



211 West Main Street

Morehead, KY 40351

Phone: 606-784-4187

Fax: 606-783-1223



*"Where Your Money Should Call Home"*

[www.firstfederalmorehead.com](http://www.firstfederalmorehead.com)

## First Federal Savings & Loan Community Reinvestment Act Information Sheet

### LOCATION:

1 Location. The address is:

211 West Main Street

Morehead, KY 40351

Phone: 606-784-4187

### CENSUS TRACT:

9501

The bank has one 24-hour ATM on-site in the drive-thru.

### BRANCHES:

The bank has not opened or closed a branch during the current year or each of the prior two years.

### HOURS OF OPERATION:

Lobby: Monday-Friday 9am-4pm/Closed Saturday and Sunday

Drive Thru: Monday-Friday 9am-5pm/Closed Saturday and Sunday

### Deposit Products and Transaction Fees:

The Bank offers a variety of competitive checking, savings and certificate of deposit. A listing of the accounts and transaction fees is included in this file.



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FFIEC Census Reports

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**2024 FFIEC Census Report - Summary Census Demographic Information**

State: 21 - KENTUCKY (KY)

County: 205 - ROWAN COUNTY

Records 1 through 7 of 7

Data Report Links

[Demographic \(PDF\)](#) [Income \(PDF\)](#) [Population \(PDF\)](#) [Housing \(PDF\)](#)

For details on each field, please refer to the [Census Info Sheet](#)

**\* Will automatically be included in the 2025 Distressed or Underserved Tract List**

| Tract Code | Tract Income Level | Distressed or Under-served Tract | Tract Median Family Income % | 2024 FFIEC Est. MSA/MD non-MSA/MD Median Family Income | 2024 Est. Tract Median Family Income | 2020 Tract Median Family Income | Tract Population | Tract Minority % | Minority Population | Owner Occupied Units | 1- to 4- Family Units |
|------------|--------------------|----------------------------------|------------------------------|--|--------------------------------------|---------------------------------|------------------|------------------|---------------------|----------------------|-----------------------|
| 9501.00    | Upper              | No                               | 160.07                       | \$66,100   | \$105,806                            | \$86,083                        | 5965             | 6.14             | 366                 | 1783                 | 2412                  |
| 9502.01    | Upper              | No                               | 124.93                       | \$66,100   | \$82,579                             | \$67,188                        | 3601             | 6.33             | 228                 | 982                  | 1623                  |
| 9502.02    | Upper              | No                               | 143.61                       | \$66,100   | \$94,926                             | \$77,235                        | 5687             | 11.45            | 651                 | 488                  | 1314                  |
| 9503.01    | Moderate           | No                               | 77.11                        | \$66,100   | \$50,970                             | \$41,471                        | 2606             | 10.44            | 272                 | 323                  | 1034                  |
| 9503.02    | Middle             | Yes*                             | 82.99                        | \$66,100   | \$54,856                             | \$44,632                        | 2897             | 6.45             | 187                 | 606                  | 1362                  |
| 9504.00    | Moderate           | No                               | 68.27                        | \$66,100   | \$45,126                             | \$36,716                        | 3906             | 4.74             | 185                 | 1103                 | 1818                  |
| 9999.99    | Middle             | No                               | 116.73                       | \$66,100   | \$77,159                             | \$62,779                        | 24662            | 7.66             | 1889                | 5285                 | 9563                  |

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Last Modified: 08/30/2024 12:00 PM

FIRST FEDERAL SAVINGS & LOAN  
Loans to Savings Ratio

|              |                |    |               |
|--------------|----------------|----|---------------|
| 1st QTR 2026 | Total Loans=   | \$ | 36,958,000.00 |
|              | Total Savings= | \$ | 29,927,000.00 |
| 1.23         |                |    |               |

|              |                |    |               |
|--------------|----------------|----|---------------|
| 4th QTR 2025 | Total Loans=   | \$ | 36,706,000.00 |
|              | Total Savings= | \$ | 29,625,000.00 |
| 1.24         |                |    |               |

