

PUBLIC DISCLOSURE

July 10, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Cogent Bank
Certificate Number: 34908

420 South Orange Avenue
Orlando, Florida 32801

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

10 10th Street NE, Suite 900
Atlanta, Georgia 30309-3849

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.

TABLE OF CONTENTS

INSTITUTION RATING	1
DESCRIPTION OF INSTITUTION	1
DESCRIPTION OF ASSESSMENT AREAS.....	3
SCOPE OF EVALUATION.....	4
CONCLUSIONS ON PERFORMANCE CRITERIA.....	6
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW.....	12
ORLANDO MSA ASSESSMENT AREA – Full-Scope Review	13
TAMPA MSA ASSESSMENT AREA – Full-Scope Review.....	19
JACKSONVILLE MSA ASSESSMENT AREA – Full-Scope Review	25
FT. MYERS MSA ASSESSMENT AREA – Full-Scope Review	31
DELTONA ASSESSMENT AREA – Limited-Scope Review	37
NAPLES ASSESSMENT AREA – Limited-Scope Review	40
APPENDICES	43
INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA.....	43
GLOSSARY	44

INSTITUTION RATING

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

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

The Lending Test is rated Satisfactory.

- The loan-to-deposit ratio is reasonable, given the institution's size, financial condition and assessment areas' credit needs.
- A majority of the reviewed loans are in the institution's assessment areas.
- The geographic distribution of the reviewed loans reflects a reasonable dispersion throughout the assessment areas.
- The distribution of reviewed loans to borrowers reflects poor penetration of loans among businesses of different sizes.
- The institution has not received 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 bank's community development performance demonstrates adequate responsiveness to community development needs in the assessment areas. The bank met these needs through community development loans, qualified investments, and community development services. Examiners considered the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas.

DESCRIPTION OF INSTITUTION

Cogent Bank is a state non-member commercial bank established in 1999 and headquartered in Orlando, Florida. The bank is wholly owned by Cogent Bancorp Inc., a one-bank holding company, also based in Orlando, Florida. Cogent Bank was previously known as Pinnacle Bank, located in Orange City, Florida, but underwent a name and branching network changes subsequent to a change in control that occurred in 2018. The institution received a "Satisfactory" rating at the August 30, 2017, FDIC Performance Evaluation based on Small Institution Examination Procedures.

Cogent Bank currently operates eight full-service branch office locations in several metropolitan statistical areas (MSAs) throughout the State of Florida (FL). Since the previous evaluation when the institution operated two full-service offices, the bank has expanded its branching network.

Specifically, the bank opened eight full-service branches:

- 1) in June 2019, Orlando, FL, Orange County (Orlando MSA AA);
- 2) in November 2019, Jacksonville, FL, Duval County (Jacksonville MSA AA);
- 3) in January 2020, Tampa, FL, Hillsborough County (Tampa MSA AA);
- 4) in June 2020, Clearwater, FL, Pinellas County (Tampa MSA AA);
- 5) in August 2020, Ft. Myers, FL, Lee County (Ft. Myers MSA AA) which was a previous Loan Production Office (LPO) opened in July 2020;
- 6) in October 2021, Winter Park, FL, Orange County (Orlando MSA AA) which was a previous LPO opened in November 2020 and relocated in June 2021;
- 7) in October 2022, Naples, FL, Collier County (Naples MSA AA) which was a previous LPO opened in June 2021 and relocated in August 2021; and
- 8) in October 2021, the institution relocated its main office from Orange City, FL, Volusia County (Deltona MSA AA), to Orlando, FL, Orange County (Orlando MSA AA), with its previous main office then designated as a branch .

Refer to the table under Description of Assessment Areas for the full name/composition of the assessment areas. The bank closed two full-service branches: in June 2019, Longwood, FL, Seminole County (Orlando MSA AA); and in September 2020, Orlando, FL, Orange County (Orlando MSA AA). These two offices were located in middle- and upper-income census tracts. In February 2022, the bank opened an LPO in Plant City, FL, Hillsborough County (Tampa MSA AA) that subsequently closed in December 2022.

The institution offers a full range of banking and financial services. Credit products include commercial real estate, business lines of credit and term loans, public financing, specialty lending, residential lending, home equity lines of credit, and consumer secured and unsecured lending. As a service to its customers, the bank offers long-term, fixed-rate mortgage loans through its secondary market investors.

Additionally, the institution offers credit products through the Small Business Administration (SBA), including the 504 Loan Program and the 7(a) Paycheck Protection Program (PPP). In 2020 and 2021, Cogent Bank assisted its communities and greater regional area in originating 2,196 PPP loans totaling \$308.6 million. The SBA guarantees these loans under the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act. The loans serve to retain jobs that would otherwise be lost due to business closures because of the COVID-19 pandemic. Cogent Bank also processed 56 COVID-19-related loan deferrals/extensions for business and consumer customers to help communities. Similarly, the institution processed 18 Hurricane Ian loan deferrals/extensions for businesses and consumers. These modifications reflect the bank's responsiveness to assist its customers within its assessment areas that were adversely impacted by the Federal Emergency Management Agency (FEMA) declared disasters.

Cogent Bank offers a full range of commercial and consumer deposit products, including checking, savings, money market accounts, certificate of deposits (CDs) and individual retirement accounts. Alternative banking services include Internet banking (www.cogentbank.com), electronic bill payment, telephone banking, mobile banking, and person-to-person payments. The bank also operates two bank-owned automated teller machines (ATMs) that are located at the Orange City (Deltona MSA AA) and Winter Park (Orlando MSA AA) offices.

According to the March 31, 2023, Report of Condition and Income (Call Report), Cogent Bank had total assets of \$1.5 billion, total loans of \$1.3 billion, and total deposits of \$1.3 billion. The bank has experienced significant growth since the previous evaluation when total assets were \$92.7 million, total loans were \$59.0 million, and total deposits were \$84.6 million. As shown in the following table, commercial real estate loans and commercial and industrial loans comprise 65.6 percent of total loans.

Loan Portfolio Distribution as of March 31, 2023		
Loan Category	\$(000s)	%
Construction and Land Development	123,779	9.7
Secured by Farmland	0	0.0
1-4 Family Residential	190,196	15.0
Multi-family (5 or more) Residential	43,052	3.4
Commercial Real Estate	437,677	34.4
Total Real Estate Loans	794,704	62.5
Commercial and Industrial	397,186	31.2
Agricultural	0	0.0
Consumer	2,872	0.2
Other	77,719	6.1
Total Loans	1,272,481	100.0
<i>Source: 3/31/2023 Call Report.</i>		

There are no financial or legal impediments, other than legal lending limits, to prevent the bank from meeting the credit needs of its assessment areas. However, during the evaluation timeframe, there have been four FEMA major declared disasters within the assessment areas, which may have been a lending impediment. The national declared disasters include the COVID-19 Pandemic, DR-4486 FL, declared on March 25, 2020, and three hurricane-related declared disasters. The hurricane-related declared disasters include: DR-4337 FL, Hurricane Irma, declared on September 10, 2018; DR-4468 FL, Hurricane Dorian, declared on October 21, 2019; and DR-4673 FL Hurricane Ian, declared on September 29, 2022.

DESCRIPTION OF ASSESSMENT AREAS

Cogent Bank operates in six assessment areas in the State of Florida. The six assessment areas and their compositions are outlined in the table below.

Description of Assessment Areas	
Assessment Area	Description
Orlando-Kissimmee-Sanford, FL MSA (Orlando MSA AA)	Orange and Seminole Counties
Tampa-St. Petersburg-Clearwater, FL MSA (Tampa MSA AA)	Hillsborough and Pinellas Counties
Jacksonville, FL MSA (Jacksonville MSA AA)	Clay and Duval Counties
Ft. Myers, FL MSA (Ft. Myers MSA AA)	Lee County (only county in the MSA)
Deltona-Daytona Beach-Ormond Beach, FL MSA (Deltona MSA AA)	Volusia County
Naples-Marco Island, FL MSA (Naples MSA AA)	Collier County (only county in the MSA)
<i>Source: Bank Records.</i>	

The Tampa MSA AA (as of January 2020), the Jacksonville MSA AA (as of November 2019), the Ft. Myers MSA AA (as of August 2020) and the Naples MSA AA (as of October 2022) are new since the last CRA evaluation. Specifically, the bank added two branches in the Tampa MSA AA and one branch each in the Jacksonville MSA AA, Ft. Myers MSA AA, and Naples MSA AA. Additionally, the bank expanded its Orlando MSA AA to include all of Orange County, versus just 14 census tracts that were included at the last evaluation. The bank no longer operates a branch in Seminole County and does not operate a branch in Clay County. The bank has defined each assessment area in accordance with the technical requirements of the CRA regulation. Refer to the rated areas and individual assessment area sections for additional information.

Additionally, since the previous evaluation, the 2010 U.S. Census Bureau data was revised using the 2015 American Community Survey (ACS) data, which was later updated using the current 2020 census information. The 2015 ACS data covers lending analyzed for 2021, while the current 2020 census information covers lending analyzed for 2022. Demographic information, including population and housing characteristics, were also updated. This update resulted in a change of census tracts in the bank's assessment areas from 1,419 total census tracts in 2021 to 1,692 total tracts in 2022. In particular, the number of low-income census tracts was reduced from 89 census tracts, 6.3 percent of total tracts, to 86 census tracts, 5.1 percent of total tracts. Further, the number of moderate-income census tracts was increased from 334 census tracts, 23.5 percent of total tracts, to 403 census tracts, 23.8 percent of total tracts. Refer to the individual assessment area sections of this evaluation for more detailed information.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated August 30, 2017, to the current evaluation dated July 10, 2023. Examiners used the Intermediate Small Institution Examination Procedures to evaluate Cogent Bank's CRA performance. As described in the Appendices, these procedures include the Lending Test and the Community Development Test. Cogent Bank's Orlando MSA AA, Tampa MSA AA, Jacksonville MSA AA, and Ft. Myers MSA AA received full-scope reviews. The bank's Deltona MSA AA and Naples MSA AA received limited-scope reviews as these are either a new assessment area that has been established for a short period of time and/or exhibited a small percentage of overall activity.

