



## **PUBLIC DISCLOSURE**

February 26, 2018

# **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

MidSouth Bank, National Association  
**Charter Number 18484**

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Office of the Comptroller of the Currency

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

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## Overall CRA Rating

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

Performance Levels	Midsouth Bank, National Association 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 that reflect a good responsiveness by MidSouth to the credit needs of its assessment areas (AAs).
- A good ratio of loans originated inside the AAs.
- Overall, good geographic distribution of loans among census tracts of different income levels throughout the AAs.
- Overall, adequate distribution of loans among borrowers of different income levels throughout the AAs.
- Community development lending that had an overall positive impact on the bank’s lending performance.
- Investments that reflect an adequate responsiveness to the credit and community development needs of the AAs.
- Service delivery systems that are accessible to census tracts and individuals of different income levels in the AAs.
- Good performance in providing 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 metropolitan area/AA.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. CT boundaries do not cross county/parish lines; however, they may cross the boundaries of metropolitan areas. CTs 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. CTs 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 AA(s) or outside the AA(s) provided the bank has adequately addressed the CD needs of its AA(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 CT 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 metropolitan area/AA.

**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:** 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/parishes that represent an employment center or centers, plus adjacent counties/parishes associated with the main/secondary county/parish or counties/parishes 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 MSA comprises the central county/parish or counties/parishes containing the core, plus adjacent outlying counties/parishes having a high degree of social and economic integration with the central county/parish or counties/parishes 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 CD.

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

**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 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

MidSouth Bank, National Association, (MidSouth) is a \$1.9 billion, interstate bank headquartered in Lafayette, Louisiana. Midsouth operates with 49 banking offices and 52 ATMs, located in 16 AAs throughout the states of Louisiana and Texas. The ten Louisiana AAs include all or portions of the Alexandria MSA, Greenwood MSA, Lake Charles MSA, Lafayette MSA, Baton Rouge MSA, and the Houma-Thibodaux MSA. The bank also operates in the following four Non-MSA Parishes: Sabine-Natchitoches, St. Mary, St. Landry, and Jefferson Davis. The bank's six Texas AAs include the Beaumont-Port Arthur MSA, Tyler MSA, College Station MSA, Dallas-Plano MSA, Houston MSA, and Texarkana MSA. The Texarkana MSA is a multi-state MSA located in both Texas and Arkansas. At the last CRA evaluation dated October 6, 2014, Midsouth received a "Satisfactory" rating. Since that time, the bank opened one branch and closed 11 branches. While there has not been any merger or acquisition activities since the previous examination, there have been changes to the bank's corporate structure.

The bank's largest representation by number of loans, deposit size, and locations, continues to be the Lafayette AA, which includes St. Martin, Lafayette, and New Iberia Parishes in their entirety. All of the bank's AAs include whole geographies which meet the regulatory requirements and do not arbitrarily exclude any low- or moderate-income CTs.

MidSouth Bank is wholly owned by MidSouth Bancorp, Inc., and is a one bank holding company also headquartered in Lafayette, Louisiana. The bank's business strategy is to focus on commercial and business customers, while continuing to serve retail customers. As of December 31, 2017, the bank had total deposits of approximately \$1.5 billion and equity capital of approximately \$225 million. Net loans represent 64 percent of average assets and Tier one capital is \$183 million. As of the same aforementioned date, the bank's loan mix was comprised primarily of commercial loans at 47 percent and residential real estate loans at 14 percent.

The bank offers a full range of banking services to commercial and retail customers in south Louisiana and the eastern portions of Texas. The bank primarily offers short-term residential real estate loans. Customers who are looking for longer-term financing (20- or 30-year fixed-rate loans) can seek assistance from the bank, but the bank brokers such loans to secondary market investors who ultimately approve or deny the loan.

MidSouth operates in a competitive financial services market with a number of large, national and regional banks, and smaller thrifts. See Appendix C, Community Profiles of each AA for

specific details. We did not identify any legal, financial, or other factors that would impede the bank's ability to help meet the credit needs of its AAs.



## **Evaluation Period/Products Evaluated**

The evaluation period for the Lending Test was January 1, 2015 through December 31, 2016, except for CD loans, which were evaluated from October 6, 2014 through February 26, 2018. In this evaluation, we considered loans to small businesses, as well as HMDA loans. MidSouth's volume of multi-family housing, small loans to farms, and consumer loans were minimal in all ratings areas, and therefore, no analysis was conducted regarding these products. Therefore, Tables 5, 7, and 13, located at the end of this evaluation are provided for informational purposes only. The evaluation period for CD loans, investments and services is from the date of the prior evaluation through the date of the current evaluation, or from October 6, 2014 to February 26, 2018.

Analysis of loans to small businesses and HMDA data for the calendar years of 2015 and 2016 are based on the 2010 Census data. This is consistent with how financial institutions are required to file loan data, and consistent with the manner in which data is generated. We gave more weight to loans to small businesses, as it was the bank's primary lending product. As a result, performance for home purchases, improvements and refinances received a lesser weight. In some full-scope AAs, where there was an insufficient number of home purchase and refinance loans to allow for a meaningful analysis, only home improvement loans were evaluated.

We evaluated the bank's CD lending based on data collected by the bank. In assessing performance with respect to the Investment Test, we evaluated MidSouth's investments, grants, and donations that satisfied the definition of CD. Performance under the Service Test was assessed based on such factors as alternative delivery systems, hours of operation, and the availability of products and programs throughout the AAs, with a focus on low- and moderate-income geographies. We also considered any services the bank provided in its AAs tailored to the needs of low- and moderate-income individuals and geographies.

## **Data Integrity**

Prior to conducting the CRA Performance Evaluation, we reviewed the integrity of the bank's small business and HMDA loan data. We also reviewed records pertaining to CD lending, investments and services. The review focused on the bank's policies and procedures for collecting and ensuring the accuracy of its data, and included transactional sampling. We concluded MidSouth's loan data for small business and HMDA loans was accurate. We reviewed the majority of the bank's CD loans, investments, and services, during the CRA examination.

## **Selection of Areas for Full-Scope Review**

In each state and multi-state MA where the bank has an office, a sample of AAs in that state received a full-scope review. Refer to the "Scope" section under each state for details regarding how the areas were selected.

## **Ratings**

The overall bank rating is a blend of the two states and the multi-state MSA. The state of Louisiana carried the greatest weight in our conclusions due to this state representing the

bank's most significant market in terms of deposit concentrations, branch distribution, and CRA reportable loans. The state ratings are primarily based on those areas that received full-scope reviews.

Additionally, when evaluating the bank's performance under the lending test, we placed a higher value on the bank's distribution of small business loans than the distribution of home mortgage loans. We placed emphasis on small business loans due to it being the bank's primary loan product. Geographic and borrower distribution conclusions for HMDA and small business loans provided the most weight in determining the overall Lending Test conclusions; however, in some areas where there were not enough home purchase and refinance loans for a meaningful analysis, greater weight was placed on home improvement loans. Small farm and multifamily lending received no weight, as they did not represent a significant percentage of the bank's lending portfolio.

In determining the conclusions for the Investment Test, the dollar volume of the investment activity and its responsiveness in meeting the community's credit needs were given the most weight. Finally, when determining the Service Test conclusions, accessibility to branch offices and changes in branch locations provided the most weight. Branch hours and services as well as CD services received a lesser amount of weight.

Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

## 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 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 (or any affiliate whose loans have been considered as part of the institution's lending performance) 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.

## Multi-state MA (MMSA) Rating

### Texarkana (TX-AR) MSA

**CRA rating for the Texarkana MMSA: Satisfactory**  
**The Lending Test is rated: High Satisfactory**  
**The Investment Test is rated: High Satisfactory**  
**The Service Test is rated: Low Satisfactory**

The major factors that support this rating include:

- Lending levels reflect a good responsiveness by MidSouth to the credit needs of its AA.
- Excellent distribution of small loans to businesses by income levels.
- Investments that reflect a good responsiveness to the credit and CD needs of the AAs.
- Service delivery systems that are accessible to CTs and individuals of different income levels in the AAs.
- Good performance in providing CD services.

### Description of Institution's Operations in the Texarkana Multi-state MSA

MidSouth operates with one branch and one ATM located in Bowie County of the Texarkana MMSA. While, this one branch's deposits accounts for less than one percent of the bank's total deposits, and total lending, (both number and dollar amount comprising less than two percent of MidSouth's total lending), overall lending was good.

Competition in the multi-state MSA is strong. Primary competitors include large regional and multi-national institutions such as Wells Fargo, JP Morgan Chase, Guarantee Bank, and Red River Employees Federal Credit Union.

Refer to the Community Profile, Appendix C for detailed demographics and other performance context information for the Texarkana AA.

## **Scope of Evaluation in the Texarkana Multi-state MSA**

The Texarkana MMSA received a full-scope review. This AA represents the least number of branches, loans, and deposits of full-scope areas reviewed. In terms of individual loan products, MidSouth's small loans to businesses were weighed more than home mortgage loans. Multi-family, small loans to farms, and consumer loans were not reviewed during this evaluation since the low number and dollar volume of originations does not support a meaningful analysis. The evaluation period for lending was January 1, 2015 through December 31, 2016. The evaluation period for CD loans, was October 6, 2014 through February 26, 2018.

## **Conclusions with Respect to Performance Tests in the Texarkana MMSA**

### **LENDING TEST**

#### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in the Texarkana MMSA is rated "High Satisfactory." Based on the full-scope review, and when considering weighting, the bank's performance in the Texarkana MMSA is good.

#### **Lending Activity**

Refer to Table 1 Lending Volume in the "Texarkana MMSA" section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Lending activity in the Texarkana MMSA reflects good responsiveness to AA credit needs. Intense competition by several large lenders impacts the bank's ability to lend in the AA. The bank made a total of 20 home mortgage and 29 small loans to businesses during the review period. Because of the limited number of home mortgage loans, home mortgage lending was not analyzed. Because of this, and the fact that small loans to businesses is a significant portion of the rating based on weighting, the overall rating in the Texarkana MMSA is exclusively based on small loans to businesses.

MidSouth is ranked 12<sup>th</sup> out of 15 lenders in the AA, with a market share of 0.35 percent. The five largest institutions have a combined market share of 73.11 percent, evidencing strong competition in the AA. The bank's presence in the MMSA is due to an acquisition, with that institution having had one branch in the MMSA. Only 0.47 percent of the bank's deposits are located in the AA and only 1.18 percent of loans were made in the AA during the review period. Given the bank's low lending and deposits, little or no weight was given to the Texarkana MMSA in the overall rating of the bank.

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

Overall, the geographic distribution of the bank's lending is good. While the bank did not have sufficient volume to allow for meaningful analysis for most mortgage loan products, the bank's small business lending volume was sufficient and was weighted significantly more than the other products.

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

Refer to Tables 2, 3, 4, and 5 in the "Multi-state MA(s)" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The distribution of HMDA loans in the Texarkana MMSA was not analyzed, as the bank did not have a sufficient volume to allow for meaningful analysis. During the review period, the bank only made eight purchase, eight home improvement, and four refinance loans.

### ***Small Loans to Businesses***

Refer to Table 6 in the "Multi-state MA(s)" section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The overall geographic distribution of loans is poor. The bank's distribution of loans in the low-income geographies was significantly less than the percent of businesses in those geographies, and the bank did not have any lending in the moderate-income CTs. In total, the bank made 29 small loans to businesses during the review period.

### ***Lending Gap Analysis***

We reviewed summary reports and maps, and analyzed MidSouth's HMDA and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. The bank's AA consists of whole geographies, meets the requirements of the CRA regulation, and does not arbitrarily exclude low- or moderate-income areas.

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

### ***Inside/Outside Ratio***

A substantial majority of reportable loans are made inside the bank's AA. The analysis was performed at the bank level as opposed to the AA level. The information evaluated includes bank originations and purchases only for the evaluation period, of which 86 percent of the total number of reportable loans, and 80 percent of the total dollar volume of reportable loans, originated inside the AAs. By loan product and number of loans, 88 percent of small loans to businesses and 86 percent of residential loans originated inside the AAs.

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

Refer to Tables 8, 9, and 10 in the "Multi-state MA(s)" section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of HMDA loans in the Texarkana MMSA was not analyzed, as the bank did not have a sufficient volume to allow for meaningful analysis. During the review period, the bank only made eight purchase, eight home improvement, and four refinance loans.

### ***Small Loans to Businesses***

Refer to Table 11 in the “Multi-state MA(s)” section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank’s origination/purchase of small loans to businesses.

The distribution of small loans to businesses by income level of the borrower is excellent. The bank’s lending of small loans to businesses exceeded the percentage of those businesses in those geographies. It is worth noting that for loans by original amount regardless of business size, 62.07 percent of such loans were made for \$100,000 or less. The bank made 29 loans in the AA, for a total of 1.18 percent of all loans.

### **CD Lending**

CD lending had a neutral impact on lending performance in the multi-state MSA. The bank did not originate any CD loans in this AA.

### **Product Innovation and Flexibility**

MidSouth offers a standard product mix of conventional, FHA and SBA loans. The bank does not offer any other innovative or flexible loan products in the multi-state MSA.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

MidSouth’s performance under the investment test is rated “High Satisfactory.” Based on a full-scope review, the bank’s performance in the Texarkana MMSA AA is good.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank’s level of qualified investments.

During the evaluation period of October 6, 2014 through February 26, 2018, MidSouth provided the AA with qualified investments and grants totaling \$1.4 million. The bank’s investments are primarily targeted to stabilize the AA by providing affordable housing to the elderly and for economic development of small businesses. Other investments include grants made to community organizations that provide services primarily to low- and moderate-income individuals.

- Investment of \$896,000 in a Small Business Investment Company (SBIC) for the purpose of economic development to a program which provides funding for start-up and other small businesses.
- A low income housing tax credit (LIHTC) of \$500,000. The property is located in Bowie County and is utilized for affordable housing to the elderly.

- Grants totaling \$15,000 are to various organizations that provide health care, special needs, social services, and community service needs to low- and moderate-income children and families. Services include advocacy, parenting, shelter, education, and mentoring.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the service test in the Texarkana MMSA is rated "Low Satisfactory". Based on the full-scope review, the bank's performance in the Texarkana MMSA is adequate. The evaluation period for CD services was October 6, 2014 through February 26, 2018.

### **Retail Banking Services**

Refer to Table 15 in the "Multi-state MA(s)" section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

MidSouth provided retail banking services in the Texarkana MMSA in a manner that reflects overall poor responsiveness to the banking needs for different income geographies and different income level of borrowers. The bank operates with only one branch and only one ATM in the AA, both of which are located in an upper-income CT. The branch hours are 9:00 a.m. to 4:00 p.m. with the drive-thru being open both an hour earlier and later than the branch. The branch is not open on Saturdays. The bank did not open or close any branches in the MMSA during the review period.

