

# **PUBLIC DISCLOSURE**

March 18, 2024

## **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.

## TABLE OF CONTENTS

INSTITUTION RATING .....	1
DESCRIPTION OF INSTITUTION .....	1
DESCRIPTION OF ASSESSMENT AREAS.....	2
SCOPE OF EVALUATION.....	3
CONCLUSIONS ON PERFORMANCE CRITERIA.....	6
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW .....	11
NEBRASKA .....	12
DESCRIPTION OF INSTITUTION’S OPERATIONS IN NEBRASKA .....	12
SCOPE OF EVALUATION – NEBRASKA .....	12
CONCLUSIONS ON PERFORMANCE CRITERIA IN NEBRASKA.....	12
KEARNEY NONMETROPOLITAN ASSESSMENT AREA – Full-Scope Review .....	13
KIMBALL NONMETROPOLITAN ASSESSMENT AREA – Full-Scope Review .....	19
WYOMING .....	24
DESCRIPTION OF INSTITUTION’S OPERATIONS IN WYOMING .....	24
SCOPE OF EVALUATION – WYOMING.....	24
CONCLUSIONS ON PERFORMANCE CRITERIA IN WYOMING .....	24
CHEYENNE METROPOLITAN ASSESSMENT AREA – Full-Scope Review .....	25
UPTON NONMETROPOLITAN ASSESSMENT AREA – Full-Scope Review .....	30
COLORADO .....	34
DESCRIPTION OF INSTITUTION’S OPERATIONS IN COLORADO .....	34
SCOPE OF EVALUATION – COLORADO.....	34
CONCLUSIONS ON PERFORMANCE CRITERIA IN COLORADO .....	34
DENVER METROPOLITAN ASSESSMENT AREA – Full-Scope Review .....	35
GREELEY METROPOLITAN ASSESSMENT AREA – Full-Scope Review .....	40
APPENDICES .....	45
INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA.....	45
SUMMARY OF RATINGS FOR RATED AREAS .....	45
GLOSSARY .....	46

## INSTITUTION RATING

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

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

**The Lending Test is rated Satisfactory.**

- The loan-to-deposit ratio is more than reasonable given the bank's size, financial condition, and credit needs of the assessment areas.
- The bank originated a majority of small business, small farm, and home mortgage loans inside the assessment areas.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas.
- The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels.
- The institution did not receive any complaints regarding its Community Reinvestment Act (CRA) performance since the previous evaluation. Therefore, this did not affect the Lending Test rating.

**The Community Development Test is rated Satisfactory.**

- The institution demonstrated adequate 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 Satisfactory rating at its previous FDIC Performance Evaluation dated March 8, 2021, based on Interagency Intermediate Small Institution Examination Procedures.

FirsTier Bank operates 10 full-service offices in Nebraska (4), Wyoming (3), and Colorado (3). Since the prior evaluation, the bank opened a branch in Cheyenne, Wyoming in August 2021. The institution offers a variety of loan products including commercial, agricultural, construction, residential real estate, and consumer loans. In addition, the bank offers multiple deposit products including checking, savings, and certificate of deposit accounts. Alternative banking services

include telephone, internet and mobile banking, electronic bill pay, remote deposit, person-to-person payments, and 11 ATMs.

As of December 31, 2023, FirstTier Bank reported total assets of \$937.2 million, total loans of \$760.1 million, total securities of \$12.1 million, and total deposits of \$795.8 million. Commercial lending continues to represent the institution's primary business focus and largest portions of the loan portfolio. Agricultural and residential real estate loans continue to represent the bank's secondary lending focus. The focus in residential real estate is particularly in residential rental and investment properties. The loan portfolio grew approximately 77.4 percent since the previous evaluation. The growth is primarily attributed to branches that opened in Greeley, Colorado in January 2020, Broomfield, Colorado in February 2021, and Cheyenne, Wyoming in August 2021 and the demand for larger loan amounts in those markets. Loan growth has primarily been in the commercial real estate and commercial construction lending. Further, the declining percentage of agricultural loans since the previous evaluation is partially attributed to a large dollar volume of agricultural loans that were recently paid off. The following table illustrates the loan portfolio distribution.

<b>Loan Portfolio Distribution as of 12/31/2023</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction, Land Development, and Other Land Loans	201,738	26.5
Secured by Farmland	25,101	3.3
Secured by 1-4 Family Residential Properties	125,317	16.5
Secured by Multifamily (5 or more) Residential Properties	69,287	9.1
Secured by Nonfarm Nonresidential Properties	237,080	31.2
<b>Total Real Estate Loans</b>	<b>658,523</b>	<b>86.6</b>
Commercial and Industrial Loans	54,210	7.1
Agricultural Production and Other Loans to Farmers	39,664	5.2
Consumer Loans	8,765	1.2
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	(1,103)	(0.1)
<b>Total Loans</b>	<b>760,059</b>	<b>100.0</b>
<i>Source: Reports of Condition and Income</i>		
<i>Due to rounding, totals may not equal 100.0%.</i>		

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

## **DESCRIPTION OF ASSESSMENT AREAS**

The CRA requires each financial institution to define one or more assessment areas within which its performance will be evaluated. FirstTier Bank designated six assessment areas, including two in Nebraska, two in Wyoming, and two in Colorado. The following table provides a brief description of each assessment area.

Description of Assessment Areas			
Rated Area	Assessment Area	Counties in Assessment Area	# of Census Tracts
Nebraska	Kearney Nonmetropolitan	Buffalo, Custer, Dawson, Gosper, Harlan, Kearney, and Phelps	29
	Kimball Nonmetropolitan	Banner, Cheyenne, and Kimball	5
Wyoming	Cheyenne Metropolitan	Laramie	27
	Upton Nonmetropolitan	Weston	2
Colorado	Denver Metropolitan	Arapahoe, Broomfield, Denver, Douglas, and Jefferson	581
	Greeley Metropolitan	Weld	83
<i>Source: Bank Data; 2020 U.S. Census</i>			

The CRA 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 FirstTier Bank's performance in Nebraska, Wyoming, and Colorado; and assigned an overall CRA rating. Descriptions of the rated areas and assessment areas, including changes and bank operations are presented later in the evaluation.

## SCOPE OF EVALUATION

### **General Information**

This evaluation covers the period from the prior evaluation dated March 8, 2021, to the current evaluation dated March 18, 2024. Examiners used Interagency Intermediate Small Institution Examination Procedures to evaluate the bank's CRA performance. These procedures include a review of the institution's performance under the Lending and Community Development Tests, as described in the Appendices. Banks must achieve at least a Satisfactory rating under each test to obtain an overall Satisfactory rating.

Examiners used full-scope examination procedures to assess the bank's performance in all six assessment areas. Examiners reviewed each assessment area's total outstanding volume of deposits and loans, branching, as well as reported loan origination activity to determine the appropriate scope and weighting. FirstTier Bank's performance in Nebraska, Wyoming, and Colorado each received equal weight when drawing conclusions since the bank has a significant distribution of loans, deposits, and branches in each state with no majority concentration in any area. 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	117,139	15.4	181,461	23.6	3	30.0
Kimball Nonmetropolitan	16,963	2.2	260,798	34.0	1	10.0
<b>Nebraska Subtotal</b>	<b>134,102</b>	<b>17.6</b>	<b>442,259</b>	<b>57.6</b>	<b>4</b>	<b>40.0</b>
Cheyenne Metropolitan	358,559	47.1	133,891	17.4	2	20.0
Upton Nonmetropolitan	3,552	0.5	46,388	6.1	1	10.0
<b>Wyoming Subtotal</b>	<b>362,111</b>	<b>47.6</b>	<b>180,279</b>	<b>23.5</b>	<b>3</b>	<b>30.0</b>
Denver Metropolitan	142,888	18.8	92,532	12.1	2	20.0
Greeley Metropolitan	121,726	16.0	52,390	6.8	1	10.0
<b>Colorado Subtotal</b>	<b>264,614</b>	<b>34.8</b>	<b>144,922</b>	<b>18.9</b>	<b>3</b>	<b>30.0</b>
<b>Total</b>	<b>760,827</b>	<b>100.0</b>	<b>767,460</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>
Source: Bank Data (12/31/2023); FDIC Summary of Deposits (6/30/2023)						
Due to rounding, totals may not equal 100.0%.						
(*) Loans outstanding, does not include loans that have been paid off.						

### **Activities Reviewed**

FirsTier Bank's primary lending focus is commercial lending, followed by agricultural and residential real estate lending. This conclusion considered the bank's business strategy, volume of loans originated during the evaluation period, Call Report data, and discussions with bank management. Specifically, management noted that the loan portfolio breakdown underestimates the volume of agricultural lending due to a large dollar volume of agricultural loans that were recently paid off. While the outstanding percentage of agricultural loans as of December 31, 2023 is low, management considers agricultural loans a primary product for three of the assessment areas. Finally, the bank exceeded the threshold for Home Mortgage Disclosure Act (HMDA) reporting in 2023, but was not subject to reporting in 2021 or 2022. While residential real estate loans are a primary product, a majority of loans, by both number and dollar amount, are for non-owner occupied rental and investment properties. Only 28.6 percent of originated loans on the 2023 HMDA Loan Application Register (LAR) were made to consumers, while the remaining 71.4 percent of loans were business purpose loans.

Therefore, examiners reviewed small business, small farm, and home mortgage loans to evaluate the bank's lending performance. The bank's lending focus and volume varies by assessment area, and loan product weighting varied accordingly. Examiners did not review small farm lending performance in the Cheyenne, Denver, and Greeley Metropolitan assessment areas as the nominal amount of agricultural lending would not result in meaningful conclusions. Further, examiners did not review home mortgage lending performance in the Kimball Nonmetropolitan and Greeley Metropolitan assessment areas as the low number of home mortgage loans in those assessment areas would not result in meaningful conclusions. Finally, while the Upton Nonmetropolitan Assessment Area had nominal lending volume for all three products; however, the volume is expected given the demographics of the assessment area. Examiners reviewed only small business and small farm lending in the Upton Nonmetropolitan Assessment Area as the bank only originated one home mortgage loan in 2023 within the assessment area and the lending volume for 2023 is consistent with overall lending patterns for this assessment area.

Examiners reviewed all small business and small farm loans originated or purchased in 2023 and all home mortgage loans reported on the bank's 2023 HMDA LAR to evaluate Assessment Area Concentration. In addition, examiners reviewed all small business, small farm, and home mortgage loans located inside the assessment areas to conduct the Geographic Distribution analysis. However, examiners did not evaluate the Geographic Distribution criterion in the Upton Nonmetropolitan or Kimball Nonmetropolitan assessment areas because they are homogeneous or do not include any low- or moderate-income census tracts. To conduct the Borrower Profile analysis, examiners reviewed all small business, small farm, and home mortgage loans located inside the assessment areas. D&B data for 2023 provided a standard of comparison for small business and small farm loans, while 2020 U.S. Census data provided a standard of comparison for home mortgage loans. Bank management indicated loans originated in 2023 was 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. The following table details the loans reviewed by assessment area and performance criterion.