Examiners evaluate a bank's lending data, deposit activity, and number of offices to determine which rated areas will receive the most weight in assigning the overall rating. For this evaluation, performance in the Orlando MSA AA will receive the most weight in the overall conclusions. As reflected in the table below, the Orlando MSA AA accounted for 42.8 percent of bank-wide lending by number of loans, 45.3 percent of bank-wide deposits, and 25.0 percent of branch locations. The Tampa MSA AA will carry secondary weight due to the percentage of lending for the review period, at 26.0 percent of bank-wide lending by number of loans, 16.8 percent of bank-wide deposits, and 25.0 percent of branch locations. The Jacksonville MSA AA and the Ft. Myers MSA AA, both between 12 to 16 percent of operations, will equally carry third weight in overall conclusions due to its activity. Finally, the Deltona MSA AA and the Naples MSA AA will receive the least weight in the overall conclusions.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	Loans		Deposits		Branches	
	#	%	\$(000s)	%	#	%
Orlando MSA AA	452	42.8	511,066	45.3	2	25.0
Tampa MSA AA	275	26.0	189,791	16.8	2	25.0
Jacksonville MSA AA	134	12.7	133,177	11.8	1	12.5
Ft. Myers MSA AA	123	11.7	184,856	16.4	1	12.5
Deltona MSA AA	41	3.9	74,834	6.6	1	12.5
Naples MSA AA	31	2.9	34,891	3.1	1	12.5
Total	1,056	100.0	1,128,615	100.0	8	100.0

Source: Bank Records; FDIC Summary of Deposits (6/30/22).

Activities Reviewed

The CRA regulation requires a review of lending performance with respect to small business, home mortgage, and small farm lending, if significant. Examiners determined the bank’s major product line is small business loans based on the bank’s business strategy, as well as the number and dollar volume of loans originated or purchased during the evaluation period. Home mortgage loans and small farm loans are excluded from further analysis as these loan types are not major product lines. Additionally, the institution's limited home mortgage lending activity has not triggered Home Mortgage Disclosure Act reporting requirements.

For the Lending Test, examiners utilized management’s collection of small business data from bank records for originated loans to draw conclusions about the bank’s performance. Management has elected to collect small business data; however, the bank is not a reporter of small business data. In review of lending activity during the evaluation timeframe, the most recent full calendar year of loans does not appear to be representative of loans during the entire evaluation period based on data provided. Specifically, the bank's lending in 2020 and 2021 was substantially increased due to originations of SBA PPP loans. Additionally, the bank significantly expanded its Florida footprint over the evaluation timeframe. As such, examiners presented the most recent full two calendar years, 2021 and 2022, of small business loan data. In 2021, the small business loan universe was 1,299 loans totaling \$220.7 million; and, in 2022, the small business loan universe was 284 loans totaling \$107.2 million. The small business loan data will be compared to the 2021 and 2022 Dunn and Bradstreet (D&B) business demographic data, respectively. Given that the bank collected small business loan data but did not report it, 2018 through 2020 small business loans were also reviewed, but not presented. However, anomalies are discussed. This data is not presented in the tables with the exception of the assessment area concentration table. In 2018, the small business loan universe was 72 loans totaling \$22.9 million; in 2019, the small business loan universe was 185 loans totaling \$46.5 million; and in 2020, the small business loan universe was 1,354 loans totaling \$196.5 million. While this evaluation presents both the number and dollar volume of small business loans, examiners emphasized performance by number of loans, as the number of loans is a better indicator of the number of businesses served.

For the Community Development Test, examiners reviewed community development loans, qualified investments, and community development services provided by the bank since the previous evaluation dated August 30, 2017. Additionally, any qualified investments that were purchased prior to but still outstanding as of this evaluation date were considered in the evaluation.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Overall, Cogent Bank demonstrated satisfactory performance under the Lending Test. This rating is supported by a reasonable loan-to-deposit ratio, a majority of the loans originated within the assessment areas, and an overall reasonable geographic distribution of small business loans. Lastly, no CRA-related complaints were received since the previous evaluation. The Lending Test performance was consistent for each assessment area, with the exception of the bank’s poor performance within its Naples MSA AA.

Loan-to-Deposit Ratio

Cogent Bank’s net loan-to-deposit (LTD) ratio is reasonable given the bank’s asset size, financial condition, and assessment areas’ credit needs. The institution’s net LTD ratio, calculated from Call Report data, averaged 87.5 percent over the past 23 calendar quarters from September 30, 2017, to March 31, 2023. The bank’s net LTD ratio ranged from a low of 64.5 percent, as of December 31, 2017, to a high of 118.5 percent, as of March 31, 2021. Since the previous evaluation, the ratio has fluctuated, with no consistent trend; yet, deposits and loans have generally increased quarter after quarter since September 30, 2018.

Examiners identified three similarly situated financial institutions with similar asset size, geographic location, branch network, and/or lending focus. The analysis compared the banks’ average net LTD ratio during the same 23 calendar quarters. Cogent Bank’s net LTD ratio is reasonable in comparison with the three similarly situated financial institutions. The following table presents the average net LTD ratio for Cogent Bank as well as the comparable institutions.

Average Net LTD Ratio Comparison		
Bank Name and Location	Total Assets as of March 31, 2023 (\$000s)	Average Net LTD Ratio (%)
Cogent Bank, Orlando, FL	1,538,946	87.5
Bank of Central Florida, Lakeland, FL	1,074,023	65.4
Citizens Bank and Trust, Frostproof, FL	1,329,359	60.4
One Florida Bank, Orlando, FL	1,576,070	83.7
<i>Source: Call Report 9/30/2017 to 3/31/2023.</i>		

Assessment Area Concentration

The bank originated a majority of the reviewed small business loans, by number and dollar volume, within the assessment areas. Refer to the following table for details.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans					Dollar Amount of Loans \$(000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$(000s)
Small Business										
2018	64	88.9	8	11.1	72	20,203	88.3	2,688	11.7	22,891
2019	133	71.9	52	28.1	185	39,012	69.1	17,479	30.9	56,491
2020	1,053	77.8	301	22.2	1,354	149,239	76.0	47,216	24.0	196,455
2021	840	64.7	459	35.3	1,299	138,663	62.8	82,073	37.2	220,736
2022	216	76.1	68	23.9	284	78,421	73.2	28,762	26.8	107,183
Total	2,306	72.2	888	27.8	3,194	425,538	70.5	178,218	29.5	603,756

Source: Bank Records. Due to rounding, totals may not equal 100.0%

Geographic Distribution

Overall, the geographic distribution of loans reflects reasonable dispersion throughout the assessment areas. This conclusion was based on reasonable dispersion of small business loans. The level of lending performance was consistent for each assessment area, with the exception of the bank’s poor performance within its Naples MSA AA. Only loans extended within the assessment areas are included in the analyses. Refer to the *Geographic Distribution* section of each assessment area for further details.

Borrower Profile

Overall, the distribution of borrowers reflects, given the demographics of the assessment areas, poor penetration among businesses of different sizes. This conclusion was based on poor penetration of small business loans. Only loans extended within the assessment areas are included in the analyses. Refer to the *Borrower Profile* section of each assessment area for further details.

Response to Complaints

The bank has not received any CRA-related complaints since the previous evaluation. Therefore, this factor did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

The bank’s community development performance demonstrates an adequate responsiveness to community development needs in the assessment areas. The bank met these needs through community development loans, qualified investments, and community development services. Examiners consider the bank’s capacity and the need and availability of such opportunities for community development in a bank’s assessment areas.

Community Development Loans

Overall, Cogent Bank originated an adequate level-of community development loans, given its asset size and branching structure. The community development loans were responsive to the assessment areas' needs and opportunities for community development lending.

Cogent Bank extended 62 community development loans totaling \$142.1 million during the evaluation period, as detailed in the following table. The dollar amount of community development loans equates to 22.5 percent of average total assets and 29.7 percent of average total loans, as of March 31, 2023. A number of community development loans were due to the origination of 24 PPP loans totaling \$42.2 million. The majority of the PPP loans, which were each over \$1.0 million in loan amount, were to businesses located in low- or moderate-income census tracts or to businesses that retained jobs for low- or moderate-income borrowers.

The bank made a lower number but higher dollar amount of community development loans in comparison to all three similarly situated banks. Yet, in comparison to average total assets and average total loans, the bank was higher in comparison to all three similarly situated banks, in part due to the bank's significant growth during the evaluation timeframe. The following tables detail the bank's community development lending by activity year and assessment area. Please refer to the Community Development Test section of each assessment area for additional details on community development lending.

Community Development Lending by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2017 (Partial)	-	--	-	--	-	--	-	--	-	--
2018	-	--	-	--	-	--	-	--	-	--
2019	2	4,900	-	--	-	--	-	--	2	4,900
2020	2	2,162	-	--	-	--	15	24,483	17	26,645
2021	5	7,255	1	2,915	3	18,500	14	28,311	23	56,981
2022	6	8,868	-	--	5	14,130	5	19,590	16	42,588
2023 (YTD)	-	--	1	2,800	-	--	3	8,195	4	10,995
Total	15	23,185	2	5,715	8	32,630	37	80,579	62	142.109
<i>Source: Bank Records</i>										

As shown in the following table, the analysis of the bank's performance in making community development loans is primarily based on its activity within the Orlando MSA AA and Tampa MSA AA. Additionally, the community development lending includes 25 loans totaling approximately \$66.4 million originated outside the assessment areas, which will not directly benefit the assessment areas but within a broader regional or statewide area. Since the bank has been responsive to the community development needs of its assessment areas, examiners considered these loans under the Community Development Test.

