

CRA Public File

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PUBLIC DISCLOSURE

March 29, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Community Bank of Parkersburg
Certificate Number: 19681

631 Juliana Street
Parkersburg, West Virginia 26101

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

10 10th Street NE, Suite 800
Atlanta, Georgia 30309-3849

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

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INSTITUTION RATING

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

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

- The loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and assessment area's credit needs.
- The majority of loans were originated inside the assessment area.
- The geographic distribution of home mortgage and small business loans reflects reasonable dispersion throughout the assessment area.
- The borrower profile reflects reasonable penetration among individuals of different income levels and businesses of different sizes.
- The institution has not received any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the assigned rating.

DESCRIPTION OF INSTITUTION

Community Bank of Parkersburg is a \$276.0 million institution headquartered in Parkersburg, West Virginia and operates as a wholly-owned subsidiary of Community Bankshares, Inc., a one-bank holding company also located in Parkersburg, West Virginia. The institution received a satisfactory CRA rating at the previous FDIC CRA examination dated June 8, 2015, which was based on the Interagency Small Institution Examination Procedures.

Community Bank of Parkersburg operates four full-service locations. The bank continues to operate the main office at 631 Juliana Street, Parkersburg, West Virginia. Two branch offices are located in Parkersburg, West Virginia and one branch office is located in Vienna, West Virginia. No branches have been opened or closed since the last examination. The bank also does not have any subsidiaries or other affiliates nor has it had any merger activity since the previous evaluation.

Community Bank of Parkersburg offers a variety of deposit products, which include checking, savings, and certificates of deposit. ATM's, internet banking, mobile banking, and telephone banking are offered as alternative systems for delivering retail banking services. Loan products offered include commercial and business purpose loans, residential mortgage loans, home equity lines of credit, consumer installment loans, and personal and overdraft lines of credit. Community Bank of Parkersburg's primary focus is home mortgage lending. Lending categories have remained consistent during the review period.

As of the December 31, 2020, Consolidated Reports of Condition and Income the bank had total assets of \$276.0 million, total deposits of \$213.2 million, and total loans of \$229.8 million. Since the previous CRA performance evaluation, total assets increased by 12.6 percent. Simultaneously, the bank experienced a 23.2 percent increase in total deposits and a 25.2 percent increase in total loans. The loan portfolio is illustrated in the following table.

| Loan Portfolio Distribution as of 12/31/2020 | | |
|---|-----------------|--------------|
| Loan Category | \$(000s) | % |
| Construction, Land Development, and Other Land Loans | 5,816 | 2.5 |
| Secured by Farmland | 0 | 0.0 |
| Secured by 1-4 Family Residential Properties | 148,862 | 64.8 |
| Secured by Multifamily (5 or more) Residential Properties | 2,006 | 0.9 |
| Secured by Nonfarm Nonresidential Properties | 37,619 | 16.4 |
| Total Real Estate Loans | 194,303 | 84.6 |
| Commercial and Industrial Loans | 17,846 | 7.8 |
| Agricultural Production and Other Loans to Farmers | 0 | 0.0 |
| Consumer Loans | 17,522 | 7.6 |
| Obligations of State and Political Subdivisions in the U.S. | 138 | 0.0 |
| Other Loans | 0 | 0.0 |
| Less: Unearned Income | 0 | 0.0 |
| Total Loans | 229,809 | 100.0 |
| <i>Source: Reports of Condition and Income</i> | | |

As reflected in the above table, the bank's major loan products are residential real estate and commercial loans. The Call Report data shows that residential real estate loans comprise 64.8 percent of the portfolio and commercial loans, including those secured by nonfarm, nonresidential real estate, comprise 24.2 percent.

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

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. The FDIC evaluates the bank's CRA performance based on its activity within the defined assessment area(s). The bank has designated a single assessment area comprising the Parkersburg-Vienna, WV Metropolitan Statistical Area (MSA) and a very small portion of adjacent Washington County, Ohio, which is located in a non-metropolitan area of the state. A substantial portion of the assessment area is located along the Ohio River in western West Virginia, and the assessment area does not extend substantially beyond the state boundary into the southeastern portion of Ohio. The demographics and economy of southeastern Ohio are similar to the West Virginia portion of the assessment area. The assessment area has not changed since the previous examination.

Economic and Demographic Data

The assessment area consists of 32 census tracts. These tracts reflect the following designations according to the 2015 American Community Survey (ACS) data.

- 5 Moderate-income tracts,
- 21 Middle-income tracts, and
- 6 Upper-income tracts

No middle-income tracts in Washington County, Ohio were designated distressed or underserved by the Federal Financial Institutions Examination Council (FFIEC). The following table presents select demographic characteristics of the assessment area.

