment area received more weight than its performance in the Kimball Nonmetropolitan assessment area when drawing conclusions due to higher lending volume and more offices. Refer to the overall Scope of Evaluation section for additional information.

CONCLUSIONS ON PERFORMANCE CRITERIA IN NEBRASKA

LENDING TEST

FirstTier Bank demonstrated satisfactory performance under the Lending Test in the State of Nebraska. Reasonable performance under the Geographic Distribution criterion primarily supports this conclusion. The bank's lending performance was consistent across both assessment areas.

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the Nebraska assessment areas.

Borrower Profile

The distribution of borrowers reflects excellent performance. The bank's performance in the Kearney Nonmetropolitan assessment area is excellent, while its performance in the Kimball Nonmetropolitan assessment area is reasonable. Since the Kearney Nonmetropolitan assessment area received greater weight, the institution's performance is excellent.

COMMUNITY DEVELOPMENT TEST

FirstTier Bank's community development performance in the State of Nebraska is outstanding. The quantity and responsiveness of community development loans in Nebraska primarily supports this conclusion.

Community Development Loans

The bank originated 355 community development loans totaling \$18.6 million in the Nebraska assessment areas and an additional 52 loans totaling \$1.1 million in the broader statewide area. The vast majority of the loans provided economic development or revitalized/stabilized the Nebraska assessment areas or broader statewide area. FirstTier Bank's community development lending activities were particularly responsive to the needs of the Nebraska assessment areas and the broader statewide area.

Qualified Investments

The bank purchased, retained, or donated eight qualified investments totaling \$421,000 in the Nebraska assessment areas or broader statewide area. Five of the investments totaling \$325,000 were in Kimball County, an underserved, nonmetropolitan middle-income geography. These investments helped revitalize and stabilize the county by providing essential community needs.

Community Development Services

Bank representatives provided 17 instances of financial expertise or technical assistance to various individuals and community development organizations in the Nebraska assessment areas. These services included teaching financial literacy classes to low- and moderate-income individuals.

KEARNEY NONMETROPOLITAN ASSESSMENT AREA - Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE KEARNEY NONMETROPOLITAN ASSESSMENT AREA

The Kearney Nonmetropolitan assessment area consists of Buffalo, Harlan, Kearney, and Phelps counties as well as Dawson County census tract 9680, all in Nebraska. According to the 2015 American Community Survey, the assessment area contains 2 moderate-income, 11 middle-income, and 5 upper-income census tracts. The bank operates three full-service offices in this assessment area, in Elm Creek, Holdrege, and Kearney. The Elm Creek branch is located in an upper-income census tract, and the Holdrege and Kearney branches are located in middle-income census tracts. The bank operates four ATMs in this assessment area as well.

Economic and Demographic Data

The following provides select demographic data for the Kearney Nonmetropolitan assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Kearney Nonmetropolitan						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	18	0.0	11.1	61.1	27.8	0.0
Population by Geography	69,830	0.0	11.6	56.6	31.8	0.0
Housing Units by Geography	30,167	0.0	9.3	60.4	30.3	0.0
Owner-Occupied Units by Geography	18,158	0.0	5.8	60.2	34.1	0.0
Occupied Rental Units by Geography	9,257	0.0	16.1	55.6	28.2	0.0
Vacant Units by Geography	2,752	0.0	9.3	78.1	12.6	0.0
Businesses by Geography	5,870	0.0	5.1	61.9	33.0	0.0
Farms by Geography	1,022	0.0	1.4	66.0	32.6	0.0
Family Distribution by Income Level	17,588	14.3	17.2	22.9	45.6	0.0
Household Distribution by Income Level	27,415	20.9	16.0	18.4	44.7	0.0
Median Family Income Non-MSAs NE		\$61,457	Median Housing Value		\$129,449	
			Median Gross Rent		\$688	
			Families Below Poverty Level		6.3%	

*Source: 2015 ACS and 2020 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 Kearney Nonmetropolitan assessment area contains a mixture of rural and urban areas. Kearney and Holdrege are the largest communities with populations of 30,787 and 5,495, respectively. The assessment area's remaining communities all have populations under 3,000. The three largest business segments are services, agriculture, and retail trade; representing 32.3, 14.8, and 11.4 percent, respectively. The assessment area's businesses and farms are predominantly small operations; with 86.6 percent operating from a single location, and 67.3 percent employing less than five employees, according to 2020 D&B data.

Harlan County was designated as an underserved, nonmetropolitan middle-income geography in 2018, 2019, and 2020. Further, the entire assessment area was part of the Federal Emergency Management Agency's (FEMA's) COVID-19 disaster declaration issued on April 4, 2020. Additionally, Buffalo, Harlan, Kearney, Phelps, and Dawson counties were part of FEMA's Severe Winter Storm, Straight-Line Wind, and Flooding major disaster declaration issued on March 21, 2019. Last, Harlan County was part of FEMA's Severe Storm, Tornado, Straight-Line Wind, and Flooding disaster declaration issued on August 27, 2018.

Unemployment was low during most of the evaluation period, reflecting a generally healthy economy. In March 2020, unemployment started to rise due to the COVID-19 pandemic. The economy has since rebounded as most individuals have returned to work. All assessment area counties reported unemployment rates of less than 3.0 percent as of January 2021.

Competition

The Kearney Nonmetropolitan assessment area is very competitive for financial services. According to the FDIC's June 30, 2020 deposit data, 29 financial institutions operate 47 offices inside the assessment area. Of these institutions, FirstTier Bank ranked 12th with a deposit market share of 3.8 percent. The bank competes with these institutions as well as credit unions for small business and small farm loans.

Community Contact

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

Examiners reviewed a community contact with an economic development organization within the past six months. The contact indicated that the COVID-19 pandemic has negatively affected the area, especially small businesses. Fortunately, most small businesses are slowly recovering. The contact added that agriculture largely drives the local economy and described affordable housing as an essential community need. The individual's general perception towards local financial institutions was positive. Further, they were unaware of any unmet credit needs.