Community Development Lending by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Orlando MSA AA	3	5,500	1	2,800	1	2,000	7	10,882	12	21,182
Tampa MSA AA	4	4,617	-	--	-	--	9	23,642	13	28,259
Jacksonville MSA AA	-	--	-	--	1	2,870	4	7,137	5	10,007
Ft. Myers MSA AA	-	--	-	--	-	--	4	10,796	4	10,796
Deltona MSA AA	-	--	-	--	-	--	2	2,504	2	2,504
Naples MSA AA	-	--	1	2,915	-	--	-	--	1	2,915
Total in Assessment Areas	7	10,117	2	5,715	2	4,870	26	54,961	37	75,663
Regional or Statewide Areas	8	13,068	-	--	6	27,760	11	25,618	25	66,446
Total	15	23,185	2	5,715	8	32,630	37	80,579	62	142,109
<i>Source: Bank Records</i>										

Below are notable examples of the bank’s community development loans originated in the broader regional or statewide areas:

- In 2019 and 2022, the bank originated five affordable housing loans totaling \$8.8 million, which helped lower-income families with affordable home loans. All multifamily properties were located in low- or moderate-income geographies and rents were below fair market rent for the area.
- The institution originated six PPP loans totaling \$8.2 million to organizations that supported stabilization of area businesses during the COVID-19 pandemic.

Qualified Investments

Overall, Cogent Bank originated an adequate level of qualified investments, given its asset size and branching structure. The qualified investments were responsive to the assessment areas’ needs and opportunities for community development investments.

Cogent Bank made 91 qualified investments and donations totaling approximately \$7.9 million. Qualified investments and donations included one previous investment totaling \$1.1 million, nine new investments totaling \$6.7 million, and 81 donations totaling \$108,000. This dollar amount represents 1.3 percent of average total assets and 8.6 percent of average securities since the previous evaluation. The bank’s activity is higher than all similarly situated institutions; however, the majority, by number and dollar amount, are in greater regional or statewide areas. The following tables show the bank’s investment and donation totals by activity year and assessment area. Please refer to the Community Development Test section of each assessment area for additional details on qualified investments.

Qualified Investments and Donations by Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	-	--	-	--	1	1,074	-	--	1	1,074
2017 (Partial)	-	--	-	--	-	--	-	--	-	--
2018	-	--	-	--	-	--	-	--	-	--
2019	-	--	9	6	-	--	-	--	9	6
2020	-	--	14	6	-	--	-	--	14	6
2021	1	2,077	22	27	-	--	-	--	23	2,104
2022	3	3,010	26	46	3	1,625	1	1	33	4,682
2023 (YTD)	1	10	10	57	-	--	-	--	11	67
Total	5	5,097	81	142	4	2,699	1	1	91	7,939
<i>Source: Bank Records.</i>										

As shown in the below table, the bank’s performance in making qualified investments is primarily based on its activity within the Orlando MSA AA and Tampa MSA AA. Also, qualified investments include 53 qualified investments totaling approximately \$4.4 million originated outside the assessment areas, but within a broader regional or statewide area.

Qualified Investments and Donations by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Orlando MSA AA	1	2,077	19	53	-	--	1	1	21	2,131
Tampa MSA AA	-	--	3	3	2	1,375	-	--	5	1,378
Jacksonville MSA AA	-	--	7	42	-	--	-	--	7	42
Ft. Myers MSA AA	-	--	4	7	-	--	-	--	4	7
Deltona MSA AA	-	--	-	--	-	--	-	--	-	--
Naples MSA AA	-	--	1	2	-	--	-	--	1	2
Total in Assessment Areas	1	2,077	34	107	2	1,375	1	1	38	3,560
Regional or Statewide Areas	4	3,020	47	35	2	1,324	-	--	53	4,379
Total	5	5,097	81	142	4	2,699	1	1	91	7,939
<i>Source: Bank Records.</i>										

Below are notable examples of the bank’s qualified investments originated in the broader regional or statewide areas:

- In 2022 and 2023, the bank originated four qualified investments totaling \$3.0 million to an organization that is a certified community development financial institution and lending consortium of banking institutions that facilitate private investment for community revitalization and neighborhood preservation. The organization provides flexible financing for affordable housing and community development.

- The institution maintains a prior qualified investment totaling \$1.1 million that is an SBA Program bond.

Community Development Services

Overall, Cogent Bank provided an adequate level of community development services, given its asset size and branching structure. The community development services were responsive to the assessment areas’ needs and opportunities for community development services. Cogent Bank provided 86 community development services to 31 organizations throughout the assessment areas. By number, the institution’s performance is above the performance of all three similarly situated institutions. Directors, officers, and employees provided financial services and technical assistance to organizations with a community development mission. The following tables provide a list of community service totals by activity year and assessment area. Please refer to the Community Development Test section within each assessment area for further details on community development services.

Community Development Services by Year					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Total
	#	#	#	#	#
2017 (Partial)	-	-	-	-	-
2018	1	2	1	-	4
2019	1	4	2	-	7
2020	1	10	4	-	15
2021	1	15	2	-	18
2022	3	27	2	1	33
2023 (YTD)	1	8	-	-	9
Total	8	66	11	1	86

Source: Bank Records.

As shown in the following table, the bank’s performance in providing qualified services is primarily based on its activity within the Orlando MSA AA, Tampa MSA AA, and Ft. Myers MSA AA.

Community Development Services by Assessment Area					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Orlando MSA AA	8	21	2	-	31
Tampa MSA AA	-	12	9	-	21
Jacksonville MSA AA	-	9	-	-	9
Ft. Myers MSA AA	-	16	-	1	17
Deltona MSA AA	-	5	-	-	5
Naples MSA AA	-	3	-	-	3
Total in Assessment	8	66	11	1	86
Regional or Statewide	-	-	-	-	-
Total	8	66	11	1	86

Source: Bank Records.

Additionally, Cogent Bank demonstrated qualitative community service credit by being responsive in helping to meet immediate community needs. Specifically, the institution offered convenient services tailored for the COVID-19 Pandemic and the FEMA declared disaster due to Hurricane Ian with SBA PPP loans and loan modifications.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution's CRA rating.

ORLANDO MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE ORLANDO MSA ASSESSMENT AREA

Cogent Bank’s Orlando MSA AA consists of 356 census tracts across all of Orange and Seminole Counties, which comprise part of the Orlando-Kissimmee-Sanford, Florida MSA. Of the 356 census tracts, 14 are low-, 93 are moderate-, 111 are middle-, 132 are upper-income census tracts and 6 census tracts are not income designated. At the prior evaluation, based on previous census data, this assessment area consisted of 100 census tracts, which included all 86 census tracts within Seminole County and a portion, 14 census tracts, within Orange County.

Two of the bank’s eight offices, or 25.0 percent, are located in this assessment area, including the bank’s main office. Since the previous evaluation, the bank’s main office was relocated to Orange County, and the bank opened a new branch, the Winter Park Banking Center, also in Orange County. Of the two offices, one is located in a moderate-income census tract, and one is in an upper-income census tract. The assessment area also accounts for 42.8 percent of the bank’s lending and 45.3 percent of the institution’s deposits.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the Orlando MSA AA based on the 2020 U.S. Census and 2022 D&B Data.

Demographic Information of the Orlando MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	356	3.9	26.1	31.2	37.1	1.7
Population by Geography	1,900,764	3.9	24.6	30.2	40.0	1.4
Housing Units by Geography	738,047	3.5	25.6	31.2	38.5	1.3
Owner-Occupied Units by Geography	379,452	1.4	19.0	31.3	47.9	0.4
Occupied Rental Units by Geography	266,717	5.5	33.7	32.1	26.4	2.3
Vacant Units by Geography	91,878	6.6	29.1	27.8	34.5	2.1
Businesses by Geography	449,770	2.0	24.4	29.4	42.8	1.4
Farms by Geography	7,561	2.0	24.3	32.1	40.9	0.7
Family Distribution by Income Level	429,393	20.4	17.1	18.5	44.1	0.0
Household Distribution by Income Level	646,169	21.7	16.5	18.2	43.6	0.0
Median Family Income MSA - 36740 Orlando-Kissimmee-Sanford, FL MSA	\$70,774	Median Housing Value				\$256,293
		Median Gross Rent				\$1,316
		Families Below Poverty Level				9.7%
<i>Source: 2020 U.S. Census Data and 2022 D&B Data. Due to rounding, totals may not equal 100.0 percent. *The NA category consists of geographies (census tracts) that have not been assigned an income classification.</i>						

The *Borrower Profile* criterion compares the bank’s small business loans to the distribution of businesses by gross annual revenues (GARs). In 2022, GARs for these businesses are as follows: 93.9 percent had \$1.0 million or less, 1.7 percent had more than \$1.0 million, and 4.4 percent had unknown revenues.

As shown in the table below, the annual unemployment rates for Orange and Seminole Counties declined from 2020 to 2022, after the peak in second quarter 2020 due to the COVID-19 pandemic. Seminole County’s unemployment rate has been lower than the State of Florida and the Nation’s unemployment rates. Orange County’s unemployment rate has been higher or comparable to the State of Florida and mostly lower or comparable to Nation’s unemployment rates, with the exception of 2020, when its rate was significantly higher than the Nation.

Unemployment Rates			
Area	2020	2021	2022
	%	%	%
Orange County	11.2	5.1	2.9
Seminole County	7.6	4.1	2.7
State of Florida	8.1	4.6	2.9
Nation	8.1	5.3	3.6

Source: Bureau of Labor Statistics.

In terms of businesses and the economy, the 2022 D&B data shows the top industries in the Orlando MSA AA were services; retail trade; and construction. According to *Moody’s Analytics, Inc.*, the largest employers in the Orlando MSA AA are Walt Disney Parks & Resorts US; Advent Health; Universal Studios Florida at Universal Orlando Resort; Orlando Health; and Orlando International Airport.

Competition

There is a high level of competition for financial services in the assessment area. In addition to competing with large national and regional banks, Cogent Bank competes with local banks, credit unions, and finance companies. As of June 30, 2022, 38 FDIC-insured institutions operated 352 offices within the assessment area. The top five banks, by deposit market share, were Truist Bank; Bank of America, National Association (N.A.); Wells Fargo Bank, N.A.; JP Morgan Chase Bank, N.A.; and Regions Bank. Collectively, these five banks account for 72.5 percent of the deposit market share. Cogent Bank ranked 18th in total deposits, with a market share of 0.8 percent.

