UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended March 31, 2021

Or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from __________ to __________

Commission file number: 001-13253

RENASANT CORPORATION
(Exact name of registrant as specified in its charter)

Mississippi **(State or other jurisdiction of incorporation or organization)**	**64-0676974** **(I.R.S. Employer Identification No.)**
209 Troy Street, Tupelo, Mississippi **(Address of principal executive offices)**	**38804-4827** **(Zip Code)**

(662) 680-1001
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $5.00 par value per share	RNST	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 30, 2021, 56,314,166 shares of the registrant’s common stock, $5.00 par value per share, were outstanding.

Renasant Corporation and Subsidiaries

Form 10-Q

For the Quarterly Period Ended March 31, 2021

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PART I. FINANCIAL INFORMATION
Item 1. FINANCIAL STATEMENTS

Renasant Corporation and Subsidiaries
Consolidated Balance Sheets

(In Thousands, Except Share Data)

	(Unaudited) March 31, 2021	December 31, 2020
Assets		
Cash and due from banks	$ 206,992	$ 176,372
Interest-bearing balances with banks	1,054,924	456,831
Cash and cash equivalents	1,261,916	633,203
Securities available for sale, at fair value	1,536,041	1,343,457
Loans held for sale, at fair value	502,002	417,771
Loans, net of unearned income:		
Non purchased loans and leases	9,292,502	9,419,540
Purchased loans	1,395,906	1,514,107
Total loans, net of unearned income	10,688,408	10,933,647
Allowance for credit losses	(173,106)	(176,144)
Loans, net	10,515,302	10,757,503
Premises and equipment, net	300,917	300,496
Other real estate owned:		
Non purchased	2,292	2,045
Purchased	3,679	3,927
Total other real estate owned, net	5,971	5,972
Goodwill	939,683	939,683
Other intangible assets, net	28,542	30,139
Bank-owned life insurance	233,508	230,609
Mortgage servicing rights	80,263	62,994
Other assets	218,426	207,785
Total assets	$ 15,622,571	$ 14,929,612
Liabilities and shareholders' equity		
Liabilities		
Deposits		
Noninterest-bearing	$ 4,135,360	$ 3,685,048
Interest-bearing	8,601,548	8,374,033
Total deposits	12,736,908	12,059,081
Short-term borrowings	12,154	21,340
Long-term debt	467,660	474,970
Other liabilities	232,148	241,488
Total liabilities	13,448,870	12,796,879
Shareholders' equity		
Preferred stock, $0.01 par value – 5,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, $5.00 par value – 150,000,000 shares authorized; 59,296,725 shares issued; 56,294,346 and 56,200,487 shares outstanding, respectively	296,483	296,483
Treasury stock, at cost – 3,002,379 and 3,096,238 shares, respectively	(98,949)	(101,554)
Additional paid-in capital	1,294,911	1,296,963
Retained earnings	661,117	615,773
Accumulated other comprehensive income, net of taxes	20,139	25,068
Total shareholders' equity	2,173,701	2,132,733
Total liabilities and shareholders' equity	$ 15,622,571	$ 14,929,612

See Notes to Consolidated Financial Statements.

Renasant Corporation and Subsidiaries
Consolidated Statements of Income (Unaudited)

(In Thousands, Except Share Data)

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
Interest income		
Loans	$ 115,005	$ 120,606
Securities		
Taxable	4,917	7,302
Tax-exempt	1,657	1,454
Other	183	811
Total interest income	121,762	130,173
Interest expense		
Deposits	8,279	18,494
Borrowings	3,835	5,077
Total interest expense	12,114	23,571
Net interest income	109,648	106,602
Provision for loan losses	—	26,350
Provision for other credit losses	—	—
Provision for credit losses	—	26,350
Net interest income after provision for credit losses	109,648	80,252
Noninterest income		
Service charges on deposit accounts	8,023	9,070
Fees and commissions	3,900	3,054
Insurance commissions	2,237	1,991
Wealth management revenue	4,792	4,002
Mortgage banking income	50,733	15,535
Net gain on sales of securities	1,357	—
BOLI income	2,072	1,163
Other	7,923	2,755
Total noninterest income	81,037	37,570
Noninterest expense		
Salaries and employee benefits	78,696	73,189
Data processing	5,451	5,006
Net occupancy and equipment	12,538	14,120
Other real estate owned	41	418
Professional fees	2,921	2,641
Advertising and public relations	3,252	3,400
Intangible amortization	1,598	1,895
Communications	2,292	2,198
Restructuring charges	292	—
Other	8,854	12,174
Total noninterest expense	115,935	115,041
Income before income taxes	74,750	2,781
Income taxes	16,842	773
Net income	$ 57,908	$ 2,008
Basic earnings per share	$ 1.03	$ 0.04
Diluted earnings per share	$ 1.02	$ 0.04
Cash dividends per common share	$ 0.22	$ 0.22

See Notes to Consolidated Financial Statements.

Renasant Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income (Unaudited)

(In Thousands)

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
Net income	$ 57,908	$ 2,008
Other comprehensive income, net of tax:		
Securities available for sale:		
Unrealized holding (losses) gains on securities	(14,943)	16,694
Reclassification adjustment for gains realized in net income	(1,012)	—
Total securities available for sale	(15,955)	16,694
Derivative instruments:		
Unrealized holding gains (losses) on derivative instruments	10,984	(3,003)
Total derivative instruments	10,984	(3,003)
Defined benefit pension and post-retirement benefit plans:		
Amortization of net actuarial loss recognized in net periodic pension cost	42	46
Total defined benefit pension and post-retirement benefit plans	42	46
Other comprehensive (loss) income, net of tax	(4,929)	13,737
Comprehensive income	$ 52,979	$ 15,745

See Notes to Consolidated Financial Statements.