Credit and Community Development Needs and Opportunities

Considering information from the community contact, bank management, and demographic and economic data, examiners concluded that small business loans are the Kearney Nonmetropolitan assessment area's primary credit need, followed by small farm loans. Primary community

development needs are economic development in response to the COVID-19 pandemic, affordable housing, and revitalize or stabilize activities for moderate-income and designated disaster areas.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE KEARNEY NONMETROPOLITAN ASSESSMENT AREA

LENDING TEST

FirsTier Bank demonstrated satisfactory performance under the Lending Test in the Kearney Nonmetropolitan assessment area. Reasonable performance under the Geographic Distribution criterion primarily supports this conclusion.

Geographic Distribution

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

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion in the Kearney Nonmetropolitan assessment area. Specifically, the percentage of small business loans in moderate-income census tracts is consistent with the percentage of businesses in such tracts. As stated previously, the Kearney Nonmetropolitan assessment area does not contain any low-income census tracts. The following table provides details.

Geographic Distribution of Small Business Loans					
Assessment Area: Kearney Nonmetropolitan					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	5.1	5	5.2	335	4.8
Middle	61.9	49	50.5	3,562	51.0
Upper	33.0	43	44.3	3,083	44.2
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	97	100.0	6,980	100.0

Source: 2020 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%.

Small Farm Loans

None of the small farm loans reviewed were located in the Kearney Nonmetropolitan assessment area's moderate-income census tracts. The assessment area's moderate-income census tracts are located within the city of Kearney. 2020 D&B data shows only 14 farms, equaling 1.4 percent of the assessment area's farms, in these tracts. Due to the limited small farm lending opportunities in moderate-income census tracts, the bank's performance is reasonable. The following table provides details.

Geographic Distribution of Small Farm Loans					
Assessment Area: Kearney Nonmetropolitan					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	1.4	0	0.0	0	0.0
Middle	66.0	33	39.3	3,921	29.5
Upper	32.6	51	60.7	9,378	70.5
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	84	100.0	13,299	100.0

Source: 2020 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%.

Borrower Profile

The distribution of borrowers reflects excellent performance in the Kearney Nonmetropolitan assessment area. Excellent small business lending performance and reasonable small farm lending performance supports this conclusion. Since examiners placed more weight on small business lending performance, the institution's performance is excellent.

Small Business Loans

The distribution of borrowers reflects excellent penetration among businesses of different sizes. Specifically, the percentage of small business loans, by number, to businesses with gross annual revenues of \$1 million or less noticeably exceeds the percentage of businesses reporting revenues in this category. The following table provides details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Kearney Nonmetropolitan					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	80.4	38	92.7	2,851	91.1
>1,000,000	5.7	3	7.3	277	8.9
Revenue Not Available	13.9	0	0.0	0	0.0
Total	100.0	41	100.0	3,128	100.0

Source: 2020 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%.

Small Farm Loans

The distribution of small farm loans reflects reasonable penetration among farms of different sizes. As shown in the table, the bank's performance in lending to farms with gross annual farm revenues of \$1 million or less lags the percentage of farms reporting revenues in this category, but remains within a reasonable range.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Assessment Area: Kearney Nonmetropolitan					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	95.6	34	82.9	8,867	79.0
>1,000,000	3.4	7	17.1	2,360	21.0
Revenue Not Available	1.0	0	0.0	0	0.0
Total	100.0	41	100.0	11,227	100.0

Source: 2020 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%.

COMMUNITY DEVELOPMENT TEST

FirsTier Bank demonstrated excellent responsiveness to the community development needs of the Kearney Nonmetropolitan assessment area. The quantity and responsiveness of community development loans primary supports this conclusion.

Community Development Loans

The bank originated 254 community development loans totaling approximately \$13.3 million in the Kearney Nonmetropolitan assessment area. The loans were particularly responsive to the assessment area’s economic development and revitalization and stabilization needs. The majority of the loans, by dollar volume, revitalized and stabilized federal disaster areas, distressed or underserved middle-income geographies, or moderate-income census tracts. The overwhelming majority of loans, by number, promoted economic development and helped businesses and farms retain employees and lesson the negative effects of the COVID-19 pandemic. The following table illustrates the community development loans by year and purpose.

Kearney Nonmetropolitan Assessment Area Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2018 (Partial)	2	247	0	0	1	95	0	0	3	342
2019	2	149	0	0	1	30	6	5,930	9	6,109
2020	8	642	0	0	101	3,027	1	30	110	3,699
2021 (YTD)	0	0	0	0	131	2,339	1	800	132	3,139
Total	12	1,038	0	0	234	5,491	8	6,760	254	13,289

Source: Bank Records

Qualified Investments

The bank made a \$500 qualified investment in the Kearney Nonmetropolitan assessment area to a nonprofit organization that offers services to low- and moderate-income individuals.

Community Development Services

Bank personnel provided nine instances of financial expertise or technical assistance to community development organizations in the Kearney Nonmetropolitan assessment area. The majority were

community services targeted to low- and moderate-income individuals. The following table illustrates the bank’s community development services by year and purpose.

Kearney Nonmetropolitan Assessment Area Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2018 (Partial)	0	2	0	0	2
2019	0	2	0	1	3
2020	0	1	0	1	2
2021 (YTD)	1	0	0	1	2
Total	1	5	0	3	9
<i>Source: Bank Records</i>					

KIMBALL NONMETROPOLITAN ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE KIMBALL NONMETROPOLITAN ASSESSMENT AREA

The Kimball Nonmetropolitan assessment area consists of Kimball County, Nebraska. According to the 2015 American Community Survey, the assessment area contains one middle-income census tract. FirsTier Bank operates one office and one ATM in this assessment area, both in the city of Kimball.