| Demographic Information of the Assessment Area | | | | | | |
|---|---------|------------|------------------------------|---------------|--------------|------------|
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts) | 32 | 0.0 | 15.6 | 65.6 | 18.8 | 0.0 |
| Population by Geography | 111,144 | 0.0 | 7.9 | 75.7 | 16.4 | 0.0 |
| Housing Units by Geography | 51,859 | 0.0 | 8.6 | 75.7 | 15.7 | 0.0 |
| Owner-Occupied Units by Geography | 33,765 | 0.0 | 6.5 | 75.1 | 18.5 | 0.0 |
| Occupied Rental Units by Geography | 12,493 | 0.0 | 12.5 | 76.3 | 11.2 | 0.0 |
| Vacant Units by Geography | 5,601 | 0.0 | 12.7 | 78.1 | 9.1 | 0.0 |
| Businesses by Geography | 6,094 | 0.0 | 8.7 | 76.2 | 15.2 | 0.0 |
| Farms by Geography | 177 | 0.0 | 1.7 | 88.1 | 10.2 | 0.0 |
| Family Distribution by Income Level | 30,041 | 19.9 | 17.8 | 20.9 | 41.4 | 0.0 |
| Household Distribution by Income Level | 46,258 | 24.0 | 16.9 | 17.8 | 41.3 | 0.0 |
| Median Family Income MSA - 37620 Parkersburg-Vienna, WV MSA | 2019 | \$61,000 | Median Housing Value | | \$108,100 | |
| | 2020 | \$64,300 | Median Housing Age | | 51 years | |
| Median Family Income Non-MSAs - OH | 2019 | \$61,000 | Median Gross Rent | | \$619 | |
| | 2020 | \$63,400 | Families Below Poverty Level | | 12.1% | |

Source: 2015 ACS and 2020 D&B Data
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification.

The Geographic Distribution criteria compares home mortgage loans to the distribution of owner-occupied housing units and compares small business loans to the percentage of businesses located in low-, moderate-, middle-, and upper-income census tracts. The population, owner-occupied housing units, and businesses are primarily concentrated in the middle-income tracts, with the remaining primarily within the upper-income census tracts. Owner-occupied housing and businesses within the five moderate-income tracts are significantly less indicating more limited lending opportunities within these tracts.

The 2019 FFIEC updated statewide non-MSA median family income (MFI) level is used to analyze home mortgage loans under the Borrower Profile criterion. The following table presents each income category using a 2019 MFI of \$61,000 for both the Parkersburg-Vienna, WV MSA and the OH non-MSA counties within the assessment area.

| Median Family Income Ranges | | | | |
|-----------------------------|-----------|-----------------------|-----------------------|-------------|
| Median Family Incomes | Low <50% | Moderate 50% to <80% | Middle 80% to <120% | Upper ≥120% |
| 2019 (\$61,000) | <\$30,500 | \$30,500 to <\$48,800 | \$48,800 to <\$73,200 | ≥\$73,200 |

Source: FFIEC

The analysis of home mortgage lending by borrower income uses families by income level as a comparison to bank performance. Given the median housing value of \$108,100, a low-income

individual earning just over \$30,000 may have difficulty qualifying for a conventional mortgage loan. Additionally, according to the community contact, the housing stock is extremely limited, and prices continue to rise making them unaffordable for low- and moderate-income individuals. Therefore, lending opportunities to low- and moderate-income families are limited.

The analysis of small business loans under the Borrower Profile criterion compares the distribution of small business lending by gross annual business revenues. The D&B 2019 and 2020 gross annual revenues are listed below.

| Gross Annual Revenues | | |
|------------------------------|-------------|-------------|
| | 2019 | 2020 |
| <=\$1,000,000 | 79.2 | 80.1 |
| >1,000,000 | 5.4 | 5.0 |
| Revenue Not Available | 15.4 | 14.9 |

Source: 2019 and 2020 D&B Data

Service industries represent the largest portion of businesses at 38.9 percent. In addition, approximately 60.1 percent of area businesses have four or fewer employees. Some of the largest employers in the assessment area include the Marietta Memorial Hospital, Peoples Bank, Pioneer Pipe, Thermo Fisher, and Kraton Polymers.

Data obtained from the Bureau of Labor Statistics indicates that the 2020 year-end unemployment rate was 8.4 percent statewide for West Virginia and 8.5 percent for Ohio. Unemployment rates within the assessment area had generally improved from 2017 to 2019 but increased significantly in 2020 due to the COVID-19 pandemic. Unemployment rates within Wood County and Washington County are consistent with the state unemployment rates while Wirt County experienced higher unemployment rates than the state. For 2020, Wood and Washington County's unemployment rates were only slightly higher than the national average while Wirt County was significantly higher.

| Unemployment Rates | | | | |
|---------------------------|-------------|-------------|-------------|-------------|
| Area | 2017 | 2018 | 2019 | 2020 |
| | % | % | % | % |
| Wood County | 5.5 | 5.4 | 5.1 | 8.7 |
| Wirt County | 7.9 | 6.9 | 7.8 | 10.4 |
| Washington County | 6.3 | 5.6 | 5.4 | 8.5 |
| State – West Virginia | 5.2 | 5.2 | 4.9 | 8.4 |
| State - Ohio | 5.0 | 4.5 | 4.2 | 8.5 |
| National Average | 4.4 | 3.9 | 3.7 | 8.1 |

Source: Bureau of Labor Statistics

Competition

The bank operates in a competitive market with 12 other financial institutions operating 30 offices in the Wood, Wirt, and Washington Counties. According to FDIC Deposit Market Share data as of June 30, 2020, Community Bank of Parkersburg ranked 4th with 10.4 percent of total deposits. Several larger banks are headquartered outside of the assessment area but operate branches within

the assessment area. The primary competition for deposits includes United Bank (34.2 percent), Wesbanco Bank, Inc. (16.4 percent), Truist Bank (12.8 percent), and Williamstown Bank, Inc. (7.8 percent).

