

PUBLIC DISCLOSURE

July 11, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank OZK
Certificate Number: 110

18000 Cantrell Road
Little Rock, Arkansas 72223

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Region

600 North Pearl Street, Suite 700
Dallas, Texas 75201

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

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INSTITUTION RATING

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

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

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

The Lending Test is rated High Satisfactory.

- Lending levels reflect adequate responsiveness to assessment areas' credit needs.
- The institution originated a high percentage of loans inside its assessment areas.
- The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes.
- The geographic distribution of loans reflects adequate penetration throughout the assessment areas.
- The institution makes limited use of innovative and/or flexible lending practices in order to serve assessment area credit needs.
- The bank is a leader in originating community development (CD) loans.

The Investment Test is rated Outstanding.

- The bank has a significant level of qualified investments (QI).
- The institution exhibits excellent responsiveness to credit and community economic development needs.
- The institution makes extensive use of innovative and/or complex investments to support CD needs.

The Service Test is rated Low Satisfactory.

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

DESCRIPTION OF INSTITUTION

Bank OZK began operations in 1903 in Jasper, Arkansas, until it started a growth strategy in 1994 and moved its headquarters to Little Rock in 1995. It held its initial public stock offering in 1997. In 2017, Bank OZK merged its holding company into the bank. Bank OZK also owns numerous non-lending subsidiaries. The bank received a “Satisfactory” rating at its previous FDIC CRA Evaluation dated May 20, 2019, using Large Bank Examination Procedures.

The bank operates 226 full-service offices and 242 automated teller machines (ATMs) in the assessment areas located throughout Arkansas, Florida, Georgia, North Carolina, Texas, and the Texarkana MS MSA. Bank OZK offers a full line of loan products, deposit accounts, and other financial services. It also offers hours and days of service consistent with area and industry norms.

As of March 31, 2022, assets totaled \$26.6 billion, consisting primarily of Net Loans & Leases of \$18.7 billion (70.5 percent of the total) and Securities of \$3.7 billion (14.0 percent of the total). Total deposits equaled \$20.3 billion as of the same date. Since the previous evaluation, on average per year, total assets increased 4.9 percent, net loans increased 2.5 percent, and total deposits increased 3.2 percent.

As reflected in the following table, the mix of outstanding loans of the bank’s major loan products shows construction and land development loans at 46.2 percent, commercial loans (Commercial and Industrial Loans and Secured by Nonfarm and Nonresidential Properties) at 23.1 percent and consumer loans at 12.0 percent.

Loan Portfolio Distribution as of 3/31/2022		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	8,752,874	46.2
Secured by Farmland	256,467	1.4
Secured by 1-4 Family Residential Properties	921,310	4.9
Secured by Multifamily (5 or more) Residential Properties	761,634	4.0
Secured by Nonfarm Nonresidential Properties	3,942,132	20.8
Total Real Estate Loans	14,634,417	77.3
Commercial and Industrial Loans	440,203	2.3
Agricultural Production and Other Loans to Farmers	4,254	>0.1
Consumer Loans	2,257,908	12.0
Other Loans	1,594,240	8.4
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	18,931,022	100.0
<i>Source: Reports of Condition and Income</i>		

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

DESCRIPTION OF ASSESSMENT AREAS

As more fully described under Description of Institution for each rated area, Bank OZK operates in five states – the States of Arkansas, Florida, Georgia, North Carolina, and Texas. This includes one multi-state MSA, the Texarkana, TX-AR MSA. The bank currently has five assessment areas in Arkansas, eight in Florida, eleven in Georgia, five in North Carolina, and five in Texas. Please refer to the rated areas and individual assessment areas for additional information.

SCOPE OF EVALUATION

General Information

This evaluation covers the time period from the previous evaluation dated May 19, 2019, to the current evaluation dated July 11, 2022. To assess performance, examiners applied the Federal Financial Institutions Examination Council (FFIEC) Large Institution CRA Examination Procedures, which include the Lending, Investment, and Service Tests. Appendix A lists the applicable tests' criteria.

Examiners applied full-scope procedures to the following assessment areas: Arkansas – Little Rock MSA, Florida – Tampa MSA, Georgia – Atlanta MSA and Georgia Non-MSA, North Carolina – Charlotte MSA, and Texas – Dallas MD. Examiners also applied full-scope procedures in the Texarkana, TX-AR multi-state MSA. Examiners applied limited-scope procedures to the remaining assessment areas. Please refer to the rated area sections for additional details.

The following table shows that the bank originated a majority of its loans, deposits, and branches in the States of Arkansas, Florida, and Georgia. Consequently, examiners weighed records in these States heaviest when arriving at applicable conclusions and ratings.

Rated Area Breakdown of Loans, Deposits, and Branches						
Rated Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Arkansas	559,028	30.5	7,397,240	36.1	73	32.3
Florida	438,142	23.9	3,503,938	17.1	41	18.1
Georgia	390,250	21.3	5,773,451	28.1	66	29.2
Texarkana Multi-State	23,627	1.3	127,866	0.6	2	0.9
North Carolina	212,792	11.6	1,497,866	7.3	23	10.2
Texas	209,846	11.4	2,213,671	10.8	21	9.3
Total	1,833,685	100.0	20,514,032	100.0	226	100.0
<i>Source: HMDA & CRA Data (2019-2021); FDIC Summary of Deposits (06/30/2021)</i>						

Activities Reviewed

Lending Test

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

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

- 2019 – 1,606 loans totaling \$232,198,000
- 2020 – 1,573 loans totaling \$284,754,000
- 2021 – 1,366 loans totaling \$332,051,000

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

- 2019 – 1,216 loans totaling \$271,024,000
- 2020 – 7,198 loans totaling \$636,419,000
- 2021 – 2,556 loans totaling \$380,691,000

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

- 2019 – 187 loans totaling \$16,988,000
- 2020 – 147 loans totaling \$12,828,000
- 2021 – 114 loans totaling \$11,620,000

CD Loans:

May 20, 2019-July 11, 2022: 396 loans totaling \$1,265,286,000

This evaluation does not consider any affiliate lending. Based on the data above, small farm loans only account for 1.5 percent of the dollar volume of the total HMDA and CRA loans. Therefore, other than for the Assessment Area Concentration performance factor, examiners did not analyze small farm loans since conclusions regarding them would not materially affect any conclusions or ratings.

Since no trends exist between the different years' data that materially affect applicable conclusions or ratings, unless otherwise noted, this evaluation only presents the 2020 HMDA and small business data, the most recent year for which aggregate data exists as of this evaluation date. However, examiners included 2019-2021 HMDA and CRA data in the Assessment Area Concentration discussion. Examiners will compare the bank's HMDA lending to aggregate data in 2019 and 2020, as well as 2015 American Community Survey (ACS) data in 2021. Examiners will compare the bank's small business lending to aggregate data in 2019 and 2020, as well as D&B data in 2021.

The weightings for the specific loan categories varies for each of the assessment areas. As suggested by the above figures, examiners generally weighed small business loans heavier than home mortgage loans when arriving at applicable conclusions.

Investment and Service Tests

The scopes for the Investment and Service Tests consider applicable current period CD activities, including QIs and CD services. Current period activities, including CD loans considered under the Lending Test, involve those generated since the previous evaluation. The Investment Test's scope further encompasses all prior period QIs. Prior period QIs involve those purchased prior to the previous evaluation but still outstanding as of this evaluation's date. Examiners use the book value as of the current evaluation date for all prior period QIs.

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

Given the institution's method and compilation of CD data, examiners reviewed all CD loans, QIs, and CD services from the previous evaluation to July 11, 2022.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Bank OZK demonstrated a high satisfactory record for the bank as a whole regarding the Lending Test. The good records regarding borrower profile loan distribution, the adequate records regarding geographic loan distribution and the leader level of CD loans primarily support this conclusion. The high percentage of loans made in the assessment area and adequate lending levels further supports the Lending Test record. The bank also demonstrated limited use of innovative and flexible lending practices to serve the credit needs of its assessment area. Conclusions regarding the institution's overall lending performance were generally consistent in each rated area. The appendices list the Lending Test's criteria.

For the CRA Large Bank Lending Test, typically, examiners will first determine whether the presence of any weaker lending activity or assessment area concentration performance warrants downgrading the overall Lending Test rating. Absent any such warranted downgrading, examiners will then place more weight on the bank's borrower profile and geographic loan distributions as well as on its CD loans when arriving at the overall Lending Test rating.

Lending Activity

The bank exhibited an adequate record for the bank as a whole regarding its lending activity. Adequate performance regarding both home mortgage and small business loans support this conclusion. Examiners considered the bank's size, business strategy, and capacity relative to the assessment areas' credit needs when arriving at this conclusion.

Small Business Loans

Small business lending levels reflect adequate responsiveness to assessment area credit needs. Adequate performances in the States of Arkansas, Florida, Georgia, North Carolina, and Texas as well as in the Texarkana MS MDA support this conclusion. For 2020, the bank originated 6,572 reportable small business loans totaling approximately \$549.5 million inside its assessment areas. Bank OZK captured a 0.6 percent market share of the total number of small business loans and a 0.9 percent market share of the total dollar volume of loans.

This volume of activity ranks the bank 31st out of 559 total lenders and 320 lenders granting at least 10 small business loans in the bank's assessment areas. This ranking lands the bank in the top 10.0 percent of the second group of lenders reporting such loans in the bank's assessment area, at 9.7 percent. The ranking considers the total number and dollar amount of loans made by each institution.

Although the market share and lending levels noted above typically represent a higher level of performance, examiners noted a decrease in the overall level of small business lending since the last evaluation. Since the prior evaluation, the bank's small business lending fluctuated greatly year over year due to a large percentage of 2020 and 2021 small business loans being PPP loans. For example, excluding PPP loans, the bank originated approximately 971 small business loans totaling \$225.1 million in 2021. This is a noted decrease over the 2018 level where the bank originated

1,211 loans totaling \$233.3 million. Given the downward trend in the number of small business loans since the last evaluation, the bank's lending activity performance reflects an adequate record regarding small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs. Good performances in the States of Arkansas and Florida and reasonable performances in the States of Georgia, North Carolina, and Texas outweighed very poor performance in the Texarkana MS MSA assessment area to support this conclusion. For 2020, the bank originated 1,423 total reportable home mortgage loans totaling approximately \$243.1 million in its assessment areas. Bank OZK captured a 0.1 percent market share of the total number of home mortgage loans and a 0.1 percent market share of the total dollar volume of loans.

This volume of activity ranks the bank 211th out of 2,173 total lenders and 1,340 lenders granting at least 10 home mortgage loans in the bank's assessment areas. This ranking lands the bank in the top quarter of the second group of lenders reporting such loans in the bank's assessment area, at 15.7 percent. The ranking considers the total number and dollar amount of loans made by each institution.

Although the market share and lending levels noted typically represent a higher level of performance, examiners noted a decline in the number of home mortgage loans since the previous evaluation. Since the last evaluation, the bank's home mortgage lending decreased from 1,504 loans totaling \$215.1 million in 2018 to 1,214 loans totaling \$272.8 million in 2021. Given the downward trend in the number of home mortgage loans since the last evaluation, the bank's lending activity performance reflects an adequate record regarding home mortgage loans.

Consequently, considering the loan categories' relative overall performances and weightings, the bank exhibited an adequate record for the bank as a whole regarding its lending activity. Adequate performance regarding both home mortgage and small business loans support this conclusion.

Assessment Area Concentration

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

Small Business Loans

The institution originated a high percentage of its small business loans inside its assessment areas. The following table shows that, for small business loans by both measures, the percentages of the number and dollar volume, the bank originated a high percentage of its small business loans inside its assessment areas.

Home Mortgage Loans

The institution originated a high percentage of home mortgage loans inside its assessment areas.

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

Small Farm Loans

The institution originated a majority of its small farm loans inside its assessment areas. The following table shows that, for small farm loans by both measures, the percentages of the number and dollar volume, the bank originated a majority of its small farm loans inside its assessment areas.

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	1,460	90.9	146	9.1	1,606	204,413	88.0	27,785	12.0	232,198
2020	1,423	90.5	150	9.5	1,573	243,097	85.4	41,656	14.6	284,754
2021	1,214	88.9	152	11.1	1,366	272,802	82.2	59,248	17.8	332,051
Subtotal	4,097	90.1	448	9.9	4,545	720,312	84.8	128,690	15.2	849,002
Small Business										
2019	1,045	85.9	171	14.1	1,216	209,220	77.2	61,804	22.8	271,024
2020	6,572	91.3	626	8.7	7,198	549,489	86.3	86,930	13.7	636,419
2021	2,327	91.0	229	9.0	2,556	327,452	86.0	53,239	14.0	380,691
Subtotal	9,944	90.6	1,026	9.4	10,970	1,086,161	84.3	201,973	15.7	1,288,134
Small Farm										
2019	134	71.7	53	28.3	187	11,063	65.1	5,925	34.9	16,988
2020	109	74.2	38	25.9	147	8,189	63.8	4,639	36.2	12,828
2021	88	77.2	26	22.8	114	7,958	68.5	3,662	31.5	11,620
Subtotal	331	73.9	117	26.1	448	27,210	65.7	14,226	34.3	41,436
Total	14,372	90.0	1,591	10.0	15,963	1,833,683	84.2	344,889	15.8	2,178,572
Source: Bank Data; Due to rounding, totals may not equal 100.0%.										

Consequently, considering the loan categories' relative overall performances and weightings, the institution originated a high percentage of its loans inside its assessment areas.

Geographic Distribution

Bank OZK's geographic distribution of loans reflects adequate penetration throughout its assessment areas for the bank as a whole. Adequate performance regarding small business loans outweighed good performance regarding home mortgage loans supports this conclusion. Examiners focused on the percentage by number of loans in low- and moderate-income census tracts when arriving at conclusions for this performance factor. Small business and home mortgage lending performance proved consistent throughout the rated areas.

Small Business Loans

Bank OZK's geographic distribution of small business loans reflects adequate penetration throughout the assessment areas. Adequate records in Arkansas, Florida, Texas, and the Texarkana MS MSA outweighed good records in Georgia and North Carolina to support this conclusion.

Home Mortgage Loans

Bank OZK's geographic distribution of home mortgage loans reflects good penetration throughout the assessment areas. Excellent performances in Georgia, North Carolina and Texas were offset by good performances in Arkansas and the Texarkana MS MSA as well as adequate performance in Florida to support this conclusion.

Each rated area includes a more detailed discussion of the bank's geographic loan distribution for home mortgage and small business loans.

Borrower Profile

Bank OZK's distribution of borrowers reflects good penetration among businesses of different sizes and individuals of different income levels (including low- and moderate-income) for the bank as a whole. Good performances regarding small business and home mortgage loans support this conclusion. Examiners focused on the percentage by number of loans to low- and moderate-income individuals and to businesses with gross annual revenue of \$1 million or less when arriving at conclusions for this performance factor. Bank OZK's small business and home mortgage lending performance proved generally consistent throughout the rated areas.

Small Business Loans

Bank OZK's borrower profile distribution of small business loans reflects good penetration throughout the assessment areas. Excellent performance in North Carolina as well as good performances in Arkansas, Georgia, and Texas outweighed adequate performances in Florida and the Texarkana MS MSA to support this conclusion.

Home Mortgage Loans

Bank OZK's borrower profile distribution of home mortgage loans reflects good penetration throughout the assessment areas. Good records in Arkansas, Georgia, North Carolina, and Texas outweighed the adequate records in Florida and the Texarkana MS MSA to support this conclusion.

Each rated area includes a more detailed discussion of the bank's borrower profile distribution for small business and home mortgage loans.

Innovative or Flexible Lending Practices

The institution makes limited use of innovative or flexible lending practices for the bank as a whole in order to serve assessment area credit needs. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of its assessment areas when

arriving at this conclusion. The appendices list the criteria considered under this performance factor.

The tables below show that, since the previous evaluation, the bank originated 1,035 innovative or flexible loans totaling over \$331.3 million. This dollar figure equates to 1.3 percent of average total assets of \$25,669,909,000 since the previous evaluation and 1.8 percent of average net loans of \$18,228,330,000 for the same period, thereby reflecting adequate levels.

Bank OZK continues to provide a majority of its flexible loan products through its Government Guaranteed Lending (“GGL”) Division to provide financing for higher risk profile small businesses and start-ups. Bank OZK uses various GGL programs to meet the needs of small businesses in the communities it serves. The bank offers various small business loan programs through the Small Business Administration (“SBA”): SBA Express, SBA Express-Veterans Advantage, SBA 7(a), and SBA 504. Flexible features of these SBA programs help small businesses obtain financing and small dollar loans that they may not have otherwise been eligible through normal lending channels. Examples of flexible features for these programs are higher SBA guaranties and lower down payments.

Bank OZK also offers a program tailored to low- and moderate-income individuals and for properties located in low- and moderate-income census tracts (Freedom Advantage Affordable Loan Product). This program assists low- and moderate-income individuals, as well as borrowers purchasing homes in low- or moderate-income census tracts, in qualifying for loans through flexible terms, such as lower down payments and flexible underwriting terms.

Given the bank’s capacity and the needs in its assessment areas, the level of innovative and flexible loans reflects adequate responsiveness to the credit needs of its assessment areas. The table below displays the bank’s innovative or flexible loans by rated area.

Innovative or Flexible Loans Institution								
Rated Area	SBA		USDA/FSA		Freedom Advantage		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Texarkana MS MSA	3	1,205	0	0	0	0	3	1,205
State of Arkansas	55	39,260	0	0	231	31,449	286	70,709
State of Florida	60	39,867	0	0	159	29,849	219	69,716
State of Georgia	48	36,612	4	5,440	183	30,869	235	72,921
State of North Carolina	17	31,623	0	0	52	8,629	69	40,252
State of Texas	42	39,023	0	0	181	37,437	223	76,460
Total	225	187,590	4	5,440	806	138,233	1,035	331,263
<i>Source: Bank records.</i>								

Though not reflected in the table above, examiners noted below additional bank activity as it relates to the Coronavirus Pandemic and disaster relief assistance.

- **Coronavirus (COVID-19) Pandemic Lending Activities** – The bank receives favorable CRA consideration for its willingness to offer various flexible options for borrowers impacted financially by the COVID-19 pandemic. The bank assisted small business borrowers with Paycheck Protection Program (PPP) loans through the SBA during the COVID-19 pandemic. The SBA offered the PPP loan program to provide a direct incentive for small businesses to keep their workers on the payroll.¹ The bank originated 7,904 PPP loans totaling approximately \$634.1 million during the evaluation period. In addition, the bank offered various payment deferment options to its loan customers during the evaluation period and extended assistance to 3,943 loan customers impacted financially by the pandemic.

Since the previous evaluation, growth occurred in the SBA and Freedom Advantage categories. However, the institution discontinued originating secondary market loans shortly before the previous performance evaluation. This included no longer offering Federal Housing Administration (FHA) and Veterans Administration (VA) loans. Therefore, the number of loans decreased while the dollar volume increased with 1,656 innovative or flexible loans totaling \$297.4 million noted at the previous evaluation.

Community Development Loans

The institution is a leader in making CD loans for the bank as a whole. Bank OZK's leadership in originating an excellent level of CD loans and its excellent responsiveness to CD needs support this conclusion. The bank's performance was inconsistent throughout the rated areas, as the Texarkana MS MSA and the States of Florida and North Carolina exhibited relatively high levels of CD loans, and the State of Arkansas demonstrated an adequate level of CD loans. However, the bank made 32.1 percent of all its CD loans in the State of Texas, which comprises 11.4 percent of the bank's total loans. The appendices define CD and list the criteria considered under this performance factor.

Regarding the overall level of CD loans, the following table shows that, since the previous evaluation the bank granted 396 CD loans totaling over \$1.3 billion. This level equates to 4.9 percent of average total assets of \$25,669,909,000 since the last previous evaluation and 6.9 percent of average net loans of \$18,228,330,000 for the same period, thereby reflecting excellent levels. The bank's CD loans for the current evaluation period are at an excellent level compared to similarly situated institutions.

These levels reflect decreases from the 6.6 percent of average assets and 8.6 percent of average net loans reported at the previous evaluation.

¹ Source: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program#section-header-2>

Community Development Loans Institution										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2019 (5/20-12/31)	16	122,739	6	28,774	6	11,127	11	294,384	39	457,024
2020	26	124,860	7	7,775	105	39,467	90	355,232	228	527,334
2021	42	178,600	5	4,660	40	43,209	28	11,947	115	238,416
2022 (1/1-7/12)	8	27,668	1	2,000	5	12,844	0	0	14	42,512
Total	92	453,867	19	43,209	156	106,647	129	661,563	396	1,265,286
<i>Source: Bank Data.</i>										

In addition to reflecting an excellent level of loans, the CD loans reflect excellent responsiveness to the assessment areas' CD needs. As seen in the previous table, 52.2 percent of the dollar volume of all CD loans help to revitalize or stabilize low- and moderate-income geographies. Additionally, 35.9 percent promote affordable housing. Furthermore, another 8.4 percent promote economic development and 3.4 percent benefit community services for low- and moderate-income individuals.

As noted under the applicable Description of Assessment Areas sections, activities that revitalize or stabilize qualifying geographies reflect a primary CD need in the assessment areas. In addition, activities that promote affordable housing represent a CD need. Therefore, relative to the bank's capacity and the extent of CD lending opportunities and needs in its assessment areas, the bank exhibits an excellent level in originating CD loans.

Community Development Loans By Rated Area Institution										
Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Texarkana MS MSA	1	4,583	0	0	2	891	0	0	3	5,474
Arkansas	33	56,515	2	3,500	42	18,033	25	12,640	102	90,688
Florida	18	78,383	8	26,910	30	45,744	35	84,110	91	235,147
Georgia	16	126,938	4	1,100	56	20,433	33	265,960	109	414,431
North Carolina	10	36,829	2	9,174	12	2,390	16	8,394	40	56,787
Texas	13	149,815	1	2,400	11	18,084	15	236,421	40	406,720
Nationwide	1	804	2	125	3	1,072	5	54,038	11	56,039
Total	92	453,837	19	43,209	156	106,647	129	661,563	396	1,265,286
<i>Source: Bank records.</i>										

INVESTMENT TEST

Bank OZK demonstrated an outstanding record for the bank as a whole regarding the Investment Test. The significant level of QIs is lifted by the excellent responsiveness to CD needs, and extensive use of complex QIs that are not routinely provided by private investors to support this conclusion. Conclusions regarding the bank's overall Investment Test performance were generally inconsistent in each rated area. The appendices list the criteria considered under this test.

Investment and Grant Activity

The investment activity for the bank as a whole reflects a high satisfactory level. As seen in the following table, the bank made use of 507 QIs totaling \$443.9 million, which includes donations of \$3.2 million and prior period investments of \$113.7 million. The total dollar amount equates to 1.7 percent of average total assets of \$25,669,909,000 since the previous evaluation and 13.1 percent of average securities of \$3,381,507,000 for the same period, thereby reflecting high satisfactory level. The bank's investments for the current evaluation period compare at a high satisfactory level compared to similarly situated institutions. Considering other qualitative factors including the complexity and responsiveness to community needs, the institution performed at an excellent record overall, particularly considering the complexity of many of the bank's investments. These levels reflect the same percent of average total assets and a slight decrease compared to the 16.8 percent of average securities reported in the previous evaluation.

Qualified Investments by Year Institution										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period*	88	82,668	11	21,632	12	9,428	0	0	111	113,728
2019 (5/20-12/31)	8	69,105	9	3,750	4	3,250	3	4,810	24	80,915
2020	3	26,989	12	15,561	8	12,608	2	130	25	55,288
2021	12	102,512	9	2,750	6	24,261	2	130	29	129,653
2022 (1/1-7/11)	6	43,475	9	17,000	4	587	0	0	19	61,062
Subtotal	117	324,749	50	60,693	34	50,134	7	5,070	208	440,646
Qualified Grants & Donations	79	551	152	1,951	65	641	3	72	299	3,215
Total	196	325,300	202	62,644	99	50,775	10	5,142	507	443,861
Source: Bank Records. *as of 4/30/2022										

Qualified Investments by Rated Area Institution										
Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Texarkana MS MSA	3	7,720	6	21	0	0	1	2	10	7,743
Arkansas	30	58,144	59	11,442	32	1,330	1	20	122	70,936
Florida	40	70,953	49	8,943	18	1,086	0	0	107	80,982
Georgia	40	64,958	31	13,820	13	154	6	370	90	79,302
North Carolina	22	21,913	11	31	8	55	0	0	41	21,999
Texas	37	80,608	27	27,617	5	113	1	50	70	108,388
Regional Activities	0	0	0	0	1	905	1	4,700	2	5,605
Nationwide Activities	24	21,004	19	770	22	47,132	0	0	65	68,906
Total	196	325,300	202	62,644	99	50,775	10	5,142	507	443,861
Source: Bank records										

The following are notable examples of the bank's regional or national QI activities:

- **Affordable Housing** – The bank retained Low-Income Housing Tax Credit (LIHTC) investments over \$7.3 million to provide housing for low- and moderate-income families in New York and South Carolina. At the time of the investments, the bank maintained offices in these areas.
- **Affordable Housing** – The bank maintained investments over \$12.5 million in bonds to finance multifamily housing projects for low- and moderate-income families in Alabama, and New York. At the time of the investments, the bank maintained offices in these areas.
- **Economic Development** – The bank made \$25.3 million in QIs to Small Business Investment Companies with the purpose, mandate, or function of the fund supporting small businesses, creating jobs for low- and moderate-income individuals, and building an environment for entrepreneurs to prosper. These investments benefit a national area that includes the institution's assessment areas.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness using QIs that directly address identified needs in the states where the bank operated. The bank identified affordable housing as a need in all rated areas. The bank was a leader in addressing these needs through their development of the Affordable Housing Group (AHG). The AHG combines expertise in real estate, affordable housing, and business growth to focus in particular on LIHTC centered projects. This group works to help investors, developers, CDFIs, affordable housing lending consortiums, and housing finance agencies launch and complete CD projects. Leadership in the purchase of qualified investments, in particular through LIHTCs which in almost all cases was in combination with a CD Loan, further highlights the bank's responsiveness in addressing affordable housing needs throughout their

assessment areas. The above table shows the bank demonstrates responsiveness by the higher dollar amounts within affordable housing, community service, and economic development, supporting the most primary CD credit needs in the assessment areas.

Bank OZK's QIs addressed the following needs throughout various Assessment Areas:

- Affordable housing needs with approximately \$247.5 million invested in LIHTC projects contributing to approximately 3,800 units to the supply of housing for low- and moderate income families. The bank purchased LIHTCs in every rated area.
- Affordable housing needs with approximately \$26.7 million retained in mortgage-backed securities with underlying loans to low- and moderate-income individuals.
- Investments in financial intermediaries includes approximately \$2.6 million in three CDFIs that provide financing to individuals and businesses who cannot obtain financing through traditional sources. These CDFIs offer products to individuals turned down on first mortgages, to redevelop areas by getting low-income borrowers into lower cost homes and eliminating blight, to individuals with limited or imperfect credit, to individuals needing home repairs for older homes, and to individuals needing credit building loans. The CDFIs offer products to businesses that may experience challenges in accessing capital, such as rural, minority, and women-owned small businesses. Additionally, two of the CDFIs are also Minority Depository Institutions (MDIs). MDIs play a vital role in assisting minority and underserved communities and are resources to foster the economic viability of these communities.
- Community services to low- and moderate-income individuals with \$38.6 million, through bonds to fund improvements in schools where a majority of students receive free or reduced-cost lunches. Thus, the bond qualifies or benefits an organization that provides community services in the form of educational services, targeted to low- and moderate-income individuals.
- Community services to low- and moderate-income families with \$12.5 million in bonds and \$1.1 in the purchase of tax credits to expand and improve health care for low- and moderate income families.
- Community service to low- and moderate-income individuals through financial education services. Bank OZK collaborated with an online platform provider that leverages innovative technology to deliver financial literacy and understanding money modules to economically disadvantaged students and un-banked and under-banked individuals. For the financial literacy component, the bank collaborated with the online platform provider to place modules in 26 schools in the Arkansas, Georgia, North Carolina, and Texas markets.
- Economic development needs by financing small businesses with approximately \$25.3 million through Small Business Administration Programs. The funds promote economic development by: (1) helping to lower the cost of capital and (2) increasing access to capital through lower down payments and longer repayment terms for businesses through

investments in the federally guaranteed portion of SBA loans.

- Revitalizing and stabilizing low- and moderate-income tracts with approximately \$4.7 million through historic tax credits to fund revitalization projects for commercial and residential mixed use properties.

Community Development Initiatives

Bank OZK made extensive use of complex investments given the size of the institution and opportunities available. The bank did not have innovative investments during the evaluation period.

Bank OZK's \$284.7 million in complex investments addressed affordable housing needs with approximately \$274.3 million and community service with \$9.9 million. Investments in LIHTCs benefited the States of Arkansas, Florida, Georgia, North Carolina, and Texas with approximately \$240.2 million. Investments in mortgage-backed securities benefited the States of Arkansas, Florida, Georgia, North Carolina, and Texas with approximately \$25.6 million. Investments in the State of Georgia and State of Florida tax credit projects benefited low- and moderate-income individuals with access to better health care services and educational opportunities. Refer to the complex and innovative QIs sections in those rated areas to augment the consideration given to the institution's performance under the qualitative criteria in the CRA regulation.

The LIHTC program incentivizes CD by issuing tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to low-income households. LIHTC projects are more complex requiring more expertise and/or staffing to execute and a significant amount of time to coordinate the financing process. The tax credits allow the developer to borrow less money for a project, thus reducing overhead by the sale of the low income housing tax credits to an investor to create equity in the project. The investor then receives the benefit of the tax credits. Investments in LIHTC and CDFI/MDI programs are not routinely purchased by community banks.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record for the bank as a whole regarding the Service Test. The adequate levels regarding the institution's CD services, reasonably accessible delivery systems, changes in branch locations, and its reasonableness of business hours and services support this conclusion. The Service Test performance is inconsistent in each of the rated areas. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the bank's assessment areas for the bank as a whole. Reasonably accessible branch distribution and alternative delivery systems support this conclusion.

Branch Distribution

The bank makes its full-service offices reasonably accessible to essentially all portions of the institution's assessment areas for the bank as a whole. Adequate accessibility of branches in low-

and moderate-income geographies supports this conclusion.

The bank's level of branch distribution in low-income tracts falls 5.7 percentage points below the population in low-income census tracts, reflecting an adequate level. The bank's level falls 0.5 percentage points below the population percentage in moderate-income tracts, also reflecting an adequate level.

Branch and ATM Distribution Institution												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	711	10.0	2,955,289	8.4	6	2.7	9	3.7	2	33.3	1	5.3
Moderate	1,871	26.4	9,011,157	25.7	57	25.2	62	25.6	1	16.7	0	0.0
Middle	2,236	31.5	11,810,416	33.7	89	39.4	92	38.0	1	16.7	10	52.6
Upper	2,183	30.8	11,142,656	31.8	74	32.7	79	32.7	2	33.3	8	42.1
NA	91	1.3	114,202	0.3	0	0.0	0	0.0	0	0.0	0	0.0
Totals	7,092	100.0	35,033,720	100.0	226	100.0	242	100.0	6	100.0	19	100.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0.</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems reasonably accessible to essentially all portions of the bank's assessment areas for the bank as a whole. Reasonably accessible ATMs and alternative delivery systems to low- and moderate-income individuals support this conclusion.

The preceding table shows that the bank's ATMs in low-income tracts falls 4.7 percentage points below the population in low-income census tracts, thereby reflecting an adequate level. The bank's ATMs in moderate-income tracts nearly equals the population in moderate-income tracts, also reflecting an adequate level.

Bank OZK offers other alternative delivery systems for remote access to banking services at any location and any time. These systems include online banking, a mobile banking app, electronic statements, person-to-person funds transfers, payment by phone, and telephone banking.

- Online banking through the bank's website allows customers to review deposit and loan balances; view statement histories, pending transactions, and checks; and perform transactional capabilities such as bill pay, fund transfers, and pay loans. The bank offers online deposit account openings for several types of checking and savings deposit accounts. This delivery channel expands access to deposit account openings when the bank's branches are not open for business.
- The mobile banking application accessible on smartphones and tablets affords customers the ability to remotely deposit checks, pay bills, transfer funds within accounts, and make person-to-person payments.

- The bank offers free customer access to accounts via a toll-free telephone number that is available in English and Spanish.

In addition, the bank offers several alternative deposit systems reasonably accessible financial retail banking services in low- and moderate-income geographies or to low- and moderate-income individuals and the unbanked. First, the bank offers those with no credit history or a damaged credit history the ability to collateralize or secure their credit card through a deposit account. Second, a checking account for customers with previous bank and credit challenges that is designed to help customers get back on the right financial path. Third, savings accounts come with the ability to setup recurring automatic transfers as a convenience for building savings. Lastly, a savings program where customers can elect to automatically round up each debit card transaction to the next whole dollar amount and transfer the difference to a designated savings or money market account.

Last, in response to the COVID-19 pandemic, the bank implemented several relief efforts including participating in the SBA's PPP loan program, deferring loan payments, deferring or waiving accrued interest, and waiving late fees to assist affected borrowers.

Changes in Branch Locations

The institution's record of opening and closing of branches has generally not adversely affected low- and moderate-income geographies or individuals for the bank as a whole. Greater percentage changes in middle- and upper-income census tracts as compared to changes in low- and moderate-income tracts supports this conclusion.

The bank decreased its total full-service branch presence by a net of 13 offices, with 19 branches closed and 6 branches opened. Of the branch openings, two occurred in low-income tracts, one occurred in a moderate-income tract, one occurred a middle-income tract, and two occurred in upper-income tracts. Of the branch closings, one occurred in a low-income tract, ten occurred in middle-income tracts, and eight occurred in upper-income tracts.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the assessment areas, particularly low- or moderate-income geographies or individuals, for the bank as a whole. The bank's branches generally have the same product offerings and services, and branch locations have similar hours that vary slightly based on the areas' needs. The institution maintains reasonable hours relative to the areas served and the industry. Most locations maintain at least 8-hour lobby hours Monday thru Thursday and extended hours on Friday. Of the bank's 226 total locations, there are 2 branches in low-income tracts, 19 in moderate-income tracts, 37 in middle-income tracts, and 19 in upper-income tracts that also offer Saturday hours through the drive thru.

Community Development Services

The institution provides an adequate level of CD services for the bank as a whole. Adequate performances regarding the extent of CD services and the responsiveness of CD services to available opportunities to support this conclusion.

The following table shows that the bank provided 940 CD services since the previous evaluation. This number equates to an average of 1.3 CD services per office per year since the previous evaluation, thereby reflecting an adequate level. The bank averaged 233.9 full-service offices for the 3.1 years since the previous evaluation. The average figure reflects an increase from the average of 0.9 CD services, per office, per year, recorded at the prior evaluation. The current level reflects adequate performance regarding the extent, or number, of CD services provided.

The services primarily involve bank personnel's use of their technical expertise to benefit organizations or projects with a primary purpose of CD, as defined by CRA regulations. In addition to their extent, CD services reflect adequate responsiveness to available opportunities as illustrated by their level of addressing identified CD needs in the bank's assessment areas.

Services include Board or committee participation in some of those activities. Service activities demonstrate the responsiveness to community needs primarily for community services to low- and moderate-income individuals. The table below shows an adequate distribution across the four major CD service categories. More specifically, 69.5 percent of the bank's CD services benefitted projects or organizations that provide community services targeted to low- and moderate-income individuals. As noted in the rated area sections of this evaluation, such services represent CD needs for many of the bank's assessment areas.

Community Development Services by Year					
Institution					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2019 (5/20-12/31)	13	95	16	2	126
2020	21	201	98	2	322
2021	40	233	71	0	344
2022 (1/1-7/11)	8	124	16	0	148
Total	82	653	201	4	940
<i>Source: Bank Data.</i>					

Community Development Services by Rated Area Institution					
Rated Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Texarkana MS MSA	2	7	0	0	9
Arkansas	9	109	29	1	148
Florida	33	209	40	3	285
Georgia	19	209	42	0	270
North Carolina	10	65	57	0	132
Texas	6	32	26	0	64
Nationwide	3	22	7	0	32
Total	82	653	201	4	940
<i>Source: Bank records.</i>					

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

TEXARKANA, TX-AR MULTI-STATE MSA

CRA RATING FOR TEXARKANA, TX-AR MSA: SATISFACTORY

The Lending Test is rated: Low Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION’S OPERATIONS IN TEXARKANA, TX-AR MSA

Bank OZK designated all 30 census tracts that make up Bowie and Miller Counties, two of the three counties that make up the Texarkana, TX-AR MSA, in southwest Arkansas and northeast Texas.

Economic and Demographic Data

The assessment area’s census tracts reflect the following income designations based on 2015 ACS data: 1 low-, 9 moderate-, 14 middle-, 5 upper-income tracts, and 1 tracts with no income designation. FEMA declared this assessment area as a major disaster area due to the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area						
Texarkana MS MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	30	3.3	30.0	46.7	16.7	3.3
Population by Geography	136,807	1.5	21.5	53.6	23.4	0.0
Housing Units by Geography	58,383	1.6	22.6	54.2	21.6	0.0
Owner-Occupied Units by Geography	32,975	0.9	14.7	57.4	27.0	0.0
Occupied Rental Units by Geography	17,408	3.2	35.2	47.8	13.7	0.0
Vacant Units by Geography	8,000	1.1	27.3	54.8	16.8	0.0
Businesses by Geography	9,103	0.6	25.1	47.9	26.2	0.2
Farms by Geography	340	0.6	12.4	59.1	27.9	0.0
Family Distribution by Income Level	34,302	22.5	16.2	19.2	42.1	0.0
Household Distribution by Income Level	50,383	25.1	15.4	16.9	42.5	0.0
Median Family Income MSA - 45500 Texarkana, TX-AR MSA		\$51,151	Median Housing Value			\$100,557
			Median Gross Rent			\$711
			Families Below Poverty Level			16.4%
Source: 2015 ACS and 2021 D&B Data; Due to rounding, totals may not equal 100.0%; (*) The NA category consists of geographies that have not been assigned an income classification.						

Texarkana's economy is in recovery. The economy is expected to expand along with the national average but slower than the growth of the Texas economy. The area's healthcare industry growth has been slower than the manufacturing and retail growth, which have both surpassed pre-recession levels. Limited population growth and a substantial portion of workers being employed in the public sector are expected to lead to limited economic growth in the coming years.²

Currently, major employers in the Texarkana MSA are Red River Army Depot, Christus St. Michael Health System, Cooper Tire & Rubber, Walmart, and Domtar.³ The Texarkana MSA's unemployment rate of 4.3 percent is below the 4.8 percent average for the State of Texas and above the 4.0 percent average U.S. rate.

Competition

The area contains a low level of competition from other chartered banks based on its population, with each of the 40 offices from its 14 institutions serving about 3,420 people on average. Bank OZK ranks 9th in market share by capturing 4.2 percent of the area's deposits based on the June 30, 2021, FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Credit and Community Development Needs and Opportunities

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

Demographic data showing that 38.7 percent of the area's families reported low- or moderate-incomes also suggest a need for activities that benefit projects or organizations that provide community services targeted to these families. In addition, one-third of the area's census tracts that received low- or moderate-income designations and the national COVID-19 major disaster area, suggesting a need for activities that revitalize or stabilize qualifying geographies. Further, a need exists to expand housing stock in low- and moderate-income geographies, thus creating opportunities for affordable housing in low- and moderate-income areas.

The financial hardship from the COVID-19 pandemic created an emerging need for retail banking service products to the unbanked for quick access to funds from Economic Impact checks, funds for unemployment payments, and to pay bills preventing late payments on existing debt obligations. Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant emerging need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. Lastly, the COVID-19 pandemic resulted in less customer contact

² Source: Moody's Analytics, Precis U.S. Metro, May 2022

³ Source: Moody's Analytics, Precis U.S. Metro, May 2022

with physical banking facilities, significantly increasing the need for the digital delivery of banking products and services throughout the whole product life cycle.

SCOPE OF EVALUATION – TEXARKANA, TX-AR MSA

Lending Test

Loan Categories Reviewed

Examiners considered the following loans granted inside the bank's Texarkana assessment area as reported according to either the HMDA or CRA data collection reporting requirements:

Home Mortgage Loans:

- 2019: 11 loans totaling \$1,036,000
- 2020: 11 loans totaling \$5,234,000
- 2021: 10 loans totaling \$4,037,000

Small Business Loans:

- 2019: 14 loans totaling \$2,768,000
- 2020: 79 loans totaling \$5,888,000
- 2021: 32 loans totaling \$4,469,000

Small Farm Loans:

- 2019: 0 loans
- 2020: 5 loans totaling \$163,000
- 2021: 1 loans totaling \$33,000

The weightings for the specific loan categories varies for each of the assessment areas. As suggested by the above figures, small business loans generally received more weight than home mortgage loans due to the number of loans originated.

CONCLUSIONS ON PERFORMANCE CRITERIA IN TEXARKANA MS MSA

LENDING TEST

Bank OZK demonstrated a low satisfactory record in the Texarkana MS MSA assessment area regarding the Lending Test. The adequate performance records regarding geographic distribution and borrower profile distribution, as well as, adequate lending levels, and the limited use of innovative and flexible lending practices outweighed a relatively high level of CD loans to support this conclusion.

Lending Activity

Lending levels reflect adequate responsiveness to the credit needs in the Texarkana MS MSA assessment area. Adequate performance regarding small business loans outweighed very poor

performance regarding home mortgage loans to support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Texarkana MS MSA assessment area.

Small Business Loans

Small business lending levels reflect adequate responsiveness to the credit needs in the Texarkana MS MSA assessment area. For 2020, the bank originated 79 total reportable small business loans totaling approximately \$5.9 million. Bank OZK captured a 2.6 percent market share of the total number of loans and a 2.7 percent market share of the total dollar volume of loans.