|              |                |    |               |
|--------------|----------------|----|---------------|
| 3rd QTR 2025 | Total Loans=   | \$ | 36,808,000.00 |
|              | Total Savings= | \$ | 29,025,000.00 |
| 1.27         |                |    |               |

|              |                |    |               |
|--------------|----------------|----|---------------|
| 2nd QTR 2025 | Total Loans=   | \$ | 35,972,000.00 |
|              | Total Savings= | \$ | 28,307,000.00 |
| 1.27         |                |    |               |

|              |                |    |               |
|--------------|----------------|----|---------------|
| 1st QTR 2025 | Total Loans=   | \$ | 35,860,000.00 |
|              | Total Savings= | \$ | 27,705,000.00 |
| 1.29         |                |    |               |

|              |                |    |               |
|--------------|----------------|----|---------------|
| 4th QTR 2024 | Total Loans=   | \$ | 35,764,000.00 |
|              | Total Savings= | \$ | 28,518,000.00 |
| 1.25         |                |    |               |

|              |                |    |               |
|--------------|----------------|----|---------------|
| 3rd QTR 2024 | Total Loans=   | \$ | 34,929,000.00 |
|              | Total Savings= | \$ | 27,399,000.00 |
| 1.27         |                |    |               |

|              |                |    |               |
|--------------|----------------|----|---------------|
| 2nd QTR 2024 | Total Loans=   | \$ | 36,504,000.00 |
|              | Total Savings= | \$ | 26,854,000.00 |
| 1.36         |                |    |               |

## Pricing Information

| Consumer Checking                             | Premier  | Interest   | Free  |
|---|--|--|---|
| Monthly Maintenance Fee                       | \$14.00  | \$7.00   | No Monthly Maintenance Fee  |
| Requirements to Waive Monthly Maintenance Fee | No Monthly Maintenance Fee with one of the following: <ul style="list-style-type: none"> <li>- \$25,000 in combined deposit, and credit balances</li> <li>- Military or Senior Status</li> </ul> | No Monthly Maintenance Fee with one of the following: <ul style="list-style-type: none"> <li>- \$5,000 in combined deposit, and credit balances</li> </ul> | None  |
| Additional Features                           | <ul style="list-style-type: none"> <li>- Preferred Check Pricing</li> <li>- Fee waived for overdraft sweep transfers</li> <li>- Debit Card Access</li> </ul>                                     | <ul style="list-style-type: none"> <li>- 1<sup>st</sup> Check Order Free</li> <li>- Interest Bearing</li> <li>- Debit Card Access</li> </ul>               | <ul style="list-style-type: none"> <li>- Debit Card Access</li> </ul> |

| Business Checking                             | Interest  | Standard  |
|---|---|---|
| Monthly Maintenance Fee                       | \$14.00   | \$7.00  |
| Requirements to Waive Monthly Maintenance Fee | No Monthly Maintenance Fee with the following: <ul style="list-style-type: none"> <li>- Minimum Balance of \$5,000</li> </ul>   | No Monthly Maintenance Fee with the following: <ul style="list-style-type: none"> <li>- Minimum Balance of \$100</li> </ul>   |
| Additional Features                           | <ul style="list-style-type: none"> <li>- Transaction fee waived for the first 100 debit transactions per month (\$0.25 processing fee over the 100)</li> <li>- Transaction fee waived for the first 100 deposit items per month (\$0.05 processing fee over the 100)</li> <li>- Interest Bearing</li> </ul> | <ul style="list-style-type: none"> <li>- Transaction fee waived for the first 100 transactions per month (\$0.25 processing fee over the 100)</li> <li>- Transaction fee waived for the first 100 deposit items per month (\$0.05 processing fee over the 100)</li> </ul> |

- Variable rate account interest rates are determined at the institutions discretion and can change at any time. Speak with a banker for current deposit rates.
- Military includes current and former members; Seniors include individuals 65 or greater.
- Combined deposit and credit balances include the total of personal checking, savings, CDs, IRAs, outstanding credit balances (mortgage, consumer, and lines of credit).