Loan Products Reviewed				
Loan Product/Assessment Area	Universe		Universe Inside the Assessment Area	
	#	\$(000s)	#	\$(000s)
<b>Small Business</b>				
Kearney Nonmetropolitan			65	5,021
Kimball Nonmetropolitan*			11*	797*
Cheyenne Metropolitan			42	7,078
Upton Nonmetropolitan*			2*	93*
Denver Metropolitan			18	5,597
Greeley Metropolitan			7	1,063
<b>Small Business Subtotal</b>	<b>185</b>	<b>24,217</b>	<b>145</b>	<b>19,649</b>
<b>Small Farm</b>				
Kearney Nonmetropolitan			61	8,654
Kimball Nonmetropolitan*			22*	3,350*
Cheyenne Metropolitan			#(1)	#(300)
Upton Nonmetropolitan*			3*	33*
Denver Metropolitan			#(3)	#(585)
Greeley Metropolitan			#(2)	#(452)
<b>Small Farm Subtotal</b>	<b>101</b>	<b>16,183</b>	<b>92</b>	<b>13,374</b>
<b>Home Mortgage</b>				
Kearney Nonmetropolitan			18	2,406
Kimball Nonmetropolitan*			#(3)*	#(83)*
Cheyenne Metropolitan			19	7,684
Upton Nonmetropolitan*			#(1)*	#(27)*
Denver Metropolitan			10	4,248
Greeley Metropolitan			#(3)	#(2,121)
<b>Home Mortgage Subtotal</b>	<b>69</b>	<b>19,806</b>	<b>54</b>	<b>16,569</b>
Source: 2023 Bank Data and HMDA Reported Data				
(*) The assessment area is homogeneous or includes only middle- and upper-income census tracts; therefore, Geographic Distribution criterion not evaluated.				
(#) The bank did not extend enough loans in the assessment area to conduct a meaningful analysis under the Geographic Distribution or Borrower Profile analysis.				

Examiners placed greater weight on small business lending when drawing conclusions because commercial loans are the bank's largest credit product. Further, while both the number and dollar volume of loans are presented, examiners 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, businesses, farms, and individuals served.

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 March 8, 2021.

## **CONCLUSIONS ON PERFORMANCE CRITERIA**

### **LENDING TEST**

FirsTier Bank demonstrated satisfactory performance under the Lending Test. The bank's collective performance under the evaluated criteria supports this conclusion. This performance is consistent with overall conclusions in Nebraska, Wyoming, and Colorado.

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

FirsTier Bank's net loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and credit needs of the assessment areas. The bank's net loan-to-deposit ratio, calculated from Call Report data, averaged 93.6 percent over the past 12 quarters from March 31, 2021 to December 31, 2023. The ratio ranged from a low of 87.4 percent to a high of 99.8 percent during the evaluation period. Examiners compared FirsTier Bank's average net loan-to-deposit ratio to six 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 exceeds the ratios of the majority of the comparable institutions and is consistent with the ratios of institutions exhibiting higher performance. As such, FirsTier Bank's average net loan-to-deposit ratio reflects more than reasonable performance.

<b>Loan-to-Deposit (LTD) Ratio Comparison</b>		
<b>Bank</b>	<b>Total Assets as of 12/31/2023 (\$000s)</b>	<b>Average Net LTD Ratio (%)</b>
<b>FirsTier Bank, Kimball, Nebraska</b>	<b>937,215</b>	<b>93.6</b>
Platte Valley Bank, Torrington, Wyoming	645,636	90.7
Points West Community Bank, Windsor, Colorado	784,339	53.7
Nebraskaland Bank, North Platte, Nebraska	939,842	80.7
Dayspring Bank, Gothenburg, Nebraska	980,434	95.3
Platte Valley Bank, Scotts Bluff, Nebraska	1,087,875	88.9
Pinnacle Bank Wyoming, Cody, Wyoming	1,308,219	65.8
<i>Source: Reports of Condition and Income 3/31/2021 – 12/31/2023</i>		



### **Assessment Area Concentration**

As shown in the following table, a majority of small business, small farm, and home mortgage loans, by number and dollar volume, were made inside the assessment areas.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	\$(000s)	%	\$(000s)	%	\$(000s)
Small Business	145	78.4	40	21.6	185	19,649	81.1	4,568	18.9	24,217
Small Farm	92	91.1	9	8.9	101	13,374	82.6	2,809	17.4	16,183
Home Mortgage	54	78.3	15	21.7	69	16,569	83.7	3,237	16.3	19,806
Source: Bank Data; HMDA Reported Data Due to rounding, totals may not equal 100.0%.										

### **Geographic Distribution**

The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas. Reasonable performance in Nebraska and Colorado supports this conclusion. Poor performance in Wyoming did not impact the rating. Examiners focused on the percentage of loans extended in low- and moderate-income census tracts within the assessment areas, as applicable. Detailed discussion of the bank's performance under this criterion is included under each rated area and assessment area section of this evaluation.

### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels. Reasonable performance in Nebraska, Wyoming, and Colorado supports this conclusion. Examiners focused on the percentage of loans made to businesses and farms with gross annual revenues of \$1 million or less and home mortgage loans made to low- and moderate-income borrowers. Detailed discussion of the bank's performance under this criterion is included under each rated area and assessment area section of this evaluation.

### **Response to Complaints**

The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

## **COMMUNITY DEVELOPMENT TEST**

FirsTier Bank demonstrated satisfactory performance under the Community Development Test. The bank's community development performance demonstrates adequate responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services. 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 the broader statewide areas were also included in the analysis. FirsTier Bank's overall community development performance is consistent with the conclusions for Nebraska, Wyoming, and Colorado.

Examiners compared the bank's level of community development activity to four comparable institutions with similar asset sizes and areas of operation. These comparable institutions were also evaluated using Interagency Intermediate Small Institution Examination Procedures.

### **Community Development Loans**

FirsTier Bank originated 286 community development loans totaling approximately \$68.9 million during the evaluation period. This includes 247 loans totaling approximately \$5.1 million originated under the U.S. Small Business Association's (SBA) Paycheck Protection Program (PPP) related to the COVID-19 pandemic. This also includes 38 community development loans totaling approximately \$20.4 million originated outside of the assessment areas that benefitted the broader statewide areas, which are detailed in each rated area section of the evaluation. As of December 31, 2023, the volume of community development loans represented 7.4 percent of total assets and 9.2 percent of net loans. FirsTier Bank's level of activity slightly decreased since the previous evaluation when the volume of community development loans represented 15.0 percent of total assets and 18.9 percent of net loans. Although the level of community development lending decreased significantly since the previous evaluation, this is entirely due to the volume of PPP loans. When excluding PPP loans from the previous and current evaluations, the bank originated 37 community development loans for approximately \$36.7 million at the previous evaluation compared to 39 community development loans for approximately \$63.8 million during this evaluation period.

FirsTier Bank's community development lending levels are similar to the comparable institutions. The comparable institutions' community development lending activity ranged from 2.7 percent to 10.5 percent of total assets and from 4.4 percent to 13.4 percent of net loans. The following tables illustrate the bank's community development lending activity by assessment area, rated area, purpose, and year. Additional details on community development lending activities are located in each rated area and assessment area section of the evaluation.

<b>Community Development Lending by Area</b>										
<b>Assessment Area &amp; Rated Area</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Revitalize or Stabilize</b>		<b>Totals</b>	
	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>
Kearney Nonmetropolitan	0	0	0	0	98	2,274	6	819	104	3,093
Kimball Nonmetropolitan	1	100	0	0	1	81	54	3,870	56	4,051
Nebraska Statewide	0	0	0	0	12	165	2	766	14	931
<b>Nebraska Subtotal</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>111</b>	<b>2,520</b>	<b>62</b>	<b>5,455</b>	<b>174</b>	<b>8,075</b>
Cheyenne Metropolitan	4	1,248	1	281	17	699	9	7,692	31	9,920
Upton Nonmetropolitan	0	0	0	0	5	112	2	17	7	129
Wyoming Statewide	0	0	0	0	2	9	0	0	2	9
<b>Wyoming Subtotal</b>	<b>4</b>	<b>1,248</b>	<b>1</b>	<b>281</b>	<b>24</b>	<b>820</b>	<b>11</b>	<b>7,709</b>	<b>40</b>	<b>10,058</b>
Denver Metropolitan	1	2,400	0	0	16	5,870	0	0	17	8,270
Greeley Metropolitan	4	21,662	0	0	29	1,406	0	0	33	23,068
Colorado Statewide	0	0	0	0	21	12,447	1	7,014	22	19,461
<b>Colorado Subtotal</b>	<b>5</b>	<b>24,062</b>	<b>0</b>	<b>0</b>	<b>66</b>	<b>19,723</b>	<b>1</b>	<b>7,014</b>	<b>72</b>	<b>50,799</b>
<b>Total</b>	<b>10</b>	<b>25,410</b>	<b>1</b>	<b>281</b>	<b>201</b>	<b>23,063</b>	<b>74</b>	<b>20,178</b>	<b>286</b>	<b>68,932</b>
<i>Source: Bank Data</i>										

Community Development Lending by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 Partial	5	9,640	0	0	197	6,729	57	7,946	259	24,315
2022	5	15,770	0	0	2	5,660	12	10,884	19	32,314
2023	0	0	1	281	2	10,674	5	1,348	8	12,303
Year-to-Date 2024	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>10</b>	<b>25,410</b>	<b>1</b>	<b>281</b>	<b>201</b>	<b>23,063</b>	<b>74</b>	<b>20,178</b>	<b>286</b>	<b>68,932</b>
<i>Source: Bank Data</i>										

### **Qualified Investments**

FirsTier Bank purchased or donated 15 qualified investments and donations totaling approximately \$531,000 during the evaluation period. As of December 31, 2023, the volume of qualified investments represented 0.1 percent of total assets and 4.4 percent of total securities. FirsTier Bank's qualified investment activity slightly increased since the previous evaluation, as these ratios equaled 0.1 percent and 2.1 percent, respectively.

FirsTier Bank's qualified investment levels are similar to the comparable institutions. The comparable institutions' qualified investments ranged from 0.1 percent to 3.2 percent of total assets and from 0.4 percent to 8.5 percent of total securities. The following tables illustrate the bank's qualified investment activity by assessment area, rated area, purpose, and year. Additional details on qualified investment activities are located in each rated area and assessment area section of the evaluation.