In addition, there is a high level of competition for small business loans in the assessment area. Cogent Bank is not required to report small business data and has elected not to report such information. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, with regard to competition for small business loans, aggregate data for 2021 indicates 223 lenders reported 80,000 small business loans. The top five institutions (by number of loans) were American Express National Bank; JPMorgan Chase Bank, N.A.; Bank of America, N.A.; Wells Fargo Bank, N.A.; and Cross River. Collectively, these leading institutions accounted for 63.5 percent of the total market share.

Community Contact

As part of the CRA evaluation process, examiners typically contact community organizations, or utilize existing community contacts, to gain insight regarding the credit needs and economic conditions of an assessment area. For this evaluation, examiners utilized an existing community

contact from the Orlando MSA AA. The contact is familiar with the economic development needs of the Orlando MSA and stated that small businesses credit needs include seed capital, venture, debt, and equity financing. In addition, the contact stated that the area's greatest economic weakness is affordable housing.

Credit and Community Development Needs and Opportunities

Based on demographic and economic data, as well as information gathered from a community contact, some conclusions regarding the credit needs of the assessment area can be derived. First, small business loans are needed, since a significant percentage of businesses have gross annual revenues of \$1.0 million or less, at 93.9 percent, and the community contact identified this as a need for the area. Additionally, the high percentage of low- and moderate-income families, at 37.5 percent, and median housing value of \$256,293 indicate a need for affordable housing. Further, government-guaranteed home loan programs with more flexible underwriting criteria is needed.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE ORLANDO MSA AA

LENDING TEST

Cogent Bank's lending performance within the Orlando MSA AA reflects reasonable performance.

Geographic Distribution

Cogent Bank's geographic distribution of loans within the Orlando MSA AA reflects reasonable dispersion throughout the AA. As shown in the following table, the bank originated 1.1 percent of the loans in low-income census tracts in 2021 and did not originate any loans in low-income census tracts in 2022. However, the percent of businesses located in low-income census tracts was limited to two percent or less, which represents limited opportunity to lend in these areas. Lending performance in moderate-income census tracts is considerably higher in 2021, but lower than demographic data in 2022.

Geographic Distribution of Small Business Loans in the Orlando MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2021	1.6	4	1.1	397	0.6
2022	2.0	--	--	--	--
Moderate					
2021	23.5	114	30.2	24,749	36.0
2022	24.4	11	14.7	4,886	16.9
Middle					
2021	32.4	84	22.3	12,500	18.2
2022	29.4	15	20.0	6,076	21.0
Upper					
2021	42.6	175	46.4	31,140	45.2
2022	42.8	49	65.3	17,921	62.1
Not Available					
2021	0.0	--	--	--	--
2022	1.4	--	--	--	--
Totals					
2021	100.0	377	100.0	68,786	100.0
2022	100.0	75	100.0	28,883	100.0
<i>Source: 2020 & 2021 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects a poor penetration among businesses of different sizes. As shown in the table below, in 2021 and 2022, the bank's performance in originating small business loans to businesses with GARs of \$1.0 million or less was lower than demographics by both number and dollar volume. The bank's performance in 2018 was slightly better.

Distribution of Small Business Loans by Gross Annual Revenue Category in the Orlando MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2021	93.1	203	53.8	28,593	41.6
2022	93.9	26	34.7	11,101	38.4
>\$1,000,000					
2021	2.0	119	31.6	36,724	53.4
2022	1.7	47	62.6	17,419	60.3
Revenue Not Available					
2021	4.9	55	14.6	3,469	5.0
2022	4.4	2	2.7	363	1.3
Totals					
2021	100.0	377	100.0	68,786	100.0
2022	100.0	75	100.0	28,883	100.0

Source: 2021 & 2022 D&B Data and Bank Record. Due to rounding, totals may not equal 100.0%

COMMUNITY DEVELOPMENT TEST

Cogent Bank’s community development performance demonstrates adequate responsiveness to community development needs in the assessment area through community development loans, qualified investments, and community development services.

Community Development Loans

In the Orlando MSA AA, Cogent Bank extended 12 community development loans totaling \$21.2 million during the evaluation period. This amount represents 32.4 percent, by number, and 28.0 percent, by dollar volume, of the total community development loans extended in the assessment areas. Below are notable examples of the bank’s community development loans originated in this assessment area:

- In 2020 and 2021, the bank originated seven PPP loans totaling \$10.9 million in low- and moderate-income census tracts or to businesses that retained jobs for low- or moderate-income borrowers, which helped to revitalize or stabilize low- and moderate-income geographies.
- In 2021 and 2022, the bank originated two affordable housing loans totaling \$5.0 million on multifamily properties. All rental units assisted low- to moderate-income tenants, as rents were below fair market rent for the area. One property is located in Orange County and the other is in Seminole County, with both properties located in moderate-income census tracts.
- In 2023, the institution extended a \$2.8 million loan to purchase a medical office and urgent care clinic that will provide needed medical services to the community. The new medical

facilities are located in a moderate-income census tract within Orange County.

Qualified Investments

Cogent Bank purchased one investment totaling \$2.1 million that directly benefited the Orlando MSA AA. The bank also made 20 donations totaling \$54,000. The qualified investments and donations within this assessment area account for 55.3 percent, by number, and 60.0 percent, by dollar amount, of the bank's total qualified investments and donations. Below are notable examples of the bank's qualified investments and donations extended in this assessment area:

- The bank purchased one mortgage-backed security totaling \$2.1 million secured by properties located in low- or moderate-income geographies or that serve low- and moderate-income individuals within the assessment area.
- From 2018 through 2023, the bank made a total of \$54,000 in donations to various community service organizations that assist low- and moderate-income individuals.

Community Development Services

Cogent Bank personnel provided 31 community development services to various organizations throughout the Orlando MSA AA. By purpose, 21 activities provided community services for low- and moderate-income individuals, 8 activities helped with affordable housing, and 2 activities supported economic development. Below are notable examples of the bank's qualified community development services extended in this assessment area:

- From 2018 through 2023, an executive officer served in a leadership capacity as a Board member to a non-profit certified community development corporation that is licensed by the SBA to offer the 504 Loan Program.
- From 2018 through 2023, a bank officer devoted their financial expertise in serving on the Financial Committee of a non-profit organization that provides housing to over 500 low-income individuals and families. The organization is located in a moderate-income census tract in the Orlando MSA AA.
- In 2019 and 2020, two officers serve on the Board of a non-profit community service organization. The organization serves over 200 low-income, homeless families with children and assists them with basic provisions of shelter, food, clothing, and tutoring.

TAMPA MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE TAMPA MSA ASSESSMENT AREA

Cogent Bank’s Tampa MSA AA consists of 610 census tracts across all of Hillsborough and Pinellas Counties, which are part of the Tampa-St. Petersburg-Clearwater, Florida MSA. Of the 610 census tracts, 31 are low-, 138 are moderate-, 232 are middle-, and 186 are upper-income census tracts. Additionally, 23 census tracts are not income designated. The Tampa MSA AA is a new assessment area for the bank since the previous evaluation.

Two of the bank’s eight offices, or 25.0 percent, is located in this assessment area. Since the previous evaluation, the bank opened the Tampa Banking Center and the Clearwater Banking Center, both of which are located in middle-income census tracts. The assessment area also accounts for 26.0 percent of the bank’s lending and 16.8 percent of the institution’s deposits.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the Tampa MSA AA based on the 2020 U.S. Census and 2022 D&B Data.

Demographic Information of the Tampa MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	610	5.1	22.6	38.0	30.5	3.8
Population by Geography	2,418,869	4.1	22.1	39.0	33.5	1.3
Housing Units by Geography	1,101,512	4.0	21.7	39.7	33.1	1.5
Owner-Occupied Units by Geography	601,454	1.4	18.8	40.4	38.8	0.6
Occupied Rental Units by Geography	351,704	8.2	27.0	39.3	22.9	2.6
Vacant Units by Geography	148,354	4.4	20.6	38.1	34.3	2.6
Businesses by Geography	524,786	3.3	18.8	33.8	41.7	2.3
Farms by Geography	10,177	2.8	22.0	39.8	34.6	0.8
Family Distribution by Income Level	571,567	20.3	17.4	18.9	43.4	0.0
Household Distribution by Income Level	953,158	22.8	16.4	17.2	43.6	0.0
Median Family Income MSA - 45300 Tampa-St. Petersburg-Clearwater, FL MSA	\$71,769	Median Housing Value			\$238,160	
		Median Gross Rent			\$1,203	
		Families Below Poverty Level			8.9%	
<small>Source: 2020 U.S. Census Data and 2022 D&B Data. Due to rounding, totals may not equal 100.0 percent. *The NA category consists of geographies (census tracts) that have not been assigned an income classification.</small>						

The *Borrower Profile* criterion compares the bank’s small business loans to the distribution of businesses by GARs. In 2022, GARs for these businesses are as follows: 93.6 percent had \$1.0 million or less, 1.9 percent had more than \$1.0 million, and 4.5 percent had unknown revenues.

As shown in the table below, the annual unemployment rates for Hillsborough and Pinellas Counties declined from 2020 to 2022, after the peak in second quarter 2020 due to the COVID-19 pandemic. Both Hillsborough and Pinellas Counties’ unemployment rates have been lower than the State of Florida and the Nation’s unemployment rates.

Unemployment Rates			
Area	2020	2021	2022
	%	%	%
Hillsborough County	7.5	4.3	2.8
Pinellas County	7.5	4.1	2.6
State of Florida	8.1	4.6	2.9
Nation	8.1	5.3	3.6

Source: Bureau of Labor Statistics.