### **CD Services**

The bank performance in providing CD services in the MMSA was good, with MidSouth providing a relatively high level of CD services, especially given that the bank only had one branch in the AA. In total, five bank employees provided 35.5 hours of service to five organizations over the review period. These services focused primarily on providing technical assistance on financial- and banking-related matters for various community groups targeted at youth.



## State Rating

### State of Louisiana

<b>CRA Rating for Louisiana:</b>	<b>Satisfactory</b>
<b>The Lending Test is rated:</b>	<b>High Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Service Test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating include:

- MidSouth's level of lending activity during this evaluation period is good.
- The geographic distribution of loans is adequate. The distribution of loans by borrower income level is good.
- The level of CD loans in the Lafayette and Lake Charles MSA AAs had a positive impact on the Lending Test rating.
- The level of CD investments is adequate.
- The retail delivery systems are readily accessible to geographies and individuals of different income levels in the bank's AAs.
- The bank provides a relatively high level of CD services.

### Description of Institution's Operations in Louisiana

#### Scope of Evaluation in Louisiana

MidSouth's primary operations are in the state of Louisiana. Of the 49 branches operated by MidSouth, 38 branches are located in the state of Louisiana. Ten of the bank's 16 AAs are also located in Louisiana. The majority of lending, in terms of both number and total dollars also occur in Louisiana. The bank made a total of 2,698 loans in Louisiana totaling \$306 million during the review period, which equated to 81 percent by number and 75 percent by dollar amount of all loans made. MidSouth also has \$1.3 billion in deposits in this state, which constitutes 87 percent of the bank's total deposits.

Competition in the state is strong. Primary competitors include large regional and multi-national institutions such as Iberia Bank, JP Morgan Chase, Capital One, Home Bank, and Whitney Bank. The bank did not open any branches, but closed seven branches in Louisiana during the review period.

Refer to the Market Profiles for the State of Louisiana in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

We selected the Lafayette and Lake Charles MSA AAs for full-scope reviews. These two areas represent a significant majority of the bank's branching network, deposit base, and lending activity in the state. We did not review multi-family loans, small loans to farms or consumer loans, as MidSouth made a nominal number of these loans during this evaluation period and any analysis performed on these loan products would be meaningless. In arriving at the overall state rating, the Lafayette MSA received more weight than the Lake Charles MSA. In terms of individual loan products, small loans to businesses received greater weight than home mortgage loans.

## **Conclusions with Respect to Performance Tests in Louisiana**

### **LENDING TEST**

#### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Lending Test in Louisiana is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Lafayette MSA and the Lake Charles MSA is good. Based on the limited-scope reviews, the bank's performance in the Baton Rouge MSA, Alexandria MSA, Houma-Thibodaux MSA, Natchitoches NMSA, St. Landry NMSA, and St. Mary NMSA was not inconsistent with the performance in the full-scope areas. The lending in the Jefferson Davis NMSA was weaker than the lending in the full-scope areas, but was nevertheless considered adequate. The bank did not have a sufficient amount of lending in the Greenwood MSA to allow for meaningful analysis. The level of CD lending had a positive impact on the bank's performance, and therefore influenced the overall lending test rating. The evaluation period for lending was January 1, 2015 through December 31, 2016. The evaluation period for CD loans was October 6, 2014 through February 26, 2018.

#### **Lending Activity**

Refer to Tables 1 Lending Volume and in the state of Louisiana section of Appendix D for the facts and data used to evaluate the bank's lending activity.

##### Lafayette MSA

MidSouth's lending activity in the Lafayette MSA is good. Lending activity in the Lafayette MSA reflects good responsiveness to AA credit needs. The bank made a total of 319 home mortgage and 840 small loans to businesses during the review period. In total, 34.74 percent of the bank's loans were made in this AA. MidSouth is ranked 4th out of 39 lenders in the AA, with a market share of 6.09 percent, evidencing a strong ability to make loans in the AA. The three largest institutions have a combined market share of 48.85 percent, revealing MidSouth's ability to be competitive in the AA. Of total deposits at MidSouth, 39.82 percent are located in the Lafayette MSA, the highest percentage in any state or AA.

##### Lake Charles MSA

MidSouth's lending activity in the Lake Charles MSA is good. Lending activity in the Lake Charles MSA reflects good responsiveness to AA credit needs. The bank made a total of 39 home mortgage and 343 small loans to businesses during the review period. In total, 11.75

percent of the bank's loans were made in this AA. Because of the limited number of home mortgage loans, the bank did not have a sufficient number of home purchase loans, home improvement, or home refinance loans to allow for meaningful analysis. Consequently, when analyzing lending in this AA, all weight was placed in the bank's small loans to businesses. MidSouth is ranked 9<sup>th</sup> out of 16 lenders in the AA, with a market share of 1.77 percent. The five largest institutions have a combined market share of 72.64 percent, evidencing strong competition in the AA. Of total deposits at MidSouth, 4.32 percent are located in the Lake Charles MSA, the third highest percentage in the state after Lafayette and Baton Rouge.

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

Overall, the geographic distribution of the bank's lending is adequate. While the bank did not have sufficient volume in the Lake Charles MSA for home loans to allow for meaningful analysis, the volume in the Lafayette MSA was sufficient for home loans and was overall considered adequate. For small loans to businesses, the geographic distribution of loans in the Lake Charles MSA was considered good while the geographic distribution of loans in the Lafayette MSA was considered excellent. Given that the bank is predominately a commercial lender, more emphasis was placed on small loans to businesses than on HMDA loans; and, more weight was placed on the Lafayette MSA than the Lake Charles MSA.

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

Refer to Tables 2, 3, 4, and 5 in the state of Louisiana section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

#### **Lafayette MSA**

The geographic distribution of loans in the Lafayette MSA is adequate.

The geographic distribution of home purchase loans is adequate. The bank's lending in the low-income census tracts is on par with area demographics and is good while the lending in the moderate-income CTs was below area demographics and is poor.

The geographic distribution of home improvement loans is good. While the bank's lending in the low-income CTs is significantly less than area demographics and is considered poor, home improvement lending in the moderate-income CTs was significantly greater in the moderate-income CTs and is excellent.

The geographic distribution of home refinance loans is adequate. While the bank did not make any home refinance loans in the low-income CTs, the bank's home refinance lending in the moderate-income CTs exceeded area demographics and is excellent.

#### **Lake Charles MSA**

The bank did not have a sufficient number of home loans in any one product in the Lake Charles MSA to allow for meaningful analysis. In total, only 16 home purchase, 13 home improvement, and 7 home refinance loans were made during the review period.

### ***Small Loans to Businesses***

Refer to Table 6 in the state of Louisiana section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

#### Lafayette MSA

The distribution of small loans to businesses by income level of the borrower is excellent. While the bank's lending in the low-income geographies was less than the percentage of businesses in those geographies and is therefore considered poor, the bank's lending in the moderate-income CTs was considerably greater than the percentage of businesses in those geographies and was considered excellent. The bank's overall market share in the AA for the low-income CTs was on par with the overall market share and exceeded the market share in the moderate-income CTs. The bank made 840 loans in the AA, for a total of 34.12 percent of all loans.

#### Lake Charles MSA

The distribution of small loans to businesses by income level of the borrower is good. The bank's lending in the low-income geographies exceeded area demographics and is excellent, while the bank lending in the moderate-income CTs was less than the percentage of businesses in those areas and is considered adequate. The bank made 343 loans in the AA, for a total of 13.93 percent of all loans.

### ***Lending Gap Analysis***

We reviewed summary reports and maps, and analyzed MidSouth Bank's HMDA and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. The bank's AA consists of whole geographies, meets the requirements of the CRA regulation, and does not arbitrarily exclude low- or moderate-income areas.

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

Overall, the borrower distribution of the bank's lending is good. While the bank did not have sufficient volume in the Lake Charles MSA for home loans to allow for meaningful analysis, the volume in the Lafayette MSA was sufficient for home loans and was overall considered good.

For small loans to businesses the geographic distribution of loans in both Lafayette MSA and the Lake Charles MSA is adequate.

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

Refer to Tables 8, 9 and 10 in the state of Louisiana section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Lafayette MSA

The borrower distribution of loans in the Lafayette MSA is good.

The borrower distribution of home purchase loans is good. The bank's lending to low-income borrowers is slightly less than area demographics and is considered adequate. However, the bank's lending to moderate-income borrowers exceeded area demographics and is therefore excellent. The borrower distribution of home improvement loans is good. The bank's lending to low-income borrowers is slightly less than area demographics and is adequate. However, the bank's lending to moderate-income borrowers exceeded area demographics and is therefore excellent. The borrower distribution of home refinance loans is good. The bank's lending to low-income borrowers is slightly less than area demographics and is adequate. However, the bank's lending to moderate-income borrowers is on par with area demographics and is good.

Lake Charles MSA

The bank did not have a sufficient number of home loans in any one product in the Lake Charles MSA to allow for meaningful analysis. In total, only 16 home purchase, 13 home improvement, and 7 home refinance loans were made during the review period.

***Small Loans to Businesses***

Refer to Table 11 in the state of Louisiana section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Lafayette MSA

The distribution of small loans to businesses by income level of the borrower is adequate. The bank's lending of small loans to businesses was less than the percentage of businesses in those geographies and is considered poor. However, the bank's market share exceeded the overall market share and is considered excellent. Furthermore, for loans by original amount regardless of business size, 66.79 percent of such loans were made for \$100,000 or less. The bank made 840 loans in the AA, for a total of 34.12 percent of all loans.

Lake Charles MSA

The distribution of small loans to businesses by income level of the borrower is adequate. The bank's lending of small loans to businesses was less than the percentage of businesses in those geographies and is considered poor. However, the bank's market share was on par with the overall market share in the AA and considered good. It is also worth noting that for loans by original amount regardless of business size, 78.43 percent of such loans were made for \$100,000 or less. The bank made 343 loans in the AA, for a total of 13.93 percent of all loans.

**CD Lending**

Refer to Table 1 Lending Volume in the state of Louisiana, section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans.

MidSouth originated three CD loans that totaled \$1.4 million. The bank's level of CD loans had a positive impact relative to available opportunities within the full-scope areas, and were responsive to needs in the community.

### Lafayette MSA

CD lending had a positive impact on lending performance in the Lafayette MSA. The bank originated two CD loans which totaled \$1.2 million and, whose purposes were for affordable housing. According to our community contact, affordable housing and the creation of loans to small businesses were defined needs within the AA.

### Lake Charles MSA

CD lending had a positive impact on lending performance in the Lake Charles MSA. The bank originated one loan which totaled \$225,000. While the dollar amount is relatively small, the purpose of the loan was to refinance an affordable complex for the low- and moderate-income individuals within the AA. According to our community contact, affordable housing is a defined need within this AA.

## **Product Innovation and Flexibility**

MidSouth offers a standard product mix of loans including conventional, FHA, and SBA loans. They did not offer any new innovative or flexible lending products during the review period.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Alexandria, Houma-Thibodaux, and Baton Rouge MSAs is not inconsistent with the bank's overall "high satisfactory" performance under the Lending Test. In the Greenwood MSA, St. Mary, St. Landry, Jefferson Davis, and Sabine and Natchitoches AAs, the bank's performance is weaker than the bank's overall performance due to a lower level of lending. The combined performance in the limited-scope AAs was not significant enough to affect the overall conclusions in the state. Refer to Tables 1 through 13 in the state of Louisiana section of Appendix D for the 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 Louisiana is rated "Low Satisfactory." Based on full-scope reviews of the Lafayette and Lake Charles MSAs, the bank increased its total level of CD investments by 135 percent since the previous examination.

Refer to Table 14 in the state of Louisiana section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

While the bank did have two regional CD investments, they had a neutral impact on the bank's overall CD investments rating.

### Lafayette MSA

During the evaluation period of October 6, 2014 through February 26, 2018, MidSouth provided the AA with 29 qualified investments and grants totaling \$595,000. The bank's investments are primarily targeted to stabilize the AA by providing affordable housing to the elderly. Other investments include grants made to CD organizations that provide services primarily to low- and moderate-income individuals.

- Investments of \$540,000 in partnership with the Senior Housing Crime Prevention Foundation, whose purpose is to provide affordable housing (low- and moderate-income individuals comprise more than 50 percent of current residents) to senior citizens by providing a safe and secure environment to live.
- Grants totaling \$55,000 are to various organizations to provide health care, special needs, social services, and community service needs to low- and moderate-income children and families. Services include advocacy, parenting, shelter, education and mentoring.

### Lake Charles MSA

During the CD period of October 6, 2014 through February 26, 2018, MidSouth provided the AA with 16 qualified investments and grants totaling \$275,000. The bank's investments are primarily targeted to stabilize the AA by providing affordable housing to the elderly. Other investments include grants made to community organizations that provide services primarily to low- and moderate-income individuals.

- Investments of \$265,000 in partnership with the Senior Housing Crime Prevention Foundation, whose purpose is to provide affordable housing to senior citizens (of which more than 50 percent are low- and moderate-income individuals) by providing a safe and secure environment to live.
- Grants totaling \$10,000 are to various organizations to provide health care, special needs, social services, and community service needs to low- and moderate-income children and families. Services include advocacy, parenting, shelter, education and mentoring.

## **CD Investments – Regional Areas**

The bank made two bank-wide investments. One investment, which totaled \$327,000 gave MidSouth the opportunity to partner with several organizations in the legal community within the state of Louisiana. The accounts offer preferential interest rates and all funds are used to provide pro bono services to those who cannot afford legal representation. Individuals must qualify for income-based criteria. Many low- and moderate-income individuals would benefit from this investment.

The second investment, which totaled \$38,000 was to a non-profit organization that provides credit and services to small businesses and entrepreneurs who do not have access to obtain loans from commercial sources.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the investment test in the Baton Rouge MSA is not inconsistent with the bank's overall "low satisfactory" rating performance under the investment test. In the Alexandria, Greenwood, St. Mary, Jefferson Davis, Sabine-Natchitoches, and St. Landry AAs, the bank's performance is weaker than Midsouth's overall performance due to a lower level of investments. In the Houma AA, the bank's performance is stronger than Midsouth's overall performance due to a higher level of investments. The combined performance in the limited-scope AAs was not significant enough to affect the overall conclusions in the state.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in the state of Louisiana is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Lafayette MSA is excellent and the bank's performance in the Lakes Charles MSA is good. The evaluation period for CD services was October 6, 2014 through February 26, 2018.

