



PUBLIC DISCLOSURE

October 13, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Federal Community Bank, N.A.
Charter Number 25025
321 North Wooster Avenue
Dover, OH 44622

Office of the Comptroller of the Currency
200 Public Square Suite 1610
Cleveland, OH 44114-2301

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

Table of Contents

OVERALL CRA RATING	2
DESCRIPTION OF INSTITUTION.....	3
SCOPE OF THE EVALUATION	4
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	4
STATE RATING6
STATE OF OHIO.....	6
LENDING TEST	9
COMMUNITY DEVELOPMENT TEST.....	ERROR! BOOKMARK NOT DEFINED.1
APPENDIX A: SCOPE OF EXAMINATION.....	A-1
APPENDIX B: SUMMARY OF STATE RATINGS.....	B-1
APPENDIX C: DEFINITIONS AND COMMON ABBREVIATIONS	C-1
APPENDIX D: TABLES OF PERFORMANCE DATA	D-1

Overall CRA Rating

Institution's CRA Rating: This institution is rated **Satisfactory**

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The Lending Test rating is based on a satisfactory level of lending in the assessment area (AA), a reasonable loan-to-deposit (LTD) ratio, reasonable geographic distribution of home mortgage and small loans to businesses, and a reasonable distribution of home mortgage loans among borrowers of different incomes and small business loans among businesses of different sizes.
- The Community Development (CD) test rating is based on adequate responsiveness to community needs through qualified CD loans, investments, and services, and its capacity to participate.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, First Federal Community Bank's (FFCB or bank) LTD ratio is reasonable.

FFCB's LTD ratio is calculated on a bank-wide basis and meets the standard for satisfactory performance. During the evaluation period, the bank's average quarterly LTD ratio was 91.7 percent, with quarterly ratios ranging from a high of 94.5 percent in first quarter 2017 to a low of 88.5 percent in third quarter 2018. In comparison, the LTD ratios for three similarly situated institutions in the AA ranged from 101.4 percent to 67.3 percent.

Lending in Assessment Area

A majority of the bank's loans are inside its AA.

This conclusion is based upon a statistical sample of 180 home mortgage loans and 180 business loans originated between January 1, 2017 and December 31, 2019. The bank originated 76.1 percent by number and 77.8 percent by dollar amount of its total home mortgage and business loans within the AA during the evaluation period. This level of lending had a positive impact on the bank's overall geographic distribution of lending by income level of geography.

Lending Inside and Outside of the Assessment Area						2017-2019				
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%	\$	%	\$	%		
Home Mortgage	140	77.8	40	22.2	180	22,998	79.2	6,050	20.8	29,048
Business Loans	134	74.4	46	25.6	180	19,977	76.2	6,233	23.8	26,210
Total	274	76.1	86	23.9	360	42,975	77.8	12,283	22.2	55,258
<i>Source: Evaluation Period: 1/1/2017 - 12/31/2019 Bank Data. Due to rounding, totals may not equal 100.0</i>										

Description of Institution

FFCB is a \$451.2 million intrastate bank headquartered in Dover, Ohio. It is a wholly owned subsidiary of First Federal Financial Corporation, a one-bank holding company. The bank has seven full-service branches located in Tuscarawas and Holmes counties, each with automated teller machines (ATMs). Management designated all of Tuscarawas County and portions of Holmes County as the bank's AA, which is comprised of 25 contiguous census tracts (CTs) and is not part of a Metropolitan Statistical Area (MSA).

The bank offers traditional banking products and services, including business loans and residential mortgages. The bank also offers home equity lines of credit (HELOCs) and consumer loan products, including installment and automobile loans. FFCB offers a wide range of deposit products and services including checking, savings, minor savings accounts, money market accounts, certificates of deposit, individual retirement accounts, overdraft protection and online banking. Business related deposit products and services include checking and money market accounts, interest only lawyer's trust accounts (IOLTAs), merchant services and remote deposit capture.

