



CRA
Public File



Community Reinvestment Act Mission Statement

Golden Valley Bank is committed to its community and its desire to extend credit to and to participate in community development programs designed to meet the needs of all community members including those in low-and moderate-income areas.

- We will actively seek to understand the credit needs of our community.
- We will actively strive to ensure that our products and services are responsive to the needs of the customers within our community.
- We will actively strive to ensure that all potential customers in our community, including those in low-and moderate-income areas, are fully aware of the services we offer and of our desire to serve their financial needs.
- We will actively work to ensure that our personnel understand and share the Bank's commitment to providing service to all of our customers and are provided with the knowledge, products, delivery systems, and motivation to do so effectively.

PUBLIC DISCLOSURE

September 13, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Golden Valley Bank
Certificate Number: 58278

190 Cohasset Road, Suite 170
Chico, California 95926

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
San Francisco Regional Office

25 Jessie Street at Ecker Square, Suite 2300
San Francisco, California 94105

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

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INSTITUTION RATING

INSTITUTION'S COMMUNITY REINVESTMENT ACT (CRA) RATING: This institution is rated **Satisfactory**.

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

The Lending Test is rated Satisfactory.

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and the AA credit needs.
- A substantial majority of loans and other lending related activities are in the institution's AA.
- The geographic distribution of loans reflects reasonable dispersion throughout the AA.
- The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among businesses of different revenue sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

The Community Development Test is rated Satisfactory.

The institution's Community Development (CD) performance demonstrates an adequate responsiveness to CD needs in its AA through CD loan, qualified investments, and CD services, as appropriate, considering the institution's capacity and the need and availability of such opportunities for CD in the institution's AA.

DESCRIPTION OF INSTITUTION

Golden Valley Bank (GVB) is a state-chartered, non-member commercial bank headquartered in Chico, County of Butte, California. The bank was established in April 2006. The bank has an affiliate relationship with Golden Valley Bank Community Foundation, a tax-exempt non-profit community organization since 2007. The bank is wholly owned by Golden Valley Bancshares, Inc., and maintains no other affiliate relationships. No merger or acquisition activities have occurred since the previous evaluation.

GVB received a “Satisfactory” rating at the previous FDIC CRA Performance Evaluation (PE), dated December 12, 2016, based on Small Institution Examination Procedures.

The bank operates two full-service branches: one in Chico, California, located in a middle-income census tract (CT) and one in Redding, California, located in a middle-income CT. Only the Chico branch offers deposit-taking ATMs. The Redding Branch was opened in 2018, which added the Redding MSA to the institution’s AA. See Description of AAs for more details.

GVB is primarily a commercial bank and offers a broad range of products and services. The hours of operation and availability of products and services are tailored to the convenience and needs of the bank’s customer base. The business loan products offered include commercial term loans and lines of credit, equipment loans, asset-based loans, commercial real estate-secured term loans and construction loans, land development loans, and rental property residential mortgage loans. GVB also offers small business loans, including lines of credit, equipment and working capital loans, commercial real estate and take out loans, and small business credit cards. Although not a primary focus, the bank offers consumer loan products such as home equity lines of credit, personal lines of credit, construction, and 1 to 4 family residential mortgage, which is a referral program with Rocket Mortgage. GVB offers online and mobile banking services along with a conventional menu of commercial and consumer deposit products that include checking accounts, savings accounts, money market accounts, and certificates of deposits.

As of the June 30, 2022 Consolidated Reports of Condition and Income (Call Report), total assets were approximately \$487.2 million including \$230.9 million in total loans and \$200.3 million in total securities. Total assets increased approximately 159.3 percent since the previous evaluation. Total loans increased 88.3 percent and total securities increased 510.5 percent during the same period. These increases attributed to the bank’s year over-year organic growth since the last evaluation in 2016. In addition, in 2020 and 2021, growth was largely due to federal stimulus programs including the Small Business Administration Paycheck Protection Program (SBA PPP). The following table illustrates the composition of the bank’s loan portfolio.

Loan Portfolio Distribution as of June 30, 2022		
Loan Category	\$(000)	%
Construction, Land Development and Other Land Loans	14,587	6.3
Secured by Farmland	8,143	3.5
Secured by 1-4 Family Residential Properties	29,106	12.6
Secured by Multifamily (5 or more) Properties	41,033	17.8
Secured by Nonfarm Nonresidential Properties	107,511	46.6
Total Real Estate Loans	200,380	86.8
Commercial and Industrial Loans	26,605	11.5
Agricultural Production and Other Loans to Farmers	1,125	0.5
Consumer Loans	1,662	0.7
Obligations of State and Political Subdivisions in the U.S	-	-
Other Loans	1,087	0.5
Lease Financing Receivable (net of unearned income)	-	-
Less: Unearned Income	-	-
Total Loans	230,859	100.0
<i>Source: Call Report 06-30-2022</i>		

Examiners did not identify any financial, legal, or other impediments that affect the bank’s ability to meet AA credit needs.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires financial institutions to define one or more AAs in which its CRA performance will be evaluated. GVB’s AA includes: the Chico MSA AA and the Redding MSA AA. As previously noted, the Redding MSA is new since the previous evaluation due to the 2018 branch opening. Based on the volume of loans and deposits, the Chico MSA AA carried the greatest weight in determining the overall CRA Rating. The bank’s AA is described below.

- Chico MSA AA – comprised of the whole county of Butte, located in the Chico, California, MSA #17020; and
- Redding MSA AA – comprised of the whole county of Shasta, located in the Redding, California, MSA #39820.

While there are no distressed or underserved middle-income non-metropolitan geographies in the bank’s AA, the Federal Emergency Management Agency (FEMA) has declared numerous disasters in the AA relating to wildfires, severe storms, or flooding. The bank’s AA consist of whole geographies, does not arbitrarily exclude LMI CTs, and meet the technical requirements of Part 345 of the FDIC’s Rules and Regulations.

Refer to the analysis of each AA for demographic and economic information.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated December 12, 2016, to the current period dated September 13, 2022. Examiners used the Interagency Intermediate Small Institution (ISB) Examination Procedures to evaluate the institution's CRA performance. The ISB Procedures are used for the first time as GVB reached the ISB asset size threshold during this evaluation period.

Activities Reviewed

Considering the bank's business strategy and the number and dollar volume of loans originated during the review period, small business loans represent a major product line. No other loan types, including home mortgage loans, multi-family loans, or small farm loans represent a major product line. GVB did not meet the reporting requirements of the Home Mortgage Disclosure Act due to low lending volumes.

For the Lending Test, examiners reviewed the universe of small business loans originated and purchased in calendar years 2020 and 2021. During those 2 years, GVB originated 916 small business loans totaling approximately \$137.8 million. GVB collects small business lending data; however, is not required to and therefore, does not report data. As such, examiners compared the bank's performance of small business lending against the 2020 and 2021 D&B data. It should be noted, that D&B data includes all businesses in a given area that voluntarily respond to a survey request, including a large number of small businesses that have limited or no credit needs. The D&B data is primarily considered an indicator of business demographics in the AA, and is not considered an absolute distribution of credit needs or commercial lending opportunities.

Examiners validated the accuracy of the collected data, with the exception of revenue; therefore, the universe of small business originated in 2020 and 2021 was used for the Geographic Distribution analysis, while samples consisting of 98 loans totaling \$20.3 million in 2021 were reviewed for the Borrower Profile analysis. No anomalies were noted between analyzed and presented year data. Bank management confirmed that a one-year sample review for borrower profile would be representative of the evaluation period.

For the CD Test, examiners evaluated the institution's CD loans, qualified investments and donations, and CD services from January 1, 2020, when the institution became eligible to the asset size threshold of an ISB, to September 13, 2022, the date of this evaluation.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

GVB's Lending Test is rated Satisfactory. Performance under the LTD Ratio, AA Concentration, Geographic Distribution, and Borrower Profile criteria support this conclusion.