### **Retail Banking Services**

Refer to Table 15 in the state of Louisiana section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

#### Lafayette MSA

Lafayette MSA's branch distribution in the AA is excellent. Delivery systems are accessible to essentially all portions of the bank's AA, including both geographies of different income levels and individuals of different income levels. The bank operates with two branches in low-income CTs and four branches in moderate-income CTs. In both the low- and moderate-income CTs, the percentage of branches in those areas exceeds area demographics and is therefore considered excellent. During the review period, three branches were closed in the AA, including two in moderate-income CTs. For one branch, the bank's closure did not adversely affect the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or low- and moderate-income individuals. Another bank branch, also located in a moderate-income CT, is located within a 10-minute walk from the branch that was closed. The second branch closure, also located in a moderate-income CT, may adversely affect the accessibility of the bank's delivery systems. That branch was located in a rural area of the AA, with the closest bank branch being located within a 20-minute drive from the closed branch. There are, however, three additional competitor banks located in the area that offer traditional banking services.



Branch hours and services in the AA did not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

### Lake Charles MSA

Lake Charles MSA's branch distribution in the AA is considered good. Delivery systems are accessible to essentially all portions of the bank's AA, including both geographies of different income levels and individuals of different income levels. While there are no branches in the low-income CTs, only 7.52 percent of the AA population is located in the low-income geographies. The bank operates with one branch in a moderate-income CT, which exceeds the percentage of the overall population in the moderate-income geographies. There were no branch openings or closings in the Lake Charles MSA during the review period. Branch hours and services in the AA did not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

## **CD Services**

### Lafayette MSA

MidSouth's performance in providing CD services in the Lafayette MSA is excellent, considering the available opportunities in the AA and the bank's responsiveness to those opportunities. In the Lafayette MSA, 11 MidSouth employees provided approximately 157 hours of services to 13 different organizations. Some highlights of these services are as follows:

- Several financial literacy presentations throughout the AA targeted to low- and moderate-income individuals in both junior and high schools. These presentations teach financial literacy, college and career readiness, and entrepreneurship education.
- An organization targeting low- and moderate-income, as well as elderly families that provides information on home improvement and home repairs.
- Hosting several events in low-and moderate-income areas were bank employees identity theft prevention and free shred opportunities.

### Lake Charles MSA

MidSouth provides a good level of CD services, based on the opportunities available and the level of responsiveness in the AA. In the Lake Charles MSA, seven employees provided 47 hours of services to five different CD organizations. Some specific examples are as follows:

- Participated in affordable housing and small business development fairs targeted at low- and moderate-income individuals. The fairs include seminars that provide technical assistance with homeownership, credit counseling, and provides a step-by-step walk through on how to apply for a loan.

- Several financial literacy presentations throughout the AA targeted to low- and moderate-income individuals in both junior and high schools. These presentations teach real life financial situations and help students make wise financial decisions.

## Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the Greenwood MSA, Alexandria MSA, Houma-Thibodaux MSA, Natchitoches NMSA, and St. Landry NMSA is not inconsistent with the bank's overall good performance under the Service Test in Louisiana. The bank's performance in the Baton Rouge MSA, Jefferson Davis NMSA, and St. Mary NMSA is weaker than the bank's overall performance in the state. These poor ratings are based primarily on a lack of CD services being offered in those AAs. Due to their relative size and the difference of a few offices, the performance in the areas that demonstrated weaker performance did not materially impact the overall Service Test conclusions for the state of Louisiana. Refer to Table 15 in the state of Louisiana section of Appendix D for the facts and data that support these conclusions.

## State Rating

### State of Texas

<b>CRA Rating for Texas:</b>	<b>Satisfactory</b>
<b>The Lending Test is rated:</b>	<b>High Satisfactory</b>
<b>The Investment Test is rated:</b>	<b>Low Satisfactory</b>
<b>The Service Test is rated:</b>	<b>High Satisfactory</b>

The major factors that support this rating include:

- MidSouth's level of lending activity during this evaluation period is good.
- The geographic distribution of loans is good.
- The distribution of loans by borrower income level is good.
- The level of CD loans had a positive impact on the Lending Test rating.
- The level of CD investments is adequate.
- The retail delivery systems are readily accessible to essentially all geographies and individuals of different income levels in the bank's AAs.
- An adequate level of CD services that were responsive to community needs.

## Description of Institution's Operations in Texas

### Scope of Evaluation in Texas

MidSouth operates with 10 branches in the state of Texas. These branches are located throughout five counties in the state, revealing that the bank has a much smaller presence in Texas than it does in Louisiana. The state of Texas represents 18 percent of MidSouth's total deposit base, 20 percent of their branching network, 18 percent of their lending activity by number, and 24 percent of their lending activity by dollar amount, for the current evaluation. MidSouth has approximately \$265 million in deposits in the state. Competition in the state is strong. Primary competitors include large regional and multi-national institutions such as Bank of America, JP Morgan Chase Bank, Texas Capital Bank, and Capital One.

Refer to the Market Profiles for the state of Louisiana in Appendix C for detailed demographics and other performance context information for AAs that received full-scope reviews.

We selected the Dallas-Plano (39 percent of total state deposits and 40 percent of branching network) and Beaumont (34 percent of total state deposits and 20 percent of branching network) MSA AAs for full-scope reviews. These two areas represent a significant majority of the bank's branching network (60 percent) and deposit base (73 percent) in the state, and the ratings are based primarily on results of these areas that received full-scope reviews. In arriving at the overall state rating, the Dallas-Plano MSA received more weight than the Beaumont MSA, in terms of number of branches and total deposits. In terms of individual loan products, small loans to businesses received greater weight than home mortgage loans. We did not review multi-family loans, small loans to farms or consumer loans as MidSouth made a nominal number of these loans during this evaluation period and any analysis performed on these loan products would be meaningless.

According to our community contact, affordable housing and the creation of loans to small businesses were defined needs within the AA.

## LENDING TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in Texas is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Dallas-Plano MSA and Beaumont-Port Arthur MSA is good. Based on the limited-scope reviews, the bank's performance in the College Station-Bryan MSA and Tyler MSA was not inconsistent with the performance in the full-scope areas, while the lending in the Houston-Woodlands MSA was stronger than the lending in the full-scope areas and is considered excellent. The bank did not have a sufficient amount of lending in the Greenwood MSA to allow for meaningful analysis. The level of CD loans had a positive impact on the bank's performance and did influence the overall Lending Test. The evaluation period for lending was January 1, 2015 through December 31, 2016. The evaluation period for CD loans was October 6, 2014 through February 26, 2018.

## **Lending Activity**

Refer to Table 1 Lending Volume and in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

### Dallas-Plano MSA

MidSouth's lending activity in the Dallas-Plano MSA is good. Lending activity in the Dallas-Plano MSA reflects good responsiveness to AA credit needs. The bank made a total of 40 home mortgage and 101 small loans to businesses during the review period. In total, 4.16 percent of the bank's loans were made in this AA. Because of the limited number of home mortgage loans, the bank did not have a sufficient number of home purchase loans or home refinance loans to allow for meaningful analysis. Consequently, when analyzing home mortgage lending, only home improvement loans were evaluated.

MidSouth is ranked 70<sup>th</sup> out of 119 lenders in the AA, with a market share of 0.05 percent. The five largest institutions have a combined market share of 72.46 percent, evidencing strong competition in the AA. Of total deposits at MidSouth, 6.44 percent are located in the Dallas-Plano MSA, the highest percentage in the state.

### Beaumont-Port Arthur MSA

MidSouth's lending activity in the Beaumont-Port Arthur MSA is good. Lending activity in the MSA reflects good responsiveness to AA credit needs. During the evaluation period, the bank made 26 HMDA loans and 131 small loans to businesses. In total, 4.63 percent of the bank's loans were made in this AA. Because of the limited number of home mortgage loans, the bank did not have a sufficient number of home purchase loans or home refinance loans to allow for meaningful analysis. Consequently, when analyzing home mortgage lending, only home improvement loans were evaluated.

MidSouth is ranked 9<sup>th</sup> out of 16 lenders in the AA, with a market share of 1.84 percent. The five largest institutions have a combined market share of 72.73 percent, evidencing significant competition in the AA. Of total deposits at MidSouth, 5.58 percent are located in the Beaumont-Port Arthur MSA, the second highest percentage in the state.

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

Overall, the geographic distribution of the bank's lending is good. While the bank did not have sufficient volume to allow for meaningful analysis for home purchase and home refinance loan products, the bank's home improvement and small business lending volume was sufficient to analyze. For those products that have sufficient volume, the geographic distribution of HMDA loans is considered good while the geographic distribution of small loans to businesses is also considered good. Given that the bank is predominately a commercial lender, more emphasis was placed on small loans to businesses than on HMDA loans.

## ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

### Dallas-Plano MSA

The geographic distribution of home mortgage loans in the Dallas-Plano MSA is adequate. The bank did not make a sufficient number of home purchase or home refinance loans for meaningful analysis. For home improvement loans, the bank's lending activity in the low-income CTs is considered poor in that the bank did not make any home improvement loans in the low-income CTs, but the bank lending activity in moderate-income CTs was consistent with demographics and was therefore considered good.

### Beaumont-Port Arthur MSA

The geographic distribution of home mortgage loans in the Dallas-Plano MSA is good. The bank did not make a sufficient number of home purchase or home refinance loans for meaningful analysis. For home improvement loans, the bank's lending activity in the low-income CTs is considered poor in that the bank did not make any home improvement loans in the low-income CTs, but the bank lending in moderate-income CTs was significantly greater than area demographics and was therefore considered excellent.

## ***Small Loans to Businesses***

Refer to Table 6 in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

### Dallas-Plano MSA

The distribution of small loans to businesses by income level of the borrower is considered good. While the bank's lending in the low-income geographies was less than the percentage of businesses in those geographies and is therefore considered poor, the bank's lending in the moderate-income CTs was considerably greater than the percentage of businesses in those geographies and was considered excellent. The bank made 101 loans in the AA, for a total of 4.10 percent of all loans.

### Beaumont-Port Arthur MSA

The distribution of small loans to businesses by income level of the borrower is considered adequate. While the bank's lending in the low-income geographies was less than the percentage of businesses in those geographies and is therefore considered poor, the bank's lending in the moderate-income CTs was on par with the percentage of businesses in those geographies and was considered adequate. It is worth noting that only 2.25 percent of businesses are located in low-income geographies, and the bank's overall market share is less than one percent in those geographies. The bank made 131 loans in the AA, for a total of 5.32 percent of all loans.

### ***Lending Gap Analysis***

We reviewed summary reports and maps, and analyzed MidSouth's HMDA and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. The bank's AA consists of whole geographies, meets the requirements of the CRA regulation, and does not arbitrarily exclude low- or moderate-income areas.

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

Overall, the borrower distribution of the bank's lending is adequate. For home purchase and home refinance loans, the bank's volume of lending is insufficient for meaningful analysis and is stated so below when necessary. For those products that have sufficient volume, the borrower distribution is adequate for both HMDA and small loans to businesses.

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

Refer to Tables 8, 9 and 10 in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

#### **Dallas-Plano MSA**

The borrower distribution of home mortgage loans in the Dallas-Plano MSA is considered poor. The bank did not make a sufficient number of home purchase or home improvement loans to allow for meaningful analysis. For home improvement loans, the bank's lending to both low- and moderate-income borrowers is less than the percentage of borrowers and is therefore considered poor. It is worth noting that the bank did not have any reportable market share for low-income borrowers and had less than one percent market share for moderate-income borrowers, evidencing significant competition for those borrowers. The overall market share for home improvement loans was 0.48 percent.

#### **Beaumont-Port Arthur MSA**

The borrower distribution of home mortgage loans in the Beaumont-Port Arthur MSA is considered good. The bank did not make a sufficient number of home purchase or home improvement loans to allow for meaningful analysis. For home improvement loans, the bank's lending to low-income borrowers is on par with the percent of families in the AA and exceeds the percentage of families for moderate-income borrowers and is therefore considered excellent.

### ***Small Loans to Businesses***

Refer to Table 11 in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Dallas-Plano MSA

The distribution of small loans to businesses by income level of the borrower is considered adequate. The bank's lending of small loans to businesses was less than the percentage of businesses in those geographies. However, both the bank's and the overall market share was less than one percent, evidencing significant competition in the AA for small loans to businesses. It is also worth noting that for loans by original amount regardless of business size, 68.32 percent of such loans were made for \$100,000 or less. The bank made 101 loans in the AA, for a total of 4.10 percent of all loans.

Beaumont-Port Arthur MSA

The distribution of small loans to businesses by income level of the borrower is adequate. The bank's lending of small loans to businesses was less than the percentage of businesses in those geographies. However, the bank's market share exceeded the overall market share in the AA and was considered excellent. It is also worth noting that for loans by original amount regardless of business size, 64.12 percent of such loans were made for \$100,000 or less. The bank made 131 loans in the AA, for a total of 5.32 percent of all loans.

**CD Lending**

Refer to Table 1 Lending Volume in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans.

Overall, CD lending in the state of Texas had a positive effect on lending performance, and was responsive to needs in the community. More weight was given to the Dallas-Plano MSA AA based on the bank's percentage of deposits and branches.

In the full-scope Dallas-Plano AA, MidSouth's CD lending had a positive impact on the bank's overall lending performance and is deemed good. In aggregate, two extensions of credit qualified as CD loans, totaling \$2.6 million. The extensions of credit comprised of two affordable housing loans for the rehabilitation of a multi-family housing complex which serves low- and moderate-income individuals. In the full-scope Beaumont MSA AA, CD lending had a neutral effect, as the bank did not originate any loans. According to our community contact, affordable housing and the creation of loans to small businesses were defined needs within the AA.

**Product Innovation and Flexibility**

MidSouth offers a standard product mix of loans including conventional, FHA, and SBA loans. They did not offer any new innovative or flexible lending products during the review period.

**Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the College Station, Houston and Tyler MSAs is inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test. The combined performance in the limited-scope AAs was not significant enough to affect the overall conclusions in the state. Refer to Tables 1 through 13 in the state of Texas section of Appendix D for the 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 Texas is rated "Low Satisfactory." Based on full-scope reviews, MidSouth's performance in the Dallas-Plano MSA is adequate, but the bank's performance in the Beaumont-Port Arthur MSA is poor. More weight was given to the Dallas-Plano MSA AA based on the bank's percentage of deposits and branches. However, a limited-scope review of the Houston MSA disclosed the bank's performance to be excellent. While the bank did have some regional CD investments, they had a neutral impact on the bank's overall CD investments rating.

Refer to Table 14 in Appendix C, State of Texas, for the facts and data used to evaluate the bank's level of qualified investments.