During the evaluation period, FFCB's loan portfolio grew 38.6 percent. As of December 31, 2019, the bank's loan portfolio totaled \$366.9 million, 86.6 percent of which was secured by real estate. The loan portfolio is comprised of 35.5 percent residential mortgages, 32.6 percent nonfarm nonresidential properties, 10.3 percent commercial and industrial loans, 8.2 percent construction loans, 7.3 percent consumer loans, and 6.1 percent farm loans. The bank's primary focus continues to be originating residential mortgage loans and business/nonfarm nonresidential lending.

There are no legal, financial, or other factors impeding FFCB's ability to help meet the credit needs of the communities it serves. As of December 31, 2019, the bank's tier 1 capital totaled \$39.1 million, or 8.7 percent of total assets. The bank received a "Satisfactory" rating on their previous CRA evaluation dated October 16, 2017.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This Performance Evaluation assesses FFCB's record of meeting the credit needs of the communities in which it operates. We performed a full-scope review using intermediate-small bank (ISB) CRA procedures, which included a lending test and a community development test. This is the first evaluation where FFCB is being evaluated as an ISB. The lending test evaluates the bank's record of meeting the credit needs of the bank's AA through its business and home mortgage lending activities. The CD test evaluates the bank's responsiveness to CD needs in its AA through qualified lending, investments and donations and services. The evaluation period for lending and CD activity covers the period from January 1, 2017 to December 31, 2019.

We evaluated FFCB's lending performance based on its primary loan products, which include home mortgage loans and small loans to businesses. While the bank offers multifamily, HELOCs, consumer installment, and farm loans, these products are not a primary focus for the bank. As a result, we did not consider these as part of our evaluation, as an analysis of this data would not be meaningful. However, we did consider multi-family loans that qualify as CD loans, as part of our CD lending assessment.

Selection of Areas for Full-Scope Review

As of December 31, 2019, FFCB has only one AA that includes all of Tuscarawas County, Ohio and four contiguous CTs in Holmes County, referred to as the Tuscarawas AA. This AA will receive a full-scope review. The AA meets the requirements of the CRA and does not arbitrarily exclude any CTs based on the designation of their income level or the demographic make-up of the CTs. Please refer to *Appendix A – Scope of Examination* for more information on this AA.

Ratings

FFCB's overall rating is based on performance within the bank's one AA. In reaching our conclusion, we weighed information from the following performance criteria when analyzing the bank's primary lending products: lending within the AA, lending to borrowers of different incomes and businesses of different sizes, and the geographic distribution of the bank's loans, as well as CD activity. Refer to the "Scope" paragraph within the "State" section of this document for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending

performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

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

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

State Rating

State of Ohio

CRA rating for Ohio: Satisfactory

The lending test is rated: Satisfactory

The community development test is rated: Satisfactory

The major factors that support this rating include:

- The overall geographic distribution of the bank's loans is reasonable.
- The bank's overall distribution of home mortgage loans to individuals of different incomes and small loans to businesses of different sizes is reasonable.
- The bank originated an adequate level of CD loans.
- The bank originated an adequate level of CD investments.
- The bank's service delivery systems are reasonably accessible to geographies and individuals of different income levels in the institution's AA.
- The bank's level of CD services is adequate.
- The bank did not receive any complaints regarding its performance in helping meet the credit needs within its AA during the evaluation period.

Description of Institution's Operations in Ohio

The bank's AA includes all of Tuscarawas County and the eastern four CTs of Holmes County and is comprised largely of rural cities. The AA is located in eastern Ohio and its primary city is New Philadelphia. The AA is comprised of contiguous geographies and does not arbitrarily exclude any low- or moderate-income areas. Based on 2015 ACS data, the bank's AA consists of 25 CTs and includes no low-income CTs, three moderate-income CTs, twenty middle-income CTs and two upper-income CTs. In addition, the AA contains no designated distressed or underserved middle-income areas.