Qualified Investments by Area										
Assessment Area & Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Kearney Nonmetropolitan	0	0	1	1	1	2	0	0	2	3
Kimball Nonmetropolitan	0	0	1	2	0	0	0	0	1	2
<b>Nebraska Subtotal</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>5</b>
Cheyenne Metropolitan	0	0	6	17	0	0	0	0	6	17
Upton Nonmetropolitan	0	0	2	2	0	0	0	0	2	2
<b>Wyoming Subtotal</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>19</b>
Denver Metropolitan	1	504	0	0	0	0	0	0	1	504
Greeley Nonmetropolitan	1	1	2	2	0	0	0	0	3	3
<b>Colorado Subtotal</b>	<b>2</b>	<b>505</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>507</b>
<b>Total</b>	<b>2</b>	<b>505</b>	<b>12</b>	<b>24</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>531</b>
<i>Source: Bank Data</i>										

Qualified Investments by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 Partial	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0
2023	1	504	0	0	0	0	0	0	1	504
Year-to-Date 2024	0	0	0	0	0	0	0	0	0	0
<b>Subtotal</b>	<b>1</b>	<b>504</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>504</b>
Qualified Grants & Donations	1	1	12	24	1	2	0	0	14	27
<b>Total</b>	<b>2</b>	<b>505</b>	<b>12</b>	<b>24</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>531</b>
<i>Source: Bank Data</i>										

### **Community Development Services**

FirsTier Bank representatives provided 17 instances of financial expertise or technical assistance to community development-related organizations within its assessment areas during the evaluation period. This level of activity decreased from 24 instances at the previous evaluation. The bank's community development service levels are within the range of the comparable institutions, who received consideration for 10 to 125 instances. The following tables illustrate the bank's community development service activity by assessment area, rated area, purpose, and year. Additional details on community development service activities are located in each rated area and assessment area section of the evaluation.

Community Development Services by Area					
Assessment Area & Rated Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Kearney Nonmetropolitan	0	0	0	0	0
Kimball Nonmetropolitan	0	0	8	0	8
<b>Nebraska Subtotal</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>8</b>
Cheyenne Metropolitan	4	2	0	0	6
Upton Nonmetropolitan	0	0	0	0	0
<b>Wyoming Subtotal</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>6</b>
Denver Metropolitan	1	0	2	0	3
Greeley Metropolitan	0	0	0	0	0
<b>Colorado Subtotal</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>
<b>Total</b>	<b>5</b>	<b>2</b>	<b>10</b>	<b>0</b>	<b>17</b>
<i>Source: Bank Data</i>					

Community Development Services by Year					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2021 Partial	1	0	2	0	3
2022	2	0	2	0	4
2023	1	1	3	0	5
Year-to-Date 2024	1	1	3	0	5
<b>Total</b>	<b>5</b>	<b>2</b>	<b>10</b>	<b>0</b>	<b>17</b>
<i>Source: Bank Data</i>					

In addition to community development services, the bank offers alternative banking services that are readily accessible throughout all assessment areas, including to low- and moderate-income individuals. These services include telephone, internet and mobile banking, remote deposit, electronic bill pay, consumer person-to-person payments, and 11 ATMs. The bank also offers Interest on Lawyer Trust Accounts that provide accrued interest to fund legal services for low- and moderate-income individuals. In addition, FirstTier Bank offers government-guaranteed business loans through the SBA's 7(a) and 504 loan programs, which are responsive to the needs of small businesses. Further, in response to the COVID-19 pandemic, the bank originated a significant number of SBA PPP loans. The SBA administered these loans as part of the Coronavirus Aid, Relief, and Economic Security Act, which was designed to help businesses retain employees during the economic hardship resulting from the pandemic.

## DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

## NEBRASKA

### CRA RATING FOR NEBRASKA: SATISFACTORY

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN NEBRASKA

FirsTier Bank maintains two assessment areas in Nebraska: Kearney Nonmetropolitan and Kimball Nonmetropolitan. The bank operates four full-service offices and five ATMs in its Nebraska assessment areas. Details for the individual assessment areas are provided in subsequent sections.

### SCOPE OF EVALUATION – NEBRASKA

Examiners reviewed small business, small farm, and home mortgage loans in the Kearney Nonmetropolitan Assessment Area and small business and small farm loans in the Kimball Nonmetropolitan Assessment Area. Small business loans received the most weight when drawing conclusions since commercial loans are the primary business focus and represent the largest segment of the bank's loan portfolio. FirsTier Bank's performance in the Kearney Nonmetropolitan Assessment Area received more weight than its performance in the Kimball Nonmetropolitan Assessment Area when drawing conclusions for the State of Nebraska. The Kearney Nonmetropolitan Assessment Area represents higher lending and deposit volume and contains three of the four Nebraska offices. Refer to the overall Scope of Evaluation section for additional information.

### CONCLUSIONS ON PERFORMANCE CRITERIA IN NEBRASKA

#### LENDING TEST

FirsTier Bank demonstrated satisfactory performance under the Lending Test in Nebraska. Reasonable performance in the Kearney Nonmetropolitan Assessment Area outweighed excellent performance in the Kimball Nonmetropolitan Assessment Area to support this conclusion.

#### Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the Nebraska assessment areas. This conclusion is supported by reasonable lending performance within the Kearney Nonmetropolitan Assessment Area, as the Kimball Nonmetropolitan Assessment Area does not contain any low- or moderate-income census tracts. Therefore, the geographic distribution of loans was not evaluated in the Kimball Nonmetropolitan Assessment Area.

#### Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels. This conclusion is supported by reasonable lending performance within the Kearney Nonmetropolitan Assessment Area, as it received more weight when

drawing overall conclusions. Performance was excellent in the Kimball Nonmetropolitan Assessment Area.

## **COMMUNITY DEVELOPMENT TEST**

FirsTier Bank demonstrated satisfactory performance under the Community Development Test in Nebraska through community development loans, qualified investments, and community services. Adequate performance in both Nebraska assessment areas supports this conclusion.

### **Community Development Loans**

The bank originated 174 community development loans totaling \$8.1 million in Nebraska, which included 14 community development loans totaling \$931,000 in the broader statewide area. The loans addressed economic development needs and helped to revitalize and stabilize underserved areas in the Nebraska assessment areas and broader statewide area.

### **Qualified Investments**

The bank made three qualified investments totaling \$5,000 in Nebraska. The investments were donations that benefitted community services for low- and moderate-income individuals and supported economic development in the Nebraska assessment areas.

### **Community Development Services**

Bank representatives provided eight instances of financial expertise or technical assistance to community development organizations in the Nebraska assessment areas. These services supported economic development of small businesses.

## **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, Custer, Dawson, Gosper, Harlan, Kearney, and Phelps counties in south-central Nebraska. The bank expanded the assessment area to include Custer, Gosper, and Harlan counties, and parts of Dawson County since the previous evaluation. According to 2020 U.S. Census data, the assessment area contains 1 low-income census tract and 3 moderate-, 21 middle-, and 4 upper-income census tracts. Harlan County was designated as an underserved, nonmetropolitan middle-income geography in 2021, 2022, and 2023. The bank operates three full-service offices in this assessment area in Elm Creek, Holdrege, and Kearney. In addition, the bank maintains four ATMs in this assessment area, one at each branch and one off-site ATM at the Kearney Ramada Inn.

### **Economic and Demographic Data**

The following table provides select demographic data for the Kearney Nonmetropolitan Assessment Area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	29	3.4	10.3	72.4	13.8	0.0
Population by Geography	105,362	5.2	11.3	66.8	16.7	0.0
Housing Units by Geography	47,596	3.6	9.7	70.2	16.5	0.0
Owner-Occupied Units by Geography	28,481	2.0	9.9	70.4	17.6	0.0
Occupied Rental Units by Geography	13,416	7.2	11.1	66.5	15.1	0.0
Vacant Units by Geography	5,699	2.7	5.3	77.8	14.2	0.0
Businesses by Geography	12,967	1.9	7.8	72.8	17.6	0.0
Farms by Geography	2,302	0.3	3.3	86.4	9.9	0.0
Family Distribution by Income Level	27,290	17.8	17.7	21.6	42.9	0.0
Household Distribution by Income Level	41,897	21.5	16.0	18.3	44.2	0.0
Median Family Income – Nonmetropolitan NE		\$71,424	Median Housing Value			\$152,040
			Median Gross Rent			\$743
			Families Below Poverty Level			7.5%
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0%. (* ) The NA category consists of geographies that have not been assigned an income classification.						

The Kearney Nonmetropolitan Assessment Area contains a mixture of rural and urban areas. Kearney and Lexington are the largest communities with populations of 33,959 and 10,384, respectively. The three largest business segments are services at 28.7 percent, non-classifiable establishments at 18.9 percent, and agriculture at 15.1 percent. The assessment area's businesses and farms are predominantly small operations with 91.1 percent operating from a single location and 66.9 percent employing less than five employees, according to 2023 D&B data.

Examiners used information from the FFIEC to analyze home mortgage loans under the Borrower Profile criterion and to qualify community development activities. The following table reflects the FFIEC-estimated median family income for nonmetropolitan Nebraska.

Nebraska Nonmetropolitan Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$70,000)	<\$35,000	\$35,000 to <\$56,000	\$56,000 to <\$84,000	≥\$84,000
2022 (\$80,900)	<\$40,450	\$40,450 to <\$64,720	\$64,720 to <\$97,080	≥\$97,080
2023 (\$88,400)	<\$44,200	\$44,200 to <\$70,720	\$70,720 to <\$106,080	≥\$106,080
2024 (\$88,400)	<\$44,200	\$44,200 to <\$70,720	\$70,720 to <\$106,080	≥\$106,080
Source: FFIEC				

### **Competition**

The Kearney Nonmetropolitan Assessment Area is competitive for financial services. Per FDIC Deposit Market Share data as of June 30, 2023, 33 financial institutions operated 74 offices within the assessment area. Of these institutions, FirstTier Bank ranked 9<sup>th</sup> with a deposit market share of 3.8 percent. The bank competes with these institutions, as well as credit unions. Additionally, there



is agricultural financing competition from Farm Credit Services and nontraditional creditors and dealers. According to 2022 Aggregate HMDA data, significant competition for home mortgage loans also exists with 167 lenders reporting 2,993 home mortgage loans in the assessment area.

