



PUBLIC DISCLOSURE

October 22, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

City National Bank of West Virginia
Charter Number 14807

25 Gatewater Road
Charleston, West Virginia 25301

Office of the Comptroller of the Currency
Roanoke Field Office
4419 Pheasant Ridge Road, Suite 300
Roanoke, VA 24014

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

Table of Contents

OVERALL CRA RATING 2

DEFINITIONS AND COMMON ABBREVIATIONS 3

DESCRIPTION OF INSTITUTION 6

SCOPE OF THE EVALUATION..... 7

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW 8

MULTISTATE METROPOLITAN AREA RATING 9

 (CHARLESTON-HUNTINGTON-ASHLAND, WV-KY-OH COMBINED STATISTICAL AREA)9

 (WASHINGTON-BALTIMORE-ARLINGTON, DC-MD-VA-WV-PA COMBINED STATISTICAL AREA)..... 16

STATE RATING..... 23

 STATE OF KENTUCKY23

 STATE OF VIRGINIA30

 STATE OF WEST VIRGINIA37

APPENDIX A: SCOPE OF EXAMINATIONA-1

APPENDIX B: SUMMARY OF MULTISTATE METROPOLITAN AREA AND STATE RATINGS..... B-1

APPENDIX C: COMMUNITY PROFILES FOR FULL-SCOPE AREAS C1-C10

APPENDIX D: TABLES OF PERFORMANCE DATA.....D1-D15

Overall CRA Rating

Institution’s CRA Rating: This institution is rated **Satisfactory**.

The following table indicates the performance level of **City National Bank of West Virginia** with respect to the Lending, Investment, and Service Tests.

Performance Levels	Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory		X	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 major factors that support this rating include:

- Lending levels reflect adequate responsiveness to assessment area (AA) credit needs.
- A high percentage of loans are made in the bank’s AA.
- Overall geographic distribution of loans reflects adequate penetration throughout the AAs.
- The distribution of borrowers reflects adequate penetration among retail customers of different income levels and businesses of different sizes.
- The institution made an adequate level of community development loans.
- The institution has a good level of qualified community development investments and grants.
- Delivery systems are readily accessible to essentially all portions of the bank’s AAs.
- The institution provides a good level of community development services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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 MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity 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 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, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/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. 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division (MD): 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 (MSA): 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.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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.

Rated Area: A rated area is a state or multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan 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 One 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.

Description of Institution

City National Bank of West Virginia (CNB) is an interstate bank headquartered in Charleston, West Virginia. The bank is wholly owned by City Holding Company (City Holding), headquartered in Charleston, West Virginia. City Holding conducts its principal activities through CNB. The bank's assets totaled \$4.1 billion as of December 31, 2017. CNB operates 86 branches and 88 automated teller machines (ATMs) in West Virginia, Virginia, Kentucky, and southeastern Ohio.

The bank offers a full range of deposit products to individuals and businesses, including alternative retail-banking services such as interactive teller machines, mobile banking, and electronic bill payment. CNB offers a variety of loan products, including a program designed for low- and moderate-income borrowers (*City Start*) and participates in a specialized lending program, *Homeownership Program*, offered by the West Virginia Housing Development Fund. The bank's internet website, <https://www.bankatcity.com>, provides detailed information on products and services for both consumers and businesses.

As of December 31, 2017, the bank's loan portfolio represented 76.30 percent of total assets or \$3.1 billion. CNB is primarily a residential mortgage lender with 92.21 percent of total loans secured by residential real estate. Commercial loans represented the second largest category of loans totaling 6.62 percent. Total deposits as of December 31, 2017 were \$3.4 billion and Tier 1 capital was \$399 million.

On November 6, 2015, CNB acquired three branches from American Founder's Bank, Incorporated, located in Lexington, Kentucky. The acquisition resulted in the addition of Fayette County, Kentucky to the bank's AAs.

There are no financial or legal impediments that affect the bank's ability to provide lending, investments, and services within its AAs. CNB received a rating of "Satisfactory" on its previous Large Bank Performance Evaluation dated October 19, 2015.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We analyzed home mortgage loans that the bank reported under the Home Mortgage Disclosure Act (HMDA), and small loans made to businesses that the bank reported under the Community Reinvestment Act (CRA). Loans to small farms were not included in the scope of our review. We placed more weight on home mortgage loans when analyzing the bank's lending activity, as it represents the bank's primary loan product. We completed the evaluation of loan data using separate analysis periods due to changes in the bank's AAs and changes in census data as result of the American Community Survey (ACS), also known as the United States Census (and hereafter referred to simply as *Census*). Multi-family loans and farm loans were not considered in the lending test due to the low percentage of loan originations.

The evaluation periods for all AAs, with the exception of Fayette County (Lexington AA), Kentucky, is January 1, 2015 - December 31, 2016 and January 1, 2017 - December 31, 2017. The evaluation periods for the Fayette County, Kentucky AA are November 6, 2015 - December 31, 2016 and January 1, 2017 - December 31, 2017.

We also analyzed community development (CD) investments, services, and loans. The evaluation period for CD investments, services and loans was October 27, 2015 (which is the date of the last CRA evaluation) through December 31, 2017.

Data Integrity

Prior to conducting the CRA evaluation, we tested a representative sample of CNB's HMDA and CRA lending data. We reviewed a sample of HMDA- and CRA-reportable transactions to ensure accurate completion of key fields for the years 2015-2017. We found the HMDA and CRA data to be accurate and reliable for assessment of the bank's CRA performance. We also reviewed a sample of the CD activities that the bank submitted for consideration. We completed a review of the remaining CD activities during the evaluation.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, we selected a sample of AAs within that state for full-scope reviews. Please refer to the "Scope" section under each state for details regarding how the areas were selected. All Multistate Metropolitan Areas (MMAs) were subjected to full-scope review.

Ratings

In this evaluation, we placed more emphasis on CNB's performance during the 2015/2016 timeframe rather than its 2017 performance, as it represents the longer time period within the three-year evaluation cycle. The state ratings are based primarily on the areas receiving full-scope reviews. Please refer to the "Scope" section under each State Rating section for details regarding how AAs were weighted in arriving at the overall state ratings. We evaluated the bank's performance in the entire MMA. We did not use limited scope AAs in our evaluation of MMAs.

Inside/Outside Ratio

A substantial majority of loans were made in CNB's AAs. Overall, 92 percent of the bank's loan originations were in its AAs. For home mortgage loans, 92.8 percent of all originations were in the AAs. For loans to small businesses, 90.9 percent were in the bank's AAs.

This analysis was performed on the entire bank rather than by AA, and factored into the overall analysis of the geographic distribution of lending by income level of geography.

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 assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

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

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

Multistate Metropolitan Area Rating
Charleston-Huntington-Ashland, WV-KY-OH
Combined Statistical Area
(Charleston CSA)

CRA rating for the Charleston CSA: Satisfactory

The lending test is rated:	High Satisfactory
The investment test is rated:	Outstanding
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- Lending levels reflect a good responsiveness to overall AA credit needs.
- The geographic distribution of loans reflects adequate penetration throughout the bank’s AAs.
- The borrower distribution of loans reflects adequate penetration among borrowers of different income levels and among businesses of different sizes.
- The bank made an excellent level of community development loans during the evaluation period.
- The bank had an excellent level of qualified community development investments and grants.
- Delivery systems were readily accessible to essentially all portions of the institution’s AA.
- The bank provided a relatively high level of community development services that were responsive to community needs in full-scope areas.

**Description of Institution’s Operations in the
Charleston CSA**

The Charleston CSA is comprised of ten counties in three states:

- The Charleston, West Virginia Metropolitan Statistical Area (MSA) includes Kanawha, Clay and Boone Counties (16620);
- The Huntington-Ashland WV-KY-OH MSA (26580) includes Boyd and Greenup Counties in the state of Kentucky; Lawrence County in the state of Ohio; and, Cabell, Wayne, Putnam, and Lincoln Counties in the state of West Virginia.

CNB has 31 branches in the CSA, which represents 36.05 percent of the total branch network. The bank has 11 branches in Kanawha County, 4 branches in Cabell County, 1 one branch in Wayne County, 4 in Putnam County, 2 branches in Lincoln County, 3 branches in Lawrence County, 4 branches in Boyd County, and 2 branches in Greenup County.

Competition for deposits within the CSA is very strong. Based on June 30, 2017 Federal Deposit Insurance Corporation (FDIC) deposit information, there were \$11.3 billion in deposits held among 34 financial institutions with 192 offices located in the AA. The primary competitors were large national or regional banks. The top five competitors, excluding CNB who ranked third, had 50 offices and controlled 46.50 percent of the total market share. CNB had a deposit market share of 10.86 percent in the CSA. The Charleston CSA accounted for 37.02 percent of CNB’s total deposits as of June 30, 2017.

Please refer to the market profile for the Charleston CSA in Appendix C for detailed demographics and other performance context information.

Scope of Evaluation in the Charleston CSA

The Charleston CSA received a full scope review. The results of this review were incorporated into CNB's overall CRA rating.

Conclusions with Respect to Performance Tests in the Charleston CSA

LENDING TEST

The bank's performance under the lending test in the Charleston CSA is rated high satisfactory. Based on a full-scope review, the bank's performance in the Charleston CSA is good.

Lending Activity

Please refer to Table 1 in Appendix D for facts and data used to evaluate the bank's lending activity during the review period. The bank's lending activity is discussed in the narrative below.

Overall lending levels reflected good responsiveness to meeting AA credit needs. CNB originated an adequate volume of loans in the AA relative to its capacity based on deposits, very strong competition, and market presence. The proportion of bank loans was comparable to the proportion of bank deposits in the AA.

The competition for deposits consisted of a wide variety of financial institutions, including large national and regional institutions, trust companies, and local institutions. Competition was also very strong for loans. The competition consisted of both depository and non-depository lenders, and lenders of all sizes, including large national and regional banks, local community banks, and mortgage companies. The level of competition for deposits and loans creates a very challenging market for institutions, such as CNB, to achieve growth in its deposit base and loan portfolios.

Peer Mortgage Data for 2016 ranked CNB first in mortgage lending with a market share of 9.42 percent based upon number of HMDA-reportable loans originated in the AA and 8.79 percent market share based upon total dollar amount of loans. Mortgage lending market shares reflected strong competition with 267 residential lenders in the assessment area, including a large number of mortgage companies. The Peer Small Business Data for 2016, ranked CNB twelfth in making small loans to businesses with a 2.45 percent market share. There were 77 lenders making small loans to businesses in this AA.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans by income level was adequate. Due to the volume of mortgage loans, we placed more weight on the home mortgage lending performance. The geographic distribution of home mortgage loans by income level was adequate. The geographic distribution of small loans to businesses was excellent. No unexplained, conspicuous gaps were identified. A high percentage of the bank's loan originations were in this AA.

Home Mortgage Loans

Please refer to Table 2 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases. A change in the 2017 census data affected the location of low- and moderate-income (LMI) census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall geographic distribution of home mortgage loans was adequate.

According to the 2010 Census, 12.9 percent of households in the Charleston CSA lived below the poverty level. The median housing value was reported at \$99,073. Housing stock in low-income tracts was low, representing 0.7 percent owner-occupied housing units in the AA, compared to 15.6 percent in moderate-income tracts. Refer to the Market Profile section of this Performance Evaluation for additional factors in the area.

2015-2016 Performance

The geographic distribution of home purchase loans during 2015 and 2016 was adequate. The percentage of loans to borrowers living in low-income geographies was well below the percentage of owner-occupied housing units within these geographies. The percentage of loans to borrowers in low-income geographies was somewhat lower than the 2015 HMDA aggregate performance percentage and near the HMDA aggregate performance percentage for 2016. The percentage of loans to borrowers living in moderate-income geographies was somewhat lower than the percentage of owner-occupied units within these geographies. The percentage of loans to borrowers in moderate-income geographies was near the HMDA aggregate performance percentage in 2015 and in 2016, respectively.

2017 Performance

The bank's geographic distribution of home purchase loans for 2017 was adequate. The percentage of loans to borrowers living in low-income geographies was well below the percentage of owner-occupied housing units within these geographies. The percentage of loans to borrowers in low-income geographies was well below the HMDA aggregate performance percentage in 2017. The percentage of loans to borrowers living in moderate-income geographies was somewhat lower than the percentage of owner-occupied units within these geographies. The percentage of loans to borrowers in moderate-income geographies was near the HMDA aggregate performance percentage in 2017.

Small Loans to Businesses

Please refer to Table 3 in Appendix D for facts and data used to evaluate the geographic distribution of the bank's origination/purchases. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall geographic distribution of small loans to businesses is excellent.

2015-2016 Performance

The geographic distribution of small loans to businesses in 2015 and 2016 was excellent. The percentage of loans to businesses in low-income geographies exceeded the percentage of businesses in these geographies. The percentage of loans to businesses in low-income geographies exceeded the CRA aggregate performance percentage in 2015 and 2016. The percentage of loans to businesses in moderate-income geographies exceeded the percentage of businesses in these geographies. The percentage of loans

to borrowers in moderate-income geographies exceeded the CRA aggregate performance percentage in 2015 and 2016.

2017 Performance

The bank's geographic distribution of small loans to businesses for 2017 was good. The percentage of loans to businesses in low-income geographies was somewhat lower than the percentage of businesses in these geographies. The percentage of loans to businesses in low-income geographies was slightly lower than the CRA aggregate performance percentage in 2017. The percentage of loans to businesses in moderate-income geographies exceeded the percentage of businesses in these geographies. The percentage of loans to businesses in moderate-income geographies significantly exceeded the CRA aggregate performance percentage in 2017.

Lending Gap Analysis

A review and analysis of the geographic distribution of CNB's originations of home mortgages and small loans to businesses among AA geographies did not reveal any conspicuous or unexplained gaps in CNB's lending patterns.

Distribution of Loans by Income Level of the Borrower

Overall, CNB's record of lending to borrowers of different incomes was adequate considering the bank's performance context. This performance meets the standard for satisfactory performance.

Home Mortgage Loans

Please refer to Table 4 in Appendix D for facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall borrower distribution of home mortgage loans is adequate.

2015-2016 Performance

The distribution of home mortgage loans by borrower income level in 2015 and 2016 was adequate. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to low-income borrowers was significantly lower than the HMDA aggregate performance percentage in 2015 and was near the HMDA aggregate performance percentage for 2016. The low relative percentage of loans to low-income borrowers is reflective of limited availability of owner-occupied housing and higher poverty rate. The percentage of loans to moderate-income borrowers was near the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers was near the HMDA aggregate performance percentage in 2016 and 2016.

2017 Performance

CNB's distribution of home purchase loans for 2017 was adequate. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to low-income borrowers was lower than the HMDA aggregate performance percentage in 2017. The low relative percentage of loans to low-income borrowers is reflective of limited availability of owner-occupied housing and higher poverty rate. The percentage of loans to moderate-income borrowers was near the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers was slightly below the HMDA aggregate performance percentage in 2017.

Small Loans to Businesses

Please refer to Table 5 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall geographic distribution of small loans to businesses is good.