Renasant Corporation and Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity
(Unaudited)

(In Thousands, Except Share Data)

Three Months Ended March 31, 2021	Common Stock Shares	Common Stock Amount	Treasury Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance at January 1, 2021	56,200,487	$ 296,483	$ (101,554)	$ 1,296,963	$ 615,773	$ 25,068	$ 2,132,733
Net income	—	—	—	—	57,908	—	57,908
Other comprehensive loss	—	—	—	—	—	(4,929)	(4,929)
Comprehensive income							52,979
Cash dividends ($0.22 per share)	—	—	—	—	(12,564)	—	(12,564)
Issuance of common stock for stock-based compensation awards	93,859	—	2,605	(4,808)	—	—	(2,203)
Stock-based compensation expense	—	—	—	2,756	—	—	2,756
Balance at March 31, 2021	56,294,346	$ 296,483	$ (98,949)	$ 1,294,911	$ 661,117	$ 20,139	$ 2,173,701

Three Months Ended March 31, 2020	Common Stock Shares	Common Stock Amount	Treasury Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total
Balance at January 1, 2020	56,855,002	$ 296,483	$ (83,189)	$ 1,294,276	$ 617,355	$ 764	$ 2,125,689
Cumulative effect adjustment due to the adoption of ASU 2016-13	—	—	—	—	(35,099)	—	(35,099)
Net income	—	—	—	—	2,008	—	2,008
Other comprehensive income	—	—	—	—	—	13,737	13,737
Comprehensive income							15,745
Cash dividends ($0.22 per share)	—	—	—	—	(12,555)	—	(12,555)
Repurchase of shares in connection with stock repurchase program	(818,886)	—	(24,569)	—	—	—	(24,569)
Issuance of common stock for stock-based compensation awards	104,902	—	4,138	(5,587)	—	—	(1,449)
Stock-based compensation expense	—	—	—	2,750	—	—	2,750
Balance at March 31, 2020	56,141,018	$ 296,483	$ (103,620)	$ 1,291,439	$ 571,709	$ 14,501	$ 2,070,512

See Notes to Consolidated Financial Statements.

Renasant Corporation and Subsidiaries
Consolidated Statements of Cash Flows (Unaudited)
(In Thousands)

	Three Months Ended March 31,	
	2021	**2020**
Operating activities		
Net income	$ 57,908	$ 2,008
Adjustments to reconcile net income to net cash used in operating activities:		
Provision for credit losses	—	26,350
Depreciation, amortization and accretion	10,059	4,937
Deferred income tax expense (benefit)	5,542	(2,791)
Funding of mortgage loans held for sale	(1,143,349)	(715,760)
Proceeds from sales of mortgage loans held for sale	1,082,538	607,017
Gains on sales of mortgage loans held for sale	(33,901)	(21,782)
Valuation adjustment to mortgage servicing rights	(13,561)	9,571
Gains on sales of securities	(1,357)	—
Gains on sales of premises and equipment	(22)	—
Stock-based compensation expense	2,756	2,750
Increase in other assets	(11,800)	(70,631)
(Decrease) increase in other liabilities	(11,601)	35,331
Net cash used in operating activities	(56,788)	(123,000)
Investing activities		
Purchases of securities available for sale	(465,245)	(123,670)
Proceeds from sales of securities available for sale	155,391	—
Proceeds from call/maturities of securities available for sale	95,382	76,269
Net decrease (increase) in loans	243,250	(69,337)
Purchases of premises and equipment	(2,630)	(1,941)
Proceeds from sales of premises and equipment	34	—
Net change in FHLB stock	(24)	(12,432)
Proceeds from sales of other assets	1,962	770
Other, net	1,346	—
Net cash provided by (used in) investing activities	29,466	(130,341)
Financing activities		
Net increase in noninterest-bearing deposits	450,312	90,289
Net increase in interest-bearing deposits	227,515	109,115
Net (decrease) increase in short-term borrowings	(9,186)	313,946
Repayment of long-term debt	(42)	(43)
Cash paid for dividends	(12,564)	(12,555)
Repurchase of shares in connection with stock repurchase program	—	(24,569)
Net cash provided by financing activities	656,035	476,183
Net increase in cash and cash equivalents	628,713	222,842
Cash and cash equivalents at beginning of period	633,203	414,930
Cash and cash equivalents at end of period	$ 1,261,916	$ 637,772
Supplemental disclosures		
Cash paid for interest	$ 15,108	$ 26,264
Cash paid for income taxes	$ 18,032	$ 4,176
Noncash transactions:		
Transfers of loans to other real estate owned	$ 2,039	$ 1,641
Financed sales of other real estate owned	$ —	$ 159
Recognition of operating right-of-use assets	$ 3,601	$ 1,968
Recognition of operating lease liabilities	$ 3,601	$ 2,034

See Notes to Consolidated Financial Statements.

Renasant Corporation and Subsidiaries
Notes to Consolidated Financial Statements (Unaudited)

Note 1 – Summary of Significant Accounting Policies

(In Thousands)

Nature of Operations: Renasant Corporation (referred to herein as the "Company") owns and operates Renasant Bank ("Renasant Bank" or the "Bank"), Renasant Insurance, Inc. and Park Place Capital Corporation. Through its subsidiaries, the Company offers a diversified range of financial, wealth management, fiduciary and insurance services to its retail and commercial customers from full service offices located throughout Mississippi, Tennessee, Alabama, Georgia, Florida, North Carolina and South Carolina.

Basis of Presentation: The accompanying unaudited consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. For further information regarding the Company's significant accounting policies, refer to the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 filed with the Securities and Exchange Commission on February 26, 2021.

Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates, and such differences may be material.

Impact of Recently-Issued Accounting Standards and Pronouncements:

In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-04, *"Reference Rate Reform (Topic 842): Facilitation of the Effects of Reference Rate Reform on Financial Reporting"* ("ASU 2020-04"), which provides temporary, optional guidance to ease the potential burden in accounting for reference rate reform on financial reporting. ASU 2020-04 provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions if certain criteria are met that reference LIBOR or another reference rate expected to be discontinued. As the guidance is intended to assist stakeholders during the global market-wide reference rate transition period, it is in effect only from March 12, 2020 through December 31, 2022. The Company has established a LIBOR Transition Committee and is currently evaluating the impact of adopting ASU 2020-04 on the Company's financial statements.

Note 2 – Securities

(In Thousands, Except Number of Securities)

The amortized cost and fair value of securities available for sale were as follows as of the dates presented in the tables below. There was no allowance for credit losses allocated to any of the Company’s available for sale securities as of March 31, 2021 or December 31, 2020.