In terms of businesses and the economy, the 2022 D&B data shows the top industries in the Tampa MSA AA were services; finance, insurance and real estate; and retail trade. According to *Moody's Analytics, Inc.*, the largest employers in the Tampa MSA AA are BayCare Health System; Publix Super Markets, Inc.; Hillsborough County School District; HCA Florida Healthcare; and MacDill Air Force Base.

Competition

There is a high level of competition for financial services in the assessment area. In addition to competing with large national and regional banks, Cogent Bank competes with local banks, credit unions, and finance companies. As of June 30, 2022, 51 FDIC-insured institutions operated 507 offices within the assessment area. The top five banks, by deposit market share, were Raymond James Bank; Bank of America, N.A.; Truist Bank; Wells Fargo Bank, N.A.; and Regions Bank. Collectively, these five banks account for 71.4 percent of the deposit market share. Cogent Bank ranked 33rd in total deposits, with a market share of 0.2 percent.

In addition, there is a high level of competition for small business loans in the assessment area. Cogent Bank is not required to report small business data and has elected not to report such information. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, with regard to competition for small business loans, aggregate data for 2021 indicates 247 lenders reported 92,448 small business loans. The top five institutions (by number of loans) were American Express National Bank; Bank of America, N.A.; JPMorgan Chase Bank, N.A.; Wells Fargo Bank, N.A.; and Truist Bank. Collectively, these leading institutions accounted for 65.5 percent of the total market share.

Community Contact

During this evaluation, examiners utilized an existing community contact with an economic development organization that serves the Tampa MSA AA. The contact noted that there had been weaknesses in the economy including job losses in leisure and hospitality, professional and business services, and retail trade. The contact noted that COVID had affected the community, and banks helped meet a need by continuing to provide PPP funding.

The contact familiar with the needs in the City of Tampa and Hillsborough County noted that banks have the opportunity to support small businesses through small business loans. In addition, there are multiple opportunity zones where banks may help with economic development in distressed

communities through affordable housing and job creation. Hillsborough County opportunity zones include Palm River, Port of Tampa, Tampa International Airport, University of South Florida, and Ybor City. Lastly, banks may assist with financial planning for developers and startup businesses who are coming to Tampa and need funds to fill financial gaps. Overall, the contact perceives both small and large banks as being involved in economic and community development in the Tampa area.

Credit and Community Development Needs and Opportunities

Based on demographic and economic data, and information obtained from a recent community contact, some conclusions regarding the credit needs of the Tampa MSA AA can be derived. Initially, small business loans, including loans to start-up businesses, represent a primary credit need in the assessment area based on the demographic and economic data as well as the information from a community contact. Also, the existence of a significant percentage of businesses with gross annual revenues of \$1.0 million or less, at 93.6 percent, further supports this conclusion. Secondly, affordable housing represents an additional need, as 37.7 percent of the families are low- or moderate-income. Lastly, due to the poverty level at 8.9 percent, financial education is also a need.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE TAMPA MSA AA

LENDING TEST

Cogent Bank's lending performance within the Tampa MSA AA reflects reasonable performance.

Geographic Distribution

The geographic distribution of loans within the Tampa MSA AA reflects reasonable dispersion throughout the AA. As shown in the following table, the bank originated 7.6 percent of the loans in low-income census tracts in 2021, which is above demographics, at 5.0 percent. The bank did not originate any loans in low-income census tracts in 2022. However, the percent of businesses located in low-income census tracts was limited to 3.3 percent in 2022, which represents limited opportunity to lend in these areas. Lending performance in moderate-income census tracts is comparable to demographic data in both 2021 and 2022. The bank's performance in 2019 was better in low-income census tracts but lower in moderate-income census tracts. In 2018, the bank's performance was much better in moderate-income census tracts.

Geographic Distribution of Small Business Loans in the Tampa MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2021	5.0	18	7.6	1,922	6.4
2022	3.3	--	--	--	--
Moderate					
2021	17.9	35	14.8	5,451	18.1
2022	18.8	9	23.7	2,842	17.5
Middle					
2021	33.7	89	37.5	10,734	35.7
2022	33.8	12	31.6	5,484	33.7
Upper					
2021	43.1	95	40.1	11,961	39.8
2022	41.7	13	34.2	6,131	37.7
Not Available					
2021	0.3	--	--	--	--
2022	2.3	4	10.5	1,800	11.1
Totals					
2021	100.0	237	100.0	30,068	100.0
2022	100.0	38	100.0	16,257	100.0
<i>Source: 2020 & 2021 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects a poor penetration among businesses of different sizes. As shown in the table below, in 2021 and 2022, the bank's performance in originating small business loans to businesses with GARs of \$1.0 million or less was lower than demographics by both number and dollar volume. The bank's performance was better in 2018 and 2019.

Distribution of Small Business Loans by Gross Annual Revenue Category in the Tampa MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2021	92.7	158	66.7	19,061	63.4
2022	93.6	20	52.6	7,962	49.0
>\$1,000,000					
2021	2.3	35	14.7	9,818	32.6
2022	1.9	13	34.2	6,540	40.2
Revenue Not Available					
2021	5.0	44	18.6	1,189	4.0
2022	4.5	5	13.2	1,755	10.8
Totals					
2021	100.0	237	100.0	30,068	100.0
2022	100.0	38	100.0	16,257	100.0

Source: 2021 & 2022 D&B Data and Bank Record. Due to rounding, totals may not equal 100.0%

COMMUNITY DEVELOPMENT TEST

Cogent Bank’s community development performance demonstrates adequate responsiveness to community development needs in the assessment area through community development loans, qualified investments, and community development services.

Community Development Loans

During the evaluation period, Cogent Bank extended 13 community development loans totaling \$28.3 million in the Tampa MSA AA. This amount represents 35.1 percent, by number, and 37.4 percent, by dollar volume, of the total community development loans extended in the assessment areas. Below are notable examples of the bank’s community development loans originated in this assessment area:

- In 2020, the bank originated three PPP loans totaling \$8.2 million in low- and moderate-income census tracts or to businesses that retained jobs for low- or moderate-income borrowers, which helped to revitalize or stabilize low- and moderate-income geographies.
- In 2022, the institution extended four working capital loans totaling \$12.5 million to a business for Hurricane Ian repairs. Two loans were located in low-income census tracts within Hillsborough County and two loans were located in moderate-income census tracts within Hillsborough County. Hillsborough County was declared a FEMA declared disaster area due to Hurricane Ian.
- In 2020 and 2021, the bank originated three affordable housing loans on multifamily properties totaling \$3.2 million. All three properties were located in low- or moderate-

income census tracts with below fair market rents on a significant majority of the units. Two properties were located in Hillsborough County, and one was located in Pinellas County.

Qualified Investments

Cogent Bank purchased two investments totaling \$1.4 million that directly benefited the Tampa MSA AA. The bank also made three donations totaling \$3,000. The qualified investments and donations within this assessment area account for 13.2 percent, by number, and 38.9 percent, by dollar amount, of the bank's total qualified investments and donations. Below are notable examples of the bank's qualified investments and donations extended in this assessment area:

- In 2022, the bank invested in a small business investment company (SBIC) for \$1.0 million that provides expansion capital to a business. The economic development investment helped the small business grow and create 190 permanent jobs within the assessment area.
- In 2022, the bank invested in another SBIC for \$375,000. The investment provided capital to support permanent jobs in technology-enabled small businesses within the Tampa MSA AA.

Community Development Services

Cogent Bank personnel provided 21 community development services to various organizations throughout the Tampa MSA AA. By purpose, 12 activities provided community services for low- and moderate-income individuals, and nine activities supported economic development. Below are notable examples of the bank's qualified community development services extended in this assessment area:

- From 2019 to 2022, an officer served as a Board member of an economic development non-profit organization. The organization works to promote economic development in a moderate-income census tract within the assessment area.
- From 2019 to 2022, an employee provided financial expertise by serving on the Board of a non-profit organization for various charitable organizations within the community. The charitable organizations provide literacy education classes to low- and moderate-income individuals within the assessment area.
- In 2022 and 2023, an officer served on the Board as a Treasurer for a non-profit organization that provides free meals to low- and moderate-income individuals and families.

JACKSONVILLE MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE JACKSONVILLE MSA ASSESSMENT AREA

Cogent Bank’s Jacksonville MSA AA consists of 264 census tracts across all of Clay and Duval Counties, which are part of the Jacksonville, Florida MSA. Of the 264 census tracts, 22 are low-, 79 are moderate-, 100 are middle-, 59 are upper-income census tracts and 4 census tracts are not income designated. The Jacksonville MSA AA is a new assessment area for the bank, since the previous evaluation.

Of the bank’s eight offices, one, or 12.5 percent, are located in this assessment area. Since the previous evaluation, the bank opened the Jacksonville Banking Center, which is located in a middle-income census tract. The assessment area also accounts for 12.7 percent of the bank’s lending and 11.8 percent of the institution’s deposits.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the Jacksonville MSA AA based on the 2020 U.S. Census and 2022 D&B Data.

Demographic Information of the Jacksonville MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	264	8.3	29.9	37.9	22.3	1.5
Population by Geography	1,213,812	6.5	29.1	40.5	23.2	0.7
Housing Units by Geography	494,813	7.2	29.9	38.5	23.6	0.8
Owner-Occupied Units by Geography	269,179	4.5	23.5	41.4	29.9	0.6
Occupied Rental Units by Geography	175,885	10.0	38.3	35.3	15.4	1.1
Vacant Units by Geography	49,749	12.0	34.8	34.2	18.5	0.6
Businesses by Geography	224,247	6.0	25.7	39.5	26.5	2.4
Farms by Geography	5,128	5.8	26.6	43.1	22.8	1.7
Family Distribution by Income Level	282,647	23.4	19.2	20.4	37.0	0.0
Household Distribution by Income Level	445,064	24.7	17.6	19.3	38.4	0.0
Median Family Income MSA - 27260 Jacksonville, FL MSA	\$76,537	Median Housing Value				\$199,160
		Median Gross Rent				\$1,116
		Families Below Poverty Level				10.0%
Source: 2020 U.S. Census Data and 2022 D&B Data. Due to rounding, totals may not equal 100.0 percent. *The NA category consists of geographies (census tracts) that have not been assigned an income classification.						