Economic and Demographic Data

The following table provides select demographic data for the Kimball Nonmetropolitan assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Kimball Nonmetropolitan						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1	0.0	0.0	100.0	0.0	0.0
Population by Geography	3,720	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	1,933	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	1,020	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	554	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	359	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	352	0.0	0.0	100.0	0.0	0.0
Farms by Geography	62	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	1,005	25.8	19.6	25.4	29.3	0.0
Household Distribution by Income Level	1,574	29.7	18.8	17.9	33.6	0.0
Median Family Income Non-MSAs - NE		\$61,457	Median Housing Value			\$80,100
			Median Gross Rent			\$632
			Families Below Poverty Level			10.7%
<i>Source: 2015 ACS and 2020 D&B Data. Due to rounding, totals may not equal 100.0%.</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The Kimball Nonmetropolitan assessment area is largely rural in nature and sparsely populated. The city of Kimball is the largest community with population of 2,496. All remaining communities have populations of less than 300.

Kimball County was considered underserved in 2018, 2019, and 2020. Further, the county was part of FEMA’s COVID-19 disaster declaration issued on April 4, 2020. Last, Kimball County was included in FEMA’s Severe Winter Storm, Straight-Line Wind, and Flooding major disaster declaration issued on March 21, 2019.

The assessment area’s three largest business segments are services, agriculture, and retail trade; representing 30.4, 15.0, and 11.6 of the businesses and farms. These businesses and farms are predominantly small operations; with 87.2 percent operating from a single location, and 67.9 percent employing less than five employees, according to 2020 D&B data. Farming operations predominantly raise grain and livestock. According to the 2017 Census of Agriculture, 66.3 percent of the products sold in Kimball County were grain and 22.9 percent were livestock.

Unemployment was low during most of the evaluation period, reflecting a generally healthy economy. In March 2020, unemployment started to rise due to the COVID-19 pandemic. The economy has since rebounded as most individuals have returned to work. Kimball County reported an unemployment rate of 2.7 percent as of January 2021.

Competition

Competition is limited in the Kimball Nonmetropolitan assessment area. The bank’s Kimball office is one of three financial institutions operating in Kimball County. According to the FDIC’s June 30, 2020 deposit data, FirsTier Bank ranked first with an 82.5 percent deposit market share.

Credit and Community Development Needs and Opportunities

Based on demographic and economic data as well as information from bank management, examiners concluded that the small farm loans are the assessment area’s primary credit need, followed by small business loans. The primary community development needs are economic development in response to the COVID-19 pandemic and revitalize or stabilize activities for the underserved and designated disaster areas.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE KIMBALL NONMETROPOLITAN ASSESSMENT AREA

LENDING TEST

FirsTier Bank demonstrated reasonable performance under the Lending Test in the Kimball Nonmetropolitan assessment area. Reasonable performance under the Borrower Profile criterion supports this conclusion.

Geographic Distribution

The Kimball Nonmetropolitan assessment area does not include any low- and moderate-income geographies. Therefore, examiners did not evaluate the geographic distribution of loans.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes.

Small Business Loans

The bank demonstrated reasonable performance in lending to businesses of different sizes. The percentage of small business loans, by number, to businesses with gross annual revenues of \$1 million or less slightly exceeds the percentage of businesses reporting revenues in this category, while the percentage, by dollar volume, is consistent with the percentage of businesses reporting revenues in this category. The following table provides details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Kimball Nonmetropolitan					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	80.7	10	90.9	387	79.5
>1,000,000	5.1	1	9.1	100	20.5
Revenue Not Available	14.2	0	0.0	0	0.0
Total	100.0	11	100.0	487	100.0

Source: 2020 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%.

Small Farm Loans

The distribution of borrowers reflects reasonable penetration among farms of different sizes. The percentage of small farm loans, by number, to borrowers with gross annual farm revenues of \$1 million or less slightly lags the percentage of farms reporting revenues in this category, but remains within a reasonable range. The following table provides details.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Assessment Area: Kimball Nonmetropolitan					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	100.0	28	93.3	3,174	93.5
>1,000,000	0.0	2	6.7	220	6.5
Revenue Not Available	0.0	0	0.0	0	0.0
Total	100.0	30	100.0	3,394	100.0

Source: 2020 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%.

COMMUNITY DEVELOPMENT TEST

FirsTier Bank demonstrated excellent responsiveness to the community development needs of the Kimball Nonmetropolitan assessment area. The quantity and responsiveness of community development loans primary supports this conclusion.

Community Development Loans

The bank originated 101 community development loans totaling approximately \$5.3 million in the Kimball Nonmetropolitan assessment area. The loans were particularly responsive to the assessment area’s economic development needs. The vast majority of the economic development loans were SBA PPP loans. The funds helped businesses and farms retain employees and lesson the negative effects of the pandemic. The following table illustrates the community development loans by year and purpose.

Kimball Nonmetropolitan Assessment Area Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2018 (Partial)	1	40	0	0	0	0	0	0	1	40
2019	1	53	0	0	1	41	1	120	3	214
2020	1	59	0	0	53	3,974	0	0	54	4,033
2021 (YTD)	0	0	0	0	43	1,031	0	0	43	1,031
Total	3	152	0	0	97	5,046	1	120	101	5,318

Source: Bank Records

Qualified Investments

The bank purchased, retained, or donated seven qualified investments totaling \$420 thousand in the Kimball Nonmetropolitan assessment area. The majority of the investments helped revitalized or

stabilized Kimball County, an underserved, nonmetropolitan middle-income census tract. The following table illustrates the bank’s qualified investments by year and purpose.