The bank operates its main office within Tuscarawas County, in the city of Dover, Ohio. As of our evaluation, the bank operated seven branch offices throughout its AA. Two branches are in the city of Dover, with one branch each in New Philadelphia, Sugarcreek, Berlin, Mt. Hope, and Uhrichsville, Ohio. The Boulevard branch in Dover and the New Philadelphia branch are located in moderate-income CTs, while the remaining branch offices are in middle-income CTs. Six of the seven branches have drive-up capabilities and each branch provides access to ATMs; however, none offer deposit taking capabilities. In 2017, the bank acquired a branch office from FC Bank, a division of CNB Bank, in the village of Mt. Hope in eastern Holmes County. The

bank also acquired two stand-alone ATMs in Mt. Hope. In 2018, FFCB opened their branch office in Uhrichsville, located in the southern part of Tuscarawas County. This branch expanded their market area to the second largest population concentration in the county. The bank did not close any branch locations during the period.

The AA is highly competitive, with a mixture of community banks and large banks serving the area. Per the June 30, 2019 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, 16 institutions operate in the AA, maintaining 56 offices. This does not include credit unions or other financial services providers. FFCB ranked third in terms of deposit market share, with 15.3 percent, or \$373.0 million of insured deposits. The largest competitors for deposits include the Commercial and Savings Bank of Millersburg, Killbuck Savings Bank Company, and Huntington National Bank, which hold a combined 49.2 percent of the deposit market. FFCB's deposit market share remained consistent throughout the examination period. Over 88.0 percent of the bank's deposits are located in the three branches encompassing the Dover/New Philadelphia region.

Significant competition for loans exists in the AA. Based on 2019 peer mortgage loan data, 188 lenders originated or purchased home mortgage loans within the AA. The top five home mortgage loan lenders in the AA are large banks and mortgage companies, which hold a combined 39.7 percent share of the market. The top five business lenders in the AA are large banks, which account for 54.9 percent of the business lending in the AA. FFCB is not required to report its home mortgage or small business loan data.

A majority of non-farm businesses in the AA are small as measured by the number of employees and gross revenues. According to 2018 Dun & Bradstreet data, 80.5 percent of businesses located in the AA have less than \$1 million in gross annual revenues and 63.9 percent of businesses have fewer than five employees. Only 2.5 percent of businesses are headquartered in the AA while 86.8 percent operate from a single location. Service and retail trade business sectors account for 50.3 percent of the employers within the AA. Major employers include Union Hospital, City and County government, Belden Brick, Gradall, and Allied Machine & Engineering.

The economic conditions in the AA have lagged slightly behind the state of Ohio during the period of review. Unemployment levels in the beginning of 2017 for the AA was 6.9 percent, decreasing each year to 4.4 percent as of year-end 2019. In comparison, the Ohio unemployment rate ranged from 6.1 percent in 2017 to 3.8 percent in 2019.

We utilized interviews conducted with two community organizations focused on economic development and affordable housing within Tuscarawas and Holmes Counties. They indicated competition for involvement in CD activities is high, as a large number of financial institutions operate within the AA. The contacts provided detailed opportunities for bank involvement with CD activities, including loans, investments, and services. Specifically, they identified the highest need is for general operating funds, low-interest commercial lending, and funding for various projects including weatherization and homelessness prevention. Additionally, they seek volunteers and partners to assist with developing/funding financial literacy courses for low-income young adults.

Demographic information for the full-scope assessment area is contained in the table below.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Tuscarawas AA - 2019						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	25	0.0	12.0	80.0	8.0	0.0
Population by Geography	112,789	0.0	10.9	82.7	6.5	0.0
Housing Units by Geography	45,127	0.0	12.9	80.3	6.8	0.0
Owner-Occupied Units by Geography	29,512	0.0	9.5	82.8	7.7	0.0
Occupied Rental Units by Geography	12,127	0.0	20.9	73.3	5.8	0.0
Vacant Units by Geography	3,488	0.0	14.2	82.7	3.0	0.0
Businesses by Geography	6,707	0.0	13.5	79.9	6.6	0.0
Farms by Geography	382	0.0	4.2	88.0	7.9	0.0
Family Distribution by Income Level	29,614	18.3	19.7	23.2	38.8	0.0
Household Distribution by Income Level	41,639	22.3	15.9	19.5	42.3	0.0
Median Family Income Non-MSAs - OH		\$55,785	Median Housing Value			\$120,661
			Median Gross Rent			\$659
			Families Below Poverty Level			10.8%
<i>Source: 2015 ACS and 2019 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.</i>						