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
March 31, 2021				
U.S. Treasury securities	$ 3,028	$ 22	$ —	$ 3,050
Obligations of other U.S. Government agencies and corporations	1,001	3	—	1,004
Obligations of states and political subdivisions	321,156	9,344	(1,682)	328,818
Residential mortgage backed securities:				
Government agency mortgage backed securities	453,792	14,869	(2,206)	466,455
Government agency collateralized mortgage obligations	538,317	1,733	(4,718)	535,332
Commercial mortgage backed securities:				
Government agency mortgage backed securities	22,448	580	(23)	23,005
Government agency collateralized mortgage obligations	115,103	1,889	(1,814)	115,178
Other debt securities	61,113	2,126	(40)	63,199
	$ 1,515,958	$ 30,566	$ (10,483)	$ 1,536,041

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2020				
U.S. Treasury securities	$ 7,047	$ 32	$ —	$ 7,079
Obligations of other U.S. Government agencies and corporations	1,003	6	—	1,009
Obligations of states and political subdivisions	291,231	14,015	(45)	305,201
Residential mortgage backed securities:				
Government agency mortgage backed securities	581,105	21,564	(23)	602,646
Government agency collateralized mortgage obligations	218,373	1,946	(51)	220,268
Commercial mortgage backed securities:				
Government agency mortgage backed securities	29,053	1,235	(1)	30,287
Government agency collateralized mortgage obligations	99,377	2,992	(21)	102,348
Trust preferred securities	12,013	—	(3,001)	9,012
Other debt securities	62,771	2,909	(73)	65,607
	$ 1,301,973	$ 44,699	$ (3,215)	$ 1,343,457

Securities sold were as follows for the periods presented:

	Carrying Value	Net Proceeds	Gain/(Loss)
Three months ended March 31, 2021			
Obligations of states and political subdivisions	$ 47	$ 50	$ 3
Residential mortgage backed securities:			
Government agency mortgage backed securities	136,340	139,735	3,395
Government agency collateralized mortgage obligations	5,626	5,646	20
Trust preferred securities	12,021	9,960	(2,061)
	$ 154,034	$ 155,391	$ 1,357

There were no securities sold during the three months ended March 31, 2020.

Gross realized gains and losses on sales of securities available for sale for the three months ended March 31, 2021 were as follows:

	Three Months Ended March 31, 2021
Gross gains on sales of securities available for sale	$ 3,508
Gross losses on sales of securities available for sale	(2,151)
Gains on sales of securities available for sale, net	$ 1,357

At March 31, 2021 and December 31, 2020, securities with a carrying value of $611,832 and $582,338, respectively, were pledged to secure government, public and trust deposits. Securities with a carrying value of $21,256 and $32,272 were pledged as collateral for short-term borrowings and derivative instruments at March 31, 2021 and December 31, 2020, respectively.

The amortized cost and fair value of securities at March 31, 2021 by contractual maturity are shown below. Expected maturities will differ from contractual maturities because issuers may call or prepay obligations with or without call or prepayment penalties.

	Available for Sale	
	Amortized Cost	Fair Value
Due within one year	$ 10,286	$ 10,401
Due after one year through five years	40,177	41,896
Due after five years through ten years	66,563	69,568
Due after ten years	235,945	239,498
Residential mortgage backed securities:		
Government agency mortgage backed securities	453,792	466,455
Government agency collateralized mortgage obligations	538,317	535,332
Commercial mortgage backed securities:		
Government agency mortgage backed securities	22,448	23,005
Government agency collateralized mortgage obligations	115,103	115,178
Other debt securities	33,327	34,708
	$ 1,515,958	$ 1,536,041

The following table presents the age of gross unrealized losses and fair value by investment category for which an allowance for credit losses has not been recorded as of the dates presented:

	Less than 12 Months			12 Months or More			Total		
	#	Fair Value	Unrealized Losses	#	Fair Value	Unrealized Losses	#	Fair Value	Unrealized Losses
Available for Sale:									
March 31, 2021									
Obligations of states and political subdivisions	41	$ 97,392	$ (1,634)	1	$ 2,133	$ (48)	42	$ 99,525	$ (1,682)
Residential mortgage backed securities:									
Government agency mortgage backed securities	14	119,498	(2,206)	—	—	—	14	119,498	(2,206)
Government agency collateralized mortgage obligations	17	351,956	(4,718)	—	—	—	17	351,956	(4,718)
Commercial mortgage backed securities:									
Government agency mortgage backed securities	1	1,082	(23)	1	452	—	2	1,534	(23)
Government agency collateralized mortgage obligations	10	58,722	(1,814)	—	—	—	10	58,722	(1,814)
Other debt securities	6	9,042	(37)	1	557	(3)	7	9,599	(40)
Total	89	$ 637,692	$ (10,432)	3	$ 3,142	$ (51)	92	$ 640,834	$ (10,483)
December 31, 2020									
Obligations of states and political subdivisions	6	$ 9,403	$ (45)	—	$ —	$ —	6	$ 9,403	$ (45)
Residential mortgage backed securities:									
Government agency mortgage backed securities	2	19,755	(23)	—	—	—	2	19,755	(23)
Government agency collateralized mortgage obligations	5	27,143	(51)	—	—	—	5	27,143	(51)
Commercial mortgage backed securities:									
Government agency mortgage backed securities	1	1,538	(1)	1	459	—	2	1,997	(1)
Government agency collateralized mortgage obligations	3	14,190	(21)	—	—	—	3	14,190	(21)
Trust preferred securities	—	—	—	2	9,012	(3,001)	2	9,012	(3,001)
Other debt securities	4	3,330	(70)	1	566	(3)	5	3,896	(73)
Total	21	$ 75,359	$ (211)	4	$ 10,037	$ (3,004)	25	$ 85,396	$ (3,215)

The Company evaluates its investment portfolio for impairment related to credit losses on a quarterly basis. Impairment is assessed at the individual security level. The Company considers an investment security impaired if the fair value of the security is less than its cost or amortized cost basis. If the Company intends to sell the investment security or if the Company does not expect to recover the entire amortized cost basis of the security before the Company is required to sell the security or before the security’s maturity, the security is impaired and it is written down to fair value with all losses recognized in earnings.

The Company does not intend to sell any securities in an unrealized loss position that it holds, and it is not more likely than not that the Company will be required to sell any such security prior to the recovery of its amortized cost basis, which may be at maturity. Furthermore, even though a number of these securities have been in a continuous unrealized loss position for a period longer than twelve months, the Company is collecting principal and interest payments from the respective issuers as scheduled. As a result, no allowance for credit losses for securities was needed at March 31, 2021.

Note 3 – Non Purchased Loans

(In Thousands, Except Number of Loans)

For purposes of this Note 3, all references to “loans” mean non purchased loans excluding loans held for sale.