There is a high level of competition for home mortgage loans among numerous banks, credit unions, and non-depository mortgage lenders in this assessment area. In 2019, 145 lenders reported 2,288 residential mortgage loans originated or purchased in the assessment area. Community Bank of Parkersburg ranked 2nd in this group of home mortgage lenders with a 9.1 percent market share. The three most prominent home mortgage lenders (Peoples Bank, Community Bank of Parkersburg, and Movement Mortgage, LLC) accounted for approximately 27.8 percent of total market share by number of home mortgage loans.

The bank is not required to collect or report its small business data, and it has elected not to report such data. As a result, the analysis of small business loans under the Lending Test does not include comparisons to aggregate data. However, aggregate data reflects the level of demand for small business loans and is therefore included to provide context. Aggregate data for 2019 shows that 62 institutions reported 2,137 small business loans in the assessment area, indicating a high level competition. The three leading small business lenders by number of loans are American Express National Bank (15.6 percent); JP Morgan Chase Bank, NA (15.2 percent); and United Bank (10.6 percent). Together, the top three lenders account for approximately 41.4 percent of the loans by number. The three most prominent lenders by dollar volume are United Bank (27.5 percent); Peoples Bank (19.7 percent); and MVB Bank, Inc. (7.6 percent).

Community Contact(s)

As part of the CRA evaluation process, examiners contact third parties active in the assessment area to assist in identifying credit needs. This information helps determine whether local financial institutions are responsive to these needs. It also shows what credit opportunities are available. A community contact interview was conducted with an economic development organization located within the assessment area.

The community contact stated that the major employers and industries including the Federal Government, various types of manufacturing, and the gas and oil industry remain stable but are considerably below peak levels. Finding willing and qualified workers is a challenge. Area demographics are mixed and include a significant number of working and retired elderly.

The contact indicated that housing inventory is very limited resulting in increased prices. Rental properties are also in very short supply as multi-unit projects are typically rented prior to completion and generally have extensive waiting lists. There remains a need for small business loans particularly for working capital. The community contact indicated that financial institutions in the assessment area perform well in meeting the credit needs of the assessment area, and there are no additional programs that would benefit by additional financial institution involvement.

Credit Needs

Considering information from bank management, demographic and economic data, and the community contact, the primary credit needs of the assessment area are access to affordable housing and working capital for small businesses. The limited availability of single-family homes and rental properties in the area is evidence of high demand for housing, as well as the need for additional home construction. Small business loans, particularly those for start-up businesses, are in high demand. The significant percentage of businesses with gross annual revenues of \$1 million or less and the large number of businesses with four or fewer employees support this conclusion.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated June 8, 2015, to the current evaluation dated March 29, 2021. Examiners used the Interagency Small Institution Examination Procedures to evaluate the Community Bank of Parkersburg's CRA Performance.

Activities Reviewed

The CRA evaluation requires examiners to review lending performance with respect to home mortgage, small business, and small farm loans, if significant. Examiners determined that major product lines are home mortgage loans and small business loans. This conclusion considered the bank's business strategy and the number and dollar volume of loans originated during the evaluation period. The bank's record of originating home mortgage and small business led examiners to place substantial emphasis on home mortgage loans for the overall conclusions and ratings as the bank originated more home mortgage loans. Small business lending received only limited weight in the overall analysis given the lower volume of loans and the limited loans with revenue information. In addition, no other loan types, such as small farm loans, represent a major product line and are not included in the review. The following table shows the originations from January 1, 2019, through December 31, 2020.

| Loans Originated or Purchased | | | | |
|---|-----------------|--------------|--------------|--------------|
| Loan Category | \$(000s) | % | # | % |
| Construction and Land Development | 6,849 | 6.1 | 34 | 2.2 |
| Secured by Farmland | 0 | 0.0 | 0 | 0.0 |
| Secured by 1-4 Family Residential Properties | 59,815 | 52.8 | 448 | 29.3 |
| Multi-Family (5 or more) Residential Properties | 686 | 0.6 | 3 | 0.2 |
| Commercial Real Estate Loans | 15,602 | 13.8 | 57 | 3.7 |
| Commercial and Industrial Loans | 17,445 | 15.4 | 244 | 15.9 |
| Agricultural Loans | 0 | 0.0 | 0 | 0.0 |
| Consumer Loans | 12,756 | 11.3 | 745 | 48.7 |
| Other Loans | 0 | 0.0 | 0 | 0.0 |
| Total Loans | 113,153 | 100.0 | 1,531 | 100.0 |
| <i>Source: Bank Data</i> | | | | |

This evaluation considered all home mortgage loans reported for 2019 and 2020 under the Home Mortgage Disclosure Act (HMDA). For 2019, the bank reported 236 loans totaling \$29.6 million, and for 2020, the bank reported 228 loans totaling \$35.5 million. Only home mortgage lending for 2019 is presented in the analysis as this is the most recent year for which aggregate data is available and is used for comparative analysis for 2019. Lending performance for 2020 was also analyzed and is only discussed if anomalies are noted. Additionally, demographic data from the 2015 ACS is used as a comparison for both years. The demographic data used included the level of owner-occupied housing units and families, respectively, to evaluate the Geographic Distribution and Borrower Profile criteria.