2015-2016 Performance

The borrower distribution of small loans to businesses in 2015 and 2016 was good. The percentage of small loans to businesses was near the percentage of small businesses in the AA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2015 and in 2016. A substantial majority of small loans to businesses were for amounts of \$250 thousand or less.

2017 Performance

The bank's distribution of small loans to businesses for 2017 was consistent with the performance noted in 2015 through 2016. The percentage of small loans to businesses was near the percentage of small businesses in the AA. The percentage of small loans to businesses significantly exceeded the CRA aggregate performance percentage in 2017. A substantial majority of small loans to businesses were for amounts of \$250 thousand or less.

Community Development Lending

Community development lending had a significantly positive impact on the overall performance under the lending test for the Charleston CSA. During the evaluation period, CNB originated or renewed nine CD loans within this AA totaling \$36.3 million. Examples of noteworthy loans include the following:

- Six loans made to nursing homes in the AA were endorsed by the Senior Housing Crime Prevention Foundation based upon their high percentage of Medicaid assistance.
- A loan to finance property improvements for repairs to a historic building located in a low-income tract. The loan helped provide upgrades and safety features, thus adding a stabilization factor to the neighborhood. The business located in the historic building has 25 employees.
- Two loans to provide critical equipment used by, or to dispatch across multiple agencies in three counties, one of which ranks number one in the nation for drug overdoses.

Please refer to Table 1 in Appendix D for facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

Product Innovation and Flexibility

CNB offers innovative or flexible loan products designed to meet the specific credit needs of LMI individuals or LMI small businesses. CNB began offering its *City Start* loan product in 2016. This program is a variable rate mortgage, with qualifications tied to median income within the AA and minimal closing costs designed to assist LMI borrowers. CNB also offers up to 98 percent financing for home purchase loans and a fixed closing cost guarantee. CNB offered an affordable First Time Homebuyer residential loan program that offered flexible underwriting and adheres to U.S. Department of Housing and Urban Development's (HUD) income guidelines.

INVESTMENT TEST

The bank's performance under the investment test in the Charleston CSA is outstanding. Based on full-scope reviews the bank's performance is excellent. Please refer to Table 6 in Appendix D for facts and data used to evaluate the bank's level of qualified investments.

The bank made 103 investments and donations during the evaluation period totaling \$4.8 million. Additionally, the bank had 19 community development investments totaling \$6.9 million made during prior evaluations that are still outstanding and continue to provide benefits to the community. Outstanding prior, and current period investments total \$11.7 million (8.32 percent) of the bank's Tier 1 capital allocation to the AA.

Community development investments exhibited excellent responsiveness to the credit and community development needs. Examples of community development investments the bank provided include:

- A \$3 million participation in a Low Income Housing Tax Credit (LIHTC) to finance the construction of a 30-unit apartment complex located in Ashland, Kentucky. Out of 30 units, five are restricted to 50 percent or less of the area median income (AMI). The remaining 25 units are restricted to 60 percent or less of the AMI.
- A \$2 million participation in a LIHTC to finance the construction of a 40-unit apartment complex in Huntington, West Virginia. All units are restricted to 50 percent or less of the AMI. Further, each household has the benefit of a housing choice voucher enabling the resident to pay no more than 30 percent of their adjusted income for rent.
- Provided \$2.4 million funding for water work and sewer bonds in Kanawha, West Virginia. Funds from the bonds were used to replace more than 340 feet of water line. This donation is located in low- and moderate-income tracts in Kanawha County.

SERVICE TEST

The bank's performance under the service test in the Charleston CSA is high satisfactory. Based on a full-scope review, the bank's performance is good.

Retail Banking Services

Please refer to Table 7 in Appendix D for facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings. The record of opening and closing of branches has improved the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals.

Service delivery systems in the Charleston CSA were readily accessible to geographies and individuals of different income levels in its AAs. Alternate delivery systems were in place and effective in meeting community needs. The bank had a significant number of branches in LMI areas compared to the population distribution. Nineteen percent of branches are located in LMI tracts compared to 19.6 percent of the population and 28.4 percent of tracts defined as low- or moderate-income. The bank opened one branch in this CSA during the evaluation period, which was located in an LMI area. CNB tailored business hours to meet the convenience and needs of the CSA, particularly LMI geographies and individuals.

Community Development Services

Based on the level of community development services and the following performance context considerations, we concluded the provision of community development services was relatively high. During the evaluation period, 65 employees provided services requiring their expertise in financial services to 73 different community development organizations in the CSA. Community development services were effective and responsive in helping the bank address community needs. The bank provided a relatively high level of community development services, consistent with bank resources and the CSA makeup. Identified community development services in the Charleston CSA included:

- Bank employees provided financial literacy training in numerous schools where the majority of students qualified for free/reduced lunches.
- A bank employee served on the board and finance committee of a non-profit organization that provides food, lodging, and life management skills training, including money management, in a low-income tract.
- Bank employees fundraised over \$30 thousand for scholarships to high school students in which the majority qualify for free/reduced lunches.
- A bank employee served as a board member and treasurer of a local food bank.

Multistate Metropolitan Area Rating
Washington-Baltimore-Arlington, DC-MD-VA-WV-PA
Combined Statistical Area
(Washington CSA)

CRA rating for the Washington CSA¹: Satisfactory

The lending test is rated:	High Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- CNB's lending levels reflect good responsiveness to overall CSA credit needs.
- The geographic distribution of loans reflects good penetration throughout the bank's CSAs.
- The borrower distribution of loans reflects adequate penetration among borrowers of different income levels and among businesses of different sizes.
- The bank made an adequate level of community development loans during the evaluation period.
- The bank has a good level of qualified community development investments and grants.
- Delivery systems are readily accessible to essentially all portions of the institution's CSA.
- The bank provides an adequate level of community development services that were responsive to community needs in full-scope areas.

**Description of Institution's Operations in the
Washington CSA**

The Washington CSA includes: Jefferson and Berkeley counties in West Virginia, Warren and Frederick counties in Virginia, and the independent city of Winchester, Virginia.

CNB had nine branches in the CSA, which represented 10.47 percent of the total branch network. The bank has two branches in Jefferson County, one branch in Warren County, one branch in Frederick County, one branch in Winchester City, and four branches in Berkeley County.

Competition for deposits within the CSA was very strong. Based on June 30, 2017 FDIC deposit information, there were \$4.9 billion in deposits held among 20 financial institutions with 99 offices located in the CSA. The primary competitors were large national or regional banks. The top five competitors had 46 offices and controlled 61.72 percent of the total market share. CNB ranked sixth with deposit market share of 6.15 percent in the CSA. The Washington CSA accounted for 9.15 percent of CNB's total deposits as of June 30, 2017.

Please refer to the market profile for the Washington CSA AA in Appendix C for detailed demographics and other performance context information.

¹ This rating reflects performance within the MMA. The statewide evaluations do not reflect performance in the parts of those states contained within the MMA.

Scope of Evaluation in the Washington CSA

The Washington CSA received a full scope review. Please refer to Table 1 in Appendix D for more information.

We considered the demographic characteristics of LMI geographies in evaluating geographic distribution of mortgage loans. We placed more weight on performance in moderate-income geographies than in low-income geographies because of significantly fewer opportunities in low-income geographies. In the 2016 data, this CSA only listed one² low-income geography. The 2017 data noted three low-income geographies. Less than one percent of the CSA population lives in the low-income geography, and less than one percent or 742 of the owner-occupied housing units are located in the low-income geography. These factors adversely impact the bank's ability to make mortgage loans to individuals residing in this low-income geography. There were 21 moderate-income geographies in the CSA. Approximately 33 percent of the CSA population lived in moderate-income geographies, and 31.5 percent of the owner-occupied housing units were located in the moderate-income geographies.

Conclusions with Respect to Performance Tests in the Washington CSA

LENDING TEST

The bank's performance under the lending test in the Washington CSA is high satisfactory. Based on a full-scope review, the bank's performance is good.

Lending Activity

Please refer to Table 1 in Appendix D for facts and data used to evaluate the bank's lending activity during the review period.

Overall lending levels reflected good responsiveness to meeting CSA credit needs. CNB originated an adequate volume of loans in the CSA relative to its capacity based on deposits, very strong competition, and market presence. The proportion of bank loans was comparable to the proportion of bank deposits in the CSA.

Peer Mortgage Data for 2016 ranked CNB eleventh for home mortgage loans with a market share of 2.26 percent. Residential lending market shares reflected strong competition with 372 residential lenders in the CSA, most of which were not financial institutions. The Peer Small Business Data for 2016 ranked CNB nineteenth in making small loans to businesses with a 0.67 percent market share. There were 74 lenders making small loans to businesses in this CSA.

² We placed more weight on the 2016 data due to the larger time and data samples.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans by income level was good. The geographic distribution of home mortgage loans by income level was good. The geographic distribution of small loans to businesses was good. We did not identify any unexplained conspicuous gaps. An adequate percentage of the bank's loan originations were in this CSA.

Home Mortgage Loans

Please refer to Table 2 in Appendix D for facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases for 2015 and 2016. Home mortgage loan data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of low- and moderate-income census tracts; therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall geographic distribution of home mortgage loans is good.

2015-2016 Performance

The geographic distribution of home mortgage loans during 2015 and 2016 was adequate. The percentage of loans to borrowers living in low-income geographies was somewhat lower than the percentage of owner-occupied housing units within these geographies. The percentage of loans to borrowers in low-income geographies exceeded the HMDA aggregate performance percentage for 2015 and 2016. The percentage of loans to borrowers living in moderate-income geographies was somewhat lower than the percentage of owner-occupied housing units within these geographies. The percentage of loans to borrowers in moderate-income geographies was near the HMDA aggregate performance percentage for 2015 and 2016.

2017 Performance

The bank's geographic distribution of home purchase loans for 2017 was excellent. The percentage of loans to borrowers living in low-income geographies exceeded the percentage of owner-occupied housing units within these geographies. The percentage of loans to borrowers in low-income geographies exceeded the HMDA aggregate performance percentage in 2017. The percentage of loans to borrowers living in moderate-income geographies exceeded the percentage of owner-occupied housing units within these geographies. The percentage of loans to borrowers in moderate-income geographies exceeded the HMDA aggregate performance percentage in 2017.

Small Loans to Businesses

Please refer to Table 3 in Appendix D for facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses for 2015 and 2016. Small loans to businesses data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall geographic distribution of small loans to businesses is excellent.

2015-2016 Performance

The geographic distribution of small loans to businesses during 2015 and 2016 was excellent. The bank did not originate or purchase any small loans to business loans in low-income geographies. Consequently, an analysis is not meaningful. Less than one percent of the businesses were located in low-income geographies, which impacted the bank's ability to make loans to businesses in this geography. The percentage of loans to businesses in moderate-income geographies exceeded the percentage of businesses in these geographies. The percentage of loans to borrowers in moderate-income geographies exceeded the CRA aggregate performance percentage in 2015 and 2016.

2017 Performance

The bank's geographic distribution of small loans to businesses for 2017 was excellent. The bank did not originate or purchase any small loans to businesses in low-income geographies. Consequently, an analysis is not meaningful. Approximately 4 percent of the businesses were located in low-income geographies, which impacts the bank's ability to make loans to businesses in this geography. The percentage of loans to businesses in moderate-income geographies significantly exceeded the percentage of businesses in these geographies. The percentage of loans to borrowers in moderate-income geographies significantly exceeded the CRA aggregate performance percentage in 2017.

Lending Gap Analysis

A review and analysis of the geographic distribution of CNB's originations of home mortgages and small loans to businesses among AA geographies did not detect any conspicuous or unexplained gaps in CNB's lending patterns.

Distribution of Loans by Income Level of the Borrower**Home Mortgage Loans**

Please refer to Table 4 in Appendix D for facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases during 2015 and 2016. Home mortgage loan data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

We considered the number of families that lived below the poverty level and the barriers this may have on home ownership in evaluating the borrower distribution of home mortgage loans. The 2010 Census reported approximately 6 percent of the families in the AA lived below the poverty level.

The overall borrower distribution of home mortgage loans was adequate.

2015-2016 Performance

The borrower distribution of home purchase loans in 2015 and 2016 was adequate. The percentage of loans to low-income borrowers was well below the percentage of low-income families in the CSA. The percentage of loans to low-income borrowers aligned with the HMDA aggregate performance percentage for 2015 and 2016. The percentage of loans to moderate-income borrowers was slightly lower than the percentage of moderate-income families in the CSA. The percentage of loans to moderate-income borrowers was near the HMDA aggregate performance percentage for 2015 and 2016.

2017 Performance

The bank's distribution of home purchase loans for 2017 was consistent with the lending performance noted in 2015 through 2016. The percentage of loans to low-income borrowers was well below the percentage of low-income families in the AA. The percentage of loans to low-income borrowers aligned with the HMDA aggregate performance percentage in 2017. The percentage of loans to moderate-income borrowers was lower than the percentage of moderate-income families in the CSA. The percentage of loans to moderate-income borrowers was lower than the HMDA aggregate performance percentage in 2017.

Small Loans to Businesses

Please refer to Table 5 in Appendix D for facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses during 2015 and 2016. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The bank's overall borrower distribution of small loans to businesses was good.

2015-2016 Performance

The borrower distribution of small loans to businesses in 2015 and 2016 was good. The percentage of small loans to businesses was near the percentage of small businesses in the AA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2015 and in 2016. A substantial majority of small loans to businesses were for amounts of \$250 thousand or less.

2017 Performance

The bank's distribution of small loans to businesses for 2017 was consistent with the performance noted in 2015 through 2016. The percentage of small loans to businesses was near the percentage of small businesses in the CSA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2017. A substantial majority of small loans to businesses were for amounts of \$250 thousand or less.

Community Development Lending

Please refer to Table 1 in Appendix D for facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

CD lending had a significantly positive impact on the overall performance under the lending test for the Washington CSA. CNB originated eight CD loans totaling approximately \$16.3 million during the evaluation period. Examples of noteworthy loans include the following:

- One loan in the amount of \$60 thousand for a line of credit to assist with cash flow and working capital for the fire department providing services to a moderate income tract in the CSA. This CD loan provides stabilization and community services to the moderate income tract.
- Two loans in the total amount of \$10.6 million to purchase a mall facility in a moderate-income tract of Berkeley County, West Virginia and fund mall improvements as part of area revitalization.

- One loan for \$200 thousand to fund a line of credit for ongoing repairs and improvements to a 66-unit apartment complex that provides affordable housing to low- and moderate-income families in Berkeley County, West Virginia

Product Innovation and Flexibility

CNB offers innovative or flexible loan products designed to meet the specific credit needs of LMI individuals or small businesses, specifically its *City Start* product. It also offers a program of up to 98 percent financing for home purchase loans and a fixed closing cost guarantee. CNB actively participates in the West Virginia Housing Development Fund's *Homeownership Program*.

INVESTMENT TEST

The bank's performance under the investment test in the Washington CSA is high satisfactory. Based upon a full-scope review, the bank's performance is good.

Refer to Table 6 in Appendix D for facts and data used to evaluate the bank's level of qualified investments.