The following is a summary of non purchased loans and leases as of the dates presented:

	March 31, 2021	December 31, 2020
Commercial, financial, agricultural[1]	$ 2,105,444	$ 2,360,471
Lease financing	79,271	80,022
Real estate – construction:		
Residential	252,795	243,814
Commercial	680,791	583,338
Total real estate – construction	933,586	827,152
Real estate – 1-4 family mortgage:		
Primary	1,576,212	1,536,181
Home equity	432,207	432,768
Rental/investment	256,979	264,436
Land development	115,522	123,179
Total real estate – 1-4 family mortgage	2,380,920	2,356,564
Real estate – commercial mortgage:		
Owner-occupied	1,344,154	1,334,765
Non-owner occupied	2,221,206	2,194,739
Land development	110,800	120,125
Total real estate – commercial mortgage	3,676,160	3,649,629
Installment loans to individuals	121,136	149,862
Gross loans	9,296,517	9,423,700
Unearned income	(4,015)	(4,160)
Loans, net of unearned income	$ 9,292,502	$ 9,419,540

[1] Includes Paycheck Protection Program (“PPP”) loans of $860,864 and $1,128,703 as of March 31, 2021 and December 31, 2020, respectively.

Past Due and Nonaccrual Loans

Loans are considered past due if the required principal and interest payments have not been received as of the date such payments were due. Generally, the recognition of interest on loans is discontinued at the time the loan is 90 days past due unless the credit is well-secured and in process of collection. Consumer and other retail loans are typically charged-off no later than the time the loan is 120 days past due. In all cases, loans are placed on nonaccrual status or charged-off at an earlier date if collection of principal or interest is considered doubtful. Loans may be placed on nonaccrual status regardless of whether or not such loans are considered past due. All interest accrued for the current year, but not collected, for loans that are placed on nonaccrual status or charged-off is reversed against interest income. The interest on these loans is accounted for on the cash-basis or cost-recovery method, until qualifying for return to accrual status. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

The following tables provide an aging of past due accruing and nonaccruing loans, segregated by class, as of the dates presented:

	Accruing Loans				Nonaccruing Loans				
	30-89 Days Past Due	90 Days or More Past Due	Current Loans	Total Loans	30-89 Days Past Due	90 Days or More Past Due	Current Loans	Total Loans	Total Loans
March 31, 2021									
Commercial, financial, agricultural	$ 685	$ 555	$ 2,098,742	$ 2,099,982	$ 213	$ 1,606	$ 3,643	$ 5,462	$ 2,105,444
Lease financing	—	—	79,271	79,271	—	—	—	—	79,271
Real estate – construction:									
Residential	—	—	252,795	252,795	—	—	—	—	252,795
Commercial	—	—	680,791	680,791	—	—	—	—	680,791
Total real estate – construction	—	—	933,586	933,586	—	—	—	—	933,586
Real estate – 1-4 family mortgage:									
Primary	7,325	536	1,558,960	1,566,821	1,910	2,782	4,699	9,391	1,576,212
Home equity	545	150	430,672	431,367	65	343	432	840	432,207
Rental/investment	819	354	255,319	256,492	—	194	293	487	256,979
Land development	248	—	115,223	115,471	—	19	32	51	115,522
Total real estate – 1-4 family mortgage	8,937	1,040	2,360,174	2,370,151	1,975	3,338	5,456	10,769	2,380,920
Real estate – commercial mortgage:									
Owner-occupied	1,333	550	1,340,262	1,342,145	—	1,444	565	2,009	1,344,154
Non-owner occupied	3,687	—	2,211,485	2,215,172	—	360	5,674	6,034	2,221,206
Land development	41	—	110,536	110,577	—	179	44	223	110,800
Total real estate – commercial mortgage	5,061	550	3,662,283	3,667,894	—	1,983	6,283	8,266	3,676,160
Installment loans to individuals	1,147	90	119,602	120,839	57	219	21	297	121,136
Unearned income	—	—	(4,015)	(4,015)	—	—	—	—	(4,015)
Loans, net of unearned income	$ 15,830	$ 2,235	$ 9,249,643	$ 9,267,708	$ 2,245	$ 7,146	$ 15,403	$ 24,794	$ 9,292,502

	Accruing Loans				Nonaccruing Loans				
	30-89 Days Past Due	90 Days or More Past Due	Current Loans	Total Loans	30-89 Days Past Due	90 Days or More Past Due	Current Loans	Total Loans	Total Loans
December 31, 2020									
Commercial, financial, agricultural	$ 1,124	$ 231	$ 2,354,716	$ 2,356,071	$ 164	$ 1,804	$ 2,432	$ 4,400	$ 2,360,471
Lease financing	—	—	79,974	79,974	—	48	—	48	80,022
Real estate – construction:									
Residential	—	—	243,317	243,317	—	497	—	497	243,814
Commercial	—	—	583,338	583,338	—	—	—	—	583,338
Total real estate – construction	—	—	826,655	826,655	—	497	—	497	827,152
Real estate – 1-4 family mortgage:									
Primary	11,889	1,754	1,513,716	1,527,359	1,865	2,744	4,213	8,822	1,536,181
Home equity	1,152	360	430,702	432,214	66	111	377	554	432,768
Rental/investment	663	210	263,064	263,937	61	194	244	499	264,436
Land development	97	—	123,051	123,148	—	—	31	31	123,179
Total real estate – 1-4 family mortgage	13,801	2,324	2,330,533	2,346,658	1,992	3,049	4,865	9,906	2,356,564
Real estate – commercial mortgage:									
Owner-occupied	779	795	1,330,155	1,331,729	—	2,598	438	3,036	1,334,765
Non-owner occupied	922	127	2,191,440	2,192,489	—	2,197	53	2,250	2,194,739
Land development	113	115	119,820	120,048	44	29	4	77	120,125
Total real estate – commercial mortgage	1,814	1,037	3,641,415	3,644,266	44	4,824	495	5,363	3,649,629
Installment loans to individuals	896	191	148,620	149,707	4	117	34	155	149,862
Unearned income	—	—	(4,160)	(4,160)	—	—	—	—	(4,160)
Loans, net of unearned income	$ 17,635	$ 3,783	$ 9,377,753	$ 9,399,171	$ 2,204	$ 10,339	$ 7,826	$ 20,369	$ 9,419,540

Restructured loans not performing in accordance with their restructured terms that are either contractually 90 days or more past due or placed on nonaccrual status are reported as nonperforming loans. There were no restructured loans contractually 90 days past due or more and still accruing at March 31, 2021 and two restructured loans in the amount of $164 contractually 90 days past due or more and still accruing at March 31, 2020. The outstanding balance of restructured loans on nonaccrual status was $5,965 and $2,596 at March 31, 2021 and March 31, 2020, respectively.