The bank's activity by number of loans ranks it 8th out of 89 total lenders and 30 lenders granting at least 10 small business loans in the Texarkana MS MSA assessment area. This ranking lands the bank in the top third of the second group of lenders reporting such loans in the bank's assessment area, at 26.7 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar volume of loans made by each institution. Given the considerations previously noted, the activity level reflects adequate performance for small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect very poor responsiveness to the credit needs in the Texarkana MS MSA assessment area. For 2020, the bank originated 11 total reportable home mortgage loans totaling approximately \$5.2 million. Bank OZK captured a 0.3 percent market share of the total number and a 0.7 percent market share of the total dollar volume of home mortgage loans.

The bank's activity by number of loans ranks it 54th out of 205 total lenders and 55 lenders granting at least 10 home mortgage loans in the Texarkana MS MSA assessment area. This ranking nearly lands the bank outside of the second group of lenders reporting such loans in the bank's Texarkana MS assessment area, thereby reflecting a very poor level. The ranking considers the total number and dollar amount of loans made by each institution. Given the considerations previously noted, the activity level reflects very poor performance for home mortgage loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the Texarkana MS MSA assessment area. Adequate records regarding small business loans outweighs good records regarding home mortgage loans to support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Texarkana MS MSA assessment area.

Small Business Loans

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

As seen in the table below, the bank did not have any lending in low-income tracts, falling slightly below the aggregate data by 0.6 percentage points, reflecting adequate performance. The table further shows that in moderate-income census tracts the bank's lending level rises 5.0 percentage points above the aggregate data, also reflecting an adequate level.

Geographic Distribution of Small Business Loans Texarkana MS MSA AA						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	0.7	0.6	0	0.0	0	0.0
Moderate	25.1	19.1	19	24.1	1,838	31.2
Middle	48.4	49.6	33	41.8	2,469	41.9
Upper	25.6	30.5	27	34.2	1,581	26.9
Not Available	0.2	0.2	0	0.0	0	0.0
Totals	100.0	100.0	79	100.0	5,888	100.0
<i>Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects good performance in the Texarkana MS MSA assessment area. Good performance moderate-income geographies outweighs adequate performance in low-income geographies to support this conclusion.

As seen in the table below, the bank did not have any lending in low-income tracts, falling slightly below the aggregate data by 0.1 percent, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level rises 9.0 percentage points above the aggregate data, reflecting a good level.

Geographic Distribution of Home Mortgage Loans Texarkana MS MSA AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	0.9	0.1	0	0.0	0	0.0
Moderate	14.7	9.2	2	18.2	155	3.0
Middle	57.4	52.0	9	81.8	5,079	97.0
Upper	27.0	38.7	0	0.0	0	0.0
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	11	100.0	5,234	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes. Adequate records regarding both small business loans and home mortgage loans supports this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Texarkana MS MSA assessment area.

Small Business Loans

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

Distribution of Loans to Small Businesses by Gross Annual Revenues Texarkana MS MSA AA											
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Texarkana MS MSA 2019	14	2,768	100.0	2,486	81.0	50.0	48.6	4.7	50.0	14.3	0.0
Texarkana MS MSA 2020	79	5,888	100.0	3,004	80.0	29.1	40.1	5.0	16.5	15.0	54.4
Texarkana MS MSA 2021	32	4,469	100.0	-	81.0	28.1	-	4.7	46.9	14.3	25.0
<i>Source: 2020 D&B Data; 2019-2021 CRA Data; 2019 & 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

As shown in the table above, the bank's small business lending percentages in 2019 to businesses with gross annual revenues of \$1 million or less is 1.4 percentage points below the 2019 aggregate level, reflecting adequate performance for 2019.

The bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 43 and 8 PPP loans, respectively, where collected revenue data was not available. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 63.9 percent and 37.5 percent, respectively, compared to the bank's 2019 level.

In 2020 and 2021, the bank originated 78.5 percent and 62.5 percent, respectively, of their small business loans in the AA within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest commercial borrowers.

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

Home Mortgage Loans

The distribution of home mortgage loans based on the borrowers' profiles reflects adequate performance in the Texarkana MS MSA assessment area. Adequate performance to moderate-income borrowers outweighs poor performance to low-income borrowers to support this conclusion.

As seen in the table below, the bank made no loans to low-income borrowers as compared to 4.6 aggregate level, thereby reflecting a poor level. The table further shows that to moderate-income borrowers the bank's lending level falls 6.4 percentage points below the aggregate data, reflecting an adequate level.

Distribution of Home Mortgage Loans by Borrower Income Level Texarkana MS MSA AA						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	22.5	4.6	0	0.0	0	0.0
Moderate	16.2	15.5	1	9.1	30	0.6
Middle	19.2	20.1	0	0.0	0	0.0
Upper	42.1	36.3	1	9.1	25	0.5
Not Available	0.0	23.4	9	81.8	5,179	98.9
Totals	100.0	100.0	11	100.0	5,234	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Innovative or Flexible Lending Practices

The institution makes limited use of innovative or flexible lending practices in the Texarkana MS MSA. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of its assessment areas when arriving at this conclusion. The appendices list the criteria considered under this performance factor.

The following table shows that, since the previous evaluation, the bank originated 3 innovative or flexible loans totaling approximately \$1.2 million in the Texarkana MS MSA. This dollar figure equates to 0.4 percent of the bank's total innovative or flexible loans. This rated area's innovative or flexible lending level is 0.9 percentage points lower than its total loan figure, thereby reflecting an adequate level of lending. Given the bank's capacity and the needs in the rated area, the institution makes limited use of innovative and flexible loans in the Texarkana MS MSA.

Innovative or Flexible Loans Texarkana								
Rated Area	SBA		USDA/FSA		Freedom Advantage		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Texarkana MS MSA	3	1,205	0	0	0	0	3	1,205
Total	3	1,205	0	0	0	0	3	1,205
<i>Source: Bank records.</i>								

Though not reflected in the table above, examiners included below additional flexible lending activity in this rated area.

- **COVID-19 Pandemic** – The bank offered payment deferment options to its loan customers during the evaluation period and deferred payments or waived late fees for 25 customers in the Texarkana MS MSA that were impacted financially by the pandemic.

Community Development Loans

The institution made a relatively high level of CD loans in the Texarkana MS MSA. Its extent, or dollar volume, of CD loans and the CD loans' adequate responsiveness support this conclusion.

The following table shows that, since the previous evaluation, the bank granted 3 CD loans totaling approximately \$5.5 million in the Texarkana MS MSA. The dollar amount equates to 0.4 percent of the bank's overall excellent level of CD loans. This area's level is lower than the contribution of 1.3 percent of overall HMDA and CRA loans in this state.

Community Development Loans by Assessment Area Texarkana MS MSA										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Texarkana MS MSA	1	4,583	0	0	2	891	0	0	3	5,474
Total	1	4,583	0	0	2	891	0	0	3	5,474
Source: Bank records.										

Besides their extent, the CD loans adequate responsiveness to the MSA's CD needs. As seen in the table above, approximately 83.7 percent of the dollar volume of the MSA's CD loans promote affordable housing and 16.3 percent promote economic development.

As noted under the applicable Description of Assessment Area, activities that provide affordable housing, community services for low- and moderate-income individuals, and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment areas. Therefore, relative to the bank's capacity and the extent of CD lending opportunities and needs in its assessment areas, the bank established a relatively high level in originating CD loans.

The following point provides an example of the bank's CD lending activities in the Texarkana MS MSA:

- **Affordable Housing** – The bank originated a \$4.6 million loan to finance the construction of a 48 unit multi-family housing complex. The rents for these units are restricted to individuals/families of low- and moderate-incomes. Additionally, this complex is in a low-income geography and the bank invested in Low-Income Housing Tax Credits for this transaction.

INVESTMENT TEST

Bank OZK demonstrated an outstanding record in the Texarkana MS MSA regarding the Investment Test. The excellent level of QIs, excellent responsiveness to CD needs, and the extensive use of complex QIs support this conclusion.

Investment and Grant Activity

The bank has excellent level of QIs in the Texarkana MS MSA.

The table below shows that Bank OZK made 10 QIs totaling approximately \$7.7 million in the Texarkana MS MSA. By dollar volume, this equates to 1.7 percent of the bank's total QIs as compared to 0.6 percent of total deposits in this rated area. Examiners also considered the volume of QIs increased significantly from \$1.1 million at the last evaluation.

Qualified Investments Texarkana MS MSA										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Texarkana MS MSA	3	7,720	6	21	0	0	1	2	10	7,743
Total	3	7,720	6	21	0	0	1	2	10	7,743
Source: Bank Data										

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of QIs that directly address identified needs in the Texarkana MS MSA. While the above table also shows responsiveness to CD needs by the dollar amount to three of the CD purpose categories, most investment funds financed affordable housing. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in addressing affordable housing needs.

Bank OZK's major QIs addressed the following needs in the Texarkana MS MSA:

- ***Affordable housing*** with approximately \$6.7 million in the purchase of LIHTCs to support affordable housing project in the assessment area. This project will add approximately 48 affordable housing units to the area.
- ***Community Services*** with larger dollar donations support a food bank to help fund food and household items during the COVID-19 pandemic and an organization providing transportation assistance for low- and moderate-income individuals. Thus, this activity benefits an organization that provides community services, in the form of social services, targeted to low- and moderate-income individuals.

Community Development Initiatives

Bank OZK made extensive use of complex QIs, given the size of the institution and opportunities available in the Texarkana MS MSA. Bank OZK made approximately \$6.7 million in a complex QI within the Texarkana MS MSA as follows:

- One new QI for approximately \$6.7 million in LIHTCs within the Texarkana MS MSA.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record for the Texarkana MS MSA regarding the Service Test. The adequate level regarding the bank's CD services, the accessibility of its delivery systems, its changes in branch locations, and its reasonableness of business hours and services to support this conclusion. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Texarkana MS MSA assessment area. The accessible branch distribution and alternative delivery systems support this conclusion. The Texarkana MS MSA assessment area reflects a consistent conclusion to the institution's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices accessible to essentially all portions of the Texarkana MS MSA assessment area.

The bank maintains no office locations within low-income tracts; however, only 1.5 percent of the population resides in those tracts. Consequently, examiners placed more weight on moderate-income tracts. The bank's branches in moderate-income tracts rises 28.5 percentage points above the population, reflecting accessibility.

Branch and ATM Distribution by Geography Income Level Texarkana MS MSA												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	1	3.3	2,052	1.5	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	9	30.0	29,414	21.5	1	50.0	1	50.0	0	0.0	0	0.0
Middle	14	46.7	73,329	53.6	0	0.0	0	0.0	0	0.0	1	100.0
Upper	5	16.7	32,012	23.4	1	50.0	1	50.0	0	0.0	0	0.0
NA	1	3.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Totals	30	100.0	136,807	100.0	2	100.0	2	100.0	0	100.0	1	100.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0.</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems accessible to essentially all portions of the bank's assessment areas in the Texarkana MS MSA.

The preceding table shows that the bank maintains no ATMs in low-income tracts, however, only 1.5 percent of the population resides in those tracts. Consequently, examiners placed more weight on moderate-income tracts. The bank's ATMs in moderate-income tracts rises 28.5 percentage points above the population in moderate-income tracts, reflecting accessibility. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution's record of opening and closing of branches in the Texarkana MS MSA assessment area has generally not adversely affected low- and moderate-income geographies or individuals. No branch changes occurred in low- and moderate-income tracts the Texarkana MS MSA assessment area. No branches opened and one branch closed in a middle-income tract.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the Texarkana MS MSA, particularly low- or moderate-income geographies or individuals. The Texarkana MS MSA reflects product offerings, services, and branch hours consistent with the discussion at the institution level.

The bank's branches have the same product offerings and services, and branch locations have the same hours. Branch hours are generally from Monday to Friday from 8:30 a.m. to 5:00 p.m. No lobby hours are available on Saturdays in the Texarkana MS MSA, but one office offers Saturday drive thru hours.

Community Development Services

The institution provides an adequate level of CD services for the Texarkana MS MSA. The adequate number and extent of CD services and the responsiveness of CD services to available opportunities support this conclusion. The appendices list the criteria considered under this performance factor.

The following table shows that the bank provided 9 CD services in the Texarkana MS MSA since the previous evaluation. This number equates to an average of 1.0 CD services, per office, per year, since the previous evaluation, thereby reflecting an adequate level. The bank averaged 2.8 full-service offices for 3.1 years since the previous evaluation.

Community Development Services Texarkana MS MSA					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Texarkana MS MSA	2	7	0	0	9
Total	2	7	0	0	9
<i>Source: Bank Data</i>					

Leadership is evident through Board or committee participation in the vast majority of those activities. Service activities demonstrate the responsiveness to community needs for community services to low- and moderate-income individuals and affordable housing.

The following are examples of CD services specific to the Texarkana MS MSA assessment area:

- **Community Services** –An employee serves on the Board of Directors for a nonprofit organization that provides assistance to those in need through variety of services such as senior transportation; skilled parenting programs; emergency preparedness, response, and recovery; and financial education classes. Thus, the activity provides community services primarily to low- and moderate-income individuals.
- **Affordable Housing** –A bank employee serves on the Board of Directors of local housing agency that provides decent, safe, affordable housing for eligible low-income families, elderly, and persons with disabilities. The organization also offers low rent units and Section 8 vouchers for low- and moderate-income individuals/families. Therefore, this service promotes affordable housing for low- and moderate-income individuals/families.

STATE OF ARKANSAS

CRA RATING FOR ARKANSAS: SATISFACTORY

The Lending Test is rated: Low Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN ARKANSAS

Bank OZK designated five assessment areas in Arkansas as noted in the table below. All of the bank's assessment areas in Arkansas conform to the CRA regulatory requirements.

Description of Arkansas Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Fayetteville MSA	Benton, Washington	81	13
Fort Smith MSA	Crawford, Franklin, Sebastian	40	9
Hot Springs MSA	Garland	20	7
Little Rock MSA	Faulkner, Lonoke, Pulaski, Saline	157	25
AR Non-MSA	Baxter, Boone, Clark, Columbia, Hempstead, Hot Spring, Johnson, Logan, Marion, Newton, Pope, Searcy, Van Buren	75	19
Source: Bank Records; 2015 ACS.			

SCOPE OF EVALUATION – ARKANSAS

Full-Scope Assessment Area

Of the five assessment areas in Arkansas, examiners applied full-scope procedures to the Little Rock MSA assessment area since it generated the largest percentage of the bank's loans, deposits, and offices in this rated area. Examiners applied limited-scope procedures to the other Arkansas assessment areas.

Lending Test

Loan Categories Reviewed

Examiners considered the following loans granted inside the bank's Arkansas assessment areas as reported according to either the HMDA or CRA data collection reporting requirements:

Home Mortgage Loans:

- 2019: 446 loans totaling \$56,829,000
- 2020: 446 loans totaling \$66,643,000
- 2021: 384 loans totaling \$71,283,000

Small Business Loans:

- 2019: 504 loans totaling \$82,311,000
- 2020: 1,707 loans totaling \$151,902,000
- 2021: 704 loans totaling \$109,858,000

Small Farm Loans:

- 2019: 111 loans totaling \$7,897,000
- 2020: 68 loan totaling \$5,983,000
- 2020: 69 loan totaling \$6,322,000

The weightings for the specific loan categories varies for each of the assessment areas. As suggested by the above figures, small business loans generally received the heaviest weighting followed by home mortgage loans.

Assessment Area Weighting

The following table shows that the Little Rock MSA assessment area generated the largest percentage of the bank's Arkansas loans, deposits, and branches. Consequently, examiners weighed records in the Little Rock MSA assessment area heaviest when arriving at applicable conclusions and ratings. Examiners weighed performance in each reviewed area consistent with that area's lending level as reflected in the following table.

Assessment Area Distribution – State of Arkansas						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Fayetteville MSA	57,624	10.3	521,929	7.1	13	17.8
Fort Smith MSA	58,925	10.5	215,940	2.9	9	12.3
Hot Springs MSA	46,279	8.3	450,402	6.1	7	9.6
Little Rock MSA	322,629	57.7	5,429,405	73.4	25	34.3
AR Non-MSA	73,571	13.2	779,564	10.5	19	26.0
Total	559,028	100.0	7,397,240	100.0	73	100.0
<i>Source: HMDA & CRA Data (2019-2021); FDIC Summary of Deposits (06/30/2021)</i>						

Investment and Service Tests

The scopes for the Investment and Service Tests remain the same for this rated area as it did for the institution as a whole. Please refer to the institution-level Scope of Evaluation section.

CONCLUSIONS ON PERFORMANCE CRITERIA IN ARKANSAS

LENDING TEST

Bank OZK demonstrated a low satisfactory record in the State of Arkansas regarding the Lending Test. An adequate level of CD loans, good records regarding borrower profile loan distribution, adequate lending levels, and adequate performance records regarding geographic distribution loan distribution support this conclusion. The bank further made limited use of innovative and flexible lending practices in this rated area. Conclusions regarding the institution's performance in the State of Arkansas were generally consistent with the conclusions for each assessment area within the rated area, unless otherwise noted. The appendices list the criteria considered under this test.

Lending Activity

Lending levels reflect adequate responsiveness to assessment area credit needs in the State of Arkansas. Adequate performances regarding small business loans and home mortgage loans support this conclusion. Examiners placed more weight on the bank's small business loans than home mortgage loans based on the loan volumes. Examiners considered the bank's size, business strategy, and capacity in this state relative to its credit needs when arriving at this conclusion.

Small Business Loans

Small business lending levels reflects an adequate responsiveness to assessment area credit needs in the State of Arkansas. For 2020, the bank originated 1,707 total reportable small business loans totaling approximately \$151.9 million inside its Arkansas assessment areas. Bank OZK captured a 3.9 percent market share of the total number of small business loans and a 5.5 percent market share of the total dollar volume of loans.

This volume of activity ranks the bank 5th out of 198 total lenders and 77 lenders granting at least 10 small business loans in the bank's Arkansas assessment areas. This ranking lands the bank in the top 6.5 percent of the second group of lenders reporting such loans in the bank's Arkansas assessment areas. The ranking considers the total number and dollar amount of loans made by each institution.

Although the market share and lending levels noted above typically represent a higher level of performance, examiners noted a decrease in the overall level of small business lending since the last evaluation. Since the prior evaluation, the bank's small business lending fluctuated greatly year over year due to a large percentage of 2020 and 2021 small business loans being PPP loans. For example, excluding PPP loans, the bank originated approximately 411 small business loans totaling \$89.6 million in 2021. This is a noted decrease over the 2018 level where the bank originated 596 loans totaling \$104.0 million. Given the downward trend in the number of small business loans since the last evaluation, the bank's lending activity performance reflects an adequate record regarding small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs in the State of Arkansas. For 2020, the bank originated 446 total reportable home mortgage loans

totaling approximately \$66.6 million in its Arkansas assessment areas. Bank OZK captured a 0.5 percent market share of the total number of home mortgage loans and 0.4 percent market share of the total dollar volume of home mortgage loans in the Arkansas assessment areas.

This volume of activity ranks the bank 47th out of 590 total lenders and 233 lenders granting at least 10 home mortgage loans in the bank's Arkansas assessment areas. This ranking lands the bank in the top quarter of the second group of lenders reporting such loans in the bank's Arkansas assessment areas, at 20.2 percent. The ranking considers the total number and dollar amount of loans made by each institution.

Although the market share and lending levels noted typically represent a higher level of performance, examiners noted a decline in the overall level of home mortgage lending since the last evaluation. Since the last evaluation, the bank's number of home mortgage lending has continued to decrease from 486 loans totaling \$59.8 million in 2018 to 384 loans totaling \$71.3 million in 2021. Given the downward trend in the number of home mortgage loans since the last evaluation, the bank's lending activity performance reflects an adequate record regarding home mortgage loans.

Consequently, given the loan categories' relative performances and weightings, the bank exhibited an adequate overall record in the State of Arkansas regarding its lending activity. Adequate performances regarding small business loans and home mortgage loans support this conclusion.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the State of Arkansas. Adequate records regarding small business loans outweighed good records regarding home mortgage loans supporting this conclusion. The bank's performance is generally consistent throughout the assessment areas within the rated area, unless otherwise noted. Examiners placed the most weight on the bank's Little Rock MSA assessment area.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the State of Arkansas. Adequate performances in the Fayetteville MSA, Fort Smith MSA, Hot Springs MSA, and Little Rock MSA assessment areas outweighed good performance in the AR Non-MSA assessment area to support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects good penetration throughout the State of Arkansas. Excellent performance in the Little Rock MSA assessment area lifted adequate performances in the Fayetteville MSA, Fort Smith MSA, Hot Springs MSA, and AR Non-MSA assessment areas to support this conclusion.

Borrower Profile

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

The bank's performance is generally consistent throughout the assessment areas within the rated area, unless otherwise noted. Examiners placed the most weight on the bank's Little Rock MSA assessment area.

Small Business Loans

The distribution of borrowers reflects good penetration among business customers of different sizes. Good performance in the Little Rock MSA assessment area outweighed excellent performances in the Fayetteville MSA, Fort Smith MSA, Hot Springs MSA, and AR Non-MSA assessment areas to support this conclusion.

Home Mortgage Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Excellent performance in the Little Rock MSA and good performances in the Fort Smith MSA and Hot Springs MSA assessment areas lifted adequate performances in the Fayetteville MSA and AR Non-MSA assessment areas to support this conclusion.

Innovative or Flexible Lending Practices

The institution made limited use of innovative or flexible lending practices in the State of Arkansas. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of its assessment areas when arriving at this conclusion. The appendices list the criteria considered under this performance factor.

The table below shows that, since the previous evaluation, the bank originated 286 innovative or flexible loans totaling \$70.7 million in the State of Arkansas. This dollar figure equates to 21.3 percent of the bank's total innovative or flexible loans. Given the bank's capacity and the needs in the rated area, the level of innovative and flexible loans reflects adequate responsiveness to the credit needs of the State of Arkansas.

Innovative or Flexible Loans State of Arkansas								
Rated Area	SBA		USDA/FSA		Freedom Advantage		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Fayetteville MSA	6	4,576	0	0	8	1,467	14	6,043
Fort Smith MSA	16	15,90	0	0	13	1,044	29	16,951
Hot Springs MSA	8	4,291	0	0	3	266	11	4,557
Little Rock MSA	24	14,169	0	0	180	26,194	204	40,363
AR Non-MSA	1	317	0	0	27	2,478	28	2,795
Total	55	39,260	0	0	231	31,449	286	70,709
<i>Source: Bank records.</i>								

Though not reflected in the table above, examiners included below additional bank activity in this rated area.

- **COVID-19 Pandemic** – The bank offered payment deferment options to its loan customers

during the evaluation period and deferred payments or waived late fees for 557 customers in the State of Arkansas that were impacted financially by the pandemic.

Community Development Loans

The institution has made an adequate level of CD loans in the State of Arkansas. Its extent, or adequate dollar volume, of CD loans and the CD loans' responsiveness to support this conclusion. The bank's performance is generally consistent throughout the assessment areas.

Examiners considered the bank's contribution of such loans made in this state relative to its other activity levels in this area, the bank's overall CD lending record, and the CD loans' qualitative characteristics when arriving at this conclusion. Appendix D defines CD, and Appendix A lists the criteria considered under this performance factor.

The following table shows that, since the previous evaluation, the bank granted 102 CD loans totaling approximately \$90.7 million in this state. The dollar amount equates to 7.2 percent of the bank's overall excellent level of CD loans. This area's level is lower than the contribution of 30.5 percent of overall HMDA and CRA loans in this state. Examiners also considered the volume of CD loans in the State of Arkansas decreased significantly from \$121.9 million at the last evaluation.

Community Development Loans State of Arkansas										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Fayetteville MSA	2	11,622	0	0	2	39	0	0	4	11,661
Fort Smith MSA	6	3,507	0	0	3	3,073	3	4,406	12	10,986
Hot Springs MSA	2	803	0	0	2	200	5	386	9	1,389
Little Rock MSA	20	38,482	2	3,500	26	13,349	15	7,409	63	62,740
AR Non-MSA	3	2,101	0	0	9	1,372	2	439	14	3,912
Total	33	56,515	2	3,500	42	18,033	25	12,640	102	90,688
<i>Source: Bank records.</i>										

The CD loans reflect good responsiveness to the state's CD needs. As seen in the table above, 62.3 percent of the dollar volume of the state's CD loans promote affordable housing, while 19.9 percent promote economic development, 13.9 percent help revitalize or stabilize low- and moderate-income geographies, and 3.9 percent benefit community services for low- and moderate-income individuals.

As noted under the applicable Description of Assessment Areas, activities that provide affordable housing and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment areas. Therefore, relative to the bank's capacity and the extent of CD lending opportunities and needs in its assessment areas, the bank established an adequate level in originating CD loans. Bank OZK had no regional or statewide CD loans in this rated area, so please reference the full-scope assessment areas section for examples of the bank's CD loans.

INVESTMENT TEST

Bank OZK demonstrated a high satisfactory record in the State of Arkansas regarding the Investment Test. The excellent responsiveness to CD needs and the extensive use of complex QIs lifted the adequate level of QIs to support this conclusion. While the Fort Smith MSA and Hot Springs MSA assessment areas reflect consistent performance regarding the Investment Test, the Little Rock MSA and AR Non-MSA assessment areas reflect performance below that of the state level and the Fayetteville MSA assessment area reflects performance above that of the state level. The appendices list the criteria considered under this test.

Investment and Grant Activity

The bank has an adequate level of QIs in the State of Arkansas.

The table below shows that Bank OZK made 122 QIs totaling approximately \$70.9 million in the State of Arkansas. The dollar amount equates to 16.0 percent of the bank's overall significant level of QIs. This state's level is lower than its contribution of 36.1 percent of deposits in this state. Examiners also considered the volume of QIs in the State of Arkansas increased significantly from \$48.5 million at the last evaluation. Lastly, examiners considered that 16.8 percent of the bank's QIs are located outside of the rated areas.

Qualified Investments State of Arkansas										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Fayetteville MSA	7	21,746	2	11	4	22	0	0	13	21,779
Fort Smith MSA	0	0	8	9,062	0	0	1	20	9	9,082
Hot Springs MSA	1	2,705	1	5	0	0	0	0	2	2,710
Little Rock MSA	19	33,234	43	250	14	88	0	0	76	33,572
AR Non-MSA	3	459	5	2,114	14	1,220	0	0	22	3,793
Total	30	58,144	59	11,442	32	1,330	1	20	122	70,936
<i>Source: Bank records</i>										

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of investments that directly address identified needs in the State of Arkansas. The previous table shows responsiveness to a wide variety of CD needs by the dollar amount to all four CD purpose categories, including a significant dollar volume to affordable housing for low- and moderate-income. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in addressing affordable housing needs.

Bank OZK's major investments addressed the following needs throughout various AAs in the State of Arkansas:

- Affordable housing with approximately \$45.0 million in the purchase and the retention of

\$7.2 million of LIHTCs to support affordable housing projects throughout Arkansas.

- Affordable housing needs with the retention of approximately \$5.8 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals.
- Community service needs with the retention of approximately \$11.2 million school bonds where the majority of the students are from low- and moderate-income families throughout Arkansas.
- Economic development by depositing \$1.2 million in a CDFI to support underserved small businesses and families with increased access to credit and financial tools in Arkansas.

Community Development Initiatives

Bank OZK made extensive use of complex QIs, given the size of the institution and opportunities available in the State of Arkansas.

Bank OZK made approximately \$58.0 million in complex QIs within the State of Arkansas as follows:

- Four new QIs financed approximately \$45.0 million and three retained QIs financed approximately \$7.2 million in LIHTCs within Arkansas.
- Ten prior period QIs remain outstanding financing approximately \$5.8 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record for the State of Arkansas regarding the Service Test. The reasonable accessibility of its delivery systems, its changes in branch locations, and its reasonableness of business hours and services slightly outweighed the limited level of CD services to support this conclusion. While the Fayetteville MSA, Fort Smith MSA, and Little Rock MSA assessment areas reflect consistent performance regarding the Service Test, the Hot Springs MSA and AR Non-MSA assessment areas reflect performance below that of the state level. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the bank's assessment areas in the State of Arkansas. Reasonable accessibility of branch distribution and alternative delivery systems support this conclusion. The State of Arkansas reflects generally consistent conclusions to the institution's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices reasonably accessible to essentially all portions of the institution's assessment areas in the State of Arkansas.

The bank maintains no office locations within low-income tracts, however, only 3.0 percent of the population resides in those tracts. Consequently, examiners placed more weight on moderate-income tracts. The bank's branches in moderate-income tracts rises 3.5 percentage points above the population, reflecting an adequate level.

Branch and ATM Distribution by Geography Income Level State of Arkansas												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	16	4.3	53,459	3.0	0	0.0	0	0.0	0	0.0	1	12.5
Moderate	76	20.4	330,541	18.4	16	21.9	16	20.8	0	0.0	0	0.0
Middle	180	48.3	875,409	48.8	33	45.2	35	45.4	0	0.0	5	62.5
Upper	99	26.5	531,393	29.6	24	32.9	26	33.8	1	100.0	2	25.0
NA	2	0.5	3,234	0.2	0	0.0	0	0.0	0	0.0	0	0.0
Totals	373	100.0	1,794,036	100.0	73	100.0	77	100.0	1	100.0	8	0.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems reasonably accessible to essentially all portions of the bank's assessment areas in the State of Arkansas.

The preceding table shows that the bank operates no ATMs in low-income tracts, however, only 3.0 percent of the population resides in those tracts. Consequently, examiners placed more weight on moderate-income tracts. The bank's ATMs in moderate-income tracts rises 2.4 percentage points above the population in moderate-income tracts, reflecting adequate performance. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution's record of opening and closing of branches in State of Arkansas has generally not adversely affected low- and moderate-income geographies or individuals of geographies. One branch closed in a low-income tract in the State of Arkansas. Five branches closed in middle-income tracts. One branch opened while two branches closed in upper-income tracts.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the State of Arkansas, particularly low- or moderate-income geographies or individuals. The State of Arkansas reflects product offerings, services, and branch hours consistent with discussion at the institution level.

The bank's branches generally have the same product offerings and services, and branch locations have similar hours that vary slightly according to individual assessment area's needs. Branch hours in Arkansas are generally from Monday to Friday, 8 a.m. to 5 p.m. Of the bank's 73 branches in the State of Arkansas, there are 10 in moderate-income tracts, 26 in middle-income tracts, and 14 in upper-income tracts that also offer Saturday hours through the drive thru.

Community Development Services

The institution provides a limited level of CD services for the State of Arkansas. The limited number of CD activities outweighed the extent and the responsiveness of CD services to available opportunities to support this conclusion. The appendices list the criteria considered under this performance factor.

The following table shows that the bank provided 148 CD services since the previous evaluation. This number equates to an average of 0.6 CD services per office per year since the previous evaluation, thereby reflecting a limited level. The bank averaged 76.8 full-service offices for the 3.1 years since the previous evaluation. The bank's extent of activity declined since the prior evaluation, when the bank reported 205 CD services, or 0.7 CD services per office per year, in the State of Arkansas.

Community Development Services State of Arkansas					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Fayetteville MSA	3	9	18	0	30
Fort Smith MSA	0	21	0	1	22
Hot Springs MSA	0	8	0	0	8
Little Rock MSA	5	48	11	0	64
AR Non-MSA	1	23	0	0	24
Total	9	109	29	1	148
<i>Source: Bank Data</i>					

Leadership is evident through Board or committee participation in a number of those activities. Bank OZK had no regional or statewide CD services in this rated area, so please reference the full-scope assessment area sections for examples of the bank's CD services in the State of Arkansas.

LITTLE ROCK MSA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN LITTLE ROCK MSA

The Little Rock MSA assessment area includes all 157 census tracts that make up Faulkner, Lonoke, Pulaski, and Saline Counties, four of six counties that make up the Little Rock, AR MSA, located in central Arkansas.

Economic and Demographic Data

The assessment area’s census tracts reflect the following income designations based on 2015 ACS data: 11 low-, 37 moderate-, 59 middle-, 48 upper-income tracts, and 2 tracts with no income designation. FEMA declared this assessment area as a major disaster area due to severe storms and the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area						
Little Rock MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	157	7.0	23.6	37.6	30.6	1.2
Population by Geography	694,330	4.7	19.8	40.5	34.6	0.5
Housing Units by Geography	303,002	5.2	20.8	39.6	33.9	0.5
Owner-Occupied Units by Geography	170,961	2.6	16.2	42.9	38.2	0.3
Occupied Rental Units by Geography	94,691	8.2	26.8	35.3	29.0	0.8
Vacant Units by Geography	37,350	9.8	26.9	35.5	26.9	0.9
Businesses by Geography	51,389	5.0	20.3	31.7	42.7	0.2
Farms by Geography	1,673	1.7	16.8	43.8	37.7	0.0
Family Distribution by Income Level	171,347	21.1	17.5	19.8	41.5	0.0
Household Distribution by Income Level	265,652	24.1	16.1	18.0	41.8	0.0
Median Family Income MSA - 30780 Little Rock-North Little Rock-Conway, AR MSA		\$61,339	Median Housing Value			\$145,985
			Median Gross Rent			\$767
			Families Below Poverty Level			10.4%
Source: 2015 ACS and 2021 D&B Data; Due to rounding, totals may not equal 100.0%; (*) The NA category consists of geographies that have not been assigned an income classification.						

Little Rock’s economy is in recovery. The area economy is expected to recover at a below-average pace, caused by lower population growth and job mix. While there have been gains in the leisure/hospitality and retail sectors, weaknesses remain in the public sector. Approximately 20 percent of employees in Little Rock are employed by the public sector, with half employed by the state government. Government jobs have been slow to recover and payrolls are expected to contract further

in 2022. The healthcare sector has almost recovered to pre-pandemic levels and the distribution industry is expanding at an above-average pace.⁴

Currently, major employers in the Little Rock MSA consist of the University of Arkansas health system, Baptist Health, and Little Rock Air Force Base.⁵ Unemployment rates increased substantially in most areas across the nation starting in April 2020 from the COVID-19 pandemic and some local government orders closing nonessential businesses. The Little Rock MSA's unemployment rate of 3.1 percent is below the 3.2 percent rate for the State of Arkansas and below the 3.6 percent average U.S. rate.

Competition

The area contains a moderate level of competition from other chartered banks based on its population, with each of the 288 offices from its 38 institutions serving about 2,410 people on average. Bank OZK ranks 2nd in market share by capturing 17.9 percent of the area's deposits based on the June 30, 2021, FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Community Contact

As part of the evaluation process, examiners utilized a third party contact active in the AA to assist in identifying the credit and CD needs. This information helps determine whether the local financial institutions are responsive to these needs. It also shows what credit and CD opportunities are available.

The contact stated that the economic condition of the area is good reflecting an improvement in unemployment rates over the past several years. The contact stated that the area counties experienced population growth in recent years. The contact identified small business loans, especially those to start-up businesses, as the primary credit need in the community. Additionally, the contact noted the greatest credit need in the area is affordable housing to support LMI individuals. Overall, the contact indicated that access to financial services is adequate and area banks are pro-active in developing relationships in the community to support the credit needs of area residents.

Credit and Community Development Needs and Opportunities

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

⁴Source: Moody's Analytics, Precis U.S. Metro, May 2022

⁵Source: Moody's Analytics, Precis U.S. Metro, May 2022

Demographic data indicates that 38.6 percent of the area's families reported low- or moderate-incomes also suggest a need for activities that benefit projects or organizations that provide community services targeted to these families. In addition, nearly one-third of the area's census tracts that received low- or moderate-income designations, the national COVID-19 major disaster area, and the assessment area's designation as a federal disaster area for severe storms supports the need for revitalization and stabilization efforts. Further, a need exists to expand housing stock in low- and moderate-income geographies, thus creating opportunities for affordable housing in low- and moderate-income areas.

The financial hardship from the COVID-19 pandemic created an emerging need for retail banking service products to the unbanked for quick access to funds from Economic Impact checks, funds for unemployment payments, and to pay bills preventing late payments on existing debt obligations. Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant emerging need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. Lastly, a variety of reasons from the COVID-19 pandemic resulted in less customer contact with physical banking facilities, significantly increasing the need for the digital delivery of banking products and services throughout the whole product life cycle.

CONCLUSIONS ON PERFORMANCE CRITERIA IN LITTLE ROCK MSA

LENDING TEST

Bank OZK demonstrated a high satisfactory record in the Little Rock MSA assessment area regarding the Lending Test. Excellent records regarding borrower profile loan distribution and a relatively high level of CD loans lifted adequate lending levels and adequate performance records regarding geographic distribution loan distribution to support this conclusion. The bank further exhibited limited use of innovative and flexible lending levels in this rated area.

Lending Activity

Lending levels reflect adequate responsiveness to assessment area credit needs in the Little Rock MSA assessment area. Adequate performances regarding small business and home mortgage loans supports this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Little Rock MSA assessment area.

Small Business Loans

Small business lending levels reflect adequate responsiveness to assessment area credit needs in the Little Rock MSA assessment area. For 2020, the bank originated 869 total reportable small business loans totaling approximately \$88.4 million. Bank OZK captured a 4.9 percent market share of the total number of loans and a 7.8 percent market share of the total dollar volume of loans.

The bank's activity by number of loans ranks it 5th out of 145 total lenders and 59 lenders granting at least 10 small business loans in the Little Rock MSA assessment area. This ranking lands the bank in the top 8.5 percent of the second group of lenders reporting such loans in this assessment area. The ranking considers the total number and dollar volume of loans made by each institution.

Although the market share and lending levels noted above typically represent a higher level of performance, examiners noted a decrease in the overall level of small business lending since the last evaluation. Since the prior evaluation, the bank's small business lending fluctuated greatly year over year due to a large percentage of 2020 and 2021 small business loans being PPP loans. For example, excluding PPP loans, the bank originated approximately 223 small business loans totaling \$52.4 million in 2021. This is a noted decrease over the 2018 level where the bank originated 294 loans totaling \$61.1 million. Given the downward trend in the number of small business loans since the last evaluation, the bank's lending activity performance reflects an adequate record regarding small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs in the Little Rock MSA assessment area. For 2020, the bank originated 208 total reportable home mortgage loans totaling approximately \$36.8 million. Bank OZK captured a 0.6 percent market share of the total number and a 0.5 percent market share of the total dollar volume of home mortgage loans.

The bank's activity by number of loans ranks it 41st out of 405 total lenders and 151 lenders granting at least 10 home mortgage loans in the Little Rock MSA assessment area. This ranking lands the bank in the top third of the second group of lenders reporting such loans in the bank's Arkansas assessment areas, at 27.2 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar amount of loans made by each institution. Given the considerations previously noted, the activity level reflects adequate performance for home mortgage loans.

Consequently, given the loan categories' relative performances and weightings, the bank exhibited an adequate overall record in the Little Rock MSA assessment area regarding its lending activity. Adequate performances regarding small business and home mortgage loans support this conclusion.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the Little Rock MSA assessment area. Adequate records regarding small business loans outweighed excellent records regarding home mortgage loans, supporting this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Little Rock MSA assessment area.

Small Business Loans

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

As seen in the table below, the bank's lending in low-income tracts is lower than the aggregate data by 0.4 percentage points, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level falls 5.1 percentage points below the aggregate data, also reflecting an adequate level.

Geographic Distribution of Small Business Loans Little Rock MSA AA						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	5.0	4.9	39	4.5	7,065	8.0
Moderate	20.1	18.4	116	13.3	14,132	16.0
Middle	31.5	32.7	326	37.5	31,740	35.9
Upper	43.1	43.9	387	44.5	35,470	40.1
Not Available	0.2	0.2	1	0.1	10	0.0
Totals	100.0	100.0	869	100.0	88,417	100.0
<i>Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent performance in the Little Rock MSA assessment area. Excellent performance in moderate-income geographies outweighed adequate performance in low-income geographies, supporting this conclusion.

As seen in the table below, the bank's lending in low-income tracts is higher than the aggregate data by 2.3 percentage points, which is reflective of adequate performance. The table further shows that, in moderate-income census tracts, the bank's lending level rises 19.0 percentage points above the aggregate data, reflecting an excellent level.

Geographic Distribution of Home Mortgage Loans Little Rock MSA AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	2.6	1.1	7	3.4	650	1.8
Moderate	16.2	9.4	59	28.4	17,225	46.8
Middle	42.9	39.7	93	44.7	11,219	30.5
Upper	38.2	49.7	49	23.6	7,696	20.9
Not Available	0.3	0.1	0	0.0	0	0.0
Totals	100.0	100.0	208	100.0	36,790	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among retail customers of different income levels and business customers of different sizes. Excellent records regarding both small business and home mortgage loans supports this conclusion. Examiners weighed small business loans heavier than home mortgage in the Little Rock MSA assessment area.

Small Business Loans

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

Distribution of Loans to Small Businesses by Gross Annual Revenues Little Rock MSA AA											
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Little Rock MSA 2019	245	47,848	48.6	14,742	82.6	50.2	42.0	5.4	49.4	11.9	0.4
Little Rock MSA 2020	869	88,417	50.9	17,766	82.3	26.1	33.4	5.7	19.9	12.0	54.0
Little Rock MSA 2021	398	66,191	56.5	-	82.6	36.4	-	5.4	31.7	11.9	31.9
<i>Source: 2020 D&B Data; 2019-2021 CRA Data; 2019 & 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

As shown in the table above, the bank's small business lending percentages in 2019 to businesses with gross annual revenues of \$1 million or less is 8.2 percentage points above the 2019 aggregate level, reflecting good performance for 2019.

The bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 468 and 127 PPP loans where collected revenue data was not available, respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 56.6 percent and 53.1 percent, respectively, compared to the bank's 2019 level.

In 2020 and 2021, the bank originated 74.5 percent and 57.5 percent, respectively, of small business loans in the AA within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest commercial borrowers.

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

Home Mortgage Loans

The distribution of home mortgage loans based on the borrowers' profiles reflects excellent performance in the Little Rock MSA assessment area. Excellent performance to moderate-income borrowers outweighed adequate records to low-income borrowers, supporting this conclusion.