Kimball Nonmetropolitan Assessment Area Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	0	0	5	325	5	325
2018 (Partial)	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	1	95	1	95
2020	0	0	0	0	0	0	0	0	0	0
2021 (YTD)	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	6	420	6	420
Qualified Grants & Donations	0	0	1	0	0	0	0	0	1	0
Total	0	0	1	0	0	0	6	420	7	420

Source: Bank Records

Community Development Services

Bank personnel provided eight instances of financial expertise or technical assistance to community development organizations in the Kimball Nonmetropolitan assessment area. The majority of these were community services targeted to low- and moderate-income individuals. The following table illustrates the bank’s community development services by year and purpose.

Kimball Nonmetropolitan Assessment Area Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2018 (Partial)	0	2	1	0	3
2019	0	3	1	0	4
2020	0	0	1	0	1
2021 (YTD)	0	0	0	0	0
Total	0	5	3	0	8

Source: Bank Records

STATE OF WYOMING

CRA RATING FOR WYOMING: SATISFACTORY

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

DESCRIPTION OF INSTITUTION'S OPERATIONS IN WYOMING

FirsTier Bank maintains two assessment areas in the state of Wyoming: 1) Cheyenne Metropolitan and 2) Upton Nonmetropolitan. The bank operates a full-service office and ATM in each assessment area. Descriptions of the institution's operations in the two Wyoming assessment areas are provided later in the evaluation.

SCOPE OF EVALUATION – WYOMING

Examiners reviewed small business and small farm loans to evaluate the bank's performance in the Wyoming assessment areas. Small business loans received the most weight in drawing conclusions because commercial loans are the bank's primary credit product. Further, the bank's performance in the Cheyenne Metropolitan assessment area received more weight than its performance in the Upton Nonmetropolitan assessment area due to higher loan and deposit volume. Refer to the overall Scope of Evaluation section for additional information.

CONCLUSIONS ON PERFORMANCE CRITERIA IN WYOMING

LENDING TEST

FirsTier Bank demonstrated satisfactory performance under the Lending Test in Wyoming. Reasonable performance under the Geographic Distribution and Borrower Profile criteria supports this conclusion. The bank's lending performance in the Upton Nonmetropolitan assessment area exceeded its performance for the State of Wyoming. However, this does not impact the Lending Test rating for Wyoming since the Cheyenne Metropolitan assessment area received more weight than the Upton Nonmetropolitan assessment area in drawing conclusions.

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion in the State of Wyoming. FirsTier Bank demonstrated reasonable performance in the Cheyenne Metropolitan assessment area. The Upton Nonmetropolitan assessment area does not contain any low- and moderate-income geographies. Therefore, examiners did not evaluate the geographic distribution of loans in that assessment area.

Borrower Profile

The distribution of borrowers reflects reasonable performance. The bank's performance in Cheyenne Metropolitan assessment area is reasonable, while its performance in the Upton Nonmetropolitan assessment area is excellent. Since the bank's performance in Cheyenne Metropolitan assessment area received greater weight, the institution's performance is reasonable.

COMMUNITY DEVELOPMENT TEST

FirsTier Bank's community development performance in the State of Wyoming is outstanding. The quantity and responsiveness of community development loans primary supports this conclusion.

Community Development Loans

The bank originated 82 community development loans totaling approximately \$29.2 million in the Wyoming assessment areas and an additional 4 loans totaling \$172,000 in the broader statewide area. The vast majority of these loans provided affordable housing and promoted economic development in the Wyoming assessment areas. The bank's lending activities were particularly responsive to the needs of the Wyoming assessment areas and broader statewide area.

Qualified Investments

The bank made 20 qualified investments totaling \$11,000 in the Wyoming assessment areas. The investments were all donations to nonprofit organizations that provide services to low- and moderate-income individuals.

Community Development Services

Bank representatives provided seven instances of financial expertise or technical assistance to various individuals and community development organizations in the Wyoming assessment areas. This includes donating financial expertise to a nonprofit organization that provides affordable housing to low- and moderate- income individuals.

CHEYENNE METROPOLITAN ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE CHEYENNE METROPOLITAN ASSESSMENT AREA

The Cheyenne Metropolitan assessment area includes all of Laramie County, Wyoming, which encompasses the entire Cheyenne, Wyoming MSA. According to the 2015 American Community Survey, the assessment area contains 6 moderate-income, 10 middle-income, and 4 upper-income census tracts. One census tract does not have an income designation. FirsTier Bank operates a single office and ATM in this assessment area. The office and ATM are located in a middle-income census tract within the city of Cheyenne.

Economic and Demographic Data

The following table provides select demographic data for the Cheyenne Metropolitan assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Cheyenne Metropolitan						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	21	0.0	28.6	47.6	19.0	4.8
Population by Geography	95,431	0.0	27.4	51.1	21.5	0.0
Housing Units by Geography	41,256	0.0	28.4	50.1	21.5	0.0
Owner-Occupied Units by Geography	25,632	0.0	22.8	50.7	26.5	0.0
Occupied Rental Units by Geography	11,662	0.0	36.3	49.7	14.0	0.0
Vacant Units by Geography	3,962	0.0	41.5	47.7	10.9	0.0
Businesses by Geography	8,870	0.0	15.6	66.9	16.9	0.6
Farms by Geography	311	0.0	7.4	70.1	22.5	0.0
Family Distribution by Income Level	24,950	19.5	18.2	23.1	39.3	0.0
Household Distribution by Income Level	37,294	22.5	17.6	18.5	41.4	0.0
Median Family Income MSA - 16940 Cheyenne, WY MSA		\$75,732	Median Housing Value			\$183,531
			Median Gross Rent			\$845
			Families Below Poverty Level			7.1%

*Source: 2015 ACS and 2020 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.*

Approximately two-thirds of the Laramie County’s residents reside in the city of Cheyenne, which reported a population of 64,235 as of the 2010 U.S. Census. The Cheyenne Metropolitan assessment area’s two largest business segments are services and retail trade; representing 41.3 and 10.1 percent of businesses and farms, respectively. The assessment area’s businesses and farms are predominantly small, with 86.6 percent operating from a single location and 63.7 percent employing less than five employees, according to 2020 D&B data.