Loan-to-Deposit Ratio

GVB's LTD ratio is reasonable given its asset size, financial condition, and AA credit needs. The LTD ratio averaged 64.2 percent over the previous 23 quarters from December 31, 2016 to June 30, 2022. This ratio is below the average LTD ratio of 74.7 percent noted at the previous evaluation. The ratio ranged from a low of 49.8 percent as of June 30, 2022, to a high of 78.1 percent as of June 30, 2020. The LTD ratio fluctuated during the evaluation period, with a decrease starting in September 2018, but increasing again a year later in 2019 reaching the highest point in June 30, 2020 at 78.1 percent. Examiners identified similar institutions to compare GVB's average LTD performance. The institutions were identified based on asset size, geographic location, and lending focus. GVB's LTD was higher than two institutions and lower than one institution.

The following table illustrates GVB's LTD ratio compared to the similarly-situated institutions.

LTD Ratio Comparison		
Bank	Total Assets as of June 30, 2022 (\$000s)	Average Net LTD Ratio (%)
Golden Valley Bank	487	64.2
Similarly-Situated Institution #1	370	48.2
Similarly-Situated Institution #2	582	56.4
Similarly-Situated Institution #3	585	86.4
<i>Source: Call Report 12/31/2016 -06/30/2022</i>		

Assessment Area Concentration

A substantial majority of lending activity is in the institution's AA. The following table illustrates the lending performance during this evaluation period. The percentage of small business lending inside the AA increased both by number and dollar compared to the previous evaluation. This increase is primarily due to SBA PPP lending.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business										
2020	475	90.0	53	10.0	528	72,114	88.8	9,051	11.2	81,165
2021	340	87.6	48	12.4	388	51,614	91.1	5,067	8.9	56,681
Total	815	89.0	101	11.0	916	123,728	89.8	14,118	10.2	137,846
<i>Source: Bank Data</i>										
<i>Due to rounding, totals may not equal 100.0%</i>										

Geographic Distribution

GVB’s geographic distribution of small business loans reflects reasonable dispersion throughout the AAs. The bank’s reasonable performance in the Chico AA supports this conclusion. Performance in the Redding AA is inconsistent with the overall performance conclusion. Please refer to the full-scope AA evaluations for additional detail.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among business customers of different revenue sizes. The performance was consistent with the overall conclusion in both full-scope AAs. Please refer to the full-scope AA evaluations for additional detail.

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

GVB’s CD performance demonstrates adequate responsiveness to the CD needs within its AA through CD loans, qualified investments, and CD services considering the institution’s capacity to lend and the need and availability of such opportunities for CD in the institution’s AA.

Community Development Loans

CD loans during this evaluation period comprised 18.9 percent of average total assets and 33.5 percent of average total loans. Additionally, CD lending was similar to peer institutions, particularly institutions similar in size, area served, and product mix. This comparison also supported the overall conclusion. The following table details the bank’s CD lending.

Community Development Lending by AA										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Chico MSA AA	9	8,541	3	1,765	12	27,155	16	8,570	40	46,031
Redding MSA AA	2	6,640	-	-	5	6,131	-	-	7	12,771
Statewide	1	1,855	-	-	2	3,741	-	-	3	5,596
Total	12	17,036	3	1,765	19	37,027	16	8,570	50	64,398

Source: Bank Data

Below is a notable example of CD lending efforts at the statewide level:

- In 2021, GVB originated a \$1.8 million multifamily loan to benefit affordable housing. Rents were made available below the average fair market rate, and benefitted LMI individuals in Sutter County.

Qualified Investments

CD investments during this evaluation period represent affordable housing, community services, and revitalization and stabilization community development purpose. CD investments and donations during this evaluation period comprised less than 0.1 percent of average total assets and average total securities. GVB made no investment in the Redding AA and made only 6 donation for \$54,000. This level of investments and donations was less than peer institutions, particularly institutions similar in size, area served, and product mix.

Qualified Investments/Donations by AA										
AA	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Chico MSA AA	-	-	-	-	-	-	1	750	1	750
Redding MSA AA	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	1	750	1	750
Qualified Grants & Donations	1	1	23	143	-	-	5	214	29	358
Total	1	1	23	143	-	-	6	964	30	1,108
<i>Source: Bank Data</i>										

Community Development Services

During the evaluation period, GVB employees provided 42 instances of financial expertise or technical assistance totaling 890 hours of qualified CD services. The bank's performance at 15.9 hours per full-time employee is comparable to similarly situated institutions. The majority of CD services provided consist of community services to organizations that provide various services to LMI individuals and families, followed by economic development, revitalization and stabilization, and affordable housing needs. Activities are responsive to AA needs as identified by community contacts. Additional consideration was given to the services provided by bank employees for the Golden Valley Bank Community Foundation, the bank's affiliate, and a CD organization that provides financial education and services, resulting in LMI children and adults in the AA receiving 443 hours of service hours that are not included in the bank's CD service hours below. Financial education is an identified need for the area.

In addition to community development services, the bank offers a variety of retail deposit and credit products and services. These product and service offerings are responsive to the needs of deposit and loan customers, including low- and moderate-income individuals and small business customers.

The following table illustrates the bank’s CD services by AA, showing the hours of such services.

Community Development Services by AA					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	# Hours	#	#	#	#
Chico MSA AA	25	633	-	-	658
Redding MSA AA	-	89	72	71	232
Total	25	722	72	71	890
<i>Source: Bank Data</i>					

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank’s compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

CHICO MSA AA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN CHICO MSA AA

The Chico MSA AA is comprised of the entirety of the county of Butte located in Northeastern California, MSA #17020. The Chico MSA AA consists of 51 CTs. These tracts reflect the following income designations according to the 2015 ACS:

- 2 low-income
- 14 moderate-income
- 24 middle-income
- 11 upper-income

FEMA designated the following major disasters declarations in the bank’s AA:

- Severe storms (DR-3201-CA), declared on February 14, 2017;
- Flood (DR-4308-CA), declared on April 1, 2017;
- Fire (DR-4344-CA), declared on October 10, 2017;
- Fire (DR-4407-CA), declared on November 12, 2018;
- Severe Storms (DR-4434-CA), declared on May 17, 2019;
- Fire (DR-4558-CA), declared on March 22, 2020;
- COVID-19 Pandemic (DR-4482-CA), declared on March 22, 2020

Economic and Demographic Data

The following table illustrates AA demographic characteristics according to the 2015 ACS and 2021 D&B Data.

Demographic Information of the Assessment Area						
Assessment Area: Chico MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	51	3.9	27.5	47.1	21.6	0.0
Population by Geography	222,564	3.9	26.2	46.6	23.3	0.0
Housing Units by Geography	97,133	3.9	25.0	48.1	23.0	0.0
Owner-Occupied Units by Geography	50,031	0.9	20.3	51.6	27.2	0.0
Occupied Rental Units by Geography	35,287	7.5	29.4	44.2	18.8	0.0
Vacant Units by Geography	11,815	5.6	32.1	44.5	17.8	0.0
Businesses by Geography	16,077	1.5	27.4	43.6	27.4	0.0
Farms by Geography	1,082	0.8	17.9	40.3	40.9	0.0
Family Distribution by Income Level	50,963	22.9	16.7	19.0	41.4	0.0
Household Distribution by Income Level	85,318	25.8	15.4	16.0	42.8	0.0
Median Family Income MSA - 17020 Chico, CA MSA		\$56,914	Median Housing Value			\$225,491
			Median Gross Rent			\$921
			Families Below Poverty Level			13.1%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Chico, California MSA

According to the Moody's Analytics September 2022 Précis Report, the Chico, California business cycle is in recovery, and is moving at a slow pace. Jobs recovered in the area are among the lowest in the state. Key economic drivers of the area include medical centers and the city's college town, which have experienced disruptions. The healthcare industry has experienced persistent employee shortages. Further, enrollment at California State University, Chico decreased 7.0 percent in the fall 2021 semester, which provides support to local bars, restaurants, and other consumer services. The top employers in the Chico MSA include Enloe Medical Center; Oroville Hospital; and California State University, Chico.