Additionally, this evaluation considered small business loans for both 2019 and 2020. The most recent full calendar year, 2020, was not representative of small business loan activity during the evaluation period. Due to the COVID-19 pandemic, small business lending activity was elevated due to the bank's participation in the SBA's Paycheck Protection Program (PPP). As a result, small business lending in 2019 was also reviewed. While the entire universe of loans was considered for 2020, the geographic data was not available for a majority of the loans. For 2019, the bank originated 58 small business loans totaling \$7.6 million. Examiners reviewed the entire universe of 2019 small business loans for Assessment Area Concentration, Geographic Distribution, and Borrower Profile. For 2020, examiners selected a sample of 55 small business loans totaling \$5.1 million from a universe of 240 small business loans totaling \$17.8 million. This sample will be reviewed for Assessment Area Concentration, Geographic Distribution, and borrower profile. D&B data for 2019 and 2020 provided a standard of comparison for the Geographic Distribution and Borrower Profile criteria.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Community Bank of Parkersburg demonstrated satisfactory performance under the Lending Test. The more than reasonable Loan-to-Deposit Ratio along with reasonable Assessment Area

Concentration, Geographic Distribution, and Borrower Profile support this conclusion. Only loans within the assessment area are included in the Geographic Distribution and Borrower Profile analyses.

Loan-to-Deposit Ratio

The loan-to-deposit ratio is more than reasonable given the institution’s size and financial condition and the assessment area’s credit needs. The loan-to-deposit ratio was calculated from Call Report data and averaged 108.2 percent over the last 23 calendar quarters from June 30, 2015, to December 31, 2020. The ratio ranged from a low of 96.5 percent as of September 30, 2017, to a high of 115.7 percent as of December 31, 2018.

The loan-to-deposit ratio was compared to one similarly-situated institution operating within the assessment area. This institution was selected based on size, portfolio composition, and market area. The Community Bank of Parkersburg’s average loan-to-deposit ratio is significantly higher than the similarly-situated institution’s average of 93.8 percent.

| Loan-to-Deposit Ratio Comparison | | |
|--|---|--|
| Bank | Total Assets as of 12/31/2020 (\$000s) | Average Net Loan-to-Deposit Ratio (%) |
| Community Bank of Parkersburg | 275,992 | 108.2 |
| Williamstown Bank, Inc. | 182,018 | 93.8 |
| <i>Source: Reports of Condition and Income</i> | | |

Assessment Area Concentration

A majority of the loans were originated inside the assessment area. The following table illustrates the distribution of home mortgage loans and small business loans inside and outside the assessment area.

| Lending Inside and Outside of the Assessment Area | | | | | | | | | | | |
|--|------------------------|-------------|----------------|-------------|--------------------|--|-------------|----------------|-------------|---------------------------|--|
| Loan Category | Number of Loans | | | | Total # | Dollar Amount of Loans \$(000s) | | | | Total \$(000s) | |
| | Inside | | Outside | | | Inside | | Outside | | | |
| | # | % | # | % | | \$ | % | \$ | % | | |
| Home Mortgage | | | | | | | | | | | |
| 2019 | 209 | 88.6 | 27 | 11.4 | 236 | 25,509 | 86.3 | 4,061 | 13.7 | 29,570 | |
| 2020 | 202 | 88.6 | 26 | 11.4 | 228 | 29,801 | 84.0 | 5,689 | 16.0 | 35,490 | |
| Subtotal | 411 | 88.6 | 53 | 11.4 | 464 | 55,310 | 85.0 | 9,750 | 15.0 | 65,060 | |
| Small Business | | | | | | | | | | | |
| 2019 | 49 | 84.5 | 9 | 15.5 | 58 | 5,512 | 72.3 | 2,113 | 27.7 | 7,625 | |
| 2020 | 47 | 85.5 | 8 | 14.5 | 55 | 3,258 | 64.2 | 1,814 | 35.8 | 5,072 | |
| <i>Source: 2019 and 2020 HMDA Data and Bank Records.</i> | | | | | | | | | | | |

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. Reasonable geographic distribution of both home mortgage and small business loans supports this conclusion. Examiners focused on the percentage by number of loans in moderate-income census tracts as there are no low-income tracts in the assessment area.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable distribution throughout the assessment area. Lending in moderate-income areas by number of loans exceeded aggregate performance and was slightly lower than the percentage of owner-occupied housing units.

| Geographic Distribution of Home Mortgage Loans | | | | | | |
|---|--|-------------------------------------|------------|--------------|-----------------|--------------|
| Tract Income Level | % of Owner-Occupied Housing Units | Aggregate Performance % of # | # | % | \$(000s) | % |
| Moderate | 6.5 | 3.5 | 12 | 5.8 | 858 | 3.4 |
| Middle | 75.1 | 76.4 | 161 | 77.0 | 19,448 | 76.2 |
| Upper | 18.5 | 20.1 | 36 | 17.2 | 5,204 | 20.4 |
| Totals | 100.0 | 100.0 | 209 | 100.0 | 25,509 | 100.0 |

*Source: 2015 ACS; 2019 HMDA Data; and 2019 HMDA Aggregate Data.
Due to rounding, totals may not equal 100.0 percent.*

Small Business Loans

The geographic distribution of small business loans reflects reasonable distribution throughout the assessment area. Lending in moderate-income census tracts was higher than demographic data in both 2019 and 2020. The following table provides the geographic distribution of the small business loans within the assessment area.