CNB's performance under the investment test in this AA was good. The bank made 72 qualified investments and donations during the evaluation period totaling \$9 million. In addition, the bank made 20 investments during prior period Performance Evaluations totaling \$5.1 million. These community development investments are still outstanding and continue to provide benefits to the community. Outstanding prior, and current period investments total \$14.1 million or 37.63 percent of the bank's Tier 1 capital allocation to the CSA.

The bank made significant use of complex qualified investments to respond to the credit and community development needs. Examples of community development investments the bank provided include:

- Investing \$85 thousand in a mutual fund to finance the rehabilitation of a section 8 housing development in Martinsburg, West Virginia.
- Donating a space containing 800 square feet each month to an organization that mentors low- and moderate- income children in Martinsburg, West Virginia. The children range in age from six to 20 and are supported through professional mentorships. Assuming a \$400/month rent value, this donation totals \$10,400.
- Investing \$3.2 million in municipal bonds in Martinsburg, West Virginia to finance part of the judicial and county offices. Martinsburg includes several low-and moderate-income census tracts.

SERVICE TEST

The bank's performance under the service test in the Washington CSA is rated high satisfactory. Based on a full-scope review, the bank's performance is good.

Retail Banking Services

Refer to Table 7 in Appendix D for facts and data used to evaluate the distribution of the CNB's branch delivery system, openings, and closings. The record of opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals.

Service delivery systems in the Washington CSA were readily accessible to geographies and individuals of different income levels in its AAs. Alternate delivery systems were in place and effective in meeting community needs. The bank had a significant number of branches in LMI areas compared to the population distribution. Sixty-six percent of branches are located in LMI tracts compared to 30.7 percent of the population and 39.3 percent of tracts defined as low- or moderate-income. The bank did not open or close any branches in this CSA during the evaluation period. CNB tailored business hours to the convenience and needs of the CSA, particularly LMI geographies and individuals.

Community Development Services

Based on the level of community development services and the following performance context considerations, we concluded the provision of community development services in the Washington CSA was relatively high. During the evaluation period, 17 employees provided services requiring their expertise in financial services to 18 different community development organizations in the CSA. Community development services were effective and responsive in helping the bank address community needs. The bank provided a relatively high level of community development services, consistent with bank resources and the CSA makeup. Identified community development services in the Washington CSA included:

- Bank employees provided financial literacy training at several schools where the majority of students qualified for free/reduced lunches.
- A bank employee served as the board member for an organization that offers a homebuyer assistance program for individuals and households that meet the HUD income guideline definitions for LMI.
- A bank employee served as a board member for an affordable housing organization that offers homebuyer education classes and a program that helps income-eligible, prequalified, first-time homebuyers purchase a home in the area.
- A bank employee assisted in fundraising efforts to provide gifts, clothing, and supplies to families that are unable to provide for their children during the Christmas season.

State Rating

State of Kentucky

CRA Rating for Kentucky³: Satisfactory

The lending test is rated:	Low Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- Lending levels reflected good responsiveness to overall AA credit needs.
- The geographic distribution of loans reflected adequate penetration throughout the bank's AAs.
- The borrower distribution of loans reflected adequate penetration among borrowers of different income levels and among businesses of different sizes.
- The bank made an adequate level of community development loans during the evaluation period.
- The bank had a significant level of qualified community development investments and grants.
- Delivery systems were readily accessible to essentially all portions of the institution's AA.
- The bank provided an adequate level of community development services that were responsive to community needs in full-scope areas.

Description of Institution's Operations in Kentucky

A smaller percentage of the bank's operations were in Kentucky. Approximately 7.66 percent of the bank's deposits and 5.7 percent of the number of reported loans were from Kentucky. Excluding the Huntington MSA, only six of the bank's branches (6.98 percent) were in Kentucky. There were two AAs in Kentucky: the Lexington, Kentucky MSA AA (*Lexington AA*), which consists of Fayette County, and the combined Kentucky Non-MSA AA, which consists of Johnson and Carter counties (collectively, *Kentucky⁴ Non-MSA AA*). The Lexington AA contained three branches and accounted for 49.08 percent of the rating area deposits and 21.89 percent of CNB's rated area loans. The Kentucky Non-MSA AA contained three branches, accounted for 50.92 percent of the rating area deposits and 5.41 percent of CNB's rated area loans. CNB purchased three branches from American Founders Bank in Lexington, Kentucky in November 2015, which expanded the bank's footprint and added an additional AA for the state of Kentucky.

Based on June 30, 2017 FDIC deposit information, there were \$7.0 billion in deposits held among 28 financial institutions with 115 offices located in the Lexington AA. The primary competitors were large national and regional banks and local financial institutions. The top five competitors had 53 offices and controlled 69.72 percent of the total market share. CNB ranked thirteenth with 1.78 percent market share. There were \$750 million in deposits held among seven financial institutions with 17 offices located in the

³ For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

⁴ The bank notes each of these areas as separate AAs. CNB operates two branches in Johnson County and one branch in Carter County.

Kentucky Non-MSA AA. The primary competitors were large regional banks. The top five competitors, excluding CNB, which ranked fourth, had 12 offices and controlled 75.52 percent of the total market share.

Please refer to the market profiles for the state of Kentucky in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Kentucky

Based on the high percentage of AA loans and deposits, and the number of branch locations, the Lexington AA received a full-scope review. Ratings for Kentucky are based primarily on results of this full-scope review. The Kentucky Non-MSA AA received a limited-scope review. Please refer to Table 1 in the Kentucky section of Appendix D for more information.

The distribution of loans by income level of the borrower received equal consideration with the distribution of loans by income level of the geography. This is due to the number of LMI tracts in the full-scope AA. For 2017 data, there were 10 low-income tracts and 18 moderate-income tracts in the Lexington⁵ AA.

We considered the number of families that lived below the poverty level and the barriers that this may have on home ownership in evaluating the borrower distribution of home mortgage loans. The 2010 Census reported that approximately 16 percent of the families in the AA lived below the poverty level.

Conclusions with Respect to Performance Tests in Kentucky

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Kentucky is rated low satisfactory. Based on a full-scope review, the bank's performance in the Lexington AA is adequate.

Lending Activity

Please refer to Table 1 in Appendix D for facts and data used to evaluate the bank's lending activity during the review period. The bank's lending activity is discussed in the narrative below.

Overall lending levels reflected adequate responsiveness to meeting AA credit needs. CNB originated an adequate volume of loans in the AA relative to its capacity based on deposits, very strong competition, and market presence. The proportion of bank loans was comparable to the proportion of bank deposits in the AA.

The Peer Mortgage Data for 2016 ranked CNB forty-eighth for home mortgage loans. Mortgage lending market shares reflected strong competition with 301 residential lenders in the AA, most of which were not financial institutions. The Peer Small Business Data for 2016 ranked CNB twenty-fourth in making small loans to businesses with a 0.30 percent market share. There were 66 lenders making small loans to businesses in this AA.

⁵ We placed more weight on 2017 data in this AA as CNB didn't enter the market until November 6, 2015.

Distribution of Loans by Income Level of the Geography

The geographic distribution of CNB's home mortgage loans and small loans to businesses reflected overall adequate penetration throughout the Lexington AA.

The evaluation of geographic loan distribution in this AA reflected performance in the 10 low-income, and 18 moderate-income geographies in the Lexington AA. No unexplained, conspicuous gaps were identified. A high percentage of the bank's loan originations were in this AA.

Home Mortgage Loans

Please refer to Table 2 in Appendix D for facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall geographic distribution of home mortgage loans in this AA was adequate.

According to the 2010 Census, 11.1 percent of households in the Lexington AA lived below the poverty level. The median housing value was reported at \$175,061. There was a low volume of available housing stock in low-income tracts and better availability in moderate-income tracts. The low-income tracts had 6.5 percent and the moderate-income tracts had 17.9 percent of the owner-occupied housing units in the AA. Refer to the Market Profile section of this Performance Evaluation for additional factors in the area.

2015-2016 Performance

The geographic distribution of home purchase loans in 2015 and 2016 was poor. The percentage of loans to borrowers living in low-income geographies was well below the percentage of owner-occupied housing units within these geographies. The percentage of loans to borrowers in low-income geographies was somewhat lower than the HMDA aggregate performance percentage for 2015 and 2016. The percentage of loans to borrowers living in moderate-income geographies was well below the percentage of owner-occupied units within these geographies. The percentage of loans to borrowers in moderate-income geographies was below the HMDA aggregate performance percentage for 2015 and 2016.

2017 Performance

The bank's geographic distribution of home purchase loans for 2017 was stronger than the bank's performance noted in 2015 through 2016, and rated adequate. The percentage of loans to borrowers living in low-income geographies was significantly below the percentage of owner-occupied housing units within these geographies. The percentage of loans to borrowers in low-income geographies was well below the HMDA aggregate performance percentage for 2017. The percentage of loans to borrowers living in moderate-income geographies exceeded the percentage of owner-occupied units within these geographies. The percentage of loans to borrowers in moderate-income geographies exceeded the HMDA aggregate performance percentage in 2017.

Small Loans to Businesses

Please refer to Table 3 in Appendix D for facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses in 2015 and 2016. Small loans to businesses

data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall geographic distribution of small loans to businesses was adequate.

2015-2016 Performance

The geographic distribution of small loans to businesses in 2015 and 2016 was adequate. The percentage of small loans to businesses in low-income geographies was well below the percentage of businesses in these geographies. The percentage of loans to businesses in low-income geographies was well below the CRA aggregate performance percentage for 2015 and 2016. The percentage of small loans to businesses in moderate-income geographies exceeded the percentage of businesses in these geographies. The percentage of loans to borrowers in moderate-income geographies exceeded the CRA aggregate performance percentage in 2015 and 2016.

2017 Performance

The bank's distribution of small loans to businesses for 2017 was consistent with the performance noted in 2015 through 2016. The percentage of small loans to businesses in low-income geographies exceeded the percentage of businesses in these geographies. The percentage of loans to businesses in low-income geographies exceeded the CRA aggregate performance percentage in 2017. The percentage of small loans to businesses in moderate-income geographies was well below the percentage of businesses in these geographies. The percentage of loans to businesses in moderate-income geographies was well below the CRA aggregate performance percentage in 2017.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of CNB's home mortgage loans and small loans to businesses reflected an overall adequate distribution among borrowers of different income levels and businesses of different sizes.

Home Mortgage Loans

Please refer to Table 4 in Appendix D for facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases in 2015 and 2016. Home mortgage loan data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall borrower distribution of home mortgage loans in this AA is adequate.

2015-2016 Performance

The borrower distribution of home mortgage loans in 2015 and 2016 was adequate, given that the AA was added on November 6, 2015. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to low-income borrowers was below the HMDA aggregate performance percentage for 2015 and 2016. The percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers was somewhat below the HMDA aggregate performance percentage for 2015 and 2016.

2017 Performance

The bank's distribution of home mortgage loans for 2017 was slightly stronger than the lending performance noted in 2015 through 2016, but remains adequate. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to low-income borrowers was somewhat lower than the HMDA aggregate performance percentage in 2017. The percentage of loans to moderate-income borrowers was slightly lower than the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers was lower than the HMDA aggregate performance percentage in 2017.

Small Loans to Businesses

Please refer to Table 5 in Appendix D for facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses in 2015 and 2016. Small loans to businesses data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of LMI census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall borrower distribution of small loans to businesses was adequate.

2015-2016 Performance

The borrower distribution of small loans to businesses in 2015 and 2016 was adequate. The percentage of small loans to businesses was somewhat below the percentage of small businesses in the AA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2015 and in 2016. A majority of small loans to businesses were for amounts of \$250 thousand or less.

2017 Performance

The bank's distribution of small loans to businesses for 2017 was not inconsistent with the performance noted in 2015 through 2016. The percentage of small loans to businesses was somewhat below the percentage of small businesses in the AA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2017. A majority of small loans to businesses were for amounts of \$250 thousand or less.

Lending Gap Analysis

A review and analysis of the geographic distribution of CNB's originations of home mortgages and small loans to businesses among AA geographies did not detect any conspicuous or unexplained gaps in CNB's lending patterns.

Community Development Lending

Community development lending had a neutral impact on the overall performance under the lending test. During the evaluation period, CNB originated on CD loan within this AA for \$860 thousand.

Product Innovation and Flexibility

CNB offers innovative or flexible loan products designed to meet the specific credit needs of LMI individuals and small businesses, specifically its *City Start* product. CNB also offers up to 98 percent financing for home purchase loans and a fixed closing cost guarantee.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the *Kentucky Non-MSA AA* was weaker than the bank's overall low satisfactory performance under the lending test in Kentucky. The bank's performance with respect to community development lending (based on limited-scope reviews) had a neutral impact on its overall lending test rating. Please refer to the Tables in Appendix D for facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in the state of Kentucky is rated high satisfactory. Based upon a full-scope review, the bank's performance in the Lexington AA was good. Ratings for Kentucky are primarily based on this full-scope review. Please refer to Table 6 in Appendix D for facts and data used to evaluate the bank's level of qualified investments.

The bank's performance under the investment test in the Lexington AA was high satisfactory. CNB has a significant level of qualified investments. During the evaluation period, the bank made 10 community development investments and donations totaling \$1.3 million or 8.73 percent of the bank's Tier 1 capital allocation to the AA.

The bank made occasional use of complex qualified investments in response to credit and community development needs. Examples of community development investments provided by the bank include:

- Investing \$1.3 million in a LIHTC that helps to finance, develop, and improve homeownership in Fayette County, Kentucky,
- Donating \$1,500 to an organization in Fayette County dedicated to providing financial literacy to low- and moderate-income children, and
- Donating \$2,550 to an organization that provides local assistance during federally declared disasters in Fayette County, Kentucky.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the investment test, the Kentucky Non-MSA AA was weaker than the bank's overall performance in the state. Please refer to the Table 6 in Appendix D for facts and data that support these conclusions.

During the evaluation period, the bank did not make any qualified investments, only qualifying donations. The bank made twelve qualified donations totaling \$13 thousand during the evaluation period. The bank lacked sufficient capacity to engage effectively in significant or complex community development

investments, as there was little opportunity to respond to community needs. However, the bank is increasing focus on the Kentucky Non-MSA AA and other markets that have few qualified donations.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in the state of Kentucky is rated High Satisfactory. Based on a full-scope review, the bank's performance in the Lexington AA is good.

Retail Banking Services

Refer to Table 7 in Appendix D for facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings. The record of opening and closing of branches improved the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals.

Service delivery systems in the Lexington AA were accessible to geographies and individuals of different income levels in its AAs. Alternate delivery systems were in place and effective in meeting the needs of the community. The bank had a significant number of branches in LMI areas compared to the population distribution. Thirty-three percent of branches are located in LMI tracts compared to 33.6 percent of the population and 34.2 percent of tracts defined as low- or moderate-income. The bank opened three branches in this AA during the evaluation period, two of which were in LMI areas. The business hours do not vary in a way that inconveniences its AAs, particularly LMI geographies and individuals.