As seen in the table below, the bank's lending to low-income borrowers is higher than the aggregate

data by 7.0 percentage points, reflective of adequate performance. The table further shows that, to moderate-income borrowers, the bank's lending level rises 15.0 percentage points above the aggregate data, reflective of excellent performance.

Distribution of Home Mortgage Loans by Borrower Income Level Little Rock MSA AA						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	21.1	5.5	26	12.5	2,709	7.4
Moderate	17.5	14.8	62	29.8	9,158	24.9
Middle	19.8	18.1	20	9.6	1,640	4.5
Upper	41.5	35.6	53	25.5	8,062	21.9
Not Available	0.0	26.1	47	22.6	15,221	41.4
Totals	100.0	100.0	208	100.0	36,790	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Innovative or Flexible Lending Practices

The institution makes limited use of innovative or flexible lending practices in the Little Rock MSA AA in order to serve assessment area credit needs. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of the assessment area when arriving at this conclusion. Please refer to the discussion under the State of Arkansas for additional details regarding the innovative or flexible lending practices in the Little Rock MSA AA.

Community Development Loans

The institution made a relatively high level of CD loans in the Little Rock MSA assessment area. Its extent, or dollar volume, of CD loans and the CD loans' responsiveness support this conclusion.

As noted under the rated area level, Bank OZK originated 63 CD loans totaling approximately \$62.7 million in the Little Rock MSA assessment area. By dollar volume, this equates to 69.2 percent of the bank's CD loans in the State of Arkansas as compared to the 57.7 percent of the bank's HMDA- and CRA-reportable loans in this assessment area. The following points provide examples of the bank's CD loans in the Little Rock MSA assessment area:

- ***Affordable Housing*** – The bank originated a \$15.0 million loan to fund an entity that creates affordable housing projects located in low- and moderate-income communities. These projects typically involve Low-Income Housing Tax Credits in addition to the location within low- and moderate-income geographies.
- ***Affordable Housing*** – The bank originated two loans totaling \$9.5 million to finance the construction of a 96 unit multi-family housing complex. The rents for these units are restricted to individuals/families of low- and moderate-incomes. Additionally, the housing

complex is located in a moderate-income geography and the bank invested in Low-Income Housing Tax Credits for both of these transactions.

In addition, the CD loans reflect good responsiveness to the CD needs of the assessment area. Approximately 61.3 percent of the dollar volume of the assessment area's CD loans provide affordable housing for low- and moderate-income individuals/families, 21.3 percent promote economic development, 11.8 percent help to revitalize and stabilize low- and moderate-income geographies, and 5.6 percent provide CD services for low- or moderate-income individuals. As noted under the applicable Description of Assessment Areas, activities that provide affordable housing was noted as a credit need by the community contact. Additionally, community services for low- or moderate-income individuals and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment area.

INVESTMENT TEST

Bank OZK demonstrated an adequate level in the Little Rock MSA assessment area regarding the Investment Test. The excellent responsiveness to CD needs and the significant use of complex QIs lifted the poor level of QIs to support this conclusion. The appendices list the criteria used to evaluate the Investment Test.

Investment and Grant Activity

The bank displayed a poor level of QIs in the Little Rock MSA assessment area. The table for the State of Arkansas shows that Bank OZK made 76 QIs totaling approximately \$33.6 million in the Little Rock MSA assessment area. By dollar volume, this equates to 47.3 percent of the total QIs in Arkansas as compared to 73.4 percent of total deposits in this assessment area.

The following are examples of key investments in the Little Rock MSA assessment area:

- ***Affordable housing*** with approximately \$28.0 million in the purchase of LIHTCs to support affordable housing projects throughout the assessment area. These projects will add approximately 329 affordable housing units to the area.
- ***Affordable Housing*** – The bank retained approximately \$5.1 million in mortgage-backed securities in the Little Rock MSA assessment area with the underlying loans to finance single-family and multi-family housing for low- and moderate-income individuals.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of QIs that directly address identified needs in the Little Rock MSA assessment area. As noted in the investment table for the State of Arkansas, the Little Rock MSA assessment area shows responsiveness to CD needs by the dollar amount to three of the four CD purpose categories. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in addressing affordable housing needs.

Bank OZK's major investments addressed affordable housing needs with approximately \$28.0 million in the purchase of LIHTCs. Additionally, the bank retained of \$5.1 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals. Larger dollar amount donations support job training and employment for low- and moderate-income individuals, food banks to help fund food and household items during the COVID-19 pandemic, and organizations providing housing services for low- and moderate-income individuals.

Community Development Initiatives

Bank OZK made significant use of complex or innovative investments, given the size of the institution and opportunities available in the Little Rock MSA AA. Three new investments in LIHTCs totaled approximately \$28.0 million. Additionally the bank retained six mortgage-backed securities totaling approximately \$5.1 million.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record in the Little Rock MSA assessment area regarding the Service Test. The reasonable accessibility of its delivery systems, its changes in branch locations, and its reasonableness of business hours and services slightly outweighed the limited level of CD services to support this conclusion. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the Little Rock MSA assessment area. Reasonably accessible branch distribution and alternative delivery systems support this conclusion. The Little Rock MSA assessment area reflects a consistent conclusion to the State of Arkansas's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices reasonably accessible to essentially all portions of the Little Rock MSA assessment area.

The bank maintains no office locations within low-income tracts, however, only 4.7 percent of the population resides in those tracts. Consequently, examiners placed more weight on moderate-income tracts. The bank's level of branch distribution in moderate-income tracts falls 3.8 percentage points below the population in moderate-income census tracts, reflecting an adequate level.

Branch and ATM Distribution by Geography Income Level Little Rock MSA AA												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	11	7.0	32,359	4.7	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	37	23.6	137,517	19.8	4	16.0	4	15.4	0	0.0	0	0.0
Middle	59	37.6	281,187	40.5	7	28.0	8	30.8	0	0.0	1	33.3
Upper	48	30.6	240,033	34.6	14	56.0	14	53.8	1	100.0	2	66.7
NA	2	1.2	3,234	0.5	0	0.0	0	0.0	0	0.0	0	0.0
Totals	157	100.0	694,330	100.0	25	100.0	26	100.0	1	100.0	3	100.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems reasonably accessible to essentially all portions of the Little Rock MSA assessment area.

The preceding table shows that the bank operates no ATMs in low-income tracts, however, only 4.7 percent of the population resides in those tracts. Consequently, examiners placed more weight on moderate-income tracts. The bank's ATMs in moderate-income tracts falls 4.4 percentage points below the population in moderate-income tracts, reflecting adequate performance. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution's record of opening and closing of branches in the Little Rock MSA assessment area has generally not adversely affected low- and moderate- income geographies or individuals of geographies. No branch changes occurred in low- and moderate-income tracts. One branch closed in a middle-income tract. One branch opened while two branches closed in upper-income tracts.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the Little Rock MSA assessment area, particularly low- or moderate-income geographies or individuals. The Little Rock MSA assessment area reflects product offerings, services, and branch hours consistent with the State of Arkansas.

The bank's branches have the same product offerings and services, and branch locations have similar hours that vary slightly according to individual assessment area's needs. Branch hours are generally Monday through Friday, 8:30 a.m. to 5 p.m. Of the bank's 25 branches in the Little Rock MSA assessment area, there are 3 in moderate-income tracts, 7 in middle-income tracts, and 9 in upper-income tracts that also offer Saturday hours through the drive thru.

Community Development Services

The institution provides a limited level of CD services in the Little Rock MSA assessment area. The limited number of CD activities outweighed the extent and the responsiveness of CD services to available opportunities to support this conclusion. The appendices list the criteria considered under this performance factor.

The table in the State of Arkansas section shows that the bank provided 64 CD services since the previous evaluation in the Little Rock MSA assessment area. This number equates to an average of 0.8 CD services, per office, per year, since the previous evaluation, thereby reflecting a limited level. The bank averaged 26.9 full-service offices for the 3.1 years since the previous evaluation.

Leadership is evident through Board or committee participation in a number of those activities. Service activities demonstrate the responsiveness to community needs for affordable housing, community services to low- and moderate-income individuals, and economic development.

The following are examples of CD services specific to the Little Rock MSA assessment area:

- ***Affordable Housing*** –A bank employee serves on the Board of Directors and Finance committee of an affordable housing organization dedicated to building and repairing homes in partnership with families in need. This non-profit organization is an affordable housing developer whose clients are all low- and moderate-income. Thus, the service promotes affordable housing for low- and moderate-income individuals/families.
- ***Economic Development*** – An employee serves on the Loan Committee for a Small Business Administration (SBA) Certified Development Company (CDC) that makes loans to businesses for building acquisitions, renovations, new construction, equipment, and furniture and fixtures. Thus, the activity promotes economic development by assisting an organization that aids in the financing of businesses that meet the size eligibility standards of the regulation and that support permanent job creation, retention, or improvement for low- or moderate-income persons or in low- and moderate-income geographies.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE ASSESSMENT AREAS

The following table summarizes the conclusions for this rated area's assessment areas reviewed using limited-scope examination procedures. Examiners drew conclusions regarding the institution's CRA performance from reviewing available facts and data, including performance figures, aggregate lending data comparisons, and demographic information. The conclusions did not alter the bank's overall performance rating.

Assessment Area	Lending Test	Investment Test	Service Test
Fayetteville MSA	Consistent	Exceeds	Consistent
Fort Smith MSA	Consistent	Consistent	Consistent
Hot Springs MSA	Consistent	Consistent	Below
AR Non-MSA	Consistent	Below	Below

Facts and data supporting conclusions for each limited-scope assessment area follow, including a summary of Bank OZK's operations and activities. The demographic data for the limited-scope assessment areas is in Appendix C.

Fayetteville MSA AA

The bank's Fayetteville MSA assessment area consists of all of Benton and Washington Counties. Bank OZK operates 13 branches in this assessment area: two in moderate-income CTs, four in middle-income CTs, and seven in upper-income CTs. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	285	29,212
Home Mortgage Loans	116	27,694
Small Farm Loans	6	718
Community Development Loans	4	11,661
Investments	13	21,779
CD Services	30	-

Fort Smith MSA AA

The bank's Fort Smith MSA assessment area consists of all of Crawford, Franklin, and Sebastian Counties. Bank OZK operates nine branches in this assessment area: one in a moderate-income CT, seven in middle-income CTs, and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	378	37,926
Home Mortgage Loans	193	17,100
Small Farm Loans	57	3,899
Community Development Loans	12	10,986
Investments	9	9,082
CD Services	22	-

Hot Springs MSA AA

The bank's Hot Springs MSA assessment area consists of all of Garland County. Bank OZK operates seven branches in this assessment area: two in moderate-income CTs, three in middle-income CTs, and two in upper-income CTs. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	306	32,737
Home Mortgage Loans	104	12,941
Small Farm Loans	4	601
Community Development Loans	9	1,389
Investments	2	2,710
CD Services	8	-

AR Non-MSA AA

The bank's AR Non-MSA assessment area consists of all of Baxter, Boone, Clark, Columbia, Hempstead, Hot Spring, Johnson, Logan, Marion, Newton, Pope, Searcy, and Van Buren Counties. Bank OZK operates 19 branches in this assessment area: 7 in moderate-income CTs and 12 in middle-income CTs. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	434	41,740
Home Mortgage Loans	284	21,794
Small Farm Loans	133	10,037
Community Development Loans	14	3,912
Investments	22	3,793
CD Services	24	-

Geographic Distribution

Small Business Loans

Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020
	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Fayetteville MSA	182	11,892	10.7	12,090	1.8	1.1	1.9	16.7	15.9	15.4	44.8	43.4	45.1	36.6	39.6	37.5	0.0	0.0	0.0
Fort Smith MSA	217	20,208	12.7	3,517	0.0	0.0	0.0	26.1	18.4	25.3	45.5	68.7	47.2	28.3	12.9	27.5	0.0	0.0	0.0
Hot Springs MSA	200	14,986	11.7	3,105	6.5	6.5	5.0	18.7	26.5	22.3	44.6	38.5	40.7	30.1	28.5	32.0	0.0	0.0	0.0
AR Non-MSA	239	16,399	14.0	6,877	2.1	2.1	2.6	12.9	17.2	10.8	70.5	62.8	67.7	14.4	18.0	18.9	0.0	0.0	0.0
<i>Source: 2020 D&B Data; 2020 CRA Data; 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>																			

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Fayetteville MSA	41	12,016	9.2	33,418	0.7	2.4	0.4	15.4	14.6	10.3	46.2	46.3	39.7	37.7	36.6	49.5	0.0	0.0	0.0
Fort Smith MSA	58	5,117	13.0	7,983	0.0	0.0	0.0	15.4	10.3	12.1	57.1	77.6	55.2	27.5	12.1	32.7	0.0	0.0	0.0
Hot Springs MSA	37	4,982	8.3	4,593	3.4	2.7	2.6	11.8	10.8	8.2	49.1	67.6	45.2	35.6	18.9	44.0	0.0	0.0	0.0
AR Non-MSA	102	7,738	22.9	10,998	0.5	0.0	0.1	8.0	14.7	5.9	73.0	77.5	73.4	18.5	7.8	20.6	0.0	0.0	0.0
<i>Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>																			

Borrower Profile

Small Business Loans

A bank's small business lending percentages in 2020 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. If the information on PPP loans without collected revenues were removed from the 2020 analyses for the limited scope areas, the bank's small business lending performances to businesses with gross annual revenues of \$1 million or less increased to 61.5 percent, 78.1 percent, 75.6 percent, and 73.2 percent for the Fayetteville MSA, Fort Smith MSA, Hot Springs MSA, and AR Non-MSA assessment areas, respectively.

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2020
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Fayetteville MSA	182	11,892	10.7	12,090	83.0	21.4	31.7	4.6	7.7	12.4	70.9
Fort Smith MSA	217	20,208	12.7	3,517	78.2	39.6	30.9	7.0	12.4	14.7	47.9
Hot Springs MSA	200	14,986	11.7	3,105	83.7	22.0	32.6	4.7	8.5	11.5	69.5
AR Non-MSA	239	16,399	14.0	6,877	79.5	35.1	41.5	5.0	13.0	15.5	51.9
<i>Source: 2020 D&B Data; 2020 CRA Data; 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Fayetteville MSA	41	12,016	9.2	33,418	19.5	4.9	4.8	18.2	17.1	13.2	20.2	4.9	17.0	42.0	46.3	46.7	0.0	26.8	18.3
Fort Smith MSA	58	5,117	13.0	7,983	21.1	13.8	3.8	17.5	13.8	12.6	19.0	12.1	18.2	42.4	48.3	40.7	0.0	12.1	24.7
Hot Springs MSA	37	4,982	8.3	4,593	23.2	13.5	5.8	16.8	16.2	14.8	19.6	13.5	16.5	40.4	24.3	40.6	0.0	32.4	22.3
AR Non-MSA	102	7,738	22.9	10,998	19.4	7.8	4.5	18.3	17.6	12.7	20.6	17.6	17.5	41.8	46.1	43.8	0.0	10.8	21.6
<i>Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>																			

STATE OF FLORIDA

CRA RATING FOR FLORIDA: SATISFACTORY

The Lending Test is rated: Low Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN FLORIDA

Bank OZK designated eight assessment areas in Florida as noted in the table below. All of the bank's assessment areas in Florida conform to the CRA regulatory requirements.

Description of Florida Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Bradenton MSA	Manatee, Sarasota	174	7
Cape Coral MSA	Lee	167	6
Fort Lauderdale MSA	Broward	362	1
Jacksonville MSA	Duval	174	1
Miami MSA	Miami-Dade	519	5
Ocala MSA	Marion	63	1
Punta Gorda MSA	Charlotte	39	3
Tampa MSA	Hillsborough, Pasco, Pinellas	701	17
Source: Bank Records; 2015 ACS.			

SCOPE OF EVALUATION – FLORIDA

Full-Scope Assessment Area

Of the eight assessment areas in Florida, examiners applied full-scope procedures to the Tampa MSA assessment area since it generated the largest percentage of the bank's loans, deposits, and branches in this rated area. Examiners applied limited-scope procedures to the other Florida assessment areas.

Lending Test

Loan Categories Reviewed

Examiners considered the following loans granted inside the bank's Florida assessment areas as reported according to either the HMDA or CRA data collection reporting requirements:

Home Mortgage Loans:

- 2019: 414 loans totaling \$66,388,000
- 2020: 357 loans totaling \$73,654,000
- 2021: 217 loans totaling \$71,679,000

Small Business Loans:

- 2019: 136 loans totaling \$41,479,000
- 2020: 1,578 loans totaling \$122,698,000
- 2021: 484 loans totaling \$62,125,000

Small Farm Loans:

- 2019: no loans
- 2020: 2 loans totaling \$92,000
- 2021: 1 loan totaling \$27,000

The weightings for the specific loan categories varies for each of the assessment areas. As suggested by the above figures, small business loans generally received the heaviest weighting followed by home mortgage loans.

Assessment Area Weighting

The following table shows that the Tampa MSA assessment area generated the largest percentage of the bank's Florida loans, deposits, and branches. As such, examiners placed the most weight on the Tampa MSA assessment area.

Assessment Area Distribution – State of Florida						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Bradenton MSA	70,909	16.2	635,503	18.1	7	17.1
Cape Coral MSA	36,752	8.4	419,567	12.0	6	14.6
Fort Lauderdale MSA	12,265	2.8	143,231	4.1	1	2.4
Jacksonville MSA	16,622	3.8	155,417	4.4	1	2.4
Miami MSA	72,475	16.5	323,227	9.2	5	12.2
Ocala MSA	5,132	1.2	188,427	5.4	1	2.4
Punta Gorda MSA	16,238	3.7	221,776	6.3	3	7.3
Tampa MSA	207,749	47.4	1,416,790	40.5	17	41.6
Total	438,142	100.0	3,503,938	100.0	41	100.0
<i>Source: HMDA & CRA Data (2019-2021); FDIC Summary of Deposits (06/30/2021)</i>						

Investment and Service Tests

The scopes for the Investment and Service Tests remain the same for this rated area as it did for the institution as a whole. Please refer to the institution-level Scope of Examination section.

CONCLUSIONS ON PERFORMANCE CRITERIA IN FLORIDA

LENDING TEST

Bank OZK demonstrated a low satisfactory record in the State of Florida regarding the Lending Test. Adequate performance records regarding borrower profile loan distribution and geographic loan distribution, combined with adequate lending activity and relatively high levels of CD loans to support this conclusion. The bank further exhibited limited use of innovative and flexible lending levels in this rated area. While the Bradenton MSA, Cape Coral MSA, Fort Lauderdale MSA, Jacksonville MSA, Miami MSA, Punta Gorda MSA and Tampa MSA assessment areas reflect consistent performance regarding the Lending Test, the Ocala MSA assessment areas reflects performance below that of the state level. The appendices list the criteria considered under this test.

Lending Activity

Lending levels reflect adequate responsiveness to assessment area credit needs in the State of Florida. Adequate performances regarding small business and home mortgage loans support this conclusion. Examiners weighed small business loans heavier than home mortgage loans based on loan volumes. Examiners considered the bank's size, business strategy, and capacity in this state relative to its credit needs when arriving at this conclusion.

Small Business Loans

Small business lending levels reflect adequate responsiveness to assessment area credit needs in the State of Florida. For 2020, the bank originated 1,578 total reportable small business loans totaling approximately \$122.7 million inside its Florida assessment areas. Bank OZK captured a 0.4 percent market share of the total number of small business loans and a 0.7 percent market share of the total dollar volume of loans.

This volume of activity ranks the bank 33rd out of 441 total lenders and 180 lenders granting at least 10 small business loans in the bank's Florida assessment areas. This ranking lands the bank in the top quarter of the second group of lenders reporting such loans in the bank's Florida assessment areas, at 18.3 percent. The ranking considers the total number and dollar amount of loans made by each institution.

Although the market share and lending levels noted above typically represent a higher level of performance, examiners noted a decrease in the level of small business lending since the last evaluation. Since the prior evaluation, the bank's small business lending fluctuated greatly year over year due to a large percentage of 2020 and 2021 small business loans being PPP loans. Excluding PPP loans, the bank originated 108 small business loans totaling \$31.0 million in 2021. This is a decrease by number over the 2018 level where the bank originated 125 loans totaling \$31.4 million. Given the downward trend in small business lending since the last evaluation, the bank's lending activity performance reflects an adequate record regarding small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs in the State of Florida. For 2021, the bank originated 357 total reportable home mortgage loans

totaling approximately \$73.6 million in its Florida assessment areas. Bank OZK captured 0.1 percent market share of the total number of home mortgage loans and 0.1 percent market share of the total dollar volume of home mortgage loans in the Florida assessment areas.

This volume of activity ranks the bank 183rd out of 1,518 total lenders and 770 lenders granting at least 10 home mortgage loans in the bank's Florida assessment areas. This ranking lands the bank in the top quarter of the second group of lenders reporting such loans in the bank's Florida assessment areas, at 23.8 percent. The ranking considers the total number and dollar amount of loans made by each institution.

Although the market share and lending levels noted typically represent a higher level of performance, examiners noted a decline in the overall level of home mortgage lending since the last evaluation. Since the last evaluation, the bank's number of home mortgage has continued to decrease from 317 loans totaling \$59.5 million in 2018 to 217 loans totaling \$71.7 million in 2021. Given this continued downward trend in home mortgage lending since the last evaluation, the bank's lending activity performance reflects an adequate record regarding home mortgage loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the State of Florida. Adequate records regarding both home mortgage and small business loans support this conclusion. The bank's performance was fairly consistent throughout the assessment areas within the rated area, except where noted below. Examiners placed the most weight on the bank's Tampa MSA assessment area.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the State of Florida. Adequate performances in the Bradenton MSA, Cape Coral MSA, Fort Lauderdale MSA, Jacksonville MSA, Miami MSA, Punta Gorda MSA, and Tampa MSA assessment areas outweighed poor performance in the Ocala MSA assessment area to support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate penetration throughout the State of Florida. Adequate performances in the Cape Coral MSA, Miami MSA, and Tampa MSA assessment areas outweighed excellent performances in the Bradenton MSA, Fort Lauderdale MSA, Jacksonville MSA, and Punta Gorda MSA assessment areas and poor performance in the Ocala MSA assessment area to support this conclusion.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among retail customers of different income levels and business customers of different sizes. Adequate records regarding both home mortgage and small business loans support this conclusion. The bank's performance was generally consistent throughout the assessment areas, unless otherwise noted below. Examiners placed the most weight on the bank's Tampa MSA assessment area.

Small Business Loans

The distribution of borrowers reflects adequate penetration among business customers of different sizes. Excellent performances in the Bradenton MSA, Jacksonville MSA, and Punta Gorda MSA assessment areas and good performance in the Tampa MSA assessment area offset adequate performance in the Cape Coral MSA assessment area as well as poor performances in the Fort Lauderdale MSA, Miami MSA, and Ocala MSA assessment areas to support this conclusion.

Home Mortgage Loans

The distribution of borrowers reflects adequate penetration among retail customers of different income levels. Adequate performances in the Tampa MSA, Bradenton MSA, Cape Coral MSA, Jacksonville MSA, Miami MSA, and Punta Gorda MSA assessment areas outweighed excellent performance in the Ocala MSA assessment area and good performance in the Fort Lauderdale MSA assessment area to support this conclusion.

Innovative or Flexible Lending Practices

The institution makes limited use of innovative or flexible lending practices in the State of Florida. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of its assessment areas when arriving at this conclusion. The appendices list the criteria considered under this performance factor.

The table below shows that, since the previous evaluation, the bank originated 219 innovative or flexible loans totaling approximately \$69.7 million in the State of Florida. This dollar figure equates to 21.0 percent of the bank's total innovative or flexible loans. Given the bank's capacity and the needs in the rated area, the level of innovative and flexible loans reflects adequate responsiveness to the credit needs of the State of Florida.

Innovative or Flexible Loans State of Florida								
Rated Area	SBA		USDA/FSA		Freedom Advantage		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Bradenton MSA	10	4,214	0	0	24	4,847	34	9,061
Cape Coral MSA	9	4,544	0	0	13	2,361	22	6,905
Fort Lauderdale MSA	0	0	0	0	4	588	4	588
Jacksonville MSA	2	4,639	0	0	4	716	6	5,355
Miami MSA	2	517	0	0	15	4,288	17	4,805
Ocala MSA	0	0	0	0	22	2,701	22	2,701
Punta Gorda MSA	2	147	0	0	4	553	6	700
Tampa MSA	35	25,806	0	0	73	13,795	108	39,601
Total	60	39,867	0	0	159	29,849	219	69,716
<i>Source: Bank records.</i>								

Though not reflected in the table above, examiners included below additional flexible lending activity in this rated area.

- **COVID-19 Pandemic** – The bank offered payment deferment options to its loan customers during the evaluation period and deferred payments or waived late fees for 358 customers in the State of Florida that were impacted financially by the pandemic.

Community Development Loans

The institution made a relatively high level of CD loans in the State of Florida. Its extent, or dollar volume, of CD loans and the CD loans' responsiveness support this conclusion. The bank's performance is relatively consistent throughout the assessment areas. Examiners placed the most weight on the bank's Tampa MSA assessment area.

The following table shows that, since the previous evaluation, the bank granted 91 CD loans totaling approximately \$235.1 million in this state. The dollar amount equates to 18.6 percent of the bank's overall excellent level of CD loans. This state's level is lower than its contribution of 23.9 percent of overall HMDA and CRA loans in this state. Examiners also considered the dollar volume of loans in the State of Florida decreased significantly from \$315.0 million at the last evaluation.

Community Development Loans State of Florida										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Bradenton MSA	2	2,250	0	0	7	8,527	9	3,492	18	14,269
Cape Coral MSA	1	14,000	0	0	3	461	3	1,251	7	15,712
Fort Lauderdale MSA	1	8,658	0	0	5	15,349	1	16	7	24,023
Jacksonville MSA	2	5,395	0	0	0	0	1	1,439	3	6,834
Miami MSA	4	28,408	1	250	2	6,109	8	67,615	15	102,382
Ocala MSA	0	0	0	0	1	16	0	0	1	16
Punta Gorda MSA	0	0	4	220	0	0	0	0	4	220
Tampa MSA	8	19,672	3	26,440	12	15,282	13	10,297	36	71,691
Total	18	78,383	8	26,910	30	45,744	35	84,110	91	235,147
<i>Source: Bank records.</i>										

Besides their extent, the CD loans reflect good responsiveness to the state's CD needs. As seen in the table above, 35.8 percent of the dollar volume of the state's CD loans help revitalize or stabilize low- and moderate-income geographies, while 33.3 promote affordable housing, 19.5 promote economic development, and 11.4 percent benefit community services for low- and moderate-income individuals.

As noted under the applicable Description of Assessment Areas, the community contact noted opportunities to assist with affordable housing and job creation. Additionally, activities that provide

community services for low- and moderate-income individuals and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment areas. Therefore, relative to the bank's capacity and the extent of CD lending opportunities and needs in its assessment areas, the bank established a relatively high level in originating CD loans. Bank OZK had no regional or statewide CD loans in this rated area, so please reference the full-scope assessment areas section for examples of the bank's CD loans.

INVESTMENT TEST

Bank OZK demonstrated an outstanding record in the State of Florida regarding the Investment Test. The assessment areas in this state reflect inconsistent performance in the Investment Test. The excellent level of QIs, extensive use of complex QIs, and excellent responsiveness to CD needs supports this conclusion. While the Cape Coral MSA, Jacksonville MSA, Miami MSA, and Tampa MSA assessment areas reflect consistent performance regarding the Investment Test, the Bradenton MSA, Fort Lauderdale MSA, Ocala MSA, and Punta Gorda MSA assessment areas reflect performance below that of the state level. The appendices list the criteria considered under this test.

Investment and Grant Activity

The bank has an excellent level of QIs in the State of Florida.

The table below shows that Bank OZK made 107 QIs totaling approximately \$81.0 million in the State of Florida. By dollar volume, this equates to 18.2 percent of the bank's total QIs as compared to 17.1 percent of total deposits in this rated area. Examiners also considered the volume of QIs in the State of Florida increased significantly from \$33.2 million at the last evaluation.

Qualified Investments State of Florida										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Bradenton MSA	6	801	4	1,014	0	0	0	0	10	1,815
Cape Coral MSA	2	10,728	5	1,105	2	10	0	0	9	11,843
Fort Lauderdale MSA	5	857	5	956	0	0	0	0	10	1,813
Jacksonville MSA	5	8,295	6	1,492	0	0	0	0	11	9,787
Miami MSA	7	15,360	12	1,589	10	1,053	0	0	29	18,002
Ocala MSA	0	0	4	546	0	0	0	0	4	546
Punta Gorda MSA	2	10	4	720	0	0	0	0	6	730
Tampa MSA	9	20,395	6	1,512	6	23	0	0	21	21,930
Statewide Activities	4	14,507	3	9	0	0	0	0	7	14,516
Total	40	70,953	49	8,943	18	1,086	0	0	107	80,982
<i>Source: Bank records</i>										

Since Bank OZK's investments addressed community credit needs inside the bank's AAs within the State of Florida, statewide Florida activities includes investments in areas outside of the bank's AAs within the State of Florida.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities shows excellent responsiveness through use of QIs that directly address identified needs in the State of Florida. The above table shows responsiveness to a variety of CD needs by the dollar amount to three of four CD purpose categories; however, the dollar amount for economic development is less than 2.0 percent of total QIs in the State of Florida. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in addressing affordable housing needs.

Bank OZK's major QIs addressed the following needs throughout various AAs in the State of Florida:

- Affordable housing with approximately \$49.9 million in the purchase of LIHTCs and revenue bonds to support affordable housing projects throughout Florida.
- Affordable housing with the purchase of \$14.5 million in bonds that fund mortgages for low- and moderate-income first time home borrowers throughout the state.
- Economic development by depositing \$1.0 million in a CDFI/MDI to support underserved small businesses and families with increased access to credit and financial tools in Florida.

Community Development Initiatives

Bank OZK made extensive use of complex QIs, given the size of the institution and opportunities available in the State of Florida.

Bank OZK made approximately \$61.0 million in complex QIs within the State of Florida as follows:

- Six new QIs financed approximately \$49.9 million in LIHTCs within Florida.
- Seven prior period QIs remain outstanding financing approximately \$2.3 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals.
- Community services by purchasing \$8.8 million in tax credits to increase educational opportunities for children from low-income families.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record for the State of Florida regarding the Service Test. An adequate level of CD services, its changes in branch locations, and its reasonableness of business hours and services outweighed the limited accessibility of its delivery systems supports this conclusion. While the Bradenton MSA, Cape Coral MSA, Fort Lauderdale MSA, Jacksonville MSA, and Tampa MSA assessment areas reflect consistent performance regarding the Service Test, the Ocala MSA assessment areas reflects performance below that of the state level and the Miami

MSA and Punta Gorda MSA assessment areas reflect performances above the state level. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems prove accessible to limited portions of the bank's assessment areas in the State of Florida. The limited accessibility of the branch distribution and alternative delivery systems' support this conclusion. The State of Florida reflects inconsistent conclusions to the institution's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices accessible to limited portions of the institution's assessment areas in the State of Florida.

The bank's level of branch distribution in low-income tracts nearly equals the population in low-income census tracts, reflecting an adequate level. The bank's level in moderate-income tracts falls 9.3 percentage points below the population, reflecting a poor level or limited accessibility. Given the consideration of the greater population within moderate-income geographies, examiners placed more weight on the record of the moderate-income geographies.

Branch and ATM Distribution by Geography Income Level State of Florida												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	124	5.6	500,962	5.0	2	4.9	3	6.8	0	0.0	0	0.0
Moderate	583	26.5	2,633,057	26.4	7	17.1	7	15.9	0	0.0	0	0.0
Middle	770	35.0	3,730,152	37.3	14	34.1	13	29.6	1	100.0	2	100.0
Upper	678	30.8	3,094,330	31.0	18	43.9	21	47.7	0	0.0	0	0.0
NA	44	2.0	30,051	0.3	0	0.0	0	0.0	0	0.0	0	0.0
Totals	2,199	100.0	9,988,552	100.0	41	100.0	44	100.0	1	100.0	2	100.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems accessible to limited portions of the bank's assessment areas in the State of Florida.

The preceding table shows that the bank's ATMs in low-income tracts rises 1.8 percentage points above the population in low-income census tracts, reflecting an adequate level. The bank's ATMs in moderate-income tracts fall 10.5 percentage points below the population in moderate-income tracts, reflecting a poor level or limited accessibility. Given the consideration of the greater population within moderate-income geographies, examiners placed more weight on the record of the moderate-income geographies when drawing conclusions.

In addition to its ATMs, the bank offers a variety of alternative systems that deliver retail banking services in low- and moderate-income geographies or to low- and moderate-income individuals within the State of Florida. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution's record of opening and closing of branches in State of Florida has generally not adversely affected low- and moderate- income geographies or individuals of geographies. No branch changes occurred in low- and moderate-income tracts in the State of Florida. One branch opened and two branches closed in middle-income tracts.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the State of Florida, particularly low- or moderate-income geographies or individuals. The State of Florida reflects product offerings, services, and branch hours that are generally consistent with discussion at the institution level.

The bank's branches generally have the same product offerings and services, and branch locations have similar hours that vary slightly according to individual assessment area's needs. Branch hours in Florida are generally Monday to Thursday 9 a.m. to 4 p.m., with extended hours on Fridays to 6 p.m. No lobby or drive thru hours are available on Saturdays in the State of Florida.

Community Development Services

The institution provides an adequate level of CD services for the State of Florida. Adequate performances regarding the extent of CD services and the responsiveness of CD services to available opportunities to support this conclusion. The appendices list the criteria considered under this performance factor.

The following table shows that the bank provided 285 CD services since the previous evaluation. This number equates to an average of 2.2 CD services, per office, per year, since the previous evaluation, thereby reflecting an adequate level. The bank averaged 41.6 full-service offices for the 3.1 years since the previous evaluation.

Community Development Services State of Florida					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Bradenton MSA	1	38	1	2	42
Cape Coral MSA	2	38	3	0	43
Fort Lauderdale MSA	2	4	0	0	6
Jacksonville MSA	0	6	0	0	6

Community Development Services State of Florida					
Miami MSA	13	35	8	0	56
Ocala MSA	0	1	0	0	1
Punta Gorda MSA	0	46	0	0	46
Tampa MSA	15	41	28	1	85
Total	33	209	40	3	285
<i>Source: Bank Data</i>					

Leadership is evident through Board or committee participation in a number of those activities. Bank OZK had no regional or statewide CD services in this rated area, so please reference the full-scope assessment area sections for examples of the bank's CD services in the State of Florida.

TAMPA MSA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN TAMPA MSA

The Tampa MSA assessment area includes all 701 census tracts that make up Hillsborough, Pasco and Pinellas Counties, three of four total counties that make up the Tampa-St. Petersburg-Clearwater, FL MSA, located in west central Florida.

Economic and Demographic Data

The assessment area's census tracts reflect the following income designations based on 2015 ACS data: 41 low-, 174 moderate-, 248 middle-, 222 upper-income tracts, and 16 tracts with no income designation. FEMA declared this assessment area as a major disaster area due to the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area						
Tampa MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	701	5.8	24.8	35.4	31.7	2.3
Population by Geography	2,713,649	4.8	23.1	36.9	34.8	0.4
Housing Units by Geography	1,284,294	4.6	24.1	38.2	32.9	0.2
Owner-Occupied Units by Geography	682,598	2.1	20.2	38.2	39.4	0.1
Occupied Rental Units by Geography	392,451	8.8	28.4	38.2	24.1	0.4
Vacant Units by Geography	209,245	5.1	28.7	38.0	28.1	0.1
Businesses by Geography	514,490	4.3	19.7	33.1	42.6	0.3
Farms by Geography	11,620	3.4	22.9	37.6	36.0	0.1
Family Distribution by Income Level	654,604	21.3	17.6	18.8	42.3	0.0
Household Distribution by Income Level	1,075,049	23.8	16.1	17.3	42.8	0.0
Median Family Income MSA - 45300 Tampa-St. Petersburg-Clearwater, FL MSA		\$58,916	Median Housing Value			\$158,005
			Median Gross Rent			\$983
			Families Below Poverty Level			11.2%
Source: 2015 ACS and 2021 D&B Data; Due to rounding, totals may not equal 100.0%; (*) The NA category consists of geographies that have not been assigned an income classification.						

Tampa's economic recovery is progressing further along than the country. The fast growth in population and high-wage jobs in finance and professional services will help Tampa outpace recovery at the national level. The low taxes in Florida and high net migration also assist in the expansionary growth in Tampa. The rate of employment is 3 percent above pre-recession levels and strong gains in private-sector gains in employment continue to strengthen the economy. While the economic outlook for Tampa is strong, high housing prices are expected to decline as rates rise and buyer demand decreases. Population is expected to increase as more people move to Tampa for job opportunities, lower taxes, and warmer weather; however, the higher cost of living as a result is expected to drive away some retirees on fixed incomes.⁶

Currently, major employers in the Tampa MSA consist of the BayCare Health System, Publix Super Markets, the Hillsborough County School District, HCA West Florida Division, and MacDill Air Force Base.⁷ The Tampa MSA's unemployment rate of 2.6 percent is below the 2.9 percent rate for the State of Florida and below the 3.6 percent average U.S. rate.

Competition

The area contains a moderate level of competition from other chartered banks based on its population, with each of the 606 offices from its 53 institutions serving about 4,478 people on

⁶Source: Moody's Analytics, Precis U.S. Metro, May 2022

⁷Source: Moody's Analytics, Precis U.S. Metro, May 2022

average. Bank OZK ranks 13th in market share by capturing 1.3 percent of the area's deposits based on the June 30, 2021, FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Community Contact

As part of the evaluation process, examiners utilized a third party contact active in the AA to assist in identifying the credit and CD needs. This information helps determine whether the local financial institutions are responsive to these needs. It also shows what credit and CD opportunities are available.

Examiners contacted someone familiar with the economic conditions in Hillsborough County. The contact familiar with the needs in the City of Tampa and Hillsborough County noted that banks have the opportunity to support small businesses through small business loans. In addition, there are multiple opportunity zones where banks may help with economic development in distressed communities through affordable housing and job creation. Hillsborough County opportunity zones include Palm River, Port of Tampa, Tampa International Airport, University of South Florida, and Ybor City. Lastly, banks may assist with financial planning for developers and startup businesses who are coming to Tampa and need funds to fill financial gaps. Overall, the contact perceives both small and large banks involvement in economic and CD in the Tampa area.

Credit and Community Development Needs and Opportunities

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

Demographic data showing that 38.9 percent of the area's families reported low- or moderate-incomes also suggest a need for activities that benefit projects or organizations that provide community services targeted to these families. In addition, the 30.6 percent of the area's census tracts that received low- or moderate-income designations, the national COVID-19 major disaster area suggests a need for activities that revitalize or stabilize qualifying geographies. Further, a need exists to expand housing stock in low- and moderate-income geographies, thus creating opportunities for affordable housing in low- and moderate-income areas.

The financial hardship from the COVID-19 pandemic created an emerging need for retail banking service products to the unbanked for quick access to funds from Economic Impact checks, funds for unemployment payments, and to pay bills preventing late payments on existing debt obligations. Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant emerging need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. Lastly, the COVID-19 pandemic resulted in less customer contact with physical banking facilities, significantly increasing the need for the digital delivery of banking products and services throughout the whole product life cycle.

CONCLUSIONS ON PERFORMANCE CRITERIA IN TAMPA MSA

LENDING TEST

Bank OZK demonstrated a high satisfactory record in the Tampa MSA assessment area regarding the Lending Test. A relatively high level of CD lending, good performance records regarding borrower profile loan distribution lifted adequate records regarding geographic loan distribution and adequate performance regarding lending activity to support this conclusion. The bank further exhibited use of innovative and flexible lending levels in this assessment area.

Lending Activity

Lending levels reflect adequate responsiveness to assessment area credit needs in the Tampa MSA assessment area. Adequate performances regarding small business and home mortgage loans to support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Tampa MSA assessment area.

Small Business Loans

Small business lending levels reflect adequate responsiveness to assessment area credit needs in the Tampa MSA assessment area. For 2020, the bank originated 665 total reportable small business loans totaling approximately \$53.8 million. Bank OZK captured a 0.7 percent market share of the total number of loans and a 1.2 percent market share of the total dollar volume of loans.

The bank's activity by number of loans ranks it 24th out of 288 total lenders and 100 lenders granting at least 10 small business loans in the Tampa MSA assessment area. This ranking lands the bank in the top quarter of the second group of lenders reporting such loans in this assessment area, at 24.0 percent. The ranking considers the total number and dollar volume of loans made by each institution.

Although the market share and lending levels noted above typically represent a higher level of performance, examiners noted a decrease in the level of small business lending since the last evaluation. Since the prior evaluation, the bank's small business lending fluctuated greatly year over year due to a large percentage of 2020 and 2021 small business loans being PPP loans. Excluding PPP loans, the bank originated 48 small business loans totaling \$16.0 million in 2021. This is a slight decrease by number over the 2018 level where the bank originated 54 loans totaling \$11.6 million. Given the downward trend in small business lending since the last evaluation, the bank's lending activity performance reflects an adequate record regarding small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs in the Tampa MSA assessment area. For 2020, the bank originated 155 total reportable home mortgage loans totaling approximately \$30.3 million. Bank OZK captured a 0.1 percent market share of the total number and a 0.1 percent market share of the total dollar volume of home mortgage loans.

The bank's activity by number of loans ranks it 140th out of 1,081 total lenders and 454 lenders

granting at least 10 home mortgage loans in the Tampa MSA assessment area. This ranking lands the bank in the top third of the second group of lenders reporting such loans in this assessment area, at 30.8 percent. The ranking considers the total number and dollar amount of loans made by each institution. Given the considerations previously noted, the activity level reflects adequate performance for home mortgage loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the Tampa MSA assessment area. Adequate records regarding both home mortgage and small business loans support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Tampa MSA assessment area.