"Where Your Money Should Call Home"

| Other Miscellaneous Fees  | Regular Pricing     | Preferred Premier Pricing |
|---|---------------------|---------------------------|
| <b>ATM And Debit Card Fees</b><br>ATM Transaction means each requested withdrawal, balance inquiry, denied transaction, funds transfer or deposit.<br><br>Non-First Federal ATM Transaction<br>Multiple fees may apply during one ATM session | No Charge           | No Charge                 |
| Overdraft Paid Fee  | \$32.00 per item    | \$30.00 per item          |
| Overdraft Return Fee  | \$32.00 per item    | \$30.00 per item          |
| Consecutive Days Overdraft Fee (Charged if the Available Balance remains negative for ten consecutive days; the fee will be charged on the next business day.)  | \$32.00             | \$30.00                   |
| Overdraft Sweep Transfer Fee  | \$5.00 per transfer | Free                      |
| Deposit Item Returned Fee or Cashed Check Returned Fee  | \$32.00 per item    | \$30.00 per item          |
| Statement Fee   | No Charge           | No Charge                 |
| Photocopy Requests  | \$1.00 per item     | \$1.00 per item           |
| Research Charge (1hr minimum)   | \$15.00/hour        | \$15.00/hour              |
| Cashier's Checks  | \$5.00 per check    | Free                      |
| Counter Checks  | \$2.00 per page     | \$2.00 per page           |
| Stop Payment Fee  | \$15.00             | \$15.00                   |
| Wire Transfer (Incoming and Outgoing)   | \$50.00             | \$50.00                   |
| Account Charge-Off Processing Fee   | \$32.00             | \$32.00                   |
| Dormancy Fee (730 days with no account activity)  | \$15.00             | \$15.00                   |
| Inactivity Fee (90 days with no account activity with a balance less than \$1000)   | \$15.00             | \$15.00                   |
| Early Closeout Fee (Fee will be imposed if account is closed out within 60 days of account opening)   | \$15.00             | \$15.00                   |
| Legal Charges; could include Garnishments, Tax Levy & Child Support   | \$100.00            | \$100.00                  |

- Counter Checks provided at account opening will not have a charge.
- Premier Pricing rates are for individuals who currently have an active Premier Checking account.



211 W Main Street  
Morehead, KY 40351  
606-784-4187

"Where Your Money Should Call Home"

## **Deposit Products**

### **Personal Savings**

At First Federal Savings & Loan we make hitting your savings goals easy. Keep savings simple.

### **Statement Savings**

This is our standard savings account. This can be used for multiple purposes, for example personal savings or savings for children. This account offers competitive rates and has a low minimum balance requirement of only \$25.00.

### **Christmas Club**

Our Christmas club is one of the easiest ways to save money. We offer clubs starting at \$1.00 per week up to \$50.00 per week. You make 49 payments, and we will make the 50th. Payments are flexible with weekly and monthly options. When the club is completed, you will be mailed a check for the balance of the account. Use the funds however you want, Christmas gifts, taxes, or vacation!

### **CDs**

We offer a wide variety of CDs with competitive rates. The terms can range from six months to five years depending on your preference.

### **IRA CDs**

We offer both Traditional and Roth IRAs. IRAs offer tax advantages, fixed term rates, and the security of FDIC insurance. Our CD IRAs are a good option for retirement savings or rolling funds over from other retirement plans.

**Premier Checking****Interest Checking**

## Free Checking

|   |  |   |      |
|---|--|---|------|
| Debit card access                             | Yes  | Yes   | Yes  |
| Online Banking access                         | Yes  | Yes   | Yes  |
| Monthly Maintenance Fee                       | \$14.00  | \$7.00  | \$0  |
| Requirements to Waive Monthly Maintenance Fee | <ul style="list-style-type: none"><li>• \$25,000 on combined deposit and credit balances</li><li>• Military or Senior Status</li></ul>   | \$5,000 in combined deposit and credit balances   | None |
| Additional Features                           | <ul style="list-style-type: none"><li>• Preferred Check Pricing</li><li>• Fee waived for overdraft sweep transfers.</li><li>• Preferred pricing on fees</li><li>• Interest bearing</li></ul> | <ul style="list-style-type: none"><li>• 1st check order free</li><li>• Interest bearing</li></ul> | N/A  |

Variable rate account interest rates are determined at the institution's discretion and can change at any time. Military includes current and former members; Seniors include individuals aged 65 or greater.