#### Dallas-Plano MSA

MidSouth's level of investments in the Dallas MSA is adequate. During the evaluation period of October 6, 2014 through February 26, 2018, the bank made three qualified CD investments totaling \$466,000 and grants of \$15,000. The bank's investments are primarily targeted to stabilize the AA by providing affordable housing to the elderly. Other investments include grants made to CD organizations that provide services primarily to low- and moderate-income individuals. Specific examples of the bank's qualified CD investments include:

- Investments of \$466,000 in partnership with the Senior Housing Crime Prevention Foundation, whose purpose is to provide affordable housing (low- and moderate-income individuals comprise more than 50 percent of current residents) to senior citizens by providing a safe and secure environment to live.
- Grants totaling \$15,000 are to various organizations to provide health care, special needs, social services, and community service needs to low- and moderate-income children and families. Services include advocacy, parenting, shelter, education and mentoring.

#### Beaumont-Port Arthur MSA

MidSouth's level of investment in the Beaumont-Port Arthur MSA is poor. The opportunity to make CD investments is good as we have identified some CD organizations that operate in this AA. During the evaluation period, MidSouth made only two qualified CD investments that totaled \$3,000. This is a significant decrease from the level of investments, in terms of volume and dollars, since the previous evaluation.

### CD Investments – Regional Areas

The bank made two bank-wide investments. One investment, which totaled \$47,000 gave MidSouth the opportunity to partner with several organizations in the legal community within



the state of Louisiana. The accounts offer preferential interest rates and all funds are used to provide pro bono services to those who cannot afford legal representation. Individuals must qualify for income-based criteria. Many low- and moderate-income individuals would benefit from this investment.

The second investment, which totaled \$385,000 was to a non-profit organization that provides credit and services to small businesses and entrepreneurs who do not have access to obtain loans from commercial sources.

### **Conclusions for Area Receiving Limited-Scope Review**

Based on limited-scope reviews, the bank's performance under the Investment Test in the Houston MSA AA is stronger than performance in the state of Texas based on \$3.1 million of qualified investments. The bank's performance in the College Station and Tyler MSA AAs is weaker than the bank's overall performance in the state, based on fewer qualified investments.

Refer to Table 14 in Appendix C for the 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 Texas is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Dallas-Plano MSA and the Beaumont-Port Arthur MSA is good. The evaluation period for CD services was October 6, 2014 through February 26, 2018.

### **Retail Banking Services**

Refer to Table 15 in the state of Texas section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

#### Dallas-Plano MSA

Dallas-Plano MSA's branch distribution in the AA is good. Delivery systems are accessible to essentially all portions of the bank's AA, including both geographies of different income levels and individuals of different income levels. While there are no branches in the moderate-income CTs, one branch is located in a low-income CT. The branch located in the low-income CT exceeds the percentage of the overall population in the low-income geographies. MidSouth opened one branch in the AA during the review period, in a middle-income CT. Branch hours and services in the AA did not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Beaumont-Port Arthur MSA

Beaumont-Port Arthur MSA's branch distribution in the AA is excellent. Delivery systems are accessible to essentially all portions of the bank's AA, including both geographies of different income levels and individuals of different income levels. The bank operates with two branches in the AA, both of which are located in moderate-income CTs. The bank did not open or close any branches in the AA during the review period. Branch hours and services in the AA did not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

**CD Services**Dallas-Plano MSA

MidSouth's performance in providing CD services in the Dallas-Plano MSA is adequate, considering the available opportunities in the AA and the bank's responsiveness to those opportunities. In the Dallas-Plano MSA, five MidSouth employees provided approximately 10 hours of services to five different organizations. Some highlights of these services are as follows:

- Several financial literacy presentations throughout the AA targeted to low- and moderate-income individuals in both junior and high schools. These presentations teach financial literacy, college and career readiness, and entrepreneurship education.
- Hosting a small business development event targeted at low- and moderate-income individuals. Bank employees provided technical assistance on commercial, residential, and small business lending.

Beaumont-Port Arthur MSA

MidSouth provides a poor level of CD services, based on the opportunities available and the level of responsiveness in the AA. In the Beaumont-Port Arthur MSA, only two employees provided five hours of services to two different CD organizations. The organizations are involved with identity theft prevention and financial literacy.

**Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the College Station - Bryan MSA is not inconsistent with the bank's overall good performance under the Service Test in Texas. The bank's performance in the Houston-The Woodlands MSA and Tyler MSA is weaker than the bank's overall performance in the state. These poor ratings are based primarily on a lack of CD services or poor branch distribution in those AAs. Due to their relative size and the difference of a few offices, the performance in the areas that demonstrated weaker performance did not materially impact the overall Service Test conclusions for the state of Texas. Refer to Table 15 in the state of Texas section of Appendix D for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): (01/01/2015 to 12/31/2016) Investment and Service Tests and CD Loans: (10/06/14 to 02/26/18)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Midsouth Bank, National Association 102 Versailles Blvd., Lafayette, LA 70501	HMDA, small loans to businesses and CD Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Louisiana Lafayette MSA Lake Charles MSA Alexandria MSA Baton Rouge MSA Houma-Thibodaux MSA Greenwood MSA St. Landry Parish Jefferson Davis Parish Sabine and Natchitoches Parishes St. Mary Parish	Full-Scope Full-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope	
Texas Beaumont MSA Dallas MSA Fort Worth MSA College Station MSA Houston MSA Tyler MSA	Full-Scope Full-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope	
Multistate MSA (TX-AR) Texarkana	Full-Scope	

## Appendix B: Summary of MMA and State Ratings

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RATINGS		BANK NAME		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multi-state Rating
Midsouth Bank, National Association	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
Texarkana Multi-state	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Louisiana State	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Texas State	High Satisfactory	Low Satisfactory	High 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

### Lafayette AA

Demographic Information for Full-Scope Area: Lafayette LA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	69	5.80	20.29	44.93	27.54	1.44
Population by Geography	346,978	3.18	17.24	47.62	31.96	0
Owner-Occupied Housing by Geography	87,771	2.52	15.02	46.67	35.79	0
Businesses by Geography	38,121	2.22	13.91	46.12	37.75	0
Farms by Geography	737	0.54	14.38	48.71	36.37	0
Family Distribution by Income Level	86,050	2.70	16.98	46.64	33.68	0
Median Family Income		Median Housing Value				\$130,805
FFIEC Adjusted Median Family Income for 2016	\$63,100			Unemployment Rate	5.2 %	
Households Below the Poverty Level	\$58,873					
	17.09 %					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2010 U.S. Census, and 2016 FFIEC updated MFI.

The Lafayette MSA AA, (which commands 39.82 percent of total deposits) is located in the southwestern portion of the state and consists of five parishes. However, the bank chose areas where it has branch locations, as its AA, which includes the parishes of Lafayette, Iberia and St. Martin. The designation of this AA is reasonable based on the bank’s office locations. The AA meets the requirement of the CRA regulations and does not arbitrarily exclude low- or moderate-income geographies. The city of Lafayette is the parish seat of the MSA and includes the cities of Lafayette, Carencro, Youngsville, and Scott. Lafayette Parish, and more specifically, the city of Lafayette are regarded as the economic and cultural center of the area. Historically, this area has served as the gateway to America’s energy needs, as the hub for offshore drilling. However, in recent years, the oil and gas industry in Lafayette and the surrounding areas, experienced a downturn resulting in significant lay-offs for many individuals. Major employers within Lafayette Parish include: Lafayette Parish School System, Lafayette Consolidated Government, University of Louisiana-Lafayette, and the Lafayette General Medical Facility.

Iberia Parish is located within the Lafayette MSA, and is the 17<sup>th</sup> most populous parish in Louisiana. 2016 U.S. Census data estimated the population at approximately 74,000. The median household income was \$44,611, with 20 percent of the population living below the poverty level. Iberia Parish is centrally located on the Gulf coast, approximately halfway between Houston and New Orleans. The primary industries that operate in Iberia Parish are educational services, agriculture, retail trade, food processing, oil and gas, and tourism.

St. Martin Parish is the third parish in the Lafayette MSA and the 21<sup>st</sup> most populous parish in Louisiana. 2016 Census data estimated the population at approximately 53,000. The median household income was \$41,137, with 18.1 percent of the population living below the poverty level. St. Martin Parish is centrally located in southern Louisiana. It has a total area of 816 square miles, of which 738 square miles is land and 79 square miles is water. The parish is situated alongside Bayou Teche and the Atchafalaya Basin. According to government websites, agriculture, aquaculture, and tourism play a significant role in the economy of St. Martin Parish, with sugar cane being the major commercial agricultural and crawfish being the major aquacultural crops for the parish. The largest employers within the parish include, Cajun Chef Producers Inc., Peppers Unlimited of Louisiana, Inc., Louisiana Sugar Cane Co-op, and St. John Mill.

There are 69 CTs in this AA. Of these, 5.80 percent are low-income; 20.29 percent are moderate-income; 44.93 percent are middle-income; and 27.54 percent are upper-income. There was one CT in which income was not available.

The FFIEC updated 2016 median family income for the AA was \$63,100. The following table depicts Income Categories.

Income Categories of AA			
Low	Moderate	Middle	Upper
<\$31,550	\$31,550 – \$50,479	\$50,480 - \$75,719	>\$75,720

Source: US Census data

MidSouth operates with 15 branches and 16 ATMs in the AA, of which two are located in low-income CTs, three in moderate-income CTs; four in middle-income CTs, and six in upper-income CTs.

Based on 2016 business demographic data, there were 38,121 non-farm businesses in the AA. Of these, 33,227 (87.16 percent) of the businesses had revenues of less than \$1 million, 1,859 (4.88 percent) had revenues greater than \$1 million, and 3,035 (7.96 percent) did not report revenue information. According to the Bureau of Labor Statistics, the AA had a 4.0 percent unemployment rate in December 2017, which is lower than the state of Louisiana unemployment rate for the same month of 4.6 percent and the national average in December of 4.1 percent.

Banking competition within the Lafayette MSA is intense, with 27 financial institutions operating approximately 145 branches. According to the FDIC Deposit Market Share Report, as of June 30, 2016, MidSouth ranks third behind Iberia Bank and JP Morgan Chase, and commands 7.30 percent of the market share. The top five bank’s command a total market share of 69.60 percent.

Community Contact

We contacted a community-based development group during this examination. Representatives of the group indicated that there is a need for loans to start up small businesses.

**Lake Charles MSA AA**

Demographic Information for Full Scope Area: Calcasieu and Cameron AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	46	10.87	21.74	41.30	21.74	4.35
Population by Geography	199,607	7.52	21.66	44.10	26.72	0.00
Owner-Occupied Housing by Geography	53,704	4.91	17.46	48.44	29.19	0.00
Business by Geography	19,702	6.55	26.72	42.10	24.43	0.20
Farms by Geography	374	1.34	15.51	48.93	34.22	0.00
Family Distribution by Income Level	51,483	23.31	17.53	17.61	41.55	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	21,026	12.81	28.96	43.69	14.54	0.00
Median Family Income		54,491	Median Housing Value		112,326	
FFIEC Adjusted Median Family Income for 2016		54,600	Unemployment Rate (2010 US Census)		3.59%	
Households Below Poverty Level		16%				

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2016 FFIEC updated MFI

The bank’s AA (which commands 4.32 percent of total deposits) includes the entire MSA of Lake Charles, which is comprised of two parishes, Calcasieu and Cameron. This AA is located in the southwestern corner of the state of Louisiana and borders Texas to the west. The AA consists of complete political subdivisions in the form of parishes, and complies with the requirements of CRA regulations. The AA does not arbitrarily exclude low- and moderate-income areas. According to 2010 Census data, the MSA includes 46 CTs, of which 10.87 percent are low-income, 21.74 percent are moderate-income, 41.30 percent are middle-income, and 21.74 percent are upper-income. The total MSA population is 199,607 and approximately 16 percent of the population lives below the poverty level. The bank’s primary business focus is on commercial and business customers, while continuing to serve retail customers. There are three branches and three ATMs within this AA.

The FFIEC adjusted MSA median family income for the AA in 2016 was \$54,600. The following table depicts Income Categories.

Income Categories of AA			
Low	Moderate	Middle	Upper
<\$27,300	\$27,300 – \$43,679	\$43,680 - \$65,519	>\$65,520

Banking competition in the Lake Charles MSA includes branches of large national banks, regional banks, small community banks, and non-bank financial institutions. MidSouth is ranked 10<sup>th</sup> in deposit market share among financial institutions in the AA, with 1.84 percent of the market share. The five largest competitors in the area are JP Morgan Chase, Iberia Bank, Capital One, Whitney Bank, and First Federal Bank of Louisiana, who in total, command 72.80 percent of the market share. MidSouth maintains three branches in the Lake Charles MSA.

Major industries in Calcasieu Parish include riverboat gaming, education services, healthcare, social assistance, oil refining, and chemical manufacturing.

Cameron Parish is also designated as a part of the Lake Charles MSA. Although it is the third largest parish by land area in Louisiana, it has the second smallest population, an estimated 6,817 as of 2016. Major industries providing employment include construction, oil refining, gas extraction, and agriculture.

Based on 2016 business demographic data, there were 19,702 non-farm businesses in the assessment area. Of these, 17,295 (87.78 percent) of the businesses had revenues of less than \$1 million, 655 (3.32 percent) had revenues greater than \$1 million, and 1,752 (8.89 percent) did not report revenue information. According to the Bureau of Labor Statistics, the AA had a 3.60 percent unemployment rate in December 2017, which is significantly lower than the state of Louisiana unemployment rate for the same month of 4.60 percent and the national average in December of 4.1 percent.

Community Contact

We conducted a community contact with a local governmental housing organization. The contact indicated there is a need for affordable housing within the Lake Charles area because landlords are no longer participating in the city’s Section VIII Program due to the economic boom. The landlord’s properties can be rented to non-Section VIII participants at much higher



rates. Our contact also stated that most financial institutions located in the Lake Charles area are very active in CD activities.

## State of Texas

### Dallas-Plano-Irving MSA

Demographic Information for Full-Scope Area: Dallas-Plano-Irving						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	485	11.96	21.86	23.92	41.86	0.40
Population by Geography	2,247,339	10.66	22.30	24.60	42.44	0.00
Owner-Occupied Housing by Geography	483,089	3.80	17.35	24.69	54.17	0.00
Businesses by Geography	216,563	5.54	13.86	24.50	55.82	0.28
Farms by Geography	3,584	4.46	15.74	26.14	53.54	0.12
Family Distribution by Income Level	537,490	9.30	20.74	24.81	45.15	0.00
Median Family Income		Median Housing Value				
HUD Adjusted Median Family Income for 2016	= \$80,531	Unemployment Rate			= \$193,544	
Households Below the Poverty Level	= \$71,700 = 11.38%				= 3.10%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 U.S. Census, and 2012 HUD updated MFI.