Unemployment was relatively tame for most of the evaluation period, reflecting a generally healthy economy. In March 2020, unemployment started to rise due to the COVID-19 pandemic and peaked at 9.0 percent in April 2020. The economy has slowly recovered as most individuals have returned to work. Laramie County reported an unemployment rate of 5.4 percent as of January 2021, which is lower than the State of Wyoming rate of 6.1 percent.

Competition

The Cheyenne Metropolitan assessment area is very competitive for financial services. According to the FDIC’s June 30, 2020 deposit data, 23 financial institutions operate 35 offices in the assessment area. Of these institutions, FirstTier Bank ranked 19th with a deposit market share of less than 1.0 percent. The bank competes against other assessment area financial institutions for small business and small farm loans.

Credit and Community Development Needs and Opportunities

Considering area demographic and economic data as well as information from bank management, examiners concluded that the small business loans are the assessment area's primary credit need. Community development needs include affordable housing and economic development projects.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE CHEYENNE METROPOLITAN ASSESSMENT AREA

LENDING TEST

FirsTier Bank demonstrated reasonable performance under the Lending Test in the Cheyenne Metropolitan assessment area. Reasonable performance under the Geographic Distribution and Borrower Profile criteria supports this conclusion.

FirsTier Bank extended only three small farm loans in the Cheyenne Metropolitan assessment area in 2020. As a result, examiners could not draw meaningful conclusions regarding small farm loan geographic or borrower distributions. The limited small farm lending in the Cheyenne Metropolitan assessment area is not a concern since FirsTier Bank does not emphasize agricultural lending in this market.

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the Cheyenne Metropolitan assessment area. Reasonable small business lending performance supports this conclusion. The percentage of small business loans, by number, in moderate-income census tracts is slightly below the percentage of businesses located in such tracts, but remains within a reasonable range. The following table provides details.

Geographic Distribution of Small Business Loans					
Assessment Area: Cheyenne Metropolitan					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	15.6	5	10.4	872	9.8
Middle	66.9	35	72.9	6,828	76.6
Upper	16.9	8	16.7	1,213	13.6
Not Available	0.6	0	0.0	0	0.0
Totals	100.0	48	100.0	8,913	100.0

Source: 2020 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses of different sizes in the Cheyenne Metropolitan assessment area. Specifically, the percentage of small business loans, by number, to businesses with gross annual revenues of \$1 million or less is reasonably consistent with the percentage of businesses in that revenue category. The following table provides details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Cheyenne Metropolitan					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	82.1	21	70.0	4,763	77.2
>1,000,000	4.3	9	30.0	1,409	22.8
Revenue Not Available	13.6	0	0.0	0	0.0
Total	100.0	30	100.0	6,172	100.0

Source: 2020 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%.

COMMUNITY DEVELOPMENT TEST

FirsTier Bank demonstrated excellent responsiveness to the community development needs of the Cheyenne Metropolitan assessment area. The quantity and responsiveness of community development loans primary supports this conclusion.

Community Development Loans

The bank originated 66 community development loans totaling approximately \$28.3 million in the Cheyenne Metropolitan assessment area. The loans were particularly responsive to the assessment area’s economic development and affordable housing needs. The majority of the loans provided multifamily and single family housing with affordable rents for low- and moderate-income individuals. As stated previously, examiners identified affordable housing as an essential community need. Most of the economic development loans were SBA PPP loans, which helped businesses and farms retain employees and lesson the negative effects of the COVID-19 pandemic. The following table provides details.

Cheyenne Metropolitan Assessment Area Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2018 (Partial)	0	0	0	0	0	0	0	0	0	0
2019	2	17,189	1	400	0	0	1	170	4	17,759
2020	1	2,020	0	0	38	2,351	1	4,739	40	9,110
2021 (YTD)	0	0	0	0	22	1,394	0	0	22	1,394
Total	3	19,209	1	400	60	3,745	2	4,909	66	28,263

Source: Bank Records

Qualified Investments

The bank donated nine qualified investments totaling \$10,000 in the Cheyenne Metropolitan assessment area. The investments were all were donations to nonprofit organizations that provide services to low- and moderate-income individuals. The following table provides details.

Cheyenne Metropolitan Assessment Area Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	0	0	0	0	0	0
2018 (Partial)	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0	0
2021 (YTD)	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0	0	0
Qualified Grants & Donations	1	0	8	10	0	0	0	0	9	10
Total	1	0	8	10	0	0	0	0	9	10

Source: Bank Records

Community Development Services

Bank personnel provided three instances of financial expertise or technical assistance to community development organizations in the Cheyenne Metropolitan assessment area. The following table illustrates the bank’s community development services by year and purpose.

Cheyenne Metropolitan Assessment Area Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2018 (Partial)	1	0	0	0	1
2019	1	0	0	0	1
2020	1	0	0	0	1
2021 (YTD)	0	0	0	0	0
Total	3	0	0	0	3

Source: Bank Records

UPTON NONMETROPOLITAN ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE UPTON NONMETROPOLITAN ASSESSMENT AREA

The Upton Nonmetropolitan assessment area consists of Weston County, Wyoming. According to the 2015 American Community Survey, the assessment area contains one middle-income and one upper-income census tract. FirstTier Bank operates a single office and ATM in this assessment area in an upper-income census tract within the town of Upton.