Combined deposit and credit balance include the total of personal checking, savings, CDs, IRAs, and outstanding credit balances (mortgage, consumer, and lines of credit).

# Personal Mortgage Lending

At First Federal Savings and Loan we offer more loans in all shapes and sizes.

## Adjustable

Get the best rates available by applying for our adjustable mortgage. With amortization up to twenty years you can rest assured that your mortgage will be made affordable.

## Fixed

Rest assured knowing your rate will not change. First Federal Savings and Loan offers terms up to 30 years on our fixed mortgages.

## Construction

If you are looking to build something new or add on to your existing home a construction loan may be the right option for you. At First Federal we keep construction loans simple and flexible.

# Business Real Estate

Looking to grow your business? First Federal Savings and Loan has the Real Estate Loans to help you thrive.

If you are looking to refinance, remodel, purchase, or expand your investment property we have the loan for you.

## Adjustable Mortgage

Our non-owner-occupied adjustable mortgages are the perfect solution for rental properties or store front properties. With amortization up to twenty years you can rest assured that your mortgage will be made affordable.

## 5 Year Balloon

Our commercial balloon loan is a good option to ensure your rate is locked in for five years. The loan has a maximum amortization of twenty years.

# Personal Lending

If you have the need, we have the loan.

## Auto

Our auto loans are a good option for any vehicle purchase. Whether you are looking to build something new from the dealership or purchase an older vehicle our lenders can help. Some institutions heavily restrict the automobiles they will lend on, and we are happy to say we are flexible with our lending.

## Personal Unsecured

Need to consolidate debt or have an unexpected expense come up? An unsecured personal loan is the fastest way to get funding when you need it.

With loan approval as fast as one day we can easily help when those situations come up.

## Even More...

Are you looking to get an ATV, Camper, or even a Boat? Good news, we can help! Our lenders are happy to help finance any of your lending needs.

# Online Banking

Make banking easy and at your fingertips from the comfort of your home.

## Online Banking

Transact when it's convenient for you. Whether you are looking to transfer money or pay a payment our online banking gives you the ability 24-hours a day.

## Mobile Banking

Our app makes online easier. Our app offers the safe functionality of our online banking with the convenience of a phone app.



## Bill Pay

Save your checks and set up Bill Pay. These products give you the ability to pay your bills through our online banking portal. Simply enter your biller's information, amount and due date and make your payments easy.

## Notifi-Alerts

Set up alerts to better monitor your account activity. We offer several options for your notifications from transactions, minimum balance, or account changes. These notifications can be received via text or email. To view all options log into your online banking account.

## eStatements

Save paper and sign up for electronic statements. When statements are available you will receive an email notification instead of waiting for the mail. To sign up log into your online banking account.

# Debit Cards

Instant access to your money. No need to carry cash or write checks.

## MasterCard

We are happy to say we utilize MasterCard as our debit card provider. This gives you the ability to use your card with most vendors. This also provides you with 24-hour fraud monitoring and prevention.

## uChoose Rewards

uChoose Rewards gives you more flexibility and choice. With uChoose rewards you earn points with every transaction you make. Visit [www.uchooserewards.com](http://www.uchooserewards.com) for more information and view your account.

**FIRST FEDERAL SAVINGS & LOAN  
ASSOCIATION OF MOREHEAD, INC.  
COMMUNITY REINVESTMENT ACT POLICY**

# **First Federal Savings and Loan Association of Morehead, Inc. Community Reinvestment Act (CRA) Policy**

## **Introduction**

The CRA was enacted in 1977 to encourage financial institutions to help meet the credit needs of their communities, including low- and moderate-income neighborhoods, consistent with safe and sound lending practices. It extends and clarifies the longstanding expectation that financial institutions will serve the convenience and needs of their local communities. The CRA and its implementing regulations require the Comptroller Currency (OCC) to assess the record of each savings association in helping to fulfill their obligations to the community and to consider that record in evaluating applications for charters or for approval of mergers, acquisitions, and branch openings.