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

Considering information from bank management and demographic and economic data, commercial and home mortgage loans represent the primary credit needs of the assessment area. Community development needs include affordable housing, economic development, and revitalization and stabilization efforts in the low- and moderate-income census tracts, as well as underserved areas. Economic development opportunities exist to support the number of small businesses in the area. In addition, revitalization and stabilization opportunities exist, given the presence of low- and moderate-income census tracts as well as underserved, nonmetropolitan middle-income areas. Community development opportunities for affordable housing are limited due to a shortage of housing in many communities.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE KEARNEY NONMETROPOLITAN ASSESSMENT AREA**

### **LENDING TEST**

FirstTier Bank demonstrated adequate performance under the Lending Test in the Kearney Nonmetropolitan Assessment Area. Reasonable performance under the Geographic Distribution and Borrower Profile criteria supports this conclusion.

### **Geographic Distribution**

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

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

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. The percentage of small business loans, by both number and dollar volume, originated in low-income census tracts exceeds the percentage of businesses located in these tracts. The percentage of small business loans originated in moderate-income census tracts is reasonably comparable with the percentage of businesses located in such tracts. The following table provides details.

<b>Geographic Distribution of Small Business Loans</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	1.9	3	4.6	328	6.5
Moderate	7.8	3	4.6	226	4.5
Middle	72.8	55	84.6	4,157	82.8
Upper	17.6	4	6.2	310	6.2
<b>Totals</b>	<b>100.0</b>	<b>65</b>	<b>100.0</b>	<b>5,021</b>	<b>100.0</b>
<i>Source: 2023 D&amp;B Data; Bank Data</i> <i>Due to rounding, totals may not equal 100.0%</i>					

### ***Small Farm Loans***

The geographic distribution of small farm loans reflects reasonable dispersion throughout the assessment area. As shown in the following table, the bank did not originate any small farm loans in low- or moderate-income census tracts. However, 2023 D&B data reflects only 82 farms, or 3.7 percent of the assessment area's farms are located in these tracts. Due to the limited small farm lending opportunities in low- and moderate-income census tracts, the bank's performance is reasonable.

<b>Geographic Distribution of Small Farm Loans</b>					
<b>Tract Income Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	0.4	0	0.0	0	0.0
Moderate	3.3	0	0.0	0	0.0
Middle	86.4	61	100.0	8,654	100.0
Upper	9.9	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>61</b>	<b>100.0</b>	<b>8,654</b>	<b>100.0</b>
<i>Source: 2023 D&amp;B Data; Bank Data</i> <i>Due to rounding, totals may not equal 100.0%</i>					

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

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. The percentage of loans, by number, originated in both low- and moderate-income census tracts slightly exceeds demographic data and considered reasonably comparable. The following table provides details.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low	2.0	1	5.6	150	6.2
Moderate	9.9	3	16.7	71	3.0
Middle	70.4	13	72.2	1,692	70.3
Upper	17.6	1	5.6	493	20.5
<b>Totals</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>	<b>2,406</b>	<b>100.0</b>
Source: 2020 U.S. Census; 2023 HMDA Reported Data Due to rounding, totals may not equal 100.0%					

### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels. Reasonable small business, small farm, and home mortgage lending performance supports this conclusion.

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

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. The percentage of small business loans originated to businesses with gross annual revenues of \$1 million or less is equals the percentage of businesses reporting revenues in this category. The following table provides details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	86.2	56	86.2	3,095	61.6
>\$1,000,000	3.4	9	13.8	1,926	38.4
Revenue Not Available	10.4	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>65</b>	<b>100.0</b>	<b>5,021</b>	<b>100.0</b>
Source: 2023 D&B Data; 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 originated to farms with gross annual revenues of \$1 million or less is reasonably comparable to the percentage of farms reporting revenues in this category. The following table provides details.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	97.0	55	90.2	7,231	83.6
>\$1,000,000	2.1	6	9.8	1,423	16.4
Revenue Not Available	0.9	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>61</b>	<b>100.0</b>	<b>8,654</b>	<b>100.0</b>
Source: 2023 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%					

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

The distribution of borrowers reflects reasonable penetration of individuals of different income levels. The percentage of home mortgage loans, by number, originated to low-income borrowers is below demographic data. On the contrary, the percentage of home mortgage loans, by number, originated to moderate-income borrowers exceeds demographic data. Considering the bank's overall performance, home mortgage lending reflects a reasonable penetration of low- and moderate-income individuals. The following table provides details.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	17.8	1	5.6	70	2.9
Moderate	17.7	5	27.8	200	8.3
Middle	21.6	4	22.2	599	24.9
Upper	42.9	7	38.9	1,493	62.1
Not Available	0.0	1	5.6	44	1.8
<b>Totals</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>	<b>2,406</b>	<b>100.0</b>
Source: 2020 U.S. Census; 2023 HMDA Reported Data Due to rounding, totals may not equal 100.0%					

## **COMMUNITY DEVELOPMENT TEST**

FirstTier Bank demonstrated adequate responsiveness to the community development needs of the Kearney Nonmetropolitan Assessment Area. The quantity and responsiveness of community development loans and qualified investments supports this conclusion.

### **Community Development Loans**

The bank originated 104 community development loans totaling approximately \$3.1 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 loans, by number, promoted economic development and helped businesses and farms retain employees and lessen the negative effects of the COVID-19 pandemic. The following table illustrates the community development loans by year and purpose.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 Partial	0	0	0	0	98	2,274	4	47	102	2,321
2022	0	0	0	0	0	0	1	709	1	709
2023	0	0	0	0	0	0	1	63	1	63
Year-to-Date 2024	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>98</b>	<b>2,274</b>	<b>6</b>	<b>819</b>	<b>104</b>	<b>3,093</b>
<i>Source: Bank Data</i>										

Notable community development lending activity in the Kearney Nonmetropolitan Assessment Area included a \$709,000 loan to construct commercial buildings that will house storefront retail locations in moderate-income census tracts.

### **Qualified Investments**

The bank made two qualified investments in the Kearney Nonmetropolitan Assessment Area totaling \$3,000 that supported community services for low- and moderate-income individuals and promoted economic development.

### **Community Development Services**

The bank did not provide any instances of community development services in the Kearney Nonmetropolitan Assessment Area.

## **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 Banner, Cheyenne, and Kimball counties in western Nebraska. The bank added Banner and Cheyenne counties to the assessment area since the previous evaluation. According to 2020 U.S. Census data, the assessment area contains five middle-income census tracts. Banner County was designated as a distressed, nonmetropolitan middle-income geography in 2021, 2022, and 2023, while Cheyenne and Kimball counties were designated as underserved, nonmetropolitan middle-income geographies in 2021, 2022, and 2023. The bank operates its main office within the assessment area in the City of Kimball. The bank also maintains an ATM at the main office.

### **Economic and Demographic Data**

The following table provides select demographic data for the Kimball Nonmetropolitan Assessment Area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	5	0.0	0.0	100.0	0.0	0.0
Population by Geography	13,576	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	7,338	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	4,179	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	2,070	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	1,089	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	1,885	0.0	0.0	100.0	0.0	0.0
Farms by Geography	344	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	3,567	21.3	18.8	23.2	36.8	0.0
Household Distribution by Income Level	6,249	25.7	18.1	20.6	35.6	0.0
Median Family Income – Nonmetropolitan NE		\$71,424	Median Housing Value			\$99,084
			Median Gross Rent			\$778
			Families Below Poverty Level			7.2%
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0%. (* ) The NA category consists of geographies that have not been assigned an income classification.						

The Kimball Nonmetropolitan Assessment Area is primarily rural in nature. Sidney and Kimball are the largest communities with populations of 6,439 and 2,258, respectively. The three largest business segments are services at 26.7 percent, non-classifiable establishments at 18.3 percent, and agriculture at 15.4 percent. The assessment area's businesses and farms are predominantly small operations with 89.5 percent operating from a single location and 66.1 percent employing less than five employees, according to 2023 D&B data.

Examiners used information from the FFIEC to qualify community development activities. The following table reflects the FFIEC-estimated median family income for nonmetropolitan Nebraska.

Nebraska Nonmetropolitan Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$70,000)	<\$35,000	\$35,000 to <\$56,000	\$56,000 to <\$84,000	≥\$84,000
2022 (\$80,900)	<\$40,450	\$40,450 to <\$64,720	\$64,720 to <\$97,080	≥\$97,080
2023 (\$88,400)	<\$44,200	\$44,200 to <\$70,720	\$70,720 to <\$106,080	≥\$106,080
2024 (\$88,400)	<\$44,200	\$44,200 to <\$70,720	\$70,720 to <\$106,080	≥\$106,080
<i>Source: FFIEC</i>				

### **Competition**

The Kimball Nonmetropolitan Assessment Area is moderately competitive for financial services. Per FDIC Deposit Market Share data as of June 30, 2023, 9 financial institutions operated 14 offices within the assessment area. Of these institutions, FirstTier Bank ranked 1<sup>st</sup> with a deposit market share of 37.0 percent. The bank competes with these institutions, as well as credit unions.

Additionally, the bank faces competition for agricultural financing from Farm Credit Services and nontraditional creditors and dealers.

### **Community Contact**

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

Examiners contacted a representative from an agricultural education organization that serves the assessment area. The contact indicated that agriculture is the primary economic driver of the area, but this is declining due to changing demographics. Operators are aging and there are few younger operators taking their place. Younger residents in the area are seeking employment in other industries or relocating out of the area for other employment opportunities. Housing shortages also contribute to difficulties in attracting and retaining younger residents to the area. The contact stated that local financial institutions are active and meet the credit needs of the community.

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

Considering information from the community contact, bank management, and demographic and economic data, agricultural, commercial, and home mortgage loans represent the primary credit needs of the assessment area. Community development needs include affordable housing, economic development, and revitalization and stabilization of underserved and distressed geographies. Community development opportunities primarily are for economic development and revitalization and stabilization efforts. Community development opportunities for affordable housing are limited due to a shortage of housing in the area.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE KIMBALL NONMETROPOLITAN ASSESSMENT AREA**

### **LENDING TEST**

FirsTier Bank demonstrated excellent performance under the Lending Test in the Kimball Nonmetropolitan Assessment Area. Excellent performance under the Borrower Profile criterion supports this conclusion.

### **Geographic Distribution**

The Kimball Nonmetropolitan Assessment Area does not include any low- or moderate-income geographies. Therefore, examiners did not evaluate the geographic distribution of loans.

### **Borrower Profile**

The distribution of borrowers reflects excellent penetration among businesses and farms of different sizes. Excellent small business and small farm lending performance supports this conclusion.