The following table provides select demographic data for the Upton Nonmetropolitan assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Upton Nonmetropolitan						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2	0.0	0.0	50.0	50.0	0.0
Population by Geography	7,152	0.0	0.0	51.9	48.1	0.0
Housing Units by Geography	3,506	0.0	0.0	50.2	49.8	0.0
Owner-Occupied Units by Geography	2,330	0.0	0.0	52.7	47.3	0.0
Occupied Rental Units by Geography	656	0.0	0.0	55.8	44.2	0.0
Vacant Units by Geography	520	0.0	0.0	31.9	68.1	0.0
Businesses by Geography	518	0.0	0.0	67.6	32.4	0.0
Farms by Geography	50	0.0	0.0	22.0	78.0	0.0
Family Distribution by Income Level	1,886	22.0	14.7	19.6	43.7	0.0
Household Distribution by Income Level	2,986	26.0	15.4	16.6	42.0	0.0
Median Family Income Non-MSAs - WY		\$72,833	Median Housing Value			\$180,668
			Median Gross Rent			\$741
			Families Below Poverty Level			10.8%

*Source: 2015 ACS and 2020 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 Upton Nonmetropolitan assessment area is largely rural and sparsely populated. Newcastle is the largest community with a population of 3,532, followed by Upton at 1,100. Unemployment was low during most of the evaluation period, reflecting a generally healthy economy. In March 2020, unemployment started to rise due to the COVID-19 pandemic. The economy has since rebounded as most individuals have returned to work. Weston County reported an unemployment rate of less than 3.8 percent as of January 2021.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE UPTON NONMETROPOLITAN ASSESSMENT AREA

LENDING TEST

The institution’s lending performance in Upton Nonmetropolitan assessment area exceeds the lending performance for the State of Wyoming; however, this does not change the Lending Test rating for the state.

Geographic Distribution

The Upton Nonmetropolitan assessment area does not contain any low- and moderate-income geographies. Therefore, examiners did not evaluate the geographic distribution of loans in this assessment area.

Borrower Profile

Small Business Loans

The distribution of borrowers reflects excellent penetration among businesses of different sizes in the Upton Nonmetropolitan assessment area. Specifically, the percentage of small business loans, by number, to businesses with gross annual revenues of \$1 million or less noticeably exceeds the percentage of assessment area businesses in that revenue category. The following table provides details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Upton Nonmetropolitan					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	78.2	12	92.3	825	93.2
>1,000,000	4.4	1	7.7	60	6.8
Revenue Not Available	17.4	0	0.0	0	0.0
Total	100.0	13	100.0	885	100.0

Source: 2020 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%.

Small Farm Loans

The distribution of borrowers reflects excellent penetration among farms of different sizes in the Upton Nonmetropolitan assessment area. All small farm loans reviewed were to borrowers with gross annual farm revenues of \$1 million or less. The following table provides details.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Assessment Area: Upton Nonmetropolitan					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	98.0	12	100.0	885	100.0
>1,000,000	0.0	0	0.0	0	0.0
Revenue Not Available	2.0	0	0.0	0	0.0
Total	100.0	12	100.0	885	100.0

Source: 2020 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%.

COMMUNITY DEVELOPMENT TEST

The institution's community development performance in the Upton Nonmetropolitan assessment area is consistent with its community development performance in the State of Wyoming. The following tables detail the community development loans, qualified investments, and community development services in this assessment area.

Community Development Loans

Upton Nonmetropolitan Assessment Area Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2018 (Partial)	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	8	815	0	0	8	815
2021 (YTD)	0	0	0	0	8	91	0	0	8	91
Total	0	0	0	0	16	906	0	0	16	906

Source: Bank Record

Qualified Investments

Upton Nonmetropolitan Assessment Area Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	0	0	0	0	0	0
2018 (Partial)	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0	0
2021 (YTD)	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0	0	0
Qualified Grants & Donations	0	0	11	1	0	0	0	0	11	1
Total	0	0	11	1	0	0	0	0	11	1

Source: Bank Records

Community Development Services

Upton Nonmetropolitan Assessment Area Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2018 (Partial)	0	1	0	0	1
2019	0	1	0	0	1
2020	0	1	0	0	1
2021 (YTD)	0	1	0	0	1
Total	0	4	0	0	4

Source: Bank Records

STATE OF COLORADO

CRA RATING FOR COLORADO: SATISFACTORY

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

DESCRIPTION OF INSTITUTION'S OPERATIONS IN COLORADO

Examiners evaluated the following assessment areas in the State of Colorado: 1) Greeley Metropolitan and 2) Castle Rock Metropolitan. FirsTier Bank operates a full-service office and an ATM in each assessment area. Descriptions of the institution's operations in these assessment areas are provided later in the evaluation.

SCOPE OF EVALUATION – COLORADO

Examiners reviewed small business loans to evaluate the bank's performance in the Colorado assessment areas. FirsTier Bank did not make any small farm loans in the Castle Rock Metropolitan assessment area in 2020, and only four small farm loans in the Greeley Metropolitan assessment area. As a result, examiners could not draw meaningful conclusions regarding small farm loans. The limited small farm lending in the Colorado assessment areas is not a concern since FirsTier Bank does not emphasize agricultural lending in these markets.

The bank's performance in the Greeley Metropolitan assessment area received more weight than its performance in the Castle Rock Metropolitan assessment area because the institution originated more loans in the Greeley Metropolitan assessment area during the review period.

CONCLUSIONS ON PERFORMANCE CRITERIA IN COLORADO

LENDING TEST

FirsTier Bank demonstrated satisfactory performance under the Lending Test in Colorado. Reasonable performance under the Geographic Distribution and Borrower Profile criteria supports this conclusion. FirsTier Bank demonstrated reasonable performance under the Lending Test in the Greeley Metropolitan assessment area. The institution's lending performance in Castle Rock Metropolitan assessment area is below its performance for the State of Colorado. However, this not impact the Lending Test rating for the state since the Greeley Metropolitan assessment area received more weight than the Castle Rock Metropolitan assessment area in drawing conclusions.