Home Mortgage Loans

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

As seen in the table below, the bank's lending in low-income tracts exceeds aggregate data by 2.8 percentage points, which is reflective of adequate performance. The table further shows that, in moderate-income census tracts, the bank's lending level exceeds aggregate data by 4.9 percentage points, also reflecting an adequate level.

Geographic Distribution of Home Mortgage Loans Tampa MSA AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	2.1	1.7	7	4.5	3,295	10.9
Moderate	20.2	14.5	30	19.4	4,264	14.1
Middle	38.2	35.1	49	31.6	7,834	25.8
Upper	39.4	48.6	69	44.5	14,939	49.3
Not Available	0.1	0.1	0	0.0	0	0.0
Totals	100.0	100.0	155	100.0	30,332	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Small Business Loans

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

As seen in the table below, the bank's lending in low-income tracts is higher than the aggregate data by 1.9 percentage points, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level falls below aggregate data by 4.6 percentage points, also reflecting an adequate level.

Geographic Distribution of Small Business Loans Tampa MSA AA						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	4.2	4.9	45	6.8	4,637	8.6
Moderate	19.5	19.5	99	14.9	6,945	12.9
Middle	33.5	33.5	205	30.8	14,651	27.2
Upper	42.5	41.9	316	47.5	27,561	51.2
Not Available	0.3	0.3	0	0.0	0	0.0
Totals	100.0	100.0	665	100.0	53,794	100.0
<i>Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Good records regarding small business loans outweighed adequate records regarding home mortgage loans to support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Tampa MSA assessment area.

Small Business Loans

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

Distribution of Loans to Small Businesses by Gross Annual Revenues Tampa MSA AA											
Assessment Area	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Tampa MSA 2019	58	15,507	42.6	83,764	92.9	50.0	49.1	2.2	48.3	4.9	1.7
Tampa MSA 2020	665	53,794	42.1	94,432	91.1	8.9	41.3	3.0	6.3	5.9	84.8
Tampa MSA 2021	226	30,366	46.7	-	92.9	20.4	-	2.2	9.7	4.9	69.9
<i>Source: 2020 D&B Data; 2019-2021 CRA Data; 2019 & 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

As shown in the table above, the bank's small business lending percentages in 2019 to businesses with gross annual revenues of \$1 million or less is 0.9 percentage points above the 2019 aggregate level, reflecting adequate performance for 2019.

The bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 563 and 158 PPP loans where collected revenue data was not available, respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 57.8 percent and 67.6 percent, respectively, compared to the bank's 2019 level.

In 2020 and 2021, the bank originated 82.4 percent and 67.7 percent, respectively, of their small business loans in the AA within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest commercial borrowers.

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

Home Mortgage Loans

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

As seen in the table below, the bank's lending to low-income borrowers exceeds aggregate data by 1.8 percentage points, reflective of adequate performance. The table further shows that to moderate-income borrowers the bank's lending level exceeds aggregate data by 6.7 percentage points, also reflecting an adequate level.

Distribution of Home Mortgage Loans by Borrower Income Level Tampa MSA AA						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	21.3	3.4	8	5.2	681	2.2
Moderate	17.6	13.9	32	20.6	4,511	14.9
Middle	18.8	19.0	19	12.3	2,445	8.1
Upper	42.3	43.3	89	57.4	19,099	63.0
Not Available	0.0	20.4	7	4.5	3,596	11.9
Totals	100.0	100.0	155	100.0	30,332	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Innovative or Flexible Lending Practices

The institution makes use of innovative or flexible lending practices in the Tampa MSA AA in order to serve assessment area credit needs. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of the assessment area when arriving at this conclusion. Please refer to the discussion under the State of Florida for additional details regarding the innovative or flexible lending practices in the Tampa MSA AA.

Community Development Loans

The institution made a relatively high level of CD loans in the Tampa MSA assessment area. Its extent, or dollar volume, of CD loans and the CD loans' responsiveness support this conclusion.

As noted under the rated area level, Bank OZK originated 36 CD loans totaling approximately \$71.7 million in the Tampa MSA assessment area. By dollar volume, this equates to 30.5 percent of the bank's CD loans in the State of Florida as compared to the 47.4 percent of the bank's home mortgage and small business loans in this assessment area. While the level of CD loans is lower than the contribution of loans, examiners also considered that the bank's level of CD lending in the Tampa increased significantly from the \$32.2 million noted at the last evaluation.

The following points discuss examples of the bank's CD loans in the Tampa MSA assessment area:

- ***Community Service*** – The bank originated two loans totaling \$22.0 million to fund the construction and remodel of two charter schools serving students of which over half are from families eligible for free or reduced lunch. Thus, the activity benefits an organization that provides community services, in the form of educational services, targeted to low- and moderate-income individuals.
- ***Affordable Housing*** – The bank granted a \$9.6 million loan to finance the construction of an 82 unit multi-family housing complex in a moderate-income geography. The rents for these units are restricted to individuals/families of low- and moderate-incomes. Additionally, the bank invested in Low-Income Housing Tax Credits for both of these transactions.

In addition, the CD loans reflect good responsiveness to the CD needs of the assessment area. The institution's CD lending activities in the Tampa MSA assessment area are dispersed among the various categories and are responsive to the CD needs in the assessment area. Approximately 36.9 percent of the dollar volume of the assessment area's CD loans help to provide community services for low- and moderate-income individuals, 27.4 percent promote affordable housing, 21.3 promote economic development, and 14.4 percent revitalize and stabilize low- and moderate-income geographies. As noted under the applicable Description of Assessment Areas, activities that provide affordable housing, community services for low- and moderate-income individuals, and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment area.

INVESTMENT TEST

Bank OZK demonstrated a high satisfactory record in the Tampa MSA assessment area regarding the Investment Test. The excellent responsiveness to CD needs and extensive use of complex and innovative QIs outweighed the adequate level of QIs to support this conclusion. The appendices list the criteria used to evaluate the Investment Test.

Investment and Grant Activity

The bank has an adequate level of QIs in the Tampa MSA assessment area. The table for the State of Florida shows that Bank OZK made 21 QIs totaling approximately \$21.9 million in the Tampa MSA assessment area. By dollar volume, this equates to 27.1 percent of the total QIs in the State of Florida as compared to 40.5 percent of total deposits in this rated area. While the QI level is below the deposit figure, the level of QIs increased from the \$10.9 million at the prior evaluation.

The following is an example of a key investment in the Tampa assessment area:

- ***Affordable housing*** with approximately \$16.2 million in the purchase of LIHTCs to support affordable housing project in the assessment area. This project will add approximately 232 affordable housing units to the area.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of QIs that directly address identified needs in the Tampa MSA assessment area. As noted in the investment table for the State of Florida, the Tampa MSA assessment area shows responsiveness to CD needs by the dollar amount to three of the four CD purpose categories. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in addressing affordable housing needs.

Bank OZK's major investments addressed affordable housing needs with approximately \$16.2 million in the purchase of LIHTCs and the retention of approximately \$4.1 million in a bond funding a 158 unit multi-family housing project with rents restricted for low- and moderate-income individuals/families. The bank purchased approximately \$1.5 million in tax credits to provide increased access to educational options for low-income children. Larger dollar amount donations support combatting food insecurity for low- and moderate-income families, affordable housing initiatives, and small businesses through technical assistance and funding.

Community Development Initiatives

Bank OZK made extensive use of complex or innovative investments, given the size of the institution and opportunities available in the Tampa MSA AA. Two new investments in LIHTCs totaled approximately \$16.2 million and \$1.5 million in tax credits supporting educational opportunities for low-income children.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record in the Tampa MSA assessment area regarding the Service Test. The adequate level regarding the bank's CD services and the reasonableness of accessibility of its delivery systems to support this conclusion. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the Tampa MSA assessment area. Reasonably accessible branch distribution and alternative delivery systems support this conclusion. The Tampa MSA assessment area reflects better performance compared to the State of Florida's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices reasonably accessible to essentially all portions of the Tampa MSA assessment area.

The bank's level of branch distribution in low-income tracts rises 1.1 percentage points above the population in low-income census tracts, reflecting an adequate level. Similarly, the bank's level rises 0.4 percentage points above the population percentage in the moderate-income census tracts, also reflecting an adequate level.

Branch and ATM Distribution by Geography Income Level Tampa MSA AA												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	41	5.8	131,192	4.8	1	5.9	2	9.5	0	0.0	0	0.0
Moderate	174	24.8	626,522	23.1	4	23.5	4	19.1	0	0.0	0	0.0
Middle	248	35.4	1,000,859	36.9	5	29.4	4	19.1	0	0.0	0	0.0
Upper	222	31.7	944,596	34.8	7	41.2	11	52.3	0	0.0	0	0.0
NA	16	2.3	10,480	0.4	0	0.0	0	0.0	0	0.0	0	0.0
Totals	701	100.0	2,713,649	100.0	17	100.0	21	100.0	0	0.0	0	0.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems reasonably accessible to essentially all portions of the Tampa MSA assessment area.

The preceding table shows that the bank's ATMs in low-income tracts rises 4.7 percentage points above the population in low-income census tracts, thereby reflecting an adequate level. The bank's ATMs in moderate-income tracts falls 4.0 percentage points below the population in moderate-income tracts, reflecting adequate performance. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

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

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the Tampa MSA assessment area, particularly low- or moderate-income geographies or individuals. The Tampa MSA assessment area reflects product offerings, services, and branch hours consistent with discussion for the State of Florida.

The bank's branches generally have the same product offerings and services, and branch locations have the same hours. Branch hours are from Monday to Thursday 9 a.m. to 4 p.m., with extended hours on Fridays to 6 p.m. No lobby or drive thru hours are available on Saturdays in the Tampa MSA assessment area.

Community Development Services

The institution provides an adequate level of CD services in the Tampa MSA assessment area. Adequate performances regarding the extent of CD services and the responsiveness of CD services to available opportunities to support this conclusion. The appendices list the criteria considered under this performance factor.

The table in the State of Florida section shows that the bank provided 85 CD services since the previous evaluation in the Tampa MSA assessment area. This number equates to an average of 1.6 CD services, per office, per year, since the previous evaluation, thereby reflecting an adequate level. The bank averaged 17 full-service offices for the 3.1 years since the previous evaluation.

Leadership is evident through Board or committee participation in a number of those activities. Service activities demonstrate the responsiveness to community needs for community services to low- and moderate-income individuals and affordable housing as well as economic development.

The following are examples of CD services specific to the Tampa MSA assessment area:

- ***Economic Development*** –A bank employee serves on the Board of Directors for an organization that assists in workforce development by providing individuals with skills and career opportunities. In turn, this helps employers fill openings with trained candidates. The majority of the individuals are low- and moderate-income.
- ***Affordable Housing*** –A bank employee serves on the Board of Directors of certified CDFI and lending consortium of banking institutions that facilitate private investment for community revitalization and neighborhood preservation. The organization provides

flexible financing for affordable housing and CD. Therefore, this service promotes affordable housing for low- and moderate-income individuals/families.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE ASSESSMENT AREAS

The following table summarizes the conclusions for this rated area’s assessment areas reviewed using limited-scope examination procedures. Examiners drew conclusions regarding the institution’s CRA performance from reviewing available facts and data, including performance figures, aggregate lending data comparisons, and demographic information. The conclusions did not alter the bank’s overall performance rating.

Assessment Area	Lending Test	Investment Test	Service Test
Bradenton MSA	Consistent	Below	Consistent
Cape Coral MSA	Consistent	Consistent	Consistent
Fort Lauderdale MSA	Consistent	Below	Consistent
Jacksonville MSA	Consistent	Consistent	Consistent
Miami MSA	Consistent	Consistent	Exceeds
Ocala MSA	Below	Below	Below
Punta Gorda MSA	Consistent	Below	Exceeds

Facts and data supporting conclusions for each limited-scope assessment area follow, including a summary of Bank OZK’s operations and activities. The demographic data for the limited-scope assessment areas is in Appendix C.

Bradenton MSA AA

The bank’s Bradenton MSA assessment area consists of all of Manatee and Sarasota Counties. Bank OZK operates seven branches in this assessment area: two in moderate-income CTs, two in middle-income CTs, and three in upper-income CTs. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	459	35,794
Home Mortgage Loans	250	35,115
Small Farm Loans	0	0
Community Development Loans	18	14,269
Investments	10	1,815
CD Services	42	-

Cape Coral MSA AA

The bank's Cape Coral MSA assessment area consists of all of Lee County. Bank OZK operates six branches in this assessment area: one in a moderate-income CT, two in middle-income CTs, and three in upper-income CTs. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	299	23,485
Home Mortgage Loans	84	13,208
Small Farm Loans	1	59
Community Development Loans	7	15,712
Investments	9	11,843
CD Services	43	-

Fort Lauderdale MSA AA

The bank's Fort Lauderdale MSA assessment area consists of all of Broward County. Bank OZK operates one branch in this assessment area in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	47	6,642
Home Mortgage Loans	19	5,623
Small Farm Loans	0	0
Community Development Loans	7	24,023
Investments	10	1,813
CD Services	6	-

Jacksonville MSA AA

The bank's Jacksonville MSA assessment area consists of all of Duval County. Bank OZK operates one branch in this assessment area in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	67	8,500
Home Mortgage Loans	22	8,122
Small Farm Loans	0	0
Community Development Loans	3	6,834
Investments	11	9,787
CD Services	6	-

Miami MSA AA

The bank's Miami MSA assessment area consists of all of Miami-Dade County. Bank OZK operates five branches in this assessment area: one in a low-income CT, two in middle-income CTs and two in upper-income CTs. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	263	40,306
Home Mortgage Loans	58	32,169
Small Farm Loans	0	0
Community Development Loans	15	102,382
Investments	29	18,002
CD Services	56	-

Ocala MSA AA

The bank's Ocala MSA assessment area consists of all of Marion County. Bank OZK operates one branch in this assessment area in a middle-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	7	190
Home Mortgage Loans	63	4,942
Small Farm Loans	0	0
Community Development Loans	1	16
Investments	4	546
CD Services	1	-

Punta Gorda MSA AA

The bank's Punta Gorda MSA assessment area consists of all of Charlotte County. Bank OZK operates three branches in this assessment area: two in middle-income CTs and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	107	11,717
Home Mortgage Loans	43	4,461
Small Farm Loans	2	60
Community Development Loans	4	220
Investments	6	730
CD Services	46	-

Geographic Distribution

Small Business Loans

Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020
	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Bradenton MSA	347	21,826	22.0	29,142	1.4	2.3	1.2	19.4	20.2	18.0	44.3	44.1	43.2	35.0	33.4	37.6	0.0	0.0	0.0
Cape Coral MSA	229	14,134	14.5	23,722	2.7	1.7	2.5	22.6	20.5	22.9	40.1	38.0	39.6	34.4	39.7	35.0	0.2	0.0	0.0
Fort Lauderdale MSA	29	2,427	1.8	98,434	4.9	6.9	6.0	23.9	17.2	24.1	30.6	27.6	29.4	40.7	48.3	40.5	0.0	0.0	0.0
Jacksonville MSA	51	4,442	3.2	25,353	6.1	0.0	6.4	25.0	25.5	24.5	33.5	35.3	31.5	35.4	39.2	37.6	0.0	0.0	0.0
Miami MSA	176	19,230	11.2	142,633	3.1	8.5	3.0	20.8	18.8	21.3	25.9	19.9	25.0	47.8	49.4	48.2	2.4	3.4	2.5
Ocala MSA	7	190	0.4	8,537	1.8	0.0	1.8	16.4	0.0	17.5	63.5	71.4	64.2	18.3	28.6	16.5	0.0	0.0	0.0
Punta Gorda MSA	74	6,655	4.7	4,600	0.0	0.0	0.0	16.2	18.9	17.9	65.6	73.0	65.0	18.1	8.1	17.1	0.0	0.0	0.0

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

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Bradenton MSA	92	13,248	25.8	52,023	1.0	0.0	0.3	18.3	30.4	11.8	50.7	43.5	43.9	29.9	26.1	44.0	0.0	0.0	0.0
Cape Coral MSA	29	5,695	8.1	47,035	2.1	6.9	1.5	18.6	17.2	17.8	44.2	48.3	43.8	35.1	27.6	36.7	0.0	0.0	0.1
Fort Lauderdale MSA	5	1,603	1.4	80,794	2.8	0.0	2.0	24.8	80.0	19.3	34.0	20.0	32.9	38.4	0.0	45.8	0.0	0.0	0.0
Jacksonville MSA	11	6,283	3.1	47,983	5.8	18.2	2.4	23.6	45.5	18.8	39.8	18.2	40.5	30.8	18.2	38.3	0.0	0.0	0.0
Miami MSA	28	13,246	7.8	78,733	2.0	3.6	1.3	21.4	14.3	16.5	31.9	25.0	31.2	44.4	53.6	50.3	0.2	3.6	0.7
Ocala MSA	25	1,907	7.0	17,548	0.6	4.0	0.2	14.5	0.0	10.6	69.6	76.0	70.2	15.3	20.0	19.0	0.0	0.0	0.0
Punta Gorda MSA	12	1,340	3.4	12,907	0.0	0.0	0.0	10.7	25.0	13.1	70.6	50.0	66.2	18.6	25.0	20.7	0.0	0.0	0.0

Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

Borrower Profile

Small Business Loans

A bank's small business lending percentages in 2020 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. If the information on PPP loans without collected revenues were removed from the 2020 analyses for the limited scope areas, then the bank's small business lending performances to businesses with gross annual revenues of \$1 million or less increased to 68.2 percent, 54.5 percent, 20.0 percent, 100.0 percent, 33.3 percent, and 80.0 percent for the Bradenton MSA, Cape Coral MSA, Fort Lauderdale MSA, Jacksonville MSA, Miami MSA, and Punta Gorda MSA assessment areas, respectively. Performance in the Ocala MSA assessment area remained unchanged.

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2020
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Bradenton MSA	347	21,826	22.0	29,142	91.7	8.9	43.6	2.8	3.5	5.4	87.6	
Cape Coral MSA	229	14,134	14.5	23,722	91.8	9.6	40.5	2.7	3.1	5.5	87.3	
Fort Lauderdale MSA	29	2,427	1.8	98,434	92.8	17.2	40.3	2.7	24.1	4.5	58.6	
Jacksonville MSA	51	4,442	3.2	25,353	89.4	5.9	37.8	3.4	0.0	7.2	94.1	
Miami MSA	176	19,230	11.2	142,633	93.3	8.0	38.4	2.7	17.0	4.0	75.0	
Ocala MSA	7	190	0.4	8,537	90.8	0.0	39.5	2.8	0.0	6.3	100.0	
Punta Gorda MSA	74	6,655	4.7	4,600	92.3	9.5	43.1	2.3	8.1	5.4	82.4	
<i>Source: 2020 D&B Data; 2020 CRA Data; 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>												

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Bradenton MSA	92	13,248	25.8	52,023	19.4	3.3	4.7	19.1	17.4	15.4	21.0	19.6	20.5	40.5	52.2	44.5	0.0	7.6	14.8
Cape Coral MSA	29	5,695	8.1	47,035	20.7	--	3.6	18.5	17.2	14.8	19.7	6.9	19.9	41.1	58.6	44.1	0.0	17.2	17.6
Fort Lauderdale MSA	5	1,603	1.4	80,794	22.3	--	2.4	17.3	20.0	11.5	18.7	20.0	20.0	41.7	40.0	48.5	0.0	20.0	17.6
Jacksonville MSA	11	6,283	3.1	47,983	25.1	--	5.8	18.1	9.1	16.5	19.7	18.2	19.4	37.2	18.2	31.7	0.0	54.5	26.5
Miami MSA	28	13,246	7.8	78,733	24.0	--	0.9	16.6	--	5.0	16.9	14.3	15.5	42.6	67.9	59.4	0.0	17.9	19.2
Ocala MSA	25	1,907	7.0	17,548	19.3	16.0	4.0	19.5	40.0	14.2	21.6	24.0	21.3	39.7	20.0	38.4	0.0	--	22.1
Punta Gorda MSA	12	1,340	3.4	12,907	17.3	16.7	4.3	20.7	--	15.2	21.8	25.0	20.2	40.2	58.3	43.0	0.0	--	17.3
<i>Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>																			

STATE OF GEORGIA

CRA RATING FOR GEORGIA: OUTSTANDING

The Lending Test is rated: Outstanding

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN GEORGIA

Bank OZK designated 11 assessment areas in Georgia as noted in the table below. All of the bank's assessment areas in Georgia conform to the CRA regulatory requirements.

Description of Georgia Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Athens MSA	Clark, Oconee	36	2
Atlanta MSA	Barrow, Bartow, Carroll, Cherokee, Cobb, Coweta, Dawson, Dekalb, Douglas, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Paulding, Pickens, Rockdale, Walton	834	39
Brunswick MSA	Glynn	16	2
Columbus MSA	Muscogee	53	1
Dalton MSA	Murray, Whitfield	26	2
Gainesville MSA	Hall	36	1
Macon MSA	Bibb	44	3
Rome MSA	Floyd	20	1
Savannah MSA	Chatham	72	1
Valdosta MSA	Lownds	25	4
GA Non-MSA	Decatur, Fannin, Gilmer, Gordon, Grady, Habersham, Jackson, Lumpkin, Union	61	11
Source: Bank Records; 2015 ACS.			

SCOPE OF EVALUATION – GEORGIA

Full-Scope Assessment Area

Of the 11 assessment areas in Georgia, examiners applied full-scope procedures to the Atlanta MSA assessment area since it generated the largest percentage of the bank's loans, deposits, and offices in this rated area. In addition, in accordance with outstanding procedures, examiners also randomly selected the GA-Non MSA assessment area for review since this area had not been reviewed using full-scope procedures during the previous two evaluations. Examiners applied limited-scope procedures to the other Georgia assessment areas.

Lending Test

Loan Categories Reviewed

Examiners considered the following loans granted inside the bank's Georgia assessment areas as reported according to either the HMDA or CRA data collection reporting requirements:

Home Mortgage Loans:

- 2019: 366 loans totaling \$35,449,000
- 2020: 325 loans totaling \$41,634,000
- 2021: 264 loans totaling \$41,505,000

Small Business Loans:

- 2019: 229 loans totaling \$46,233,000
- 2020: 1,956 loans totaling \$140,772,000
- 2021: 673 loans totaling \$79,537,000

Small Farm Loans:

- 2019: 20 loans totaling \$2,742,000
- 2020: 22 loans totaling \$1,372,000
- 2021: 11 loans totaling \$1,006,000

The weightings for the specific loan categories varies for each of the assessment areas. As suggested by the above figures, small business loans generally received the heaviest weighting followed by home mortgage loans.

Assessment Area Weighting

The following table shows that the Atlanta MSA assessment area generated the largest percentage of the bank's Georgia loans, deposits, and branches. Consequently, examiners weighed records in the Atlanta MSA assessment area heaviest when arriving at applicable conclusions and ratings. Examiners weighed performance in each reviewed area consistent with that area's lending level as reflected in the following table.

Assessment Area Distribution – State of Georgia						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Athens MSA	13,170	3.4	109,133	1.9	2	3.0
Atlanta MSA	278,431	71.3	3,484,158	60.3	39	59.1
Brunswick MSA	2,970	0.8	112,180	1.9	2	3.0
Columbus MSA	2,067	0.5	62,915	1.1	1	1.5
Dalton MSA	15,052	3.9	336,591	5.8	2	3.0
Gainesville MSA	10,379	2.7	62,921	1.1	1	1.5
Macon MSA	10,558	2.7	188,475	3.3	3	4.6
Rome MSA	1,438	0.4	117,706	2.0	1	1.5
Savannah MSA	1,963	0.5	126,879	2.2	1	1.5
Valdosta MSA	4,168	1.1	211,743	3.7	4	6.1
GA Non-MSA MSA	50,054	12.7	960,750	16.7	10	15.2
Total	390,250	100.0	5,773,451	100.0	66	100.0
<i>Source: HMDA & CRA Data (2019-2021); FDIC Summary of Deposits (06/30/2021)</i>						

Investment and Service Tests

The scopes for the Investment and Service Tests remain the same for this rated area as it did for the institution as a whole. Please refer to the institution-level Scope of Examination section.

CONCLUSIONS ON PERFORMANCE CRITERIA IN GEORGIA

LENDING TEST

Bank OZK demonstrated an outstanding record in the State of Georgia regarding the Lending Test. The excellent level of CD loans, excellent performance regarding geographic loan distribution, and good performance regarding borrower profile loan distribution lifted adequate lending activity to support this conclusion. The bank also made limited use of innovative or flexible lending in this state. While the Atlanta MSA, Macon MSA, Rome MSA, and Savannah MSA assessment areas reflects consistent performance regarding the Lending Test, the Athens MSA, Brunswick MSA, Columbus MSA, Dalton MSA, Gainesville MSA, Valdosta MSA, and GA Non-MSA assessment areas reflects performance below that of the state level. The appendices list the criteria considered under this test.

Lending Activity

Lending levels reflect adequate responsiveness to assessment area credit needs in the State of Georgia. Adequate performance regarding small business and home mortgage loans support this conclusion. Examiners placed more weight on the bank's small business loans than home mortgage loans based on the loan volumes. Examiners considered the bank's size, business strategy, and capacity in this state relative to its credit needs when arriving at this conclusion.

Small Business Loans

Small business lending levels reflect adequate responsiveness to assessment area credit needs in the State of Georgia. For 2020, the bank originated 1,956 total reportable small business loans totaling approximately \$140.7 million inside its Georgia assessment areas. Bank OZK captured a 0.9 percent market share of the total number of small business loans and a 1.3 percent market share of the total dollar volume of loans.

This volume of activity ranks the bank 21st out of 334 total lenders and 144 lenders granting at least 10 small business loans in the bank's Georgia assessment areas. This ranking lands the bank in the top quarter of the second group of lenders reporting such loans in the bank's Georgia assessment areas, at 14.6 percent. The ranking considers the total number and dollar amount of loans made by each institution.

Although the market share and lending levels noted above typically represent a higher level of performance, examiners noted a decrease in the level of small business lending since the last evaluation. Since the prior evaluation, the bank's small business lending fluctuated greatly year over year due to a large percentage of 2020 and 2021 small business loans being PPP loans. Excluding PPP loans, the bank originated 233 small business loans totaling \$52.2 million in 2021. This is a decrease by number over the 2018 level where the bank originated 262 loans totaling \$50.4 million. Given the downward trend in small business lending since the last evaluation, the bank's lending activity performance reflects an adequate record regarding small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs in

the State of Georgia. For 2020, the bank originated 325 total reportable home mortgage loans totaling approximately \$41.6 million in its Georgia assessment areas. Bank OZK captured a 0.1 percent market share of the total number of home mortgage loans and 0.04 percent market share of the total dollar volume of home mortgage loans in the Georgia assessment areas.

This volume of activity ranks the bank 159th out of 991 total lenders and 553 lenders granting at least 10 home mortgage loans in the bank's Georgia assessment areas. This ranking lands the bank in the top third of the second group of lenders reporting such loans in the bank's Georgia assessment areas, at 28.8 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar amount of loans made by each institution.

Consequently, given the loan categories' relative performances and weightings, the bank exhibited an adequate overall record in the State of Georgia regarding its lending activity. Adequate performances regarding small business and home mortgage loans support this conclusion.

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the State of Georgia. Good records regarding small business loans sufficiently lifted by excellent records regarding home mortgage loans support this conclusion. The bank's performance is generally consistent throughout the assessment areas within the rated area, unless otherwise noted.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the State of Georgia. Excellent performances in the Atlanta MSA, Rome MSA, and Savannah MSA assessment areas lifted adequate performances in the Athens MSA, Brunswick MSA, Dalton MSA, Gainesville MSA, Macon MSA, Valdosta MSA, and GA Non-MSA assessment areas as well as poor performance in the Columbus MSA assessment area to support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration throughout the State of Georgia. Excellent performances in the Atlanta MSA, Columbus MSA, Dalton MSA, Gainesville MSA, Macon MSA, and Rome MSA assessment areas outweighed adequate performances in the Athens MSA, Brunswick MSA, and GA Non-MSA assessment areas as well as poor performances in the Savannah MSA and Valdosta MSA assessment areas to support this conclusion.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Good records regarding small business loans and home mortgage loans supports this conclusion. Examiners placed more weight on the bank's small business loans than home mortgage loans based on the loan volumes.

Small Business Loans

The distribution of borrowers reflects good penetration among business customers of different sizes. Excellent performances in the Athens MSA, Macon MSA, Rome MSA, Savannah MSA, and GA Non-MSA assessment areas and good performances in the Atlanta MSA and Dalton MSA assessments areas lifted adequate performances in the Brunswick MSA, Columbus MSA, Gainesville MSA, and Valdosta MSA assessment areas to support this conclusion.

Home Mortgage Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. The good performance in the Atlanta MSA outweighed the excellent performances in the Columbus MSA, Gainesville MSA, Macon MSA, Rome MSA, Savannah MSA, and Valdosta MSA assessment areas, the adequate performances in the Athens MSA, Dalton MSA, and GA Non-MSA assessment areas, as well as the poor performances in the Brunswick MSA and Savannah MSA assessment areas, to support this conclusion.

Innovative or Flexible Lending Practices

The institution makes limited use of innovative or flexible lending practices in the State of Georgia. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of its assessment areas when arriving at this conclusion. The appendices list the criteria considered under this performance factor.

The table below shows that, since the previous evaluation, the bank originated 235 innovative or flexible loans totaling approximately \$72.9 million in the State of Georgia. This dollar figure equates to 22.0 percent of the bank's total innovative or flexible loans. Given the bank's capacity and the needs in the rated area, the level of innovative and flexible loans reflects adequate responsiveness to the credit needs of the State of Georgia.

Innovative or Flexible Loans State of Georgia								
Rated Area	SBA		USDA/FSA		Freedom Advantage		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Athens MSA	0	0	0	0	0	0	0	0
Atlanta MSA	37	30,603	0	0	136	25,334	173	55,937
Brunswick MSA	0	0	0	0	1	30	1	30
Columbus MSA	0	0	0	0	7	883	7	883
Dalton MSA	0	0	0	0	0	0	0	0
Gainesville MSA	3	176	0	0	3	516	6	692
Macon MSA	0	0	0	0	18	1,702	18	1,702
Rome MSA	0	0	0	0	2	199	2	199
Savannah MSA	1	2,723	0	0	6	1,011	7	3,734
Valdosta MSA	0	0	0	0	4	498	4	498
GA Non-MSA	7	3,110	4	5,440	6	696	17	9,246
Total	48	36,612	4	5,440	183	30,869	235	72,921
<i>Source: Bank records.</i>								

Though not reflected in the table above, examiners included below additional flexible lending activity in this rated area.

- **COVID-19 Pandemic** – The bank offered payment deferment options to its loan customers during the evaluation period and deferred payments or waived late fees for 799 customers in the State of Georgia that were impacted financially by the pandemic.

Community Development Loans

The institution is a leader in making CD loans in the State of Georgia. Its extent, or excellent dollar volume, of CD loans and the CD loans' responsiveness support this conclusion. The bank's performance is generally consistent throughout the assessment areas, except there were no CD loans in the Gainesville MSA and Rome MSA assessment areas. Examiners placed the most weight on the bank's Atlanta MSA assessment area.

The following table shows that, since the previous evaluation, the bank granted 109 CD loans totaling approximately \$414.4 million in this state. The dollar amount equates to 32.8 percent of the bank's overall level of CD loans as compared to the 21.3 percent of overall HMDA and CRA loans in this state. Examiners also considered that the bank's level of CD lending in the State of Georgia increased significantly from the \$231.2 million noted at the last evaluation.

Community Development Loans State of Georgia										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Athens MSA	0	0	0	0	0	0	1	14	1	14
Atlanta MSA	10	80,931	2	1,000	38	17,073	21	206,272	71	305,276
Brunswick MSA	1	10,950	0	0	0	0	1	11,063	2	22,013
Columbus MSA	2	13,457	0	0	0	0	0	0	2	13,457
Dalton MSA	1	11,350	0	0	5	2,669	2	290	8	14,309
Gainesville MSA	0	0	0	0	0	0	0	0	0	0
Macon MSA	0	0	2	100	3	102	4	366	9	568
Rome MSA	0	0	0	0	0	0	0	0	0	0
Savannah MSA	0	0	0	0	0	0	1	47,910	1	47,910
Valdosta MSA	0	0	0	0	1	23	1	3	2	26
GA Non-MSA	1	600	0	0	9	566	2	42	12	1,208
Statewide	1	9,650	0	0	0	0	0	0	1	9,650
Total	16	126,938	4	1,100	56	20,433	33	265,960	109	414,431
<i>Source: Bank records.</i>										

Besides their extent, the CD loans reflect excellent responsiveness to the state's CD needs. As seen in the table above, 64.2 percent of the dollar volume of the state's CD loans help revitalize or stabilize low- and moderate-income geographies, while 30.6 percent promote affordable housing, and 4.9

percent promote economic development. An additional 0.3 percent benefit community services for low- and moderate-income individuals.

As noted under the applicable Description of Assessment Areas, the community contact noted that the primary credit as affordable housing. Additionally, activities that provide community services for low- and moderate-income individuals and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment areas. Therefore, relative to the bank's capacity and the extent of CD lending opportunities and needs in its assessment areas, the bank established an excellent level in originating CD loans.

The following point discusses the bank's CD lending activities in the broader statewide area of Georgia:

- ***Affordable Housing*** – The bank granted a \$9.7 million loan to extend the financing of the construction of an 82 unit multi-family housing complex just outside one of the bank's Georgia assessment areas. The rents for these units are restricted to individuals/families of low- and moderate-incomes as the transaction is eligible for Low-Income Housing Tax Credits.

INVESTMENT TEST

Bank OZK demonstrated an outstanding record in the State of Georgia regarding the Investment Test. The significant level of QIs, extensive use of complex QIs, and excellent responsiveness to CD needs supports this conclusion. While the Atlanta MSA, Brunswick MSA, and Columbus MSA assessment areas reflects consistent performance regarding the Investment Test, the Athens MSA, Dalton MSA, Gainesville MSA, Macon MSA, Rome MSA, Savannah MSA, Valdosta MSA, and GA Non-MSA assessment areas reflects performance below that of the state level. The appendices list the criteria considered under this test.

Investment and Grant Activity

The bank has a significant level of QIs in the State of Georgia.

The table below shows that Bank OZK made 90 QIs totaling approximately \$79.3 million in the State of Georgia. The dollar amount equates to 17.9 percent of the bank's overall significant level of QIs. This state's level is lower than its contribution of 28.1 percent of deposits in this state. Additionally, examiners considered that the bank's QIs in Georgia increased significantly since the last evaluation (up \$33.2 million) and 16.8 percent of the bank's QIs are located outside of the rated areas.

Qualified Investments State of Georgia									
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	\$(000s)
Athens MSA	0	0	1	8	4	32	0	0	40

Qualified Investments State of Georgia										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Atlanta MSA	22	35,073	26	13,795	7	115	0	0	55	48,983
Brunswick MSA	1	9,381	0	0	0	0	0	0	1	9,381
Columbus MSA	1	10,981	1	2	0	0	0	0	2	10,983
Dalton MSA	0	0	1	2	0	0	0	0	1	2
Gainesville MSA	2	249	0	0	0	0	0	0	2	249
Macon MSA	3	4	0	0	0	0	0	0	3	4
Rome MSA	0	0	0	0	0	0	0	0	0	0
Savannah MSA	4	358	1	8	0	0	0	0	5	366
Valdosta MSA	1	85	1	5	0	0	0	0	2	90
GA Non-MSA	1	3,796	0	0	2	7	6	370	9	4,173
Statewide	5	5,031	0	0	0	0	0	0	5	5,031
Total	40	64,958	31	13,820	13	154	6	370	90	79,302
<i>Source: Bank records.</i>										

Since Bank OZK's investments addressed community credit needs inside the bank's AAs within the State of Georgia, statewide activities include investments in different areas outside of the bank's AAs within the State of Georgia.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of QIs that directly address identified needs in the State of Georgia. The previous table shows responsiveness to a variety of CD needs by the dollar amount to all four CD purpose categories; however, the dollar amount for economic development is less than 1.0 percent of total QIs in the State of Georgia. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in addressing affordable housing needs.

Bank OZK's major QIs addressed the following needs throughout various AAs in the State of Georgia:

- Affordable housing with approximately \$48.3 million in the purchase of LIHTCs and revenue bonds to support affordable housing projects throughout Georgia.
- Affordable housing with the retention of approximately \$4.8 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals.

Community Development Initiatives

Bank OZK made extensive use of complex QIs, given the size of the institution and opportunities available in the State of Georgia.

Bank OZK made approximately \$52.3 million in complex QIs within the State of Georgia as follows:

- Five new QIs financed approximately \$45.8 million in LIHTCs within Georgia.
- Thirteen prior period QIs remain outstanding financing approximately \$4.8 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals.
- Community services by purchasing \$1.7 million in tax credits to support financially distressed rural hospitals and increase access to healthcare in rural areas in Georgia as well as educational opportunities for children from low-income families.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record for the State of Georgia regarding the Service Test. The adequate level regarding the bank's CD services, its changes in branch locations, and its reasonableness of business hours and services outweighed the reasonableness of accessibility of its delivery systems to support this conclusion. While the Atlanta MSA, Athens MSA, Brunswick MSA, Dalton MSA, Gainesville MSA, Macon MSA, Rome MSA, Savannah MSA, and Valdosta MSA assessment areas reflect consistent performance regarding the Service Test, the Columbus MSA assessment area reflects performance above that of the state level and the GA Non-MSA assessment area reflects performance below that of the state level. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the bank's assessment areas in the State of Georgia. Accessible branch distribution and alternative delivery systems support this conclusion. The State of Georgia reflects generally consistent conclusions to the institution's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices accessible to essentially all portions of the institution's assessment areas in the State of Georgia.

The bank's level of branch distribution in low-income tracts falls 2.8 percentage points below the population in low-income census tracts, reflecting an adequate level. The bank's level rises 14.8 percentage points above the population percentage in the moderate-income census tracts, reflecting an excellent level. Thus, the adequate level in low-income geographies was lifted by the excellent level in moderate-income geographies to reflect accessible branch distribution to essentially all portions of the assessment area.

Branch and ATM Distribution by Geography Income Level State of Georgia												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	134	11.0	485,828	7.3	3	4.5	5	6.6	1	50.0	0	0.0
Moderate	292	23.9	1,524,633	23.1	25	37.9	30	39.5	0	0.0	0	0.0
Middle	385	31.5	2,320,511	35.1	24	36.4	26	34.2	0	0.0	0	0.0
Upper	385	31.5	2,254,307	34.1	14	21.2	15	19.7	1	50.0	2	100.0
NA	13	1.1	26,092	0.4	0	0.0	0	0.0	0	0.0	0	0.0
Totals	1,223	100.0	6,611,371	100.0	66	100.0	76	100.0	2	100.0	2	100.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0.</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems accessible to essentially all portions of the bank's assessment areas in the State of Georgia.

The preceding table shows that the bank's ATMs in low-income tracts falls 0.7 percentage points below the population in low-income census tracts, reflecting an adequate level. The bank's ATMs in moderate-income tracts rises 16.4 percentage points above the population in moderate-income tracts, reflecting excellent performance. Thus, the adequate level in low-income geographies was lifted by the excellent level in moderate-income geographies to reflect accessible branch distribution to essentially all portions of the assessment area. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution's record of opening and closing of branches in State of Georgia has not adversely affected low- and moderate- income geographies or individuals of geographies. One branch opened in a low-income tract. One branch opened while two branches closed in upper-income tracts.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the State of Georgia, particularly low- or moderate-income geographies or individuals. The State of Georgia reflects generally similar product offerings, services, and branch hours compared to the discussion at the institution level.

The bank's branches have the same product offerings and services, and branch locations have similar hours that vary slightly according to individual assessment area's needs. Branch hours are generally from Monday to Friday, 9 a.m. to 5 p.m. Of the bank's 66 Georgia locations, five branches in moderate-income tracts, seven in middle-income tracts, and two in upper-income tracts offer Saturday hours through the bank's drive thru.

Community Development Services

The institution provides an adequate level of CD services for the State of Georgia. Adequate performances regarding the extent of CD services and the responsiveness of CD services to available opportunities primarily support this conclusion. The appendices list the criteria considered under this performance factor.

The following table shows that the bank provided 270 CD services since the previous evaluation. This number equates to an average of 1.3 CD services, per office, per year, since the previous evaluation, thereby reflecting an adequate level. The bank averaged 66.3 full-service offices for the 3.1 years since the previous evaluation.

Community Development Services State of Georgia					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Athens MSA	0	11	5	0	16
Atlanta MSA	12	109	20	0	141
Brunswick MSA	0	5	3	0	8
Columbus MSA	0	10	1	0	11
Dalton MSA	2	9	2	0	13
Gainesville MSA	0	6	0	0	6
Macon MSA	4	4	2	0	10
Rome MSA	1	3	2	0	6
Savannah MSA	0	0	6	0	6
Valdosta MSA	0	34	1	0	35
GA Non-MSA	0	18	0	0	18
Statewide	0	0	0	0	0
Total	19	209	42	0	270
<i>Source: Bank Data</i>					

Leadership is evident through Board or committee participation in some of those activities. Bank OZK had no regional or statewide CD services in this rated area, so please reference the full-scope assessment areas section for examples of the bank's CD services.

ATLANTA MSA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN ATLANTA

The Atlanta MSA assessment area includes all 834 census tracts that make up Barrow, Bartow, Carroll, Cherokee, Cobb, Coweta, Dawson, DeKalb, Douglas, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Paulding, Pickens, Rockdale, and Walton Counties, 19 of 29 counties that make up the Atlanta-Sandy Springs-Alpharetta, GA MSA, located in north-central Georgia.