Restructured Loans

Restructured loans are those for which concessions have been granted to the borrower due to a deterioration of the borrower's financial condition and which are performing in accordance with the new terms. Such concessions may include reduction in interest rates or deferral of interest or principal payments. In evaluating whether to restructure a loan, management analyzes the long-term financial condition of the borrower, including guarantor and collateral support, to determine whether the proposed concessions will increase the likelihood of repayment of principal and interest.

The tables below illustrate the impact of modifications classified as restructured loans which were made during the periods presented and held on the Consolidated Balance Sheets at the respective period end.

	Number of Loans	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
Three months ended March 31, 2021			
Real estate – 1-4 family mortgage:			
Primary	3	432	435
Real estate – commercial mortgage:			
Non-owner occupied	1	837	810
Total	4	$ 1,269	$ 1,245
Three months ended March 31, 2020			
Commercial, financial, agricultural	2	$ 898	$ 898
Real estate – 1-4 family mortgage:			
Primary	3	447	449
Total	5	$ 1,345	$ 1,347

With respect to loans that were restructured during the three months ended March 31, 2021 and March 31, 2020, none have subsequently defaulted as of the date of this report.

Changes in the Company's restructured loans are set forth in the table below:

	Number of Loans	Recorded Investment
Totals at January 1, 2021	76	$ 11,761
Additional advances or loans with concessions	4	1,257
Reductions due to:		
Reclassified as nonperforming	(1)	(179)
Principal paydowns	—	(122)
Totals at March 31, 2021	79	$ 12,717

The allowance for credit losses attributable to restructured loans was $328 and $193 at March 31, 2021 and March 31, 2020, respectively. The Company had no remaining availability under commitments to lend additional funds on these restructured loans at March 31, 2021 and March 31, 2020.

In response to the economic environment caused by the COVID-19 pandemic, the Company implemented a loan deferral program in the first quarter of 2020 to provide temporary payment relief to both consumer and commercial customers. Any customer current on loan payments, taxes and insurance qualified for an initial 90-day deferral of principal and interest payments. A second 90-day deferral was available to borrowers that remained current on taxes and insurance through the first deferral period and also satisfied underwriting standards established by the Company that analyzed the ability of the borrower to service its loan in accordance with its existing terms in light of the impact of the COVID-19 pandemic on the borrower, its industry and the markets in which it operated. The Company's loan deferral program complies with the guidance set forth in the

Coronavirus Aid, Relief, and Economic Security ("CARES") Act and related guidance from the FDIC and other banking regulators. As of March 31, 2021, the Company has discontinued its deferral program but 453 loans with total balances of approximately $82,000 remained on deferral. In accordance with the applicable guidance, none of these loans were considered "restructured loans."

Credit Quality

For loans with a commercial purpose, internal risk-rating grades are assigned by lending, credit administration or loan review personnel, based on an analysis of the financial and collateral strength and other credit attributes underlying each loan. Management analyzes the resulting ratings, as well as other external statistics and factors such as delinquency, to track the migration performance of the portfolio balances of commercial and commercial real estate secured loans. Loan grades range between 1 and 9, with 1 being loans with the least credit risk. Loans within the "Pass" grade (reserved for loans with a risk rating between 1 and 4C) generally have a lower risk of loss and therefore a lower risk factor applied to the loan balances. The "Special Mention" grade (those with a risk rating of 4E) represents a loan where a significant adverse risk-modifying action is anticipated in the near term and left uncorrected, could result in deterioration of the credit quality of the loan. Loans that migrate toward the "Substandard" grade (those with a risk rating between 5 and 9) generally have a higher risk of loss and therefore a higher risk factor applied to those related loan balances.

The following tables present the Company's loan portfolio by year of origination and internal risk-rating grades as of the dates presented:

	Term Loans Amortized Cost Basis by Origination Year								
	2021	**2020**	**2019**	**2018**	**2017**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
March 31, 2021									
Commercial, Financial, Agricultural	**$ 90,011**	**$ 1,163,170**	**$ 159,958**	**$ 69,853**	**$ 33,564**	**$ 29,678**	**$ 262,085**	**$ 3,572**	**$ 1,811,891**
Pass	89,570	1,162,800	156,958	66,302	28,427	26,643	255,690	2,363	1,788,753
Special Mention	—	121	1,842	306	690	1,460	213	—	4,632
Substandard	441	249	1,158	3,245	4,447	1,575	6,182	1,209	18,506
Real Estate - Construction	**$ 92,532**	**$ 436,057**	**$ 282,944**	**$ 48,981**	**$ 155**	**$ —**	**$ 12,280**	**$ —**	**$ 872,949**
Residential	$ 58,265	$ 119,326	$ 4,745	$ —	$ —	$ —	$ 12,280	$ —	$ 194,616
Pass	58,265	118,233	4,745	—	—	—	12,280	—	193,523
Special Mention	—	808	—	—	—	—	—	—	808
Substandard	—	285	—	—	—	—	—	—	285
Commercial	$ 34,267	$ 316,731	$ 278,199	$ 48,981	$ 155	$ —	$ —	$ —	$ 678,333
Pass	34,267	316,731	273,501	48,981	155	—	—	—	673,635
Special Mention	—	—	4,698	—	—	—	—	—	4,698
Substandard	—	—	—	—	—	—	—	—	—
Real Estate - 1-4 Family Mortgage	**$ 31,603**	**$ 95,809**	**$ 72,233**	**$ 26,901**	**$ 21,376**	**$ 15,190**	**$ 14,359**	**$ 546**	**$ 278,017**
Primary	$ 4,437	$ 7,928	$ 5,065	$ 3,869	$ 3,979	$ 1,152	$ 1,217	$ —	$ 27,647
Pass	4,437	7,928	4,257	3,869	3,979	1,139	1,217	—	26,826
Special Mention	—	—	122	—	—	—	—	—	122
Substandard	—	—	686	—	—	13	—	—	699
Home Equity	$ 766	$ 169	$ —	$ —	$ —	$ —	$ 8,240	$ —	$ 9,175
Pass	766	169	—	—	—	—	8,240	—	9,175
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Rental/Investment	$ 15,467	$ 50,956	$ 29,321	$ 21,108	$ 17,061	$ 13,474	$ 717	$ 546	$ 148,650
Pass	15,447	50,865	28,397	20,249	16,853	12,984	717	546	146,058
Special Mention	—	—	—	—	77	208	—	—	285
Substandard	20	91	924	859	131	282	—	—	2,307
Land Development	$ 10,933	$ 36,756	$ 37,847	$ 1,924	$ 336	$ 564	$ 4,185	$ —	$ 92,545
Pass	10,933	33,939	37,498	1,924	336	563	4,185	—	89,378