Community Development Services

Based on the level of CD services and the following performance context considerations, we concluded the provision of CD services in the Lexington MSA was relatively high. During the evaluation period, seven employees provided services requiring their expertise in financial services to seven different community development organizations in the AA. CD services were effective and responsive in helping the bank address community needs. The bank provided a relatively high level of CD services, consistent with bank resources and the AA makeup. Identified CD services in the Lexington AA included:

- Bank employees provided financial literacy training in schools where the majority of students qualified for free/reduced lunches.
- A bank employee served as a board member of an organization that helps individuals and communities recover from disasters by providing necessities, including shelter, and revitalizing and stabilizing the area.
- A bank employee served as a board member for an organization that provides necessities such as clothing, toiletries, and meals to the financially needy, including the homeless.
- A bank employee served as board chair of an organization that provides scholarships to students (from schools in which the majority of students qualify for free/reduced lunches) to cover the cost of a program that inspires girls to be joyful, healthy, and confident.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the service test in the Kentucky Non-MSA AA was consistent with the bank's overall High Satisfactory performance under the service test in the state of Kentucky. Table 7 in Appendix D provides facts and data that support these conclusions.

State Rating

State of Virginia

CRA Rating for Virginia⁶: Satisfactory

The lending test is rated:	Low Satisfactory
The investment test is rated:	Needs to Improve
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- Lending levels reflected good responsiveness to overall AA credit needs.
- The geographic distribution of loans reflected excellent penetration throughout the bank's AAs.
- The borrower distribution of loans reflected good penetration among borrowers of different income levels and among businesses of different sizes.
- The bank's level of community development loans during the evaluation period is poor.
- The bank had a poor level of qualified community development investments and grants.
- Delivery systems were readily accessible to essentially all portions of the institution's AA.
- The bank provided an adequate level of community development services that were responsive to community needs in full-scope areas.

Description of Institution's Operations in Virginia

A smaller percentage of the bank's operations were in Virginia. Approximately 13 percent of the bank's deposits and approximately 12 percent of the number of reported loans were from Virginia. We grouped the CNB's remaining locations into three AAs in Virginia: the Virginia Non-MSA AA, Staunton-Waynesboro VA MSA AA (*Staunton AA*), and the Virginia Beach-Norfolk-Newport News VA-NC MSA 47260 AA (*Virginia Beach AA*).

The Virginia Non-MSA AA consisted of Rockbridge and Shenandoah Counties, and the two independent cities of Buena Vista and Lexington. The Staunton AA consisted of Augusta County, and the two independent cities of Staunton and Waynesboro. The Virginia Beach AA consisted of the independent city of Virginia Beach.

The Virginia Non-MSA AA accounted for 32.38 percent of CNB's rated area deposits and 19.0 percent of CNB's rated area loans. The Staunton AA accounted for 57.97 percent of CNB's rated area deposits and 53.67 percent of CNB's rated area loans. The Virginia Beach AA accounted for 9.65 percent of CNB's rated area deposits and 1.5 percent of CNB's rated area loans. Refer to the market profiles for the state of Virginia in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

Based on June 30, 2017 Federal Deposit Insurance Corporation (FDIC deposit information, there were \$1.5 billion in deposits held among 13 financial institutions with 33 offices located in the Virginia Non-

⁶ For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

MSA AA. The primary competitors were large national and regional banks. The top five competitors, excluding CNB, which ranked fifth, had 15 offices and controlled 60.33 percent of the total market share. CNB ranked fifth among 13 financial institutions in deposits with 7.66 percent market share. The Staunton AA had \$1.5 billion in deposits held among 14 financial institutions with 42 offices in the AA. The primary competitors were large national or regional banks. The top five competitors, excluding CNB, which ranked third, had 17 offices and controlled 59.16 percent of the total market share. CNB ranked third among 14 financial institutions in deposits with 13.40 percent market share. The Virginia Beach AA had \$6.5 billion in deposits held among 15 financial institutions with 81 offices in the AA. The primary competitors were large national or regional banks. The top five competitors had 53 offices and controlled 83.05 percent of the total market share. CNB ranked twelfth among 15 financial institutions with 0.52 percent market share.

Please refer to the market profiles for the state of Virginia in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Virginia

The Virginia Non-MSA AA received a full-scope review based on the high percentage of AA loans and deposits, and the number of branch locations. Ratings for Virginia were based primarily on results of this full-scope review. The Virginia Beach AA and Staunton AA received a limited-scope review. Please refer to Table 1 Lending Volume in Appendix D for more information.

The distribution of loans by income level of the borrower received greater consideration than the distribution of loans by income level of the geography. This is due to a relatively limited number of low- and moderate-income tracts in the full-scope AA. There were no low-, or moderate-income tracts in the Virginia Non-MSA AA during 2015 and 2016. For the Year 2017, there were no low-income tracts and one moderate-income tract. The percentage of owner-occupied housing units in the one moderate-income tract was 7.9 percent, which provided little opportunity for lending.

Conclusions with Respect to Performance Tests in Virginia

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Virginia is rated low satisfactory. Based on a full-scope review, the bank's performance in the Virginia Non-MSA AA is adequate.

Lending Activity

Please refer to Table 1 in Appendix D for facts and data used to evaluate the bank's lending activity during the review period. Home mortgage loan data is discussed in the narrative below.

Overall lending levels reflected good responsiveness to meeting AA credit needs. The FDIC Deposit Market Share Report ranked CNB fifth among 13 financial institutions in deposits, with a 7.66 percent market share as of June 30, 2017. The Peer Mortgage Data for 2016, ranked CNB ninth for home mortgage loans with 2.86 percent market share. Mortgage lending market shares reflected strong competition with 204 mortgage lenders in the AA, most of which were not financial institutions. The Peer Small Business

Data for 2016, ranked CNB eleventh in making small loans to businesses with a 1.60 percent market share. There were a large number of lenders making small loans to businesses in this AA.

Distribution of Loans by Income Level of the Geography

The geographic distribution of CNB's home mortgage loans and small loans to businesses reflected overall outstanding penetration throughout the full scope AA census tracts.

The evaluation of geographic loan distribution in this AA reflected excellent performance in the one moderate-income geography in this AA.

Home Mortgage Loans

Please refer to Table 2 in Appendix D for facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations or purchases during 2015 and 2016. Home mortgage loan data for 2017 is discussed in the narrative below.

The overall geographic distribution of home mortgage loans in this AA is excellent.

2015-2016 Performance

The geographic distribution of home mortgage loans in 2015 and 2016 was not performed because the Virginia Non-MSA AA did not have any low-, or moderate-income geographies during that time period.

2017 Performance

The bank's geographic distribution of home mortgage loans for 2017 was excellent. In 2017, there were no low-income, and one moderate-income census tract geography due to the 2015 Census changes. The percentage of loans to borrowers living in the moderate-income geography significantly exceeded the percentage of owner-occupied housing units within this geography. The percentage of loans to borrowers in moderate-income geographies exceeded the HMDA aggregate performance percentage in 2017.

Small Loans to Businesses

Please refer to Table 3 in Appendix D for facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses in 2015 and 2015. Small loans to businesses data for 2017 is discussed in the narrative below.

The overall geographic distribution of small loans to businesses in this AA is excellent.

2015-2016 Performance

The geographic distribution of small loans to businesses in 2015 and 2016 was not performed because the Virginia Non-MSA AA did not have any low- or moderate-income geographies during that time period.

2017 Performance

The bank's geographic distribution of loans for 2017 was excellent. In 2017, there were no low-income, and one moderate-income census geography due to the 2015 Census changes. The percentage of small loans to businesses exceeded the percentage of small businesses in the moderate-income geography of the Virginia Non-MSA for 2017. The percentage of loans to businesses in moderate-income geographies exceeded the CRA aggregate performance percentage in 2017. A majority of small loans to businesses were for amounts of \$250 thousand or less.

Lending Gap Analysis

A review and analysis of the geographic distribution of CNB's originations of home mortgage and small loans to businesses among AA geographies did not detect any conspicuous or unexplained gaps in CNB's lending patterns.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of CNB's home mortgage loans and small loans to businesses reflected an overall good distribution among borrowers of different income levels and businesses of different sizes.

Home Mortgage Loans

Please refer to Table 4 in Appendix D for facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases in 2015 and 2016. Home mortgage loan data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of low- and moderate-income census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall borrower distribution of home mortgage loans in this AA is good.

2015-2016 Performance

The borrower distribution of home purchase loans in 2015 and 2016 was outstanding. The percentage of loans to low-income borrowers exceeds percentage of low-income families in the AA. The percentage of loans to low-income borrowers significantly exceeds the HMDA aggregate performance percentage for 2015 and 2016. The percentage of loans to moderate-income borrowers was near the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the HMDA aggregate performance percentage for 2015 and 2016.

2017 Performance

The bank's distribution of home purchase loans for 2017 is adequate. CNB did not originate any loans to low-income borrowers in the AA in 2017. The percentage of loans to moderate-income borrowers was near the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the HMDA aggregate performance percentage for 2017.

Small Loans to Businesses

Please refer to Table 5 in Appendix D for facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses in 2015 and 2016. Small loans to businesses data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of low- and moderate-income census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data.

The overall borrower distribution of small loans to businesses in this AA was good.

2015-2016 Performance

The borrower distribution of small loans to businesses in 2015 and 2016 was good. The percentage of small loans to businesses (businesses with annual revenues \$1 million or less) was near the percentage of small businesses in the AA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2015 and in 2016. A majority of small loans to businesses were for amounts of \$250 thousand, or less.

2017 Performance

The bank's distribution of small loans to businesses for 2017 was stronger than the performance noted in 2015 through 2016. The percentage of small loans to businesses exceeded the percentage of small businesses in the AA for 2017, with the majority of the small loans for amounts less than \$250 thousand. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2017.

Community Development Lending

Community development lending had a negative impact on the overall performance under the lending test for the Virginia Non-MSA. CNB did not originate any CD loans for the AA during the evaluation period.

Product Innovation and Flexibility

CNB offers innovative or flexible loan products designed to meet the specific credit needs of low- and moderate-income individuals and small businesses, specifically its *City Start* product. CNB also offers up to 98 percent financing for home purchase loans and a fixed closing cost guarantee. CNB offers an affordable First Time Homebuyer residential loan program that offers flexible underwriting and adheres to HUD's income guidelines.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Staunton AA was stronger than the bank's overall Satisfactory performance under the lending test in Virginia. In the Virginia Beach AA, the bank's performance was weaker than the bank's overall performance in the state. The bank's performance with respect to community development lending (based on limited-scope reviews) had a negative impact on its overall lending test rating. Refer to the Tables in Appendix D for facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in the state of Virginia is rated Needs to Improve. Based on a full-scope review, the bank's performance in the Virginia Non-MSA is poor. Please refer to Table 6 in Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The performance under the investment test in this AA was poor. The bank did not make qualified investments, only qualifying grants and donations. Due to the affluent and rural nature of the AA, the bank had limited opportunities to make community development investments. Further, the bank had only one branch in a moderate tract in this AA. The bank made nine donations totaling \$4,235 or 0.03 percent of the bank's Tier 1 capital allocation to the assessment area.

The bank did not make use of innovative or complex grants and donations. Examples of qualified community development donations provided by the bank include:

- Donating \$1,910 to an organization that provides free healthcare services to low- and moderate-income individuals in Shenandoah County, Virginia. Residents of Shenandoah are able to receive healthcare in a clinic and dental services if they present a Medicaid card or have a family income below 200 percent of the federal poverty line.
- Donating \$1,000 to a program dedicated to providing services to victims of abuse. Services include counseling, job training, child care, and transitional housing. Over 90% of the clients are low- and moderate- income individuals. Community contact data identified job training as a primary needs of the community.
- Donating \$1,000 to an organization that provides quality dental services to low- and moderate-income patients. This organization also provides healthcare, and behavioral health services to low- and moderate-income individuals of Lexington, Virginia.

Conclusions for Area Receiving Limited-Scope Reviews

Based limited-scope reviews, the bank's performance under the investment test in the Staunton AA was not inconsistent with the bank's overall Needs to Improve performance under the investment test in the state of Virginia. In the Virginia Beach AA, the bank's performance was not inconsistent with the bank's overall performance in the state of Virginia. Please refer to the Table 6 in Appendix D for facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in the state of Virginia is rated high satisfactory. Based on a full-scope review, the bank's performance in the Virginia Non-MSA AAs is good.

Retail Banking Services

Please refer to Table 7 in Appendix D for facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings. The record of opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

Service delivery systems in the Virginia Non-MSA were readily accessible to geographies and individuals of different income levels in its AAs. Alternate delivery systems were in place and effective in meeting the needs of the community. The bank had a significant number of branches in moderate-income areas compared to the population distribution. Twenty percent of branches are located in LMI tracts compared to 8.4 percent of the population and 6.7 percent of tracts defined as low- or moderate-income. There were no low-income tracts in this AA. The bank did not open or close any branches in the AA during the evaluation period. The bank tailored business hours to the convenience and needs of the AA, particularly low- and moderate-income geographies and individuals.

Community Development Services

Based on the level of community development services and the following performance context considerations, we concluded the provision of community development services in the Virginia Non-MSA was adequate. Community development services were effective and responsive in helping the bank address community needs. During the evaluation period, nine employees provided services requiring their expertise in financial services to six different community development organizations in the AA. The bank provided a relatively high level of CD services, consistent with bank resources and the assessment area makeup. Identified community development services in the Virginia Non-MSA included:

- Bank employees provided financial literacy training in several schools where the majority of students qualified for free/reduced lunches.
- A bank employee served as a board member for an organization supporting business growth including small business through Small Business Administration loan programs.
- A bank employee served on a fundraising committee for a free clinic that provides free medical and dental services to locals in the community that cannot afford it.
- A bank employee fundraised for an organization that offers a community meal program for low income individuals.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the service test in the Staunton-AA was weaker than the bank's overall performance in the state. Based on a limited-scope review, the bank's performance under the service test in the Virginia Beach AA was consistent with the bank's overall high satisfactory performance under the service test in the state of Virginia. Please refer to Table 7 in Appendix D for facts and data that support these conclusions.

State Rating

State of West Virginia

CRA Rating for West Virginia⁷: Satisfactory

The lending test is rated:	Low Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	Low Satisfactory

The major factors that support this rating include:

- CNB’s lending levels reflected good responsiveness to overall AA credit needs.
- The geographic distribution of loans reflected adequate penetration throughout the bank’s AAs.
- The borrower distribution of loans reflected adequate penetration among borrowers of different income levels and among businesses of different sizes.
- The bank made an adequate level of community development loans during the evaluation period.
- The bank had a significant flevel of qualified community development investments and grants.
- Product delivery systems were readily accessible to essentially all portions of CNB’s assessment area.
- The bank provided an adequate level of community development services that were responsive to community needs in full-scope areas.