| Geographic Distribution of Small Business Loans | | | | | |
|--|------------------------|-----------|--------------|-----------------|--------------|
| Tract Income Level | % of Businesses | # | % | \$(000s) | % |
| Moderate | | | | | |
| 2019 | 8.8 | 5 | 10.2 | 482 | 8.7 |
| 2020 | 8.7 | 6 | 12.8 | 116 | 3.6 |
| Middle | | | | | |
| 2019 | 76.5 | 33 | 67.3 | 3,492 | 63.4 |
| 2020 | 76.2 | 38 | 80.8 | 2,823 | 86.6 |
| Upper | | | | | |
| 2019 | 14.7 | 11 | 22.5 | 1,538 | 27.9 |
| 2020 | 15.2 | 3 | 6.4 | 319 | 9.8 |
| Totals | | | | | |
| 2019 | 100.0 | 49 | 100.0 | 5,512 | 100.0 |
| 2020 | 100.0 | 47 | 100.0 | 3,258 | 100.0 |
| <i>Source: 2019 & 2020 D&B Data and Bank Records. Due to rounding, totals may not equal 100.0 percent.</i> | | | | | |

Borrower Profile

The distribution of loans reflects reasonable penetration among individuals of different income levels and businesses of different sizes. This conclusion is supported by the reasonable performance regarding home mortgage loans and small business loans. Examiners focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers and percentage of small business loans made to businesses with gross annual revenues of \$1 million or less. Aggregate and demographic data for home mortgage loans and D&B data for small business loans were used as comparisons.

Home Mortgage Loans

Distribution of home mortgage loans to borrowers of different income levels is reasonable. As shown below, lending to low-income borrowers is lower than aggregate and significantly lower than demographics. However, families living below the poverty level is 12.1 percent. Additionally, given the median housing value, the noted condition of the available housing, and income level, a low-income borrower would likely have difficulty qualifying for a conventional home mortgage loan. An additional review found that the bank ranked 7th out of 31 lenders in lending to low-income borrowers, and ranked 4th for lenders with a physical presence in the assessment area. Lending to moderate-income borrowers is comparable to both demographic and aggregate lending data.

| Distribution of Home Mortgage Loans by Borrower Income Level | | | | | | |
|---|----------------------|-------------------------------------|------------|--------------|-----------------|--------------|
| Borrower Income Level | % of Families | Aggregate Performance % of # | # | % | \$(000s) | % |
| Low | 19.9 | 8.0 | 8 | 3.8 | 643 | 2.5 |
| Moderate | 17.8 | 18.3 | 34 | 16.3 | 2,619 | 10.3 |
| Middle | 20.9 | 23.6 | 41 | 19.6 | 4,218 | 16.5 |
| Upper | 41.4 | 39.2 | 113 | 54.1 | 15,643 | 61.3 |
| Not Available | 0.0 | 11.0 | 13 | 6.2 | 2,386 | 9.4 |
| Total | 100.0 | 100.0 | 209 | 100.0 | 25,509 | 100.0 |

*Source: 2015 ACS, 2019 HMDA Data, and 2019 HMDA Aggregate Data.
Due to rounding, totals may not equal 100.0 percent.*

Small Business Loans

The distribution of small business loans reflects reasonable penetration among businesses of different sizes. While the percentage by number of small business loans for 2019 is below demographics, the percentage by dollar is comparable to demographics. As previously mentioned, the bank made a large number of loans under the PPP, and revenues were not required. Considering core small business lending to businesses with revenues of \$1 million or less, the bank's performance (81.8 percent) was comparable to demographics. Additionally, further review of the loans with no revenues, found that the average loan size was \$46,500, which indicates the bank's willingness to make smaller loans to meet the credit needs of the assessment area.

Additional review for each year found that the average loan amount for 2019 and 2020 was \$112,500 and \$69,300, respectively. In 2019, 32 loans were originated for less than \$100,000, with 25 of those being \$50,000 or less. In 2020, 36 loans were originated for less than \$100,000, with 30 loans originated for \$50,000 or less. This illustrates the bank's willingness to make smaller loans to help with the needs of businesses in the assessment area.

| Distribution of Small Business Loans by Gross Annual Revenue Category | | | | | |
|--|------------------------|-----------|--------------|-----------------|--------------|
| Gross Revenue Level | % of Businesses | # | % | \$(000s) | % |
| <=\$1,000,000 | | | | | |
| 2019 | 79.2 | 30 | 61.2 | 4,062 | 73.7 |
| 2020 | 80.1 | 18 | 38.3 | 1,339 | 41.1 |
| >1,000,000 | | | | | |
| 2019 | 5.4 | 5 | 10.2 | 589 | 10.7 |
| 2020 | 5.0 | 4 | 8.5 | 755 | 23.2 |
| Revenue Not Available | | | | | |
| 2019 | 15.4 | 14 | 28.6 | 861 | 15.6 |
| 2020 | 14.9 | 25 | 53.2 | 1,164 | 35.7 |
| Totals | | | | | |
| 2019 | 100.0 | 49 | 100.0 | 5,512 | 100.0 |
| 2020 | 100.0 | 47 | 100.0 | 3,258 | 100.0 |

Source: 2019 and 2020 D&B Data and Bank Records.