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion in the State of Colorado. Examiners noted reasonable performance in the Greeley Metropolitan assessment area. The Castle Rock Metropolitan assessment areas does not contain any low- and moderate-income geographies. Therefore, examiners did not evaluate the geographic distribution of loans in that area.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. Examiners noted reasonable performance in the Greeley Metropolitan assessment area. The bank's performance in the Castle Rock assessment area is noticeably below demographic data; however, examiners applied more weight to performance in the Greeley Metropolitan assessment area when drawing conclusions.

COMMUNITY DEVELOPMENT TEST

FirsTier Bank's community development performance in the State of Colorado is outstanding. The quantity and responsiveness of community development loans primary supports this conclusion.

Community Development Loans

The bank originated 117 community development loans totaling approximately \$13.8 million in the Colorado assessment areas and an additional 142 loans totaling \$14.9 million in the broader statewide area. The vast majority of these loans promoted economic development. The bank's lending activities were particularly responsive to the needs of the assessment areas and the State of Colorado. Details on the bank's community development loans in the Colorado assessment areas are provided later in the evaluation.

Qualified Investments

The bank made one qualified investment totaling approximately \$1 thousand in the Colorado assessment areas. Details on the bank's qualified investment in the Colorado assessment areas are provided later in the evaluation.

Community Development Services

The bank did not provide any community development services in the State of Colorado. However, the bank's record of providing community development loans offsets its lack of community development services. Additionally, FirsTier Bank's mobile banking application is readily available to all customers, including low- or moderate-income individuals. Mobile banking provides a convenient way for customers to deposit checks, check account balances, review recent account activity, transfer funds between accounts, make loan payments, and pay bills.

GREELEY METROPOLITAN ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE GREELEY METROPOLITAN ASSESSMENT AREA

The Greeley Metropolitan assessment area consists of Weld County, Colorado, which represents the Greeley, Colorado MSA. According to the 2015 American Community Survey, the assessment area contains 7 low-income, 16 moderate-income, 26 middle-income, and 27 upper-income census tracts. One census tract does not contain an income designation. FirsTier Bank operates a single office and ATM in this assessment area. The office opened in January 2020 and is located in an upper-income census tract in the city of Greeley.

Economic and Demographic Data

The following table provides select demographic data for the Greeley Metropolitan assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Greeley Metropolitan						
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	29,978	6.3	15.8	37.8	40.1	0.0
Farms by Geography	1,690	3.0	12.9	55.4	28.7	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 2020 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.*

Weld County is largely urban and experiencing noticeable growth. Greeley is the largest city with an estimated population of 108,889 as of 2019. This represents a 17.0 percent increase from the 2010 U.S. Census, when the city reported a population of 92,889. The assessment area's three largest business segments are services, construction, and retail trade, representing 31.3, 9.0, and 8.4 percent of farms and businesses, respectively. These entities are predominantly small, with 94.1 percent operating from a single location and 61.7 percent employing less than five employees, according to 2020 D&B data.

Unemployment levels fell over the vast majority of the evaluation period to 2.2 percent at year-end 2019. Unemployment levels began increasing in March of 2020 due to the COVID-19 pandemic and reached a peak of 10.1 percent in June 2020. As of January 2021, the assessment area's unemployment rate was 7.1 percent, which is slightly higher than the State of Colorado rate of 6.9 percent.

Competition

The Greeley Metropolitan assessment area is very competitive for financial services. According to the FDIC's June 30, 2020 deposit data, Weld County contains 24 financial institutions operating from 71 offices. FirstTier Bank was not one of the listed institutions because its Greeley office opened in January 2020. The bank competes against other assessment area financial institutions for small business and other loans.

Community Contact(s)

As part of the evaluation process, examiners evaluate information from third parties to assist in identifying credit and community needs. This information helps determine financial institutions’ responsiveness to these needs and shows available credit opportunities.

Examiners interviewed a community contact with an economic development organization serving the assessment area. The contact stated that Weld County’s greatest credit needs are commercial and farm loans. In addition, the area needs more affordable housing. Overall, the contact indicated that Weld County’s institutions are meeting the area’s credit and community development needs.

Credit and Community Development Needs and Opportunities

Based on demographic and economic data, information from the community contact, and management discussions, examiners concluded that commercial loans and single and multi-family housing loans are the assessment area’s greatest credit needs. Community development needs include economic development projects as well as affordable housing.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE GREELEY METROPOLITAN ASSESSMENT AREA

LENDING TEST

FirsTier Bank demonstrated reasonable performance under the Lending Test in the Greeley Metropolitan assessment area. Reasonable performance under the Geographic Distribution and Borrower Profile criterion supports this conclusion.

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the Greeley Metropolitan assessment area. FirsTier bank did not extend any small business loans in low-income census tracts, reflecting poor performance in these tracts. However, the bank’s level of lending in moderate-income census tracts noticeably exceeds the percentage of businesses located in these tracts, reflecting overall reasonable performance. The following table provides details.

Geographic Distribution of Small Business Loans					
Assessment Area: Greeley Metropolitan					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	6.3	0	0.0	0	0.0
Moderate	15.8	5	26.3	356	24.6
Middle	37.8	6	31.6	366	25.3
Upper	40.1	8	42.1	725	50.1
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	19	100.0	1,447	100.0

Source: 2020 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses of different sizes in the Greeley Metropolitan assessment area. The percentage of small business loans, by number, to businesses with gross annual revenues of \$1 million or less compares reasonably to the percentage of assessment area businesses with revenues of \$1 million or less. The following table provides details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Greeley Metropolitan					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	91.1	18	94.7	1,347	93.1
>1,000,000	2.7	1	5.3	100	6.9
Revenue Not Available	6.1	0	0.0	0	0.0
Total	100.0	19	100.0	1,447	100.0

Source: 2020 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%.