The *Borrower Profile* criterion compares the bank’s small business loans to the distribution of businesses by GARs. In 2022, GARs for these businesses are as follows: 92.8 percent had \$1.0 million or less, 1.9 percent had more than \$1.0 million, and 5.3 percent had unknown revenues.

As shown in the table below, the annual unemployment rates for Clay and Duval Counties declined from 2020 to 2022, after the peak in second quarter 2020 due to the COVID-19 pandemic. The unemployment rates for Clay County have been lower than the unemployment rates in Duval County. With the exception of Duval County in 2022, both Clay and Duval Counties’

unemployment rates have been lower than the State of Florida and the Nation’s unemployment rates. In 2022, Duval County’s unemployment rate was just slightly higher than the State of Florida, but lower than the Nation’s unemployment rate.

Unemployment Rates			
Area	2020	2021	2022
	%	%	%
Clay County	5.6	3.6	2.6
Duval County	7.2	4.5	3.0
State of Florida	8.1	4.6	2.9
Nation	8.1	5.3	3.6

Source: Bureau of Labor Statistics.

In terms of businesses and the economy, the 2022 D&B data shows the top industries in the Jacksonville MSA AA were services; retail trade; and finance, insurance and real estate. According to *Moody’s Analytics, Inc.*, the largest employers in the Jacksonville MSA AA are Naval Air Station Jacksonville; Baptist Health; Mayport Naval Station; Mayo Clinic; and Florida Blue.

Competition

There is a moderate level of competition for financial services in the assessment area. In addition to competing with large national and regional banks, Cogent Bank competes with local banks, credit unions, and finance companies. As of June 30, 2022, 26 FDIC-insured institutions operated 167 offices within the assessment area. The top five banks, by deposit market share, were Bank of America, N.A; Tiaa, FSB; Wells Fargo Bank, N.A.; Truist Bank; and Ameris Bank. Collectively, these five banks account for 91.7 percent of the deposit market share. Cogent Bank ranked 18th in total deposits, with a market share of 0.1 percent.

In addition, there is a moderate level of competition for small business loans in the assessment area. Cogent Bank is not required to report small business data and has elected not to report such information. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, with regard to competition for small business loans, aggregate data for 2021 indicates 171 lenders reported 34,577 small business loans. The top five institutions (by number of loans) were American Express National Bank; Bank of America, N.A.; JPMorgan Chase Bank, N.A.; Wells Fargo Bank, N.A.; and Capital One Bank (USA), N.A. Collectively, these leading institutions accounted for 52.8 percent of the total market share.

Community Contact

For this evaluation, examiners utilized an existing community contact from the Jacksonville MSA AA. The contact is familiar with the economic development needs of the Jacksonville MSA and stated that small businesses credit needs include low-interest lines of credit to assist with small business cash flow issues. In addition, the contact specified that a product opportunity would be micro-loans at low interest rates that are managed by financial institutions in partnerships with local non-profit organization serving start-up businesses.

Credit and Community Development Needs and Opportunities

Based on demographic and economic data, and information obtained from an existing community contact, some conclusions regarding the credit needs of the Jacksonville MSA AA can be derived. Based on D&B data, 92.8 percent of businesses have gross annual revenues of \$1.0 million or less, indicating a need for small business loans, lines of credit, and counseling. This need was further expanded upon by a community contact who added that there is a need for low-interest lines of credit to assist with small business cash flow issues, and low-interest rate micro-loans for start-up businesses. In addition, based on demographic data, the relatively high percentage of low- and moderate-income families, at 42.6 percent, and the high poverty rate, at 10.0 percent, indicates a need for affordable housing and financial education. However, it is doubtful that many of these families would qualify for typical home loans. Thus, government-guaranteed home loan programs with more flexible underwriting criteria may be needed.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE JACKSONVILLE MSA AA

LENDING TEST

Cogent Bank's lending performance within the Jacksonville MSA AA reflects reasonable performance.

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AA. As shown in the following table, the bank originated 9.6 percent of the loans in low-income census tracts in 2021, which is above demographics at 5.7 percent. However, the bank did not originate any loans in low-income census tracts in 2022. Yet, the percent of businesses located in low-income census tracts was limited to 6.0 percent, which represents limited opportunity to lend in these areas. Lending performance in moderate-income census tracts is slightly higher, both by number and dollar amount, than demographics in 2021 and 2022. The bank's performance was lower in 2018 through 2020, but still reasonable.

Geographic Distribution of Small Business Loans in the Jacksonville MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2021	5.7	9	9.6	1,804	10.6
2022	6.0	--	--	--	--
Moderate					
2021	25.0	29	30.9	4,746	27.8
2022	25.7	11	27.5	3,752	31.5
Middle					
2021	36.2	32	34.0	6,076	35.5
2022	39.5	17	42.5	5,364	45.0
Upper					
2021	33.1	24	25.5	4,461	26.1
2022	26.5	12	30.0	2,815	12.5
Not Available					
2021	0.0	--	--	--	--
2022	2.4	--	--	--	--
Totals					
2021	100.0	94	100.0	17,087	100.0
2022	100.0	40	100.0	11,931	100.0
<i>Source: 2020 & 2021 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects a poor penetration among businesses of different sizes. As shown in the table below, in 2021 and 2022, the bank's performance in originating small business loans to businesses with GARs of \$1.0 million or less was lower than demographics by both number and dollar volume. The bank's performance was also lower than demographic data in 2018 and 2020.

Distribution of Small Business Loans by Gross Annual Revenue Category in the Jacksonville MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2021	91.8	65	69.1	10,311	60.3
2022	92.8	22	55.0	6,916	58.0
>\$1,000,000					
2021	2.3	20	21.3	5,348	31.3
2022	1.9	17	42.5	4,890	41.0
Revenue Not Available					
2021	5.9	9	9.6	1,428	8.4
2022	5.3	1	2.5	125	1.0
Totals					
2021	100.0	94	100.0	17,087	100.0
2022	100.0	40	100.0	11,931	100.0

Source: 2021 & 2022 D&B Data and Bank Record. Due to rounding, totals may not equal 100.0%

COMMUNITY DEVELOPMENT TEST

Cogent Bank’s community development performance demonstrates adequate responsiveness to community development needs in the assessment area through community development loans, qualified investments, and community development services.

Community Development Loans

In the Jacksonville MSA AA, Cogent Bank extended 5 community development loans totaling \$10.0 million during the evaluation period. This amount represents 13.5 percent by number and 13.2 percent by dollar volume of the total community development loans extended in the assessment areas. Below are notable examples of the bank’s community development loans originated in this assessment area:

- In 2022, the bank extended one loan totaling \$4.0 million to a business located in a low-income census tract within Duval County. The loan assisted with purchasing new equipment to assist in growing the business, hiring additional low- to moderate-income individuals, and revitalizing/stabilizing the low-income geography.
- In 2020, the bank originated three PPP loans totaling \$3.1 million in low- and moderate-income census tracts or to businesses that retained jobs for low- or moderate-income individuals, which helped to revitalize or stabilize low- and moderate-income geographies.
- In 2023, the bank originated one economic development loan totaling \$2.9 million to a new business. The purpose of the loan was to purchase commercial real estate and construct a building that will employ low- to moderate-income employees. The new business will be

located in a low-income census tract located in Duval County.

Qualified Investments

Cogent Bank purchased one investment totaling \$35,000 that directly benefited the Jacksonville MSA AA. The bank also made six donations totaling \$7,000. The qualified investments and donations within this assessment area account for 18.4 percent, by number, and 1.2 percent, by dollar amount, of the bank's total qualified investments and donations in the assessment areas. Below are notable examples of the bank's qualified investments and donations extended in this assessment area:

- In 2023, the institution invested in a business that provides financial literacy courses and instructor support to 20 Title 1 schools with the majority of students eligible for the Federal Free- or Reduced-Lunch programs. The on-line training courses are presented by the teachers or by Cogent Bank employees.

Community Development Services

Cogent Bank personnel provided nine community development services to various organizations throughout the Jacksonville MSA AA. By purpose, all nine activities provided community services for low- and moderate-income individuals. Below are notable examples of the bank's qualified community development services extended in this assessment area:

- In 2022, four employees provided literacy education classes to two schools within the assessment area. Both schools are Title 1 schools with over 75 percent of the students qualify for the Federal Free- or Reduced-Lunch programs.
- In 2021, an officer provided financial services to a non-profit community service organization that provides services for the homeless within the assessment area. The organization helps the homeless by providing housing, meals and healthcare.

FT. MYERS MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE FT. MYERS MSA ASSESSMENT AREA

Cogent Bank’s Ft. Myers MSA AA consists of 223 census tracts across all of Lee County, which comprises part of the Cape Coral-Ft. Myers, Florida MSA. Of the 223 census tracts, 5 are low-, 48 are moderate-, 99 are middle-, 66 are upper-income census tracts and 5 census tracts are not income designated. The Ft. Myers MSA AA is a new assessment area for the bank since the previous evaluation.

Of the bank’s eight offices, one, or 12.5 percent, is located in this assessment area. Since the previous evaluation, the bank opened the Ft. Myers Banking Center, which is located in a middle-income census tract. The assessment area also accounts for 11.7 percent of the bank’s lending and 16.4 percent of the institution’s deposits.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the Ft. Myers MSA AA based on the 2020 U.S. Census and 2022 D&B Data.