Description of Institution’s Operations in West Virginia

A substantial majority of the bank’s operations were within West Virginia. Thirty-three percent of the bank’s deposits and 82 percent of CNB’s number of reported loans were originated in West Virginia. The significant AAs in West Virginia (in terms of loans and deposits) were the Beckley, West Virginia MSA (*Beckley AA*), which consists of Fayette and Raleigh Counties, and the West Virginia Non-MSA, which consists of Harrison, Jackson, Mason, Braxton, Greenbrier, Nicholas, Pocahontas, Summers, Mercer, and Morgan Counties. The Beckley AA accounted for 25 percent of CNB’s rated area deposits and 26 percent of CNB’s rated area loans. The West Virginia Non-MSA accounted for 41 percent of CNB’s rated area deposits and 27 percent of CNB’s rated area loans.

Based on June 30, 2017 FDIC deposit information, there were \$5 billion in deposits held among 30 financial institutions with 119 offices located in the West Virginia non-MSA AA. The primary competitors were large national and regional banks. The top five competitors, excluding City NB ranked second, had 46 offices and controlled 41.53 percent of the total market share. CNB ranked second among 30 financial institutions in deposits with 14.95 percent market share. The Beckley AA had \$1.7 billion in deposits held among 13 financial institutions with 41 offices in the AA. The primary competitors were large national or regional banks. The top five competitors, excluding City NB ranked first, had 18 offices and controlled 57.50 percent of the total market share. CNB ranked first among 13 financial institutions in deposits with 26.15 percent market share.

Please refer to the market profiles in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

⁷ For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution’s performance in that area.

Scope of Evaluation in West Virginia

The Beckley AA, and the West Virginia Non-MSA AA received full-scope reviews. Ratings for West Virginia were based primarily on the results of the areas that received full-scope reviews. Please refer to Table 1 in Appendix D for more information.

The distribution of loans by income level of the borrower received greater consideration than the distribution of loans by income level of the geography. This is due to a relatively limited number of low- and moderate-income tracts in the full-scope AAs. For 2015 and 2016, there were no low-income tracts in the Beckley AA, and four of the total 29 tracts, (13.79 percent) were designated as moderate-income. There were no low-income tracts in the West Virginia Non-MSA AA, and nine of the total 79 tracts (11.39 percent) were designated as moderate-income. A majority of low- and moderate-income families lived in middle-income tracts in each of these AAs. Multi-family loans and farm loans were not considered in the lending test for the AA due to the low percentage of loan originations in the AA.

For 2017, there were no low-income tracts in the Beckley AA, and three of the total 29 tracts, (10.35 percent) were designated as moderate-income. There were no low-income tracts in the West Virginia Non-MSA AA, and 10 of the total 79 tracts (12.66 percent) were designated as moderate-income. A majority of low- and moderate-income families lived in middle-income tracts in each of these AAs. Multi-family loans and farm loans were not considered in the lending test for the AA due to the low percentage of loan originations in the AA.

Conclusions with Respect to Performance Tests in West Virginia

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in West Virginia is rated low satisfactory. Based on full-scope reviews, the bank's performance in the Beckley AA and the West Virginia Non-MSA AA is adequate.

Lending Activity

Please refer to Table 1 in Appendix D for facts and data used to evaluate the bank's lending activity during the review period. Home mortgage loan data for 2017 is discussed in the narrative below.

Beckley AA

Overall lending levels in the Beckley AA reflect good responsiveness to meeting AA credit needs. The Peer Mortgage Data for 2017 ranked CNB first for the number of home mortgage loans originated with 13.35 percent market share. Residential lending market shares reflected strong competition with more than 122 residential lenders in the AA, most of which were not financial institutions. The Peer Small Business Data for 2017 was not available during this evaluation. The Peer Small Business Data for 2016, ranked CNB ninth in making small loans to businesses, with a 4.36 percent market share. There were 55 lenders making small loans to businesses in this AA.

West Virginia Non-MSA AA

Overall lending levels in the West Virginia Non-MSA reflected a good responsiveness to meeting AA credit needs. Peer Mortgage Data for 2017 ranked CNB first for home mortgage lending with a 7.81 percent market share. The AA reflected strong competition with 223 residential lenders in the assessment area, most of which were not financial institutions. The Peer Small Business Data for 2016, ranked CNB fourteenth in making small loans to businesses with a 2.14 percent market share. There were 71 lenders making small loans to businesses in this AA.

Distribution of Loans by Income Level of the Geography

The geographic distribution of CNB's home mortgage loans and small loans to businesses reflected overall adequate penetration throughout the full scope AA census tracts.

There were no low-income, and four moderate-income census geographies in the Beckley AA for Year 2015 and 2016. For Year 2017, there were no low-income and three moderate-income census geographies due to the 2015 Census changes. Therefore, the evaluation of geographic loan distribution in this AA reflected performance in the moderate-income geographies.

There were no low-income, and nine moderate-income census geographies in the West Virginia Non-MSA AA for 2015 and 2016. However, in 2017, there were no low-income, and 10 moderate-income census geographies due to the 2015 Census changes. Therefore, the evaluation of geographic loan distribution in the West Virginia Non-MSA reflected performance in the moderate-income geographies.

Home Mortgage Loans

Please refer to Table 2 in Appendix D for facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases during 2015 and 2016. A census tract change in 2017 affected the location of moderate-income census tracts; therefore, we analyzed 2015-2016 data separately from 2017 data. Home mortgage loan data for 2017 is discussed in the narrative below.

The overall geographic distribution of home mortgage loans in the full scope AAs is adequate.

Beckley AA

The overall geographic distribution of home mortgage loans in this AA is poor.

According to the 2010 Census, 15.2 percent of households in the Beckley AA lived below the poverty level. The median housing value was reported at \$84,312. The moderate-income tracts had 10.2 percent of the owner-occupied housing units in the AA. Please refer to Appendix C for additional factors in the area.

2015-2016 Performance

The geographic distribution of home mortgage loans in 2015 and 2016 was poor. The percentage of loans to borrowers living in moderate-income geographies was well below the percentage of owner-occupied units within these geographies. The percentage of loans to borrowers in moderate-income geographies was somewhat below the HMDA aggregate performance percentage in 2015 and is near the HMDA aggregate performance percentage in 2016.

2017 Performance

The bank's geographic distribution of home mortgage loans for 2017 was consistent with its geographic distribution of these loans in 2015 through 2016. The percentage of loans to borrowers living in moderate-income geographies was significantly below the percentage of owner-occupied units within these geographies. The percentage of loans to borrowers in moderate-income geographies was significantly below the HMDA aggregate performance percentage in 2017.

West Virginia Non-MSA AA

The overall geographic distribution of home mortgage loans in this AA is adequate.

According to the 2010 Census, 14.9 percent of households in the West Virginia Non-MSA AA lived below the poverty level. The median housing value was reported at \$92,183. The moderate-income tracts had 7.0 percent of the owner-occupied housing units in the AA. Please refer to the Market Profile section of this Performance Evaluation for additional factors in the area.

2015-2016 Performance

The geographic distribution of home mortgage loans in 2015 and 2016 was adequate. The percentage of loans to borrowers living in moderate-income geographies was below the percentage of owner-occupied units within these geographies. The percentage of loans to borrowers in moderate-income geographies was somewhat below the HMDA aggregate performance percentage in 2017.

2017 Performance

The bank's geographic distribution of home mortgage loans for 2017 was weaker than its geographic distribution of these loans in 2015 through 2016. For 2017, the percentage of loans to borrowers living in moderate-income geographies was well below the percentage of owner-occupied units within these geographies. The percentage of loans to borrowers in moderate-income geographies was well below the HMDA aggregate performance percentage in 2017.

Small Loans to Businesses

The geographic distribution of CNB's small loans to businesses reflected overall adequate penetration throughout the full scope AA census tracts.

Please refer to Table 3 in Appendix D for facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses during 2015 and 2016. A census tract change in 2017 affected the location of moderate-income census tracts; therefore, we analyzed 2015-2016 data separately from 2017 data. Small loans to businesses data for 2017 is discussed in the narrative below.

Beckley AA

The overall geographic distribution of small loans to businesses in this AA is good.

2015-2016 Performance

The geographic distribution of small loans to businesses in 2015 and 2016 was excellent. The percentage of loans to businesses in moderate-income geographies exceeded the percentage of businesses in these geographies. The percentage of loans to borrowers in moderate-income geographies exceeded the CRA aggregate performance percentage in 2015 and in 2016.

2017 Performance

The bank's distribution of small loans to businesses for 2017 was weaker than the performance noted in 2015 through 2016. For 2017, the percentage of loans to businesses in moderate-income geographies was somewhat below the percentage of businesses within these geographies. The percentage of loans to borrowers in moderate-income geographies was below the CRA aggregate performance percentage in 2017.

West Virginia Non-MSA AA

The overall geographic distribution of small loans to businesses in this AA is adequate.

2015-2016 Performance

The geographic distribution of small loans to businesses in 2015 and 2016 was adequate. The percentage of loans to businesses in moderate-income geographies was somewhat lower than the percentage of businesses in these geographies. The percentage of loans to borrowers in moderate-income geographies as well below the CRA aggregate performance percentage in 2015 and in 2016.

2017 Performance

The bank's distribution of small loans to businesses for 2017 was weaker than the performance noted in 2015 through 2016. The percentage of loans to businesses in moderate-income geographies was significantly below the percentage of businesses in these geographies. The percentage of loans to borrowers in moderate-income geographies was significantly below the CRA aggregate performance percentage in 2017.

Lending Gap Analysis

A review and analysis of the geographic distribution of CNB's originations of home mortgage and small loans to businesses among AA geographies did not detect any conspicuous or unexplained gaps in CNB's lending patterns.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of CNB's home mortgage loans, and small loans to businesses reflected an overall adequate distribution among borrowers of different income levels and businesses of different sizes.

Please refer to Table 4 in Appendix D for facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases during 2015 and 2016. Home mortgage loan data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of

moderate-income census tracts, therefore, we analyzed 2015-2016 data separately from 2017 data. Small loans to businesses data for 2017 is discussed in the narrative below.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans in the full scope AAs is poor.

Beckley AA

The overall borrower distribution of home mortgage loans in this AA is poor.

2015-2016 Performance

The borrower distribution of home purchase loans in 2015 and 2016 was poor. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to low-income borrowers was well below the HMDA aggregate performance percentage for 2015 and the percentage of loans to low-income borrowers was somewhat lower than the HMDA aggregate performance percentage for 2016. The percentage of loans to moderate-income borrowers was somewhat lower than the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers was somewhat lower than the HMDA aggregate performance percentage for 2015 and the percentage of loans to moderate-income borrowers was near the HMDA aggregate performance percentage for 2016.

2017 Performance

The bank's borrower distribution of home purchase loans for 2017 is not inconsistent with the lending performance noted in 2015 through 2016. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to low-income borrowers was somewhat lower than the HMDA aggregate performance percentage for 2017. The percentage of loans to moderate-income borrowers was lower than the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers was lower than the HMDA aggregate performance percentage for 2017.

West Virginia Non-MSA AA

The overall borrower distribution of home mortgage loans in this AA is adequate.

2015-2016 Performance

The borrower distribution of home mortgage loans in 2015 and 2016 was adequate. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to low-income borrowers was well below the HMDA aggregate performance percentage for 2015 and 2016. The percentage of loans to moderate-income borrowers was somewhat lower than the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers was near to the HMDA aggregate performance percentage for 2015 and 2016.

2017 Performance

The bank's distribution of home mortgage loans for 2017 is not inconsistent with the lending performance noted in 2015 through 2016. The percentage of loans to low-income borrowers was significantly lower than the percentage of low-income families in the AA. The percentage of loans to low-income borrowers was near to the HMDA aggregate performance percentage for 2015 and 2016. The percentage of loans to moderate-income borrowers was well below the percentage of moderate-income families in the AA. The percentage of loans to moderate-income borrowers was somewhat below the HMDA aggregate performance percentage for 2015 and 2016.

Small Loans to Businesses

The borrower distribution of CNB's small loans to businesses reflected an overall excellent distribution among businesses of different sizes.

Please refer to Table 5 in Appendix D for facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses in 2015 and 2016. Small loans to businesses data for 2017 is discussed in the narrative below. A census tract change in 2017 affected the location of moderate-income census tracts; therefore, we analyzed 2015-2016 data separately from 2017 data. Small loans to businesses data for 2017 is discussed in the narrative below.

Beckley AA

The overall borrower distribution of small loans to businesses in this AA is good.

2015-2016 Performance

The borrower distribution of small loans to businesses in 2015 and 2016 was good. The percentage of small loans to businesses (businesses with annual revenues \$1 million or less) was near the percentage of small businesses in the AA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2015 and in 2016. A majority of small loans to businesses were for amounts of \$250 thousand or less.

2017 Performance

The bank's distribution of small loans to businesses for 2017 was stronger than the performance noted in 2015 through 2016. The percentage of small loans to businesses (businesses with annual revenues \$1 million or less) exceeded the percentage of small businesses in the AA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2017. A majority of small loans to businesses were for amounts of \$250 thousand or less.

West Virginia Non-MSA AA

The overall borrower distribution of home mortgage loans in this AA is excellent.

2015-2016 Performance

The borrower distribution of small loans to businesses in 2015 and 2016 was excellent. The percentage of small loans to businesses (businesses with annual revenues \$1 million or less) was exceeds the percentage of small businesses in the AA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2015 and in 2016. A majority of small loans to businesses were for amounts of \$250 thousand or less.

2017 Performance

The bank's distribution of small loans to businesses for 2017 was not inconsistent with the performance noted in 2015 through 2016. The percentage of small loans to businesses (businesses with annual revenues \$1 million or less) exceeds the percentage of small businesses in the AA. The percentage of small loans to businesses exceeded the CRA aggregate performance percentage in 2017. A majority of small loans to businesses were for amounts of \$250 thousand or less.

Community Development Lending

Please refer to Table 1 in Appendix D for facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

CNB's level of Community Development lending had a positive impact on the evaluation of its lending performance in the State of West Virginia.

Beckley AA

Community development lending had a positive impact on overall performance under the lending test for the Beckley AA. CNB originated two CD loans totaling \$3.8 million or 7 percent of allocated capital in this AA during the evaluation period. Examples of noteworthy loans include the following:

- A working capital line of credit to assist during delayed Medicaid payments at the 201-bed skilled nursing facility known as Heartland of Beckley.
- A renewal and increase of the working capital line of credit to assist during delayed Medicaid payments at the 201-bed skilled nursing facility known as Heartland of Beckley.

West Virginia Non-MSA AA

Community development lending had a positive impact on the overall performance under the lending test for the West Virginia Non-MSA AA. During the evaluation period, CNB originated or renewed twelve CD loans within this AA totaling \$1.3 million or 1.4 percent of allocated capital. Examples of noteworthy loans include the following:

- A loan made to nursing homes in the AA that was endorsed by the Senior Housing Crime Prevention Foundation based upon their high percentage of Medicaid assistance.
- A loan to finance property improvements to repair and improve sidewalks leading to schools in Sutton, West Virginia, as part of the Safe Routes to School program, a Federal Aid program of the U. S. Department of Transportation's Federal Highway Administration.

- A loan to provide funding for sewerage system design to improve and replace sewage systems in Hinton, West Virginia distressed nonmetropolitan middle income tracts and serves low to moderate income families.