The law provides a framework for financial institutions and community organizations to work together to promote the availability of credit and other banking services to underserved communities. Under its impetus, banks and savings associations have opened new branches, provided expanded services, adopted more flexible credit underwriting standards, and made substantial commitments to state and local governments or community development organizations to increase lending to underserved segments of local economies and populations.

The CRA's implementing regulation (12 CFR Part 563e) requires the OCC to assess FFS&L's record with regard to CRA. The OCC publishes an advance notice of scheduled CRA examinations quarterly. A written performance evaluation of the savings association's CRA activities, including a CRA rating, is prepared at the end of each CRA examination and made available to the general public 30 business days after its receipt by the savings association. The OCC encourages community and civic organizations, government, and other members of the public to express their views about a savings association's CRA performance to the savings association and the OCC at the earliest possible time. This allows the savings association to address any concerns and the OCC to take the public's views into account by evaluating the savings association's CRA record and reaching conclusions about its performance ratings.

## **Types of Loans FFS&L Will Consider**

FFS&L shall consider only those types of loans that it is empowered to make by virtue of its federal savings and loan charter and which are specifically offered by its Board of Directors.

FFS&L Lending & Credit Loss Policy contains information regarding the types of loans, terms of those loans, loan-to-value requirements, collateral requirements and other information.

### **Geographical Area**

The geographical area within which FFS&L will consider making mortgage loans includes, but is not limited to, Rowan County and the surrounding counties. Rowan County is considered our main lending area.

### **Criteria Used to Determine Compliance**

FFS&L looks at a variety of criteria to determine compliance with CRA requirements. Characteristics such as Loan-To-Deposit Ratios, concentrations and /or distribution of loans within the geographical assessment area, distribution of loans among borrowers of low to moderate income levels, and CRA complaints received are considered by the Board. Due to the small size of our Institution and the high level of involvement by the Board in the lending process, the directors maintain an ongoing awareness of these factors.

Last Reviewed/Revised: 04/08/2026

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John P. Northcutt, Secretary

**First Federal Savings and Loan Association  
of Morehead  
Community Reinvestment Act Notice**

Under the Federal Community Reinvestment Act (CRA), the Comptroller of the Currency evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The Comptroller also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA performance Evaluation, prepared by the Comptroller; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each quarter, the Comptroller publishes a nationwide list of the banks that are scheduled CRA examination in that quarter. This list is available from the Deputy Comptroller, Central District, Office of the Comptroller of Currency, 425 S. Financial Place, Suite 1700, Chicago, IL 60605. You may send written comments about our performance in helping to meet community credit needs to Ralph Derrickson, President, 211 West Main Street, Morehead, Kentucky 40351 and Deputy Comptroller, Central District, Office of the Comptroller of Currency, 425 S. Financial Place, Suite 1700, Chicago, IL 60605. Your letter, together with any response by us, will be considered by the Comptroller in evaluating our CRA performance and may be made public. You may also email comments to: [CRAComments@occ.treas.gov](mailto:CRAComments@occ.treas.gov).

You may ask to look at any comments received by the Deputy Comptroller. You may also request from the Deputy Comptroller an announcement of our applications covered by the CRA filed with the Comptroller.



Office of the  
Comptroller of the Currency  
Washington, DC 20219

**SMALL BANK**

## **PUBLIC DISCLOSURE**

May 18, 2022

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

First Federal Savings and Loan Association  
Charter Number 706902

211 West Main Street  
Morehead, Kentucky 40351

Office of the Comptroller of the Currency

10200 Forest Green Boulevard  
Suite 501  
Louisville, Kentucky 40223

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

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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Outstanding**.

**The lending test is rated: Outstanding**

The major factors that support this rating include:

- The loan-to-deposit (LTD) ratio is more than reasonable given First Federal Savings and Loan Association's (FFS&LA or Bank) size, financial condition, and the credit needs of the Bank's assessment area (AA).
- A majority of the Bank's loans are originated within its AA.
- The Bank's distribution of loans to borrowers of different income levels is excellent.