Scope of Evaluation in Ohio

We performed a full-scope review of FFCB’s one AA. We evaluated FFCB’s performance in the state of Ohio by analyzing the bank’s lending performance and its CD lending, investment, and service performance from January 1, 2017, through December 31, 2019. The procedures used to assess FFCB’s lending performance focused on the bank’s primary lending products. Based on the bank’s strategic plan, reports of lending activities over the review period, Reports of Condition and Income, and discussions with senior management, we determined the bank’s primary areas of lending focus are home mortgage and business loans.

As the bank is not required to report home mortgage or small business lending data, we based our lending-related conclusions on a statistical sample of 180 home mortgage and 180 business loans the bank originated during the evaluation period. The CD test evaluated the bank’s responsiveness to community development needs and opportunities in the AA through CD loans, investments and services. In addition, the Office of Management and Budget (OMB) instituted

changes to some MSA delineations that took effect January 1, 2018. The bank's AA was not impacted by the OMB changes, allowing 2017 through 2019 data to be combined for analysis.

For comparative purposes, we considered the demographic percentage of owner-occupied housing units and families in low- and moderate-income geographies, as well as aggregate bank geographic distribution data in the AA for 2017 through 2019 for home mortgage loans. For business loans, we used 2017 and 2018 demographic and aggregate data, as 2019 information for business lending was not available at the time of our evaluation.

We also utilized other supporting information while evaluating FFCB's CRA performance. Additional supporting information included 2015 ACS census data, 2017 through 2019 bank loan data, internal bank records, deposit market share data, and information from governmental websites regarding the characteristics and economy of the bank's AAs. We also considered information from community contacts to help assess the needs of the bank's AA and the opportunities for financial institutions to lend and provide services within that area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN OHIO

LENDING TEST

The bank's performance under the lending test in the state of Ohio is rated Satisfactory.

Distribution of Loans by Income Level of the Geography

FFCB exhibits reasonable geographic distribution of home mortgage loans and small loans to businesses.

In determining our ratings, we considered demographic factors that could affect the bank's ability to lend. These factors include competition from larger institutions, no low-income CTs, and the location of the majority of businesses and owner-occupied housing. For example, better lending opportunities exist in the AA's middle- and upper-income CTs, as they contain 90.5 percent of the AA's owner-occupied housing units and 86.5 percent of businesses, as of the 2015 ACS. Over one-half of the housing units in moderate-income CTs are either renter occupied (43.4 percent) or vacant (8.5 percent). Additionally, we considered the fact that while 83.8 percent of the housing units located in moderate-income CTs are single family homes, this only represents a total of 4,896 housing units.

Home Mortgage Loans

Refer to Table O in *Appendix D* for the facts and data used to evaluate FFCB's geographic distribution of home mortgage loans.

The bank's overall distribution of home mortgage loans among geographies of different income levels throughout the AA is excellent. Based upon our statistical sample of home mortgage loans from 2017 through 2019, FFCB originated 12.1 percent of its home mortgage loans in moderate-income CTs. This exceeds both the percentage of the AA's owner-occupied housing

units in moderate-income CTs of 9.5 percent and aggregate home mortgage lending of 9.8 percent.

Small Loans to Businesses

Refer to Table Q in *Appendix D* for the facts and data used to evaluate FFCB's geographic distribution of small loans to businesses.