Economic and Demographic Data

The assessment area's census tracts reflect the following income designations based on 2015 ACS data: 86 low-, 204 moderate-, 254 middle-, 283 upper-income tracts, and 7 tracts with no income designation. FEMA declared this assessment area as a major disaster area due to a tropical storm, severe storms and the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area						
Atlanta MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	834	10.3	24.5	30.5	33.9	0.8
Population by Geography	4,881,269	7.0	24.1	34.3	34.3	0.3
Housing Units by Geography	1,943,958	7.9	24.8	32.9	34.3	0.1
Owner-Occupied Units by Geography	1,102,700	3.0	18.6	36.7	41.7	0.0
Occupied Rental Units by Geography	637,185	14.1	33.6	27.6	24.4	0.3
Vacant Units by Geography	204,073	15.1	30.8	28.7	25.3	0.2
Businesses by Geography	930,564	5.7	22.5	30.7	40.6	0.4
Farms by Geography	15,323	4.0	21.1	38.9	36.0	0.1
Family Distribution by Income Level	1,172,734	22.2	16.5	18.1	43.3	0.0
Household Distribution by Income Level	1,739,885	23.1	16.2	17.4	43.3	0.0
Median Family Income MSA - 12060 Atlanta-Sandy Springs-Alpharetta, GA MSA		\$67,322	Median Housing Value			\$192,794
			Median Gross Rent			\$1,011
			Families Below Poverty Level			11.5%
Source: 2015 ACS and 2021 D&B Data; Due to rounding, totals may not equal 100.0%; (*) The NA category consists of geographies that have not been assigned an income classification.						

Atlanta's economy is expanding post-recession. The Atlanta area's economy is expected to outpace the state and national economy. Payrolls are expanding and the growth in logistics, professional/business services, and healthcare are stimulating the economic growth. The pandemic-era growth in e-commerce spending led to significant growth in Atlanta's logistics industry, and UPS and Amazon are expected to expand their distribution facilities in Atlanta. Additionally, low business costs and a robust talent pool have led to significant growth in Atlanta's tech industry.⁸

Currently, major employers in the Atlanta MSA consist of Delta Airlines, Emory University & Emory Healthcare, The Home Depot, Northside Hospital, and Piedmont Hospital.⁹ The Atlanta MSA's unemployment rate of 2.9 percent is below the 3.0 percent rate for the State of Georgia and

⁸Source: Moody's Analytics, Precis U.S. Metro, May 2022

⁹Source: Moody's Analytics, Precis U.S. Metro, May 2022

below the 3.6 percent average U.S. rate.

Competition

The area contains a low level of competition from other chartered banks based on its population, with each of the 1,019 offices from its 76 institutions serving about 4,790 people on average. Bank OZK ranks 10th in market share by capturing 1.5 percent of the area's deposits based on the June 30, 2021, FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Community Contact

As part of the evaluation process, examiners utilized a third party contact active in the AA to assist in identifying the credit and CD needs. This information helps determine whether the local financial institutions are responsive to these needs. It also shows what credit and CD opportunities are available.

For this evaluation, examiners used information from a new community contact representing an economic development organization. The organization helps to promote trade, commerce, industry, and employment opportunities. The contact stated, despite the effects of the COVID-19 pandemic, the local economy is very healthy. The contact stated that a primary credit need is affordable housing due to the shortage of housing stock. The contact also believed there was educational opportunities for small businesses. Overall, the contact indicated that even with the high level of competition, financial institutions are doing their best to meet the credit needs of the community.

Credit and Community Development Needs and Opportunities

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

Demographic data showing that 38.7 percent of the area's families reported low- or moderate-incomes also suggest a need for activities that benefit projects or organizations that provide community services targeted to these families. The high percentage (34.8 percent) of low- and moderate-income census tracts, the national COVID-19 major disaster area, and the assessment area's designation as federal disaster areas for a tropical storm and severe storms suggests a need for activities that revitalize or stabilize qualifying geographies. Further, a need exists to expand housing stock in low- and moderate-income geographies, thus creating opportunities for affordable housing in low- and moderate-income areas.

The financial hardship from the COVID-19 pandemic created an emerging need for retail banking service products to the unbanked for quick access to funds from Economic Impact checks, funds for unemployment payments, and to pay bills preventing late payments on existing debt obligations.

Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant emerging need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. Lastly, the COVID-19 pandemic resulted in less customer contact with physical banking facilities, significantly increasing the need for the digital delivery of banking products and services throughout the whole product life cycle.

CONCLUSIONS ON PERFORMANCE CRITERIA IN ATLANTA MSA

LENDING TEST

Bank OZK demonstrated an outstanding record in the Atlanta MSA assessment area regarding the Lending Test. An excellent level of CD loans, excellent performance regarding geographic distribution and good performance regarding borrower profile outweighed adequate lending levels to support this conclusion. The also bank makes limited use of innovative or flexible loans in this assessment area.

Lending Activity

Lending levels reflect adequate responsiveness to assessment area credit needs in the Atlanta MSA assessment area. Adequate performances regarding small business and home mortgage loans supports this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Atlanta MSA assessment area.

Small Business Loans

Small business lending levels reflect adequate responsiveness to assessment area credit needs in the Atlanta MSA assessment area. For 2020, the bank originated 1,316 total reportable small business loans totaling approximately \$102.4 million. Bank OZK captured a 0.74 percent market share of the total number of loans and a 1.21 percent market share of the total dollar volume of loans.

The bank's activity by number of loans ranks it 23rd out of 318 total lenders and 139 lenders granting at least 10 small business loans in the Atlanta MSA assessment area. This ranking lands the bank in the top quarter of the second group of lenders reporting such loans in this assessment area, at 16.5 percent. The ranking considers the total number and dollar volume of loans made by each institution.

Although the market share and lending levels noted above typically represent a higher level of performance, examiners noted a decrease in the level of small business lending since the last evaluation. Since the prior evaluation, the bank's small business lending fluctuated greatly year over year due to a large percentage of 2020 and 2021 small business loans being PPP loans. Excluding PPP loans, the bank originated 169 small business loans totaling \$40.2 million in 2021. This is a decrease by number over the 2018 level where the bank originated 178 loans totaling \$36.5 million. Given the downward trend in small business lending since the last evaluation, the bank's lending activity performance reflects an adequate record regarding small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs in the Atlanta MSA assessment area. For 2020, the bank originated 213 total reportable home mortgage loans totaling approximately \$29.0 million. Bank OZK captured a 0.1 percent market share of the total number and a 0.03 percent market share of the total dollar volume of home mortgage loans.

The bank's activity by number of loans ranks it 169th out of 900 total lenders and 492 lenders granting at least 10 home mortgage loans in the Atlanta MSA assessment area. This ranking lands the bank in the middle third of the second group of lenders reporting such loans in this assessment area, at 34.3 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar amount of loans made by each institution. Given the considerations previously noted, the activity level reflects adequate performance for home mortgage loans.

Consequently, given the loan categories' relative performances and weightings, the bank exhibited an adequate overall record in the Atlanta MSA assessment area regarding its lending activity. Adequate performances regarding small business and home mortgage loans support this conclusion.

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the Atlanta MSA assessment area. Excellent records regarding both small business and home mortgage loans support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Atlanta MSA assessment area.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration in the Atlanta MSA assessment area. Excellent performance in moderate-income geographies outweighed adequate performance in low-income geographies, supporting this conclusion.

As seen in the table below, the bank's lending in low-income tracts is lower than the aggregate data by 2.5 percent, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level exceeds aggregate data by 13.6 percentage points, reflecting an excellent level.

Geographic Distribution of Small Business Loans Atlanta MSA AA						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	5.2	4.5	26	2.0	4,894	4.8
Moderate	21.5	20.1	443	33.7	34,076	33.3
Middle	30.3	29.9	537	40.8	41,606	40.6
Upper	42.5	45.2	308	23.4	20,932	20.4
Not Available	0.5	0.3	2	0.2	944	0.9
Totals	100.0	100.0	1,316	100.0	102,452	100.0
<i>Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration in the Atlanta MSA assessment area. Excellent performance in moderate-income geographies outweighed adequate performance in low-income geographies, supporting this conclusion.

As seen in the table below, the bank's lending in low-income tracts exceeds aggregate data by 2.0 percentage points, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level exceeds aggregate data by 31.5 percentage points, reflecting excellent performance.

Geographic Distribution of Home Mortgage Loans Atlanta MSA AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	3.0	2.7	10	4.7	1,804	6.2
Moderate	18.6	15.4	100	46.9	13,044	44.9
Middle	36.7	34.9	77	36.2	10,251	35.3
Upper	41.7	47.0	26	12.2	3,950	13.6
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	213	100.0	29,049	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Good records regarding small business loans and home mortgage loans supports this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Atlanta MSA assessment area.

Small Business Loans

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

Distribution of Loans to Small Businesses by Gross Annual Revenues Atlanta MSA AA											
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Atlanta MSA 2019	148	33,196	64.6	155,896	93.0	60.8	48.1	2.2	39.2	4.8	0.0
Atlanta MSA 2020	1,316	102,452	67.3	177,827	91.4	11.9	42.4	2.9	7.0	5.7	81.1
Atlanta MSA 2021	483	60,574	71.8	-	93.0	27.7	-	2.2	16.6	4.8	55.7

Source: 2020 D&B Data; 2019-2021 CRA Data; 2019 & 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.

As shown in the table above, the bank's small business lending percentages in 2019 to businesses with gross annual revenues of \$1 million or less is 12.7 percentage points above the 2019 aggregate level, reflecting good performance for 2019.

The bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 1,062 and 278 PPP loans where collected revenue data was not available, respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 61.8 percent and 62.9 percent, respectively, compared to the bank's 2019 level.

Also in 2020 and 2021, the bank originated 79.2 percent and 67.1 percent, respectively, of their small business loans in the AA within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest commercial borrowers.

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

Home Mortgage Loans

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

As seen in the table below, the bank's lending to low-income borrowers is higher than the aggregate data by 7.7 percentage points, reflective of good performance. The table further shows that to

moderate-income borrowers the bank's lending level exceeds aggregate performance by 10.7 percentage points, also reflecting good performance.

Distribution of Home Mortgage Loans by Borrower Income Level Atlanta MSA AA						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	22.2	5.4	28	13.1	2,058	7.1
Moderate	16.5	15.1	55	25.8	7,449	25.6
Middle	18.1	19.0	37	17.4	3,886	13.4
Upper	43.3	40.8	60	28.2	7,333	25.2
Not Available	0.0	19.6	33	15.5	8,323	28.7
Totals	100.0	100.0	213	100.0	29,049	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Innovative or Flexible Lending Practices

The institution makes limited use of innovative or flexible lending practices in the Atlanta MSA AA in order to serve assessment area credit needs. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of the assessment area when arriving at this conclusion. Please refer to the discussion under the State of Georgia for additional details regarding the innovative or flexible lending practices in the Atlanta MSA AA.

Community Development Loans

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

As noted under the rated area level, Bank OZK originated 71 CD loans totaling approximately \$305.3 million in the Atlanta MSA assessment area. By dollar volume, this equates to 73.7 percent of the bank's CD loans in the State of Georgia as compared to 71.3 percent of the bank's home mortgage and small business loans in this assessment area. Examiners also considered that the bank's level of CD lending in the Atlanta MSA increased significantly from the \$186.4 million noted at the last evaluation.

The following points provide examples of the bank's CD loans in the Atlanta MSA assessment area:

- ***Revitalize or Stabilize*** – The bank originated a \$179.8 million loan to refinance land in a moderate-income geography and construct a 16 story office development. The land had been a part of the Georgia Brownfield Program and now in the Atlanta Beltline Development Plan. Thus, the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing businesses or residents.

- ***Affordable Housing*** – The bank granted a \$24.7 million loan to finance the construction of a 182 unit affordable housing development in a moderate-income geography. The rents for these units are restricted to individuals/families of low- and moderate-incomes as the project includes Low-Income Housing Tax Credits.

In addition, the CD loans reflect excellent responsiveness to the CD needs of the assessment area. Approximately 67.6 percent of the dollar volume of the assessment area's CD loans help to revitalize and stabilize low- and moderate-income geographies, while 26.5 percent promote affordable housing, and 5.6 promote economic development. An additional 0.3 help provide community services for low- and moderate-income individuals. As noted under the applicable Description of Assessment Areas, a community contact noted a need for affordable housing. Additionally, activities that provide community services for low- and moderate-income individuals and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment area.

INVESTMENT TEST

Bank OZK demonstrated an outstanding record in the Atlanta MSA assessment area regarding the Investment Test. The excellent level of QIs, extensive use of complex QIs, and excellent responsiveness to CD needs to support this conclusion. The appendices list the criteria used to evaluate the Investment Test.

Investment and Grant Activity

The bank has an excellent level of QIs in the Atlanta MSA assessment area. The table for the State of Georgia shows that Bank OZK made 55 QIs totaling approximately \$49.0 million in the Atlanta MSA assessment area. By dollar volume, this equates to 61.8 percent of the total QIs in State of Georgia as compared to 60.3 percent of total deposits in this rated area. This is a significant increase over the \$21.8 million noted at that last evaluation.

The following are examples of key investments in the Atlanta MSA assessment area:

- ***Affordable housing*** with approximately \$21.6 million in the purchase of LIHTCs to support affordable housing projects throughout the assessment area. These projects will add approximately 261 affordable housing units to the area.
- ***Affordable Housing*** with the retention of approximately \$4.1 million in mortgage-backed security in the Atlanta MSA assessment area with the underlying loans to finance multi-family housing for low- and moderate-income individuals.
- ***Community Services*** with \$12.5 million revenue bond purchased to fund the expansion and replacement of a children's hospital whose clients are primarily from low- and moderate-income families.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of QIs that directly address

identified needs in the Atlanta MSA assessment area. As noted in the investment table for the State of Georgia, the Atlanta MSA assessment area shows responsiveness to CD needs by the dollar amount to three of the four CD purpose categories. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in addressing affordable housing needs.

Bank OZK's major investments addressed affordable housing needs with approximately \$21.6 million in the purchase of LIHTCs. Additionally, the bank retained of \$4.1 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals as well as \$9.3 million in other types of investment vehicles in support of affordable housing. The bank purchased approximately \$500,000 in tax credits to assist children from low-income families with educational opportunities. Larger dollar amount donations support small businesses through mentorship and counseling, job creation, food banks to help fund food and household items during the COVID-19 pandemic, and an organization providing housing services for low- and moderate-income individuals.

Community Development Initiatives

Bank OZK made extensive use of complex or innovative investments, given the size of the institution and opportunities available in the Atlanta MSA AA. Two new investments in LIHTCs totaled approximately \$21.6 million. Additionally the bank retained seven mortgage-backed securities totaling approximately \$4.1 million.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record in the Atlanta MSA assessment area regarding the Service Test. The adequate level regarding the bank's CD services outweighed the accessibility of its delivery systems to support this conclusion. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Atlanta MSA assessment area. Accessible branch distribution and alternative delivery systems support this conclusion. The Atlanta MSA assessment area reflects an inconsistent conclusion to the State of Georgia's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices accessible to essentially all portions of the Atlanta MSA assessment area.

The bank's level of branch distribution in low-income tracts falls 1.9 percentage points below the population in low-income census tracts, reflecting an adequate level. The bank's level rises 14.4 percentage points above the population percentage, reflecting an excellent level. Thus, the adequate level in low-income geographies was lifted by the excellent level in moderate-income geographies to reflect accessible branch distribution to essentially all portions of the assessment area.

Branch and ATM Distribution by Geography Income Level Atlanta MSA AA												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	86	10.3	341,551	7.0	2	5.1	5	10.9	1	50.0	0	0.0
Moderate	204	24.5	1,176,388	24.1	15	38.5	18	39.1	0	0.0	0	0.0
Middle	254	30.5	1,672,701	34.3	15	38.5	16	34.8	0	0.0	0	0.0
Upper	283	33.9	1,674,714	34.3	7	17.9	7	15.2	1	50.0	1	100.0
NA	7	0.8	15,915	0.3	0	0.0	0	0.0	0	0.0	0	0.0
Totals	834	100.0	4,881,269	100.0	39	100.0	46	100.0	2	100.0	1	100.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0.</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems accessible to essentially all portions of the Atlanta MSA assessment area.

The preceding table shows that the bank's ATMs in low-income tracts rise 3.9 percentage points above the population in low-income census tracts, reflecting an adequate level. The bank's ATMs in moderate-income tracts rise 15.0 percentage points above the population in moderate-income tracts, reflecting excellent performance. Thus, the adequate level in low-income geographies was lifted by the excellent level in moderate-income geographies to reflect accessible branch distribution to essentially all portions of the assessment area. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution's record of opening and closing of branches in the Atlanta MSA assessment area has generally not adversely affected low- and moderate- income geographies or individuals of geographies. No branch closings occurred in low- or moderate-income tracts and one branch opened in a low-income tract. One branch opened and one branch closed in upper-income tracts.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the Atlanta MSA assessment area, particularly low- or moderate-income geographies or individuals. The Atlanta MSA assessment area reflects product offerings, services, and branch hours consistent with discussion for the State of Georgia.

The bank's branches have the same product offerings and services, and branch locations have similar hours that vary slightly according to individual assessment area's needs. Branch hours are generally from Monday to Thursday, 9 a.m. to 4 p.m., with extended hours on Fridays to 5 p.m. Of

the bank's 39 locations, three branches in moderate-income tracts, six in middle-income tracts, and one in an upper-income tract offer Saturday hours through the bank's drive thru.

Community Development Services

The institution provides an adequate level of CD services in the Atlanta MSA assessment area. Adequate performances regarding the extent of CD services and the responsiveness of CD services to available opportunities primarily support this conclusion. The appendices list the criteria considered under this performance factor.

The table in the State of Georgia section shows that the bank provided 141 CD services in the Atlanta MSA assessment area since the previous evaluation. This number equates to an average of 1.2 CD services, per office, per year, since the previous evaluation, thereby reflecting an adequate level. The bank averaged 38.6 full-service offices for the 3.1 years since the previous evaluation.

Leadership is evident through Board or committee participation in some of those activities. Service activities demonstrate the responsiveness to community needs for affordable housing, community services to low- and moderate-income individuals, and economic development.

The following are examples of CD services specific to Atlanta MSA assessment area:

- ***Affordable Housing*** –A bank employee serves on the Family Selection committee of an affordable housing organization. The employee reviews applications of potential homebuyers, completes home visits, interviews applicants, and makes recommendations regarding the applicants' qualifications for this affordable home buying program.
- ***Community Services*** –A bank employee serves on the Board and is chair of the Budget and Finance Committee for a local non-profit. The organization's mission is to strengthen and transform communities by combating poverty, hunger, and improving the quality of lives for families academically, socially, and economically. The organization provides home furnishings and down payment assistance, nutrition and wellness education, financial literacy, scholarships, and technical skills & career development. The majority of the clients served are low- and moderate-income individuals/families. Thus, the activity benefits an organization that provides community services primarily to low- and moderate-income individuals.

GEORGIA NON-MSA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN GEORGIA NON-MSA

The GA Non-MSA assessment area includes all 61 census tracts that make up Decatur, Fannin, Gilmer, Gordon, Grady, Habersham, Jackson, Lumpkin and Union Counties, nine non-contiguous counties located throughout the State of Georgia.

Economic and Demographic Data

The assessment area’s census tracts reflect the following income designations based on 2015 ACS data: 0 low-, 5 moderate-, 35 middle-, and 21 upper-income tracts. FEMA declared this assessment area as a major disaster area due to a hurricane, a tropical storm, severe storms, and the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area						
GA Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	61	0.0	8.2	57.4	34.4	0.0
Population by Geography	318,518	0.0	8.4	58.5	33.1	0.0
Housing Units by Geography	147,276	0.0	7.5	59.6	32.9	0.0
Owner-Occupied Units by Geography	81,372	0.0	6.2	56.3	37.5	0.0
Occupied Rental Units by Geography	33,901	0.0	13.4	64.2	22.4	0.0
Vacant Units by Geography	32,003	0.0	4.7	63.2	32.1	0.0
Businesses by Geography	30,166	0.0	7.8	57.1	35.1	0.0
Farms by Geography	1,652	0.0	8.0	58.1	33.9	0.0
Family Distribution by Income Level	81,761	18.5	16.3	19.7	45.5	0.0
Household Distribution by Income Level	115,273	21.2	14.4	16.7	47.6	0.0
Median Family Income Non-MSAs - GA		\$45,886	Median Housing Value			\$143,271
			Median Gross Rent			\$703
			Families Below Poverty Level			15.1%
Source: 2015 ACS and 2021 D&B Data; Due to rounding, totals may not equal 100.0%; (*) The NA category consists of geographies that have not been assigned an income classification.						

Within the Georgia Non-MSA assessment area, Decatur and Grady Counties contained 9 distressed census tracts in 2019, 2020, and 2021 due to poverty rates in excess of 20 percent. Also, Union County contained 2 underserved census tracts in 2019, 2020, and 2021.

Currently, major employers in the GA Non-MSA assessment area consists of the local county school systems, regional hospitals, Walmart, the University of North Georgia.¹⁰ The unemployment rates for the counties within the GA Non-MSA averaged 3.0 percent for 2021 equaling the 3.0 percent rate for the State of Georgia and is below the 3.6 percent average U.S. rate.

Competition

The area contains a low level of competition from other chartered banks based on its population, with each of the 72 offices from its 26 institutions serving about 4,424 people on average. Bank OZK ranks 2nd in market share by capturing 11.65 percent of the area's deposits based on the June 30, 2021, FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Credit and Community Development Needs and Opportunities

Considering information from bank management and demographic and economic information, examiners ascertained that the primary credit needs of the GA Non-MSA assessment area include small business and home mortgage loans.

Demographic data showing that 34.8 percent of the area's families reported low- or moderate-incomes also suggest a need for activities that benefit projects or organizations that provide community services targeted to these families. In addition, the national COVID-19 major disaster area, and the assessment area's designation as federal disaster areas for a hurricane, a tropical storm, and severe storms, suggests a need for activities that revitalize or stabilize qualifying geographies. Further, a need exists to expand housing stock in moderate-income geographies, thus creating opportunities for affordable housing in low- and moderate-income areas.

The financial hardship from the COVID-19 pandemic created an emerging need for retail banking service products to the unbanked for quick access to funds from Economic Impact checks, funds for unemployment payments, and to pay bills preventing late payments on existing debt obligations. Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant emerging need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. Lastly, the COVID-19 pandemic resulted in less customer contact with physical banking facilities, significantly increasing the need for the digital delivery of banking products and services throughout the whole product life cycle.

¹⁰Source: Moody's Analytics, Precis U.S. Metro, April 2021

CONCLUSIONS ON PERFORMANCE CRITERIA IN GEORGIA NON-MSA

LENDING TEST

Bank OZK demonstrated a low satisfactory record in the GA Non-MSA assessment area regarding the Lending Test. Good lending activity, good performance records regarding borrower profile loan distribution, and adequate records regarding geographic loan distribution lifted the low level of CD loans to support this conclusion. Also, the bank makes limited use of innovative or flexible loans in this assessment area.

Lending Activity

Lending levels reflect good responsiveness to assessment area credit needs in the GA Non-MSA assessment area. Good performance regarding small business loans outweighed adequate performance regarding home mortgage loans to support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the GA Non-MSA assessment area.

Small Business Loans

Small business lending levels reflect good responsiveness to assessment area credit needs in the GA Non-MSA assessment area. For 2020, the bank originated 261 total reportable small business loans totaling approximately \$13.3 million. Bank OZK captured a 4.1 percent market share of the total number of loans and a 4.8 percent market share of the total dollar volume of loans.

The bank's activity by number of loans ranks it 5th out of 106 total lenders and 48 lenders granting at least 10 small business loans in the GA Non-MSA assessment area. This ranking lands the bank in the top 10.4 percent of the second group of lenders reporting such loans in this assessment area. The ranking considers the total number and dollar volume of loans made by each institution. Given the considerations previously noted, the activity level reflects good performance for small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs in the GA Non-MSA assessment area. For 2020, the bank originated 62 total reportable home mortgage loans totaling approximately \$7.2 million. Bank OZK captured a 0.3 percent market share of the total number and a 0.20 percent market share of the total dollar volume of home mortgage loans.

The bank's activity by number of loans ranks it 60th out of 468 total lenders and 172 lenders granting at least 10 home mortgage loans in the GA Non-MSA assessment area. This ranking lands the bank in the middle third of the second group of lenders reporting such loans in this assessment area, at 34.9 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar amount of loans made by each institution. Given the considerations previously noted, the activity level reflects adequate performance for home mortgage loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the GA Non-MSA assessment area. Adequate records regarding both home mortgage and small business loans support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the GA Non-MSA assessment area.

Small Business Loans

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

As seen in the table below, there are no low-income tracts in the assessment area. The table further shows that in moderate-income census tracts the bank's lending level rises 1.0 percentage points above the aggregate data, reflecting an adequate level.

Geographic Distribution of Small Business Loans GA Non-MSA AA						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	0.0	0.0	0	0.0	0	0.0
Moderate	8.0	6.3	19	7.3	933	7.0
Middle	57.6	54.5	160	61.3	9,453	70.9
Upper	34.4	39.2	82	31.4	2,954	22.1
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	261	100.0	13,340	100.0
<i>Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Home Mortgage Loans

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

As seen in the table below, there are no low-income tracts in the assessment area. The table further shows that in moderate-income census tracts the bank's lending level nearly equals the aggregate data (just 0.1 percentage points below), reflecting an adequate level.

Geographic Distribution of Home Mortgage Loans GA Non-MSA AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	0.0	0.0	0	0.0	0	0.0
Moderate	6.2	3.3	2	3.2	206	2.9
Middle	56.3	49.0	38	61.3	4,015	56.1
Upper	37.6	47.7	22	35.5	2,941	41.1
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	62	100.0	7,162	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Excellent records regarding small business loans lifted adequate records regarding home mortgage loans to support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the GA Non-MSA assessment area.

Small Business Loans

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

Distribution of Loans to Small Businesses by Gross Annual Revenues GA Non-MSA AA											
Assessment Area	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
GA Non-MSA 2019	36	5,459	15.7	6,019	89.4	66.7	47.5	2.6	33.3	8.0	0.0
GA Non-MSA 2020	261	13,340	13.3	6,500	88.1	10.3	41.9	3.1	4.6	8.8	85.1
GA Non-MSA 2021	70	9,227	10.4	-	89.4	34.3	-	2.6	14.3	8.0	51.4
<i>Source: 2020 D&B Data; 2019-2021 CRA Data; 2019 & 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

As shown in the table above, the bank's small business lending percentages in 2019 to businesses with gross annual revenues of \$1 million or less is 19.2 percentage points above the 2019 aggregate level, reflecting excellent performance for 2019.

The bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 222 and 36 PPP loans where collected revenue data was not available, respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 69.2 percent and 70.6 percent, respectively, compared to the bank's 2019 level.

Also in 2020 and 2021, the bank originated 88.5 percent and 61.4 percent, respectively, of its small business loans in the AA within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest commercial borrowers.

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

Home Mortgage Loans

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

As seen in the table below, the bank's lending to low-income borrowers outpaces aggregate data by 5.2 percent, reflective of adequate performance. The table further shows that, to moderate-income borrowers, the bank's lending level rises 5.2 percentage points above aggregate data, also reflecting an adequate level.

Distribution of Home Mortgage Loans by Borrower Income Level GA Non-MSA AA						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	18.5	1.3	4	6.5	130	1.8
Moderate	16.3	7.7	8	12.9	460	6.4
Middle	19.7	17.5	11	17.7	573	8.0
Upper	45.5	54.4	34	54.8	4,336	60.5
Not Available	0.0	19.1	5	8.1	1,663	23.2
Totals	100.0	100.0	62	100.0	7,162	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Innovative or Flexible Lending Practices

The institution makes limited use of innovative or flexible lending practices in the GA Non-MSA AA in order to serve assessment area credit needs. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of the assessment area when

arriving at this conclusion. Please refer to the discussion under the State of Georgia for additional details regarding the innovative or flexible lending practices in the GA Non-MSA AA.

Community Development Loans

The institution made a low level of CD loans in the GA Non-MSA assessment area. Its extent, or low dollar volume, of CD loans and the CD loans' responsiveness support this conclusion.

As noted under the rated area level, Bank OZK originated 12 CD loans totaling approximately \$1.2 million in the GA Non-MSA assessment area. By dollar volume, this equates to 0.3 percent of the bank's CD loans in the State of Georgia as compared to the 12.7 percent of the bank's home mortgage and small business loans in this assessment area. The bank's level of CD lending in the GA Non-MSA decreased significantly from the \$10.0 million noted at the last evaluation. The following point discusses a bank CDL in the GA Non-MSA assessment area:

- ***Affordable Housing*** – The bank granted a \$600,000 loan to finance the purchase of a 16 unit multi-family housing complex with rents targeted to individuals/families of low- and moderate-incomes. Therefore, this loan helps to promote affordable housing for low- and moderate income individuals/families.

In addition, the CD loans reflect adequate responsiveness to the CD needs of the assessment area. Approximately 49.7 percent of the dollar volume of the assessment area's CD loans promote affordable housing, while 46.9 promote economic development, and 3.5 percent help to revitalize and stabilize low- and moderate-income geographies. As noted under the applicable Description of Assessment Areas, activities that provide community services for low- and moderate-income individuals and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment area.

INVESTMENT TEST

Bank OZK demonstrated a high satisfactory record in the GA Non-MSA assessment area regarding the Investment Test. The excellent responsiveness to CD needs and extensive use of complex QIs lifted the adequate level of QIs to support this conclusion. The appendices list the criteria used to evaluate the Investment Test.

Investment and Grant Activity

The bank has an adequate level of QIs in the GA Non-MSA assessment area. The table for the State of Georgia shows that Bank OZK made 9 QIs totaling approximately \$4.2 million in the GA Non-MSA assessment area. By dollar volume, this equates to 5.3 percent of the total QIs in the State of Georgia as compared to 16.7 percent of total deposits in this rated area. The level of QIs increased significantly since the last evaluation when it was \$2.2 million.

The following are examples of key investments in the Georgia Non-MSA assessment area:

- ***Affordable housing*** with approximately \$3.8 million in the purchase of LIHTCs to support affordable housing project in the assessment area. This project will add approximately 35 affordable housing units to the area.
- ***Revitalize and stabilize*** with \$370,000 in tax credits to support financially distressed rural hospitals in the assessment area to increase access to health care. Thus, the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing, businesses or residents.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of QIs that directly address identified needs in the Georgian Non-MSA assessment area. As noted in the investment table for the State of Georgia, the Non-MSA assessment area shows responsiveness to CD needs by the dollar amount to three of the four CD purpose categories.

Bank OZK's major investments addressed affordable housing needs with approximately \$3.8 million in the purchase of LIHTCs. The bank purchased approximately \$370,000 in tax credits to provide access to healthcare. Larger dollar amount donations support small businesses through job creation, workforce development, and infrastructure.

Community Development Initiatives

Bank OZK made extensive use of complex or innovative investments, given the size of the institution and opportunities available in the Non-MSA AA. One new investments in LIHTCs totaled approximately \$3.8 million and \$370,000 in tax credits supporting distressed rural hospitals.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record in the GA Non-MSA assessment area regarding the Service Test. The limited level regarding the bank's CD services hampered the readily accessibility of its delivery systems to support this conclusion. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are readily accessible to all portions of the GA Non-MSA assessment area. Readily accessible branch distribution and alternative delivery systems support this conclusion. The GA Non-MSA assessment area reflects an inconsistent conclusion to the State of Georgia's Accessibility of Delivery System performance. The GA Non-MSA distribution exceeds the branch distribution and alternative delivery systems of the State of Georgia's posture.

Branch Distribution

The bank makes its full-service offices readily accessible to essentially all portions of the GA Non-

MSA assessment area.

The bank maintains four branches in moderate-income tracts. The bank's level rises 28.0 percentage points above the population percentage, reflecting an excellent record.

Branch and ATM Distribution by Geography Income Level GA Non-MSA AA												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	2	8.2	26,850	8.4	4	36.4	4	36.4	0	0.0	0	0.0
Middle	35	57.4	186,328	58.5	5	45.4	5	45.4	0	0.0	0	0.0
Upper	35	57.4	105,340	33.1	2	18.2	2	18.2	0	0.0	1	100.0
NA	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Totals	61	100.0	318,518	100.0	11	100.0	11	100.0	0	0.0	1	100.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems readily accessible to all portions of the GA Non-MSA assessment area.

The preceding table shows that the bank maintains four ATMs in moderate-income tracts. The bank's ATMs in moderate-income tracts rises 28.0 percentage points above the population in moderate-income tracts, reflecting excellent performance. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution's record of opening and closing of branches in the GA Non-MSA assessment area has generally not adversely affected low- and moderate- income geographies or individuals of geographies. No branch changes occurred in low- and moderate-income tracts the GA Non-MSA assessment area. No branches opened and one branch closed in an upper-income tract.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the GA Non-MSA assessment area, particularly low- or moderate-income geographies or individuals. The GA Non-MSA assessment area reflects product offerings, services, and branch hours generally consistent with discussion for the State of Georgia.

The bank's branches have the same product offerings and services, and branch locations have similar hours that vary slightly according to area needs. Branch hours are generally from Monday

to Friday 9 a.m. to 5 p.m. One location in the GA Non-MSA assessment area in a middle-income tract offers drive-thru services on Saturdays.

Community Development Services

The institution provides a limited level of CD services in the GA Non-MSA assessment area. The poor level of services outweighs the performances regarding the responsiveness of CD services to available opportunities to support this conclusion. The appendices list the criteria considered under this performance factor.

The table in the State of Georgia section shows that the bank provided 18 CD services since the previous evaluation in the GA Non-MSA assessment area. This number equates to an average of 0.5 CD services, per office, per year, since the previous evaluation, thereby reflecting a poor level. The bank averaged 11.8 full-service offices for the 3.1 years since the previous evaluation. The number of CD services declined from 31 reported at the prior evaluation.

Leadership is evident through Board or committee participation in a majority of the activities. Service activities demonstrate the responsiveness to community needs for community services to low- and moderate-income individuals.

The following are examples of CD services specific to the GA Non-MSA assessment area:

- ***Community Services*** –A bank employee served on the Board of Directors of a local organization dedicated to providing services for the best interest of abused and neglected children in the courts. The organization promotes and supports quality volunteer representation for children to provide each child a safe, permanent, nurturing home. The children served are wards of the State, typically from low- moderate- or no income households/group homes. Thus, the activity benefits an organization that provides community services primarily to low- and moderate-income individuals.
- ***Community Services*** –A bank employee served on the Board of Directors of a local non-profit that provides services such as emergency shelter, transitional housing, outreach and legal advocacy, safety planning, educational presentations, and children’s services for women and children survivors of domestic violence. The majority of the clients are low- and moderate-income. Thus, the activity benefits an organization that provides community services primarily to low- and moderate-income individuals.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE ASSESSMENT AREAS

The following table summarizes the conclusions for this rated area's assessment areas reviewed using limited-scope examination procedures. Examiners drew conclusions regarding the institution's CRA performance from reviewing available facts and data, including performance figures, aggregate lending data comparisons, and demographic information. The conclusions did not alter the bank's overall performance rating.

Assessment Area	Lending Test	Investment Test	Service Test
Athens MSA	Below	Below	Consistent
Brunswick MSA	Below	Consistent	Consistent
Columbus MSA	Below	Consistent	Above
Dalton MSA	Below	Below	Consistent
Gainesville MSA	Below	Below	Consistent
Macon MSA	Consistent	Below	Consistent
Rome MSA	Consistent	Below	Consistent
Savannah MSA	Consistent	Below	Consistent
Valdosta MSA	Below	Below	Consistent

Facts and data supporting conclusions for each limited-scope assessment area follow, including a summary of Bank OZK's operations and activities. The demographic data for the limited-scope assessment areas is in Appendix C.

Athens MSA AA

The bank's Athens MSA assessment area consists of all of Clarke and Oconee Counties. Bank OZK operates two branches in this assessment area: one in a middle-income CT and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	83	7,158
Home Mortgage Loans	15	6,012
Small Farm Loans	0	0
Community Development Loans	1	14
Investments	5	40
CD Services	16	-

Brunswick MSA AA

The bank's Brunswick MSA assessment area consists of all of Glynn County. Bank OZK operates two branches in this assessment area: one in a moderate-income CT and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	67	2,423
Home Mortgage Loans	8	547
Small Farm Loans	0	0
Community Development Loans	2	22,013
Investments	1	9,381
CD Services	8	-

Columbus MSA AA

The bank's Columbus MSA assessment area consists of all of Muscogee County. Bank OZK operates one branch in this assessment area located in a middle-income tract. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	20	768
Home Mortgage Loans	18	1,295
Small Farm Loans	1	4
Community Development Loans	2	13,457
Investments	2	10,983
CD Services	11	-

Dalton MSA AA

The bank's Dalton MSA assessment area consists of all of Murray and Whitfield Counties. Bank OZK operates two branches in this assessment area: one in a middle-income CT and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	105	11,836
Home Mortgage Loans	24	2,920
Small Farm Loans	2	296
Community Development Loans	8	14,309
Investments	1	2
CD Services	13	-

Gainesville MSA AA

The bank's Gainesville MSA assessment area consists of all of Hall County. Bank OZK operates one branch in this assessment area located in a moderate-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	62	8,524
Home Mortgage Loans	14	1,855
Small Farm Loans	0	0
Community Development Loans	0	0
Investments	2	249
CD Services	6	-

Macon MSA AA

The bank's Macon MSA assessment area consists of all of Bibb County. Bank OZK operates three branches in this assessment area: two in middle-income CTs and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	101	7,094
Home Mortgage Loans	35	3,464
Small Farm Loans	0	0
Community Development Loans	9	568
Investments	3	4
CD Services	10	-

Rome MSA AA

The bank's Rome MSA assessment area consists of all of Floyd County. Bank OZK operates one branch in this assessment area in a moderate-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	18	1,056
Home Mortgage Loans	7	382
Small Farm Loans	0	0
Community Development Loans	0	0
Investments	0	0
CD Services	6	-

Savannah MSA AA

The bank's Savannah MSA assessment area consists of all of Chatham County. Bank OZK operates one branch in this assessment area in a moderate-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	17	621
Home Mortgage Loans	7	1,342
Small Farm Loans	0	0
Community Development Loans	1	47,910
Investments	5	366
CD Services	6	-

Valdosta MSA AA

The bank's Valdosta MSA assessment area consists of all of Lowndes County. Bank OZK operates four branches in this assessment area: three in a moderate-income CT and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	71	2,812
Home Mortgage Loans	23	1,192
Small Farm Loans	3	164
Community Development Loans	2	26
Investments	2	90
CD Services	35	-

Geographic Distribution

Small Business Loans

Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020
	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate
Athens MSA	52	3,995	2.7	3,887	12.0	11.5	10.8	6.6	3.8	8.1	28.7	26.9	28.7	51.5	57.7	52.0	1.2	0.0	0.3
Brunswick MSA	47	1,070	2.4	2,471	6.9	2.1	6.2	27.5	25.5	26.3	19.5	8.5	15.8	46.0	63.8	51.6	0.0	0.0	0.0
Columbus MSA	17	722	0.9	3,906	8.9	0.0	8.6	19.0	5.9	16.5	36.8	35.3	34.3	35.1	58.8	40.7	0.1	0.0	0.0
Dalton MSA	67	5,813	3.4	1,764	0.0	0.0	0.0	16.0	19.4	16.2	52.3	64.2	54.0	31.8	16.4	29.8	0.0	0.0	0.0
Gainesville MSA	38	4,412	1.9	4,983	9.2	13.2	9.3	16.3	21.1	15.6	41.7	39.5	43.5	32.8	26.3	31.6	0.0	0.0	0.0
Macon MSA	73	5,358	3.7	3,607	17.7	13.7	15.6	14.5	9.6	12.0	22.5	35.6	26.1	45.4	41.1	46.3	0.0	0.0	0.0
Rome MSA	16	879	0.8	1,521	3.0	0.0	2.5	42.4	56.3	40.8	32.5	18.8	31.6	22.1	25.0	25.1	0.0	0.0	0.0
Savannah MSA	13	502	0.7	8,029	8.6	15.4	9.1	22.9	38.5	21.1	32.8	30.8	34.0	35.4	15.4	35.6	0.3	0.0	0.2
Valdosta MSA	56	2,229	2.9	2,558	9.5	12.5	10.8	30.1	25.0	28.4	19.1	19.6	21.0	41.3	42.9	39.8	0.0	0.0	0.0

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

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Athens MSA	6	1,119	1.8	8,213	9.1	0.0	5.6	6.8	0.0	5.1	30.1	16.7	29.3	53.9	83.3	60.0	0.0	0.0	0.0
Brunswick MSA	1	84	0.3	4,724	2.0	100.0	0.3	20.0	0.0	8.2	31.1	0.0	28.0	46.9	0.0	63.5	0.0	0.0	0.0
Columbus MSA	5	377	1.5	6,637	4.5	0.0	0.9	23.0	40.0	11.5	32.0	60.0	28.0	40.5	0.0	59.6	0.0	0.0	0.0
Dalton MSA	10	1,770	3.1	3,689	0.0	0.0	0.0	16.1	30.0	8.9	50.2	30.0	48.0	33.8	40.0	43.0	0.0	0.0	0.0
Gainesville MSA	6	487	1.8	12,191	1.2	0.0	0.3	12.4	33.3	10.7	44.6	50.0	41.0	41.8	16.7	48.0	0.0	0.0	0.0
Macon MSA	15	1,210	4.6	3,967	14.9	13.3	2.9	15.7	33.3	9.2	13.2	0.0	14.0	56.2	53.3	73.8	0.0	0.0	0.0
Rome MSA	5	334	1.5	3,037	1.4	0.0	1.4	19.4	60.0	18.9	44.0	20.0	44.9	35.2	20.0	34.8	0.0	0.0	0.0
Savannah MSA	0	0	0.0	13,792	5.6	0.0	2.6	21.2	0.0	14.1	33.5	0.0	32.2	39.8	0.0	51.1	0.0	0.0	0.0
Valdosta MSA	2	42	0.6	4,712	6.2	0.0	2.5	17.0	0.0	12.2	29.9	50.0	27.2	46.9	50.0	58.1	0.0	0.0	0.0
Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.																			