Product Innovation and Flexibility

CNB offers innovative or flexible loan products designed to meet the specific credit needs of low- and moderate-income individuals and small businesses, specifically its *City Start* product. CNB also offers up to 98 percent financing for home purchase loans and a fixed closing cost guarantee. CNB offers an affordable First Time Homebuyer residential loan program that offers flexible underwriting and adheres to HUD's income guidelines.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in the state of West Virginia is rated high satisfactory. Based full-scope reviews, the bank's performance in the Beckley AA is good and performance in the West Virginia Non-MSA is good.

Please refer to Table 6 in Appendix D for facts and data used to evaluate the bank's level of qualified investments.

Beckley AA

CNB's performance under the Investment Test in the Beckley AA is outstanding. The bank made 26 community development investments and donations totaling \$3.3 million during the evaluation period. The bank has an additional 12 investments totaling \$3.8 million made during prior period CRA evaluations. These community development investments are still outstanding and continue to benefit the community. Outstanding prior and current period investments total \$7.1 million or 13.04 percent of the bank's Tier 1 capital allocation to the assessment area.

The bank used complex qualified investments to respond to credit and community development needs. Examples of community development investments provided by the bank include:

- CNB invested \$1.5 million in a mortgage-backed security backed by a FHA-insured permanent loan. The funds were used to rehabilitate a 160-unit apartment in Beckley, West Virginia. All residents of the apartment building receive Section 8 housing assistance.
- CNB invested \$270 thousand in a mutual fund in Beckley, West Virginia. The funds were used to finance rental properties, where 97 percent of residents receive Section 8 assistance.
- Donated \$1,250 to an organization that helps to develop and expose low- and moderate-income children to educational and extracurricular activities. This organization offers weekly classes in robotics, art, and music at no cost to the students.

West Virginia Non-MSA

The bank's performance under the investment test in this AA is good. The bank made 67 community development investments and donations totaling \$3.1 million during the evaluation period. Additionally, the bank made 8 community development investments during prior period CRA evaluations that are still outstanding and continue to benefit the community. These investments totaled \$1.8 million. Outstanding prior and current period investments total \$4.9 million (5.33 percent) of the bank's Tier 1 capital allocation to the assessment area.

The bank made significant use of complex and flexible community development investments to respond to credit and community development needs. Examples of community development investments provided by the bank include:

- CNB invested \$2.6 million in a LIHTC that will provide affordable housing in Harrison and Greenbrier, West Virginia. The majority of the residents receive Section 8 assistance.
- The bank donated \$2,500 to an organization dedicated to providing relief to federally declared disaster areas. There was a devastating flash flood in July 2017 and Harrison County was declared a federal disaster area. This organization provided immediate assistance, including: shelter, food, clothing, and medication to affected families.
- The bank donated \$15,600 to an organization dedicated to revitalizing low- and moderate-income geographies in Mason County, West Virginia.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in the state of West Virginia is rated satisfactory. Based on full-scope reviews, the bank's performance in the Beckley AA and West Virginia Non-MSA AAs are low satisfactory.

Retail Banking Services

Refer to Table 7 in Appendix D for facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings. The record of opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals.

Service delivery systems in the Beckley MSA were reasonably accessible to geographies and individuals of different income levels in its AAs. Alternate delivery systems were in place and effective in meeting the needs of the community. The bank did not have any branches or ATMs located in low- and moderate-income areas, which was adequate compared to the population distribution and makeup of the AA. There were no low-income tracts in this AA. The bank did not open or close any branches in the AA during the evaluation period. The business hours did not vary in a way that inconvenienced customers within its AAs, particularly low- and moderate-income geographies and individuals.

Service delivery systems in the West Virginia Non-MSA AAs were reasonably accessible to geographies and individuals of different income levels in its AAs. Alternate delivery systems were in place and effective in meeting the needs of the community. The bank did not have any branches or ATMs located in low- and moderate-income areas, which was adequate compared to the population distribution and

makeup of the AA. There were no low-income tracts in this AA; however, the bank had multiple branches located in distressed or underserved nonmetropolitan middle-income geographies and one branch located near a moderate-income area. The record of opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals. The bank did not open or close any branches in the AA during the evaluation period. The business hours did not vary in a way that inconvenienced customers within its AAs, particularly low- and moderate-income geographies and individuals.

Community Development Services

Based on the level of community development services and the following performance context considerations, we concluded the provision of community development services in the Beckley AA was adequate. During the evaluation period, 14 employees provided services requiring their expertise in financial services to 14 different community development organizations in the AA. Community development services were effective and responsive in helping the bank address community needs. The bank provided an adequate level of community development services, consistent with bank resources and the AA makeup. Identified community development services in the Beckley AA included:

- Bank employees provided financial literacy training in several schools where the majority of students qualified for free/reduced lunches.
- A bank employee served as a board member for a public housing agency that participates in the HUD Section 8 Housing Choice Voucher and public housing programs in five counties.
- A bank employee served on the loan review committee of an economic development authority organization that offers a program to prospective and existing small business owners.
- A bank employee served as a member of the board and fundraising committee for a local organization that provides support to elementary schools where the majority of students qualified for free/reduced lunches.

Based on the level of community development services and the following performance context considerations, we concluded the provision of community development services in the West Virginia Non-MSA AAs is relatively high. Community development services were effective and responsive in helping the bank address community needs. During the evaluation period, 38 employees provided services requiring their expertise in financial services to 47 different community development organizations in the AA. The bank provided a relatively high level of CD services, consistent with bank resources and the AA makeup. Identified community development services in the West Virginia Non-MSA AAs included:

- Bank employees provided financial literacy training in several schools where the majority of students qualified for free/reduced lunches.
- Bank employees fundraised over \$5 thousand for four flood victims who lost their homes or belongings in one of 40 counties designated as federally declared disaster areas.
- A bank employee served as President and board member of a local economic development organization that promotes new business and maintaining existing businesses in areas containing mostly distressed and underserved nonmetropolitan middle-income tracts.
- A bank employee served as a board member and treasurer for an organization that provides an after-school enrichment program offered to families fighting the effects of poverty.

Appendix A: Scope of Examination

The following table identifies the Assessment Areas (AA)⁸, time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term *full-scope*) and those that received a less comprehensive review (*limited-scope*).

Time Period Reviewed	Lending Test (excludes CD loans): January 1, 2015 to December 31, 2017 CD Loans and Investments: October 27, 2015 to December 31, 2017 Service Test: October 27, 2015 to December 31, 2017	
Financial Institution	Products Reviewed	
City National Bank of West Virginia Charleston, West Virginia	Home Mortgage Loan Small Loans to Small Businesses Community Development Loans Investments, and Services	
Affiliate(s)	Products Reviewed	
None	n/a	
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Combined Statistical Areas (CSAs)		
Charleston CSA	Full Scope	Kanawha, Clay, Boone, Cabell, Wayne, Putnam, Lincoln, Lawrence, Boyd and Greenup Counties
Washington CSA	Full Scope	Jefferson, Warren, Frederick, and Berkeley Counties Winchester City
Kentucky		
Lexington AA	Full Scope	Fayette County
Kentucky Non-MSA AA	Limited Scope	Carter and Johnson Counties
Virginia		
Virginia Non-MSA	Full Scope	Rockbridge and Shenandoah Counties Cities of Buena Vista and Lexington
Staunton AA	Limited Scope	Cities of Staunton and Waynesboro Augusta County
Virginia Beach AA	Limited Scope	City of Virginia Beach
West Virginia		
Beckley AA	Full Scope	Fayette and Raleigh Counties
West Virginia Non-MSA	Full Scope	Harrison, Jackson, Mason, Braxton, Greenbrier, Nicholas, Pocahontas, Summers, Mercer and Morgan Counties

⁸ CNB defined assessment areas were combined for analysis purposes as described in the above chart and further described in the *Description of Institution* sections.

Appendix B:

Summary of Multistate Metropolitan Area and State Ratings

RATINGS City National Bank of West Virginia				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
CNB	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Charleston CSA	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Washington CSA	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Kentucky	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Virginia	Low Satisfactory	Needs to improve	High Satisfactory	Satisfactory
West Virginia	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory

(*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

Appendix C: Community Profiles for Full-Scope Areas

Combined Statistical Area Charleston-Huntington-Ashland, WV-OH-KY (Charleston CSA)

Demographic Information for Full-Scope Area: Charleston CSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	157	5.1	22.9	51.6	19.7	0.6
Population by Geography	587,622	3.3	16.3	57.9	22.1	0.5
Owner-Occupied Housing by Geography	170,755	1.8	14.7	59.7	23.7	0.0
Businesses by Geography	29,516	6.7	15.3	54.3	23.4	0.3
Farms by Geography	696	1.7	11.9	66.1	20.3	0.0
Family Distribution by Income Level	154,790	22.3	16.9	19.7	41.0	0.0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	238,753	25.8	15.5	16.6	42.1	0.0
Median Family Income		\$55,786	Median Housing Value			\$107,288
FFIEC Adjusted Median Family Income for 2017		\$55,100	Unemployment Rate			5.7%
Households Below the Poverty Level		13.5%				

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2015 ACS U.S. Census and 2017 FFIEC updated MFI.

The Charleston CSA consists of Kanawha, Clay, Boone, Cabell, Wayne, Putnam, Lincoln, Lawrence, Boyd and Greenup counties. The Charleston CSA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income geographies.

For 2017, the Charleston CSA consists of 157 geographies. Of the 157 geographies, eight geographies (5.1 percent) of the AA are classified as low-income, 36 geographies (22.9 percent) are moderate-income, 81 geographies (51.6 percent) are middle-income and 31 geographies (19.7 percent) are upper-income. CNB operated 31 branches and 34 ATMs in the AA. Approximately 3 percent of the branches and ATMs were located in low-income geographies and 16 and 15 percent, respectively in moderate-income geographies.

As of June 30, 2017, there were \$11.3 billion in deposits held among 34 financial institutions with 192 offices located in the CSA. The primary competitors were large national or regional banks. The top five competitors, excluding CNB who ranked third, had 50 offices and controlled 46.50 percent of the total market share. CNB had a deposit market share of 10.86 percent in the AA. The Charleston CSA accounted for 37.02 percent of CNB’s total deposits as of June 30, 2017. The 2015 Census data for the Charleston CSA reported a total population of 587,622. Per 2017 business demographic information, 29,516 businesses operated within the CSA.

As of December 31, 2017, the Charleston CSA unemployment rate was reported as 5.7 percent, which compared negatively with the national unemployment rate of 4.1 percent. Major employment sectors in the AA included education, health services, retail and banking.

A community contact was made in March 2018 with a community development center. The organization provides free consulting and training services that help existing business owners and potential entrepreneurs succeed. The contact indicated that economic conditions over the past 10-15 years were very depressed, with many corporate shutdowns resulting in the loss of many high paying jobs. Following years of decline in manufacturing, the largest employers are currently hospitals and higher education. According to the contact, funding for start-up businesses is one of the primary needs in AA. Supporting the upturn in the economy is a boost in small businesses wanting to start new businesses. This in turn leads to predicting the population will grow as many young adults decide to stay in or return to the region.

Combined Statistical Area
Washington-Baltimore-Arlington, DC-MD-VA-WV-PA
(Washington CSA)

Demographic Information for Full-Scope Area: Washington CSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	56	5.4	33.9	50.0	10.7	0.0
Population by Geography	310,927	3.1	27.6	56.7	12.6	0.0
Owner-Occupied Housing by Geography	83,831	2.8	23.8	59.4	14.1	0.0
Businesses by Geography	17,301	4.1	31.2	51.5	13.3	0.0
Farms by Geography	781	4.0	27.1	55.6	13.3	0.0
Family Distribution by Income Level	81,025	24.4	19.0	21.4	35.3	0.0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	115,749	25.1	17.4	18.8	38.8	0.0
Median Family Income FFIEC Adjusted Median Family Income for 2017 Households Below the Poverty Level		106,762 107,600 7.9%	Median Housing Value Unemployment Rate		194,396 3.8%	

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2015 ACS U.S. Census and 2017 FFIEC updated MFI.

The Washington CSA consists of Jefferson & Berkeley counties in West Virginia, and Warren & Frederick counties, as well as Winchester City in Virginia. The AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income geographies.

The AA consists of 56 geographies. Of the 56 geographies, three geographies (5.4 percent) of the AA are classified as low-income, 19 geographies (33.9 percent) are moderate-income, 28 geographies (50 percent) are middle-income, and six geographies (10.7 percent) are upper-income. CNB operates nine branches and nine ATMs within the AA. Of the bank's nine branches, 22.22 percent are located in low-income geographies and 44.44 percent are located in middle-income geographies.

As of June 30, 2017, there were \$4.9 billion in deposits held among 20 financial institutions with 99 offices located in the AA. The primary competitors were large national or regional banks. The top five competitors had 46 offices and controlled 61.72 percent of the total market share. CNB ranked sixth with deposit market share of 6.15 percent in the AA.

The Washington CSA accounted for 9.15 percent of CNB's total deposits as of June 30, 2017. The 2015 Census reported a total population of 310,927 in the AA. In 2017, there were 17,301 businesses operating within the AA.

As of December 31, 2017, the AA unemployment rate was 3.8 percent, which compared favorably to the national unemployment rate of 4.1 percent. Major employment sectors in the AA included government, education, retail and healthcare.

A community contact was made in March 2018 with a public housing corporation who administers federal programs, including rental assistance that makes quality housing available to low and moderate-income individuals. Other programs offered by the organization include rental housing financing, homeownership education/counseling, housing rehabilitation, homeless programs, home energy and repair initiatives, as

well as loan servicing. The organization also provides first-time homebuyer down payment assistance. The contact was not aware of any significant issues with credit availability at the consumer level. The contact indicated that financial institutions have the opportunity to participate in organization's mission by becoming an approved lender and/or purchasing securities to fund affordable housing. Economic conditions and employment are improving, as the contact expected a significant number of new jobs in the pipeline expected to be filled over the next few years. The organization uses independent mortgage lenders and correspondent banks for its financial needs and is not aware of any complaints about local banks.

**State of Kentucky
Lexington, Kentucky MSA
(Lexington AA)**

Demographic Information for Full-Scope Area: Lexington AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	82	12.2	22.0	34.1	31.7	0.0
Population by Geography	308,306	11.6	22.4	33.3	32.7	0.0
Owner-Occupied Housing by Geography	68,194	6.3	16.2	35.2	42.3	0.0
Businesses by Geography	23,387	7.9	16.4	41.2	34.5	0.0
Farms by Geography	858	5.8	11.8	42.5	39.9	0.0
Family Distribution by Income Level	72,466	23.3	15.7	18.3	42.6	0.0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	125,752	26.9	15.4	15.7	42.1	0.0
Median Family Income		66,800	Median Housing Value		180,124	
FFIEC Adjusted Median Family Income for 2017		66,600	Unemployment Rate		3.8%	
Households Below the Poverty Level		12.1%				

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2015 ACS U.S. Census and 2017 FFIEC updated MFI.