### Loan-to-Deposit Ratio

Considering the Bank's size, financial condition, and credit needs of the AA, the Bank's loan-to-deposit ratio is more than reasonable. FFS&LA's LTD ratio averaged 115.7 percent over the 16 quarters since the prior Community Reinvestment Act (CRA) evaluation, with a quarterly high of 130.8 percent and a quarterly low of 98.4 percent. The average LTD is on par with findings at the Bank's prior CRA evaluation. FFS&LA had a significantly higher LTD ratio than the other similarly situated bank serving its AA, which had an average LTD ratio of 81.3 percent over the same period.

### Lending in Assessment Area

A majority of the Bank's loans are inside its AA. The Bank originated and purchased 61.7 percent of its total loans inside the Bank's AA during the evaluation period.

| Lending Inside and Outside of the Assessment Area |                 |      |         |      |            |                                    |      |         |      |                   |
|---|-----------------|------|---------|------|------------|------------------------------------|------|---------|------|-------------------|
| Loan Category                                     | Number of Loans |      |         |      | Total<br># | Dollar Amount of Loans<br>\$(000s) |      |         |      | Total<br>\$(000s) |
|   | Inside          |      | Outside |      |            | Inside                             |      | Outside |      |                   |
|   | #               | %    | #       | %    |            | \$                                 | %    | \$      | %    |                   |
| Home Mortgage                                     | 14              | 70.0 | 6       | 30.0 | 20         | 963,580                            | 61.7 | 597,269 | 38.3 | 1,561             |

*Source: Random sample of home mortgage loans from Bank records that were originated between January 1, 2019 and December 31, 2021.  
Totals may reflect negligible variances due to rounding.*

## Description of Institution

FFS&LA is an intrastate, mutual federal savings association headquartered in, and operating out of, a single location in Morehead, Kentucky. The Bank's sole AA for CRA purposes consists of the entirety of Rowan County, Kentucky and does not reflect illegal discrimination. The Bank has not opened or closed any branches or made any significant changes to its corporate structure since the prior CRA evaluation.

As a traditional thrift, FFS&LA focuses on residential mortgage loans for the purchase, refinance, improvement, or construction of one-to-four family homes. As of December 31, 2021, FFS&LA reported \$36.2 million in total assets with \$26.9 million in net loans. Net loans represented 74.0 percent of average assets and loans secured by one-to-four family residential mortgages comprised 71.1 percent of net loans. The Bank offers only non-transactional deposit accounts. The main office has a drive-thru but does not offer an Automated Teller Machine.

Competition from other financial institutions is strong. FFS&LA competes with six other banks within the AA, including branches of large community and regional banks. According to the FDIC, as of June 30, 2021, seven banks with 11 offices, including FFS&LA, operated within the Bank's AA. These branches held a combined total of \$444.3 million in deposits. Of the combined deposits, FFS&LA ranked fifth, with a market share of 5.6 percent.

There are no legal or financial impediments to FFS&LA's ability to meet the credit needs of its AA. The last CRA evaluation was performed by The Office of the Comptroller of the Currency (OCC) on April 9, 2018. FFS&L received a Satisfactory rating.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We conducted an evaluation of the Bank's CRA performance using the OCC's Small Bank CRA examination procedures. These procedures assess an institution's record of meeting credit needs through its lending activities. Conclusions regarding the Bank's lending performance were based on a random sample of the Bank's primary lending product originated between January 1, 2019, and December 31, 2021. Our determination of primary products was based on both dollar volume and number of loans originated during the evaluation period. Home mortgage loans accounted for 68.9 percent of originations by dollar volume and 51.7 percent by number.

### Selection of Areas for Full-Scope Review

FFS&LA has a single AA, the entirety of Rowan County, Kentucky, which received a full-scope review. Refer to appendix A, *Scope of Examination*, for more information.