Borrower Profile

Small Business Loans

A bank's small business lending percentages in 2020 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. If the information on PPP loans without collected revenues were removed from the 2020 analyses for the limited scope areas, the bank's small business lending performances to businesses with gross annual revenues of \$1 million or less increased to 100.0 percent, 50.0 percent, 50.0 percent, 57.1 percent, 50.0 percent, 75.0 percent, 100.0 percent, 100.0 percent, and 50.0 percent for the Athens MSA, Brunswick MSA, Columbus MSA, Dalton MSA, Gainesville MSA, Macon MSA, Rome MSA, Savannah MSA and Valdosta MSA assessment areas, respectively.

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2020
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Athens MSA	52	3,995	2.7	3,887	86.6	23.1	46.6	3.4	5.8	9.9	71.2	
Brunswick MSA	47	1,070	2.4	2,471	87.1	6.4	35.8	3.5	2.1	9.4	91.5	
Columbus MSA	17	722	0.9	3,906	85.8	5.9	46.2	4.1	5.9	10.1	88.2	
Dalton MSA	67	5,813	3.4	1,764	82.2	9.0	38.1	6.0	7.5	11.8	83.6	
Gainesville MSA	38	4,412	1.9	4,983	88.5	21.1	42.9	4.3	18.4	7.2	60.5	
Macon MSA	73	5,358	3.7	3,607	84.6	4.1	35.8	4.5	2.7	11.0	93.2	
Rome MSA	16	879	0.8	1,521	85.1	37.5	42.9	4.2	0.0	10.7	62.5	
Savannah MSA	13	502	0.7	8,029	86.5	7.7	38.7	3.9	0.0	9.6	92.3	
Valdosta MSA	56	2,229	2.9	2,558	84.7	8.9	39.2	4.4	3.6	10.9	87.5	

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

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Athens MSA	6	1,119	1.8	8,213	25.2	16.7	2.7	13.8	--	10.3	16.9	33.3	17.6	44.1	50.0	54.9	0.0	--	14.6
Brunswick MSA	1	84	0.3	4,724	21.2	--	4.6	15.3	--	12.3	19.6	--	17.5	43.9	100.0	45.8	0.0	--	19.8
Columbus MSA	5	377	1.5	6,637	23.8	20.0	2.9	17.4	20.0	10.1	18.0	--	13.9	40.8	20.0	33.9	0.0	40.0	39.2
Dalton MSA	10	1,770	3.1	3,689	20.4	--	3.5	19.5	10.0	17.5	20.0	20.0	21.7	40.2	40.0	39.7	0.0	30.0	17.6
Gainesville MSA	6	487	1.8	12,191	20.6	16.7	5.7	18.0	16.7	18.0	20.3	16.7	20.5	41.0	16.7	37.4	0.0	33.3	18.3
Macon MSA	15	1,210	4.6	3,967	29.4	53.3	3.8	14.1	33.3	12.5	16.0	6.7	20.5	40.5	--	40.1	0.0	6.7	23.2
Rome MSA	5	334	1.5	3,037	22.3	--	3.9	17.5	40.0	15.0	18.9	--	21.3	41.3	20.0	39.2	0.0	40.0	20.6
Savannah MSA	--	--	--	13,792	25.1	--	3.3	16.6	--	13.2	20.2	--	18.9	38.2	--	37.3	0.0	--	27.2
Valdosta MSA	2	42	0.6	4,712	23.9	--	2.2	16.3	50.0	9.8	16.8	50.0	17.0	42.9	--	38.6	0.0	--	32.4

Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

STATE OF NORTH CAROLINA

CRA RATING FOR NORTH CAROLINA: SATISFACTORY

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NORTH CAROLINA

Bank OZK designated five assessment areas in North Carolina as noted in the table below. All assessment areas in North Carolina conform to the CRA regulatory requirements.

Description of North Carolina Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Charlotte MSA	Cabarrus, Gaston, Lincoln, Mecklenburg, Rowan	383	9
Greensboro-Highpoint MSA	Randolph	28	1
Wilmington MSA	New Hanover	45	1
Winston-Salem MSA	Davie, Davidson, Forsyth	134	4
NC Non-MSA	Cleveland, Rutherford	35	8
<i>Source: Bank Records; 2015 ACS.</i>			

SCOPE OF EVALUATION – NORTH CAROLINA

Full-Scope Assessment Area

Of the five assessment areas in North Carolina, examiners applied full-scope procedures to the Charlotte MSA assessment area since this assessment area includes the highest percentage of the bank's loans, deposits, and branches in the State of North Carolina. Examiners applied limited-scope procedures to the other North Carolina assessment areas.

Lending Test

Loan Categories Reviewed

Examiners considered the following loans granted inside the bank's North Carolina assessment areas as reported according to either the HMDA or CRA data collection reporting requirements:

Home Mortgage Loans:

- 2019: 135 loans totaling \$20,916,000
- 2020: 142 loans totaling \$18,862,000
- 2021: 215 loans totaling \$48,088,000

Small Business Loans:

- 2019: 116 loans totaling \$23,176,000
- 2020: 737 loans totaling \$66,336,000
- 2021: 253 loans totaling \$34,292,000

Small Farm Loans:

- 2019: 3 loans totaling \$424,000
- 2020: 9 loans totaling \$441,000
- 2021: 3 loans totaling \$257,000

The weightings for the specific loan categories varies for each of the assessment areas. As suggested by the above figures, small business loans generally received the heaviest weighting followed by home mortgage loans.

Assessment Area Weighting

The following table shows that the Charlotte MSA assessment area generated the largest percentage of the bank's North Carolina loans, deposits, and branches. Consequently, examiners weighed records in the Charlotte MSA assessment area heaviest when arriving at applicable conclusions and ratings. Examiners weighed performance in each reviewed area consistent with that area's lending level as reflected in the following table.

Assessment Area Distribution – State of North Carolina						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Charlotte MSA	80,663	37.9	541,152	36.1	9	39.1
Greensboro-Highpoint MSA	13,115	6.2	57,050	3.8	1	4.4
Wilmington MSA	9,363	4.4	142,052	9.5	1	4.4
Winston-Salem MSA	65,229	30.7	304,618	20.3	4	17.4
NC Non-MSA	44,422	20.8	452,994	30.3	8	34.7
Total	212,792	100.0	1,497,866	100.0	23	100.0
<i>Source: HMDA & CRA Data (2019-2021); FDIC Summary of Deposits (06/30/2021)</i>						

Investment and Service Tests

The scopes for the Investment and Service Tests remain the same for this rated area as it did for the institution as a whole. Please refer to the institution-level Scope of Examination section.

CONCLUSIONS ON PERFORMANCE CRITERIA IN NORTH CAROLINA

LENDING TEST

Bank OZK demonstrated a high satisfactory record in the State of North Carolina regarding the Lending Test. Excellent performance regarding borrower profile loan distribution, relatively high level of CD loans, and good performance regarding geographic loan distribution lifted adequate lending activity to support this conclusion. The bank also made limited use of innovative or flexible

lending in this state. Conclusions regarding the institution's performance in the State of North Carolina were generally consistent with the conclusions for each assessment area within the rated area, with the exception of the Charlotte MSA assessment area which reflects performance above that of the state level. The appendices list the criteria considered under this test.

Lending Activity

Lending levels reflect adequate responsiveness to assessment area credit needs in the State of North Carolina. Adequate performance regarding small business and home mortgage loans support this conclusion. Examiners weighed small business loans heavier than home mortgage loans based on the loan volumes. Examiners considered the bank's size, business strategy, and capacity in this state relative to its credit needs when arriving at this conclusion.

Small Business Loans

Small business lending levels reflect adequate responsiveness to assessment area credit needs in the State of North Carolina. For 2020, the bank originated 737 total reportable small business loans totaling approximately \$66.3 million inside its North Carolina assessment areas. Bank OZK captured a 1.0 percent market share of the total number of small business loans and a 1.5 percent market share of the total dollar volume of loans.

This volume of activity ranks the bank 23rd out of 253 total lenders and 102 lenders granting at least 10 small business loans in the bank's North Carolina assessment areas. This ranking lands the bank in the top quarter of the second group of lenders reporting such loans in the bank's North Carolina assessment areas, at 22.5 percent. The ranking considers the total number and dollar amount of loans made by each institution.

Although the market share and lending levels noted above typically represent a higher level of performance, examiners noted a decrease in the level of small business lending since the last evaluation. Since the prior evaluation, the bank's small business lending fluctuated greatly year over year due to a large percentage of 2020 and 2021 small business loans being PPP loans. Excluding PPP loans, the bank originated 126 small business loans totaling \$24.7 million in 2021. This is a decrease by number over the 2018 level where the bank originated 134 loans totaling \$23.8 million. Given the downward trend in small business lending since the last evaluation, the bank's lending activity performance reflects an adequate record regarding small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs in the State of North Carolina. For 2020, the bank originated 142 total reportable home mortgage loans totaling approximately \$18.9 million in its North Carolina assessment areas. Bank OZK captured a 0.1 percent market share of the total number of home mortgage loans and 0.04 percent market share of the total dollar volume of home mortgage loans in the North Carolina assessment areas.

This volume of activity ranks the bank 160th out of 821 total lenders and 401 lenders granting at least 10 home mortgage loans in the bank's North Carolina assessment areas. This ranking lands the bank in the middle third of the second group of lenders reporting such loans in the bank's North

Carolina assessment areas, at 39.9 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar amount of loans made by each institution.

Consequently, given the loan categories' relative performances and weightings, the bank exhibited an adequate overall record in the State of North Carolina regarding its lending activity. Adequate performances regarding home mortgage loans and small business loans support this conclusion.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the State of North Carolina. Good records regarding small business loans outweighed excellent performance regarding home mortgage loans support this conclusion. The bank's performance is generally consistent throughout the assessment areas within the rated area, unless otherwise noted. Examiners placed the most weight on the bank's Charlotte MSA assessment area.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the State of North Carolina. Excellent performances in the Charlotte MSA and Greensboro-Highpoint MSA assessment areas lifted adequate performances in the Winston-Salem MSA and NC Non-MSA assessment areas as well as good performance in the Wilmington MSA assessment area to support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration throughout the State of North Carolina. Excellent performances in the Charlotte MSA, Greensboro-Highpoint MSA, Wilmington MSA, and Winston-Salem MSA assessment areas outweighed adequate performance in the NC Non-MSA assessment area to support this conclusion.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among retail customers of different income levels and business customers of different sizes. Excellent records regarding small business loans outweighed good performance regarding home mortgage loans to support this conclusion. The bank's performance was consistent throughout the assessment areas. Examiners placed the most weight on the bank's Charlotte MSA assessment area.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different sizes. Excellent performances in the Charlotte MSA, Greensboro-Highpoint MSA, Wilmington MSA, Winston-Salem MSA, and NC Non-MSA assessment areas support this conclusion.

Home Mortgage Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Excellent performances in the Charlotte MSA, Wilmington MSA, and Winston-Salem MSA lifted adequate performance in the NC Non-MSA assessment area and poor performance in the

Greensboro-Highpoint MSA assessment area to support this conclusion.

Innovative or Flexible Lending Practices

The institution makes limited use of innovative or flexible lending practices in the State of North Carolina. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of its assessment areas when arriving at this conclusion. The appendices list the criteria considered under this performance factor.

The table below shows that, since the previous evaluation, the bank originated 69 innovative or flexible loans totaling approximately \$40.2 million in the State of North Carolina. This dollar figure equates to 12.2 percent of the bank's total innovative or flexible loans. Given the bank's capacity and the needs in the rated area, the level of innovative and flexible loans reflects adequate responsiveness to the credit needs of the State of North Carolina.

Innovative or Flexible Loans State of North Carolina								
Rated Area	SBA		USDA/FSA		Freedom Advantage		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Charlotte MSA	9	28,273	0	0	32	6,002	41	34,275
Greensboro-Highpoint MSA	3	252	0	0	1	86	4	338
Wilmington MSA	1	186	0	0	1	254	2	440
Winston-Salem MSA	3	977	0	0	13	1,735	16	2,712
NC Non-MSA	1	1,935	0	0	5	552	6	2,487
Total	17	31,623	0	0	52	8,629	69	40,252
<i>Source: Bank records.</i>								

Though not reflected in the table above, examiners included below additional flexible lending activity in this rated area.

- **COVID-19 Pandemic** – The bank offered payment deferment options to its loan customers during the evaluation period and deferred payments or waived late fees for 188 customers in the State of North Carolina that were impacted financially by the pandemic.

Community Development Loans

The institution made a relatively high level of CD loans in the State of North Carolina. Its extent, or dollar volume, of CD loans and the CD loans' responsiveness support this conclusion. The bank's performance is consistent throughout the assessment areas. Examiners placed the most weight on the bank's Charlotte MSA assessment area.

The following table shows that, since the previous evaluation, the bank granted 40 CD loans totaling approximately \$56.8 million in this state. The dollar amount equates to 4.5 percent of the bank's overall excellent level of CD loans. This state's level is lower than its contribution of 11.6

percent of overall HMDA and CRA loans in this state. However, examiners also considered that the bank's level of CD lending in the State of North Carolina increased significantly from the \$36.9 million noted at the last evaluation.

Community Development Loans State of North Carolina										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Charlotte MSA	6	34,428	1	6,174	3	117	10	7,918	20	48,637
Greensboro-Highpoint MSA	1	104	0	0	0	0	2	343	3	447
Wilmington MSA	1	657	0	0	0	0	0	0	1	657
Winston-Salem MSA	2	1,640	0	0	5	2,088	2	83	9	3,811
NC Non-MSA	0	0	1	3,000	4	185	2	50	7	3,235
Total	10	36,829	2	9,174	12	2,390	16	8,394	40	56,787
<i>Source: Bank records.</i>										

Besides their extent, the CD loans reflect adequate responsiveness to the state's CD needs. As seen in the table above, 64.9 percent of the dollar volume of the state's CD loans promote affordable housing, while 16.1 percent benefit community services for low- and moderate-income individuals, and 14.8 percent help revitalize or stabilize low- and moderate-income geographies. An additional 4.2 percent promote economic development.

As noted under the applicable Description of Assessment Areas, activities that provide community services for low- and moderate-income individuals and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment areas. Therefore, relative to the bank's capacity and the extent of CD lending opportunities and needs in its assessment areas, the bank established an adequate level in originating CD loans. Bank OZK had no regional or statewide CD loans in this rated area, so please reference the full-scope assessment areas section for examples of the bank's CD loans.

INVESTMENT TEST

Bank OZK demonstrated a high satisfactory record in the State of North Carolina regarding the Investment Test. The adequate level of QIs with the extensive use of complex QIs and excellent responsiveness to CD needs supports this conclusion. While the Charlotte MSA assessment area reflects performance above the state level regarding the Investment Test, the Greensboro-Highpoint MSA, Wilmington MSA, Winston-Salem MSA, and NC Non-MSA assessment areas reflect performance below that of the state level. The appendices list the criteria considered under this test.

Investment and Grant Activity

The bank has an adequate level of QIs in the State of North Carolina.

The table below shows that Bank OZK made 41 QIs totaling approximately \$22.0 million in the State of North Carolina. The dollar amount equates to 5.0 percent of the bank's overall significant

level of QIs. This state's level is lower than its contribution of 7.3 percent of deposits in this state. However, examiners also considered that the bank's level of QI dropped from \$30.0 million reported at the prior evaluation.

Qualified Investments State of North Carolina										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Charlotte MSA	10	20,947	3	13	5	25	0	0	18	20,985
Greensboro-Highpoint MSA	1	136	2	4	0	0	0	0	3	140
Wilmington MSA	1	461	4	4	0	0	0	0	5	465
Winston-Salem MSA	6	349	1	8	2	6	0	0	9	363
NC Non-MSA	4	20	1	2	0	0	0	0	5	22
Statewide Activities	0	0	0	0	1	24	0	0	1	24
Total	22	21,913	11	31	8	55	0	0	41	21,999
<i>Source: Bank records.</i>										

Since Bank OZK's investments addressed community credit needs inside the bank's AAs within the State of North Carolina, statewide activities include investments in different areas outside of the bank's AAs within the State of North Carolina.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of investments that directly address identified needs in the State of North Carolina. The previous table shows responsiveness to a wide variety of CD needs to three of the four CD purpose categories. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in addressing affordable housing needs.

Bank OZK's major QIs addressed the following needs throughout the AAs in the State of North Carolina:

- Affordable housing with approximately \$19.7 million in the purchase or retention of LIHTCs to support affordable housing projects throughout the North Carolina assessment areas.
- Affordable housing with the retention of approximately \$2.1 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals.

Community Development Initiatives

Bank OZK made extensive use of complex QIs, given the size of the institution and opportunities available in the State of North Carolina.

Bank OZK made approximately \$21.8 million in complex QIs within the State of North Carolina as follows:

- Two new and two retained QIs financed approximately \$19.7 million in LIHTCs within North Carolina assessment areas.
- Six prior period QIs remain outstanding financing approximately \$2.1 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record for the State of North Carolina regarding the Service Test. The adequate levels regarding the bank's CD services, the reasonableness of hours and services, and the reasonable accessibility of its delivery systems support this conclusion. While the Charlotte MSA, Winston-Salem MSA, and NC Non-MSA assessment areas reflect consistent performance regarding the Service Test, the Greensboro-Highpoint MSA and Wilmington MSA assessment areas reflect performance above that of the state level. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the bank's assessment areas in the State of North Carolina. Reasonably accessible branch distribution and alternative accessible alternative delivery systems support this conclusion. The State of North Carolina reflects consistent conclusions to the institution's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices reasonably accessible to essentially all portions of the institution's assessment areas in the State of North Carolina.

The following table shows the bank's lack of branch presence in low-income tracts falls 7.8 percentage points below the population in low-income census tracts, reflecting a poor level. The bank's level falls 1.6 percentage points below the population percentage in the moderate-income census tracts, reflecting an adequate level. Examiners placed more weight on moderate-income tracts given the higher population in those tracts.

Branch and ATM Distribution by Geography Income Level State of North Carolina												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	59	9.4	208,979	7.8	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	152	24.3	630,408	23.4	5	21.8	6	24.0	0	0.0	0	0.0
Middle	216	34.6	1,001,761	37.2	11	47.8	12	48.0	0	0.0	0	0.0
Upper	190	30.4	842,458	31.3	7	30.4	7	28.0	0	0.0	0	0.0
NA	8	1.3	9,305	0.3	0	0.0	0	0.0	0	0.0	0	0.0
Totals	625	100.0	2,692,911	100.0	23	100.0	25	100.0	0	0.0	0	100.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems reasonably accessible to essentially all portions of the bank's assessment areas in the State of North Carolina.

The preceding table shows that the bank's lack of ATMs in low-income tracts falls 7.8 percentage points below the population in low-income census tracts, reflecting a poor level. The bank's ATMs in moderate-income tracts rises 0.6 percentage points above the population in moderate-income tracts, reflecting adequate performance. Examiners placed more weight on moderate-income tracts given the higher population in those tracts. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution did not have any changes to branch locations since the last evaluation in the State of North Carolina. Therefore, this criterion did not affect the overall Service Test rating for the State of North Carolina.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the State of North Carolina, particularly low- or moderate-income geographies or individuals. The State of North Carolina reflects product offerings, services, and branch hours consistent with discussion at the institution level.

The bank's branches have the same product offerings and services, and branch locations have similar hours that vary slightly according to individual assessment area's needs. Branch hours are generally from Monday to Thursday from 9 a.m. to 5 p.m., with extended lobby and drive thru hours on Fridays to 6 p.m. The bank's North Carolina locations do not offer Saturday hours either through the bank's lobby or drive thru.

Community Development Services

The institution provides an adequate level of CD services for the State of North Carolina. Adequate performances regarding the extent of CD services and the responsiveness of CD services to available opportunities primarily support this conclusion. The appendices list the criteria considered under this performance factor.

The following table shows that the bank provided 132 CD services since the previous evaluation. This number equates to an average of 1.9 CD services, per office, per year, since the previous evaluation, thereby reflecting an adequate level. The bank averaged 23.0 full-service offices for the 3.1 years since the previous evaluation.

Community Development Services State of North Carolina					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Charlotte MSA	2	17	10	0	29
Greensboro-Highpoint MSA	0	9	1	0	10
Wilmington MSA	2	4	2	0	8
Winston-Salem MSA	3	25	39	0	67
NC Non-MSA	3	10	5	0	18
Total	10	65	57	0	132
<i>Source: Bank Data</i>					

Leadership is evident through Board or committee participation in a limited number of those activities. Bank OZK had no regional or statewide CD services in this rated area, so please reference the full-scope assessment areas section for examples of the bank's CD services.

CHARLOTTE MSA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN CHARLOTTE MSA

The Charlotte MSA assessment area includes all 383 census tracts that make up Cabarrus, Gaston, Lincoln, Mecklenburg, and Rowan Counties, five of eleven counties that make up the Charlotte-Concord-Gastonia, NC-SC MSA, located in south-central North Carolina.

Economic and Demographic Data

The assessment area's census tracts reflect the following income designations based on 2015 ACS data: 35 low-, 113 moderate-, 109 middle-, 122 upper-income tracts, and 4 tracts with no income designation. FEMA declared this assessment area as a major disaster area due to a tropical storm, severe storms, and the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area						
Charlotte MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	383	9.1	29.5	28.5	31.9	1.0
Population by Geography	1,606,409	7.8	28.3	29.6	34.0	0.3
Housing Units by Geography	670,835	7.9	28.6	29.9	33.5	0.1
Owner-Occupied Units by Geography	376,585	3.2	23.9	32.6	40.2	0.0
Occupied Rental Units by Geography	231,228	14.5	34.6	25.5	25.1	0.2
Vacant Units by Geography	63,022	11.2	34.5	29.5	24.5	0.2
Businesses by Geography	193,309	7.2	21.0	26.4	44.7	0.8
Farms by Geography	3,649	5.6	22.9	37.1	34.1	0.3
Family Distribution by Income Level	395,952	23.3	17.1	18.2	41.4	0.0
Household Distribution by Income Level	607,813	24.0	16.4	17.4	42.2	0.0
Median Family Income MSA - 16740 Charlotte-Concord-Gastonia, NC-SC MSA		\$64,187	Median Housing Value			\$184,830
			Median Gross Rent			\$900
			Families Below Poverty Level			11.7%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Charlotte's economy is in expansion. Finance and tech will continue to fuel growth in the economy as population growth and low cost of business attract new businesses to Charlotte. With Charlotte having a high concentration of financial services employment, growth in this industry is boosting the economy. The merger of two banks into Charlotte-based Truist Financial and health insurance company Centene are expected to add more jobs to Charlotte. Tech and logistics continue to bring stable growth to Charlotte with new tech startups opening in the city and Amazon contributing to the largest logistics growth in the city.¹¹

Currently, major employees in the Charlotte MSA consist of Atrium Health, Wells Fargo, Walmart, Bank of America, and Novant Health.¹² The Charlotte MSA's unemployment rate of 3.2 percent is below the 3.4 percent rate for the State of North Carolina and below the 3.6 percent average U.S. rate.

Competition

The area contains a low level of competition from other chartered banks based on its population, with each of the 370 offices from its 37 institutions serving about 4,341 people on average. Bank OZK ranks 13th in market share by capturing 0.18 percent of the area's deposits based on the June 30, 2021, FDIC Deposit Market Share Report. However, non-banks heighten the competition level

¹¹Source: Moody's Analytics, Precis U.S. Metro, May 2022

¹²Source: Moody's Analytics, Precis U.S. Metro, May 2022

with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Credit and Community Development Needs and Opportunities

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

Demographic data showing that 40.4 percent of the area's families reported low- or moderate-incomes suggest a need for activities that benefit projects or organizations that provide community services targeted to these families. In addition, the high percentage (38.6 percent) of low- and moderate-income census tracts, the national COVID-19 major disaster area, and the assessment area's designation as federal disaster areas for a tropical storm and severe storms suggests a need for activities that revitalize or stabilize qualifying geographies. Further, a need exists to expand housing stock in low- and moderate-income geographies, thus creating opportunities for affordable housing in low- and moderate-income areas.

The financial hardship from the COVID-19 pandemic created an emerging need for retail banking service products to the unbanked for quick access to funds from Economic Impact checks, funds for unemployment payments, and to pay bills preventing late payments on existing debt obligations. Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant emerging need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. Lastly, the COVID-19 pandemic resulted in less customer contact with physical banking facilities, significantly increasing the need for the digital delivery of banking products and services throughout the whole product life cycle.

CONCLUSIONS ON PERFORMANCE CRITERIA IN CHARLOTTE MSA

LENDING TEST

Bank OZK demonstrated an outstanding record in the Charlotte MSA assessment area regarding the Lending Test. Excellent performances regarding borrower profile and geographic distribution as well as the excellent level of CD loans lifted adequate lending activity and limited use of innovative and flexible lending practices to support this conclusion.

Lending Activity

Lending levels reflect adequate responsiveness to assessment area credit needs in the Charlotte MSA assessment area. Adequate performance regarding small business loans outweighed poor performance regarding home mortgage loans to support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Charlotte MSA assessment area.

Small Business Loans

Small business lending levels reflect adequate responsiveness to assessment area credit needs in the Charlotte MSA assessment area. For 2020, the bank originated 267 total reportable small business loans totaling approximately \$25.6 million. Bank OZK captured a 0.5 percent market share of the total number of loans and a 0.9 percent market share of the total dollar volume of loans.

The bank's activity by number of loans ranks it 23rd out of 233 total lenders and 88 lenders granting at least 10 small business loans in the Charlotte MSA assessment area. This ranking lands the bank in the top third of the second group of lenders reporting such loans in this assessment area, at 26.1 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar volume of loans made by each institution. Given the considerations previously noted, the activity level reflects adequate performance for small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect poor responsiveness to assessment area credit needs in the Charlotte MSA assessment area. For 2020, the bank originated 45 total reportable home mortgage loans totaling approximately \$7.9 million. Bank OZK captured a 0.04 percent market share of the total number and a 0.03 percent market share of the total dollar volume of home mortgage loans.

The bank's activity by number of loans ranks it 212th out of 744 total lenders and 361 lenders granting at least 10 home mortgage loans in the Charlotte MSA assessment area. This ranking lands the bank in the bottom half of the second group of lenders reporting such loans in this assessment area, at 58.7 percent, thereby reflecting a poor level. The ranking considers the total number and dollar amount of loans made by each institution. Given the considerations previously noted, the activity level reflects poor performance for home mortgage loans.

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the Charlotte MSA assessment area. Excellent records regarding both small business and home mortgage loans support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Charlotte MSA assessment area.

Small Business Loans

The geographic distribution of small business loans reflects excellent performance in the Charlotte MSA assessment area. Excellent performance in moderate-income geographies outweighed adequate performance in low-income geographies, supporting this conclusion.

As seen in the table below, the bank's lending in low-income tracts is higher than the aggregate data by 0.3 percent, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level rises 14.1 percentage points above the aggregate data, reflecting an excellent level.

Geographic Distribution of Small Business Loans Charlotte MSA AA						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	7.3	7.6	21	7.9	3,762	14.7
Moderate	21.1	20.4	92	34.5	10,300	40.3
Middle	25.2	25.3	72	27.0	5,414	21.2
Upper	45.5	46.0	82	30.7	6,076	23.8
Not Available	0.9	0.7	0	0.0	0	0.0
Totals	100.0	100.0	267	100.0	25,552	100.0
<i>Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent performance in the Charlotte MSA assessment area. Excellent performance in moderate-income geographies outweighs good performance in low-income geographies to support this conclusion.

As seen in the table below, the bank's lending in low-income tracts rises above aggregate data by 8.4 percentage points, reflective of good performance. The table further shows that in moderate-income census tracts the bank's lending level rises 27.2 percentage points above the aggregate data, reflecting an excellent level.

Geographic Distribution of Home Mortgage Loans Charlotte MSA AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	3.2	2.7	5	11.1	705	8.9
Moderate	23.9	17.2	20	44.4	3,760	47.6
Middle	32.6	28.7	17	37.8	2,631	33.3
Upper	40.2	51.3	3	6.7	798	10.1
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	45	100.0	7,893	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among retail customers of different income levels and business customers of different sizes. Excellent records regarding small business and home mortgage loans support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Charlotte MSA assessment area.

Small Business Loans

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

Distribution of Loans to Small Businesses by Gross Annual Revenues Charlotte MSA AA											
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Charlotte MSA 2019	35	9,097	30.2	41,209	88.7	71.4	47.3	3.4	25.7	7.9	2.9
Charlotte MSA 2020	267	25,552	36.2	49,716	87.6	15.7	40.7	4.0	7.5	8.5	76.8
Charlotte MSA 2021	91	11,350	36.0	-	88.7	35.2	-	3.4	9.9	7.9	54.9
<i>Source: 2020 D&B Data; 2019-2021 CRA Data; 2019 & 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

As shown in the table above, the bank's small business lending percentages in 2019 to businesses with gross annual revenues of \$1 million or less is 24.1 percentage points above the 2019 aggregate level, reflecting excellent performance for 2019.

The bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 203 and 49 PPP loans where collected revenue data was not available, respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 65.6 percent and 76.2 percent, respectively, compared to the bank's 2019 level.

In 2020 and 2021, the bank originated 74.9 percent and 58.2 percent, respectively, of its small business loans in the AA within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest commercial borrowers.

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

Home Mortgage Loans

The distribution of home mortgage loans based on the borrowers' profiles reflects excellent performance in the Charlotte MSA assessment area. Excellent performance to moderate-income borrowers outweighs adequate performance to low-income borrowers, supporting this conclusion.

As seen in the table below, the bank's lending to low-income borrowers is higher than the aggregate

data by 4.7 percentage points, reflective of adequate performance. The table further shows that to moderate-income borrowers the bank's lending level rises 11.1 percentage points above aggregate data, reflecting an excellent level.

Distribution of Home Mortgage Loans by Borrower Income Level Charlotte MSA AA						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	23.3	4.2	4	8.9	387	4.9
Moderate	17.1	13.3	11	24.4	1,245	15.8
Middle	18.2	18.7	4	8.9	511	6.5
Upper	41.4	48.0	14	31.1	2,292	29.0
Not Available	0.0	15.8	12	26.7	3,459	43.8
Totals	100.0	100.0	45	100.0	7,893	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Innovative or Flexible Lending Practices

The institution makes extensive use of innovative or flexible lending practices in the Charlotte MSA AA in order to serve assessment area credit needs. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of the assessment area when arriving at this conclusion. Please refer to the discussion under the State of North Carolina for additional details regarding the innovative or flexible lending practices in the Charlotte Little Rock MSA AA.

Community Development Loans

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

As noted under the rated area level, Bank OZK originated 20 CD loans totaling approximately \$48.6 million in the Charlotte MSA assessment area. This reflects an excellent dollar volume, as this equates to 85.6 percent of the bank's CD loans in the State of North Carolina as compared to the 37.9 percent of the bank's home mortgage and small business loans in this assessment area. The bank's level of CD loans in the Charlotte MSA assessment area is significantly higher than the \$23.7 million noted at the last evaluation. The following points provide examples of the bank's CD loans in the Charlotte MSA assessment area:

- ***Affordable Housing*** – The bank renewed a \$16.8 million construction loan for a 185 unit apartment development in a moderate-income geography. Seventy percent of the units are targeted to low- and moderate-income individuals/families.

- ***Affordable Housing*** – The bank granted a \$9.7 million loan to finance the construction of an 80 unit multi-family housing complex in a moderate-income geography. The rents for these units are restricted to individuals/families of low- and moderate-incomes. Additionally, the bank invested in Low-Income Housing Tax Credits for this transaction.

In addition, the CD loans reflect adequate responsiveness to the CD needs of the assessment area. Approximately 70.8 percent of the dollar volume of the assessment area's CD loans promote affordable housing, 16.3 percent help to revitalize and stabilize low- and moderate-income geographies, 12.7 percent provide community services to low- and moderate-income individuals, and 0.2 percent promote economic development. As noted under the applicable Description of Assessment Areas, activities that promote affordable housing, provide community services to low- and moderate-income individuals, and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment area.

INVESTMENT TEST

Bank OZK demonstrated an outstanding record in the Charlotte MSA assessment area regarding the Investment Test. The excellent level of QIs, extensive use of complex QIs, and the excellent responsiveness to CD needs to support this conclusion. The appendices list the criteria used to evaluate the Investment Test.

Investment and Grant Activity

The bank has an excellent level of QIs in the Charlotte MSA assessment area. The table for the State of North Carolina shows that Bank OZK made 18 QIs totaling approximately \$21.0 million in the Charlotte MSA assessment area. By dollar volume, this equates to 95.4 percent of the total QIs in North Carolina as compared to 36.1 percent of total deposits in this rated area. The level of QI increased from \$12 million reported at the prior evaluation.

The following is an example of key investments in the Charlotte MSA assessment area:

- ***Affordable housing*** with approximately \$15.8 million in the purchase of LIHTCs to support affordable housing projects throughout the assessment area. These projects will add approximately 132 affordable housing units to the area.
- ***Affordable Housing*** with the retention of approximately \$3.6 million in LIHTCs to support affordable housing projects throughout the assessment area. These projects will add approximately 136 affordable housing units to the area.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of QIs that directly address identified needs in the Charlotte MSA assessment area. As noted in the investment table for the State of North Carolina, the Charlotte MSA assessment area shows responsiveness to CD needs by the dollar amount to three of the four CD purpose categories. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in

addressing affordable housing needs.

Bank OZK's major investments addressed affordable housing needs with approximately \$15.8 million in the purchase and \$3.6 million in the retention of LIHTCs. Additionally, the bank retained of \$1.6 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals. Larger dollar amount donations support small businesses through mentorship and counseling, a food bank to help fund food and household items during the COVID-19 pandemic, and an organization providing housing services for low- and moderate-income individuals.

Community Development Initiatives

Bank OZK made extensive use of complex or innovative investments, given the size of the institution and opportunities available in the Charlotte MSA AA. Two new investments in LIHTCs totaled approximately \$15.8 million. Additionally the bank retained one LIHTC totaling approximately \$3.6 and five mortgage-backed securities totaling approximately \$1.6 million.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record in the Charlotte MSA assessment area regarding the Service Test. The adequate levels regarding the bank's CD services, the reasonableness of hours and services, and the reasonable accessibility of its delivery systems support this conclusion. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the Charlotte MSA assessment area. Reasonably accessible branch distribution and alternative delivery systems support this conclusion. The Charlotte MSA assessment area reflects a consistent conclusion to the State of North Carolina's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices reasonably accessible to essentially all portions of the Charlotte MSA assessment area.

The following table shows the bank's lack of branch presence in low-income tracts falls 7.8 percentage points below the population in low-income census tracts, reflecting a poor level. The bank's level rises 5.0 percentage points above the population percentage in moderate-income tracts, reflecting an adequate level. Given the consideration of the greater population within moderate-income geographies, examiners placed more weight on the record of the moderate-income geographies.

Branch and ATM Distribution by Geography Income Level Charlotte MSA AA												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	35	9.1	125,996	7.8	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	113	29.5	453,882	28.3	3	33.3	3	33.3	0	0.0	0	0.0
Middle	109	28.5	475,302	29.6	2	22.2	2	22.2	0	0.0	0	0.0
Upper	122	31.9	545,928	34.0	4	44.5	4	44.5	0	0.0	0	0.0
NA	4	1.0	5,301	0.3	0	0.0	0	0.0	0	0.0	0	0.0
Totals	383	100.0	1,606,409	100.0	9	100.0	9	100.0	0	0.0	0	0.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems reasonably accessible to essentially all portions of the Charlotte MSA assessment area.

The preceding table shows that the bank's lack of ATMs in low-income tracts falls 7.8 percentage points below the population in low-income census tracts, reflecting a poor level. The bank's ATMs in moderate-income tracts rises 5.0 percentage points above the population in moderate-income tracts, reflecting adequate performance. Given the consideration of the greater population within moderate-income geographies, examiners placed more weight on the record of the moderate-income geographies. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

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

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the Charlotte MSA assessment area, particularly low- or moderate-income geographies or individuals. The Charlotte MSA assessment area reflects product offerings, services, and branch hours consistent with the State of North Carolina.

The bank's branches have the same product offerings and services, and branch locations have similar hours that vary slightly according to individual assessment area's needs. Branch hours are generally from Monday to Thursday from 9 a.m. to 5 p.m., with extended lobby and drive thru

hours on Fridays to 6 p.m. The bank's Charlotte MSA assessment area locations do not offer Saturday hours either through the bank's lobby or drive thru.

Community Development Services

The institution provides an adequate level of CD services in the Charlotte MSA assessment area. Adequate performances regarding the extent of CD services and the responsiveness of CD services to available opportunities primarily support this conclusion. The appendices list the criteria considered under this performance factor.

The table in the State of North Carolina section shows that the bank provided 29 CD services since the previous evaluation in the Charlotte MSA assessment area. This number equates to an average of 1.0 CD services, per office, per year, since the previous evaluation, thereby reflecting an adequate level. The bank averaged 9 full-service offices for the 3.1 years since the previous evaluation.

Leadership is evident through Board or committee participation in a limited number of those activities. Service activities demonstrate the responsiveness to community needs primarily for community services to low- and moderate-income individuals and economic development.

The following are examples of CD services specific to the Charlotte MSA assessment area:

- ***Community Service*** – Several bank employees taught financial literacy classes at schools and non-profit organizations where the majority of clients were from low- and moderate-income families or small businesses. Thus, the activity provides community services primarily to low- and moderate-income individuals.
- ***Community Services*** – A bank employee served on the Board of Directors of a local organization dedicated to providing services such as a 24-hour crisis line, shelter, support, services and assistance for women and children survivors of abuse. The majority of the clients are low- and moderate-income. Thus, the activity benefits an organization that provides community services primarily to low- and moderate-income individuals.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE ASSESSMENT AREAS

The following table summarizes the conclusions for this rated area's assessment areas reviewed using limited-scope examination procedures. Examiners drew conclusions regarding the institution's CRA performance from reviewing available facts and data, including performance figures, aggregate lending data comparisons, and demographic information. The conclusions did not alter the bank's overall performance rating.

Assessment Area	Lending Test	Investment Test	Service Test
Greensboro MSA	Consistent	Below	Above
Wilmington MSA	Consistent	Below	Above
Winston-Salem MSA	Consistent	Below	Consistent
NC Non-MSA	Consistent	Below	Consistent

Facts and data supporting conclusions for the limited-scope assessment area follow, including a summary of Bank OZK's operations and activities. The demographic data for the limited-scope assessment areas is in Appendix C.

Greensboro MSA AA

The bank's Greensboro MSA assessment area consists of all of Randolph County. Bank OZK operates one branch in this assessment area located in a moderate-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	65	6,457
Home Mortgage Loans	53	6,462
Small Farm Loans	4	196
Community Development Loans	3	447
Investments	3	140
CD Services	10	-

Wilmington MSA AA

The bank's Wilmington MSA assessment area consists of all of New Hanover County. Bank OZK operates one branch in this assessment area located in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	57	5,660
Home Mortgage Loans	12	3,703
Small Farm Loans	0	0
Community Development Loans	1	657
Investments	5	465
CD Services	8	-

Winston-Salem MSA AA

The bank's Winston-Salem MSA assessment area consists of all of Davie, Davidson, and Forsyth Counties. Bank OZK operates four branches in this assessment area: one in a moderate-income CT, two in middle-income CTs, and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	265	34,951
Home Mortgage Loans	149	30,278
Small Farm Loans	0	0
Community Development Loans	9	3,811
Investments	9	363
CD Services	67	-

NC Non-MSA AA

The bank's NC Non-MSA assessment area consists of all of Cleveland and Rutherford Counties. Bank OZK operates eight branches in this assessment area: seven in middle-income CTs and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	326	30,737
Home Mortgage Loans	120	12,892
Small Farm Loans	8	793
Community Development Loans	7	3,235
Investments	5	22
CD Services	18	-

Geographic Distribution

Small Business Loans

Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020
	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% Busi- nesses	% Bank Loans	Aggre- gate	% Busi- nesses	% Bank Loans	Aggre- gate	% Busi- nesses	% Bank Loans	Aggre- gate	% Busi- nesses	% Bank Loans	Aggre- gate	% Busi- nesses	% Bank Loans	Aggre- gate
Greensboro MSA	41	4,238	5.6	2,699	0.0	0.0	0.0	29.8	51.2	30.5	59.2	43.9	57.7	11.0	4.9	11.7	0.0	0.0	0.0
NC Non-MSA	231	17,294	31.3	2,636	0.0	0.0	0.0	12.7	6.9	12.2	77.9	84.8	78.5	9.4	8.2	9.4	0.0	0.0	0.0
Wilmington MSA	42	3,451	5.7	8,666	13.7	21.4	13.7	8.1	2.4	7.8	32.4	14.3	34.1	45.4	61.9	44.3	0.4	0.0	0.2
Winston-Salem MSA	156	15,801	21.2	12,559	6.6	9.6	6.2	15.8	11.5	15.1	35.5	50.6	37.0	41.5	28.2	41.0	0.6	0.0	0.7
Source: 2020 D&B Data; 2020 CRA Data; 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.																			

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Greensboro MSA	22	2,716	15.5	5,262	0.0	0.0	0.0	20.4	27.3	16.5	66.5	63.6	68.5	13.1	9.1	15.0	0.0	0.0	0.0
Non-MSA AA	47	4,138	33.1	5,595	0.0	0.0	0.0	8.4	10.6	5.6	82.9	80.9	78.5	8.7	8.5	16.0	0.0	0.0	0.0
Wilmington MSA	3	1,138	2.1	16,908	5.2	66.7	4.7	4.9	0.0	3.7	45.9	33.3	44.4	44.0	0.0	47.2	0.0	0.0	0.0
Winston-Salem MSA	25	2,976	17.6	26,412	3.9	8.0	2.0	12.5	40.0	9.9	42.6	32.0	37.6	41.0	20.0	50.4	0.1	0.0	0.1
Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.																			