COMMUNITY DEVELOPMENT TEST

FirsTier Bank demonstrated excellent responsiveness to the community development needs of the Greeley Metropolitan assessment area through community development loans.

Community Development Loans

The bank originated 35 community development loans totaling approximately \$3.6 million in the Greeley Metropolitan assessment area. The loans were particularly responsive to the assessment area's economic development needs. The vast majority of the community development loans were SBA PPP loans. The funds helped businesses and farms retain employees and lesson the negative effects of the COVID-19 pandemic. The following table illustrates the community development loans by year and purpose.

Greeley Metropolitan Assessment Area Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2018 (Partial)	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	1	250	1	250
2020	0	0	0	0	19	2,700	0	0	19	2,700
2021 (YTD)	0	0	0	0	15	611	0	0	15	611
Total	0	0	0	0	34	3,311	1	250	35	3,561

Source: Bank Records

Qualified Investments

In 2020, the bank donated one qualified investment totaling \$1 thousand in the Greeley Metropolitan assessment area. The donation was to a nonprofit organization that provides services to low- and moderate-income individuals.

Community Development Services

The bank did not provide any community development services in the Greeley Metropolitan assessment area. However, the bank's record of providing community development loans offsets the lack of service activity. Additionally, FirstTier Bank's mobile banking application is readily available to all customers, including low- or moderate-income individuals. Mobile banking provides a convenient way for customers to deposit checks, check account balances, review recent account activity, transfer funds between accounts, make loan payments, and pay bills.

CASTLE ROCK METROPOLITAN ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE CASTLE ROCK METROPOLITAN ASSESSMENT AREA

The Castle Rock Metropolitan assessment area consists of Douglas County, Colorado, which is part of the Denver-Lakewood-Aurora, Colorado MSA. According to the 2015 American Community Survey, the assessment area contains 15 middle-income and 46 upper-income census tracts. FirstTier Bank operates a single full-service office and ATM in this assessment area in a middle-income census tract within the city of Castle Rock.

The following table provides select demographic data for the Castle Rock Metropolitan assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Castle Rock Metropolitan						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	61	0.0	0.0	24.6	75.4	0.0
Population by Geography	306,974	0.0	0.0	19.9	80.1	0.0
Housing Units by Geography	115,068	0.0	0.0	22.8	77.2	0.0
Owner-Occupied Units by Geography	88,261	0.0	0.0	17.8	82.2	0.0
Occupied Rental Units by Geography	22,852	0.0	0.0	39.7	60.3	0.0
Vacant Units by Geography	3,955	0.0	0.0	38.8	61.2	0.0
Businesses by Geography	49,574	0.0	0.0	23.0	77.0	0.0
Farms by Geography	1,127	0.0	0.0	19.2	80.8	0.0
Family Distribution by Income Level	86,372	9.1	10.6	18.9	61.4	0.0
Household Distribution by Income Level	111,113	10.7	9.5	15.1	64.7	0.0
Median Family Income MSA - 19740 Denver-Aurora-Lakewood, CO MSA		\$80,820	Median Housing Value			\$376,962
			Median Gross Rent			\$1,429
			Families Below Poverty Level			3.1%

*Source: 2015 ACS and 2020 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.*

Unemployment levels fell over the vast majority of the evaluation period to 2.0 percent at year-end 2019. Unemployment levels began increasing in March of 2020 due to the COVID-19 pandemic and reached a peak of 10.1 percent in June 2020. As of January 2021, Douglas County’s unemployment rate was 5.4 percent, which is lower than the State of Colorado rate of 6.9 percent.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE CASTLE ROCK METROPOLITAN ASSESSMENT AREA

LENDING TEST

The institution’s lending performance in the Castle Rock Metropolitan assessment area is below the lending performance for the State of Colorado. However, this does not change the Lending Test rating for Colorado.

Geographic Distribution

The assessment area does not include any low- and moderate-income geographies. Therefore, examiners did not evaluate the geographic distribution of loans.

Borrower Profile

The percentage of small business loans, by number, to businesses with gross annual revenues of \$1 million or less is below the percentage of assessment area businesses in that revenue category, reflecting poor performance. However, the bank extended only nine small business loans in the assessment area in 2020, and one additional loan to a small business with gross revenues \$1 million

or less would make the bank’s performance consistent with demographic data. The following table provides details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Castle Rock Metropolitan					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	93.0	7	77.8	2,407	87.8
>1,000,000	1.9	2	22.2	335	12.2
Revenue Not Available	5.1	0	0.0	0	0.0
Total	100.0	9	100.0	2,742	100.0

Source: 2020 D&B Data and Bank Data. Due to rounding, totals may not equal 100.0%.

COMMUNITY DEVELOPMENT TEST

The institution’s community development performance in the Castle Rock Metropolitan assessment area is consistent with its community development performance for the State of Colorado. The bank did not have any qualified investments or community development services in this area; however, the bank originated 82 community development loans, including 81 PPP loans. The following table details the community development loans in this assessment area.

Community Development Loans

Castle Rock Metropolitan Assessment Area Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2018 (Partial)	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	55	7,010	0	0	55	7,010
2021 (YTD)	0	0	0	0	27	3,226	0	0	27	3,226
Total	0	0	0	0	82	10,236	0	0	82	10,236

Source: Bank Record

APPENDICES

INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

Community Development Test

The Community Development Test considers the following criteria:

- 1) The number and amount of community development loans;
- 2) The number and amount of qualified investments;
- 3) The extent to which the bank provides community development services; and
- 4) The bank's responsiveness through such activities to community development lending, investment, and service needs.

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test	Community Development Test	Rating
State of Nebraska	Satisfactory	Outstanding	Satisfactory
State of Wyoming	Satisfactory	Outstanding	Satisfactory
State of Colorado	Satisfactory	Outstanding	Satisfactory

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

Community Development Loan: A loan that:

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

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of 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 (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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