Response to Complaints

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

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any evidence of discriminatory or other illegal credit practices inconsistent with helping meet community credit needs; therefore this consideration did not affect the institution's overall CRA Rating.

APPENDICES

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).

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.

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.

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.

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.

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 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.

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.

COMMUNITY BANK OF PARKERSBURG

Addresses of Offices 2024

Main Office

631 Juliana Street
Parkersburg, WV 26101
ATM Location (non-deposit)
Census Tract: 110.00

Vienna Office

Branch
2400 Grand Central Avenue
Vienna, WV 26105
ATM Location (non-deposit)
Census Tract: 105.01

North Parkersburg Office

Branch
3906 Emerson Avenue
Parkersburg, WV 26104
ATM Location (non-deposit)
Census Tract: 001.00

South Parkersburg Office

Branch
1620 Blizzard Drive
Parkersburg, WV 26101
ATM Location (non-deposit)
Census Tract: 009.03

OFFICES OPENED OR CLOSED IN THE PAST TWO CALENDAR YEARS
2024

None

LIST OF SERVICES 2024

Lobby Hours (All Offices)

Monday through Thursday
9:00 a.m. to 4:00 p.m.

Friday
9:00 a.m. to 5:00 p.m.

Drive-Thru Hours (All Offices)

Monday through Friday
8:00 a.m. to 5:30 p.m.

Saturday
9:00 a.m. to 12:00 p.m.

CHECKING/SAVINGS ACCOUNTS

Senior Citizen Checking
First Choice Checking
Rewards Checking
Hi-Fi Checking
Super Now Checking
Business Super Now Account
Business Hi-Fi Checking
Business Rewards Money Market Index Account
Money Market Index Account
Christmas Club Account
Vacation Club
Statement Savings Account
Investment Plus Savings Account
Health Savings Account
Certificates of Deposit
IRAs
Cash Management Services

SERVICES

Telephone Banking
Internet Banking
Internet Banking Bill Pay
Electronic Statements
Mobile Banking
Automatic Direct Deposit/Payment Switch
Online New Account Opening
Remote Deposit Anywhere
Remote Capture
Merchant Capture
Bank to Bank Funds Transfer
Person to Person Funds Transfer
Apple, Google & Samsung Pay
Zelle®
AutoBooks
On-line Loan Applications
Credit Card Account Management
On-line Financial Management
Safe Deposit Box
Notary Service
Official Checks
Domestic/Foreign Wire Transfers

CETERA INVESTMENT SERVICES

LOAN ACCOUNTS

Consumer Loans (Secured and Unsecured)
Commercial Loans
Mortgage Loans
Construction Loans
Construction/Permanent Loans
Home Equity Line of Credit
Check Line of Credit
Small Business Loans
Visa Credit Cards

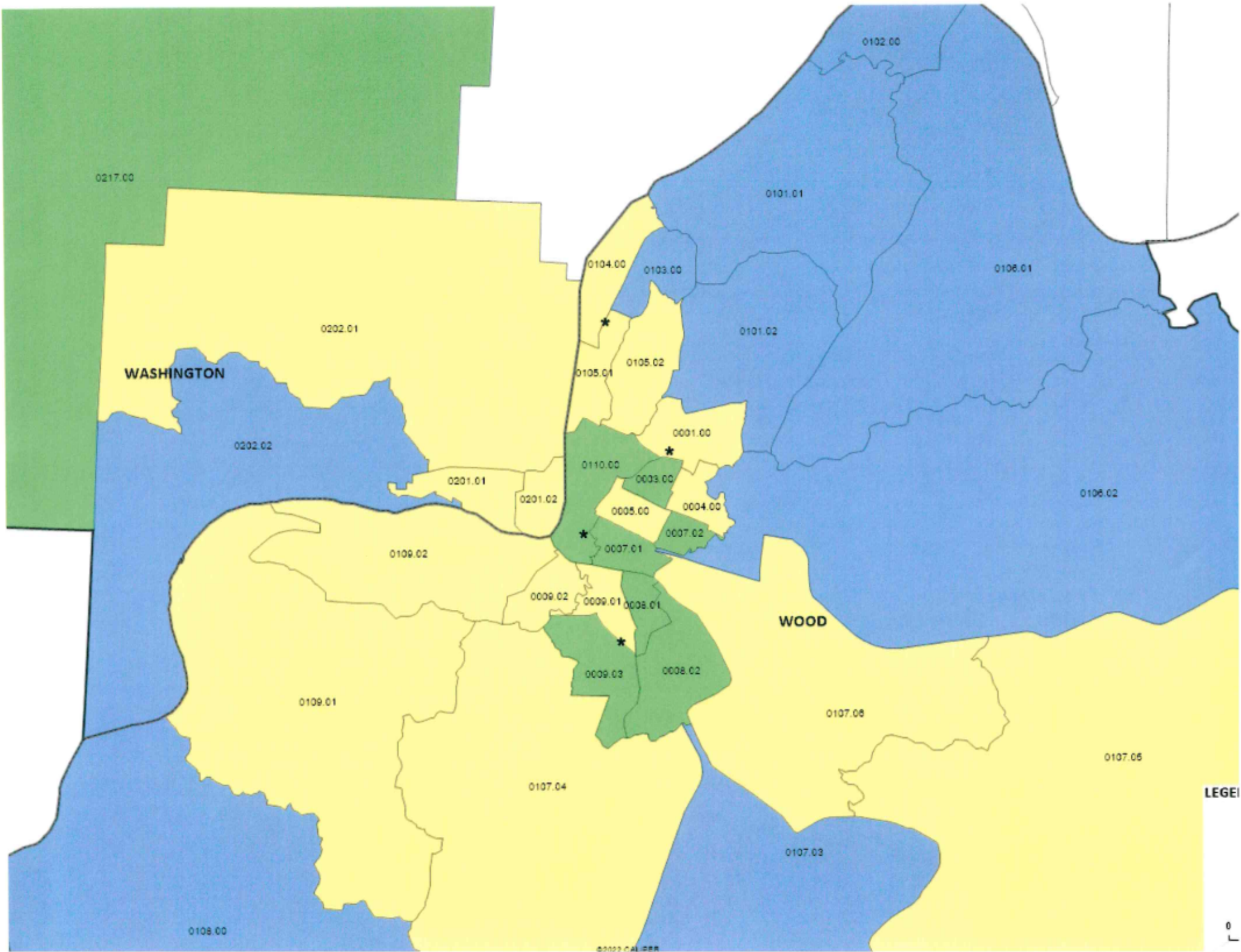
**Community Bank of Parkersburg
Loan to Deposit Ratio
2023**