The Dallas-Plano-Irving MSA (commands 6.44 percent of total bank deposits) includes the counties of Collin, Dallas, Denton, Ellis, Hunt, Kaufman, and Rockwall. The bank determined the MSA would be too large to serve and so only selected as its AA the counties of Rockwell, Collin, Dallas, and Hunt. The bank’s AA includes 485 CTs with 58 low-income, 106 moderate-income, 116 middle-income, and 203 upper-income. Two CTs did not have readily available demographic information. The bank’s AA meets regulatory guidelines by including whole geographies and does not arbitrarily excluding low-and moderate-income areas.

MidSouth operates with five branches and four ATMs in the MSA, with one branch each in Hunt and Rockwall Counties and three in Dallas County. The branch in Hunt County is located in a low-income CT, while the branch in Rockwall County is located in a middle-income CT. In Dallas County, two branches are located in upper-income CTs, while the third is located in a middle-income CT. The bank’s primary business focus is on commercial and business customers, while continuing to serve retail customers.

The City of Dallas, located in Dallas County, is the largest city in the surrounding area and is also the county seat. Dallas County is the third most populous county in Texas with a population of 1.32 million, according to the US Census Bureau. There are numerous other cities and towns in the AA, with most being significantly smaller than the City of Dallas. The city of Rockwall is the county seat for Rockwall County, which has a population of 43,080. McKinney is the county seat in Collin County with a population of 131,117. Greenville is the county seat for Hunt County, with a population of 76,596. These three counties are adjacent to Dallas County.

The FFIEC updated 2016 median family income for the AA was \$71,700. The following table depicts Income Categories.

Income Categories of AA			
Low	Moderate	Middle	Upper
<\$35,850	\$35,850 – \$57,359	\$57,360 - \$86,039	>\$86,040

Source: US Census data

Competition within the Dallas MSA is significant with 119 financial institutions in the AA having 936 branches offering financial services. MidSouth ranks 70<sup>th</sup> with a market share of 0.05 percent. The top five banks in the area are regional and national banks and command 72.46 percent of the market share, evidencing strong competition in the AA.

Based on 2016 business demographic data, there were 216,563 non-farm businesses in the assessment area. Of these, 185,046 (85.45 percent) of the businesses had revenues of less than \$1 million, 12,202 (5.63 percent) had revenues greater than \$1 million, and 19,315 (8.92 percent) did not report revenue information. Major industries within the AA include trade, transportation and utilities, government, healthcare, and education. The Dallas area is home to several multi-national organizations and Fortune 500 companies including AT&T, Southwest Airlines, American Airlines, and Texas Instruments. According to the Bureau of Labor Statistics, the AA had a 3.10 percent unemployment rate in December 2017, which matched the Texas state December rate of 3.9 percent but was above the national average in December of 4.1 percent.

Community Contact

We contacted a community-based development group during this examination. A representative of the group indicated that there is a basic need for affordable housing.

## Beaumont-Port Arthur MSA

Demographic Information for Full-Scope Area: Beaumont-Port Arthur						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	104	5.77	28.85	37.50	24.04	3.84
Population by Geography	388,745	4.85	22.23	40.14	30.64	2.14
Owner-Occupied Housing by Geography	98,681	2.41	18.86	45.27	33.43	0.03
Businesses by Geography	22,850	2.25	24.34	37.93	35.16	0.32
Farms by Geography	607	1.65	13.67	41.85	42.83	0.00
Family Distribution by Income Level	97,940	3.96	21.11	43.09	31.82	0.02
Median Family Income		Median Housing Value			= \$90,664	
HUD Adjusted Median Family Income for 2016	= \$57,702	Unemployment Rate			= 6.70%	
Households Below the Poverty Level	= \$57,900 = 15.83					

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2010 U.S. Census, and 2012 HUD updated MFI.

The Beaumont-Port Arthur AA (commands 5.58 percent of total bank deposits) includes Hardin, Orange, and Jefferson counties, which comprises the Beaumont-Port Arthur MSA. The bank's AA includes 104 CTs with six low-income, 30 moderate-income, 39 middle-income, and 25 upper-income. Four CTs did not have readily available demographic information. The bank's AA meets regulatory guidelines by including whole geographies and does not arbitrarily exclude low-and moderate-income areas. The bank's primary business focus is on commercial and business customers, while continuing to serve retail customers.

MidSouth operates with three branches and three ATMs in the MSA, with two branches in Jefferson County and one branch in Orange County. The two branches in Jefferson County are both in Beaumont and are located in a moderate- and upper-income CT. The branch in Orange County is located in Vidor in a middle-income CT.

The city of Beaumont, located in Jefferson County, is the largest city in the AA and is also the county seat. Beaumont has a population of 118,296. Other notable cities in the AA include Port Arthur, also in Jefferson County, with a population of 53,818 and Orange, located in Orange County. Orange is the county seat for Orange County and has a population of 18,595.

The FFIEC updated 2016 median family income for the AA was \$57,900. The following table depicts Income Categories.

Income Categories of AA			
Low	Moderate	Middle	Upper
<\$28,950	\$28,950 – \$46,319	\$46,320 - \$69,479	>\$69,480

Source: US Census data

Competition within the Beaumont MSA is moderate with 16 financial institutions in the AA having 81 branches offering financial services. MidSouth ranks ninth, with a market share of 1.84 percent. The top five banks in the area are regional and national banks and command 72.73 percent of the market share, evidencing strong competition in the AA.

Based on 2016 business demographic data, there were 22,850 non-farm businesses in the assessment area. Of these, 18,584 (81.33 percent) of the businesses had revenues of less than \$1 million, 1,169 (5.12 percent) had revenues greater than \$1 million, and 3,097 (13.55 percent) did not report revenue information. Major industries within the AA include education, healthcare, manufacturing, retail, and construction. The AA is home to several large employers including Louisiana Pacific Corp., Lamar University, Signal International, Baptist Hospital, and DuPont. According to the Bureau of Labor Statistics, the AA had a 6.70 percent unemployment rate in December 2017, which is significantly higher than the state of Texas unemployment rate for the same month of 3.9 percent and the national average in December of 4.1 percent.

Community Contact

A CD representative indicated that the AA continues to need funding for permanent housing and services to meet the needs of the homeless.

**Texarkana AA**

Demographic Information for Full Scope Area: Texarkana MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	30	5.56	11.11	61.11	22.22	0.00
Population by Geography	92,565	3.12	7.36	62.01	27.51	0.00
Owner-Occupied Housing by Geography	22,367	1.13	5.11	63.33	30.43	0.00
Business by Geography	6,020	6.79	6.59	51.53	35.09	0.00
Farms by Geography	195	0.51	4.62	64.10	30.77	0.00
Family Distribution by Income Level	22,758	21.82	15.72	18.98	43.48	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	8,543	4.21	11.73	67.10	16.96	0.00
Median Family Income		50,725	Median Housing Value		92,642	
FFIEC Adjusted Median Family Income for 2016		51,400	Unemployment Rate (2010 US Census)		3.66%	
Households Below Poverty Level		17%				

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2010 US Census and 2016 FFIEC updated MFI

The Texarkana MSA (commanding less than one percent of total bank deposits) includes Bowie County, TX and Miller County, AR. Bowie and Miller Counties have a population of approximately 136,000. The 2010 census data indicates the AA was comprised of 30 CTs (four low-income, three moderate-income, 18 middle-income, and four upper-income). Several cities and unincorporated communities comprise each county, with the largest city being Texarkana. The county political seat for Bowie County is located in Boston, TX. The bank's

primary business focus is on commercial and business customers, while continuing to serve retail customers.

Banking competition within the Texarkana MMSA is high. There are 16 financial institutions operating approximately 40 branches within the MMSA. MidSouth ranks 13<sup>th</sup> in deposits compared to other financial institutions, with a market share of 0.58 percent. The top five banks in the area include Wells Fargo, Guaranty Bank, Regions Bank, Capital One, and Bancorp South. In total, these five institutions command 76.35 percent of the market share. MidSouth operates with one branch in MMSA.

The local economy is driven by defense, healthcare, and industrial occupations. Major employers within the Texarkana MSA include Red River Army Depot, Cooper Tire & Rubber, two area hospitals, and two paper companies. Based on July 2016 Bureau of Labor Statistics, the Texarkana MSA had an unemployment rate of 6.1 percent, which is above the Texas state average of 5.1 percent and on pace with the unemployment rate for Arkansas, according to the Bureau of Labor Statistics.

The FFIEC updated 2016 median family income for the AA was \$51,400. The following table depicts Income Categories.

Income Categories of AA			
Low	Moderate	Middle	Upper
<\$25,700	\$25,700 – \$41,119	\$41,120 - \$61,679	>\$61,680

Source: US Census data

MidSouth operates with one branch and one ATM in the AA, of which four are low-income CTs, three are moderate-income CTs, 16 are middle-income CTs, six in upper-income CTs, and information was not available for one CT.

Based on 2016 business demographic data, there were 22,850 non-farm businesses in the AA. Of these, 18,584 (81.33 percent) of the businesses had revenues of less than \$1 million, 1,169 (5.12 percent) had revenues greater than \$1 million, and 3,097 (13.55 percent) did not report revenue information. Major industries within the AA include education, healthcare, manufacturing, retail, and construction. The AA is home to several large employers including Louisiana Pacific Corp., Lamar University, Signal International, Baptist Hospital, and DuPont. According to the Bureau of Labor Statistics, the AA had a 4.0 percent unemployment rate in December 2017, which is comparable to the State of Texas unemployment rate for the same month of 3.9 percent and the national average in December of 4.1 percent.

Community Contact

We contacted a community-based development group during this examination. The representative indicated that there is a need for loans to small businesses.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multi-state MAs 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 and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/AA; (2) Partially geocoded loans (loans where no CT is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/AA. CD loans to statewide or regional entities or made outside the bank’s AA may receive positive CRA consideration. See Interagency Q&As 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 placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/AA. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase 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 Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multi-family Loans** - Compares the percentage distribution of the number of multi-family loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multi-family housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. 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 AA.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (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 farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's AA.
- Table 8. Borrower Distribution of Home Purchase 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/AA. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. 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 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 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table 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 farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table 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 households within each geography. For borrower distribution, the table 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 of households by income level in each MA/AA.
- Table 14. 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 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 placement.

- Table 15. 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**

**Texarkana MMA(s)**

**Institution ID: MidSouth Bank, N.A. (10000018484) (Included)**

**Table 1. Lending Volume**

LENDING VOLUME		Geography: TEXARKANA - MIDSOUTH				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016						
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>												
Texarkana MSA	100.00	13	648	20	2,885	6	424	0	0	39	3,957	0.00

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2016 to December 31, 2016.

\*\*\* Deposit Data as of May 02, 2018. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Institution ID: MidSouth Bank, N.A. (10000018484) (Included)**

**Table 1. Other Products**

LENDING VOLUME		Geography: TEXARKANA - MIDSOUTH				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016								
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>														
Texarkana MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is from January 01, 2015 to December 31, 2016.

\*\*\* Deposit Data as of May 02, 2018. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Institution ID: MidSouth Bank, N.A. (10000018484) (Included)**

**Table 1. Other Products**

LENDING VOLUME		Geography: TEXARKANA - MIDSOUTH		Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016	
Assessment Area (2016):	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
Full Review:					
Texarkana MSA	0	0	0	0	0

\* The evaluation period for Optional Product Line(s) is from January 01, 2015 to December 31, 2016.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: TEXARKANA - MIDSOUTH				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Texarkana MSA	5	100.00	1.13	0.00	5.11	0.00	63.33	100.00	30.43	0.00	0.30	0.00	0.00	0.53	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: TEXARKANA - MIDSOUTH					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Texarkana MSA	6	100.00	1.13	0.00	5.11	0.00	63.33	33.33	30.43	66.67	3.40	0.00	0.00	2.56	4.92	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: TEXARKANA - MIDSOUTH				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Texarkana MSA	2	100.00	1.13	0.00	5.11	0.00	63.33	0.00	30.43	100.00	0.17	0.00	0.00	0.00	0.37

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 5. Geographic Distribution of Multi-family Loans**

Geographic Distribution: MULTI-FAMILY															Geography: TEXARKANA - MIDSOUTH					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp							
<b>Full Review:</b>																								
Texarkana MSA	0	0.00	10.44	0.00	25.23	0.00	44.19	0.00	20.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00							

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: TEXARKANA - MIDSOUTH						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Texarkana MSA	20	100.00	6.79	0.00	6.59	0.00	51.53	35.00	35.09	65.00	0.87	0.00	0.00	0.56	1.45

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2016).



**Institution ID: MidSouth Bank, N.A. (1000018484) (Included)**

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: TEXARKANA - MIDSOUTH						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Texarkana MSA	6	100.00	0.51	0.00	4.62	0.00	64.10	83.33	30.77	16.67	0.84	0.00	0.00	1.15	0.00

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2016).

**Institution ID: MidSouth Bank, N.A. (1000018484) (Included)**

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: TEXARKANA - MIDSOUTH						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Texarkana MSA	5	100.00	21.82	20.00	15.72	0.00	18.98	0.00	43.48	80.00	0.36	2.17	0.00	0.00	0.51

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: TEXARKANA - MIDSOUTH					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016								
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families*	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Texarkana MSA	6	100.00	21.82	0.00	15.72	16.66	18.98	16.67	43.48	66.67	3.68	0.00	5.56	3.23	3.85

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: TEXARKANA - MIDSOUTH						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families** *	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Texarkana MSA	2	100.00	21.82	0.00	15.72	0.00	18.98	0.00	43.48	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 100.0% of loans originated and purchased by bank.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: TEXARKANA - MIDSOUTH			Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Texarkana MSA	20	100.00	79.65	85.00	65.00	10.00	25.00	0.87	1.56

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2016).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 15.00% of small loans to businesses originated and purchased by the bank.

**Institution ID: MidSouth Bank, N.A. (10000018484) (Included)**

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: TEXARKANA - MIDSOUTH			Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Texarkana MSA	6	100.00	95.38	100.00	66.67	33.33	0.00	0.84	0.93

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 13. Geographic and Borrower Distribution of Consumer Loans (Institution’s Option)**

Geographic and Borrower Distribution: CONSUMER LOANS		Geography: TEXARKANA - MIDSOUTH										Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Geographic Distribution										Borrower Distribution								
	Total Consumer Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		
	#	% of Total*	% of Hhlds*	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	
<b>Full Review:</b>																			
Texarkana MSA	0	0.00	2.66	0.00	8.75	0.00	61.38	0.00	27.21	0.00	24.51	0.00	14.82	0.00	16.86	0.00	43.81	0.00	

\* Consumer Loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.