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

The distribution of borrowers reflects excellent penetration among businesses of different sizes. The bank originated all small business loans to businesses with gross annual revenues of \$1 million or less. The following table provides details.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<=\$1,000,000	85.3	11	100.0	797	100.0
>\$1,000,000	3.2	0	0.0	0	0.0
Revenue Not Available	11.6	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>11</b>	<b>100.0</b>	<b>797</b>	<b>100.0</b>
<i>Source: 2023 D&amp;B Data; Bank Data</i> <i>Due to rounding, totals may not equal 100.0%</i>					

### ***Small Farm Loans***

The distribution of borrowers reflects excellent penetration among farms of different sizes. The bank originated all small farms loans to farms with gross annual revenues of \$1 million or less. The following table provides details.

<b>Distribution of Small Farm Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<=\$1,000,000	98.5	22	100.0	3,350	100.0
>\$1,000,000	1.2	0	0.0	0	0.0
Revenue Not Available	0.3	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>22</b>	<b>100.0</b>	<b>3,350</b>	<b>100.0</b>
<i>Source: 2023 D&amp;B Data; Bank Data</i> <i>Due to rounding, totals may not equal 100.0%</i>					

## **COMMUNITY DEVELOPMENT TEST**

FirsTier Bank demonstrated adequate responsiveness to the community development needs of the Kimball Nonmetropolitan Assessment Area. The quantity and responsiveness of community development loans, qualified investments, and community development services supports this conclusion.

### **Community Development Loans**

The bank originated 56 community development loans totaling approximately \$4.1 million in the Kimball Nonmetropolitan Assessment Area. The loans were particularly responsive to the assessment area's revitalization and stabilization needs. The majority of loans, by number, were PPP loans in underserved areas that helped businesses and farms retain employees and lessen the negative effects of the COVID-19 pandemic. The following table illustrates the community development loans by year and purpose.



Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 Partial	0	0	0	0	0	0	50	825	50	825
2022	1	100	0	0	1	81	3	2,990	5	3,171
2023	0	0	0	0	0	0	1	55	1	55
Year-to-Date 2024	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>81</b>	<b>54</b>	<b>3,870</b>	<b>56</b>	<b>4,051</b>
<i>Source: Bank Data</i>										

Notable community development lending activity in the Kimball Nonmetropolitan Assessment Area included a \$2.8 million loan to construct a community hospital located in an underserved area.

### **Qualified Investments**

The bank made a \$2,000 qualified investment in the Kimball Nonmetropolitan Assessment Area to an organization that provides community services to low- and moderate-income individuals.

### **Community Development Services**

Bank personnel provided eight instances of financial expertise or technical assistance to community development organizations in the Kimball Nonmetropolitan Assessment Area. All of the services promoted economic development in the assessment area. The bank also makes banking services available to low- and moderate-income persons by operating its main office and ATM in an underserved nonmetropolitan middle-income area within the assessment area.

## WYOMING

### CRA RATING FOR WYOMING: SATISFACTORY

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN WYOMING

FirsTier Bank maintains two assessment areas in Wyoming: Cheyenne Metropolitan and Upton Nonmetropolitan. The bank operates three full-service offices and three ATMs in its Wyoming assessment areas. Details for the individual assessment areas are provided in subsequent sections.

### SCOPE OF EVALUATION – WYOMING

Examiners reviewed small business and home mortgage loans in the Cheyenne Metropolitan Assessment Area and small business and small farm loans in the Upton Nonmetropolitan Assessment Area. Small business loans received the most weight when drawing conclusions since commercial loans represent the largest segment of the bank's loan portfolio. FirstTier Bank's performance in the Cheyenne Metropolitan Assessment Area received more weight than its performance in the Upton Nonmetropolitan Assessment Area when drawing conclusions for the State of Wyoming. The Cheyenne Metropolitan Assessment Area represents greater lending and deposit volume and contains more offices than the Upton Assessment Area. 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 in the Cheyenne Metropolitan Assessment Area outweighed excellent performance in the Upton Nonmetropolitan Assessment Area, as the Cheyenne Metropolitan Assessment Area received more weight when drawing conclusions.

#### Geographic Distribution

The geographic distribution of loans reflects poor dispersion throughout the Wyoming assessment areas. Poor lending performance in the Cheyenne Metropolitan Assessment Area supports this conclusion. The Upton Nonmetropolitan Assessment Area is homogenous consisting of all moderate-income census tracts; therefore, this criterion was not evaluated.

#### Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels. Reasonable performance in the Cheyenne Metropolitan Assessment Area outweighed excellent performance in the Upton Nonmetropolitan Assessment Area.

## **COMMUNITY DEVELOPMENT TEST**

FirsTier Bank demonstrated satisfactory performance under the Community Development Test in Wyoming through community development loans, qualified investments, and community services. Adequate performance in both Wyoming assessment areas supports this conclusion.

### **Community Development Loans**

The bank originated 40 community development loans totaling approximately \$10.1 million in Wyoming, which included 2 loans totaling \$9,000 in the broader statewide area. These loans provided affordable housing and community services to low- and moderate-income individuals, as well as promoting economic development and revitalizing and stabilizing areas in the Wyoming assessment areas and broader statewide area.

### **Qualified Investments**

The bank made eight qualified investments totaling \$19,000 in Wyoming. The investments were donations that benefitted community services for low- and moderate-income individuals in the Wyoming assessment areas.

### **Community Development Services**

Bank representatives provided six instances of financial expertise or technical assistance to community development organizations in Wyoming. These services supported affordable housing and community services for low- and moderate-income individuals in the Cheyenne Metropolitan Assessment Area.

## **CHEYENNE METROPOLITAN ASSESSMENT AREA – Full-Scope Review**

### **DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE CHEYENNE METROPOLITAN ASSESSMENT AREA**

The Cheyenne Metropolitan Assessment Area consists of Laramie County, which is the sole county in the Cheyenne, Wyoming MSA. There were no changes to the boundaries of this assessment area since the previous evaluation. According to 2020 U.S. Census data, the assessment area contains 6 moderate-, 14 middle-, 6 upper-income census tracts, and 1 census tract without an income designation. The bank operates two full service offices in this assessment area, both in the City of Cheyenne. The bank opened a branch in downtown Cheyenne in August 2021, which is in a moderate-income census tract. In addition, the bank maintains two ATMs in this assessment area, one at each branch.

### **Economic and Demographic Data**

The following table provides select demographic data for the Cheyenne Metropolitan Assessment Area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	27	0.0	22.2	51.9	22.2	3.7
Population by Geography	100,512	0.0	17.7	54.2	28.1	0.0
Housing Units by Geography	43,841	0.0	18.6	55.2	26.2	0.0
Owner-Occupied Units by Geography	29,169	0.0	11.3	57.1	31.7	0.0
Occupied Rental Units by Geography	11,033	0.0	36.5	49.2	14.4	0.0
Vacant Units by Geography	3,639	0.0	22.6	58.7	18.7	0.0
Businesses by Geography	29,671	0.0	64.8	22.2	12.8	0.2
Farms by Geography	547	0.0	18.1	42.8	39.1	0.0
Family Distribution by Income Level	26,128	17.3	17.9	25.0	39.7	0.0
Household Distribution by Income Level	40,202	22.9	16.0	20.1	40.9	0.0
Median Family Income – Cheyenne, WY MSA		\$82,325	Median Housing Value			\$227,023
			Median Gross Rent			\$954
			Families Below Poverty Level			5.8%
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0%. (* ) The NA category consists of geographies that have not been assigned an income classification.						

The Cheyenne Metropolitan Assessment Area is urban in nature. Cheyenne is the largest community in Laramie County with a population of 64,795. The three largest business segments are non-classifiable establishments at 43.6 percent, services at 26.0 percent, and finance, insurance, and real estate at 11.9 percent. The assessment area's businesses are predominantly small operations with 95.7 percent operating from a single location and 48.1 percent employing less than five employees, according to 2023 D&B data. The number of businesses operating in the assessment area significantly increased since the previous evaluation from 8,870 to 29,671 businesses. The overwhelming majority of the new businesses are located in moderate-income census tracts.

Examiners used information from the FFIEC to analyze home mortgage loans under the Borrower Profile criterion and to qualify community development activities. The following table reflects the FFIEC-estimated median family income for the Cheyenne, Wyoming MSA.

Cheyenne, Wyoming MSA Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$86,400)	<\$43,200	\$43,200 to <\$69,120	\$69,120 to <\$103,680	≥\$103,680
2022 (\$96,500)	<\$48,250	\$48,250 to <\$77,200	\$77,200 to <\$115,800	≥\$115,800
2023 (\$91,600)	<\$45,800	\$45,800 to <\$73,280	\$73,280 to <\$109,920	≥\$109,920
2024 (\$91,600)	<\$45,800	\$45,800 to <\$73,280	\$73,280 to <\$109,920	≥\$109,920
Source: FFIEC				

### **Competition**

The Cheyenne Metropolitan Assessment Area is moderately competitive for financial services. Per FDIC Deposit Market Share data as of June 30, 2023, 19 financial institutions operated 32 offices within the assessment area. Of these institutions, FirstTier Bank ranked 7<sup>th</sup> with a deposit market share of 5.0 percent. The bank competes with these institutions, as well as credit unions.

According to 2022 Aggregate HMDA data, significant competition for home mortgage loans exists with 218 lenders reporting 6,384 home mortgage loans in the assessment area.

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

Considering information from bank management and demographic and economic data, commercial and home mortgage loans represent the primary credit needs of the assessment area. Community development needs include affordable housing, economic development, and revitalization and stabilization of moderate-income geographies. Revitalization and stabilization opportunities are available for redevelopment projects located in the downtown Cheyenne business district, as well as economic development opportunities for the significant amount of new businesses operating in the assessment area.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE CHEYENNE METROPOLITAN ASSESSMENT AREA**

### **LENDING TEST**

FirstTier Bank demonstrated adequate performance under the Lending Test in the Cheyenne Metropolitan Assessment Area. Reasonable performance under the Borrower Profile criterion outweighed poor performance under the Geographic Distribution criterion to support this conclusion.

### **Geographic Distribution**

The geographic distribution of loans reflects poor dispersion throughout the assessment area. Poor small business lending performance outweighed excellent home mortgage lending performance to support this conclusion.

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

The geographic distribution of small business loans reflects poor dispersion throughout the assessment area. The percentage of small business loans originated in moderate-income census tracts is significantly below the percentage of businesses located in these tracts. Further, examiners reviewed aggregate small business lending data for the assessment area, which indicates that 62.4 percent of reported small business loans were to businesses located in moderate-income census tracts. Although the bank is not a CRA data reporter, the aggregate data demonstrates that the demographic data is a reasonable representative of loan demand and opportunities in the moderate-income census tract. This additional information further supports that the bank's performance is poor. The following table provides details.