Borrower Profile

Small Business Loans

A bank's small business lending percentages in 2020 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. If the information on PPP loans without collected revenues were removed from the 2020 analyses for the limited scope areas, the bank's small business lending performances to businesses with gross annual revenues of \$1 million or less increased to 91.7 percent, 75.0 percent, 75.0 percent, and 68.3 percent for the Greensboro MSA, NC Non-MSA, Wilmington MSA, and Winston-Salem MSA assessment areas, respectively.

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2020
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Greensboro MSA	41	4,238	5.6	2,699	86.2	34.1	43.1	5.0	4.9	8.8	61.0	
NC Non-MSA	231	17,294	31.3	2,636	83.7	16.5	36.2	5.2	9.1	11.1	74.5	
Wilmington MSA	42	3,451	5.7	8,666	87.4	19.0	39.7	3.9	4.8	8.8	76.2	
Winston-Salem MSA	156	15,801	21.2	12,559	86.5	26.9	42.1	4.5	14.1	9.0	59.0	
<i>Source: 2020 D&B Data; 2020 CRA Data; 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>												

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																				2020
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Greensboro MSA	22	2,716	15.5	5,262	23.0	4.5	6.6	20.3	9.1	20.6	19.8	13.6	21.9	36.8	50.0	32.7	0.0	22.7	18.3	
NC Non-MSA	47	4,138	33.1	5,595	21.5	8.5	3.4	18.3	21.3	14.0	21.6	17.0	22.0	38.7	38.3	45.1	0.0	14.9	15.5	
Wilmington MSA	3	1,138	2.1	16,908	22.2	--	5.5	16.7	33.3	16.4	18.1	--	18.4	43.0	--	43.4	0.0	66.7	16.4	
Winston-Salem MSA	25	2,976	17.6	26,412	21.8	4.0	4.9	17.1	28.0	16.1	18.7	4.0	20.6	42.4	44.0	41.1	0.0	20.0	17.3	
<i>Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>																				

STATE OF TEXAS

CRA RATING FOR TEXAS: SATISFACTORY

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN TEXAS

Bank OZK designated five assessment areas in Texas as noted in the table below. All of the bank's assessment areas in Texas conform to the CRA regulatory requirements.

Description of Texas Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Austin MSA	Caldwell, Travis, Williamson	315	3
Dallas MD	Collin, Dallas, Denton	818	10
Fort Worth MD	Tarrant	357	3
Houston MSA	Harris	786	4
San Antonio MSA	Bexar	366	1
Source: Bank Records; 2015 ACS.			

SCOPE OF EVALUATION – TEXAS

Full-Scope Assessment Area

Of the five assessment areas in Texas, examiners applied full-scope procedures to the Dallas MD assessment area after contemplating all considerations in outstanding guidance, particularly the level of activity, as it generated the largest percentage of the bank's loans, deposits, and offices. Examiners applied limited-scope procedures to the other four Texas assessment areas.

Lending Test

Loan Categories Reviewed

Examiners considered the following loans granted inside the bank's Texas assessment areas as reported according to either the HMDA or CRA data collection reporting requirements:

Home Mortgage Loans:

- 2019: 88 loans totaling \$23,796,000
- 2020: 142 loans totaling \$37,072,000
- 2021: 124 loans totaling \$36,210,000

Small Business Loans:

- 2019: 46 loans totaling \$13,253,000
- 2020: 515 loans totaling \$61,893,000
- 2021: 181 loans totaling \$37,171,000

Small Farm Loans:

- 2019: 0 loans
- 2020: 3 loans totaling \$138,000
- 2021: 3 loans totaling \$313,000

The weightings for the specific loan categories varies for each of the assessment areas. As suggested by the above figures, small business loans generally received the heaviest weighting followed by home mortgage loans.

Assessment Area Weighting

The following table shows that the Dallas MD assessment area generated the largest percentage of the bank's Texas loans, deposits, and branches. Consequently, examiners weighed records in the Dallas MSA assessment area heaviest when arriving at applicable conclusions and ratings. Examiners weighed performance in each reviewed area consistent with that area's lending level as reflected in the following table.

Assessment Area Distribution – State of Texas						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Austin MSA	35,805	17.1	300,856	13.6	3	14.3
Dallas MD	95,287	45.4	1,260,231	57.0	10	47.6
Fort Worth MD	20,495	9.7	186,712	8.4	3	14.3
Houston MSA	32,261	15.4	363,566	16.4	4	19.1
San Antonio MSA	25,999	12.4	102,306	4.6	1	4.7
Total	209,847	100.0	2,213,671	100.0	21	100.0
<i>Source: HMDA & CRA Data (2019-2021); FDIC Summary of Deposits (06/30/2021)</i>						

Investment and Service Tests

The scopes for the Investment and Service Tests remain the same for this rated area as it did for the institution as a whole. Please refer to the institution-level Scope of Examination section.

CONCLUSIONS ON PERFORMANCE CRITERIA IN TEXAS

LENDING TEST

Bank OZK demonstrated a high satisfactory record in the State of Texas regarding the Lending Test. Excellent CD lending performance was offset by good performances regarding geographic loan distribution and borrower profile loan distribution as well as adequate lending levels to support this conclusion. The bank also makes extensive use of innovative or flexible lending in this state. While the Dallas MD, Austin MSA, Fort Worth MD, and Houston MSA assessment areas reflect consistent performance regarding the Lending Test, the San Antonio MSA assessment area reflects performance below that of the state level. The appendices list the criteria considered under this test.

Lending Activity

Lending levels reflect adequate responsiveness to assessment area credit needs in the State of Texas. Adequate performances regarding small business and home mortgage loans support this conclusion. Examiners placed more weight on the bank's small business loans rather than home mortgage loans based on the loan volumes. Examiners considered the bank's size, business strategy, and capacity in this state relative to its credit needs when arriving at this conclusion.

Small Business Loans

Small business lending levels reflect adequate responsiveness to assessment area credit needs in the State of Texas. For 2020, the bank originated 515 total reportable small business loans totaling approximately \$61.9 million inside its Texas assessment areas. Bank OZK captured a 0.1 percent market share of the total number of small business loans and a 0.3 percent market share of the total dollar volume of loans.

This volume of activity ranks the bank 77th out of 440 total lenders and 217 lenders granting at least 10 small business loans in the bank's Texas assessment areas. This ranking lands the bank in the middle third of the second group of lenders reporting such loans in the bank's Texas assessment areas, at 35.5 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar amount of loans made by each institution.

Home Mortgage Loans

Home mortgage lending levels reflect adequate responsiveness to assessment area credit needs in the State of Texas. For 2020, the bank originated 142 total reportable home mortgage loans totaling approximately \$37.1 million in its Texas assessment areas. Bank OZK captured a 0.02 percent market share of the total number of home mortgage loans and 0.02 percent market share of the total dollar volume of home mortgage loans in the Texas assessment areas.

This volume of activity ranks the bank 358th out of 1,187 total lenders and 752 lenders granting at least 10 home mortgage loans in the bank's Texas assessment areas. This ranking lands the bank in the top half of the second group of lenders reporting such loans in the bank's Texas assessment areas, at 47.6 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar amount of loans made by each institution.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the State of Texas. Adequate records regarding small business loans lifted by excellent records regarding home mortgage loans support this conclusion. The bank's performance is generally consistent throughout the assessment areas within the rated area, unless otherwise noted. Examiners placed more weight on the bank's Dallas MD assessment area.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the State of Texas. Adequate performances in the Austin MSA, Fort Worth MD, Houston MSA, and San Antonio MSA assessment areas outweighed poor performance in the Dallas MD to support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration throughout the State of Texas. Excellent performances in the Dallas MD, Fort Worth MD, Houston MSA, and San Antonio MSA assessment areas outweighed good performance in the Austin MSA to support this conclusion.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Good records regarding small business and home mortgage loans supports this conclusion. The bank's performance was inconsistent throughout the assessment areas for home mortgage lending within the rated area as noted below. Examiners placed more weight on the bank's Dallas MD assessment area.

Small Business Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Excellent performances in the Austin MSA, Dallas MD, and Fort Worth MD assessment areas lifted adequate performance in the Houston MSA assessment area and poor performance in the San Antonio MSA assessment areas support this conclusion.

Home Mortgage Loans

The distribution of borrowers reflects good penetration among business customers of different sizes. Excellent performances in the Dallas MD and Fort Worth MD assessment areas outweighed poor performances in the Austin MSA, Houston MSA, and San Antonio MSA assessment areas to support this conclusion.

Innovative or Flexible Lending Practices

The institution makes extensive use of innovative or flexible lending practices in the State of Texas. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and

the credit needs of its assessment areas when arriving at this conclusion. The appendices list the criteria considered under this performance factor.

The table below shows that, since the previous evaluation, the bank originated 223 innovative or flexible loans totaling approximately \$76.5 million in the State of Texas. This dollar figure equates to 23.1 percent of the bank's total innovative or flexible loans. Given the bank's capacity and the needs in the rated area, the institution makes extensive use of innovative and flexible loans in the State of Texas.

Innovative or Flexible Loans State of Texas								
Rated Area	SBA		USDA/FSA		Freedom Advantage		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Austin MSA	4	1,959	0	0	8	2,041	12	4,000
Dallas MD	19	18,431	0	0	112	24,465	131	42,896
Fort Worth MD	2	1,861	0	0	40	7,166	42	9,027
Houston MSA	14	12,402	0	0	16	3,011	30	15,413
San Antonio MSA	3	4,370	0	0	5	754	8	5,124
Total	42	39,023	0	0	181	37,437	223	76,460
<i>Source: Bank records.</i>								

Though not reflected in the table above, examiners included below additional flexible lending activity in this rated area.

- **COVID-19 Pandemic** – The bank offered payment deferment options to its loan customers during the evaluation period and deferred payments or waived late fees for 209 customers in the State of Texas that were impacted financially by the pandemic.

Community Development Loans

The institution is a leader in making CD loans in the State of Texas. Its extent, or excellent dollar volume, of CD loans and the CD loans' excellent responsiveness support this conclusion. The bank's performance is consistent throughout the assessment areas. Examiners placed the most weight on the bank's Dallas MD assessment area.

The following table shows that, since the previous evaluation, the bank granted 40 CD loans totaling approximately \$406.7 million in this state. The dollar amount equates to 32.1 percent of the bank's overall level of CD loans as compared to the 11.4 percent of overall HMDA and CRA loans in this state. Examiners noted this is a notable increase in CD lending within Texas since the previous evaluation (reported \$91 million), when it had an excellent level with 7.6 percent of the bank's overall CD loans.

Community Development Lending by Assessment Area State of Texas										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Austin MSA	2	23,800	0	0	2	1,600	5	11,851	9	37,251
Dallas MD	7	97,959	1	2,400	2	1,636	3	145,687	13	247,682
Fort Worth MD	2	26,735	0	0	2	2,638	2	8,920	6	38,293
Houston MSA	0	0	0	0	0	0	4	68,571	4	68,571
San Antonio MSA	2	1,321	0	0	5	12,210	1	1,392	8	14,923
Total	13	149,815	1	2,400	11	18,084	15	236,421	40	406,720
<i>Source: Bank records.</i>										

Besides their extent, the CD loans reflect excellent responsiveness to the state's CD needs. As seen in the table above, approximately 58.1 percent of the dollar volume of the state's CD loans revitalize or stabilize low- and moderate-income geographies, 36.8 percent promote affordable housing, 4.4 percent promote economic development, and 0.6 percent provide community services for low- and moderate-income individuals.

As noted under the applicable Description of Assessment Areas, activities that provide community services for low- and moderate-income individuals, promote affordable housing, and revitalize or stabilize qualifying geographies represent CD needs in the bank's assessment areas. Therefore, relative to the bank's capacity and the extent of CD lending opportunities and needs in its assessment areas, the bank established an excellent level in originating CD loans. Bank OZK had no regional or statewide CD loans in this rated area, so please reference the full-scope assessment areas section for examples of the bank's CD loans.

INVESTMENT TEST

Bank OZK demonstrated an outstanding record in the State of Texas regarding the Investment Test. The excellent level of QIs, extensive use of complex QIs, and excellent responsiveness to CD needs support this conclusion. While the Austin MSA, Houston MSA, and San Antonio assessment areas reflect consistent performance regarding the Investment Test, the Dallas MD and Fort Worth MD assessment area reflects performance below that of the state level. The appendices list the criteria considered under this test.

Investment and Grant Activity

The bank has an excellent level of QIs in the State of Texas.

The following table shows that Bank OZK made 70 QIs totaling approximately \$108.4 million in the State of Texas. By dollar volume, this equates to 24.4 percent of the bank's total QIs as compared to 10.8 percent of total deposits in this rated area. Examiners also noted an increase from \$93.3 million of QI reported in the State of Texas at the prior evaluation.

Qualified Investments State of Texas										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Austin MSA	6	16,021	3	30	1	45	0	0	10	16,096
Dallas MD	12	43,312	13	4,231	4	68	0	0	29	47,611
Fort Worth MD	6	1,105	1	5	0	0	0	0	7	1,110
Houston MSA	9	4,449	4	15,023	0	0	1	50	14	19,522
San Antonio MSA	3	14,721	6	8,328	0	0	0	0	9	23,049
Statewide Activities	1	1,000	0	0	0	0	0	0	1	1,000
Total	37	80,608	27	27,617	5	113	1	50	70	108,388
<i>Source: Bank Data</i>										

Since Bank OZK's investments addressed community credit needs inside the bank's AAs within the State of Texas, statewide activities include investments in different areas outside of the bank's AAs within the State of Texas.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of QIs that directly address identified needs in the State of Texas. While the above table also shows responsiveness to CD needs by the dollar amount to all four CD purpose categories, most investment funds financed affordable housing. As discussed under the Investment Test for the bank as a whole, the formation of the AHG demonstrates the bank's leadership in addressing affordable housing needs.

Bank OZK's major QIs addressed the following needs throughout various AAs in the State of Texas:

- Affordable housing with approximately \$66.0 million in the purchase or retention of LIHTCs to support affordable housing projects throughout the Texas assessment areas.
- Affordable housing with the retention of approximately \$10.5 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals.
- Community services to low- and moderate-income individuals with the purchase/retention of approximately \$27.5 million in bonds to finance new facilities including school buildings and renovations to existing buildings. These schools serve primarily low- and moderate-income families throughout Texas assessment areas.

Community Development Initiatives

Bank OZK made extensive use of complex QIs, given the size of the institution and opportunities available in the State of Texas through the purchase of LIHTCs and mortgage-backed securities.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record for the State of Texas regarding the Service Test. The adequate level regarding the bank's CD services, its improved accessibility of its delivery systems for its changes in branch locations, and its reasonableness of business hours and services outweighed the limited accessibility of its delivery systems to support this conclusion. While the Austin MSA, Dallas MD, and Houston MSA assessment areas reflects consistent performance regarding the Service Test, the Fort Worth MD and San Antonio MSA assessment areas reflect performance below that of the state level. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are accessible to limited portions of the bank's assessment areas in the State of Texas. The limited branch distribution and alternative delivery systems support this conclusion. The assessment areas in this state reflect inconsistent conclusions to the overall bank's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices accessible to limited portions of the institution's assessment areas in the State of Texas.

The bank's level of branch distribution in low-income tracts falls 2.8 percentage points below the population in low-income census tracts, reflecting an adequate level. The bank's level in moderate-income tracts falls 13.7 percentage points below the population, reflecting a poor level. Given the larger population in moderate-income geographies, the analysis gave more weight to the moderate-income results. Thus, the poor or limited level in moderate-income geographies outweighed the adequate level in the low-income geographies to arrive at the branch distribution accessible to limited portions of the assessment area.

Branch and ATM Distribution by Geography Income Level State of Texas												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	377	14.3	1,703,947	12.3	2	9.5	1	5.6	1	50.0	0	0.0
Moderate	759	28.7	3,863,127	28.0	3	14.3	2	11.1	1	50.0	0	0.0
Middle	671	25.4	3,809,212	27.6	6	28.6	6	33.3	0	0.0	0	0.0
Upper	812	30.7	4,388,290	31.8	10	47.6	9	50.0	0	0.0	0	0.0
NA	23	0.9	45,467	0.3	0	0.0	0	0.0	0	0.0	0	0.0
Totals	2,642	100.0	13,810,043	100.0	21	100.0	18	100.0	2	100.0	0	100.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0.</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems accessible to limited portions of the bank's assessment areas in the State of Texas.

The preceding table shows that the bank's ATMs in low-income tracts fall 6.7 percentage points below the population in low-income census tracts, reflecting an adequate level. The bank's ATMs in moderate-income tracts fall 16.1 percentage points below the population in moderate-income tracts, reflective of a poor level. Given the larger population in moderate-income geographies, the analysis gave more weight to the moderate-income results. Thus, the poor or limited level in moderate-income geographies outweighed the adequate level in the low-income geographies to arrive at the ATM distribution accessible to limited portions of the assessment area.

In addition to its ATMs, the bank offers a variety of alternative systems that deliver retail banking services in low- and moderate-income geographies or to low- and moderate-income individuals. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution's record of opening and closing of branches in the State of Texas improved the accessibility of its delivery systems in low- and moderate-income geographies or individuals. One branch opened in a low-income tract and one branch opened in a moderate-income tract supports this conclusion. No branches closed in low- or moderate-income tracts. There were no branches opened or closed in middle- or upper-income tracts.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the State of Texas, particularly low- or moderate-income geographies or individuals. The State of Texas reflects product offerings, services, and branch hours consistent with the discussion at the institution level.

The bank's branches have the same product offerings and services, and branch locations have similar hours that vary slightly according to individual assessment area's needs. Branch hours are typically from Monday to Friday, 9 a.m. to 5 p.m. with extended hours in the bank's drive thru. Of the bank's 21 locations, two in low-income tracts, two in moderate-income tracts, five in middle-income tracts, and three in upper-income tracts offer Saturday hours through the bank's drive thru.

Community Development Services

The institution provides an adequate level of CD services for the State of Texas. Adequate performances regarding the extent of CD services and the responsiveness of CD services to available opportunities primarily support this conclusion. The appendices list the criteria considered under this performance factor.

The following table shows that the bank provided 64 CD services in the State of Texas since the previous evaluation. This number equates to an average of 1.0 CD services, per office, per year,

since the previous evaluation, thereby reflecting an adequate level. The bank averaged 20.9 full-service offices for the 3.1 years since the previous evaluation.

Community Development Services State of Texas					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Austin MSA	1	0	7	0	8
Dallas MD	4	27	13	0	44
Fort Worth MD	0	2	0	0	2
Houston MSA	1	3	5	0	9
San Antonio MSA	0	0	1	0	1
Total	6	32	26	0	64
<i>Source: Bank Data</i>					

Leadership is evident through Board or committee participation in a limited number of those activities. Bank OZK had no regional or statewide CD services in this rated area, so please reference the full-scope assessment areas section for examples of the bank's CD services.

DALLAS MD – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN DALLAS MD

The Dallas MD assessment area includes all 818 census tracts that make up Collin, Dallas, and Denton Counties, three of the seven counties that make up the Dallas-Plano-Irving TX MD, located in northeast Texas.

Economic and Demographic Data

The assessment area's census tracts reflect the following income designations based on 2015 ACS data: 115 low-, 218 moderate-, 189 middle-, 290 upper-income tracts, and 6 tracts with no income designation. FEMA declared this assessment area as a major disaster area due to a severe winter storm and the COVID-19 pandemic during the majority of the evaluation period. The following table notes certain demographic data for the area.

Demographic Information of the Assessment Area						
Dallas MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	818	14.1	26.7	23.1	35.5	0.7
Population by Geography	4,079,069	12.5	26.8	24.8	35.7	0.2
Housing Units by Geography	1,558,907	13.2	24.9	25.5	36.2	0.3
Owner-Occupied Units by Geography	820,462	5.7	20.9	25.9	47.5	0.2
Occupied Rental Units by Geography	623,919	21.2	29.7	25.5	23.1	0.5
Vacant Units by Geography	114,526	23.2	27.3	22.9	26.2	0.5
Businesses by Geography	524,492	7.4	17.5	25.0	49.2	0.9
Farms by Geography	8,410	5.3	16.5	28.0	49.5	0.7
Family Distribution by Income Level	985,933	24.0	16.4	17.3	42.3	0.0
Household Distribution by Income Level	1,444,381	24.0	16.6	17.4	41.9	0.0
Median Family Income MSA - 19124 Dallas-Plano-Irving, TX		\$71,149	Median Housing Value			\$191,530
			Median Gross Rent			\$998
			Families Below Poverty Level			11.7%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Dallas's economy is expanding. The local economy is expected to outpace the U.S. economy near-term. Job growth in the past year has been 2.0 percent higher than the national average and employment levels passed the pre-pandemic levels in July 2021. Financial services companies such as Goldman Sachs and Fidelity are adding jobs in Dallas, and the city has been the number one large city in job growth since 2010. New home construction is expected to remain at high levels in the near-term and the market for leased offices is expected to recover throughout the next few years.¹³

Currently, major employers in the Dallas MSA are Walmart, American Airlines, Baylor Scott & White Health, Lockheed Martin, and UT Southwestern Medical Center.¹⁴ The Dallas MD's unemployment rate of 3.4 percent is below the 4.2 percent rate for the State of Texas and below the 3.6 percent average U.S. rate.

Competition

The area contains a low level of competition from other chartered banks based on its population, with each of the 989 offices from its 135 institutions serving about 4,124 people on average. Bank OZK ranks 26th in market share by capturing 0.2 percent of the area's deposits based on the June 30,

¹³Source: Moody's Analytics, Precis U.S. Metro, May 2022

¹⁴Source: Moody's Analytics, Precis U.S. Metro, May 2022

2021, FDIC Deposit Market Share Report. However, non-banks heighten the competition level with many offering the remote delivery of products through digital devices. These non-banks include fintech companies, credit unions, mortgage companies, and finance companies. Overall, the competition level allows for lending opportunities.

Community Contact

Examiners contacted a community member knowledgeable of the area's business environment to help assess current economic conditions, community credit needs, and potential opportunities for bank involvement in the Dallas MD AA. The contact noted expanding economic conditions, with stable economic growth despite the impacts of the COVID-19 pandemic and a growing need for small business credit across Dallas County.

The contact stated that geographies located south of Interstate 30 in Dallas County, consisting primarily of low- and moderate-income geographies, continue to lack access to credit and financial products, with small business lending and banking services a critical need for future development of southern Dallas County. Further, the contact noted a need for the expansion of financial literacy programs for local populations, as well as a need for micro-loans that provide credit and capital for small businesses that do not have the revenues, capital, or credit history necessary to qualify for larger, more traditional commercial loans.

Credit and Community Development Needs and Opportunities

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

Demographic data showing that 40.4 percent of the area's families reported low- or moderate-incomes also suggest a need for activities that benefit projects or organizations that provide community services targeted to these families. In addition, the high percentage (40.8 percent) of low- and moderate-income census tracts, the national COVID-19 major disaster area, and the assessment area's designation as federal disaster area for a severe winter storm suggests a need for activities that revitalize or stabilize qualifying geographies. Further, a need exists to expand housing stock in low- and moderate-income geographies, thus creating opportunities for affordable housing in low- and moderate-income areas.

The financial hardship from the COVID-19 pandemic created an emerging need for retail banking service products to the unbanked for quick access to funds from Economic Impact checks, funds for unemployment payments, and to pay bills preventing late payments on existing debt obligations. Given that the COVID-19 pandemic affected borrowers in a variety of ways, a significant emerging need exists for payment accommodations that facilitate the borrower's ability to work through the immediate impact of the virus. Lastly, the COVID-19 pandemic resulted in less customer contact with physical banking facilities, significantly increasing the need for the digital delivery of banking products and services throughout the whole product life cycle.

CONCLUSIONS ON PERFORMANCE CRITERIA IN DALLAS MD

LENDING TEST

Bank OZK demonstrated a high satisfactory record in the Dallas MD assessment area regarding the Lending Test. Excellent records regarding borrower profile distribution, excellent records regarding CD loans, and extensive use of innovative and flexible lending practices lifted adequate lending levels and adequate performance records regarding geographic distribution to support this conclusion.

Lending Activity

Lending levels reflect adequate responsiveness to the credit needs in the Dallas MD assessment area. Adequate performance regarding small business loans lifted poor performance regarding home mortgage loans to support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Dallas MD assessment area.

Small Business Loans

Small business lending levels reflect adequate responsiveness to the credit needs in the Dallas MD assessment area. For 2020, the bank originated 198 total reportable small business loans totaling approximately \$21.3 million. Bank OZK captured a 0.1 percent market share of the total number of loans and a 0.3 percent market share of the total dollar volume of loans.

The bank's activity by number of loans ranks it 59th out of 347 total lenders and 166 lenders granting at least 10 small business loans in the Dallas MD assessment area. This ranking lands the bank in the middle third of the second group of lenders reporting such loans in this assessment area, at 35.5 percent, thereby reflecting an adequate level. The ranking considers the total number and dollar volume of loans made by each institution. Given the considerations previously noted, the activity level reflects adequate performance for small business loans.

Home Mortgage Loans

Home mortgage lending levels reflect poor responsiveness to the credit needs in the Dallas MD assessment area. For 2020, the bank originated 74 total reportable home mortgage loans totaling approximately \$21.7 million. Bank OZK captured a 0.03 percent market share of the total number and a 0.03 percent market share of the total dollar volume of home mortgage loans.

The bank's activity by number of loans ranks it 281st out of 964 total lenders and 534 lenders granting at least 10 home mortgage loans in the Dallas MD assessment area. This ranking lands the bank in the bottom half of the second group of lenders, at 52.6 percent, thereby reflecting a poor level. The ranking considers the total number and dollar amount of loans made by each institution. Given the considerations previously noted, the activity level reflects poor performance for home mortgage loans.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the Dallas MD assessment area. Poor records regarding small business loans lifted by excellent records regarding home mortgage loans, support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Dallas MD assessment area.

Small Business Loans

The geographic distribution of small business loans reflects poor performance in the Dallas MD assessment area. Poor performance in moderate-income geographies outweighs adequate performance in low-income geographies, supporting this conclusion.

As seen in the table below, the bank's lending in low-income tracts is 1.6 percentage points lower than the aggregate data, reflective of adequate performance. The table further shows that in moderate-income census tracts the bank's lending level falls 10.1 percentage points below the aggregate data, reflecting a poor level.

Geographic Distribution of Small Business Loans Dallas MD AA						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	7.2	7.7	12	6.1	1,695	8.0
Moderate	17.6	18.7	17	8.6	2,090	9.8
Middle	25.3	23.4	46	23.2	3,705	17.4
Upper	48.9	49.2	123	62.1	13,766	64.8
Not Available	0.9	1.0	0	0.0	0	0.0
Totals	100.0	100.0	198	100.0	21,256	100.0
<i>Source: 2020 D&B Data; Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent performance in the Dallas MD assessment area. Excellent performances in low- and moderate-income geographies support this conclusion.

As seen in the table below, the bank's lending in low-income tracts rises significantly above aggregate data by 22.7 percentage points, reflective of excellent performance. The table further shows that in moderate-income census tracts the bank's lending level rises 20.3 percentage points above the aggregate data, also reflecting an excellent level.

Geographic Distribution of Home Mortgage Loans Dallas MD AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	5.7	3.0	19	25.7	3,945	18.2
Moderate	20.9	10.8	23	31.1	8,234	37.9
Middle	25.9	26.2	23	31.1	5,536	25.5
Upper	47.5	59.7	8	10.8	3,892	17.9
Not Available	0.2	0.2	1	1.4	112	0.5
Totals	100.0	100.0	74	100.0	21,719	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among retail customers of different income levels and business customers of different sizes. Excellent records regarding both small business and home mortgage loans to support this conclusion. Examiners weighed small business loans heavier than home mortgage loans in the Dallas MD assessment area.

Small Business Loans

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

Distribution of Loans to Small Businesses by Gross Annual Revenues Dallas MD AA											
Assessment Area	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$(000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Dallas MD 2019	19	5,749	41.3	123,067	88.6	57.9	47.4	3.7	42.1	7.8	0.0
Dallas MD 2020	198	21,256	38.4	136,281	88.6	19.2	37.8	4.0	2.5	7.5	78.3
Dallas MD 2021	65	13,563	35.9	-	88.6	43.1	-	3.7	10.8	7.8	46.2
<i>Source: 2020 D&B Data; 2019-2021 CRA Data; 2019 & 2020 CRA Aggregate Data. Due to rounding, totals may not equal 100.0.</i>											

As shown in the table above, the bank's small business lending percentages in 2019 to businesses with gross annual revenues of \$1 million or less is 10.5 percentage points above the 2019 aggregate level, reflecting good performance for 2019.

The bank's small business lending percentages in 2020 and 2021 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. In 2020 and 2021, the bank originated 155 and 32 PPP loans where collected revenue data was not available, respectively. If the information on PPP loans without collected revenues were removed from the 2020 and 2021 analysis, the bank's small business lending performance to businesses with gross annual revenues of \$1 million or less increased to 88.4 percent and 78.8 percent, respectively, compared to the bank's 2019 level.

In 2020 and 2021, the bank originated 77.3 percent and 56.9 percent, respectively, of their small business loans in the AA within the loan size category of \$100,000 or less, which shows the bank is meeting the needs of the smallest commercial borrowers.

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

Home Mortgage Loans

The distribution of home mortgage loans based on the borrowers' profiles reflects excellent performance in the Dallas MD assessment area. Excellent performance to moderate-income borrowers outweighed adequate performance to low-income borrowers to support this conclusion.

As seen in the table below, the bank's lending to low-income borrowers is higher than the aggregate data by 3.8 percent, reflective of adequate performance. The table further shows that to moderate-income borrowers the bank's lending level rises 18.2 percentage points above the aggregate data, reflecting an excellent level.

Distribution of Home Mortgage Loans by Borrower Income Level Dallas MD AA						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	24.0	3.0	5	6.8	775	3.6
Moderate	16.4	11.5	22	29.7	4,439	20.4
Middle	17.3	18.3	21	28.4	4,800	22.1
Upper	42.3	50.8	9	12.2	3,133	14.4
Not Available	0.0	16.5	17	23.0	8,572	39.5
Totals	100.0	100.0	74	100.0	21,719	100.0
<i>Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

Innovative or Flexible Lending Practices

The institution makes extensive use of innovative or flexible lending practices in the Dallas MD AA in order to serve assessment area credit needs. The number and dollar volume of innovative loan products and flexible lending practices supports this conclusion. Examiners considered the dollar volume relative to the institution's capacity and the credit needs of the assessment area when arriving at this conclusion. Please refer to the discussion under the State of Texas for additional details regarding the innovative or flexible lending practices in the Dallas MD AA.

Community Development Loans

The institution is a leader in making CD loans in the Dallas MD assessment area. Its extent, or excellent dollar volume, of CD loans and the CD loans' responsiveness support this conclusion.

As noted under the rated area level, Bank OZK originated 13 CD loans totaling approximately \$247.7 million in the Dallas MD assessment area. By dollar volume, this equates to 60.9 percent of the bank's CD loans in the State of Texas as compared to the 45.4 percent of the bank's home mortgage and small business loans in this assessment area. This level of CD loans is significantly higher than the \$20.0 million noted at the previous evaluation. The following points provide examples of the bank's CD loans in the Dallas MD assessment area:

- ***Affordable Housing*** – The bank granted two loans totaling \$42.0 million to finance the construction of a 248 unit multi-family housing complex. The rents for these units are restricted to individuals/families of low- and moderate-incomes. The housing complex is also located in a moderate-income geography. Additionally, the bank invested in Low-Income Housing Tax Credits for this transaction.
- ***Affordable Housing*** – The bank granted a \$30.0 million loan to finance the acquisition and rehabilitation of 40 units and the new construction of 224 units for a total of 264 multi-family units. The majority of the rents for these units are restricted to individuals/families of low- and moderate-incomes. Also, the housing complexes are located in a moderate-income geography.

In addition, the CD loans reflect excellent responsiveness to the CD needs of the assessment area. Approximately 58.8 percent of the dollar volume of the assessment area's CD loans help to revitalize and stabilize low- and moderate-income geographies and 39.6 percent promote affordable housing. In addition, 1.0 percent are for community services to low- and moderate-income individuals and 0.7 percent promote economic development. As noted under the applicable Description of Assessment Areas, activities that help revitalize low- and moderate-income geographies and promote affordable housing represent CD needs in the bank's assessment area.

INVESTMENT TEST

Bank OZK demonstrated a high satisfactory record in the Dallas MD assessment area regarding the Investment Test. The adequate level of QIs was uplifted by the excellent responsiveness to CD needs and the extensive use of complex investments to support this conclusion. The appendices list the criteria used to evaluate the Investment Test.

Investment and Grant Activity

The bank has an adequate level of QIs in the Dallas MD assessment area. The table for the State of Texas shows that Bank OZK made 29 QIs totaling approximately \$47.6 million in the Dallas MD assessment area. By dollar volume, this equates to 43.9 percent of the bank's QIs in Texas as compared to 57.0 percent of total deposits in this rated area. Examiners considered the volume of QIs increased from \$44.0 million at the last evaluation.

The following are examples of key investments in the Dallas MD assessment area:

- ***Affordable housing*** with approximately \$36.4 million in the purchase of LIHTCs to support affordable housing projects throughout the assessment area. These projects will add approximately 632 affordable housing units to the area.
- ***Affordable Housing*** with the retention of approximately \$3.8 million in a mortgage-backed security in the Dallas MD assessment area with the underlying loans to finance multi-family housing for low- and moderate-income individuals.

Responsiveness to Credit and Community Development Needs

Bank OZK's CD activities show excellent responsiveness through use of QIs that directly address identified needs in the Dallas MD assessment area. As noted in the investment table for the State of Texas, the Dallas MD assessment area shows responsiveness to CD needs by the dollar amount to three of the four CD purpose categories.

Bank OZK's major investments addressed affordable housing needs with approximately \$36.4 million in the purchase of LIHTCs and retention of \$3.8 million in mortgage-backed securities with underlying loans to low- and moderate-income individuals. Larger dollar amount donations support small businesses through mentorship and counseling, a food bank to help fund food and household items during the COVID-19 pandemic, and an organization providing housing services for low- and moderate-income individuals.

Community Development Initiatives

Bank OZK made extensive use of complex or innovative investments, given the size of the institution and opportunities available in the Dallas MD AA. Three new investments in LIHTCs totaled approximately \$36.4 million.

SERVICE TEST

Bank OZK demonstrated a low satisfactory record in the Dallas MD assessment area regarding the Service Test. The adequate level regarding the bank's CD services, its changes in branch locations, and its reasonableness of business hours and services outweighed limited accessibility of delivery systems to support this conclusion. The appendices list the criteria considered under this test.

Accessibility of Delivery Systems

Delivery systems are accessible to limited portions of the Dallas MD assessment area. Limited alternative delivery systems and branch distribution supports this conclusion. The Dallas MD assessment area reflects a consistent conclusion to the State of Texas's Accessibility of Delivery System performance.

Branch Distribution

The bank makes its full-service offices accessible to limited portions of the Dallas MD assessment area.

The bank's level of branches in low-income tracts falls 2.5 percentage points below the population, reflecting an adequate level. The bank maintains no office locations within moderate-income tracts despite 26.8 percent of the population residing in such tracts, reflecting a very poor level. Given the larger population in moderate-income geographies, the analysis gave more weight to the moderate-income results. Thus, the very poor branch performance for moderate-income tracts hampered the adequate branch performance in low-income tracts to conclude accessible to limited portions of the Dallas MD conclusion.

Branch and ATM Distribution by Geography Income Level Dallas MD AA												
Tract Income Level	Census Tracts		Population		Branches		ATMs		Open Branches		Closed Branches	
	#	%	#	%	#	%	#	%	#	%	#	%
Low	115	14.1	509,145	12.5	1	10.0	1	11.1	1	100.0	0	0.0
Moderate	218	26.7	1,094,757	26.8	0	0.0	0	0.0	0	0.0	0	0.0
Middle	189	23.1	1,012,106	24.8	3	30.0	3	33.3	0	0.0	0	0.0
Upper	290	35.5	1,454,809	35.7	6	60.0	5	55.6	0	0.0	0	0.0
NA	6	0.7	8,252	0.2	0	0.0	0	0.0	0	0.0	0	0.0
Totals	818	100.0	4,079,069	100.0	10	100.0	9	100.0	1	100.0	0	0.0
<i>Source: 2015 ACS Census & Bank Data. Due to rounding, totals may not equal 100.0.</i>												

Alternative Delivery Systems

The bank makes its alternative delivery systems accessible to limited portions of the Dallas MD assessment area.

The preceding table shows that the bank maintains one ATM in a low-income census tract. The bank's level falls 1.4 percentage points below the population in low-income census tracts, reflecting an adequate level. The bank maintains no ATMs in moderate-income tracts. The bank's level falls 26.8 percentage points below the population in moderate-income tracts, reflecting a very poor level. As noted above, given the consideration of the greater population within moderate-income tracts, the very poor performance for moderate-income tracts hampered the adequate performance in low-income tracts.

In addition to its ATMs, the bank offers a variety of alternative systems that deliver retail banking services in low- and moderate-income geographies or to low- and moderate-income individuals. Refer to the Service Test section for the overall bank for specific details of retail banking systems available through alternative delivery systems.

Changes in Branch Locations

The institution's record of opening and closing of branches in the Dallas MD assessment area has generally not adversely affected low- and moderate-income geographies or individuals. Since the prior evaluation, the bank opened one branch in a low-income tract in the Dallas MD assessment area. No branches were closed in the Dallas MD assessment area.

Reasonableness of Business Hours and Services

Services, including where appropriate, business hours, do not vary in a way that inconveniences portions of the Dallas MD assessment area, particularly low- or moderate-income geographies or individuals. The Dallas MD assessment area reflects product offerings, services, and branch hours consistent with discussion for the State of Texas.

The bank's branches have the same product offerings and services, and branch locations have the same hours. Branch hours are from Monday to Friday from 9 a.m. to 5 p.m. with extended hours in the bank's drive thru. Of the bank's 10 locations, one in a low-income tract, three in middle-income tracts, and two in upper-income tracts offer Saturday hours through the bank's drive thru.

Community Development Services

The institution provides an adequate level of CD services in the Dallas MD assessment area. Adequate performance regarding the extent of CD services and the responsiveness of CD services to available opportunities primarily support this conclusion. The appendices list the criteria considered under this performance factor.

The table in the State of Texas section shows that the bank provided 44 CD services since the previous evaluation in the Dallas MD assessment area. This number equates to an average of 1.4 CD services per office per year since the previous evaluation, thereby reflecting an adequate level. The bank averaged 9.9 full-service offices for the 3.1 years since the previous evaluation.

Leadership is evident through Board or committee participation in a limited number of those activities. Service activities demonstrate the responsiveness to various community needs, including affordable housing, community services to low- and moderate-income individuals, and economic development.

The following are examples of CD services specific to Dallas MD assessment area:

- ***Community Service*** – Several bank employees taught financial literacy classes at a school where the majority of students receive free or reduced lunch. Thus, the activity provides community services primarily to low- and moderate-income individuals.

- ***Economic Development*** – Several bank employees served as mentors for a Community Development Corporation (CDC) that supports small business owners with tools needed to accelerate growth. The employees participated in business workshops and provided information and resources regarding various commercial loan options. The activity promotes economic development by assisting an organization that aids in the financing of businesses that meet the size eligibility standards of the regulation and that support permanent job creation, retention, or improvement for low- or moderate-income persons or in low- and moderate-income geographies.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE ASSESSMENT AREAS

The following table summarizes the conclusions for this rated area's assessment areas reviewed using limited-scope examination procedures. Examiners drew conclusions regarding the institution's CRA performance from reviewing available facts and data, including performance figures, aggregate lending data comparisons, and demographic information. The conclusions did not alter the bank's overall performance rating.

Assessment Area	Lending Test	Investment Test	Service Test
Austin MSA	Consistent	Consistent	Consistent
Fort Worth MD	Consistent	Below	Below
Houston MSA	Consistent	Consistent	Consistent
San Antonio MSA	Below	Consistent	Below

Facts and data supporting conclusions for each limited-scope assessment area follow, including a summary of Bank OZK's operations and activities. The demographic data and deposit market share information for the limited-scope assessment areas are in the appendices.

Austin MSA AA

The bank's Austin MSA assessment area consists of all of Caldwell, Travis, and Williamson Counties. Bank OZK operates three branches in this assessment area: two in a middle-income CT and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	130	17,135
Home Mortgage Loans	30	18,670
Small Farm Loans	0	0
Community Development Loans	9	37,251
Investments	10	16,096
CD Services	8	-

Fort Worth MD AA

The bank's Fort Worth MSA assessment area consists of all of Tarrant County. Bank OZK operates three branches in this assessment: one in a moderate-income CT, one in a middle-income CT, and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	76	9,590
Home Mortgage Loans	52	10,905
Small Farm Loans	0	0
Community Development Loans	6	38,293
Investments	7	1,110
CD Services	2	-

Houston MSA AA

The bank's Houston MSA assessment area consists of all of Harris County. Bank OZK operates four branches in this assessment area: one in a low-income CT, two in moderate-income CTs, and one in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	141	25,728
Home Mortgage Loans	53	6,314
Small Farm Loans	3	219
Community Development Loans	4	68,571
Investments	14	19,522
CD Services	9	-

San Antonio MSA AA

The bank's San Antonio MSA assessment area consists of all of Bexar County. Bank OZK operates one branch in this assessment area in an upper-income CT. The bank originated and engaged in the following activities in the assessment area during the review period.