	Term Loans Amortized Cost Basis by Origination Year								
	2021	**2020**	**2019**	**2018**	**2017**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
Special Mention	—	2,817	—	—	—	—	—	—	2,817
Substandard	—	—	349	—	—	1	—	—	350
Real Estate - Commercial Mortgage	**$ 171,777**	**$ 934,961**	**$ 768,175**	**$ 420,655**	**$ 396,113**	**$ 569,509**	**$ 80,820**	**$ 21,426**	**$ 3,363,436**
Owner-Occupied	$ 60,551	$ 301,265	$ 235,112	$ 183,534	$ 164,501	$ 169,547	$ 22,732	$ 9,313	$ 1,146,555
Pass	60,551	299,469	233,528	178,701	158,299	165,302	22,715	7,526	1,126,091
Special Mention	—	1,153	840	—	1,972	532	—	1,787	6,284
Substandard	—	643	744	4,833	4,230	3,713	17	—	14,180
Non-Owner Occupied	$ 106,264	$ 600,412	$ 516,319	$ 230,201	$ 228,491	$ 394,757	$ 51,818	$ 12,113	$ 2,140,375
Pass	106,264	591,416	507,372	224,229	183,705	361,486	51,818	12,113	2,038,403
Special Mention	—	8,996	—	5,972	39,161	15,319	—	—	69,448
Substandard	—	—	8,947	—	5,625	17,952	—	—	32,524
Land Development	$ 4,962	$ 33,284	$ 16,744	$ 6,920	$ 3,121	$ 5,205	$ 6,270	$ —	$ 76,506
Pass	4,962	31,148	16,744	5,815	3,058	4,339	6,270	—	72,336
Special Mention	—	—	—	1,105	63	46	—	—	1,214
Substandard	—	2,136	—	—	—	820	—	—	2,956
Installment loans to individuals	**$ 53**	**$ 45**	**$ 3**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 101**
Pass	53	45	3	—	—	—	—	—	101
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Total loans subject to risk rating	**$ 385,976**	**$ 2,630,042**	**$ 1,283,313**	**$ 566,390**	**$ 451,208**	**$ 614,377**	**$ 369,544**	**$ 25,544**	**$ 6,326,394**
Pass	385,515	2,612,743	1,263,003	550,070	394,812	572,456	363,132	22,548	6,164,279
Special Mention	—	13,895	7,502	7,383	41,963	17,565	213	1,787	90,308
Substandard	461	3,404	12,808	8,937	14,433	24,356	6,199	1,209	71,807

	Term Loans Amortized Cost Basis by Origination Year								
	2020	**2019**	**2018**	**2017**	**2016**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
December 31, 2020									
Commercial, Financial, Agricultural	**$ 1,448,273**	**$ 183,627**	**$ 76,912**	**$ 36,866**	**$ 18,124**	**$ 15,844**	**$ 255,522**	**$ 2,449**	**$ 2,037,617**
Pass	1,447,594	180,979	73,325	31,362	16,308	14,626	250,528	1,562	2,016,284
Special Mention	128	1,952	2,091	3,850	1,416	109	187	—	9,733
Substandard	551	696	1,496	1,654	400	1,109	4,807	887	11,600
Real Estate - Construction	**$ 398,891**	**$ 266,471**	**$ 52,520**	**$ 29,300**	**$ —**	**$ —**	**$ 13,927**	**$ —**	**$ 761,109**
Residential	$ 154,649	$ 9,836	$ 2,114	$ —	$ —	$ —	$ 13,923	$ —	$ 180,522
Pass	154,419	9,339	2,114	—	—	—	13,923	—	179,795
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	230	497	—	—	—	—	—	—	727
Commercial	$ 244,242	$ 256,635	$ 50,406	$ 29,300	$ —	$ —	$ 4	$ —	$ 580,587
Pass	244,242	251,937	50,406	29,300	—	—	4	—	575,889
Special Mention	—	4,698	—	—	—	—	—	—	4,698
Substandard	—	—	—	—	—	—	—	—	—

	Term Loans Amortized Cost Basis by Origination Year								
	2020	**2019**	**2018**	**2017**	**2016**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
Real Estate - 1-4 Family Mortgage	**$ 110,246**	**$ 78,482**	**$ 36,613**	**$ 30,018**	**$ 13,197**	**$ 7,172**	**$ 10,658**	**$ 1,909**	**$ 288,295**
Primary	$ 9,422	$ 6,691	$ 3,988	$ 4,644	$ 371	$ 1,060	$ 629	$ —	$ 26,805
Pass	9,422	5,870	3,988	4,644	371	1,045	629	—	25,969
Special Mention	—	125	—	—	—	—	—	—	125
Substandard	—	696	—	—	—	15	—	—	711
Home Equity	$ 157	$ 184	$ —	$ —	$ —	$ —	$ 6,051	$ —	$ 6,392
Pass	157	184	—	—	—	—	6,051	—	6,392
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Rental/Investment	$ 50,558	$ 32,656	$ 27,483	$ 25,019	$ 12,620	$ 5,699	$ 1,066	$ 557	$ 155,658
Pass	50,371	31,724	26,695	24,872	12,439	5,166	1,066	557	152,890
Special Mention	—	—	—	83	77	133	—	—	293
Substandard	187	932	788	64	104	400	—	—	2,475
Land Development	$ 50,109	$ 38,951	$ 5,142	$ 355	$ 206	$ 413	$ 2,912	$ 1,352	$ 99,440
Pass	50,109	38,388	5,142	355	203	413	2,912	1,352	98,874
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	563	—	—	3	—	—	—	566
Real Estate - Commercial Mortgage	**$ 967,746**	**$ 801,083**	**$ 444,205**	**$ 402,110**	**$ 340,774**	**$ 277,789**	**$ 76,115**	**$ 20,845**	**$ 3,330,667**
Owner-Occupied	$ 295,642	$ 256,807	$ 199,082	$ 169,527	$ 99,540	$ 85,614	$ 16,683	$ 9,733	$ 1,132,628
Pass	293,851	255,206	193,716	163,358	96,128	83,582	16,043	7,896	1,109,780
Special Mention	1,167	847	—	2,067	228	311	—	1,837	6,457
Substandard	624	754	5,366	4,102	3,184	1,721	640	—	16,391
Non-Owner Occupied	$ 635,232	$ 522,998	$ 237,075	$ 229,304	$ 236,347	$ 189,077	$ 52,456	$ 11,112	$ 2,113,601
Pass	624,289	514,030	237,075	184,673	218,106	175,702	52,456	11,112	2,017,443
Special Mention	9,105	—	—	39,007	4,688	10,788	—	—	63,588
Substandard	1,838	8,968	—	5,624	13,553	2,587	—	—	32,570
Land Development	$ 36,872	$ 21,278	$ 8,048	$ 3,279	$ 4,887	$ 3,098	$ 6,976	$ —	$ 84,438
Pass	34,719	21,278	6,925	3,210	3,274	3,098	6,976	—	79,480
Special Mention	—	—	1,123	69	46	—	—	—	1,238
Substandard	2,153	—	—	—	1,567	—	—	—	3,720
Installment loans to individuals	**$ 74**	**$ 4**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 16**	**$ 94**
Pass	74	4	—	—	—	—	—	16	94
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Total loans subject to risk rating	**$ 2,925,230**	**$ 1,329,667**	**$ 610,250**	**$ 498,294**	**$ 372,095**	**$ 300,805**	**$ 356,222**	**$ 25,219**	**$ 6,417,782**
Pass	2,909,247	1,308,939	599,386	441,774	346,829	283,632	350,588	22,495	6,262,890
Special Mention	10,400	7,622	3,214	45,076	6,455	11,341	187	1,837	86,132
Substandard	5,583	13,106	7,650	11,444	18,811	5,832	5,447	887	68,760