Unemployment

Data obtained from the U.S. Bureau of Labor and Statistics (U.S. BLS) indicates that unemployment rate in the Chico MSA was decreasing in 2021 but remained higher than the state and national average percentages. The unemployment rate for the Chico MSA was 4.4 percent in January 2020 and in June 2022, showing strong fluctuations in within the evaluation period due to severe disruptions caused by COVID-19.

Unemployment Rates		
Area	2020	2021
	%	%
Chico MSA (Butte County)	9.5	6.9
State of CA	9.2	5.8
National Average	6.7	3.9
<i>Source: Bureau of Labor Statistics</i>		

Competition

The AA is a moderately competitive market for financial services. According to the June 30, 2022 FDIC Deposit Market Share Report, 12 financial institutions operate 37 offices in the AA, which includes GVB’s one location. GVB is ranked 6th, with a deposit market share of 6.2 percent.

Community Contact(s)

Examiners conducted one community contact interview with a representative from an economic development organization that serves the county of Butte to assist in identifying the credit and CD needs of the area. The organization focuses on fostering relationships with community partners to develop and implement comprehensive economic development strategies. The contact indicated a need for financial education programs, as well as affordable housing financing, services, and inventory; and flexible small dollar loans. The contact highlighted the 2018 Camp Fire’s impacts to the landscape of Butte County, noting that the region continues to rebuild its local economy. The contact further stated that there is a workforce shortage and housing stock crisis seen throughout the county, fueled by both the area’s disaster fires and by the ongoing COVID-19 pandemic. The contact reiterated that financial institutions were generally responsive to community business credit needs, specifically mentioning GVB. The contact also indicated that there are opportunities for increased bank involvement that would directly support commercial businesses in the area.

Credit and Community Development Needs and Opportunities

Considering area demographics, economic data, and conversations with bank management and a community contact, examiners determined that small business lending, particularly for start-ups, and affordable housing are the most significant credit needs in the AA. Although affordable housing represents a critical CD need of the AA; opportunities are limited due to low supply. Given the low housing supply and lack of affordable housing, there will be a continued need to assist and retain the LMI population of the AA through CD activities. In addition, disaster assistance is an identified need. As previously mentioned, areas in the bank’s AA are designated disaster areas due to California wildfires and severe storms.

CONCLUSIONS ON PERFORMANCE CRITERIA IN CHICO MSA AA

LENDING TEST

Lending levels within the bank’s Chico MSA AA reflect reasonable performance, which is supported by reasonable performances under geographic distribution and borrower profile criterion.

Geographic Distribution

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. The bank’s performance in 2020 and 2021 was largely in line with demographic data. Although not used as a direct comparison, aggregate lending data indicates the demand for small business credit. Aggregate lending data for 2020 shows 1.3 percent in low-income CT and 26.5 percent in moderate-income CT. Aggregate lending data was not yet available for 2021.

The following table illustrates the geographic distribution of small business loans.

Geographic Distribution of Small Business Loans						
Assessment Area: Chico MSA AA						
Tract Income Level		% of Businesses	#	%	\$(000s)	%
Low						
	2020	1.5	3	0.8	315	0.6
	2021	1.5	3	1.1	70	0.2
Moderate						
	2020	27.7	90	23.4	16,511	30.9
	2021	27.4	64	23.3	9,626	28.4
Middle						
	2020	43.8	157	40.9	18,904	35.4
	2021	43.6	92	33.5	11,179	33.0
Upper						
	2020	27.1	134	34.9	17,717	33.1
	2021	27.4	116	42.2	12,962	38.3
Totals						
	2020	100.0	384	100.0	53,448	100.0
	2021	100.0	275	100.0	33,836	100.0
<i>Source: 2020 & 2021 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%</i>						

Borrower Profile

The overall distribution of borrowers reflects reasonable penetration among business customers of different revenue size. The following table includes the percentage of total businesses as reported by D&B as well as borrower distribution of small business loans in the AA for 2021.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Chico MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤ \$1,000,000	87.2	14	25.5	1,675	25.7
> \$1,000,000	3.8	8	14.5	2,160	33.2
Revenue Not Available	9.0	33	60.0	2,675	41.1
Total	100.0	55	100.0	6,511	100.0
<i>Source: 2021 D&B Data; Bank Data</i>					

Due to the significant volume of loans without revenue information in 2021, examiners evaluated SBA PPP loans using loan size as a proxy for those with revenues not available. As shown in the following table, a majority of the SBA PPP loans had loan sizes of less than \$100,000 by number, indicating that the bank is helping to serve the credit needs of small businesses in the AA. The table above reflects 33 loans in 2021 where revenue is not available. The table below reflects 30 SBA PPP loans with revenue not available. The difference between the two totals were three loans not originated under the SBA PPP program.

Distribution of PPP Loans by Loan Size				
Assessment Area: Chico MSA AA				
Loan Size	#	%	\$(000s)	%
< \$100,000	20	66.7	772	37.3
\$100,000 - \$249,999	10	33.3	1,300	62.7
\$250,000 - \$1,000,000	-	-	-	-
Total	30	100.0	2,072	100.0
<i>Source: 01/01/2021 – 12/31/2021 Bank Data; Due to rounding totals may not equal 100.0</i>				

Given the additional performance context factors, the distribution of borrowers reflects reasonable penetration.

COMMUNITY DEVELOPMENT TEST

GVB’s CD performance demonstrates adequate responsiveness to the CD needs within its AA through CD loans, qualified investments, and CD services, as appropriate, considering the institution’s capacity and the need and availability of such opportunities for CD in the institution’s AA.

Community Development Loans

GVB’s CD Lending in the Chico MSA AA represents 75.0 percent of the total CD loans by dollar volume for the bank. The following table presents the bank’s CD loan activity in the AA during the evaluation period.

Community Development Lending – Chico MSA AA										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2020	2	3,010	-	-	5	18,695	2	2,395	9	24,100
2021	5	4,514	1	100	2	3,477	10	3,970	18	12,062
YTD 2022	2	1,017	2	1,665	5	4,983	4	2,205	13	9,869
Total	9	8,541	3	1,765	12	27,155	16	8,570	40	46,031
<i>Source: Bank Data</i>										

Below are notable examples of CD loans originated in the AA over the evaluation period:

- In 2021, the bank originated two loans totaling a \$2.4 million for the purchase of two multi-family buildings, which provided 37 affordable housing units located in Butte County.
- During 2020 and 2021, the bank originated 7 CD loans totaling \$22.2 million through the SBA PPP, which assisted the continuity of business operations and allowed businesses to re-open and resume operations and provide payroll for employees.
 - o A \$10 million loan was originated to a brewing company that is located in Butte County in a moderate-income CT, which provides employment for LMI workers in the area.
 - o A \$158,000 loan was originated to a non-profit organization for revitalization in a disaster area.

Qualified Investments

The bank’s qualified investments, grants, and donations in the AA during the evaluation period totaled \$1.1 million. This AA is the recipient of CD investments during the review period, consistent with the bank’s footprint and operations in this AA. The following table presents the bank’s qualified CD investment and donation activity in the AA during the evaluation period.