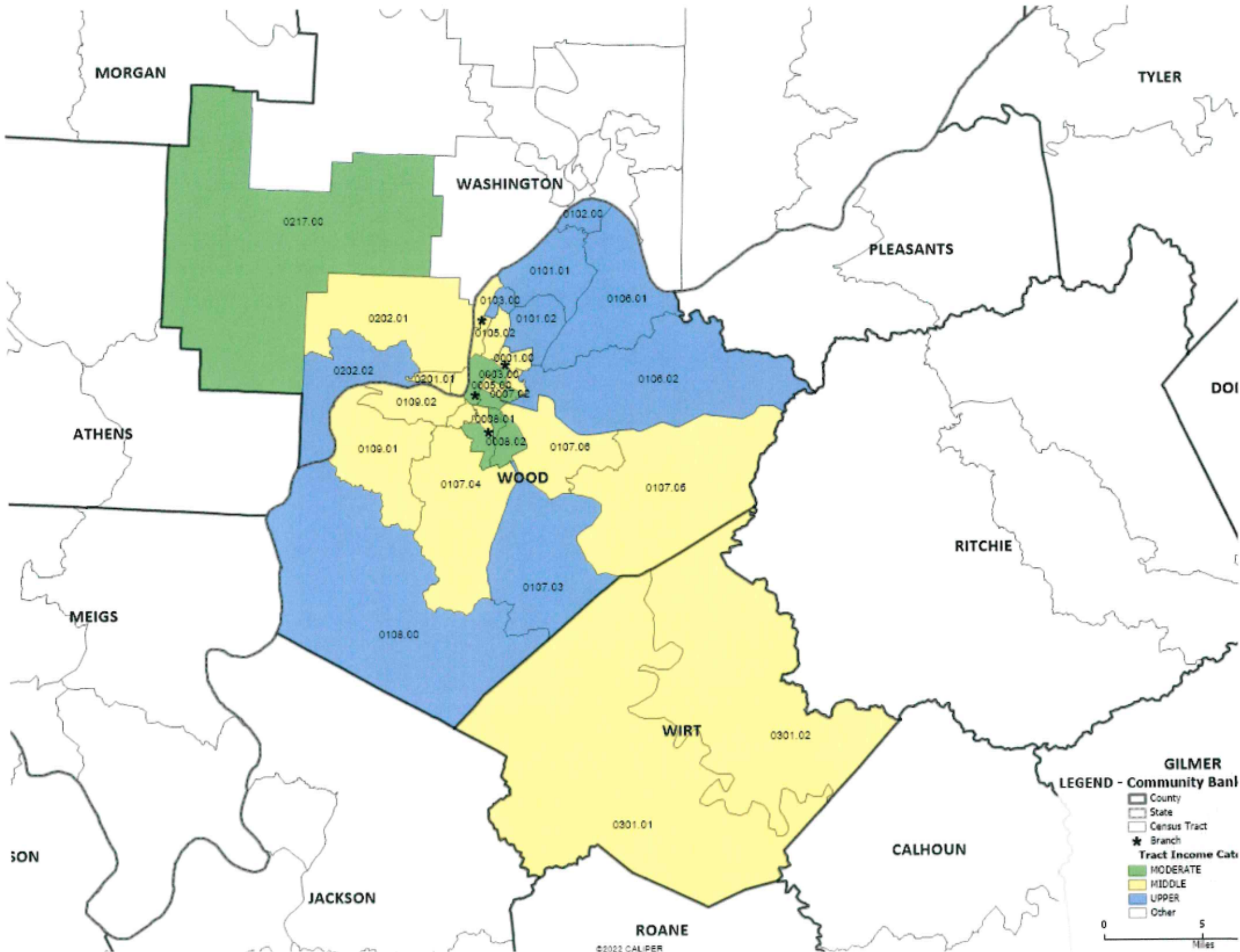
3/31/23 – 107.83%

6/30/23 – 105.51%

9/30/23 – 105.63%

12/31/23 – 105.93%





MORGAN

TYLER

WASHINGTON

PLEASANTS

DOI

ATHENS

WOOD

RITCHIE

MEIGS

WIRT

CALHOUN

SON

JACKSON

ROANE

0217.00

0102.00

0202.01

0101.01

0106.01

0103.00

0101.02

0105.02

0001.00

0003.00

0005.00

0007.02

0008.01

0008.02

0202.02

0201.01

0109.02

0106.02

0109.01

0107.08

0107.06

0107.04

0107.03

0108.00

0301.02

0301.01

CAPCO

Assessment Area Census Tract Listing

| Census Tract Data | | | | Demographic Data | | | |
|-------------------------------|--------|------------|-----------|-----------------------|------------------------------|-------------------------|------------------|
| State | MSA/MD | County | Tract | Tract Income Category | Tract Median Family Income % | Tract Minority Category | Tract Minority % |
| 39 | 99999 | 167 | 0201.01 | MIDDLE | 86.74 | < 10% | 9.12 |
| 39 | 99999 | 167 | 0201.02 | MIDDLE | 105.16 | < 10% | 8.70 |
| 39 | 99999 | 167 | 0202.01 | MIDDLE | 117.55 | < 10% | 6.76 |
| 39 | 99999 | 167 | 0202.02 | UPPER | 121.39 | < 10% | 5.61 |
| 39 | 99999 | 167 | 0217.00 | MODERATE | 77.79 | < 10% | 8.99 |
| County Totals | | 167 | 5 | | | | |
| 54 | 37620 | 105 | 0301.01 | MIDDLE | 87.80 | < 10% | 3.81 |
| 54 | 37620 | 105 | 0301.02 | MIDDLE | 90.14 | < 10% | 3.68 |
| County Totals | | 105 | 2 | | | | |
| 54 | 37620 | 107 | 0001.00 | MIDDLE | 98.69 | ≥ 10% to < 20% | 10.53 |
| 54 | 37620 | 107 | 0003.00 | MODERATE | 61.67 | ≥ 10% to < 20% | 10.14 |
| 54 | 37620 | 107 | 0004.00 | MIDDLE | 99.60 | < 10% | 6.88 |
| 54 | 37620 | 107 | 0005.00 | MIDDLE | 101.95 | ≥ 10% to < 20% | 12.91 |
| 54 | 37620 | 107 | 0007.01 | MODERATE | 61.61 | ≥ 10% to < 20% | 15.65 |
| 54 | 37620 | 107 | 0007.02 | MODERATE | 72.24 | < 10% | 9.36 |
| 54 | 37620 | 107 | 0008.01 | MODERATE | 58.51 | < 10% | 8.24 |