The following tables present the performing status of the Company’s loan portfolio not subject to risk rating as of the dates presented:

	Term Loans Amortized Cost Basis by Origination Year								
	2021	**2020**	**2019**	**2018**	**2017**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
March 31, 2021									
Commercial, Financial, Agricultural	**$ 14,217**	**$ 22,648**	**$ 13,758**	**$ 8,645**	**$ 5,216**	**$ 11,821**	**$ 216,971**	**$ 277**	**$ 293,553**
Performing Loans	14,217	22,648	13,513	8,627	4,996	11,730	216,554	277	292,562
Non-Performing Loans	—	—	245	18	220	91	417	—	991
Lease Financing Receivables	**$ 6,376**	**$ 29,408**	**$ 23,195**	**$ 10,129**	**$ 3,725**	**$ 2,423**	**$ —**	**$ —**	**$ 75,256**
Performing Loans	6,376	29,408	23,195	10,129	3,725	2,423	—	—	75,256
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Real Estate - Construction	**$ 4,500**	**$ 51,817**	**$ 4,168**	**$ —**	**$ 152**	**$ —**	**$ —**	**$ —**	**$ 60,637**
Residential	$ 3,933	$ 50,418	$ 3,676	$ —	$ 152	$ —	$ —	$ —	$ 58,179
Performing Loans	3,933	50,418	3,676	—	152	—	—	—	58,179
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Commercial	$ 567	$ 1,399	$ 492	$ —	$ —	$ —	$ —	$ —	$ 2,458
Performing Loans	567	1,399	492	—	—	—	—	—	2,458
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Real Estate - 1-4 Family Mortgage	**$ 137,286**	**$ 536,741**	**$ 311,138**	**$ 240,837**	**$ 179,410**	**$ 271,009**	**$ 422,860**	**$ 3,622**	**$ 2,102,903**
Primary	$ 124,455	$ 491,825	$ 290,701	$ 220,720	$ 162,131	$ 257,114	$ 1,574	$ 45	$ 1,548,565
Performing Loans	124,455	491,758	288,911	216,768	160,569	254,570	1,563	45	1,538,639
Non-Performing Loans	—	67	1,790	3,952	1,562	2,544	11	—	9,926
Home Equity	$ 49	$ —	$ 125	$ 368	$ —	$ 817	$ 418,553	$ 3,120	$ 423,032
Performing Loans	49	—	125	368	—	704	418,039	2,756	422,041
Non-Performing Loans	—	—	—	—	—	113	514	364	991
Rental/Investment	$ 9,505	$ 32,937	$ 18,465	$ 16,855	$ 15,873	$ 11,999	$ 2,238	$ 457	$ 108,329
Performing Loans	9,505	32,631	18,370	16,855	15,790	11,789	2,238	457	107,635
Non-Performing Loans	—	306	95	—	83	210	—	—	694
Land Development	$ 3,277	$ 11,979	$ 1,847	$ 2,894	$ 1,406	$ 1,079	$ 495	$ —	$ 22,977
Performing Loans	3,277	11,979	1,847	2,891	1,376	1,060	495	—	22,925
Non-Performing Loans	—	—	—	3	30	19	—	—	52
Real Estate - Commercial Mortgage	**$ 22,358**	**$ 78,624**	**$ 65,782**	**$ 50,946**	**$ 43,187**	**$ 40,740**	**$ 10,561**	**$ 526**	**$ 312,724**
Owner-Occupied	$ 13,295	$ 47,352	$ 41,946	$ 33,008	$ 28,117	$ 28,199	$ 5,351	$ 331	$ 197,599
Performing Loans	13,295	47,352	41,946	33,008	27,952	27,692	5,351	331	196,927
Non-Performing Loans	—	—	—	—	165	507	—	—	672
Non-Owner Occupied	$ 6,441	$ 19,530	$ 17,407	$ 13,692	$ 12,532	$ 8,918	$ 2,166	$ 145	$ 80,831
Performing Loans	6,441	19,530	17,407	13,634	12,532	8,868	2,166	145	80,723
Non-Performing Loans	—	—	—	58	—	50	—	—	108
Land Development	$ 2,622	$ 11,742	$ 6,429	$ 4,246	$ 2,538	$ 3,623	$ 3,044	$ 50	$ 34,294
Performing Loans	2,622	11,737	6,429	4,246	2,535	3,478	3,044	50	34,141
Non-Performing Loans	—	5	—	—	3	145	—	—	153
Installment loans to individuals	**$ 10,052**	**$ 41,255**	**$ 41,440**	**$ 11,944**	**$ 3,380**	**$ 3,296**	**$ 9,619**	**$ 49**	**$ 121,035**
Performing Loans	10,052	41,168	41,334	11,887	3,339	3,245	9,609	15	120,649
Non-Performing Loans	—	87	106	57	41	51	10	34	386
Total loans not subject to risk rating	**$ 194,789**	**$ 760,493**	**$ 459,481**	**$ 322,501**	**$ 235,070**	**$ 329,289**	**$ 660,011**	**$ 4,474**	**$ 2,966,108**
Performing Loans	194,789	760,028	457,245	318,413	232,966	325,559	659,059	4,076	2,952,135
Non-Performing Loans	—	465	2,236	4,088	2,104	3,730	952	398	13,973