Qualified Investments/Donations – Chico MSA AA										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	1	750	1	750
YTD 2022	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	1	750	1	750
Qualified Grants & Donations	1	1	18	134	-	-	4	169	23	304
Total	1	1	18	134	-	-	5	919	24	1,054

Source: Bank Data

Below are notable examples of a CD investment and donation provided in the AA during the evaluation period:

- In 2021, the bank provided a \$750,000 investment in a general obligation bond that supports the revitalization of a school where the majority of students qualify for free- or reduced-cost meals under the U.S. Department of Agriculture's National School Lunch Program.
- Over the evaluation period, the bank provided \$143,706 in donations to a non-profit that distributed those funds to provide job retention assistance due to COVID-19.

Community Development Services

During the evaluation period, employees and Board of Directors provided 28 instances, or 658 hours of financial expertise or technical assistance to multiple community organizations or programs. The following table illustrates the CD service hours by year. GVB's CD services represents an adequate responsiveness to opportunities within the AA by providing community services to LMI individuals and benefited affordable housing programs.

Community Development Services – Chico MSA AA					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	# Hours	#	#	#	#
2020	-	151	-	-	151
2021	-	187	-	-	187
YTD 2022	25	295	-	-	320
Total	25	633	-	-	658

Source: Bank Data

Below are notable examples of CD services provided in the AA over the evaluation period:

- In 2021, one employee donated 100 hours as a board member to raise funds for a non-profit

medical center located in a designated disaster area.

- In 2021, one employee volunteered 25 hours to record a promotional video for fundraising efforts for a program, which offers affordable housing to LMI families and individuals in the Town of Paradise.

REDDING MSA AA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN REDDING MSA AA

The Redding MSA AA is comprised of the entirety of Shasta County, and is located in the Northern portion of California. The AA is in the Redding, California MSA #39820.

Based on the 2015 ACS Census data, the AA consists of the following CT income designations:

- 0 low-income
- 9 moderate-income
- 26 middle-income
- 13 upper-income

FEMA designated the following major disaster declarations in the bank’s AA:

- Severe Storm (DR-4301-CA), declared on February 14, 2017;
- Flood (DR-4308-CA), declared on April 1, 2017;
- Fire (DR-4382-CA), declared on August 4, 2018;
- Severe Storm (DR-4431-CA), declared on May 1, 2019;
- Covid-19 Pandemic (DR-4482-CA), declared on March 22, 2020; and
- Fire (DR-4569-CA), declared on October 16, 2020.

Economic and Demographic Data

The following table provides select demographic information for the AA in 2021.

Demographic Information of the Assessment Area						
Assessment Area: Redding MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	48	0.0	18.8	54.2	27.1	0.0
Population by Geography	178,942	0.0	18.9	57.4	23.6	0.0
Housing Units by Geography	77,790	0.0	19.4	58.4	22.1	0.0
Owner-Occupied Units by Geography	43,331	0.0	14.3	57.3	28.4	0.0
Occupied Rental Units by Geography	26,044	0.0	27.7	58.1	14.2	0.0
Vacant Units by Geography	8,415	0.0	20.6	65.1	14.4	0.0
Businesses by Geography	16,997	0.0	18.0	63.3	18.8	0.0
Farms by Geography	628	0.0	15.3	66.1	18.6	0.0
Family Distribution by Income Level	44,950	21.2	18.0	19.8	41.0	0.0
Household Distribution by Income Level	69,375	24.2	16.1	17.4	42.4	0.0
Median Family Income MSA - 39820 Redding, CA MSA		\$55,749	Median Housing Value			\$212,145
			Median Gross Rent			\$940
			Families Below Poverty Level			11.1%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Redding, California MSA

According to the Moody's Analytics September 2022 Précis Report, the Redding, California business cycle is experiencing a late expansion and has taken a step back following continuous gains in its economy. The Healthcare industry has seen expansion in its employment rates, aiding in the decline of the unemployment rate to a 4.5 percent historical low. Further, house price growth has narrowed, trailing both state and national averages. Key economic drivers of the area include medical centers, agriculture, and its retirement attraction. Top employers in the Redding MSA AA include Mercy Medical Center, Iris Global, and Shasta Regional Medical Center.

Unemployment

Data obtained from the U.S. BLS indicates that unemployment rate for the Redding MSA AA was decreasing in 2021 but remained higher than the state and national average percentages. The unemployment rate for the Redding MSA AA varied from 7.7 percent in January 2020, to 4.5 percent in June 2022, again demonstrating fluctuations due to the ongoing impacts of the COVID-19 pandemic. The following table illustrates the unemployment rates for the AA, CA, and nationwide for 2020 and 2021.

Unemployment Rates		
Area	2020	2021
	%	%
Redding MSA (Shasta County)	7.7	6.9
State of CA	9.2	5.8
National Average	6.7	3.9
<i>Source: Bureau of Labor Statistics</i>		

Competition

GVB’s Redding location operates in a moderately competitive market. According to the FDIC Deposit Market Share report as of June 30, 2022, the bank’s AA contains 14 financial institutions operating 35 branches in the AA. The 3 largest institutions account for 56.3 percent of the deposit market share. GVB ranks 12th with a market share of 0.9 percent.

Community Contacts

Examiners conducted one community contact with a representative from an economic development organization that serves the county of Shasta to assist in identifying the credit and CD needs of the area. The organization focuses on creating prosperity, economic opportunity, and employment opportunity for county residents. The contact stated that while the local economy has been doing relatively well, several industries within the county have been impacted by disaster fires and the ongoing COVID-19 pandemic. The contact further indicated that there is a workforce shortage throughout the county, particularly impacting small businesses. The contact indicated that local financial institutions were generally responsive to community business credit needs, specifically mentioning GVB. However, the contact also indicated that there are opportunities related to providing monetary support to community development institutions that directly support small businesses.

Credit and Community Development Needs and Opportunities

Considering area demographics, economic data, and conversations with bank management and a community contact, examiners determined that small business lending is the most significant credit need in the AA. In addition, disaster assistance is an identified need. As previously mentioned, areas in the bank’s AA are designated disaster areas due to California wildfires, floods, and severe storms.

CONCLUSIONS ON PERFORMANCE CRITERIA IN REDDING MSA AA

LENDING TEST

Lending levels within the bank’s Redding MSA AA reflect reasonable performance. The geographic distribution performance is poor and borrower profile is adequate. However, examiners also considered the universe of 34 SBA PPP loans totaling \$4.9 million. The majority of these loans have a loan size of less than \$100,000, serving the needs of very small businesses. Considering this factor and the fact that this is a new AA for the review period, the overall performance is considered reasonable.

Geographic Distribution

The geographic distribution of small business loans reflects poor dispersion throughout the AA. This conclusion is supported by the low level of small business lending performance in moderate-income tracts as shown in the table below. There are no low-income CTs in the AA. In 2020, GVB’s lending in moderate-income CTs was lower than demographic data and showed further decline in 2021. Although not used as a direct comparison, aggregate lending data indicates demand for small business credit in the AA. The 2020 aggregate lending data in moderate-income tracts show 17.8 percent. During the examination, aggregate lending data for 2021 was not yet available. The following table illustrates the geographic distribution of small business loans in the AA for 2020 and 2021.

Geographic Distribution of Small Business Loans					
Assessment Area: Redding MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Moderate					
2020	18.8	10	11.0	1,274	6.8
2021	18.0	4	6.2	449	2.5
Middle					
2020	62.5	68	74.7	14,825	79.4
2021	63.3	50	76.9	14,548	81.8
Upper					
2020	18.8	13	14.3	2,567	13.8
2021	18.8	11	16.9	2,781	15.6
Totals					
2020	100.0	91	100.0	18,666	100.0
2021	100.0	65	100.0	17,778	100.0
<i>Source: 2020 & 2021 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects adequate penetration among business customers of different revenue size.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Redding MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤ \$1,000,000	87.9	10	23.3	4,319	31.4
> \$1,000,000	3.8	16	37.2	6,696	48.7
Revenue Not Available	8.3	17	39.5	2,740	19.9
Total	100%	43	100.0	13,755	100.0
<i>Source: 2021 D&B Data; Bank Data</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

Due to the significant volume of loans without revenue information in 2021, examiners evaluated SBA PPP loans using loan size as a proxy for those with revenues not available. As shown in the following table, a majority of the SBA PPP loans had loan sizes of less than \$100,000 by number, indicating that the bank is helping to serve the credit needs of small businesses in the AA. The table above reflects 17 loans in 2021 where revenue is not available. The table below reflects 13 SBA PPP loans with no revenue information available. The difference between the two totals are four loans not originated under the SBA PPP program.