### Ratings

The Bank's overall rating is based on the State of Kentucky rating. The State rating is based on the full-scope review of FFS&LA's single AA. In assessing performance, we focused solely on borrower income distribution as there are no low- or moderate-income census tracts (CT) in the AA.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the Bank, or in any AA by an affiliate whose loans have been considered as part of the Bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

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

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

## **State Rating**

### **State of Kentucky**

**CRA rating for the State of Kentucky: Outstanding**

**The Lending Test is rated: Outstanding**

The major factors that support this rating include:

- FFS&LA's LTD ratio is more than reasonable given the institution's size, financial condition, and credit needs of the AA.
- A majority of the Bank's loans are within its AA.
- The Bank's distribution of loans among borrowers of different income levels is excellent.

### **Description of Institution's Operations in Kentucky**

As previously noted, the Bank operates a single location within its sole AA, Rowan County, Kentucky. Rowan County includes four complete CTs, none of which are designated as low- or moderate-income geographies. A description of the Bank and its operations in Kentucky can be found in the *Description of the Institution* section of this evaluation.

Table A below provides demographic information regarding FFS&LA's AA. The AA's median family income is slightly below the \$52,600 median figure for the State of Kentucky. According to the Bureau of Labor Statistics, the annual unemployment rates for Rowan County in 2019, 2020, and 2021 were 5.0, 7.2, and 5.3 percent, respectively. These numbers were modestly higher than statewide figures across the same period.

One community contact, whose focus is on business and growth, identified affordable housing as an immediate and long-term need for the area. Home mortgage loans are the Bank's primary product as demonstrated by the Bank's lending activity across the evaluation period. Providing financing to support home ownership is reflective of the Bank's chartered purpose.

## Rowan County

| Table A – Demographic Information of the Assessment Area   |          |                              |                    |                  |                 |               |
|--|----------|------------------------------|--------------------|------------------|-----------------|---------------|
| Assessment Area: Rowan County - 2021 - Non-MSA AA  |          |                              |                    |                  |                 |               |
| Demographic Characteristics  | #        | Low<br>% of #                | Moderate<br>% of # | Middle<br>% of # | Upper<br>% of # | NA*<br>% of # |
| Geographies (Census Tracts)  | 4        | 0.0                          | 0.0                | 75.0             | 25.0            | 0.0           |
| Population by Geography  | 23,608   | 0.0                          | 0.0                | 79.0             | 21.0            | 0.0           |
| Housing Units by Geography   | 10,107   | 0.0                          | 0.0                | 77.8             | 22.2            | 0.0           |
| Owner-Occupied Units by Geography  | 5,302    | 0.0                          | 0.0                | 71.3             | 28.7            | 0.0           |
| Occupied Rental Units by Geography   | 3,240    | 0.0                          | 0.0                | 88.2             | 11.8            | 0.0           |
| Vacant Units by Geography  | 1,565    | 0.0                          | 0.0                | 78.1             | 21.9            | 0.0           |
| Businesses by Geography  | 1,720    | 0.0                          | 0.0                | 73.7             | 26.3            | 0.0           |
| Farms by Geography   | 61       | 0.0                          | 0.0                | 59.0             | 41.0            | 0.0           |
| Family Distribution by Income Level  | 5,171    | 23.0                         | 14.6               | 17.1             | 45.3            | 0.0           |
| Household Distribution by Income Level   | 8,542    | 27.7                         | 13.1               | 16.2             | 43.0            | 0.0           |
| Median Family Income Non-MSAs - KY   | \$45,986 | Median Housing Value         |                    |                  |                 | \$112,491     |
|  |          | Median Gross Rent            |                    |                  |                 | \$607         |
|  |          | Families Below Poverty Level |                    |                  |                 | 17.7%         |
| <i>Source: 2015 ACS and 2021 D&amp;B Data</i><br><i>Due to rounding, totals may not equal 100.0%</i><br><i>(*) The NA category consists of geographies that have not been assigned an income classification.</i> |          |                              |                    |                  |                 |               |

## Scope of Evaluation in Kentucky

The Bank's overall rating is based on a full-scope review of its performance in the Rowan County AA. Please refer to appendix A, *Scope of Examination*, for a description of the AA and the loans products reviewed. In assessing FFS&LA's performance at meeting the credit needs of its sole AA, we relied solely on the Bank's distribution of loans to borrowers of different income levels. This is due to the AA having no low- or moderate-income CTs.