<b>Geographic Distribution of Small Business Loans</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Moderate	64.8	8	19.0	1,705	24.1
Middle	22.2	23	54.8	3,116	44.0
Upper	12.8	11	26.2	2,257	31.9
Not Available	0.2	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>42</b>	<b>100.0</b>	<b>7,078</b>	<b>100.0</b>
<i>Source: 2023 D&amp;B Data; Bank Data</i> <i>Due to rounding, totals may not equal 100.0%</i>					

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

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the assessment area. The percentage of home mortgage loans, by number and dollar volume, made in moderate-income census tracts exceeds demographic data. The following table provides details.

<b>Geographic Distribution of Home Mortgage Loans</b>					
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Moderate	11.3	3	15.8	2,002	26.1
Middle	57.1	8	42.1	3,464	45.1
Upper	31.7	8	42.1	2,218	28.9
<b>Totals</b>	<b>100.0</b>	<b>19</b>	<b>100.0</b>	<b>7,684</b>	<b>100.0</b>
<i>Source: 2020 U.S. Census; 2023 HMDA Reported Data</i> <i>Due to rounding, totals may not equal 100.0%</i>					

### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among businesses of different sizes and individuals of different income levels. Reasonable small business performance outweighed poor home mortgage lending performance to support this conclusion.

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

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. The percentage of small business loans originated to businesses with gross annual revenues of \$1 million or less is comparable to the percentage of businesses reporting revenues in this category. The following table provides details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	93.9	38	90.5	5,763	81.4
>\$1,000,000	1.3	4	9.5	1,315	18.6
Revenue Not Available	4.8	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>42</b>	<b>100.0</b>	<b>7,078</b>	<b>100.0</b>
Source: 2023 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%					

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

The distribution of borrowers reflects poor penetration among individuals of different income levels. As shown in the following table, the bank did not make any loans to low-income borrowers and made only one home mortgage loan to moderate-income borrowers, which is below demographic data. Even when excluding the home mortgage loans without incomes, which were made to businesses for non-owner occupied rental properties, the bank's performance still lags demographic data.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	17.3	0	0.0	0	0.0
Moderate	17.9	1	5.3	100	1.3
Middle	25.0	3	15.8	1,157	15.1
Upper	39.7	4	21.1	1,180	15.4
Not Available	0.0	11	57.9	5,247	68.3
<b>Totals</b>	<b>100.0</b>	<b>19</b>	<b>100.0</b>	<b>7,684</b>	<b>100.0</b>
Source: 2020 U.S. Census; 2023 HMDA Reported Data Due to rounding, totals may not equal 100.0%					

## **COMMUNITY DEVELOPMENT TEST**

FirsTier Bank demonstrated adequate responsiveness to the community development needs of the Cheyenne Metropolitan Assessment Area. The quantity and responsiveness of community development loans, qualified investments, and community development services supports this conclusion.

### **Community Development Loans**

The bank originated 31 community development loans totaling approximately \$9.9 million in the Cheyenne Metropolitan Assessment Area. The loans were particularly responsive to the assessment area's revitalization and stabilization needs for attracting and retaining businesses to moderate-income areas. Additionally, community development loans addressed affordable housing and community service needs of low- and moderate-income individuals, as well as promoting economic development through PPP loans during the COVID-19 pandemic. The following table illustrates the community development loans by year and purpose.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 Partial	2	540	0	0	17	699	2	60	21	1,299
2022	2	708	0	0	0	0	5	6,416	7	7,124
2023	0	0	1	281	0	0	2	1,216	3	1,497
Year-to-Date 2024	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4</b>	<b>1,248</b>	<b>1</b>	<b>281</b>	<b>17</b>	<b>699</b>	<b>9</b>	<b>7,692</b>	<b>31</b>	<b>9,920</b>
<i>Source: Bank Data</i>										

Notable community development lending activity in the Cheyenne Metropolitan Assessment Area included a \$1.0 million loan to remodel office and warehouse space in a moderate-income census tract that enabled a local business to expand and hire additional employees.

### **Qualified Investments**

The bank made six qualified investments totaling \$17,000 in the Cheyenne Metropolitan Assessment Area. The donations provided community services to low- and moderate-income individuals.

### **Community Development Services**

Bank personnel provided six instances of financial expertise or technical assistance to community development organizations in the Cheyenne Metropolitan Assessment Area. The services addressed affordable housing and community service needs for low- and moderate-income individuals in the assessment area. The bank also makes banking services available to low- and moderate-income persons by operating the Downtown Cheyenne office and ATM in a moderate-income census tract within the assessment area.

## **UPTON NONMETROPOLITAN ASSESSMENT AREA – Full-Scope Review**

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

The Upton Nonmetropolitan Assessment Area consists of Weston County in eastern Wyoming. Weston County sits along the western slopes of the Black Hills and abuts the State of South Dakota to east. There were no changes to the boundaries of this assessment area since the previous evaluation. According to 2020 U.S. Census data, the assessment area contains two moderate-income census tracts. The bank operates one full-service office within this assessment area in the community of Upton. The bank also maintains an ATM at the branch.

### **Economic and Demographic Data**

The following table provides select demographic data for the Upton Nonmetropolitan Assessment Area.



Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2	0.0	100.0	0.0	0.0	0.0
Population by Geography	6,838	0.0	100.0	0.0	0.0	0.0
Housing Units by Geography	3,571	0.0	100.0	0.0	0.0	0.0
Owner-Occupied Units by Geography	2,419	0.0	100.0	0.0	0.0	0.0
Occupied Rental Units by Geography	463	0.0	100.0	0.0	0.0	0.0
Vacant Units by Geography	689	0.0	100.0	0.0	0.0	0.0
Businesses by Geography	750	0.0	100.0	0.0	0.0	0.0
Farms by Geography	58	0.0	100.0	0.0	0.0	0.0
Family Distribution by Income Level	1,979	27.5	21.2	26.6	24.7	0.0
Household Distribution by Income Level	2,882	31.2	17.6	14.8	36.3	0.0
Median Family Income – Nonmetropolitan WY		\$81,346	Median Housing Value			\$167,077
			Median Gross Rent			\$777
			Families Below Poverty Level			13.2%
Source: 2020 U.S. Census and 2023 D&B Data Due to rounding, totals may not equal 100.0%. (* ) The NA category consists of geographies that have not been assigned an income classification.						

The Upton Nonmetropolitan Assessment Area is largely rural and sparsely populated. The three largest business segments are services at 31.2 percent, non-classifiable establishments at 18.6 percent, and retail trade at 10.2 percent. The assessment area's businesses and farms are predominantly small operations with 88.6 percent operating from a single location and 65.2 percent employing less than four employees, according to 2023 D&B data.

Examiners used information from the FFIEC to analyze home mortgage loans under the Borrower Profile criterion and to qualify community development activities. The following table reflects the FFIEC-estimated median family income for nonmetropolitan Wyoming.

Wyoming Nonmetropolitan Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$81,000)	<\$40,500	\$40,500 to <\$64,800	\$64,800 to <\$97,200	≥\$97,200
2022 (\$87,600)	<\$43,800	\$43,800 to <\$70,080	\$70,080 to <\$105,120	≥\$105,120
2023 (\$94,600)	<\$47,300	\$47,300 to <\$75,680	\$75,680 to <\$113,520	≥\$113,520
2024 (\$94,600)	<\$47,300	\$47,300 to <\$75,680	\$75,680 to <\$113,520	≥\$113,520
<i>Source: FFIEC</i>				

### **Competition**

The Upton Nonmetropolitan Assessment Area has some competition for financial services. Per FDIC Deposit Market Share data as of June 30, 2023, three financial institutions operated three offices within the assessment area. Of these institutions, FirstTier Bank ranked 3<sup>rd</sup> with a deposit market share of 16.3 percent. The bank competes with these institutions, as well as local credit unions. Additionally, the bank faces competition for agricultural lending from Farm Credit Services

and nontraditional creditors and dealers. According to 2022 Aggregate HMDA data, there is a moderate level of competition for home mortgage loans with 71 lenders reporting 248 home mortgage loans in the assessment area.

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

Considering information from bank management and demographic and economic data, commercial, agricultural, and home mortgage loans represent the primary credit needs of the assessment area. Community development needs include affordable housing, community services for low- and moderate-income individuals, economic development, and revitalization and stabilization of moderate-income areas. Community development opportunities include economic development and revitalization and stabilization efforts given the presence of moderate-income census tracts.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE UPTON NONMETROPOLITAN ASSESSMENT AREA**

### **LENDING TEST**

FirsTier Bank demonstrated excellent performance under the Lending Test in the Upton Nonmetropolitan Assessment Area. Excellent performance under the Borrower Profile criterion supports this conclusion.

### **Geographic Distribution**

The assessment area is homogenous and a review of the geographic distribution of loans would not result in meaningful conclusions since all loans were made in moderate-income census tracts. Therefore, the Geographic Distribution criterion was not evaluated.

### **Borrower Profile**

The distribution of borrowers reflects excellent penetration among businesses and farms of different sizes. Excellent small business and small farm lending performance.

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

The distribution of borrowers reflects excellent penetration among businesses of different sizes. The bank originated all small business loans to businesses with gross annual revenues of \$1 million or less. The following table provides details.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<=\$1,000,000	85.1	2	100.0	93	100.0
>\$1,000,000	2.7	0	0.0	0	0.0
Revenue Not Available	12.3	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>93</b>	<b>100.0</b>
<i>Source: 2023 D&amp;B Data; Bank Data Due to rounding, totals may not equal 100.0%</i>					

### ***Small Farm Loans***

The distribution of borrowers reflects excellent penetration among farms of different sizes. The bank originated all small farm loans to farms with gross annual revenues of \$1 million or less. The following table provides details.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	98.3	3	100.0	33	100.0
>\$1,000,000	0.0	0	0.0	0	0.0
Revenue Not Available	1.7	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>
<i>Source: 2023 D&amp;B Data; Bank Data</i> <i>Due to rounding, totals may not equal 100.0%</i>					

## **COMMUNITY DEVELOPMENT TEST**

FirsTier Bank demonstrated adequate responsiveness to the community development needs of the Upton Nonmetropolitan Assessment Area. The quantity and responsiveness of community development loans and qualified investments supports this conclusion.

### **Community Development Loans**

The bank originated seven community development loans totaling approximately \$129,000 in the Upton Nonmetropolitan Assessment Area. The loans were particularly responsive to the assessment area's economic development needs during the COVID-19 pandemic through PPP loans. The following table illustrates the community development loans by year and purpose.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 Partial	0	0	0	0	5	112	0	0	5	112
2022	0	0	0	0	0	0	2	17	2	17
2023	0	0	0	0	0	0	0	0	0	0
Year-to-Date 2024	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	5	112	2	17	7	129
Source: Bank Data										

### **Qualified Investments**

The bank made two qualified investments in the Upton Nonmetropolitan Assessment Area totaling \$2,000 that supported community services for low- and moderate-income individuals.