The bank's overall distribution of small loans to businesses among geographies of different income levels throughout the AA is reasonable. Based on our statistical sample of small loans to businesses from 2017 through 2019, the bank originated 12.7 percent of its small loans to businesses in moderate-income CTs, which exceeds the aggregate small business lending percentage of 12.5 percent and is near the 13.5 percent of businesses located in moderate-income CTs.

Distribution of Loans by Income Level of the Borrower

FFCB exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

In evaluating the borrower distribution of home mortgage loans, we considered the level of competition and its effect on limiting the bank's ability to lend to borrowers of different incomes, as well as the economic conditions in the AA. We also considered the percentage of families that live below the poverty level, and barriers this creates for these families to qualify for home mortgage financing and their financial capacity to own a home. As shown in Table A- Demographic Information of the Assessment Area, the percentage of families living below poverty is 10.8 percent. Given the median home value of \$120,661, it would be difficult for this segment of the population to afford and maintain a home.

Home Mortgage Loans

Refer to Table P in *Appendix D* for the facts and data used to evaluate FFCB's distribution of home mortgage loans to borrowers of different income levels.

The distribution of the bank's home mortgage lending to low- and moderate-income borrowers from 2017 through 2019 is reasonable. Based upon our statistical sample of home mortgage loans, FFCB's proportion of loans to low-income families at 4.3 percent is significantly below the percentage of low-income families at 18.3 percent and is near, but below the aggregate home mortgage lending percentage of 7.0 percent. However, the bank's home mortgage lending percentage to moderate-income borrowers of 20.0 percent exceeded the percentage of moderate-income families at 19.7 percent and was near the aggregate lending percentage of 21.5 percent.

Small Loans to Businesses

Refer to Table R in *Appendix D* for the facts and data used to evaluate FFCB’s distribution of small loans to businesses.

FFCB’s distribution of small loans to small businesses reflects reasonable penetration among businesses of different sizes. In drawing our conclusion, we considered the level of competition from other banks, credit unions, and non-bank financial institutions for lending opportunities in the AA.

Based on our statistical sample of small loans to businesses, FFCB made 36.6 percent of its loans to businesses with gross annual revenues of \$1 million or less. While this is less than the 79.7 percent of businesses in the AA that have gross annual revenues of \$1 million or less, it is near the aggregate lending percentage of 41.1 percent.

Responses to Complaints

FFCB did not receive any complaints pertaining to the Community Reinvestment Act during the evaluation period.

Community Development Test

The bank’s performance under the Community Development Test in the State of Ohio is rated Satisfactory.

Considering the bank’s capacity, community needs, and the availability of CD opportunities, the bank’s CD performance, through CD loans, investments, and services demonstrates an adequate responsiveness to the needs of the AA.

Number and Amount of Community Development Loans

Refer to the Community Development Loan table below for the facts and data used to evaluate the bank’s level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Tuscarawas	6	100.0	1,250	100.0

The bank’s level of CD lending demonstrates adequate responsiveness to the community needs within its AA. Qualified CD loan activity within the AA consisted of six loans totaling approximately \$1.25 million within the bank’s AA. In drawing our conclusion, we considered the competition for CD loans within the AA from larger financial institutions.

All six loans were for affordable housing purposes. Four loans totaling \$717,400 were used to purchase affordable multi-family rental properties within Tuscarawas County, all of which rented at rates well-below fair market rental values. The bank loaned the remaining \$536,500 for renovation projects on two affordable housing properties.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Tuscarawas			37	44	37	100.0	44	100.0	1	979

The Qualified Investment Table, shown above, sets forth the information and data used to evaluate the bank’s level of qualified CD investments.