\*\* Percentage of households is based on 2010 Census Information.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
				Geography: TEXARKANA - MIDSOUTH		Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Texarkana MSA	0	0	16	1,410	16	1,410	100.0	1	1,090

\* 'Prior Period Investments' means investments made in a previous 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.



Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																Geography: MIDSOUTH				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016			
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	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp						
<b>Full Review:</b>																							
Texarkana MMSA	100.00	1	100.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	8.17	7.79	57.33	26.71						

**Institution ID: MidSouth Bank, N.A. (1000018484) (Included)**

**Distribution of Branch and ATM Delivery System**

Distribution of Branch and ATM Delivery System				Geography: TEXARKANA - MIDSOUTH				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
MA/Assessment Area:	Deposits	Branches				ATMs				Population							
	% of Total Bank Deposits	# of Bank Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				# of Bank ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Texarkana MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	3.12	7.36	62.01	27.51

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: MIDSOUTH - LOUISIANA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016						
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Lafayette	43.84	319	12,550	840	122,047	18	1,973	2	1,239	1,179	137,809	0.00
Lake Charles	14.82	39	5,656	343	33,115	16	2,053	1	225	399	41,049	0.00
<b>Limited Review:</b>												

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2016 to December 31, 2016.

\*\*\* Deposit Data as of May 02, 2018. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

LENDING VOLUME	Geography: MIDSOUTH - LOUISIANA					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016						
Alexandria	1.75	15	1,195	32	4,027	0	0	0	0	47	5,222	0.00
Baton Rouge	9.46	40	4,801	214	40,274	0	0	1	872	255	45,947	0.00
Greenwood	0.93	9	165	12	1,184	4	427	2	2,745	27	4,521	0.00
Houma-Thibodaux	4.51	48	1,306	73	12,467	0	0	0	0	121	13,773	0.00
Jefferson Davis Non-MSA	3.31	30	1,295	29	3,635	30	4,289	0	0	89	9,219	0.00
Natchitoches and Sabine Non-MSA	6.67	92	2,664	75	9,700	12	1,370	3	1,423	182	15,157	0.00
St Landry Non-MSA	6.59	39	1,199	137	8,028	1	9	2	560	179	9,796	0.00
St Mary Non-MSA	8.12	46	3,148	167	16,258	5	52	2	3,581	220	23,039	0.00

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 1. Other Products**

LENDING VOLUME		Geography: MIDSOUTH - LOUISIANA				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016								
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>														
Lafayette	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Lake Charles	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
<b>Limited Review:</b>														

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is from January 01, 2015 to December 31, 2016.

\*\*\* Deposit Data as of May 02, 2018. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

LENDING VOLUME	Geography: MIDSOUTH - LOUISIANA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Alexandria	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Baton Rouge	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Greenwood	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Houma-Thibodaux	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Jefferson Davis Non-MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Natchitoches and Sabine Non-MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
St Landry Non-MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
St Mary Non-MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 1. Other Products**

LENDING VOLUME		Geography: MIDSOUTH - LOUISIANA		Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016	
Assessment Area (2016):	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>					
	0	0	0	0	0
Lafayette					
	0	0	0	0	0
Lake Charles					
<b>Limited Review:</b>					

\* The evaluation period for Optional Product Line(s) is from January 01, 2015 to December 31, 2016.

LENDING VOLUME	Geography: MIDSOUTH - LOUISIANA		Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016	
Alexandria	0	0	0	0
Baton Rouge	0	0	0	0
Greenwood	0	0	0	0
Houma-Thibodaux	0	0	0	0
Jefferson Davis Non-MSA	0	0	0	0
Natchitoches and Sabine Non-MSA	0	0	0	0
St Landry Non-MSA	0	0	0	0
St Mary Non-MSA	0	0	0	0



Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)****Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: MIDSOUTH - LOUISIANA					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Lafayette	50	48.08	2.52	2.00	15.02	8.00	46.67	52.00	35.79	38.00	0.25	0.00	0.18	0.31	0.22	
Lake Charles	16	15.38	4.91	0.00	17.46	37.50	48.44	50.00	29.19	12.50	0.23	0.00	0.40	0.23	0.17	
<b>Limited Review:</b>																
Alexandria	0	0.00	5.86	0.00	11.11	0.00	34.28	0.00	48.75	0.00	0.00	0.00	0.00	0.00	0.00	
Baton Rouge	15	14.42	8.89	40.00	15.92	13.33	21.46	0.00	53.73	46.67	0.15	2.10	0.12	0.00	0.11	
Greenwood	1	0.96	3.22	100.00	10.46	0.00	74.08	0.00	12.25	0.00	0.10	7.14	0.00	0.00	0.00	
Houma-Thibodaux	4	3.85	0.00	0.00	25.19	0.00	54.90	100.00	19.91	0.00	0.04	0.00	0.00	0.08	0.00	
Jefferson Davis Non-MSA	3	2.88	0.00	0.00	8.01	0.00	7.57	0.00	84.42	100.00	0.00	0.00	0.00	0.00	0.00	
Natchitoches and Sabine Non-MSA	5	4.81	0.00	0.00	14.37	40.00	55.08	20.00	30.54	40.00	0.32	0.00	0.00	0.34	0.44	
St Landry Non-MSA	1	0.96	7.03	0.00	18.37	0.00	50.17	100.00	24.43	0.00	0.00	0.00	0.00	0.00	0.00	
St Mary Non-MSA	9	8.65	0.00	0.00	6.39	0.00	72.52	77.78	21.09	22.22	1.80	0.00	0.00	1.98	1.68	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)****Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: MIDSOUTH - LOUISIANA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Lafayette	229	49.04	2.52	0.44	15.02	18.78	46.67	56.77	35.79	24.01	15.19	9.09	18.66	18.00	10.29
Lake Charles	13	2.78	4.91	0.00	17.46	15.38	48.44	53.85	29.19	30.77	1.76	0.00	0.00	2.42	1.89
<b>Limited Review:</b>															
Alexandria	11	2.36	5.86	27.27	11.11	9.09	34.27	45.45	48.76	18.19	3.97	14.29	4.76	5.43	1.60
Baton Rouge	19	4.07	8.89	10.53	15.92	10.53	21.46	15.79	53.73	63.15	2.04	2.00	0.00	2.68	2.37
Greenwood	7	1.50	3.22	14.29	10.46	0.00	74.08	71.42	12.24	14.29	3.09	12.50	0.00	3.03	0.00
Houma-Thibodaux	40	8.57	0.00	0.00	25.19	25.00	54.90	45.00	19.91	30.00	5.29	0.00	4.21	3.37	10.64
Jefferson Davis Non-MSA	24	5.14	0.00	0.00	8.01	4.16	7.57	16.67	84.42	79.17	13.68	0.00	0.00	37.50	11.63
Natchitoches and Sabine Non-MSA	68	14.56	0.00	0.00	14.37	16.18	55.08	54.41	30.55	29.41	45.74	0.00	50.00	40.68	56.52
St Landry Non-MSA	35	7.49	7.04	0.00	18.37	22.86	50.17	48.57	24.42	28.57	12.15	0.00	17.86	10.87	13.21
St Mary Non-MSA	21	4.50	0.00	0.00	6.39	14.29	72.52	71.42	21.09	14.29	11.11	0.00	50.00	9.30	8.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)****Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: MIDSOUTH - LOUISIANA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Lafayette	37	39.36	2.52	0.00	15.02	21.62	46.67	64.86	35.79	13.51	0.63	0.00	1.70	0.99	0.13
Lake Charles	7	7.45	4.91	14.29	17.46	42.86	48.44	42.86	29.19	0.00	0.35	1.82	0.85	0.38	0.00
<b>Limited Review:</b>															
Alexandria	3	3.19	5.86	33.33	11.11	33.33	34.27	0.00	48.75	33.33	0.17	0.00	0.96	0.00	0.13
Baton Rouge	4	4.26	8.89	0.00	15.92	25.00	21.46	25.00	53.73	50.00	0.02	0.00	0.00	0.00	0.04
Greenwood	1	1.06	3.22	0.00	10.46	0.00	74.08	100.00	12.25	0.00	0.16	0.00	0.00	0.20	0.00
Houma-Thibodaux	4	4.26	0.00	0.00	25.19	75.00	54.90	25.00	19.91	0.00	0.05	0.00	0.00	0.08	0.00
Jefferson Davis Non-MSA	3	3.19	0.00	0.00	8.01	0.00	7.57	33.33	84.42	66.67	0.69	0.00	0.00	0.00	0.74
Natchitoches and Sabine Non-MSA	19	20.21	0.00	0.00	14.37	26.32	55.08	47.37	30.54	26.32	2.08	0.00	2.63	2.05	1.92
St Landry Non-MSA	2	2.13	7.04	0.00	18.37	0.00	50.17	50.00	24.43	50.00	0.00	0.00	0.00	0.00	0.00
St Mary Non-MSA	14	14.89	0.00	0.00	6.39	0.00	72.52	85.71	21.08	14.29	3.50	0.00	0.00	5.26	0.83

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 5. Geographic Distribution of Multi-family Loans**

Geographic Distribution: MULTI-FAMILY															Geography: MIDSOUTH - LOUISIANA					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Lafayette	3	25.00	1.87	0.00	11.57	33.33	59.02	66.67	27.54	0.00	6.90	0.00	0.00	11.11	0.00									
Lake Charles	3	25.00	11.65	0.00	43.57	66.67	25.69	33.33	19.09	0.00	4.00	0.00	25.00	0.00	0.00									
<b>Limited Review:</b>																								
Alexandria	1	8.33	10.76	0.00	12.48	0.00	16.32	100.00	60.44	0.00	0.00	0.00	0.00	0.00	0.00									
Baton Rouge	2	16.67	22.84	100.00	19.62	0.00	16.24	0.00	41.30	0.00	2.22	4.76	0.00	0.00	0.00									
Greenwood	0	0.00	0.90	0.00	3.03	0.00	91.71	0.00	4.36	0.00	0.00	0.00	0.00	0.00	0.00									
Houma-Thibodaux	0	0.00	0.00	0.00	27.02	0.00	58.71	0.00	14.27	0.00	0.00	0.00	0.00	0.00	0.00									
Jefferson Davis Non-MSA	0	0.00	0.00	0.00	11.69	0.00	0.00	0.00	88.31	0.00	0.00	0.00	0.00	0.00	0.00									
Natchitoches and Sabine Non-MSA	0	0.00	0.00	0.00	68.89	0.00	18.11	0.00	13.00	0.00	0.00	0.00	0.00	0.00	0.00									
St Landry Non-MSA	1	8.33	12.17	0.00	20.59	0.00	42.04	0.00	25.20	100.00	0.00	0.00	0.00	0.00	0.00									
St Mary Non-MSA	2	16.67	0.00	0.00	2.47	0.00	69.31	100.00	28.22	0.00	28.57	0.00	0.00	28.57	0.00									

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)****Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: MIDSOUTH - LOUISIANA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Lafayette	840	43.70	2.19	0.48	13.88	17.26	46.09	49.05	37.72	33.21	4.75	0.94	7.34	5.16	3.92
Lake Charles	343	17.85	6.55	38.48	26.72	13.99	42.10	21.87	24.43	25.66	2.96	15.02	1.96	2.03	2.76
<b>Limited Review:</b>															
Alexandria	32	1.66	11.32	34.38	12.29	15.63	29.41	15.63	46.62	34.38	0.69	3.89	0.99	0.28	0.28
Baton Rouge	214	11.13	11.55	7.94	18.79	9.81	19.12	15.89	50.45	66.36	0.98	1.18	0.62	0.96	1.08
Greenwood	12	0.62	4.15	0.00	9.39	16.67	77.79	75.00	8.67	8.33	0.18	0.00	0.10	0.34	0.13
Houma-Thibodaux	73	3.80	0.00	0.00	24.97	27.40	53.18	32.88	21.85	39.73	1.01	0.00	1.51	0.63	1.42
Jefferson Davis Non-MSA	29	1.51	0.00	0.00	9.04	3.45	5.98	10.34	84.98	86.21	2.17	0.00	0.00	5.13	2.12
Natchitoches and Sabine Non-MSA	75	3.90	0.00	0.00	26.82	18.67	44.66	44.00	28.51	37.33	5.48	0.00	5.59	4.83	7.01
St Landry Non-MSA	137	7.13	11.03	9.49	20.10	16.06	46.81	48.91	22.06	25.55	5.33	6.17	5.03	5.90	4.76
St Mary Non-MSA	167	8.69	0.00	0.00	4.83	1.80	66.27	61.08	28.90	37.13	10.57	0.00	7.14	10.56	12.13

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2016).

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: MIDSOUTH - LOUISIANA					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Lafayette	18	20.93	0.54	0.00	14.38	50.00	48.71	22.22	36.36	27.78	10.34	0.00	20.83	2.50	13.04	
Lake Charles	16	18.60	1.34	0.00	15.51	0.00	48.93	62.50	34.22	37.50	16.09	0.00	0.00	22.50	13.16	
<b>Limited Review:</b>																
Alexandria	0	0.00	2.16	0.00	6.48	0.00	32.41	0.00	58.95	0.00	0.00	0.00	0.00	0.00	0.00	
Baton Rouge	0	0.00	7.32	0.00	11.88	0.00	20.86	0.00	59.94	0.00	0.00	0.00	0.00	0.00	0.00	
Greenwood	4	4.65	1.70	0.00	16.48	25.00	73.30	75.00	8.52	0.00	1.92	0.00	0.00	4.00	0.00	
Houma-Thibodaux	0	0.00	0.00	0.00	21.18	0.00	53.45	0.00	25.37	0.00	0.00	0.00	0.00	0.00	0.00	
Jefferson Davis Non-MSA	30	34.88	0.00	0.00	1.96	0.00	2.45	0.00	95.59	100.00	21.62	0.00	0.00	0.00	22.54	
Natchitoches and Sabine Non-MSA	12	13.95	0.00	0.00	13.40	8.33	48.97	33.33	37.63	58.33	24.00	0.00	33.33	23.08	28.57	
St Landry Non-MSA	1	1.16	1.74	100.00	20.21	0.00	49.13	0.00	28.92	0.00	0.00	0.00	0.00	0.00	0.00	
St Mary Non-MSA	5	5.81	0.00	0.00	5.71	0.00	70.00	100.00	24.29	0.00	18.18	0.00	0.00	22.22	0.00	

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2016).