The Lexington AA consists of Fayette County, Kentucky. The AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income geographies.

The AA consists of 82 geographies. Of the 82 geographies, 10 geographies (12.2 percent) of the AA are classified as low-income, 18 geographies (22 percent) are moderate-income, 28 geographies (34.1 percent) are middle-income, and 26 geographies (31.7 percent) are upper-income. CNB operated three branches and three ATMs within the AA. None of the branches and ATMs were located in low-income geographies and one (33.33 percent) was located in a middle-income geography.

CNB purchased three branches from American Founders Bank in Lexington, Kentucky in November 2015, which expanded the bank’s footprint and added an additional AA, (Lexington, Kentucky MSA) for the state of Kentucky. The Lexington AA accounted for 49.08 percent of CNB’s rated area deposits and 77.04 percent of CNB’s rated area loans. The 2015 Census reported a total population of 308,306 in the AA. In 2017, there were 23,387 businesses operating within the AA.

As of December 31, 2017, the unemployment rate was 3.8 percent, which compares favorably with the national unemployment rate of 4.1 percent. Major AA employment sectors include education, manufacturing, retail and healthcare.

A community contact was made in September 2017 to a community service organization whose mission is to improve the quality of life of the people it serves by addressing education, income, and health. According to the contact, lack of transportation, or transportation options that are infrequent or inconvenient impacts not only access to services, but limits employment options for many in the community. They indicated that there is also a need for career development and job training programs,

particularly for young adults to help move them into jobs that will allow them to be financially self-supporting. The aging population is creating a need for access to affordable medical services. There is also a need for affordable rental housing. Local financial institutions have supported this organization's initiatives and are perceived positively.

State of Virginia
Virginia Non-MSA

Demographic Information for Full-Scope Area: Virginia Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	15	0.0	6.7	60.0	33.3	0.0
Population by Geography	78,905	0.0	8.4	58.6	32.9	0.0
Owner-Occupied Housing by Geography	21,890	0.0	7.3	57.3	35.4	0.0
Businesses by Geography	5,009	0.0	5.8	60.3	33.9	0.0
Farms by Geography	426	0.0	1.4	64.6	34.0	0.0
Family Distribution by Income Level	20,540	16.3	18.5	19.6	45.6	0.0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	30,790	18.6	17.1	16.6	47.8	0.0
Median Family Income (MFI)	\$51,375	Median Housing Value				\$195,614
FFIEC Adjusted MFI for 2017	\$53,300	Unemployment Rate				3.6%
Households Below the Poverty Level	9.7%					

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2015 ACS U.S. Census and 2017 FFIEC updated MFI.

The Virginia Non-MSA AA consists of Rockbridge and Shenandoah Counties, and the independent cities of Buena Vista and Lexington, Virginia. The AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income geographies.

The AA consists of 15 geographies. Of the 15 geographies, none are classified as low-income, one geography (6.7 percent) is moderate-income, 9 geographies (58.6 percent) are middle-income, and five geographies (32.9 percent) are upper-income. CNB operates five branches and four ATMs within the AA. Of the five branches in the AA, none are located in low-income geographies and one branch and ATM is located in a middle-income geography.

The Virginia Non-MSA accounts for 32.38 percent of CNB’s rated area deposits and 21.53 percent of CNB’s rated area loans. Based on June 30, 2017 FDIC deposit information, there were \$1.5 billion in deposits held among 13 financial institutions with 33 offices located in the Virginia Non-MSA. The primary competitors are large national and regional banks. The top five competitors, excluding CNB, which ranked fifth, had 15 offices and controlled 60.33 percent of the total market share. CNB ranked fifth among 13 financial institutions in deposits with 7.66 percent market share.

The 2015 Census reports a total population of 78,905 in the AA. In 2017, there are 5,009 businesses operating within the AA. As of December 31, 2017, the unemployment rate in the Virginia was 3.6 percent, which compares favorably with the national unemployment rate of 4.1 percent.

A community contact was made in October 2018 with an affordable housing organization. The organization’s mission is to provide affordable housing for low-income individuals and families. The contact indicated that one of the primary credit needs in the area for low- and moderate-income individuals

is affordable mortgage loans. Other major needs in the AA is affordable housing for rent and purchase in the growing workforce, drug rehabilitation programs, job training, and grocery stores. The organization has a positive perception of local financial institutions; however, it also believes that these institutions can do more to meet the needs listed above. The local economy is growing as several companies have moved into the area.

**State of West Virginia
Beckley West Virginia MSA
(Beckley AA)**

Demographic Information for Full-Scope Area: Beckley West Virginia MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	29	0.0	10.3	79.3	10.3	0.0
Population by Geography	124,027	0.0	8.4	81.8	9.8	0.0
Owner-Occupied Housing by Geography	36,348	0.0	7.9	81.3	10.7	0.0
Businesses by Geography	5,421	0.0	5.0	85.6	9.4	0.0
Farms by Geography	130	0.0	2.3	90.0	7.7	0.0
Family Distribution by Income Level	32,877	20.6	18.2	20.7	40.5	0.0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	48,943	24.1	16.3	18.0	41.6	0.0
Median Family Income (MFI)	\$47,856	Median Housing Value				\$96,054
FFIEC Adjusted MFI for 2017	\$50,800	Unemployment Rate				6.4%
Households Below the Poverty Level	14.1%					

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2015 ACS U.S. Census and 2017 FFIEC updated MFI.

The Beckley AA consists of Raleigh and Fayette Counties in West Virginia. The AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income geographies.

The AA consists of 29 geographies. Of the 29 geographies, none of the geographies are classified as low-income, three geographies (10.3 percent) are moderate-income, 23 geographies (81.8 percent) are middle-income, and three geographies (9.8 percent) are upper-income. CNB operates nine branches and nine ATMs within the AA. Of CNB’s nine branches and ATMs in the AA, none are located in low-income geographies or middle-income geographies.

The Beckley AA accounts for 25 percent of CNB’s rated area deposits and 26 percent of CNB’s rated area loans. Beckley AA has \$1.7 billion in deposits held among 13 financial institutions with 41 offices. The primary competitors are large national or regional banks. The top five competitors, excluding CNB ranked first, had 18 offices and controlled 57.50 percent of the total market share. CNB ranked first among 13 financial institutions in deposits with 26.15 percent market share. The 2015 Census reports a total population of 124,027 in the AA. In 2017, there are 5,421 businesses operating within the AA.

As of December 31, 2017, the unemployment rate was 6.4 percent, which compares unfavorably with the national unemployment rate of 4.1 percent. Major AA employment sectors include healthcare, education, retail, and military.

A community contact was made in October 2018 with a non-profit affordable housing organization. The organization’s mission is provide housing to low- and moderate-income individuals. The organization utilizes volunteer labor to construct homes that are sold to low- and moderate-income individuals at no profit and with no interest charged to the loan. The organization is privately funded through donations and profit from the organization’s resale store. The major need and opportunity for involvement by local financial institutions is funding for programs to combat the opioid addiction epidemic in the AA. Other opportunities include affordable home loans.

State of West Virginia

West Virginia Non-MSA

Demographic Information for Full-Scope Area: West Virginia Non-MSA AA							
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #	
Geographies (Census Tracts/BNAs)	79	0.0	12.7	62.0	25.3	0.0	
Population by Geography	303,100	0.0	10.0	62.4	27.6	0.0	
Owner-Occupied Housing by Geography	92,415	0.0	9.0	63.4	27.6	0.0	
Businesses by Geography	13,837	0.0	10.6	55.4	33.9	0.0	
Farms by Geography	548	0.0	6.9	67.7	25.4	0.0	
Family Distribution by Income Level	80,727	20.4	17.0	20.2	42.4	0.0	
Distribution of Low- and Moderate-Income Families throughout AA Geographies	123,311	23.6	16.3	17.2	43.0	0.0	
Median Family Income (MFI)	\$48,507	Median Housing Value Unemployment Rate				\$101,279	
FFIEC Adjusted MFI for 2017	\$49,300					5.4 %	
Households Below the Poverty Level	13.9%						

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2015 ACS U.S. Census and 2017 FFIEC updated MFI.

The West Virginia Non-MSA AA consists of Harrison, Jackson, Mason, Braxton, Greenbrier, Nicholas, Pocahontas, Summers, Mercer, and Morgan Counties in West Virginia. The AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income geographies.

The AA consists of 79 geographies. Of the 79 geographies, no geography is classified as low-income, 10 geographies (12.7 percent) are moderate-income, 49 geographies (62 percent) are middle-income, and 20 geographies (27.6 percent) are upper-income. CNB operates 20 branches and 20 ATMs within the AA. Of the 20 branches and ATMs in the AA, none are located in low-income geographies or middle-income geographies.

The West Virginia Non-MSA accounts for 41 percent of CNB’s rated area deposits and 59.18 percent of CNB’s rated area loans. Based on June 30, 2017 FDIC deposit information, there were \$5 billion in deposits held among 30 financial institutions with 119 offices located in the West Virginia Non-MSA. The primary competitors are large national and regional banks. The top five competitors, excluding CNB ranked second, had 46 offices and controlled 41.53 percent of the total market share. CNB ranked second among 30 financial institutions in deposits with 14.95 percent market share.

The 2015 Census reports a total population of 303,100 in the AA. In 2017, there are 13,837 businesses operating within the AA.

As of December 31, 2017, the unemployment rate was 5.4 percent, which compares unfavorably with the national unemployment rate of 4.1 percent. Major employment sectors in the AA include government, retail, education, and healthcare.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas 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 loans are treated as originations/purchases; (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on Table 4 placement.
- Table 2. Geographic Distribution of Home Mortgage Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank’s assessment area.
- Table 4. Borrower Distribution of Home Mortgage Loans** - 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 MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 5. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage

distribution of businesses with revenues of \$1 million or less. In addition, the Table 4 presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

Table 6. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on Table 4 placement.

Table 7. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Tables of Performance Data

Charleston Combined Statistical Area

Washington Combined Statistical Area

State of Kentucky

State of Virginia

State of West Virginia

Tables of Performance Data

Lending Volume – 2015 through 2016

City National Bank of West Virginia

Table 1:

LENDING VOLUME										
Geography: City National Bank AA										
Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016										
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Charleston CSA	100.00	2,474	312,715	345	54,807	5	31,025	2,824	398,547	100.00
Washington CSA	100.00	637	93,784	68	8,692	3	1,760	708	104,236	100.00
Lexington AA	50.44	55	11,436	24	5,633	1	860	80	17,929	49.31
Kentucky Non-MSA AA	49.56	137	12,087	54	5,372	1	155	192	17,614	50.69
Virginia Non-MSA	21.78	142	15,563	36	3,139	0	0	178	18,702	31.35
Staunton AA	76.84	317	49,875	157	16,097	0	0	474	65,972	59.28
Virginia Beach AA	1.38	6	959	2	223	0	0	8	1,182	9.37
Beckley AA	41.34	577	50,905	141	20,551	1	1,500	719	72,956	37.28
West Virginia Non-MSA	58.66	835	84,291	166	19,089	2	130	1,003	103,510	62.72

* Loan Data as of 12/31/16. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 27, 2015 to December 31, 2017

*** Deposit Data as of 12/31/16. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Lending Volume - 2017

Institution ID: City National Bank of West Virginia

Table 1:

LENDING VOLUME										
Geography: City National Bank AA										
Evaluation Period: JANUARY 1, 2017 TO DECEMBER 31, 2017										
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Charleston CSA	100.00	1,119	116,706	148	20,321	4	5,237	1,280	143,570	100.00
Washington CSA	100.00	306	47,833	45	5,479	5	14,551	356	67,863	100.00
Lexington AA	77.04	48	17,088	31	7,495	0	0	79	24,583	49.08
Kentucky Non-MSA AA	22.96	65	4,065	33	3,263	0	0	98	7,328	50.92
Virginia Non-MSA	21.53	49	5,678	19	1,910	0	0	68	7,588	32.38
Staunton AA	77.13	126	19,603	67	7,577	0	0	193	27,180	9.65
Virginia Beach AA	1.34	2	473	0	0	0	0	2	473	57.97
Beckley AA	40.82	267	22,932	67	10,389	1	2,300	335	35,621	37.26
West Virginia Non-MSA	59.18	391	42,156	90	9,481	9	1,305	481	51,637	62.74

* Loan Data as of 12/31/17. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 27, 2015 to December 31, 2017

*** Deposit Data as of 12/31/17. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Geographic Distribution of Home Mortgage Loans – 2015 - 2016

Table 2:

Table 2 : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																2015-2016	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate			Middle			Upper			
	#	\$	% 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	
Charleston CSA	2,474	312,715	47.8	12,341	0.7	0.3	0.5	15.6	10.1	10.8	60.6	55.3	56.8	23.0	34.3	31.9	
Washington CSA	637	93,784	12.3	14,013	0.9	0.6	0.4	31.5	25.9	27.0	51.7	62.2	56.4	16.0	11.3	16.2	
Lexington AA	55	11,436	1.1	11,353	6.5	3.6	5.6	17.9	9.1	14.3	33.6	40.0	33.6	42.0	47.3	46.6	
Kentucky Non-MSA AA	137	12,087	2.6	665	0.0	0.0	0.0	12.5	10.9	10.2	79.4	83.2	79.9	8.2	5.8	9.9	
Virginia Non-MSA	142	15,563	2.7	2,374	0.0	0.0	0.0	0.0	0.0	0.0	54.8	52.8	54.0	45.2	47.2	46.0	
Staunton AA	317	49,875	6.1	3,823	0.4	0.6	0.5	8.0	7.9	10.3	71.8	68.8	69.3	19.8	22.7	19.9	
Virginia Beach AA	6	959	0.1	21,317	0.2	0.0	0.3	8.8	16.7	8.6	40.8	16.7	41.1	50.1	66.7	50.0	
Beckley AA	577	50,905	11.1	2,028	0.0	0.0	0.0	10.2	5.7	8.3	71.7	69.8	71.3	18.1	24.4	20.5	
West Virginia Non-MSA	835	84,291	16.1	5,295	0.0	0.0	0.0	7.0	4.8	6.2	76.0	71.6	65.1	17.0	23.6	28.7	
Total	5,180	631,615	100.0	73,209	1.1	0.3	1.1	14.1	10.3	13.0	56.9	61.7	50.3	27.9	27.7	35.5	

Source: 2010 U.S Census; 01/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0