FFCB’s level of investments and donations demonstrates adequate responsiveness to the CD needs of its AA. Investments made during the evaluation period included:

- A \$1.0 million investment commitment in the Ohio Equity Fund for Housing Limited Partnership XXIX that owns, develops and operates low income residential rental properties. The investment in the fund helped create and preserve affordable housing units by providing funding for 40 multi-family housing projects located in Ohio, Indiana, Michigan, Kentucky, Pennsylvania, Tennessee and West Virginia, one of which is located within the bank’s AA in the village of Newcomerstown, Ohio. The purpose of the projects were to provide affordable housing units benefiting low- and moderate-income geographies or individuals. The bank has funded \$21,000 into the fund and projects to provide the remainder of the \$1.0 million over the next 10 years.
- Thirty-six qualifying CD donations totaling over \$23,000 that benefited 20 local community and non-profit organizations within the AA. The donations benefitted CD initiatives for affordable housing and social services to low- and moderate-income individuals.

Extent to Which the Bank Provides Community Development Services

Retail Services

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date. FFBM did not have any prior investment activity as they were previously evaluated under small bank procedures.
 ** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

FFCB's branches are reasonably accessible within the geographies and to individuals of different income levels in the AA. Branch hours and services available do not vary in ways that inconvenience individuals of differing income levels. Overall, systems for delivering retail banking services are adequate. The bank operates full-service branches in two of the three moderate-income CTs and has one branch very near the third CT. Each branch has an ATM located onsite. The bank also offers other alternative delivery systems, such as online banking, mobile banking, and internet banking.

Community Development Services

FFCB demonstrated an adequate level of responsiveness to community needs by providing a variety of CD services through financial and technical expertise to non-profit groups involved in affordable housing, social services for low- or moderate-income individuals, and financial literacy through the following activities:

- Six employees serve on the board of organizations focused on general social services for low- and moderate-income individuals, including distribution of assets to charities, employment training, and providing scholarships to low- and moderate-income students.
- Three employees serve on the board of organizations focused on promoting economic development through the management and distribution of assets to small businesses within the community.
- Two employees serve on the board or in executive roles at non-profits dedicated to funding medical expenses of low- and moderate-income families.
- One employee serves on the board of an organization dedicated to providing legal representation to low- and moderate-income individuals unable to afford private counsel.

Additionally, employees participated in other non-qualifying volunteer, outreach, and fundraising service activities that benefitted low- and moderate-income individuals and non-profit organizations located within the bank's AA.

Appendix A: Scope of Examination

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

Time Period Reviewed:	Lending Test (excludes CD loans): (01/01/17 to 12/31/19) Investment, Service Tests and CD Loans: (01/01/17 to 12/31/19)	
Bank Products Reviewed:	Home mortgage loans and loans to small business CD loans, qualified investments, and CD services	
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Ohio – Tuscarawas County	Full-Scope	Partial Holmes County

Appendix B: Summary of Multistate Metropolitan Area and State Ratings

Ratings First Federal Community Bank, NA			
Overall Bank:	Lending Test Rating	Community Development Test Rating	Overall Bank/State/Multistate Rating
First Federal Community Bank	Satisfactory	Satisfactory	Satisfactory
State:			
Ohio	Satisfactory	Satisfactory	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

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

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

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

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

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

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

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

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

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

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

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

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

Ohio Lending

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2017-19	
Assessment Area:	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$ (000)	% of Total	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Tuscarawas	140	22,998	100.0	0.0	0.0	0.0	9.5	12.1	9.8	82.8	82.1	79.5	7.7	5.8	10.7	0.0	0.0	0.0		

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017-19	
Assessment Area:	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$ (000)	% of Total	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Tuscarawas	140	22,998	100.0	18.3	4.3	7.0	19.7	20.0	21.5	23.2	25.0	23.8	38.8	50.7	31.1	0.0	0.0	16.6		

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2019 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017-19**

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000)	% of Total	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Tuscarawas	134	19,977	100.0	0.0	0.0	0.0	13.5	12.7	12.5	79.9	81.3	78.1	6.6	6.0	9.4	0.0	0.0	0.0

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2017-19**

Assessment Area:	Total Loans to Small Businesses			Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$ (000)	% of Total	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Tuscarawas	134	19,977	100.0	79.7	36.6	41.1	7.4	34.3	12.9	29.1

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%