Distribution of PPP Loans by Loan Size				
Assessment Area: Redding MSA AA				
Loan Size	#	%	\$(000s)	%
< \$100,000	8	61.5	241	16.0
\$100,000 - \$249,999	3	23.1	339	22.5
\$250,000 - \$1,000,000	2	15.4	927	61.5
Total	13	100.0	1,507	100.0
<i>Source: 01/01/2021 – 12/31/2021 Bank Data; Due to rounding totals may not equal 100.0</i>				

Given the additional performance context factors, the distribution of borrowers reflects reasonable penetration.

COMMUNITY DEVELOPMENT TEST

GVB’s CD performance demonstrates adequate responsiveness to the CD needs within its AA through CD loans, qualified CD investments, and CD services, as appropriate, considering the institution’s capacity and the need and availability of such opportunities for CD in the institution’s AA.

Community Development Loans

The Redding MSA AA accounts for 21.8 percent of the CD loans by dollar volume for the institution. Examiners noted that GVB outperformed a larger institution with a greater presence and more employees through its CD lending during a similar timeframe. The following table reflects GVB’s CD loan activity in the AA during the review period.

Community Development Lending – Redding MSA AA										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2020	-	-	-	-	5	6,131	-	-	5	6,131
2021	2	6,640	-	-	-	-	-	-	2	6,640
YTD 2022	-	-	-	-	-	-	-	-	-	-
Total	2	6,640	-	-	5	6,131	-	-	7	12,771

Source: Bank Data

Notable examples of CD loans originated during the review period include:

- In 2021, GVB refinanced a \$5.0 million loan to support affordable housing in the AA. The multi-family building contains 72 affordable housing units.
- In 2020, GVB originated 5 SBA PPP loans totaling \$6.1 million for job retention purposes. These loans promoted economic development by providing and retaining employment to local LMI individuals.

Qualified Investments

The institution did not make any qualified investments in the AA during the evaluation period. Examiners noted that the institution only made qualified donations totaling \$54,000 throughout the evaluation period, which is less than similar institutions in the AA.

Qualified Investments/Donations – Redding MSA AA										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Qualified Grants & Donations	-	-	5	9	-	-	1	45	6	54
Total	-	-	5	9	-	-	1	45	6	54

Source: Bank Data

Below are notable examples of CD donations provided in the AA over the evaluation period.

- In 2020, GVB donated \$45,000 to its Community Foundation, where funds were distributed to non-profit organizations for COVID-19 relief assistance.
- In 2021, GVB donated \$3,000 to an organization that provides services that primarily benefit LMI individuals for community service purposes.

Community Development Services

During the evaluation period, employees provided 7 instances, or 232 hours, of financial expertise or technical assistance to multiple community organizations or programs in the AA. The bank's performance exceeds the performance of a larger institution in the area with more branches and employees during a similar timeframe.

Community Development Services – Redding MSA AA					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	# Hours	#	#	#	#
2020	-	9	72	24	105
2021	-	80	-	23	103
YTD 2022	-	-	-	24	24
Total	-	89	72	71	232
<i>Source: Bank Data</i>					

Below are notable examples of CD services provided in the AA over the evaluation period.

- In 2022, an employee served in an executive level capacity for a 501(c)(3) economic development corporation, which puts small businesses and startup companies in touch with needed financial resources.
- In 2022, an employee provided financial expertise and services to a learning institution, which benefited LMI individuals.

APPENDICES

INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

Community Development Test

The Community Development Test considers the following criteria:

- 1) The number and amount of community development loans;
- 2) The number and amount of qualified investments;
- 3) The extent to which the bank provides community development services; and
- 4) The bank's responsiveness through such activities to community development lending, investment, and service needs.

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Institution CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Institution CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose institution:
 - (i) Has not been reported or collected by the institution or an affiliate for consideration in the institution's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
 - (ii) Benefits the institution's assessment area(s) or a broader statewide or regional area including the institution's assessment area(s).

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the institution's retail banking services under § 345.24(d).

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

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (e.g, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA**): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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

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

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

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Fistration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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

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

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area’s population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

GOLDEN VALLEY BANK BRANCH LISTINGS

Street Address	190 COHASSET RD, STE. 170	MSA/MD Code	17020
City Name	CHICO	State Code	06
State Abbreviation	CA	County Code	007
Zip Code	95926	Tract Code	0003.00

Street Address	250 HEMSTEAD, STE. 100	MSA/MD Code	39820
City Name	REDDING	State Code	06
State Abbreviation	CA	County Code	089
Zip Code	96002	Tract Code	0103.00

Street Address	2770 OLIVE HWY	MSA/MD Code	17020
City Name	OROVILLE	State Code	06
State Abbreviation	CA	County Code	007
Zip Code	95966	Tract Code	0030.01



SERVICES

Hours of Operation:

Chico Branch:	Monday-Friday	9:00 AM – 5:00 PM
Redding Branch:	Monday-Friday	9:00 AM – 5:00 PM
Oroville Branch:	Monday-Friday	9:00 AM – 5:00 PM

PRODUCTS

The Bank offers a variety of products for commercial and consumers. Please see the following pages for detailed information.

FEES AND CHARGES

GENERAL BANKING FEES

Cashier's Checks	\$6.00
Non-GVB customer	\$12.00

Check Images

Accessed from online banking	no charge
Check images handled by banker	\$2.00 each
Pre-printed check orders - <i>varies on style & quantity ordered</i>	
Temporary checks after account opening	\$1.00 each

Collections

For paper checks drawn on or paid through another institution	
Domestic	\$15.00
International	\$15.00

Debit Card Fees

Card replacement	\$10.00
Expedited delivery of replacement card	\$150.00

Foreign Currency Exchange

(Exchange rates quoted upon request)

Foreign currency – order	\$15.00
Foreign currency – shipment	\$15.00

Legal Processes

(Attachments, levies, garnishments, etc.)

Overdrafts

Automatic transfer fee for overdraft protection	
From savings or checking	\$5.00 per transfer
Overdraft fee	\$25.00
Max daily Overdraft fee*	\$150.00 per day
<i>*6 items paid</i>	
<i>We do not charge an overdraft fee for any item paid resulting in an end-of-day overdrawn account balance of \$10.00 or less.</i>	

Research Requests

\$35.00 per hour

Safe Deposit Box *(Offered at specified offices below)*

3 x 5, annual rent <i>(Chico)</i>	\$30.00
3 x 10, annual rent <i>(Chico & Oroville)</i>	\$50.00
5 x 10, annual rent <i>(Chico & Oroville)</i>	\$75.00
10 x 10, annual rent <i>(Oroville)</i>	\$100.00
Key deposit <i>(one-time)</i>	\$10.00

Signature Guarantee

Medallion signature guarantee, <i>per signature</i>	\$5.00
Bank signature guarantee, <i>per signature</i>	\$5.00

Statements

Accessed from online banking	no charge
Reprints through online banking	no charge
Reprint handled by banker	\$5.00

Stop Payments

Placed through online banking	\$20.00
Handled by banker	\$25.00

Transfers

Online or Handled by Banker	no charge
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Wire Transfers