Table 2: Geographic Distribution of Home Mortgage Loans – 2017

Table 2 : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																	2017		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate			Middle			Upper			Not-Available Income Tract		
	#	\$	% 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
Charleston CSA	1,119	116,706	47.2	11,494	1.8	0.8	1.8	14.7	8.1	11.0	59.7	59.4	56.3	23.7	31.6	30.8	0.0	0.0	0.1
Washington CSA	306	47,833	12.9	13,153	2.8	4.6	2.4	23.8	26.5	20.9	59.4	59.2	62.7	14.1	9.8	14.0	0.0	0.0	0.0
Lexington AA	48	17,088	2.0	9,965	6.3	2.1	4.8	16.2	25.0	16.3	35.2	31.3	34.5	42.3	41.7	44.4	0.0	0.0	0.0
Kentucky Non-MSA AA	65	4,065	2.7	596	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Virginia Non-MSA	49	5,678	2.1	2,124	0.0	0.0	0.0	7.3	22.4	6.2	57.3	38.8	54.4	35.4	38.8	39.4	0.0	0.0	0.0
Staunton AA	126	19,603	5.3	3,553	0.2	0.8	0.3	9.2	6.3	10.1	83.1	79.4	80.9	7.4	13.5	8.7	0.0	0.0	0.0
Virginia Beach AA	2	473	0.1	17,733	0.3	0.0	0.6	13.5	0.0	14.5	35.3	0.0	37.6	50.6	100.0	46.8	0.3	0.0	0.5
Beckley AA	267	22,932	11.3	2,000	0.0	0.0	0.0	7.9	1.1	5.9	81.3	82.4	81.3	10.7	16.5	12.9	0.0	0.0	0.0
West Virginia Non-MSA	391	42,156	16.5	5,009	0.0	0.0	0.0	9.0	3.8	5.5	63.4	61.4	57.2	27.6	34.8	37.4	0.0	0.0	0.0
Total	2,373	276,534	100.0	65,627	1.6	1.1	1.7	13.8	9.3	13.9	56.8	63.4	51.7	27.8	26.2	32.6	0.1	0.0	0.1

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

Table 3. Geographic Distribution of Small Loans to Businesses – 2015-2016

Table 3: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																2015-2016	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate			Middle			Upper			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Charleston CSA	345	54,807	34.7	6,677	4.3	4.6	2.8	24.9	26.1	22.1	45.8	39.7	45.1	25.0	29.6	30.1	
Washington CSA	68	8,692	6.8	5,403	0.8	0.0	0.4	43.1	45.6	42.2	39.3	39.7	38.1	16.7	14.7	19.2	
Lexington AA	24	5,633	4.9	6,551	10.0	4.2	10.8	21.7	37.5	18.8	32.8	33.3	32.2	35.5	25.0	38.2	
Kentucky Non-MSA AA	54	5,372	5.4	371	0.0	0.0	0.0	7.7	3.7	6.7	79.3	88.9	82.5	12.9	7.4	10.8	
Virginia Non-MSA	36	3,139	3.6	1,244	0.0	0.0	0.0	0.0	0.0	0.0	49.0	52.8	49.0	51.0	47.2	51.0	
Staunton AA	157	16,097	15.8	2,072	5.4	2.5	3.3	7.0	3.2	7.6	64.0	72.0	63.6	23.6	22.3	25.5	
Virginia Beach AA	2	223	0.4	8,855	0.2	0.0	0.2	13.2	0.0	12.0	44.1	50.0	41.6	42.5	50.0	46.2	
Beckley AA	141	20,551	14.2	1,441	0.0	0.0	0.0	12.8	12.8	11.0	70.3	64.5	71.2	16.9	22.7	17.8	
West Virginia Non-MSA	166	19,089	16.7	3,397	0.0	0.0	0.0	11.3	2.4	9.9	65.1	66.3	65.3	23.5	31.3	24.8	
Total	993	133,603	100.0	36,011	3.0	2.1	2.8	19.8	16.0	18.7	47.0	55.8	45.4	30.1	26.1	33.2	

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

Table 3. Geographic Distribution of Small Loans to Businesses - 2017

Table 3: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2017	
Assessment Area:	Total Loans to Small Businesses				Low-Income			Moderate-Income			Middle-Income			Upper-Income			Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Charleston CSA	148	20,321	29.6	6,376	6.7	4.7	5.8	15.3	18.9	12.8	54.3	50.0	54.7	23.4	26.4	26.6	0.3	0.0	0.0	
Washington CSA	45	5,479	9.0	4,443	4.1	0.0	4.1	31.2	40.0	30.8	51.5	53.3	51.6	13.3	6.7	13.5	0.0	0.0	0.0	
Lexington AA	31	7,495	6.2	6,480	7.9	12.9	6.7	16.4	6.5	17.2	41.2	54.8	40.0	34.5	25.8	36.0	0.0	0.0	0.0	
Kentucky Non-MSA AA	33	3,263	6.6	409	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	
Virginia Non-MSA	19	1,910	3.8	890	0.0	0.0	0.0	5.8	21.1	5.4	60.3	47.4	60.0	33.9	31.6	34.6	0.0	0.0	0.0	
Staunton AA	67	7,577	13.4	1,652	5.0	1.5	3.1	6.1	4.5	7.3	80.4	82.1	82.9	8.4	11.9	6.6	0.0	0.0	0.0	
Virginia Beach AA	0	0	0.0	8,084	0.9	0.0	1.1	21.3	0.0	20.3	34.6	0.0	32.8	41.6	0.0	44.3	1.6	0.0	1.5	
Beckley AA	67	10,389	13.4	1,482	0.0	0.0	0.0	5.0	3.0	4.4	85.6	71.6	82.1	9.4	25.4	13.6	0.0	0.0	0.0	
West Virginia Non-MSA	90	9,481	18.0	3,370	0.0	0.0	0.0	10.6	3.3	11.4	55.4	70.0	51.8	33.9	26.7	36.9	0.0	0.0	0.0	
Total	500	65,915	100.0	33,186	3.8	2.4	3.4	17.0	12.0	16.7	50.7	64.6	49.1	28.1	21.0	30.4	0.4	0.0	0.4	

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

Table 4. Borrower Distribution of Home Mortgage Loans – 2015-2016

Table 4: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																		2015-2016		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income			Middle-Income			Upper-Income Borrowers			Not Available			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Charleston CSA	2,474	312,715	47.8	12,341	21.3	4.9	6.9	17.8	15.9	17.3	20.6	24.1	22.0	40.3	52.5	37.8	0.0	2.7	15.9	
Washington CSA	637	93,784	12.3	14,013	21.8	9.7	8.7	20.3	16.6	19.5	22.3	26.4	19.9	35.6	41.6	25.1	0.0	5.7	26.7	
Lexington AA	55	11,436	2.2	11,353	22.6	5.5	7.2	15.2	9.1	16.5	18.9	32.7	20.3	43.3	38.2	37.6	0.0	14.5	18.4	
Kentucky Non-MSA AA	137	12,087	2.6	665	25.3	5.8	5.4	18.2	11.7	13.8	17.8	24.8	19.9	38.7	53.3	41.2	0.0	4.4	19.7	
Virginia Non-MSA	6	959	0.2	21,317	14.2	16.7	3.2	17.8	16.7	13.8	23.2	16.7	19.9	44.8	50.0	33.4	0.0	0.0	29.7	
Staunton AA	317	49,875	6.1	3,823	19.7	7.6	8.2	17.7	19.2	20.4	23.7	22.7	22.4	39.0	39.7	26.5	0.0	10.7	22.5	
Virginia Beach AA	6	959	0.2	21,317	14.2	16.7	3.2	17.8	16.7	13.8	23.2	16.7	19.9	44.8	50.0	33.4	0.0	0.0	29.7	
Beckley AA	577	50,905	11.1	2,028	23.7	3.5	5.9	16.7	11.1	13.4	19.3	25.1	21.6	40.3	56.8	43.9	0.0	3.5	15.2	
WV Non-MSA	835	84,291	16.1	5,295	20.8	4.8	5.7	17.1	13.4	12.9	20.6	21.1	19.8	41.5	56.9	46.3	0.0	3.8	15.3	
Total	5,180	631,615	100.0	73,209	20.0	5.5	6.1	17.6	15.0	16.1	21.1	23.8	20.5	41.3	51.4	34.4	0.0	4.2	22.9	

Source: 2010 U.S Census; 01/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0

Table 4. Borrower Distribution of Home Mortgage Loans - 2017

Table 4: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income			Middle-Income			Upper-Income Borrowers			Not Available				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Charleston CSA	1,119	116,706	47.2	11,494	22.3	3.5	6.1	16.9	16.0	17.3	19.7	23.0	21.3	41.0	55.1	41.9	0.0	2.4	13.5		
Washington CSA	306	47,833	12.9	13,153	24.4	8.5	9.0	19.0	15.0	19.4	21.4	28.1	20.9	35.3	46.1	27.7	0.0	2.3	23.0		
Lexington AA	48	17,088	2.0	9,965	23.3	4.2	6.3	15.7	12.5	18.1	18.3	14.6	19.0	42.6	54.2	37.7	0.0	14.6	18.9		
Kentucky Non-MSA AA	65	4,065	2.7	596	21.7	9.2	4.0	18.8	23.1	16.9	21.0	23.1	22.0	38.4	43.1	40.4	0.0	1.5	16.6		
Virginia Non-MSA	49	5,678	2.1	2,124	16.3	0.0	3.7	18.5	18.4	15.9	19.6	18.4	19.4	45.6	57.1	39.7	0.0	6.1	21.2		
Staunton AA	126	19,603	5.3	3,553	19.7	5.6	7.6	18.4	18.3	23.1	22.7	27.0	23.2	39.2	44.4	28.3	0.0	4.8	17.8		
Virginia Beach AA	2	473	0.1	17,733	16.8	0.0	4.4	16.5	0.0	16.7	21.2	0.0	22.9	45.5	100.0	34.4	0.0	0.0	21.6		
Beckley AA	267	22,932	11.3	2,000	20.7	4.9	7.1	18.2	13.5	17.3	20.7	19.9	21.6	40.5	54.3	39.8	0.0	7.5	14.3		
WV Non-MSA	391	42,156	16.5	5,009	20.4	4.9	5.0	17.0	9.5	13.6	20.2	22.8	22.0	42.4	57.8	45.1	0.0	5.1	14.3		
Total	2,373	276,534	100.0	65,627	21.0	4.7	6.2	17.2	14.8	17.7	20.4	23.2	21.4	41.5	53.5	35.7	0.0	3.8	19.0		

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

Table 5. Borrower Distribution of Small Loans to Businesses – 2015-2016

Table 5: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2015-16	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Revenues > 1MM		Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Charleston CSA	345	54,807	35.5	6,677	76.1	66.4	42.8	6.7	32.8	17.2	1.7	
Washington CSA	68	8,692	6.8	5,403	84.3	80.9	44.2	4.4	19.1	11.3	0.0	
Lexington AA	24	5,633	4.1	6,551	81.6	58.3	45.7	6.4	50.0	12.0	0.0	
Kentucky Non-MSA AA	54	5,372	6.6	371	82.7	81.5	53.1	4.0	16.7	13.4	3.0	
Virginia Non-MSA	36	3,139	4.3	1,244	84.9	83.3	51.7	3.9	16.7	11.2	0.0	
Staunton AA	157	16,097	15.8	2,072	82.9	75.2	46.3	5.3	24.8	11.8	0.0	
Virginia Beach AA	2	223	0.4	8,855	86.0	100.0	51.7	4.9	0.0	9.0	0.0	
Beckley AA	141	20,551	15.2	1,441	74.7	68.8	41.3	6.5	30.5	18.9	1.3	
WV Non-MSA	166	19,089	16.7	3,397	77.0	78.9	45.4	6.0	19.9	17.0	1.2	
Total	993	133,603	100.0	36,011	81.3	72.5	46.5	5.6	26.8	13.1	0.7	

Source: 2016 D&B Data; 01/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0

Table 5. Borrower Distribution of Small Loans to Businesses - 2017

Table 5: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2017
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Revenues > 1MM		Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Charleston CSA	148	20,321	29.6	6,376	76.0	70.3	44.5	6.8	27.7	17.2	2.0
Washington CSA	45	5,479	9.0	4,443	84.0	77.8	54.1	4.5	22.2	11.4	0.0
Lexington AA	31	7,495	6.2	6,480	81.8	61.3	50.3	6.3	38.7	11.8	0.0
Kentucky Non-MSA AA	33	3,263	6.6	409	82.1	87.9	53.5	4.1	9.1	13.8	3.0
Virginia Non-MSA	19	1,910	3.8	890	85.1	94.7	53.3	4.0	5.3	10.9	0.0
Staunton AA	67	7,577	13.4	1,652	82.5	68.7	54.1	5.5	29.9	12.0	1.5
Virginia Beach AA	0	0	0.0	8,084	86.5	0.0	53.4	4.9	0.0	8.6	0.0
Beckley AA	67	10,389	13.4	1,482	74.9	74.6	41.0	6.7	25.4	18.4	0.0
WV Non-MSA	90	9,481	18.0	3,370	77.1	72.2	43.6	6.2	26.7	16.6	1.1
Total	500	65,915	100.0	33,186	81.4	73.2	49.7	5.7	25.6	12.9	1.2

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

Table 6. Qualified Investments

Qualified Investments		Evaluation Period: October 27, 2015 TO December 31, 2017							
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Charleston CSA	19	6,937	2	4,466	21	11,403	100.00	1	534
Washington CSA	20	5,149	25	8,891	45	14,040	100.00	0	0
Kentucky Full Review:									
Lexington AA	0	0	1	1,300	1	1,300	100.00	1	263
Kentucky Limited Review:									
Kentucky Non-MSA AA	0	0	0	0	0	0	0	0	0
Virginia Full Review:									
Virginia Non-MSA	0	0	0	0	0	0	0	0	0
Virginia Limited Review:									
Staunton AA	0	0	0	0	0	0	0	0	0
Virginia Beach AA	0	0	0	0	0	0	0	0	0
West Virginia Full Review:									
Beckley AA	12	3,800	11	3,270	23	7,070	59.57	0	0
West Virginia Non-MSA	8	1,783	3	3,016	11	4,799	40.43	1	526

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 7. Distribution of Branch Delivery System and Branch Openings/Closings

Distribution of Branch Delivery System and Branch Openings/Closings										Evaluation Period: October 27, 2015 TO December 31, 2017								
MA/Assessment Area:	Deposits		Branches					Branch Openings/Closings				Population						
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)					# of Branch Openings	# of Branch Closings	Net change in Location of Branches(+ or -)				% of Population within Each Geography			
				Low	Moderate	Middle	Upper	Unknown			Low	Moderate	Middle	Upper	Low	Moderate	Middle	Upper
Charleston CSA	100.00	31	100.00	3.2	16.1	51.6	22.6	6.5	1			+1			3.33	16.30	57.90	22.10
Washington CSA	100.00	9	100.00	22.2	44.4	22.2	11.2								3.10	27.60	56.70	12.60
Lexington AA	49.08	3	50.00		33.3	33.3	33.3		3			+1	+1	+1	11.60	22.00	33.30	32.70
Kentucky Non-MSA AA	50.92	3	50.00			100.0									0.00	0.00	100.00	0.00
Virginia Non-MSA	32.38	5	45.45		20.0	60.0	20.0								0.00	8.40	58.60	32.90
Staunton AA	57.97	5	45.45		20.0	80.0									1.10	12.00	79.60	7.40
Virginia Beach AA	9.65	1	9.10		100.0										0.70	23.30	35.00	40.50
Beckley AA	37.26	9	31.03			88.9	11.1								0.00	8.40	81.80	9.80
West Virginia Non-MSA	62.74	20	68.97			75.0	25.0								0.00	10.00	62.40	27.60