## LENDING TEST

The Bank's performance under the Lending Test in Kentucky is rated Outstanding.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the Bank's performance in Rowan County is excellent.

### **Distribution of Loans by Income Level of the Geography**

No meaningful analysis was possible, as there are no low- or moderate-income CTs in the AA.

### **Distribution of Loans by Income Level of the Borrower**

The Bank exhibits an excellent distribution of loans to individuals of different income levels, given the product lines offered by the Bank.

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

Refer to Table P in appendix D for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations and purchases.

FFS&LA's lending to low- and moderate-income families in its AA is excellent. Management originated 17.6 and 12.4 percent of its home mortgage loans to low- and moderate-income families, respectively. The Bank's percentage of loans to low-income borrowers is slightly lower than the percentage of low-income families in the AA (23.0 percent) but significantly exceeds the aggregate (1.9 percent) comparator. The Bank's percentage of loans to moderate-income borrowers is on par with both the percentage of moderate-income families in the AA (14.6 percent) and the aggregate (11.1 percent) comparator.

### **Responses to Complaints**

FFS&LA did not receive any written complaints regarding its CRA performance during the evaluation period.

## Appendix A: Scope of Examination

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

|   |                                     |                          |
|---|-------------------------------------|--------------------------|
| <b>Time Period Reviewed:</b>                            | January 1, 2019 - December 31, 2021 |                          |
| <b>Bank Products Reviewed:</b>                          | Home mortgage loans                 |                          |
| <b>Affiliate(s)</b>                                     | <b>Affiliate Relationship</b>       | <b>Products Reviewed</b> |
| <i>Not Applicable</i>                                   | <i>Not Applicable</i>               | <i>Not Applicable</i>    |
| <b>List of Assessment Areas and Type of Examination</b> |                                     |                          |
| <b>Rating and Assessment Areas</b>                      | <b>Type of Exam</b>                 | <b>Other Information</b> |
| <b>Kentucky</b>   |                                     |                          |
| Rowan County  | Full-Scope                          |                          |

## Appendix B: Summary of MMSA and State Ratings

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| <b>RATINGS      First Federal Savings and Loan Association</b> |                            |
|--|----------------------------|
| <b>Overall Bank:</b>   | <b>Lending Test Rating</b> |
| <b>First Federal Savings &amp; Loan Association</b>            | <b>Outstanding</b>         |
| <b>State:</b>  |                            |
| <b>Kentucky</b>  | <b>Outstanding</b>         |

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

**Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the Bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.

| Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower |                           |       |            |                      |              |           |                           |              |           |                         |              |           |                        |              |           |                                | 2019-2021    |           |  |
|---|---------------------------|-------|------------|----------------------|--------------|-----------|---------------------------|--------------|-----------|-------------------------|--------------|-----------|------------------------|--------------|-----------|--------------------------------|--------------|-----------|--|
|   | Total Home Mortgage Loans |       |            | Low-Income Borrowers |              |           | Moderate-Income Borrowers |              |           | Middle-Income Borrowers |              |           | Upper-Income Borrowers |              |           | Not Available-Income Borrowers |              |           |  |
|   | #                         | \$    | % of Total | % Families           | % Bank Loans | Aggregate | % Families                | % Bank Loans | Aggregate | % Families              | % Bank Loans | Aggregate | % Families             | % Bank Loans | Aggregate | % Families                     | % Bank Loans | Aggregate |  |
| Rowan County  | 20                        | 1,923 | 100.0      | 23.0                 | 17.6         | 1.9       | 14.6                      | 12.4         | 11.1      | 17.1                    | 17.0         | 19.9      | 45.3                   | 53.0         | 48.0      | 0.0                            | 0.0          | 19.1      |  |

Source: 2015 ACS Census; 01/01/2019 - 12/31/2021 Bank Data, 2019 HMDA Aggregate Data  
 Due to rounding, totals may not equal 100.0%