Incoming	\$15.00
Outgoing domestic	\$25.00
Outgoing international	\$45.00

PERSONAL ONLINE BANKING

Online banking access	no charge
Bill pay access	no charge
<i>(requires access through Personal Online Banking, additional fees may apply)</i>	

Mobile Banking Access

no charge

Mobile Deposit Access

no charge

BUSINESS ONLINE BANKING

Online banking access	no charge
Replacement security token	\$20.00
Statement reprints	
<i>(through business online banking)</i>	no charge
Check images	
<i>(through business online banking)</i>	no charge
Business bill pay	no charge
<i>(requires access through Business Online Banking, additional fees may apply)</i>	

Mobile Banking Access

no charge

Mobile Deposit Access

no charge

DEPOSIT PRODUCTS & SERVICES

CONSUMER DEPOSIT PRODUCTS & SERVICES

- ❖ Checking Accounts
- ❖ Savings Accounts
- ❖ Certificate of Deposit Accounts (CDs)
- ❖ IRA Savings and CDs
- ❖ Money Market Accounts
- ❖ Online/Mobile Banking & Bill Pay
- ❖ Mobile Deposit
- ❖ Visa® Debit Cards
- ❖ Electronic Statements
- ❖ Elan Credit Cards*

BUSINESS DEPOSIT PRODUCTS & SERVICES

- ❖ Checking Accounts
- ❖ Savings Accounts
- ❖ Certificate of Deposit Accounts (CDs)
- ❖ Money Market Accounts
- ❖ Online Banking & Bill Pay
- ❖ Mobile Banking & Deposit
- ❖ Positive Pay
- ❖ Online Wires
- ❖ Merchant Services
- ❖ Electronic Statements
- ❖ Visa® Debit Cards
- ❖ Remote Deposit Capture*
- ❖ ACH Manager*
- ❖ Elan Credit Cards*

*Subject to Approval

LOAN PRODUCTS

COMMERCIAL LOAN PRODUCTS

- ❖ Revolving Line of Credit
- ❖ Agricultural Line of Credit
- ❖ Equipment Draw Term
- ❖ Equipment Term Loan
- ❖ Term Loan To Business-Working Capital
- ❖ Agricultural Real Estate Loan
- ❖ Land loans
- ❖ Land loans pending conversion
- ❖ Land development loans
- ❖ Lot Loans
- ❖ Multi-family property (5+res.units)
- ❖ Commercial construction
- ❖ Commercial investment property
- ❖ Commercial business-use property
- ❖ Construction Loan

SMALL BUSINESS LOAN PRODUCTS

- ❖ Lines of Credit
- ❖ Equipment
- ❖ Working Capital
- ❖ Commercial RE/Take Out
- ❖ Elan Credit Cards*
- ❖ ACH Credit