Demographic Information of the Ft. Myers MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	223	2.2	21.5	44.4	29.6	2.2
Population by Geography	760,822	2.3	23.7	46.7	26.4	0.8
Housing Units by Geography	401,252	1.7	20.3	44.9	32.2	0.9
Owner-Occupied Units by Geography	209,905	1.0	17.1	49.6	32.1	0.2
Occupied Rental Units by Geography	79,011	4.7	36.5	40.3	18.1	0.4
Vacant Units by Geography	112,336	1.1	14.9	39.4	42.3	2.4
Businesses by Geography	154,094	2.1	21.9	46.1	29.2	0.6
Farms by Geography	4,341	1.9	22.2	49.4	26.3	0.2
Family Distribution by Income Level	187,877	19.3	19.0	20.8	40.9	0.0
Household Distribution by Income Level	288,916	22.3	17.0	19.2	41.4	0.0
Median Family Income MSA - 15980 Cape Coral-Fort Myers, FL MSA	\$71,043	Median Housing Value				\$264,556
		Median Gross Rent				\$1,253
		Families Below Poverty Level				7.9%
<i>Source: 2020 U.S. Census Data and 2022 D&B Data. Due to rounding, totals may not equal 100.0 percent. *The NA category consists of geographies (census tracts) that have not been assigned an income classification.</i>						

The *Borrower Profile* criterion compares the bank’s small business loans to the distribution of businesses by GARs. In 2022, GARs for these businesses were as follows: 93.9 percent had \$1.0 million or less, 1.7 percent had more than \$1.0 million, and 4.4 percent had unknown revenues.

As shown in the table below, the annual unemployment rate for Lee County declined from 2020 to 2022, after the peak in second quarter 2020 due to the COVID-19 pandemic. With the exception of 2022, the unemployment rate for Lee County has been generally lower, than the State of Florida and

the Nation’s unemployment rates. In 2022, Lee County’s unemployment rate was slightly higher than the State of Florida, but lower than the Nation’s unemployment rate.

Unemployment Rates			
Area	2020	2021	2022
	%	%	%
Lee County	7.7	4.2	3.1
State of Florida	8.1	4.6	2.9
Nation	8.1	5.3	3.6

Source: Bureau of Labor Statistics.

In terms of businesses and the economy, the 2022 D&B data shows the top industries in the Ft. Myers MSA AA were services, retail trade, and construction. According to *Moody’s Analytics, Inc.*, the largest employers in the Ft. Myers MSA AA are Lee Memorial Health System; Publix Super Markets, Inc.; Florida Gulf Coast University; Walmart Inc.; and Hope Hospice.

Competition

There is a moderate level of competition for financial services in the assessment area. In addition to competing with large national and regional banks, Cogent Bank competes with local banks, credit unions, and finance companies. As of June 30, 2022, 32 FDIC-insured institutions operated 165 offices within the assessment area. The top five banks, by deposit market share, were Bank of America, National Association N.A.; Wells Fargo Bank, N.A.; Truist Bank; Fifth Third Bank N.A.; and JP Morgan Chase Bank, N.A. Collectively, these five banks account for 61.5 percent of the deposit market share. Cogent Bank ranked 21st in total deposits with a market share of 0.8 percent.

In addition, there is a moderate level of competition for small business loans in the assessment area. Cogent Bank is not required to report small business data and has elected not to report such information. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, with regard to competition for small business loans, aggregate data for 2021 indicates 202 lenders reported 27,670 small business loans. The top five institutions (by number of loans) were American Express National Bank; Bank of America, N.A.; JPMorgan Chase Bank, N.A.; Wells Fargo Bank, N.A.; and Truist Financial. Collectively, these leading institutions accounted for 55.0 percent of the total market share.

Community Contact

For this evaluation, examiners conducted a new community contact for the assessment area. The contact is familiar with the economic development needs of the Ft. Myers MSA and stated that Hurricane Ian occurred on the heels of the COVID-19 pandemic. Post-Hurricane Ian, commercial operations were damaged and disrupted resulting in lasting impacts still found within the local economy. Due to the nature of the enterprises impacted, recovery resources were limited and found that private ownership of these assets was an impediment to accessing capital funding options. The long leadtime in activating funds allocated to local government did not align with the economic needs of these businesses. Facilitating faster access to capital for small businesses and preparing community plans to mitigate disaster impacts are needed.

Additionally, the contact stated that start-up business loans, working capital lines of credit, and small business financial counseling are needs within the area. The contact stated there is a large population of under-banked consumers and small business owners who are not financially literate. These individuals and businesses do not have access to financial service support and educational programs to be able to bring them up to speed at the same rate of recovery as larger businesses and institutions. Lastly, the contact noted that there is a small network of community banks in the area that attempt to meet the needs of their operating communities. However, together they still do not have the capacity to serve the full needs of the county and its residents. There are a lack of resources for those that have less-than-optimal credit scores, and local leaders are working to put together a community development corporation to fill the gap on providing the full spectrum of services to underserved communities, areas, and projects.

Credit and Community Development Needs and Opportunities

Based on demographic and economic data, as well as information gathered from a recent community contact, some conclusions regarding the credit needs of the assessment area can be derived. First, the need for timely loans and lines of credit, as well as financial counseling, supporting small businesses is evident, as small businesses comprise over 90 percent of all the assessment area's business throughout the evaluation timeframe. This need is magnified by the adverse impacts of the pandemic and subsequent hurricane. There is also a need for affordable home loans, given that 38.3 percent of the families are living at low- or moderate-income levels and 7.9 percent of the families are living below the poverty level. Lastly, home repair and renovation loans are needed based on the widespread and lingering impact from the hurricane. Additionally, demographic data reflects that the average median age of housing stock is 41 years, with the average median age of housing stock in low- and moderate-income tracts being 48 years and 50 years, respectively.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE FT. MYERS MSA AA

LENDING TEST

Cogent Bank's lending performance within the Ft. Myers MSA AA reflects reasonable performance.

Geographic Distribution

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. As shown in the following table, the bank originated 2.1 percent of the loans in low-income census tracts in 2021 and 3.8 percent of the loans in low-income census tracts in 2022. Additionally, the institution extended 20.8 percent of the loans in moderate-income census tracts in 2021 and 22.2 percent of the loans in moderate-income census tracts in 2022. Lending performance in low- and moderate-income census tracts is comparable to or exceeded demographics for both years.

Geographic Distribution of Small Business Loans in the Ft. Myers MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2021	2.9	2	2.1	1,058	6.1
2022	2.1	1	3.8	96	1.1
Moderate					
2021	22.8	20	20.8	4,400	25.6
2022	21.9	6	22.2	1,805	19.8
Middle					
2021	41.0	35	36.5	7,229	42.0
2022	46.1	10	37.0	2,201	24.1
Upper					
2021	33.1	39	40.6	4,529	26.3
2022	29.2	10	37.0	5,023	55.0
Not Available					
2021	0.1	--	--	--	--
2022	0.6	--	--	--	--
Totals					
2021	100.0	96	100.0	17,216	100.0
2022	100.0	27	100.0	9,125	100.0
<i>Source: 2020 & 2021 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects a poor penetration among businesses of different sizes. As shown in the table below, the bank originated 60.4 percent in 2021 and 48.2 percent in 2022 (by number), and 42.5 percent in 2021 and 66.1 percent (by dollar amount), of the small business loans to businesses with GARs of \$1.0 million or less. The bank's performance is below demographics and was lower in 2020.

Distribution of Small Business Loans by Gross Annual Revenue Category in the Ft. Myers MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2021	93.2	58	60.4	7,307	42.5
2022	93.9	13	48.2	6,032	66.1
>\$1,000,000					
2021	2.0	19	19.8	9,283	53.9
2022	1.7	13	48.2	2,823	30.9
Revenue Not Available					
2021	4.8	19	19.8	626	3.6
2022	4.4	1	3.6	270	3.0
Totals					
2021	100.0	96	100.0	17,216	100.0
2022	100.0	27	100.0	9,125	100.0
<i>Source: 2021 & 2022 D&B Data and Bank Record. Due to rounding, totals may not equal 100.0%</i>					

COMMUNITY DEVELOPMENT TEST

Cogent Bank’s community development performance demonstrates adequate responsiveness to community development needs in the assessment area through community development loans, qualified investments, and community development services.

Community Development Loans

In the Ft. Myers MSA AA, Cogent Bank extended four community development loans totaling \$10.8 million during the evaluation period. This amount represents 10.8 percent, by number, and 14.3 percent, by dollar volume, of the total community development loans extended in the assessment areas. Below are notable examples of the bank’s community development loans originated in this assessment area:

- In 2020 and 2021, the bank originated four PPP loans totaling \$10.8 million in low- and moderate-income census tracts or to businesses that retained jobs for low- or moderate-income individuals, which helped to revitalize or stabilize low- and moderate-income geographies.

Qualified Investments

Cogent Bank did not make any investments but made four donations totaling \$7,000 that directly benefited the Ft. Myers MSA AA. The qualified donations within this assessment area account for 10.5 percent, by number, and 0.2 percent, by dollar amount, of the bank's total qualified investments and donations in the assessment areas. Below are notable examples of the bank’s qualified donations extended in this assessment area:

- The bank made four donations totaling \$7,000 to two non-profit community service organizations that provide services to low- and moderate-income individuals and families. Services provided include healthcare services for homeless and migrant workers, and shelter, food, and education for mentally challenged residents within the assessment area.

Community Development Services

Cogent Bank personnel provided 17 community development services to various organizations throughout the Ft. Myers MSA AA. By purpose, 16 activities provided community services to low- and moderate-income individuals, and one activity helped with revitalization/stabilization. Below are notable examples of the bank's qualified community development services extended in this assessment area:

- From 2020 to 2023, an employee provided financial services and technical assistance, such as tax preparation, and assisted with financial planning for programs to a national, non-profit community service organization. The organization's purpose is to improve the quality of life for low- and moderate-income individuals.
- From 2020 to 2022, a bank officer served on the Board of a non-profit community service organization that assisted low- and moderate-income individuals with disabilities. The organization helps mentally challenged residents with items such as shelter, food, and education. The organization is located in a low-income census tract within Lee County.
- From 2020 to 2023, an employee serving as the Secretary of the Board, provided financial services and technical assistance, to a non-profit community service organization. The organization provides healthcare services to low- and moderate-income individuals and families, with most being homeless and migrant workers.