### **Community Development Services**

The bank did not provide any instances of community development services in the Upton Nonmetropolitan Assessment Area. The bank makes banking services available to low- and moderate-income persons by operating a full-service office and ATM in a moderate-income census tract within the assessment area.

## **COLORADO**

### **CRA RATING FOR COLORADO: SATISFACTORY**

**The Lending Test is rated: Satisfactory**

**The Community Development Test is rated: Satisfactory**

### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN COLORADO**

FirsTier Bank maintains two assessment areas in Colorado: Denver Metropolitan and Greeley Metropolitan. The bank operates three full-service offices and three ATMs in its Colorado assessment areas. Details for the individual assessment areas are provided in subsequent sections.

### **SCOPE OF EVALUATION – COLORADO**

Examiners reviewed small business and home mortgage loans in the Denver Metropolitan Assessment Area and small business loans in the Greeley Metropolitan Assessment Area. Small business loans received the most weight when drawing conclusions since commercial loans represent the largest segment of the bank's loan portfolio. FirsTier Bank's performance in the Denver Metropolitan Assessment Area received more weight than its performance in the Greeley Metropolitan Assessment Area when drawing conclusions for the State of Colorado. The Denver Metropolitan Assessment Area represents slightly higher lending and deposit volume and contains more offices than the Greeley Metropolitan Assessment Area. Refer to the overall Scope of Evaluation section for additional information.

### **CONCLUSIONS ON PERFORMANCE CRITERIA IN COLORADO**

#### **LENDING TEST**

FirsTier Bank demonstrated satisfactory performance under the Lending Test in Colorado. Reasonable performance in the Denver Metropolitan Assessment Area outweighed excellent performance in the Greeley Metropolitan Assessment Area to support this conclusion.

#### **Geographic Distribution**

The geographic distribution of loans reflects reasonable dispersion throughout the Colorado assessment areas. This conclusion is supported by reasonable lending performance in both assessment areas.

#### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among businesses of different sizes and individuals of different income levels. This conclusion is supported by reasonable lending performance in the Denver Metropolitan Assessment Area, as it received more weight when drawing overall conclusions. Performance was excellent in the Greeley Metropolitan Assessment Area.

## **COMMUNITY DEVELOPMENT TEST**

FirstTier Bank demonstrated satisfactory performance under the Community Development Test in Colorado through community development loans, qualified investments, and community services. Adequate performance in both Colorado assessment areas supports this conclusion.

### **Community Development Loans**

The bank originated 72 community development loans totaling approximately \$50.8 million in Colorado, which included 22 loans totaling \$19.5 million in the broader statewide area. These loans addressed affordable housing and economic development needs, as well as revitalizing and stabilizing low- and moderate-income areas in the Colorado assessment areas and broader statewide area.

### **Qualified Investments**

The bank made four qualified investments totaling \$507,000 in Colorado. The investments included a municipal bond that supported affordable housing and donations that promoted affordable housing and community services for low- and moderate-income individuals in the Colorado assessment areas.

### **Community Development Services**

Bank representatives provided three instances of financial expertise or technical assistance to community development organizations in the Colorado assessment areas. These services supported affordable housing and economic development of small businesses in the Denver Metropolitan Assessment Area.

## **DENVER METROPOLITAN ASSESSMENT AREA – Full-Scope Review**

### **DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE DENVER METROPOLITAN ASSESSMENT AREA**

The Denver Metropolitan Assessment Area consists of Arapahoe, Broomfield, Denver, Douglas, and Jefferson counties, which are all located in the Denver-Aurora-Lakewood, Colorado MSA. The bank combined the Castle Rock (Douglas County) and Broomfield (Broomfield County) assessment areas since the previous evaluation and added Arapahoe, Denver, and Jefferson counties.

According to 2020 U.S. Census data, the assessment area contains 25 low-, 125 moderate-, 214 middle-, and 199 upper-income census tracts, as well as 18 census tracts without an income designation. The bank operates two full service offices within this assessment area in the Cities of Broomfield and Castle Rock. In addition, the bank maintains two ATMs in this assessment area, one at each branch.

### **Economic and Demographic Data**

The following table provides select demographic data for the Denver Metropolitan Assessment Area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	581	4.3	21.5	36.8	34.3	3.1
Population by Geography	2,385,592	3.8	22.9	35.2	36.9	1.1
Housing Units by Geography	950,816	4.0	23.2	36.5	34.9	1.4
Owner-Occupied Units by Geography	578,857	2.0	17.4	37.3	42.6	0.6
Occupied Rental Units by Geography	328,486	7.2	33.0	35.8	21.3	2.7
Vacant Units by Geography	43,473	4.7	27.0	32.2	33.6	2.4
Businesses by Geography	636,606	3.0	17.9	33.2	41.9	4.0
Farms by Geography	10,453	3.3	19.0	35.3	40.1	2.3
Family Distribution by Income Level	554,133	18.9	17.3	21.5	42.3	0.0
Household Distribution by Income Level	907,343	22.1	16.6	18.5	42.8	0.0
Median Family Income – Denver-Aurora-Lakewood, CO MSA		\$103,157	Median Housing Value			\$448,914
			Median Gross Rent			\$1,467
			Families Below Poverty Level			5.0%
Source: 2020 U.S. Census and 2023 D&B Data. Due to rounding, totals may not equal 100.0%. (* ) The NA category consists of geographies that have not been assigned an income classification.						

The assessment area is largely urban and contains most of the suburban areas surrounding the City of Denver. The three largest business segments are non-classifiable establishments at 35.0 percent, services at 32.6 percent, and finance, insurance, and real estate at 11.2 percent. The assessment area's businesses are predominantly small operations with 96.2 percent operating from a single location and 56.8 percent employing less than five employees, according to 2023 D&B data.

Examiners used information from the FFIEC to analyze home mortgage loans under the Borrower Profile criterion and to qualify community development activities. The following table reflects the FFIEC-estimated median family income for the Denver-Aurora-Lakewood, Colorado MSA.

Denver-Aurora-Lakewood, Colorado MSA Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2021 (\$104,800)	<\$52,400	\$52,400 to <\$83,840	\$83,840 to <\$125,760	≥\$125,760
2022 (\$117,800)	<\$58,900	\$58,900 to <\$94,240	\$94,240 to <\$141,360	≥\$141,360
2023 (\$125,500)	<\$62,750	\$62,750 to <\$100,400	\$100,400 to <\$150,600	≥\$150,600
2024 (\$125,500)	<\$62,750	\$62,750 to <\$100,400	\$100,400 to <\$150,600	≥\$150,600
<i>Source: FFIEC</i>				

### **Competition**

The Denver Metropolitan Assessment Area is highly competitive for financial services. Per FDIC Deposit Market Share data as of June 30, 2023, 63 financial institutions operated 504 offices within the assessment area. Of these institutions, FirstTier Bank ranked 43<sup>rd</sup> with a deposit market share of 0.1 percent. The bank competes with these institutions, which include small community banks,

large regional banks, and national banks, as well as credit unions. According 2022 Aggregate HMDA data, significant competition for home mortgage loans also exists with 907 lenders reporting 160,181 home mortgage loans in the assessment area.

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

Considering information from bank management and demographic and economic data, commercial and home mortgage loans represent the primary credit needs of the assessment area. Community development needs include affordable housing, economic development, and revitalization and stabilization of low- and moderate-income geographies. Community development opportunities exists for affordable housing and community services for low- and moderate-income individuals. Further, there are opportunities for revitalization/stabilization and economic development efforts due to the number of low- and moderate-income geographies and areas designated for redevelopment in the assessment area.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE DENVER METROPOLITAN ASSESSMENT AREA**

### **LENDING TEST**

FirsTier Bank demonstrated reasonable performance under the Lending Test in the Denver Metropolitan Assessment Area. Reasonable performance under the Geographic Distribution and Borrower Profile criteria supports this conclusion.

### **Geographic Distribution**

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

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

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. The bank did not make any small business loans in low-income census tracts, D&B data reflects there is limited lending opportunities in these tracts. The percentage of small business loans made in moderate-income census tracts is reasonably comparable to the percentage of businesses in these tracts. Considering the bank's overall performance, small business lending reflects a reasonable distribution of loans. The following table provides details.

<b>Geographic Distribution of Small Business Loans</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	3.0	0	0.0	0	0.0
Moderate	17.9	2	11.1	750	13.4
Middle	33.2	6	33.3	2,433	43.5
Upper	41.9	10	55.6	2,414	43.1
Not Available	4.0	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>	<b>5,597</b>	<b>100.0</b>
<i>Source: 2023 D&amp;B Data; Bank Data</i> <i>Due to rounding, totals may not equal 100.0%</i>					

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

The geographic distribution of home mortgage loans reflects excellent dispersion in the assessment area. Although the bank did not make any home mortgage loans in low-income census tracts, the percentage of loans made in moderate-income census tracts significantly exceeds demographic data. The following table provides details.

<b>Geographic Distribution of Home Mortgage Loans</b>					
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	2.0	0	0.0	0	0.0
Moderate	17.4	7	70.0	1,939	45.7
Middle	37.3	1	10.0	110	2.6
Upper	42.6	2	20.0	2,199	51.8
Not Available	0.6	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>4,248</b>	<b>100.0</b>
<i>Source: 2020 U.S. Census; 2023 HMDA Reported Data</i> <i>Due to rounding, totals may not equal 100.0%</i>					

### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among businesses of different sizes and individuals of different income levels. Reasonable small business and home mortgage lending performance supports this conclusion.

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

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. As shown in the following table, the percentage of small business loans, by number, to businesses with gross annual revenues of \$1 million or less is significantly less than the percentage of businesses reporting revenues in that category. However, the percentage by dollar volume is closer to the demographic data. Further, 2022 aggregate small business lending data indicates that aggregate reporters made 55.0 percent of reported loans were to businesses with revenues of \$1 million or less. Although the bank is not required to and does not report small business lending data, the aggregate data demonstrates that the smallest businesses in the assessment area may have a limited need for credit. Considering this additional information, the bank's performance is reasonable.



Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	94.2	10	55.6	4,396	78.5
>\$1,000,000	1.7	8	44.4	1,201	21.5
Revenue Not Available	4.1	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>	<b>5,597</b>	<b>100.0</b>
Source: 2023 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%					

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

The distribution of borrowers reflects reasonable penetration among individuals of different income levels. In 2023, nine of the ten home mortgage loans originated within the assessment area were made to businesses for non-owner occupied rental properties; therefore, incomes were not reported or considered. FirstTier Bank did not make any loans to low- or moderate-income borrowers. However, the affordability of housing inhibits many low- and moderate-income individuals' opportunities and abilities to purchase a home. Specifically, the median housing value in the assessment area is \$448,914 according to the 2020 U.S. Census; this figure represents the value of all homes instead of the price and cost of homes. Housing inventory data from Denver Metro Association of Realtors, cited the 2023 median closing price was \$578,000 for the MSA. Further, the assessment area contains significant home mortgage loan competition and the bank's business focus is more commercial in nature. Considering these factors the performance is considered reasonable. The following table provides details.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	18.9	0	0.0	0	0.0
Moderate	17.3	0	0.0	0	0.0
Middle	21.5	0	0.0	0	0.0
Upper	42.3	1	10.0	110	2.6
Not Available	0.0	9	90.0	4,138	97.4
<b>Totals</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>4,248</b>	<b>100.0</b>
Source: 2020 U.S. Census; 2023 HMDA Reported Data Due to rounding, totals may not equal 100.0%					

## **COMMUNITY DEVELOPMENT TEST**

FirstTier Bank demonstrated adequate responsiveness to the community development needs of the Denver Metropolitan Assessment Area. The quantity and responsiveness of community development loans, qualified investments, and community development services supports this conclusion.

### **Community Development Loans**

The bank originated 17 community development loans totaling approximately \$8.3 million in the Denver Metropolitan Assessment Area. The loans were particularly responsive to the assessment area's economic development and affordable housing needs. PPP loans helped businesses retain

employees and lessen the negative effects of the COVID-19 pandemic. The following table illustrates the community development loans by year and purpose.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 Partial	1	2,400	0	0	15	291	0	0	16	2,691
2022	0	0	0	0	1	5,579	0	0	1	5,579
2023	0	0	0	0	0	0	0	0	0	0
Year-to-Date 2024	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>2,400</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>5,870</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>8,270</b>
<i>Source: Bank Data</i>										

Notable community development lending activity in the Denver Metropolitan Assessment Area included a \$2.4 million loan to that provided 24 affordable housing units to low- and moderate-income individuals, which is particularly responsive to the community development needs of the assessment area. The bank also made a \$5.6 million SBA 504 loan that provided long-term financing to a small business. The institution through the SBA 504 loan program partners with certified development companies, which are non-profit organizations certified by the SBA to provide small businesses with long-term financing to acquire and improve major fixed assets.

### **Qualified Investments**

The bank made one qualified investment for \$504,000 in the Denver Metropolitan Assessment Area. The investment was a municipal bond that provided affordable housing to low- and moderate-income individuals.

### **Community Development Services**

Bank personnel provided three instances of financial expertise or technical assistance to community development organizations in the Denver Metropolitan Assessment Area. The services addressed affordable housing needs for low- and moderate-income individuals and economic development needs of small businesses in the assessment area.

## **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, which is the sole county in the Greeley, Colorado MSA. There have been no changes to the assessment area since the previous evaluation. According to 2020 U.S. Census data, the assessment area contains 4 low-, 19 moderate, 30 middle-, and 29 upper-income census tracts, as well as 1 census tract without an income designation. The bank operates a full-service office within this assessment area in the City of Greeley. The bank also maintains an ATM at the branch.

## **Economic and Demographic Data**

The following table provides select demographic data for the Greeley Metropolitan Assessment Area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	83	4.8	22.9	36.1	34.9	1.2
Population by Geography	328,981	3.8	22.1	42.6	31.0	0.5
Housing Units by Geography	106,044	3.9	23.4	44.2	28.5	0.0
Owner-Occupied Units by Geography	76,049	1.5	17.5	47.2	33.9	0.0
Occupied Rental Units by Geography	25,997	10.3	40.1	34.9	14.6	0.0
Vacant Units by Geography	3,998	7.3	27.6	47.8	17.2	0.0
Businesses by Geography	55,728	3.3	16.3	42.8	37.7	0.0
Farms by Geography	2,891	1.6	12.4	57.2	28.7	0.0
Family Distribution by Income Level	75,120	19.5	18.0	22.7	39.8	0.0
Household Distribution by Income Level	102,046	23.1	16.7	19.0	41.2	0.0
Median Family Income – Greeley, CO MSA		\$85,167	Median Housing Value			\$318,202
			Median Gross Rent			\$1,137
			Families Below Poverty Level			6.8%
Source: 2020 U.S. Census and 2023 D&B Data. Due to rounding, totals may not equal 100.0%. (* ) The NA category consists of geographies that have not been assigned an income classification.						

Weld County is largely urban and experiencing noticeable growth. The assessment area grew by approximately 58,000 residents, or 21.4 percent, since the previous evaluation. The assessment area's four largest business segments are non-classifiable establishments at 31.9 percent, services at 28.3 percent, finance, insurance, and real estate at 8.4 percent, and construction at 8.3 percent. These entities are predominantly small with 96.4 percent operating from a single location and 60.0 percent employing less than five employees, according to 2023 D&B data.

Examiners used information from the FFIEC to analyze to qualify community development activities. The following table reflects the FFIEC-estimated median family income for the Greeley, Colorado MSA.

<b>Greeley, Colorado MSA Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
2021 (\$89,700)	<\$44,850	\$44,850 to <\$71,760	\$71,760 to <\$107,640	≥\$107,640
2022 (\$102,500)	<\$51,250	\$51,250 to <\$82,000	\$82,000 to <\$123,000	≥\$123,000
2023 (\$109,300)	<\$54,650	\$54,650 to <\$87,440	\$87,440 to <\$131,160	≥\$131,160
2024 (\$109,300)	<\$54,650	\$54,650 to <\$87,440	\$87,440 to <\$131,160	≥\$131,160
<i>Source: FFIEC</i>				

### **Competition**

The Greeley Metropolitan Assessment Area is competitive for financial services. Per FDIC Deposit Market Share data as of June 30, 2023, 25 financial institutions operated 68 offices within the assessment area. Of these institutions, FirstTier Bank ranked 19<sup>th</sup> with a deposit market share of 0.8 percent. The bank competes with these institutions, as well as credit unions.

### **Community Contact**

Examiners reviewed a recent community contact interview conducted with a representative from a local economic development organization. The contact stated that the local economy is primarily supported by agricultural and food manufacturing industries. Post-pandemic recovery for the area is near the bottom of areas in Colorado with a slow pace for job creation and growth. The contact indicated that there are large vacancies in commercial real estate due to many large local employers moving to remote-only work. The contact stated there is a shortage of affordable housing, but there are many active efforts in process to increase the supply. Construction permits for affordable multi-family properties were the largest percentage of permits submitted for review. Additionally, there are forgivable loan programs for low-income down payment assistance in the area. The contact stated that there are opportunities for financial institutions to participate in redevelopment and reinvestment projects in the low- and moderate-income geographies in the area. The contact noted that overall, financial institutions were responsive to the credit and banking needs of the community.

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

Considering information from the community contact, bank management, and demographic and economic data, commercial and home mortgage loans represent the primary credit needs of the assessment area. Community development needs include affordable housing, economic development, and revitalization and stabilization of low- and moderate-income areas. Affordable housing opportunities exist with the significant volume of multi-family construction projects occurring.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN THE GREELEY METROPOLITAN ASSESSMENT AREA**

### **LENDING TEST**

FirstTier Bank demonstrated excellent performance under the Lending Test in the Greeley Metropolitan Assessment Area. Excellent performance under the Borrower Profile criterion and reasonable performance under the Geographic Distribution criterion supports this conclusion.

### **Geographic Distribution**

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. The bank did not make any small business loans to businesses in low-income census tracts; there is limited lending opportunities in these tracts. On the contrary, the percentage of small business loans, by number, made in moderate-income census tracts is reasonably comparable to the percentage of businesses in these tracts. The following table provides details.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	3.3	0	0.0	0	0.0
Moderate	16.3	1	14.3	750	70.6
Middle	42.8	5	71.4	291	27.4
Upper	37.7	1	14.3	22	2.1
<b>Totals</b>	<b>100.0</b>	<b>7</b>	<b>100.0</b>	<b>1,063</b>	<b>100.0</b>
Source: 2023 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%					

### **Borrower Profile**

The distribution of borrowers reflects excellent penetration among businesses of different sizes. The bank originated all small business loans to businesses with gross annual revenues of \$1 million or less. The following table provides details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	94.2	7	100.0	1,063	100.0
>\$1,000,000	1.5	0	0.0	0	0.0
Revenue Not Available	4.3	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>7</b>	<b>100.0</b>	<b>1,063</b>	<b>100.0</b>
Source: 2023 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%					

## **COMMUNITY DEVELOPMENT TEST**

FirsTier Bank demonstrated adequate responsiveness to the community development needs of the Greeley Metropolitan Assessment Area. The quantity and responsiveness of community development loans and qualified investments supports this conclusion.

### **Community Development Loans**

The bank originated 33 community development loans totaling approximately \$23.1 million in the Greeley Metropolitan Assessment Area. The loans were particularly responsive to the assessment area's affordable housing needs. Additionally, PPP loans helped businesses retain employees and lessen the negative effects of the COVID-19 pandemic. The following table illustrates the community development loans by year and purpose.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 Partial	2	6,700	0	0	29	1,406	0	0	31	8,106
2022	2	14,962	0	0	0	0	0	0	2	14,962
2023	0	0	0	0	0	0	0	0	0	0
Year-to-Date 2024	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4</b>	<b>21,662</b>	<b>0</b>	<b>0</b>	<b>29</b>	<b>1,406</b>	<b>0</b>	<b>0</b>	<b>33</b>	<b>23,068</b>
<i>Source: Bank Data</i>										

Notable community development lending activity in the Greeley Metropolitan Assessment Area included 4 loans totaling \$21.7 million that provided 81 affordable housing units to low- and moderate-income individuals.

### **Qualified Investments**

The bank made three qualified investments for \$3,000 in the Greeley Metropolitan Assessment Area. The donations were responsive to affordable housing and community service needs of low- and moderate-income individuals.

### **Community Development Services**

The bank did not provide any instances of community development services in the Greeley Metropolitan Assessment Area.

## APPENDICES

### INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA

#### **Lending Test**

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

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

#### **Community Development Test**

The Community Development Test considers the following criteria:

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

### SUMMARY OF RATINGS FOR RATED AREAS

<b>Rated Area</b>	<b>Lending Test</b>	<b>Community Development Test</b>	<b>Rating</b>
Nebraska	Satisfactory	Satisfactory	Satisfactory
Wyoming	Satisfactory	Satisfactory	Satisfactory
Colorado	Satisfactory	Satisfactory	Satisfactory

## GLOSSARY

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

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

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

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

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

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

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

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

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



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

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

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

**Community Development Loan:** A loan that:

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

**Community Development Service:** A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of 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.