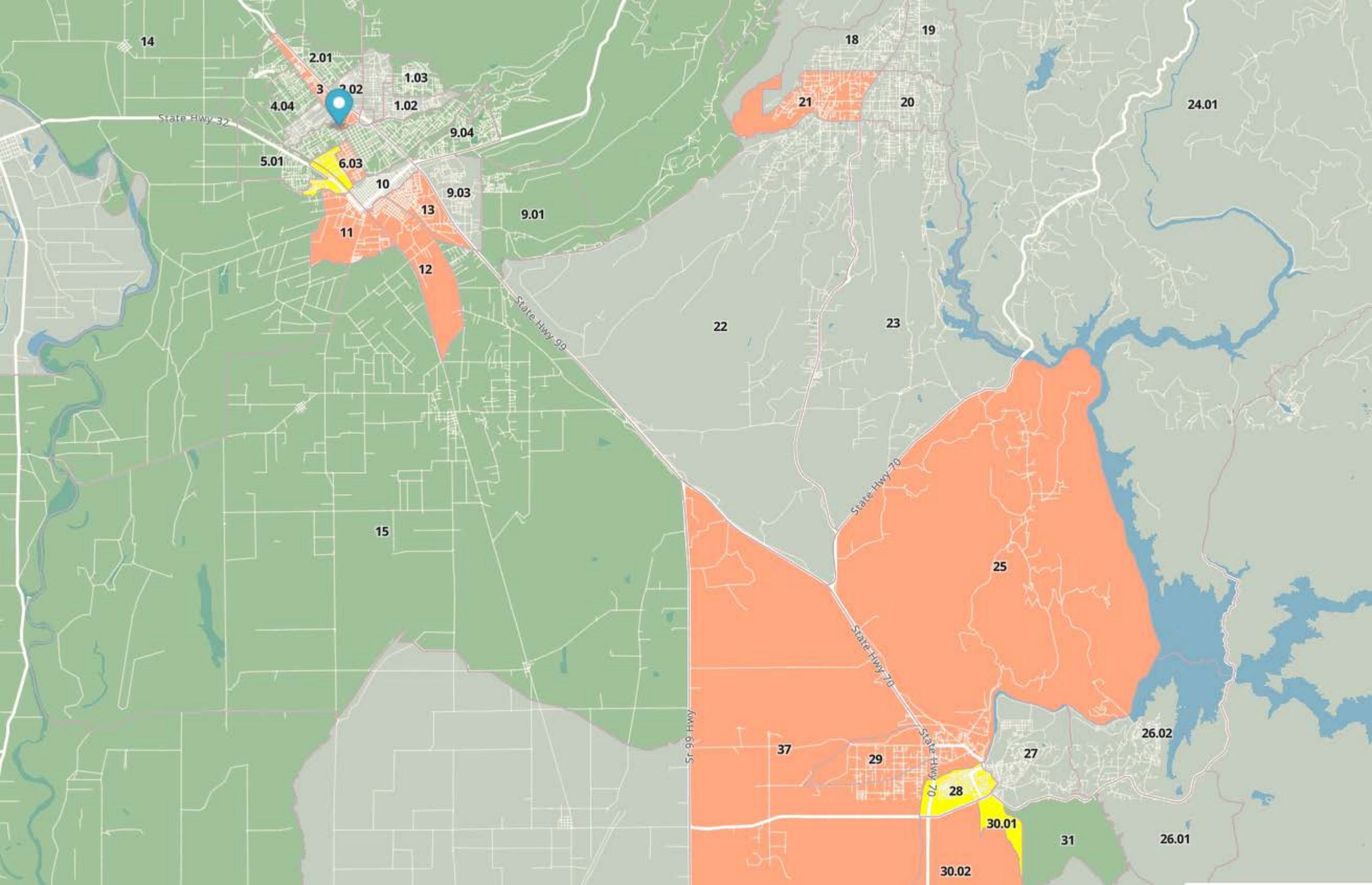
CONSUMER LOAN PRODUCTS

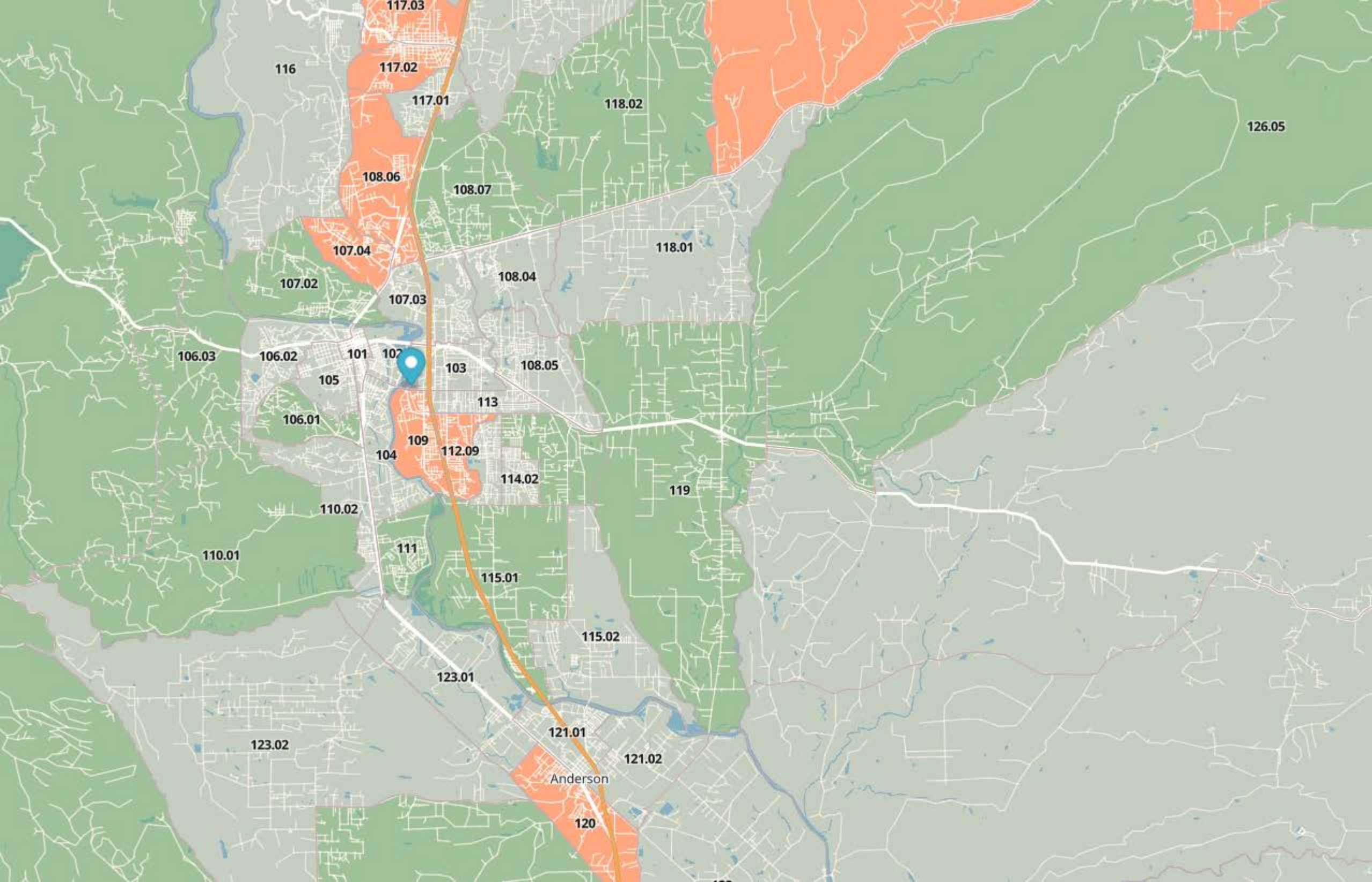
- ❖ Personal Line of Credit Unsecured
- ❖ Home Equity Line of Credit
- ❖ Bridge / Temporary Financing
- ❖ Savings/TCD Secured
- ❖ Lot Loan
- ❖ Construction Loan
- ❖ Installment Loan - Secured

*Subject to Approval

BUTTE COUNTY 007

Tract Code	Tract Income Level	Distressed or Under-served Tract	Tract Median Family Income %	2022 FFIEC Est. MSA/MD non-MSA/MD Median	2022 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
1.02	Middle	No	104.46	\$85,000	\$88,791	\$74,265	4202	27.18	1142	993	1515
1.03	Upper	No	129.51	\$85,000	\$110,084	\$92,071	6087	29.92	1821	1474	1885
1.04	Middle	No	93.35	\$85,000	\$79,348	\$66,364	6153	35.3	2172	1051	1648
2.01	Upper	No	133.98	\$85,000	\$113,883	\$95,250	4470	30.92	1382	803	1684
2.02	Middle	No	85.22	\$85,000	\$72,437	\$60,583	4029	35.27	1421	854	1568
3	Moderate	No	68.59	\$85,000	\$58,302	\$48,765	4740	38.1	1806	487	1247
4.01	Upper	No	126.3	\$85,000	\$107,355	\$89,787	5099	37.2	1897	824	1177
4.03	Middle	No	95.17	\$85,000	\$80,895	\$67,658	3429	33.54	1150	758	1161
4.04	Upper	No	176.08	\$85,000	\$149,668	\$125,179	4070	21.47	874	1168	1404
5.01	Upper	No	129.59	\$85,000	\$110,152	\$92,127	4939	36.65	1810	853	1327
5.02	Low	No	48.57	\$85,000	\$41,285	\$34,531	4900	47.29	2317	267	1192
6.01	Upper	No	124.2	\$85,000	\$105,570	\$88,295	3386	28.06	950	1087	1450
6.03	Moderate	No	61.43	\$85,000	\$52,216	\$43,672	3450	36.49	1259	229	847
6.04	Low	No	27.43	\$85,000	\$23,316	\$19,500	4571	50.8	2322	82	1159
7	Upper	No	121.81	\$85,000	\$103,539	\$86,599	5081	27.28	1386	1150	2015
8	Upper	No	132.88	\$85,000	\$112,948	\$94,468	5626	23.57	1326	1578	2538
9.01	Upper	No	144.16	\$85,000	\$122,536	\$102,482	2799	27.05	757	902	1056
9.03	Middle	No	101.08	\$85,000	\$85,918	\$71,859	7042	39.55	2785	831	1533
9.04	Upper	No	175.16	\$85,000	\$148,886	\$124,524	6331	24.01	1520	1531	2021
10	Middle	No	81.68	\$85,000	\$69,428	\$58,071	4979	35.57	1771	502	1666
11	Moderate	No	72.21	\$85,000	\$61,379	\$51,336	4568	39.23	1792	545	1381
12	Moderate	No	65.32	\$85,000	\$55,522	\$46,442	3488	33.72	1176	316	1320
13	Moderate	No	59.78	\$85,000	\$50,813	\$42,500	4079	49.84	2033	474	1369
14	Upper	No	164.92	\$85,000	\$140,182	\$117,241	6143	23.85	1465	1734	2361
15	Upper	No	157.13	\$85,000	\$133,561	\$111,705	5504	22.4	1233	1383	1943
16.01	Upper	No	206.96	\$85,000	\$175,916	\$147,130	1712	18.69	320	680	1021
16.02	Upper	No	188.31	\$85,000	\$160,064	\$133,869	3740	21.23	794	1124	1560
17.02	Middle	No	99.26	\$85,000	\$84,371	\$70,563	3574	17.63	630	1670	2161
17.03	Middle	No	107.37	\$85,000	\$91,265	\$76,333	1741	17.29	301	764	1144
17.04	Moderate	No	67.57	\$85,000	\$57,435	\$48,036	3261	21.22	692	1041	1486
18	Middle	No	87.39	\$85,000	\$74,282	\$62,125	840	16.31	137	1258	1975
19	Middle	No	88.94	\$85,000	\$75,599	\$63,227	675	17.04	115	984	1139
20	Middle	No	114.74	\$85,000	\$97,529	\$81,570	886	17.83	158	1259	1793
21	Moderate	No	69	\$85,000	\$58,650	\$49,058	926	19.44	180	673	1381
22	Middle	No	119.89	\$85,000	\$101,907	\$85,231	1799	16.73	301	1451	1995
23	Middle	No	94.02	\$85,000	\$79,917	\$66,844	1851	19.94	369	1325	1696
24.01	Middle	No	88.52	\$85,000	\$75,242	\$62,931	1418	25.74	365	417	767
24.02	Middle	No	80.94	\$85,000	\$68,799	\$57,542	3555	25.77	916	1031	2097
25	Moderate	No	53.92	\$85,000	\$45,832	\$38,333	5008	47.62	2385	579	1186
26.01	Middle	No	107.96	\$85,000	\$91,766	\$76,750	2474	21.5	532	876	1112
26.02	Middle	No	96.15	\$85,000	\$81,728	\$68,355	3980	23.37	930	1475	2016
27	Middle	No	85.08	\$85,000	\$72,318	\$60,487	5833	31.54	1840	1388	1955
28	Low	No	49.49	\$85,000	\$42,067	\$35,187	4718	38.58	1820	550	1471
29	Moderate	No	62.12	\$85,000	\$52,802	\$44,167	3315	47.93	1589	557	923
30.01	Low	No	45.33	\$85,000	\$38,531	\$32,227	3141	51.93	1631	475	1024
30.02	Moderate	No	65.97	\$85,000	\$56,075	\$46,899	3508	43.27	1518	485	1181
31	Upper	No	125.7	\$85,000	\$106,845	\$89,363	4575	30.45	1393	1350	1577
32	Moderate	No	64.13	\$85,000	\$54,511	\$45,591	4352	43.91	1911	1067	1718
33	Middle	No	107.25	\$85,000	\$91,163	\$76,250	5071	36.21	1836	1362	1848
34	Middle	No	118.64	\$85,000	\$100,844	\$84,342	2921	47.89	1399	634	1215
35.01	Middle	No	86.65	\$85,000	\$73,653	\$61,600	3716	46.93	1744	707	1290
35.02	Middle	No	82.44	\$85,000	\$70,074	\$58,606	5060	60.99	3086	808	1648
36	Middle	No	108.54	\$85,000	\$92,259	\$77,162	3568	40.53	1446	923	1323
37	Moderate	No	57.14	\$85,000	\$48,569	\$40,625	5249	39.55	2076	1098	1710