DELTONA ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE DELTONA ASSESSMENT AREA

Cogent Bank’s Deltona MSA AA consists of 130 census tracts across all of Volusia County, which is part of the Deltona-Daytona Beach-Ormond Beach, Florida MSA. Of the 130 census tracts, 6 are low-, 24 are moderate-, 73 are middle-, 26 are upper-income census tracts and 1 census tract is not income designated. At the prior evaluation, based on previous census data, this assessment area consisted of all 114 census tracts within Volusia County.

One of the bank’s eight offices, or 12.5 percent, is located in this assessment area. Since the previous evaluation, the bank moved the main office from this assessment area and re-designated the office as the Orange City Banking Center, which is located in an upper-income census tract. The assessment area also accounts for 3.9 percent of the bank’s lending and 6.6 percent of the institution’s deposits.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the Deltona MSA AA based on the 2020 U.S. Census and 2022 D&B Data.

Demographic Information of the Deltona MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	130	4.6	18.5	56.2	20.0	0.8
Population by Geography	553,543	3.1	15.4	57.5	23.9	0.0
Housing Units by Geography	262,438	3.1	16.3	56.8	23.8	0.0
Owner-Occupied Units by Geography	156,968	1.8	12.0	58.2	28.0	0.0
Occupied Rental Units by Geography	63,418	6.1	26.8	55.5	11.6	0.0
Vacant Units by Geography	42,052	3.3	16.3	53.7	26.8	0.0
Businesses by Geography	96,264	3.8	17.3	52.6	26.2	0.0
Farms by Geography	3,383	2.5	14.0	57.3	26.2	0.0
Family Distribution by Income Level	136,510	19.3	19.0	21.8	39.9	0.0
Household Distribution by Income Level	220,386	23.4	17.3	18.1	41.2	0.0
Median Family Income MSA - 19660 Deltona-Daytona Beach-Ormond Beach, FL MSA		\$65,794	Median Housing Value			\$197,974
			Median Gross Rent			\$1,100
			Families Below Poverty Level			8.2%
<i>Source: 2020 U.S. Census Data and 2022 D&B Data. Due to rounding, totals may not equal 100.0 percent. *The NA category consists of geographies (census tracts) that have not been assigned an income classification.</i>						

As shown in the table below, the annual unemployment rate for Volusia County declined from 2020 to 2022, after the peak in second quarter 2020 due to the COVID-19 pandemic. The unemployment rate for Volusia County has been comparable to the State of Florida’s unemployment rate and slightly lower than the Nation’s unemployment rate.

Unemployment Rates			
Area	2020	2021	2022
	%	%	%
Volusia County	8.0	4.7	3.1
State of Florida	8.1	4.6	2.9
Nation	8.1	5.3	3.6
<i>Source: Bureau of Labor Statistics.</i>			

In terms of businesses and the economy, the 2022 D&B data shows the top industries in the Deltona MSA AA were services, retail trade, and construction. According to *Moody's Analytics, Inc.*, the largest employers in the Deltona MSA AA are Halifax Medical Center; Publix Super Markets, Inc.; Florida Hospital Ormond Memorial; Walmart Inc.; and Vision HR Inc.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE DELTONA MSA AA

LENDING TEST

Cogent Bank's lending performance within the Deltona MSA AA reflects reasonable performance that is consistent with the overall Lending Test conclusion. The reasonable distribution of small business loans supports this conclusion. Conclusions regarding the institution's CRA performance within the Deltona MSA AA's limited-scope area were derived from reviewing available facts and data, including performance data and demographic information. The institution originated 36 small business loans totaling \$5.5 million in 2021, and 5 small business loans totaling \$2.3 million in 2020, within this assessment area.

Geographic Distribution

Cogent Bank's lending performance within the Deltona MSA AA reflects reasonable performance. The reasonable distribution of small business loans supports this conclusion.

Small Business Loans

The bank did not originate any loans within low-income census tracts in 2021 or 2022. Yet, demographics reflect only 2.6 percent of the businesses in 2021, and 3.8 percent of the businesses in 2022, were located in low-income census tracts, which limits the lending opportunity in these areas. The bank extended 5.6 percent of its loans in moderate-income census tracts in 2021, which is below demographics at 20.8 percent, and 60.0 percent of its loans in moderate-income census tracts in 2022, which is above demographics at 17.3 percent.

Borrower Profile

The distribution of borrowers reflects poor penetration among businesses of different sizes. This conclusion is based on a poor penetration of the small business loans.

Small Business Loans

The bank originated 47.2 percent of its small business loans in 2021, and 40.0 percent of its small business loans in 2022, to businesses with GARs of \$1.0 million or less. The bank's performance is below demographics of 93.0 percent in 2021, and 93.7 percent in 2022. The bank's performance was lower in 2020.

COMMUNITY DEVELOPMENT TEST

Cogent Bank's community development performance in the Deltona MSA AA is reasonable performance for the bank and consistent with the overall Community Development Test conclusion. This conclusion is based on adequate community development activities within the Deltona MSA AA.

Community Development Loans

The bank originated two community development loans totaling \$2.5 million, which supported revitalization/stabilization activities, within this assessment area.

Qualified Investments

The institution did not purchase any investments or make any donations within this assessment area.

Community Development Services

Bank personnel provided five community development services for organizations, which supported community service activities, within this assessment area.

NAPLES ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE NAPLES ASSESSMENT AREA

Cogent Bank’s Naples MSA AA consists of 109 census tracts across all of Collier County, which comprises the Naples-Marco Island, Florida MSA. Of the 130 census tracts, 8 are low-, 21 are moderate-, 44 are middle-, and 33 are upper-income census tracts. Additionally, three census tracts are not income designated. The Naples MSA AA is a new assessment area for the bank since the previous evaluation.

One of the bank’s eight offices, or 12.5 percent, is located in this assessment area. Since the previous evaluation, the bank opened the Naples Banking Center, which is located in an upper-income census tract. The assessment area also accounts for 2.9 percent of the bank’s lending and 3.1 percent of the institution’s deposits.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the Naples MSA AA based on the 2020 U.S. Census and 2022 D&B Data.

Demographic Information of the Naples MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	109	7.3	19.3	40.4	30.3	2.8
Population by Geography	375,752	7.1	21.8	40.2	29.8	1.2
Housing Units by Geography	218,348	3.8	16.3	41.5	37.3	1.2
Owner-Occupied Units by Geography	110,083	2.3	17.4	40.7	38.4	1.2
Occupied Rental Units by Geography	37,894	12.2	23.9	42.1	21.1	0.8
Vacant Units by Geography	70,371	1.6	10.5	42.3	44.2	1.3
Businesses by Geography	94,608	2.6	15.3	41.9	39.2	1.1
Farms by Geography	2,153	7.7	26.3	41.6	23.8	0.7
Family Distribution by Income Level	98,121	21.9	18.0	19.6	40.5	0.0
Household Distribution by Income Level	147,977	23.7	16.8	16.9	42.5	0.0
Median Family Income MSA - 34940 Naples-Marco Island, FL MSA		\$84,784	Median Housing Value			\$472,689
			Median Gross Rent			\$1,368
			Families Below Poverty Level			7.1%
<i>Source: 2020 U.S. Census Data and 2022 D&B Data. Due to rounding, totals may not equal 100.0 percent. *The NA category consists of geographies (census tracts) that have not been assigned an income classification.</i>						

As shown in the table below, the annual unemployment rate for Collier County declined from 2020 to 2022, after the peak in second quarter 2020 due to the COVID-19 pandemic. The Collier County’s unemployment rate has been lower than the State of Florida and the Nation’s unemployment rates.

Unemployment Rates			
Area	2020	2021	2022
	%	%	%
Collier County	7.3	3.7	2.8
State of Florida	8.1	4.6	2.9
Nation	8.1	5.3	3.6
<i>Source: Bureau of Labor Statistics.</i>			

In terms of businesses and the economy, the 2022 D&B data shows the top industries in the Deltona MSA AA were services; finance, insurance and real estate; and construction. According to *Moody's Analytics, Inc.*, the largest employers in the Naples MSA AA are Naples Community Hospital Inc.; Publix Super Markets, Inc.; Arthrex Inc. & Manufacturing; Walmart Inc.; and Ritz-Carlton Hotel Co. LLC.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE NAPLES MSA AA

LENDING TEST

Cogent Bank's lending performance within the Naples MSA AA reflects poor performance and is not consistent with the overall Lending Test conclusion. However, given the limited activity, the performance does not change the bank's rating. The poor distribution of small business loans supports this conclusion. Conclusions regarding the institution's CRA performance within the Naples MSA AA's limited-scope area was derived from reviewing available facts and data, including performance data and demographic information. The institution originated 31 small business loans totaling \$9.9 million in 2022, within this assessment area.

Geographic Distribution

Cogent Bank's lending performance within the Naples MSA AA reflects poor performance. The poor distribution of small business loans supports this conclusion.

Small Business Loans

The bank did not originate any loans within low- or moderate-income census tracts in 2022. Demographics reflect that 2.6 percent of the businesses are in low-income census tracts in 2022 and 15.3 percent of the businesses are in moderate-income census tracts. No small business loans were originated in this AA in 2021.

Borrower Profile

The distribution of borrowers reflects a poor penetration among businesses of different sizes. This conclusion is based on a poor penetration of the small business loans.

Small Business Loans

The bank originated 67.7 percent of its small business loans in 2022, to businesses with GAR of \$1.0 million or less. The bank's performance is below demographics of 94.3 percent in 2022. No small business loans were originated in this AA in 2021.

COMMUNITY DEVELOPMENT TEST

Cogent Bank's community development performance in the Naples MSA AA is reasonable performance for the bank and consistent with the overall Community Development Test conclusion. This conclusion is based on adequate community development activities within the Naples MSA AA.

Community Development Loans

The bank originated one community development loan totaling \$2.9 million, which supported community service activities within this assessment area.

Qualified Investments

The institution made one donation totaling \$2,000 that supported community service activities within this assessment area.

Community Development Services

Bank personnel provided three community development services for organizations, which supported community service activities within this assessment area.

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

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

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

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

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

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

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