Activity	#	\$(000s)
Small Business Loans	113	19,296
Home Mortgage Loans	32	6,703
Small Farm Loans	0	0
Community Development Loans	8	14,923
Investments	9	23,049
CD Services	1	-

Geographic Distribution

Small Business Loans

Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020
	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate	% Business	% Bank Loans	Aggregate
Austin MSA	96	9,271	18.6	58,452	6.3	9.4	7.5	11.8	13.5	13.4	33.1	34.4	32.3	47.5	41.7	45.8	1.4	1.0	0.9
Fort Worth MD	54	5,172	10.5	51,095	6.4	0.0	7.0	20.6	16.7	21.6	27.3	14.8	25.7	45.6	68.5	45.5	0.1	0.0	0.1
Houston MSA	92	16,034	17.9	140,285	12.7	19.6	13.4	21.2	15.2	21.6	21.3	21.7	22.1	44.5	43.5	42.7	0.2	0.0	0.2
San Antonio MSA	75	10,160	14.6	39,772	4.9	2.7	4.9	23.1	16.0	23.2	27.8	29.3	26.5	43.9	50.7	45.1	0.3	1.3	0.3

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

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Austin MSA	14	4,326	9.9	134,425	4.2	7.1	3.7	16.8	21.4	11.9	37.2	57.1	39.9	41.6	14.3	44.3	0.2	0.0	0.2
Fort Worth MD	31	6,975	21.8	103,388	5.2	6.5	2.1	18.8	45.2	12.2	34.4	32.3	33.2	41.5	16.1	52.6	0.0	0.0	0.0
Houston MSA	14	1,910	9.9	162,318	7.5	14.3	3.9	25.8	35.7	14.2	27.9	28.6	29.4	38.8	21.4	52.4	0.1	0.0	0.1
San Antonio MSA	9	2,142	6.3	92,736	5.3	11.1	1.5	27.8	33.3	13.4	27.5	22.2	30.6	39.4	33.3	54.6	0.0	0.0	0.0

Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

Borrower Profile

Small Business Loans

A bank's small business lending percentages in 2020 to businesses with gross annual revenues of \$1 million or less were impacted by PPP lending, for which the bank was not required to collect revenue data from the borrower. If the information on PPP loans without collected revenues were removed from the 2020 analyses for the limited scope areas, the bank's small business lending performances to businesses with gross annual revenues of \$1 million or less increased to 78.6 percent, 80.0 percent, and 38.1 percent for the Austin MSA, Fort Worth MD, and Houston MSA assessment areas, respectively. Performance in the San Antonio MSA assessment area remained unchanged.

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2020
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Austin MSA	96	9,271	18.6	58,452	89.7	20.8	39.2	3.2	4.2	7.1	75.0
Fort Worth MD	54	5,172	10.5	51,095	87.6	20.4	37.5	3.7	3.7	8.7	75.9
Houston MSA	92	16,034	17.9	140,285	87.0	14.1	36.7	5.1	17.4	7.9	68.5
San Antonio MSA	75	10,160	14.6	39,772	86.8	2.7	35.5	3.9	1.3	9.4	96.0

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

Home Mortgage Loans

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Austin MSA	14	4,326	9.9	134,425	22.4	--	3.3	16.5	--	14.3	19.6	7.1	20.0	41.5	--	46.8	0.0	92.9	15.6
Fort Worth MD	31	6,975	21.8	103,388	23.1	19.4	3.2	16.3	51.6	14.7	19.3	12.9	21.1	41.3	6.5	40.9	0.0	9.7	20.2
Houston MSA	14	1,910	9.9	162,318	27.7	--	2.9	17.1	--	14.3	17.0	--	18.5	38.1	28.6	44.7	0.0	71.4	19.6
San Antonio MSA	9	2,142	6.3	92,736	24.1	--	2.7	17.7	--	11.9	19.3	--	18.6	39.0	--	36.0	0.0	100.0	30.8

Source: 2015 ACS Census; 2020 HMDA Data, 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

APPENDICES

APPENDIX A – LARGE BANK PERFORMANCE CRITERIA

Lending Test

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

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

Investment Test

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

- 1) The dollar amount of qualified investments;
- 2) The innovativeness or complexity of qualified investments;
- 3) The responsiveness of qualified investments to available opportunities; and

- 4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

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

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

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

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

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

APPENDIX B – SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test	Investment Test	Service Test	Rating
Texarkana MS MSA	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Arkansas	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Florida	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Georgia	Outstanding	Outstanding	Low Satisfactory	Outstanding
North Carolina	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Texas	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory

APPENDIX C – DESCRIPTION OF LIMITED-SCOPE ASSESSMENT AREAS

ARKANSAS

Fayetteville MSA

The Fayetteville MSA AA consists of all of Benton and Washington Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Fayetteville MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	81	2.5	18.5	48.1	30.9	0.0
Population by Geography	454,630	2.6	20.3	44.3	32.8	0.0
Housing Units by Geography	185,720	3.1	19.5	44.0	33.4	0.0
Owner-Occupied Units by Geography	102,054	0.7	15.4	46.2	37.7	0.0
Occupied Rental Units by Geography	65,338	6.8	26.6	39.4	27.3	0.0
Vacant Units by Geography	18,328	3.1	17.2	48.6	31.1	0.0
Businesses by Geography	30,797	1.8	16.6	44.6	37.0	0.0
Farms by Geography	1,043	1.1	14.3	51.6	33.1	0.0
Family Distribution by Income Level	114,420	19.5	18.2	20.2	42.0	0.0
Household Distribution by Income Level	167,392	22.3	16.5	18.4	42.7	0.0
Median Family Income MSA - 22220 Fayetteville-Springdale-Rogers, AR MSA		\$60,876	Median Housing Value			\$157,293
			Median Gross Rent			\$757
			Families Below Poverty Level			10.9%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 33 institutions operated 188 offices within this AA. Of these institutions, Bank OZK ranked 6th with 3.4 percent deposit market share. The top 5 financial institutions account for 68.3 percent of the total deposit market share.

Fort Smith MSA

The Fort Smith MSA AA consists of all of Crawford, Franklin, and Sebastian Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Fort Smith MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	40	0.0	27.5	47.5	25.0	0.0
Population by Geography	206,887	0.0	23.8	51.8	24.5	0.0
Housing Units by Geography	90,160	0.0	23.7	51.9	24.5	0.0
Owner-Occupied Units by Geography	53,068	0.0	15.4	57.1	27.5	0.0
Occupied Rental Units by Geography	26,944	0.0	37.7	40.7	21.5	0.0
Vacant Units by Geography	10,148	0.0	29.4	54.4	16.2	0.0
Businesses by Geography	11,276	0.0	26.3	45.4	28.3	0.0
Farms by Geography	334	0.0	14.4	56.6	29.0	0.0
Family Distribution by Income Level	54,958	21.1	17.5	19.0	42.4	0.0
Household Distribution by Income Level	80,012	23.8	15.2	17.1	43.8	0.0
Median Family Income MSA - 22900 Fort Smith, AR-OK MSA		\$48,258	Median Housing Value			\$111,836
			Median Gross Rent			\$623
			Families Below Poverty Level			16.9%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 20 institutions operated 96 offices within this AA. Of these institutions, Bank OZK ranked 5th with 6.5 percent deposit market share. The top 5 financial institutions account for 70.5 percent of the total deposit market share.

Hot Springs MSA

The Hot Springs MSA AA consists of all of Garland County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Hot Springs MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	20	10.0	20.0	45.0	25.0	0.0
Population by Geography	96,954	5.8	14.1	46.1	34.0	0.0
Housing Units by Geography	50,518	5.8	15.7	47.6	30.9	0.0
Owner-Occupied Units by Geography	27,113	3.4	11.8	49.1	35.6	0.0
Occupied Rental Units by Geography	13,177	10.8	23.0	42.0	24.2	0.0
Vacant Units by Geography	10,228	5.9	16.5	50.8	26.8	0.0
Businesses by Geography	6,713	6.7	19.2	43.9	30.1	0.0
Farms by Geography	212	0.9	11.8	42.0	45.3	0.0
Family Distribution by Income Level	25,951	23.2	16.8	19.6	40.4	0.0
Household Distribution by Income Level	40,290	24.5	15.7	16.8	43.0	0.0
Median Family Income MSA - 26300 Hot Springs, AR MSA		\$49,707	Median Housing Value			\$128,580
			Median Gross Rent			\$697
			Families Below Poverty Level			14.3%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 14 institutions operated 48 offices within this AA. Of these institutions, Bank OZK ranked 3rd with 17.3 percent deposit market share. The top 5 financial institutions account for 76.8 percent of the total deposit market share.

AR Non-MSA

The AR Non-MSA AA consists of all of Baxter, Boone, Clark, Columbia, Hempstead, Hot Spring, Johnson, Logan, Marion, Newton, Pope, Searcy, and Van Buren Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
AR Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	75	1.3	12.0	72.0	14.7	0.0
Population by Geography	341,235	1.1	11.1	70.6	17.2	0.0
Housing Units by Geography	162,694	1.3	10.4	73.1	15.2	0.0
Owner-Occupied Units by Geography	95,239	0.5	8.0	73.0	18.5	0.0
Occupied Rental Units by Geography	37,550	2.9	15.9	70.5	10.6	0.0
Vacant Units by Geography	29,905	2.0	11.2	76.7	10.2	0.0
Businesses by Geography	17,628	2.2	12.7	70.6	14.5	0.0
Farms by Geography	892	0.6	5.4	73.1	21.0	0.0
Family Distribution by Income Level	89,829	19.4	18.3	20.6	41.8	0.0
Household Distribution by Income Level	132,789	23.5	16.1	17.9	42.6	0.0
Median Family Income Non-MSAs - AR		\$45,047	Median Housing Value			\$99,580
			Median Gross Rent			\$603
			Families Below Poverty Level			15.0%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 37 institutions operated 154 offices within this AA. Of these institutions, Bank OZK ranked 3rd with 8.2 percent deposit market share. The top 5 financial institutions account for 43.2 percent of the total deposit market share.

FLORIDA

Bradenton MSA

The Bradenton MSA AA consists of all of Manatee and Sarasota Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Bradenton MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	174	2.3	24.7	45.4	26.4	1.1
Population by Geography	735,767	2.8	23.7	47.5	26.0	0.0
Housing Units by Geography	407,196	1.8	22.5	47.5	28.2	0.0
Owner-Occupied Units by Geography	221,993	1.0	18.3	50.7	29.9	0.0
Occupied Rental Units by Geography	87,917	4.5	33.8	43.7	18.1	0.0
Vacant Units by Geography	97,286	1.2	21.6	43.5	33.7	0.0
Businesses by Geography	149,530	1.4	19.6	43.6	35.4	0.0
Farms by Geography	4,202	2.3	20.2	44.1	33.3	0.0
Family Distribution by Income Level	194,874	19.4	19.1	21.0	40.5	0.0
Household Distribution by Income Level	309,910	23.1	17.1	18.1	41.7	0.0
Median Family Income MSA - 35840 North Port-Sarasota-Bradenton, FL MSA		\$62,814	Median Housing Value			\$210,725
			Median Gross Rent			\$1,020
			Families Below Poverty Level			8.4%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 38 institutions operated 244 offices within this AA. Of these institutions, Bank OZK ranked 13th with 2.2 percent deposit market share. The top 5 financial institutions account for 60.6 percent of the total deposit market share.

Cape Coral MSA

The Cape Coral MSA AA consists of all of Lee County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Cape Coral MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	167	4.2	25.1	35.9	33.5	1.2
Population by Geography	663,675	4.7	27.1	42.3	25.9	0.0
Housing Units by Geography	374,333	3.5	21.3	40.9	34.4	0.0
Owner-Occupied Units by Geography	174,162	2.1	18.6	44.2	35.1	0.0
Occupied Rental Units by Geography	78,125	8.5	32.9	38.0	20.5	0.0
Vacant Units by Geography	122,046	2.3	17.6	38.0	42.1	0.0
Businesses by Geography	132,866	2.9	22.8	41.0	33.1	0.1
Farms by Geography	3,904	3.2	26.6	46.4	23.8	0.0
Family Distribution by Income Level	165,635	20.7	18.5	19.7	41.1	0.0
Household Distribution by Income Level	252,287	22.6	17.2	18.8	41.4	0.0
Median Family Income MSA - 15980 Cape Coral-Fort Myers, FL MSA		\$57,627	Median Housing Value			\$192,233
			Median Gross Rent			\$970
			Families Below Poverty Level			11.1%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 30 institutions operated 177 offices within this AA. Of these institutions, Bank OZK ranked 13th with 2.0 percent deposit market share. The top 5 financial institutions account for 59.7 percent of the total deposit market share.

Jacksonville MSA

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

Demographic Information of the Assessment Area						
Jacksonville MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	174	11.5	30.5	33.9	23.6	0.6
Population by Geography	890,673	8.1	28.1	39.4	24.4	0.0
Housing Units by Geography	393,571	9.1	28.3	37.4	25.2	0.0
Owner-Occupied Units by Geography	200,029	5.8	23.6	39.8	30.8	0.0
Occupied Rental Units by Geography	137,871	11.0	33.9	36.1	19.0	0.0
Vacant Units by Geography	55,671	16.1	31.3	31.7	20.9	0.0
Businesses by Geography	166,356	6.5	25.8	33.8	33.9	0.0
Farms by Geography	3,613	6.0	25.0	40.1	28.8	0.0
Family Distribution by Income Level	209,958	25.1	18.1	19.7	37.2	0.0
Household Distribution by Income Level	337,900	26.4	17.6	17.5	38.5	0.0
Median Family Income MSA - 27260 Jacksonville, FL MSA		\$64,042	Median Housing Value			\$151,543
			Median Gross Rent			\$954
			Families Below Poverty Level			13.4%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 23 institutions operated 146 offices within this AA. Of these institutions, Bank OZK ranked 17th with 0.2 percent deposit market share. The top 5 financial institutions account for 92.1 percent of the total deposit market share.

Fort Lauderdale MSA

The Fort Lauderdale MSA AA consists of all of Broward County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Fort Lauderdale MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	362	5.5	29.3	32.3	32.3	0.6
Population by Geography	1,843,152	5.1	28.9	32.7	33.3	0.0
Housing Units by Geography	814,454	5.4	28.7	33.2	32.7	0.0
Owner-Occupied Units by Geography	425,691	2.8	24.8	34.0	38.4	0.0
Occupied Rental Units by Geography	244,593	9.4	34.6	33.2	22.9	0.0
Vacant Units by Geography	144,170	6.6	30.2	30.7	32.4	0.0
Businesses by Geography	512,701	4.9	25.0	30.6	39.6	0.0
Farms by Geography	6,220	5.4	29.4	29.1	36.1	0.0
Family Distribution by Income Level	425,680	22.3	17.3	18.7	41.7	0.0
Household Distribution by Income Level	670,284	24.4	16.1	17.3	42.2	0.0
Median Family Income MSA - 22744 Fort Lauderdale-Pompano Beach-Sunrise, FL		\$61,809	Median Housing Value			\$206,124
			Median Gross Rent			\$1,233
			Families Below Poverty Level			11.2%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 44 institutions operated 415 offices within this AA. Of these institutions, Bank OZK ranked 31st with 0.2 percent deposit market share. The top 5 financial institutions account for 72.1 percent of the total deposit market share.

Miami MSA

The Miami MSA AA consists of all of Miami-Dade County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Miami MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	519	5.8	27.7	28.9	34.1	3.5
Population by Geography	2,639,042	5.5	29.7	30.9	33.2	0.7
Housing Units by Geography	998,833	5.3	27.5	29.3	37.2	0.6
Owner-Occupied Units by Geography	452,826	2.0	21.4	31.9	44.4	0.2
Occupied Rental Units by Geography	389,327	9.6	37.8	28.2	23.5	0.8
Vacant Units by Geography	156,680	4.3	19.4	24.6	50.4	1.3
Businesses by Geography	791,580	3.1	20.8	26.3	47.5	2.3
Farms by Geography	7,895	3.9	23.7	27.1	44.5	0.8
Family Distribution by Income Level	572,388	24.0	16.6	16.9	42.5	0.0
Household Distribution by Income Level	842,153	26.1	15.1	15.9	42.9	0.0
Median Family Income MSA - 33124 Miami-Miami Beach-Kendall, FL		\$49,264	Median Housing Value			\$244,010
			Median Gross Rent			\$1,155
			Families Below Poverty Level			16.9%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 55 institutions operated 614 offices within this AA. Of these institutions, Bank OZK ranked 43rd with 0.2 percent deposit market share. The top 5 financial institutions account for 55.4 percent of the total deposit market share.

Ocala MSA

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

Demographic Information of the Assessment Area						
Ocala MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	63	3.2	23.8	54.0	15.9	3.2
Population by Geography	336,811	2.3	18.5	63.6	15.7	0.0
Housing Units by Geography	163,687	2.0	17.9	66.6	13.6	0.0
Owner-Occupied Units by Geography	99,961	0.6	14.5	69.6	15.3	0.0
Occupied Rental Units by Geography	32,326	5.6	26.3	56.5	11.6	0.0
Vacant Units by Geography	31,400	2.6	20.0	67.3	10.1	0.0
Businesses by Geography	48,746	1.8	16.6	63.4	18.2	0.0
Farms by Geography	2,957	1.0	17.8	67.7	13.5	0.0
Family Distribution by Income Level	86,114	19.3	19.5	21.6	39.7	0.0
Household Distribution by Income Level	132,287	21.4	17.5	19.4	41.7	0.0
Median Family Income MSA - 36100 Ocala, FL MSA		\$48,128	Median Housing Value			\$115,544
			Median Gross Rent			\$802
			Families Below Poverty Level			13.2%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 19 institutions operated 64 offices within this AA. Of these institutions, Bank OZK ranked 8th with 2.6 percent deposit market share. The top 5 financial institutions account for 73.0 percent of the total deposit market share.

Punta Gorda MSA

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

Demographic Information of the Assessment Area						
Punta Gorda MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	39	0.0	15.4	59.0	23.1	2.6
Population by Geography	165,783	0.0	14.4	69.7	15.8	0.0
Housing Units by Geography	101,195	0.0	13.1	66.8	20.1	0.0
Owner-Occupied Units by Geography	56,019	0.0	10.7	70.6	18.6	0.0
Occupied Rental Units by Geography	15,837	0.0	23.5	66.1	10.4	0.0
Vacant Units by Geography	29,339	0.0	12.1	59.9	28.1	0.0
Businesses by Geography	27,830	0.0	16.2	65.6	18.1	0.0
Farms by Geography	933	0.0	25.5	62.8	11.7	0.0
Family Distribution by Income Level	46,876	17.3	20.7	21.8	40.2	0.0
Household Distribution by Income Level	71,856	21.4	17.9	19.3	41.4	0.0
Median Family Income MSA - 39460 Punta Gorda, FL MSA		\$54,478	Median Housing Value			\$160,661
			Median Gross Rent			\$912
			Families Below Poverty Level			8.3%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 14 institutions operated 49 offices within this AA. Of these institutions, Bank OZK ranked 9th with 4.2 percent deposit market share. The top 5 financial institutions account for 70.6 percent of the total deposit market share.

GEORGIA

Athens MSA

The Athens MSA AA consists of all of Clarke and Oconee Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Athens MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	36	19.4	11.1	27.8	38.9	2.8
Population by Geography	155,305	17.1	10.0	28.4	39.5	5.0
Housing Units by Geography	64,376	17.7	10.4	32.4	39.0	0.5
Owner-Occupied Units by Geography	27,002	9.1	6.8	30.1	53.9	0.0
Occupied Rental Units by Geography	28,234	24.2	13.3	34.3	27.2	1.0
Vacant Units by Geography	9,140	23.0	12.2	33.1	31.1	0.7
Businesses by Geography	18,539	12.3	7.0	29.0	50.6	1.1
Farms by Geography	643	7.8	6.2	21.5	64.1	0.5
Family Distribution by Income Level	30,336	25.2	13.8	16.9	44.0	0.0
Household Distribution by Income Level	55,236	29.9	13.5	14.3	42.3	0.0
Median Family Income MSA - 12020 Athens-Clarke County, GA MSA		\$57,116	Median Housing Value			\$173,689
			Median Gross Rent			\$809
			Families Below Poverty Level			16.8%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 18 institutions operated 45 offices within this AA. Of these institutions, Bank OZK ranked 12th with 2.0 percent deposit market share. The top 5 financial institution accounts for 71.3 percent of the total deposit market share.

Brunswick MSA

The Brunswick MSA AA consists of all of Glynn County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Brunswick MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	16	6.3	25.0	25.0	37.5	6.3
Population by Geography	81,743	5.0	26.2	33.8	34.9	0.0
Housing Units by Geography	41,471	4.2	24.5	27.5	43.9	0.0
Owner-Occupied Units by Geography	19,709	2.0	20.0	31.1	46.9	0.0
Occupied Rental Units by Geography	12,602	7.8	37.4	30.3	24.4	0.0
Vacant Units by Geography	9,160	3.9	16.3	15.6	64.2	0.0
Businesses by Geography	11,498	7.1	27.2	19.8	45.9	0.0
Farms by Geography	279	3.9	19.4	25.1	51.6	0.0
Family Distribution by Income Level	21,755	21.2	15.3	19.6	43.9	0.0
Household Distribution by Income Level	32,311	23.9	14.8	17.4	43.9	0.0
Median Family Income MSA - 15260 Brunswick, GA MSA		\$52,987	Median Housing Value			\$192,495
			Median Gross Rent			\$864
			Families Below Poverty Level			14.7%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 13 institutions operated 31 offices within this AA. Of these institutions, Bank OZK ranked 9th with 4.0 percent deposit market share. The top 5 financial institutions account for 68.2 percent of the total deposit market share.

Columbus MSA

The Columbus MSA AA consists of all of Muscogee County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Columbus MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	53	18.9	28.3	30.2	20.8	1.9
Population by Geography	200,285	11.0	23.5	34.6	29.6	1.2
Housing Units by Geography	83,503	12.9	24.8	32.0	30.3	0.0
Owner-Occupied Units by Geography	36,266	4.5	23.0	32.0	40.5	0.0
Occupied Rental Units by Geography	36,494	19.4	24.6	33.4	22.6	0.0
Vacant Units by Geography	10,743	18.9	31.6	27.3	22.1	0.2
Businesses by Geography	20,208	8.8	20.1	36.1	34.9	0.1
Farms by Geography	380	4.5	20.8	32.1	42.6	0.0
Family Distribution by Income Level	46,385	23.8	17.4	18.0	40.8	0.0
Household Distribution by Income Level	72,760	25.4	15.2	16.6	42.9	0.0
Median Family Income MSA - 17980 Columbus, GA-AL MSA		\$52,902	Median Housing Value			\$131,583
			Median Gross Rent			\$831
			Families Below Poverty Level			15.8%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 10 institutions operated 31 offices within this AA. Of these institutions, Bank OZK ranked 8th with 0.7 percent deposit market share. The top 5 financial institution accounts for 96.8 percent of the total deposit market share.

Dalton MSA

The Dalton MSA AA consists of all of Murray and Whitfield Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Dalton MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	26	0.0	19.2	53.8	26.9	0.0
Population by Geography	142,857	0.0	19.2	49.8	30.9	0.0
Housing Units by Geography	55,549	0.0	18.2	50.1	31.7	0.0
Owner-Occupied Units by Geography	31,866	0.0	16.1	50.2	33.8	0.0
Occupied Rental Units by Geography	16,945	0.0	21.1	49.6	29.3	0.0
Vacant Units by Geography	6,738	0.0	20.8	50.9	28.3	0.0
Businesses by Geography	9,955	0.0	16.5	52.3	31.2	0.0
Farms by Geography	331	0.0	10.3	57.1	32.6	0.0
Family Distribution by Income Level	35,878	20.4	19.5	20.0	40.2	0.0
Household Distribution by Income Level	48,811	21.9	18.0	17.8	42.2	0.0
Median Family Income MSA - 19140 Dalton, GA MSA		\$47,062	Median Housing Value			\$113,247
			Median Gross Rent			\$664
			Families Below Poverty Level			15.3%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 9 institutions operated 27 offices within this AA. Of these institutions, Bank OZK ranked 4th with 10.5 percent deposit market share. The top 5 financial institution accounts for 75.8 percent of the total deposit market share.

Gainesville MSA

The Gainesville MSA AA consists of all of Hall County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Gainesville MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	36	5.6	19.4	41.7	33.3	0.0
Population by Geography	187,916	6.1	18.9	42.3	32.8	0.0
Housing Units by Geography	69,302	5.4	16.2	45.4	33.0	0.0
Owner-Occupied Units by Geography	41,434	1.2	12.4	44.6	41.8	0.0
Occupied Rental Units by Geography	20,558	13.1	25.1	43.7	18.1	0.0
Vacant Units by Geography	7,310	7.3	12.4	55.0	25.3	0.0
Businesses by Geography	21,371	8.8	16.5	41.5	33.2	0.0
Farms by Geography	727	4.3	15.8	43.7	36.2	0.0
Family Distribution by Income Level	45,810	20.6	18.0	20.3	41.0	0.0
Household Distribution by Income Level	61,992	22.5	17.0	18.8	41.7	0.0
Median Family Income MSA - 23580 Gainesville, GA MSA		\$58,558	Median Housing Value			\$161,600
			Median Gross Rent			\$908
			Families Below Poverty Level			14.3%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 15 institutions operated 41 offices within this AA. Of these institutions, Bank OZK ranked 12th with 1.1 percent deposit market share. The top 5 financial institution accounts for 78.1 percent of the total deposit market share.

Macon MSA

The Macon MSA AA consists of all of Bibb County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Macon MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	44	31.8	18.2	15.9	34.1	0.0
Population by Geography	154,816	24.2	20.3	12.9	42.7	0.0
Housing Units by Geography	70,071	24.5	20.6	14.3	40.6	0.0
Owner-Occupied Units by Geography	30,268	14.9	15.7	13.2	56.2	0.0
Occupied Rental Units by Geography	26,843	30.7	23.1	15.7	30.5	0.0
Vacant Units by Geography	12,960	34.1	26.9	14.2	24.7	0.0
Businesses by Geography	20,010	18.2	15.9	21.0	44.9	0.0
Farms by Geography	357	10.1	12.9	16.5	60.5	0.0
Family Distribution by Income Level	35,607	29.4	14.1	16.0	40.5	0.0
Household Distribution by Income Level	57,111	29.8	15.2	14.2	40.8	0.0
Median Family Income MSA - 31420 Macon-Bibb County, GA MSA		\$51,727	Median Housing Value			\$115,534
			Median Gross Rent			\$727
			Families Below Poverty Level			22.7%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 15 institutions operated 41 offices within this AA. Of these institutions, Bank OZK ranked 12th with 1.1 percent deposit market share. The top 5 financial institution accounts for 78.1 percent of the total deposit market share.

Rome MSA

The Rome MSA AA consists of all of Floyd County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Rome MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	20	5.0	30.0	40.0	25.0	0.0
Population by Geography	96,169	3.6	28.1	40.6	27.7	0.0
Housing Units by Geography	40,458	4.0	27.6	40.2	28.1	0.0
Owner-Occupied Units by Geography	21,182	1.4	19.4	44.0	35.2	0.0
Occupied Rental Units by Geography	13,692	7.1	40.0	35.0	17.9	0.0
Vacant Units by Geography	5,584	6.2	28.8	38.8	26.2	0.0
Businesses by Geography	8,614	3.3	42.1	31.9	22.6	0.0
Farms by Geography	282	2.1	21.3	39.7	36.9	0.0
Family Distribution by Income Level	23,513	22.3	17.5	18.9	41.3	0.0
Household Distribution by Income Level	34,874	25.4	15.4	16.3	42.8	0.0
Median Family Income MSA - 40660 Rome, GA MSA		\$51,379	Median Housing Value			\$115,813
			Median Gross Rent			\$678
			Families Below Poverty Level			16.4%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 9 institutions operated 18 offices within this AA. Of these institutions, Bank OZK ranked last with 5.6 percent deposit market share. The top 5 financial institution accounts for 67.9 percent of the total deposit market share.

Savannah MSA

The Savannah MSA AA consists of all of Chatham County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Savannah MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	72	13.9	37.5	22.2	22.2	4.2
Population by Geography	279,290	10.1	29.8	29.0	31.1	0.0
Housing Units by Geography	121,877	9.8	29.7	29.2	31.3	0.0
Owner-Occupied Units by Geography	57,315	5.6	21.2	33.5	39.8	0.0
Occupied Rental Units by Geography	47,597	13.4	39.5	24.3	22.7	0.0
Vacant Units by Geography	16,965	13.8	31.2	28.4	26.6	0.1
Businesses by Geography	39,614	8.7	24.0	31.7	35.4	0.2
Farms by Geography	658	5.5	22.6	37.2	34.7	0.0
Family Distribution by Income Level	64,069	25.1	16.6	20.2	38.2	0.0
Household Distribution by Income Level	104,912	26.9	16.5	17.6	39.0	0.0
Median Family Income MSA - 42340 Savannah, GA MSA		\$61,754	Median Housing Value			\$188,202
			Median Gross Rent			\$955
			Families Below Poverty Level			14.4%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 21 institutions operated 74 offices within this AA. Of these institutions, Bank OZK ranked 10th with 1.6 percent deposit market share. The top 5 financial institution accounts for 75.0 percent of the total deposit market share.

Valdosta MSA

The Valdosta MSA AA consists of all of Lowndes County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Valdosta MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	25	12.0	28.0	24.0	36.0	0.0
Population by Geography	113,203	9.6	28.8	26.4	35.2	0.0
Housing Units by Geography	45,399	10.4	30.8	25.0	33.9	0.0
Owner-Occupied Units by Geography	20,190	6.2	17.0	29.9	46.9	0.0
Occupied Rental Units by Geography	19,138	14.2	44.7	18.8	22.4	0.0
Vacant Units by Geography	6,071	12.4	32.8	27.9	26.9	0.0
Businesses by Geography	11,082	9.8	30.3	19.3	40.7	0.0
Farms by Geography	363	5.2	18.7	27.8	48.2	0.0
Family Distribution by Income Level	24,591	23.9	16.3	16.8	42.9	0.0
Household Distribution by Income Level	39,328	25.1	15.7	16.1	43.1	0.0
Median Family Income MSA - 46660 Valdosta, GA MSA		\$47,592	Median Housing Value			\$124,338
			Median Gross Rent			\$751
			Families Below Poverty Level			18.8%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 14 institutions operated 32 offices within this AA. Of these institutions, Bank OZK ranked 5th with 7.9 percent deposit market share. The top 5 financial institution accounts for 61.0 percent of the total deposit market share.

GA Non-MSA

The GA Non-MSA AA consists of all of Decatur, Fannin, Gilmer, Gordon, Grady, Habersham, Jackson, Lumpkin, and Union Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
GA Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	61	0.0	8.2	57.4	34.4	0.0
Population by Geography	318,518	0.0	8.4	58.5	33.1	0.0
Housing Units by Geography	147,276	0.0	7.5	59.6	32.9	0.0
Owner-Occupied Units by Geography	81,372	0.0	6.2	56.3	37.5	0.0
Occupied Rental Units by Geography	33,901	0.0	13.4	64.2	22.4	0.0
Vacant Units by Geography	32,003	0.0	4.7	63.2	32.1	0.0
Businesses by Geography	30,166	0.0	7.8	57.1	35.1	0.0
Farms by Geography	1,652	0.0	8.0	58.1	33.9	0.0
Family Distribution by Income Level	81,761	18.5	16.3	19.7	45.5	0.0
Household Distribution by Income Level	115,273	21.2	14.4	16.7	47.6	0.0
Median Family Income Non-MSAs - GA		\$45,886	Median Housing Value			\$143,271
			Median Gross Rent			\$703
			Families Below Poverty Level			15.1%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 26 institutions operated 72 offices within this AA. Of these institutions, Bank OZK ranked 2nd with 11.65 percent deposit market share. The top 5 financial institution accounts for 64.8 percent of the total deposit market share.

NORTH CAROLINA

Greensboro MSA

The Greensboro MSA AA consists of all of Randolph County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Greensboro MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	28	0.0	28.6	60.7	10.7	0.0
Population by Geography	142,370	0.0	25.5	63.4	11.1	0.0
Housing Units by Geography	61,221	0.0	26.2	62.8	11.0	0.0
Owner-Occupied Units by Geography	39,612	0.0	20.4	66.5	13.1	0.0
Occupied Rental Units by Geography	14,895	0.0	39.5	54.5	6.1	0.0
Vacant Units by Geography	6,714	0.0	30.6	59.5	9.9	0.0
Businesses by Geography	9,605	0.0	29.5	59.3	11.2	0.0
Farms by Geography	518	0.0	16.6	73.0	10.4	0.0
Family Distribution by Income Level	38,074	23.0	20.3	19.8	36.8	0.0
Household Distribution by Income Level	54,507	23.5	18.2	18.2	40.1	0.0
Median Family Income MSA - 24660 Greensboro-High Point, NC MSA		\$55,218	Median Housing Value			\$120,801
			Median Gross Rent			\$646
			Families Below Poverty Level			13.6%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 10 institutions operated 25 offices within this AA. Of these institutions, Bank OZK ranked 9th with 2.8 percent deposit market share. The top 5 financial institutions account for 78.8 percent of the total deposit market share.

Wilmington MSA

The Wilmington MSA AA consists of all of New Hanover County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Wilmington MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	45	17.8	8.9	31.1	37.8	4.4
Population by Geography	213,091	15.5	8.6	41.3	34.6	0.0
Housing Units by Geography	104,141	14.8	8.4	38.5	38.3	0.0
Owner-Occupied Units by Geography	50,638	5.2	4.9	45.9	44.0	0.0
Occupied Rental Units by Geography	37,765	28.1	14.4	34.7	22.7	0.0
Vacant Units by Geography	15,738	13.6	5.0	23.6	57.7	0.0
Businesses by Geography	29,141	13.6	7.7	32.6	45.8	0.3
Farms by Geography	628	10.2	7.2	43.6	38.9	0.2
Family Distribution by Income Level	51,829	22.1	16.7	18.1	43.0	0.0
Household Distribution by Income Level	88,403	24.7	14.9	17.5	42.9	0.0
Median Family Income MSA - 48900 Wilmington, NC MSA		\$64,357	Median Housing Value			\$234,632
			Median Gross Rent			\$930
			Families Below Poverty Level			11.4%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 21 institutions operated 58 offices within this AA. Of these institutions, Bank OZK ranked 12th with 1.0 percent deposit market share. The top 5 financial institutions account for 85.2 percent of the total deposit market share.

Winston-Salem MSA

The Winston-Salem MSA AA consists of all of David, Davidson, and Forsyth Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Winston-Salem MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	134	11.9	17.2	36.6	32.8	1.5
Population by Geography	566,998	8.8	18.3	37.9	34.2	0.7
Housing Units by Geography	250,848	8.9	18.6	38.8	33.3	0.4
Owner-Occupied Units by Geography	147,684	3.9	12.5	42.6	41.0	0.1
Occupied Rental Units by Geography	75,635	17.7	28.5	31.5	21.4	0.9
Vacant Units by Geography	27,529	11.2	24.2	39.0	25.2	0.4
Businesses by Geography	47,424	6.6	16.1	35.2	41.4	0.7
Farms by Geography	1,514	2.6	9.4	45.2	42.3	0.3
Family Distribution by Income Level	146,359	21.8	17.1	18.7	42.4	0.0
Household Distribution by Income Level	223,319	23.0	16.5	17.0	43.4	0.0
Median Family Income MSA - 49180 Winston-Salem, NC MSA		\$56,536	Median Housing Value			\$149,749
			Median Gross Rent			\$715
			Families Below Poverty Level			13.0%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 19 institutions operated 121 offices within this AA. Of these institutions, Bank OZK ranked 9th with 2.2 percent deposit market share. The top 5 financial institutions account for 75.0 percent of the total deposit market share.

NC Non-MSA

The NC Non-MSA AA consists of all of Cleveland and Rutherford Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
NC Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	35	0.0	11.4	77.1	11.4	0.0
Population by Geography	164,043	0.0	11.0	81.0	7.9	0.0
Housing Units by Geography	77,151	0.0	10.8	79.0	10.1	0.0
Owner-Occupied Units by Geography	44,416	0.0	8.4	82.9	8.7	0.0
Occupied Rental Units by Geography	19,463	0.0	15.7	78.7	5.6	0.0
Vacant Units by Geography	13,272	0.0	12.1	66.3	21.6	0.0
Businesses by Geography	9,819	0.0	12.9	77.9	9.2	0.0
Farms by Geography	505	0.0	4.2	85.9	9.9	0.0
Family Distribution by Income Level	43,258	21.5	18.3	21.6	38.7	0.0
Household Distribution by Income Level	63,879	25.6	15.7	17.9	40.8	0.0
Median Family Income Non-MSAs - NC		\$47,217	Median Housing Value			\$112,015
			Median Gross Rent			\$639
			Families Below Poverty Level			15.2%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 12 institutions operated 33 offices within this AA. Of these institutions, Bank OZK ranked 2nd with 21.1 percent deposit market share. The top 5 financial institutions account for 72.2 percent of the total deposit market share.

TEXAS

Austin MSA

The Austin MSA AA consists of all of Caldwell, Travis, and Williamson Counties. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Austin MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	315	11.1	21.6	34.9	30.5	1.9
Population by Geography	1,634,584	10.9	21.1	34.8	31.9	1.3
Housing Units by Geography	650,174	10.8	19.0	36.2	33.0	1.0
Owner-Occupied Units by Geography	340,424	4.2	16.8	37.2	41.6	0.2
Occupied Rental Units by Geography	262,040	18.9	21.8	35.3	22.1	1.9
Vacant Units by Geography	47,710	13.4	19.6	33.8	31.3	1.8
Businesses by Geography	231,531	6.4	12.0	32.0	48.3	1.3
Farms by Geography	4,409	5.0	15.5	35.5	43.6	0.5
Family Distribution by Income Level	370,649	22.4	16.5	19.6	41.5	0.0
Household Distribution by Income Level	602,464	22.9	16.7	18.0	42.4	0.0
Median Family Income MSA - 12420 Austin-Round Rock-Georgetown, TX MSA		\$78,997	Median Housing Value			\$244,580
			Median Gross Rent			\$1,076
			Families Below Poverty Level			9.4%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 61 institutions operated 380 offices within this AA. Of these institutions, Bank OZK ranked 26th with 0.5 percent deposit market share. The top 5 financial institutions account for 65.9 percent of the total deposit market share.

Fort Worth MSA

The Fort Worth MSA AA consists of all of Tarrant County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Fort Worth MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	357	13.2	25.8	31.7	29.1	0.3
Population by Geography	1,914,526	10.1	24.4	32.5	33.0	0.0
Housing Units by Geography	732,985	10.0	24.5	33.0	32.5	0.0
Owner-Occupied Units by Geography	410,486	5.2	18.8	34.4	41.5	0.0
Occupied Rental Units by Geography	263,251	15.6	31.9	32.1	20.4	0.0
Vacant Units by Geography	59,248	18.3	31.0	27.4	23.2	0.0
Businesses by Geography	198,600	6.4	20.6	27.2	45.8	0.1
Farms by Geography	3,450	4.1	17.6	29.9	48.4	0.0
Family Distribution by Income Level	466,070	23.1	16.3	19.3	41.3	0.0
Household Distribution by Income Level	673,737	24.0	16.3	18.3	41.4	0.0
Median Family Income MSA - 23104 Fort Worth-Arlington-Grapevine, TX		\$69,339	Median Housing Value			\$155,983
			Median Gross Rent			\$946
			Families Below Poverty Level			11.6%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is moderately competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 70 institutions operated 420 offices within this AA. Of these institutions, Bank OZK ranked 35th with 0.3 percent deposit market share. The top 5 financial institutions account for 68.4 percent of the total deposit market share.

Houston MSA

The Houston MSA AA consists of all of Harris County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
Houston MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	786	18.7	31.8	21.2	27.5	0.8
Population by Geography	4,356,362	15.8	30.7	25.3	27.9	0.4
Housing Units by Geography	1,660,235	16.5	29.0	24.1	30.0	0.4
Owner-Occupied Units by Geography	823,646	7.5	25.8	27.9	38.8	0.1
Occupied Rental Units by Geography	675,882	25.1	32.4	21.0	20.9	0.7
Vacant Units by Geography	160,707	26.3	31.6	18.6	23.2	0.4
Businesses by Geography	465,018	12.6	21.1	21.5	44.6	0.3
Farms by Geography	5,931	8.0	18.1	24.6	49.3	0.1
Family Distribution by Income Level	1,024,967	27.7	17.1	17.0	38.1	0.0
Household Distribution by Income Level	1,499,528	27.2	16.9	17.0	38.9	0.0
Median Family Income MSA - 26420 Houston-The Woodlands-Sugar Land, TX MSA		\$69,373	Median Housing Value			\$171,147
			Median Gross Rent			\$954
			Families Below Poverty Level			14.9%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is highly competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 78 institutions operated 922 offices within Sullivan County. Of these institutions, Bank OZK ranked 40th with 0.1 percent deposit market share. The top 5 financial institutions account for 77.0 percent of the total deposit market share.

San Antonio MSA

The San Antonio AA consists of all of Bexar County. Demographic data for this AA is included in the following table.

Demographic Information of the Assessment Area						
San Antonio MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	366	9.0	35.8	25.1	29.0	1.1
Population by Geography	1,825,502	7.4	34.0	27.7	30.9	0.0
Housing Units by Geography	675,208	7.1	33.9	27.9	31.0	0.0
Owner-Occupied Units by Geography	361,851	5.3	27.8	27.5	39.4	0.0
Occupied Rental Units by Geography	256,980	8.7	41.0	28.8	21.5	0.0
Vacant Units by Geography	56,377	11.3	41.1	26.7	21.0	0.0
Businesses by Geography	153,235	4.8	22.9	27.6	44.4	0.3
Farms by Geography	2,870	2.6	18.6	27.0	51.7	0.1
Family Distribution by Income Level	419,295	24.1	17.7	19.3	39.0	0.0
Household Distribution by Income Level	618,831	25.6	16.3	18.0	40.1	0.0
Median Family Income MSA - 41700 San Antonio-New Braunfels, TX MSA		\$62,228	Median Housing Value			\$146,871
			Median Gross Rent			\$893
			Families Below Poverty Level			13.8%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA is highly competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2021, 43 institutions operated 290 offices within this AA. Of these institutions, Bank OZK ranked 26th with 0.1 percent deposit market share. The top 5 financial institutions account for 88.5 percent of the total deposit market share.

APPENDIX D – 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.

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

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

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

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

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

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

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

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

funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

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

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

Community Development Loan: A loan that:

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

Community Development Service: A service that:

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

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

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

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

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or

- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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

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

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

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

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

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

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

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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