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)****Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MIDSOUTH - LOUISIANA					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Lafayette	50	48.08	22.96	11.77	15.40	14.71	17.62	11.76	44.02	61.76	0.22	0.49	0.21	0.15	0.24	
Lake Charles	16	15.38	23.31	0.00	17.53	0.00	17.61	30.00	41.55	70.00	0.21	0.00	0.00	0.13	0.35	
<b>Limited Review:</b>																
Alexandria	0	0.00	23.55	0.00	16.42	0.00	17.38	0.00	42.65	0.00	0.00	0.00	0.00	0.00	0.00	
Baton Rouge	15	14.42	23.65	0.00	17.06	0.00	17.30	25.00	41.99	75.00	0.05	0.00	0.00	0.07	0.07	
Greenwood	1	0.96	20.71	0.00	19.46	0.00	19.33	0.00	40.50	100.00	0.14	0.00	0.00	0.00	0.34	
Houma-Thibodaux	4	3.85	25.31	50.00	15.26	0.00	18.26	0.00	41.17	50.00	0.00	0.00	0.00	0.00	0.00	
Jefferson Davis Non-MSA	3	2.88	18.86	0.00	13.39	0.00	18.72	0.00	49.03	100.00	0.00	0.00	0.00	0.00	0.00	
Natchitoches and Sabine Non-MSA	5	4.81	25.75	0.00	15.61	0.00	16.35	60.00	42.29	40.00	0.39	0.00	0.00	0.82	0.32	
St Landry Non-MSA	1	0.96	28.89	0.00	14.19	0.00	16.53	0.00	40.39	100.00	0.00	0.00	0.00	0.00	0.00	
St Mary Non-MSA	9	8.65	22.80	0.00	16.35	0.00	16.15	0.00	44.70	100.00	1.29	0.00	0.00	0.00	2.25	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 38.5% of loans originated and purchased by bank.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)****Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: MIDSOUTH - LOUISIANA						Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families* **	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Lafayette	229	49.04	22.96	14.28	15.40	19.64	17.62	26.79	44.02	39.29	16.22	12.28	17.02	22.70	14.29
Lake Charles	13	2.78	23.31	0.00	17.53	30.77	17.61	7.69	41.55	61.54	1.95	0.00	1.92	1.45	2.52
<b>Limited Review:</b>															
Alexandria	11	2.36	23.55	36.37	16.42	9.09	17.38	9.09	42.65	45.45	4.31	10.71	3.03	2.56	3.79
Baton Rouge	19	4.07	23.65	5.26	17.06	0.00	17.30	21.05	41.99	73.69	2.29	0.00	0.00	3.60	3.04
Greenwood	7	1.50	20.71	0.00	19.46	42.86	19.33	42.86	40.50	14.28	3.33	0.00	8.33	5.56	0.00
Houma-Thibodaux	40	8.57	25.31	10.26	15.26	12.82	18.26	33.33	41.17	43.59	6.05	6.45	2.04	9.23	5.94
Jefferson Davis Non-MSA	24	5.14	18.86	4.17	13.39	16.66	18.72	4.17	49.03	75.00	14.44	11.11	25.00	0.00	16.39
Natchitoches and Sabine Non-MSA	68	14.56	25.75	19.12	15.61	23.52	16.35	19.12	42.29	38.24	47.78	64.29	81.82	53.85	34.62
St Landry Non-MSA	35	7.49	28.89	2.86	14.19	8.57	16.53	20.00	40.39	68.57	13.58	5.56	11.11	14.71	15.22
St Mary Non-MSA	21	4.50	22.80	5.00	16.35	20.00	16.15	10.00	44.70	65.00	12.26	12.50	30.77	4.55	11.11

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 1.5% of loans originated and purchased by bank.



Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MIDSOUTH - LOUISIANA					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families** *	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Lafayette	37	39.36	22.96	13.33	15.40	13.33	17.62	23.34	44.02	50.00	0.65	1.38	0.31	0.98	0.53	
Lake Charles	7	7.45	23.31	0.00	17.53	0.00	17.61	0.00	41.55	100.00	0.08	0.00	0.00	0.00	0.13	
<b>Limited Review:</b>																
Alexandria	3	3.19	23.55	33.34	16.42	0.00	17.38	33.33	42.65	33.33	0.22	2.27	0.00	0.57	0.00	
Baton Rouge	4	4.26	23.65	50.00	17.06	0.00	17.30	0.00	41.99	50.00	0.03	0.48	0.00	0.00	0.00	
Greenwood	1	1.06	20.71	0.00	19.46	0.00	19.33	100.00	40.50	0.00	0.22	0.00	0.00	0.86	0.00	
Houma-Thibodaux	4	4.26	25.31	0.00	15.26	0.00	18.26	0.00	41.17	100.00	0.06	0.00	0.00	0.00	0.11	
Jefferson Davis Non-MSA	3	3.19	18.86	0.00	13.39	0.00	18.72	0.00	49.03	100.00	0.81	0.00	0.00	0.00	1.06	
Natchitoches and Sabine Non-MSA	19	20.21	25.75	0.00	15.61	15.79	16.35	10.53	42.29	73.68	2.48	0.00	4.35	0.00	3.07	
St Landry Non-MSA	2	2.13	28.89	0.00	14.19	0.00	16.53	0.00	40.39	100.00	0.00	0.00	0.00	0.00	0.00	
St Mary Non-MSA	14	14.89	22.80	0.00	16.34	0.00	16.16	0.00	44.70	100.00	1.48	0.00	0.00	0.00	2.40	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 24.5% of loans originated and purchased by bank.

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)****Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MIDSOUTH - LOUISIANA			Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Lafayette	840	43.70	87.16	57.26	66.79	17.50	15.71	4.75	7.25
Lake Charles	343	17.85	87.78	39.36	78.43	13.70	7.87	2.96	4.48
<b>Limited Review:</b>									
Alexandria	32	1.66	84.94	50.00	62.50	25.00	12.50	0.69	0.60
Baton Rouge	214	11.13	86.70	47.20	59.35	17.29	23.36	0.98	1.08
Greenwood	12	0.62	90.19	58.33	75.00	0.00	25.00	0.18	0.31
Houma-Thibodaux	73	3.80	87.46	50.68	65.75	10.96	23.29	1.01	1.94
Jefferson Davis Non-MSA	29	1.51	87.94	82.76	68.97	17.24	13.79	2.17	6.57
Natchitoches and Sabine Non-MSA	75	3.90	88.39	48.00	61.33	25.33	13.33	5.48	8.77
St Landry Non-MSA	137	7.13	88.89	80.29	83.21	13.14	3.65	5.33	12.57
St Mary Non-MSA	167	8.69	86.27	71.26	74.85	12.57	12.57	10.57	19.49

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&amp;B - 2016).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 11.86% of small loans to businesses originated and purchased by the bank.

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)****Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MIDSOUTH - LOUISIANA			Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Lafayette	18	20.93	96.88	88.89	66.67	22.22	11.11	10.34	30.77
Lake Charles	16	18.60	98.40	100.00	62.50	12.50	25.00	16.09	19.72
<b>Limited Review:</b>									
Alexandria	0	0.00	94.14	0.00	0.00	0.00	0.00	0.00	0.00
Baton Rouge	0	0.00	96.82	0.00	0.00	0.00	0.00	0.00	0.00
Greenwood	4	4.65	98.86	100.00	25.00	75.00	0.00	1.92	4.55
Houma-Thibodaux	0	0.00	96.06	0.00	0.00	0.00	0.00	0.00	0.00
Jefferson Davis Non-MSA	30	34.88	96.57	96.67	56.67	16.67	26.67	21.62	55.17
Natchitoches and Sabine Non-MSA	12	13.95	95.88	83.33	58.33	25.00	16.67	24.00	80.00
St Landry Non-MSA	1	1.16	98.95	100.00	100.00	0.00	0.00	0.00	0.00
St Mary Non-MSA	5	5.81	95.71	100.00	100.00	0.00	0.00	18.18	50.00

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&amp;B - 2016).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 4.65% of small loans to farms originated and purchased by the bank.

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 13. Geographic and Borrower Distribution of Consumer Loans (Institution’s Option)**

Geographic and Borrower Distribution: CONSUMER LOANS		Geography: MIDSOUTH - LOUISIANA										Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Geographic Distribution										Borrower Distribution								
	Total Consumer Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		
	#	% of Total*	% of Hhlds*	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	
<b>Full Review:</b>																			
Lafayette	0	0.00	3.38	0.00	17.04	0.00	47.59	0.00	31.99	0.00	25.14	0.00	15.02	0.00	16.11	0.00	43.73	0.00	
Lake Charles	0	0.00	7.60	0.00	22.17	0.00	44.67	0.00	25.56	0.00	25.20	0.00	16.32	0.00	15.47	0.00	43.01	0.00	
<b>Limited Review:</b>																			
Alexandria	0	0.00	9.01	0.00	15.11	0.00	32.32	0.00	43.56	0.00	25.60	0.00	14.75	0.00	16.93	0.00	42.72	0.00	
Baton Rouge	0	0.00	15.15	0.00	19.35	0.00	20.09	0.00	45.41	0.00	27.35	0.00	15.30	0.00	17.01	0.00	40.34	0.00	
Greenwood	0	0.00	4.21	0.00	10.23	0.00	75.11	0.00	10.45	0.00	23.12	0.00	16.48	0.00	16.68	0.00	43.72	0.00	
Houma-Thibodaux	0	0.00	0.00	0.00	27.31	0.00	55.31	0.00	17.38	0.00	26.55	0.00	14.96	0.00	16.32	0.00	42.17	0.00	
Jefferson Davis Non-MSA	0	0.00	0.00	0.00	10.60	0.00	8.19	0.00	81.21	0.00	21.75	0.00	13.76	0.00	14.42	0.00	50.07	0.00	
Natchitoches and Sabine Non-MSA	0	0.00	0.00	0.00	23.73	0.00	49.12	0.00	27.15	0.00	30.90	0.00	14.49	0.00	14.71	0.00	39.90	0.00	
St Landry Non-MSA	0	0.00	10.10	0.00	19.30	0.00	47.75	0.00	22.85	0.00	32.91	0.00	13.20	0.00	14.00	0.00	39.89	0.00	
St Mary Non-MSA	0	0.00	0.00	0.00	7.11	0.00	70.71	0.00	22.18	0.00	21.49	0.00	14.30	0.00	16.08	0.00	48.13	0.00	

\* Consumer Loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.

\*\* Percentage of households is based on 2010 Census Information.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)****Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: MIDSOUTH - LOUISIANA									
Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Lafayette	0	0	29	595	29	595	19.11	0	0
Lake Charles	0	0	16	275	16	275	8.83	0	0
<b>Limited Review:</b>									
Alexandria	0	0	11	10	11	10	0.32	0	0
Baton Rouge	0	0	12	365	12	365	11.73	0	0
Greenwood	0	0	8	6	8	6	0.03	0	0
Houma-Thibodaux	0	0	5	1,4440	5	1,440	46.43	0	0
Jefferson Davis Non-MSA	0	0	0	0	0	0	0.00	0	0
Natchitoches and Sabine Non-MSA	0	0	35	21	35	21	0.67	0	0
St Landry Non-MSA	0	0	13	36	13	36	1.16	0	0
St Mary Non-MSA	0	0	0	0	0	0	0.00	0	0
BBankwide-IOLTA	0	0	1	327	1	327	10.50	0	0
BBankwide-LiftFUND	0	0	1	38	1	38	1.22		

\* 'Prior Period Investments' means investments made in a previous 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.

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: MIDSOUTH																	
Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016																	
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	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Lafayette MSA	48.02	15	39.47	12.33	20.00	27.67	40.00	0	3	0	-2	0	-1	3.18	17.24	47.62	31.96
Lake Charles MSA	5.21	3	12.67	0.00	33.33	33.33	33.34	0	0	0	0	0	0	7.52	21.66	44.10	26.72
<b>Limited Review:</b>																	
Alexandria MSA	2.15	2	5.26	0.00	50.00	50.00	0.00	0	2	-1	0	0	-1	9.04	15.76	32.85	42.35
Baton Rouge MSA	5.72	4	10.53	0.00	0.00	25.00	75.00	0	0	0	0	0	0	14.39	15.83	24.33	45.45
Greenwood MSA	3.12	2	5.26	0.00	0.00	100.00	0.00	0	0	0	0	0	0	4.05	10.31	75.76	9.88
Houma-Thibodaux MSA	1.54	4	10.53	0.00	25.00	25.00	50.00	0	2	0	-1	-1	0	0.00	27.10	54.30	18.60
St Mary NMSA	7.87	1	2.63	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	7.23	70.91	21.86
Jefferson Davis NMSA	3.38	1	2.63	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	10.97	7.18	81.85
Natchitoches and Sabine NMSA	19.39	5	13.16	0.00	40.00	20.00	40.00	0	0	0	0	0	0	0.00	25.56	48.08	26.36
St Landry Parish NMSA	3.61	1	2.63	100.00	0.00	0.00	0.00	0	0	0	0	0	0	10.58	19.32	46.27	23.83

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Distribution of Branch and ATM Delivery System**

Distribution of Branch and ATM Delivery System				Geography: MIDSOUTH - LOUISIANA				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
MA/Assessment Area:	Deposits	Branches				ATMs				Population							
	% of Total Bank Deposits	# of Bank Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				# of Bank ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Lafayette	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	3.18	17.24	47.62	31.96
Lake Charles	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	7.52	21.66	44.10	26.72
<b>Limited Review:</b>																	
Alexandria	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	9.04	15.76	32.85	42.34
Baton Rouge	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	16.95	19.69	19.74	43.62
Greenwood	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	4.05	10.31	75.76	9.87
Houma-Thibodaux	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	0.00	27.11	54.30	18.60
Jefferson Davis Non-MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	0.00	10.97	7.18	81.84
Natchitoches and Sabine Non-MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	0.00	25.56	48.08	26.36
St Landry Non-MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	10.58	19.32	46.27	23.82
St Mary Non-MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	0.00	7.23	70.91	21.86

### Table 1. Lending Volume

LENDING VOLUME												
Geography: MIDSOUTH - TEXAS												
Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016												
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>												
Beaumont-Port Arthur MSA	25.25	24	867	126	17,329	0	0	0	0	150	18,196	0.00
Dallas-Plano MSA	3.87	2	455	21	5,898	0	0	2	2,600	25	8,953	0.00
<b>Limited Review:</b>												
College Station-Bryan MSA	12.29	14	1,351	56	5,186	3	700	0	0	73	7,237	0.00
Houston-The Woodlands MSA	47.14	40	4,165	240	51,949	0	0	1	788	281	56,902	0.00
Tyler MSA	11.45	17	610	51	7,327	0	0	0	0	68	7,937	0.00

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2016 to December 31, 2016.

\*\*\* Deposit Data as of May 02, 2018. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.



Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 1. Other Products**

LENDING VOLUME		Geography: MIDSOUTH - TEXAS				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016								
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<b>Full Review:</b>														
Beaumont-Port Arthur MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Dallas-Plano MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
<b>Limited Review:</b>														
College Station-Bryan MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Houston-The Woodlands MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Tyler MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is from January 01, 2015 to December 31, 2016.

\*\*\* Deposit Data as of May 02, 2018. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 1. Other Products**

LENDING VOLUME		Geography: MIDSOUTH - TEXAS		Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016	
Assessment Area (2016):	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>					
	0	0	0	0	0
Beaumont-Port Arthur MSA					
	0	0	0	0	0
Dallas-Plano MSA					
<b>Limited Review:</b>					
	0	0	0	0	0
College Station-Bryan MSA					
	0	0	0	0	0
Houston-The Woodlands MSA					
	0	0	0	0	0
Tyler MSA					

\* The evaluation period for Optional Product Line(s) is from January 01, 2015 to December 31, 2016.

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: MIDSOUTH - TEXAS				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016						Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Beaumont-Port Arthur MSA	2	7.69	2.86	0.00	21.51	50.00	41.86	0.00	33.77	50.00	0.03	0.00	0.00	0.00	0.05	
Dallas-Plano MSA	1	3.85	2.82	0.00	15.94	0.00	40.99	0.00	40.25	100.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
College Station-Bryan MSA	10	38.46	4.60	10.00	22.61	30.00	36.74	20.00	36.05	40.00	0.07	0.46	0.35	0.00	0.00	
Houston-The Woodlands MSA	11	42.31	4.16	9.09	20.68	0.00	29.56	36.36	45.60	54.55	0.01	0.06	0.00	0.01	0.01	
Tyler MSA	2	7.69	1.20	0.00	21.75	0.00	42.20	0.00	34.85	100.00	0.03	0.00	0.00	0.00	0.06	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: MIDSOUTH - TEXAS					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Beaumont-Port Arthur MSA	19	38.00	2.86	0.00	21.51	26.32	41.86	47.37	33.77	26.31	2.49	0.00	7.14	2.50	1.54	
Dallas-Plano MSA	1	2.00	2.82	0.00	15.94	0.00	40.99	0.00	40.25	100.00	0.02	0.00	0.00	0.00	0.04	
<b>Limited Review:</b>																
College Station-Bryan MSA	2	4.00	4.60	0.00	22.61	0.00	36.74	0.00	36.05	100.00	0.00	0.00	0.00	0.00	0.00	
Houston-The Woodlands MSA	15	30.00	4.16	6.67	20.68	33.33	29.56	33.33	45.60	26.67	0.13	0.00	0.00	0.33	0.08	
Tyler MSA	13	26.00	1.20	0.00	21.75	38.46	42.20	30.77	34.85	30.77	2.36	0.00	8.89	1.63	0.78	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE															Geography: MIDSOUTH - TEXAS					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp							
<b>Full Review:</b>																								
Beaumont-Port Arthur MSA	3	15.00	2.86	0.00	21.51	100.00	41.86	0.00	33.77	0.00	0.20	0.00	2.48	0.00	0.00									
Dallas-Plano MSA	0	0.00	2.82	0.00	15.94	0.00	40.99	0.00	40.25	0.00	0.00	0.00	0.00	0.00	0.00									
<b>Limited Review:</b>																								
College Station-Bryan MSA	2	10.00	4.60	0.00	22.61	0.00	36.74	100.00	36.05	0.00	0.14	0.00	0.00	0.48	0.00									
Houston-The Woodlands MSA	13	65.00	4.16	0.00	20.68	38.46	29.56	23.08	45.60	38.46	0.02	0.00	0.09	0.02	0.01									
Tyler MSA	2	10.00	1.20	0.00	21.75	0.00	42.20	0.00	34.85	100.00	0.07	0.00	0.00	0.00	0.14									

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 5. Geographic Distribution of Multi-family Loans**

Geographic Distribution: MULTI-FAMILY															Geography: MIDSOUTH - TEXAS					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Beaumont-Port Arthur MSA	0	0.00	9.18	0.00	28.39	0.00	31.45	0.00	30.98	0.00	0.00	0.00	0.00	0.00	0.00									
Dallas-Plano MSA	0	0.00	8.60	0.00	35.21	0.00	43.37	0.00	12.82	0.00	0.00	0.00	0.00	0.00	0.00									
<b>Limited Review:</b>																								
College Station-Bryan MSA	0	0.00	29.24	0.00	30.38	0.00	24.33	0.00	16.05	0.00	0.00	0.00	0.00	0.00	0.00									
Houston-The Woodlands MSA	1	100.00	22.72	0.00	30.79	0.00	21.31	100.00	25.18	0.00	0.00	0.00	0.00	0.00	0.00									
Tyler MSA	0	0.00	8.79	0.00	24.01	0.00	37.46	0.00	29.74	0.00	0.00	0.00	0.00	0.00	0.00									

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															Geography: MIDSOUTH - TEXAS					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Beaumont-Port Arthur MSA	126	25.51	2.70	1.59	26.97	18.25	35.96	29.37	34.37	50.79	1.18	0.96	0.90	0.99	1.62									
Dallas-Plano MSA	21	4.25	4.45	4.75	17.60	38.10	36.20	14.29	41.75	42.86	0.02	0.03	0.02	0.01	0.02									
<b>Limited Review:</b>																								
College Station-Bryan MSA	56	11.34	8.07	5.36	20.22	16.07	39.04	23.21	32.00	55.36	0.67	0.82	0.66	0.33	1.05									
Houston-The Woodlands MSA	240	48.58	8.11	9.17	19.06	24.17	24.73	23.33	48.10	43.33	0.08	0.13	0.11	0.08	0.07									
Tyler MSA	51	10.32	8.49	9.80	19.58	19.61	34.69	31.37	37.24	39.22	0.54	1.15	0.59	0.47	0.48									

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2016).

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: MIDSOUTH - TEXAS					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
<b>Full Review:</b>																
Beaumont-Port Arthur MSA	0	0.00	2.01	0.00	16.06	0.00	37.75	0.00	44.18	0.00	0.00	0.00	0.00	0.00	0.00	
Dallas-Plano MSA	0	0.00	2.36	0.00	14.02	0.00	45.39	0.00	38.23	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
College Station-Bryan MSA	3	100.00	3.07	0.00	18.57	33.33	48.39	0.00	29.97	66.67	1.83	0.00	2.38	0.00	5.00	
Houston-The Woodlands MSA	0	0.00	4.69	0.00	16.45	0.00	31.68	0.00	47.18	0.00	0.00	0.00	0.00	0.00	0.00	
Tyler MSA	0	0.00	2.30	0.00	20.35	0.00	43.76	0.00	33.59	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2016).



Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MIDSOUTH - TEXAS					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Beaumont-Port Arthur MSA	2	7.69	24.22	0.00	16.68	0.00	17.84	0.00	41.26	0.00	0.00	0.00	0.00	0.00	0.00	
Dallas-Plano MSA	1	3.85	19.48	0.00	16.73	0.00	19.65	0.00	44.14	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
College Station-Bryan MSA	10	38.46	25.72	0.00	14.43	0.00	18.08	12.50	41.77	87.50	0.05	0.00	0.00	0.00	0.08	
Houston-The Woodlands MSA	11	42.31	23.69	0.00	16.47	0.00	17.46	50.00	42.38	50.00	0.00	0.00	0.00	0.00	0.00	
Tyler MSA	2	7.69	21.56	100.00	17.22	0.00	19.54	0.00	41.68	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 50.0% of loans originated and purchased by bank.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT															Geography: MIDSOUTH - TEXAS					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*													
	#	% of Total**	% Families* **	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp									
<b>Full Review:</b>																								
Beaumont-Port Arthur MSA	19	38.00	24.22	21.05	16.68	42.11	17.84	15.79	41.26	21.05	2.56	16.00	4.76	2.25	0.79									
Dallas-Plano MSA	1	2.00	19.48	0.00	16.73	0.00	19.65	100.00	44.14	0.00	0.02	0.00	0.00	0.14	0.00									
<b>Limited Review:</b>																								
College Station-Bryan MSA	2	4.00	25.72	0.00	14.43	0.00	18.08	50.00	41.77	50.00	0.00	0.00	0.00	0.00	0.00									
Houston-The Woodlands MSA	15	30.00	23.69	7.14	16.47	14.29	17.46	21.43	42.38	57.14	0.12	0.25	0.16	0.00	0.13									
Tyler MSA	13	26.00	21.56	7.70	17.22	38.46	19.54	15.38	41.68	38.46	2.46	5.00	5.56	3.70	1.14									

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 2.0% of loans originated and purchased by bank.

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MIDSOUTH - TEXAS					Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families** *	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Beaumont-Port Arthur MSA	3	15.00	24.22	0.00	16.68	33.33	17.84	0.00	41.26	66.67	0.25	0.00	0.84	0.00	0.25	
Dallas-Plano MSA	0	0.00	19.48	0.00	16.73	0.00	19.65	0.00	44.14	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
College Station-Bryan MSA	2	10.00	25.72	0.00	14.43	0.00	18.08	0.00	41.77	100.00	0.19	0.00	0.00	0.00	0.26	
Houston-The Woodlands MSA	13	65.00	23.69	0.00	16.47	0.00	17.46	0.00	42.38	100.00	0.01	0.00	0.00	0.00	0.02	
Tyler MSA	2	10.00	21.56	0.00	17.22	50.00	19.54	0.00	41.68	50.00	0.09	0.00	0.00	0.00	0.15	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 30.0% of loans originated and purchased by bank.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)****Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MIDSOUTH - TEXAS			Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Beaumont-Port Arthur MSA	126	25.51	80.75	54.76	64.29	24.60	11.11	1.18	1.48
Dallas-Plano MSA	21	4.25	86.03	66.67	42.86	23.81	33.33	0.02	0.02
<b>Limited Review:</b>									
College Station-Bryan MSA	56	11.34	79.95	69.64	83.93	5.36	10.71	0.67	1.05
Houston-The Woodlands MSA	240	48.58	85.31	43.75	50.00	24.17	25.83	0.08	0.08
Tyler MSA	51	10.32	83.06	76.47	70.59	11.76	17.65	0.54	0.94

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&amp;B - 2016).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 11.13% of small loans to businesses originated and purchased by the bank.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MIDSOUTH - TEXAS			Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Beaumont-Port Arthur MSA	0	0.00	99.20	0.00	0.00	0.00	0.00	0.00	0.00
Dallas-Plano MSA	0	0.00	95.86	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
College Station-Bryan MSA	3	100.00	95.18	66.67	33.33	33.33	33.33	1.83	1.89
Houston-The Woodlands MSA	0	0.00	95.07	0.00	0.00	0.00	0.00	0.00	0.00
Tyler MSA	0	0.00	95.39	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2016 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2016).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 33.33% of small loans to farms originated and purchased by the bank.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 13. Geographic and Borrower Distribution of Consumer Loans (Institution’s Option)**

Geographic and Borrower Distribution: CONSUMER LOANS		Geography: MIDSOUTH - TEXAS										Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016							
Assessment Area:	Geographic Distribution										Borrower Distribution								
	Total Consumer Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		
	#	% of Total*	% of Hhlds*	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	
<b>Full Review:</b>																			
Beaumont-Port Arthur MSA	0	0.00	4.88	0.00	25.68	0.00	38.99	0.00	30.45	0.00	25.78	0.00	16.09	0.00	16.30	0.00	41.83	0.00	
Dallas-Plano MSA	0	0.00	4.99	0.00	21.71	0.00	41.47	0.00	31.83	0.00	21.38	0.00	16.21	0.00	18.35	0.00	44.06	0.00	
<b>Limited Review:</b>																			
College Station-Bryan MSA	0	0.00	13.09	0.00	26.89	0.00	33.68	0.00	26.34	0.00	29.43	0.00	13.42	0.00	13.50	0.00	43.65	0.00	
Houston-The Woodlands MSA	0	0.00	9.80	0.00	24.99	0.00	27.78	0.00	37.43	0.00	24.07	0.00	16.38	0.00	16.89	0.00	42.66	0.00	
Tyler MSA	0	0.00	3.07	0.00	24.21	0.00	40.70	0.00	32.02	0.00	23.67	0.00	16.58	0.00	17.64	0.00	42.11	0.00	

\* Consumer Loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.

\*\* Percentage of households is based on 2010 Census Information.

Institution ID: **MidSouth Bank, N.A. (10000018484) (Included)**

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
Geography: MIDSOUTH - TEXAS									
Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Beaumont-Port Arthur MSA	0	0	2	3	2	3	0.07	0	0
Dallas-Plano MSA	0	0	23	481	23	481	11.97	0	0
<b>Limited Review:</b>									
College Station-Bryan MSA	0	0	3	7	3	7	0.17	0	0
Houston-The Woodlands MSA	0	0	14	3,091	14	3,091	76.91	0	0
Tyler MSA	0	0	6	5	6	0	0.12	0	0
BBankwide-IOLTA	0	0	1	47	1	47	1.18	0	0
Bankwide-LiftFUND	0	0	1	385	1	385	9.58	0	0

\* 'Prior Period Investments' means investments made in a previous 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.

Institution ID: **MidSouth Bank, N.A. (1000018484) (Included)**

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: MIDSOUTH																	
Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016																	
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	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Beaumont-Port Arthur MSA	33.60	2	20.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	4.85	22.23	40.14	30.64
Dallas-Plano MSA	38.80	4	40.00	25.00	0.00	25.00	50.00	1	3	0	0	+1	-3	10.66	22.30	24.60	42.44
<b>Limited Review:</b>																	
College Station-Bryan MSA	3.98	1	10.00	100.00	0.00	100.00	0.00	0	0	0	0	0	0	14.62	23.28	27.25	30.23
Houston-The Woodlands MSA	14.87	2	20.00	0.00	50.00	50.00	0.00	0	1	0	-1	0	0	8.79	22.46	31.93	36.83
Tyler MSA	8.75	1	10.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	3.33	26.76	39.09	30.82



**Institution ID: MidSouth Bank, N.A. (1000018484) (Included)**

**Distribution of Branch and ATM Delivery System**

Distribution of Branch and ATM Delivery System				Geography: MIDSOUTH - TEXAS				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016									
MA/Assessment Area:	Deposits	Branches				ATMs				Population							
	% of Total Bank Deposits	# of Bank Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				# of Bank ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Beaumont-Port Arthur MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	6.27	25.78	37.14	30.81
Dallas-Plano MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	5.58	21.23	39.46	33.73
<b>Limited Review:</b>																	
College Station-Bryan MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	12.44	27.96	31.85	27.75
Houston-The Woodlands MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	9.64	25.90	28.35	36.11
Tyler MSA	0.00	0	0.00	0	0	0	0	0	0.00	0	0	0	0	3.33	26.76	39.09	30.82