| 54 | 37620 | 107 | 0008.02 | MODERATE | 67.03 | < 10% | 7.61 |
| 54 | 37620 | 107 | 0009.01 | MIDDLE | 81.99 | < 10% | 7.17 |
| 54 | 37620 | 107 | 0009.02 | MIDDLE | 81.99 | < 10% | 6.22 |
| 54 | 37620 | 107 | 0009.03 | MODERATE | 69.21 | < 10% | 6.43 |
| 54 | 37620 | 107 | 0101.01 | UPPER | 127.49 | < 10% | 7.12 |
| 54 | 37620 | 107 | 0101.02 | UPPER | 133.25 | ≥ 10% to < 20% | 10.64 |
| 54 | 37620 | 107 | 0102.00 | UPPER | 146.97 | < 10% | 4.65 |
| 54 | 37620 | 107 | 0103.00 | UPPER | 126.60 | < 10% | 9.17 |
| 54 | 37620 | 107 | 0104.00 | MIDDLE | 118.33 | < 10% | 7.24 |
| 54 | 37620 | 107 | 0105.01 | MIDDLE | 80.90 | ≥ 10% to < 20% | 10.63 |
| 54 | 37620 | 107 | 0105.02 | MIDDLE | 103.81 | ≥ 10% to < 20% | 10.54 |
| 54 | 37620 | 107 | 0106.01 | UPPER | 128.06 | < 10% | 6.37 |
| 54 | 37620 | 107 | 0106.02 | UPPER | 134.44 | < 10% | 6.77 |
| 54 | 37620 | 107 | 0107.03 | UPPER | 127.11 | < 10% | 5.24 |
| 54 | 37620 | 107 | 0107.04 | MIDDLE | 97.93 | < 10% | 4.42 |
| 54 | 37620 | 107 | 0107.05 | MIDDLE | 84.11 | < 10% | 5.28 |
| 54 | 37620 | 107 | 0107.06 | MIDDLE | 100.87 | < 10% | 7.45 |
| 54 | 37620 | 107 | 0108.00 | UPPER | 138.84 | < 10% | 2.83 |
| 54 | 37620 | 107 | 0109.01 | MIDDLE | 108.00 | < 10% | 4.81 |
| 54 | 37620 | 107 | 0109.02 | MIDDLE | 110.09 | < 10% | 6.65 |
| 54 | 37620 | 107 | 0110.00 | MODERATE | 65.83 | ≥ 10% to < 20% | 10.99 |
| County Totals | | 107 | 28 | | | | |
| Assessment Area Totals | | | 35 | | | | |

Home Mortgage Disclosure Act Notice

The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, age and income of applicants and borrowers; and information about loan approvals and denials. HMDA data for many other financial institutions are also available online. For more information, visit the Consumer Financial Protection Bureau's Web site (www.consumerfinance.gov/hmda).