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117.02

117.01

118.02

126.05

108.06

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123.01

123.02

121.01

121.02

Anderson

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SHASTA COUNTY 089

Tract Code	Tract Income Level	Distressed or Under-served Tract	Tract Median Family Income %	2022 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	2022 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
101	Middle	No	96.66	\$89,800	\$86,801	\$66,750	1680	33.75	567	183	464
102	Middle	No	87.76	\$89,800	\$78,808	\$60,606	2225	20.72	461	418	763
103	Middle	No	100.09	\$89,800	\$89,881	\$69,118	4125	29.28	1208	633	1248
104	Middle	No	94.22	\$89,800	\$84,610	\$65,063	4452	25.99	1157	854	1709
105	Middle	No	87.61	\$89,800	\$78,674	\$60,500	4927	29.31	1444	711	2195
106.01	Upper	No	150.85	\$89,800	\$135,463	\$104,167	2495	21.2	529	778	963
106.02	Middle	No	104.42	\$89,800	\$93,769	\$72,105	5683	22.05	1253	1382	2054
106.03	Upper	No	160.07	\$89,800	\$143,743	\$110,536	906	13.36	121	393	512
107.02	Upper	No	145.14	\$89,800	\$130,336	\$100,227	3731	20.18	753	929	1367
107.03	Middle	No	85.08	\$89,800	\$76,402	\$58,750	3423	25.27	865	506	1366
107.04	Moderate	No	59.69	\$89,800	\$53,602	\$41,222	4623	27.26	1260	978	1748
108.03	Middle	No	86.97	\$89,800	\$78,099	\$60,060	5768	29.4	1696	816	1953
108.04	Middle	No	114.24	\$89,800	\$102,588	\$78,889	2279	21.41	488	617	788
108.05	Middle	No	117.16	\$89,800	\$105,210	\$80,907	5012	23.72	1189	1284	2159
108.06	Moderate	No	73.93	\$89,800	\$66,389	\$51,053	3128	22.95	718	904	1465
108.07	Upper	No	166.76	\$89,800	\$149,750	\$115,156	4647	20.4	948	1328	1763
109	Moderate	No	68.52	\$89,800	\$61,531	\$47,316	4248	30.7	1304	583	1385
110.01	Upper	No	195.75	\$89,800	\$175,784	\$135,170	1674	20.43	342	539	650
110.02	Middle	No	97.42	\$89,800	\$87,483	\$67,273	5429	25.75	1398	1404	2082
111	Upper	No	139.04	\$89,800	\$124,858	\$96,011	3467	23.74	823	948	1242
112.09	Moderate	No	66.34	\$89,800	\$59,573	\$45,813	6384	38.31	2446	676	1722
113	Middle	No	97.14	\$89,800	\$87,232	\$67,083	5379	34.71	1867	1113	1814
114.01	Middle	No	108.52	\$89,800	\$97,451	\$74,939	3969	25.85	1026	1211	1582
114.02	Middle	No	106.23	\$89,800	\$95,395	\$73,359	3279	23.91	784	808	1102
114.03	Upper	No	141.92	\$89,800	\$127,444	\$98,000	3255	24.95	812	757	1088
115.01	Upper	No	159.08	\$89,800	\$142,854	\$109,853	3412	26.67	910	900	1067
115.02	Middle	No	95.58	\$89,800	\$85,831	\$66,005	2631	20.3	534	1050	1256
116	Middle	No	90.16	\$89,800	\$80,964	\$62,258	3788	25.61	970	1043	1598
117.01	Middle	No	110.55	\$89,800	\$99,274	\$76,343	2695	23.08	622	654	983
117.02	Moderate	No	77.2	\$89,800	\$69,326	\$53,313	3449	26.53	915	827	1298
117.03	Moderate	No	65.34	\$89,800	\$58,675	\$45,125	3134	23.84	747	811	1295
118.01	Middle	No	111.78	\$89,800	\$100,378	\$77,188	2482	16	397	866	1129
118.02	Upper	No	149.1	\$89,800	\$133,892	\$102,961	2540	18.23	463	889	1003
118.03	Middle	No	119.11	\$89,800	\$106,961	\$82,250	2818	19.62	553	883	1224
119	Upper	No	150.95	\$89,800	\$135,553	\$104,236	4910	17.49	859	1498	1827
120	Moderate	No	67	\$89,800	\$60,166	\$46,266	5357	31.25	1674	838	1525
121.01	Middle	No	95.27	\$89,800	\$85,552	\$65,786	4915	27.45	1349	1174	1719
121.02	Middle	No	97.2	\$89,800	\$87,286	\$67,125	2152	22.91	493	454	761
122	Middle	No	91.05	\$89,800	\$81,763	\$62,877	5579	24.31	1356	1564	2247
123.01	Middle	No	84.6	\$89,800	\$75,971	\$58,419	2604	31.68	825	699	1181
123.02	Middle	No	107.34	\$89,800	\$96,391	\$74,125	5426	24.73	1342	1816	2241
123.03	Upper	No	121.35	\$89,800	\$108,972	\$83,795	4009	21.3	854	1236	1451
124	Upper	No	120.83	\$89,800	\$108,505	\$83,438	3464	19.95	691	1233	1680
125	Moderate	No	79.65	\$89,800	\$71,526	\$55,000	1408	17.26	243	587	1170
126.03	Middle	No	113.11	\$89,800	\$101,573	\$78,111	4295	16.07	690	1764	2579
126.04	Middle	No	98.44	\$89,800	\$88,399	\$67,976	2205	16.6	366	854	1075
126.05	Upper	No	143	\$89,800	\$128,414	\$98,750	1985	14.31	284	755	933
126.06	Moderate	No	66.63	\$89,800	\$59,834	\$46,012	3346	24.09	806	1150	1747
127.01	Middle	No	81.95	\$89,800	\$73,591	\$56,591	4154	24.6	1022	1186	2163
127.02	Middle	No	88.88	\$89,800	\$79,814	\$61,375	3209	26.08	837	754	1700



OFFICES OPENED AND CLOSED

Golden Valley Bank opened the Oroville office on October 11, 2023.



CRA PUBLIC COMMENTS AND RESPONSES

No CRA related comments have been received for this period.