	Term Loans Amortized Cost Basis by Origination Year								
	2020	**2019**	**2018**	**2017**	**2016**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
December 31, 2020									
Commercial, Financial, Agricultural	**$ 33,805**	**$ 16,455**	**$ 10,381**	**$ 6,396**	**$ 2,826**	**$ 7,201**	**$ 245,485**	**$ 305**	**$ 322,854**
Performing Loans	33,794	16,343	10,340	6,026	2,748	7,181	245,059	305	321,796
Non-Performing Loans	11	112	41	370	78	20	426	—	1,058
Lease Financing Receivables	**$ 32,150**	**$ 25,270**	**$ 10,999**	**$ 4,231**	**$ 1,040**	**$ 2,172**	**$ —**	**$ —**	**$ 75,862**
Performing Loans	32,150	25,270	10,999	4,231	992	2,172	—	—	75,814
Non-Performing Loans	—	—	—	—	48	—	—	—	48
Real Estate - Construction	**$ 54,918**	**$ 10,334**	**$ 295**	**$ 153**	**$ —**	**$ —**	**$ 343**	**$ —**	**$ 66,043**
Residential	$ 53,108	$ 9,393	$ 295	$ 153	$ —	$ —	$ 343	$ —	$ 63,292
Performing Loans	53,108	9,393	295	153	—	—	343	—	63,292
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Commercial	$ 1,810	$ 941	$ —	$ —	$ —	$ —	$ —	$ —	$ 2,751
Performing Loans	1,810	941	—	—	—	—	—	—	2,751
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Real Estate - 1-4 Family Mortgage	**$ 517,553**	**$ 344,643**	**$ 261,735**	**$ 196,777**	**$ 105,216**	**$ 212,214**	**$ 426,437**	**$ 3,694**	**$ 2,068,269**
Primary	$ 470,034	$ 321,155	$ 239,542	$ 176,926	$ 92,195	$ 207,721	$ 1,758	$ 45	$ 1,509,376
Performing Loans	470,034	318,929	235,816	175,219	91,479	205,530	1,747	45	1,498,799
Non-Performing Loans	—	2,226	3,726	1,707	716	2,191	11	—	10,577
Home Equity	$ —	$ 203	$ 372	$ —	$ 45	$ 799	$ 421,838	$ 3,119	$ 426,376
Performing Loans	—	203	372	—	45	684	421,516	2,642	425,462
Non-Performing Loans	—	—	—	—	—	115	322	477	914
Rental/Investment	$ 34,079	$ 20,499	$ 18,319	$ 17,758	$ 11,907	$ 3,356	$ 2,330	$ 530	$ 108,778
Performing Loans	34,079	20,404	18,245	17,595	11,901	3,196	2,330	530	108,280
Non-Performing Loans	—	95	74	163	6	160	—	—	498
Land Development	$ 13,440	$ 2,786	$ 3,502	$ 2,093	$ 1,069	$ 338	$ 511	$ —	$ 23,739
Performing Loans	13,440	2,786	3,502	2,062	1,069	338	511	—	23,708
Non-Performing Loans	—	—	—	31	—	—	—	—	31
Real Estate - Commercial Mortgage	**$ 81,953**	**$ 71,063**	**$ 56,193**	**$ 47,013**	**$ 35,801**	**$ 15,679**	**$ 10,772**	**$ 488**	**$ 318,962**
Owner-Occupied	$ 48,814	$ 44,606	$ 36,661	$ 30,266	$ 23,974	$ 11,608	$ 5,919	$ 289	$ 202,137
Performing Loans	48,814	44,344	36,349	30,097	23,885	11,216	5,904	289	200,898
Non-Performing Loans	—	262	312	169	89	392	15	—	1,239
Non-Owner Occupied	$ 20,483	$ 18,585	$ 14,544	$ 13,821	$ 8,068	$ 3,491	$ 1,999	$ 147	$ 81,138
Performing Loans	20,483	18,460	14,486	13,821	8,068	3,439	1,999	147	80,903
Non-Performing Loans	—	125	58	—	—	52	—	—	235
Land Development	$ 12,656	$ 7,872	$ 4,988	$ 2,926	$ 3,759	$ 580	$ 2,854	$ 52	$ 35,687
Performing Loans	12,656	7,872	4,988	2,922	3,759	466	2,854	52	35,569
Non-Performing Loans	—	—	—	4	—	114	—	—	118
Installment loans to individuals	**$ 60,133**	**$ 57,198**	**$ 13,704**	**$ 4,019**	**$ 2,459**	**$ 1,535**	**$ 10,661**	**$ 59**	**$ 149,768**
Performing Loans	60,081	57,119	13,611	3,986	2,407	1,535	10,661	21	149,421
Non-Performing Loans	52	79	93	33	52	—	—	38	347
Total loans not subject to risk rating	**$ 780,512**	**$ 524,963**	**$ 353,307**	**$ 258,589**	**$ 147,342**	**$ 238,801**	**$ 693,698**	**$ 4,546**	**$ 3,001,758**
Performing Loans	780,449	522,064	349,003	256,112	146,353	235,757	692,924	4,031	2,986,693
Non-Performing Loans	63	2,899	4,304	2,477	989	3,044	774	515	15,065

Note 4 – Purchased Loans
(In Thousands, Except Number of Loans)

For purposes of this Note 4, all references to "loans" mean purchased loans excluding loans held for sale.

The following is a summary of purchased loans as of the dates presented:

	March 31, 2021	December 31, 2020
Commercial, financial, agricultural	$ 143,843	$ 176,513
Real estate – construction:		
Residential	2,561	2,859
Commercial	19,771	28,093
Total real estate – construction	22,332	30,952
Real estate – 1-4 family mortgage:		
Primary	190,539	214,770
Home equity	72,413	80,392
Rental/investment	28,800	31,928
Land development	13,389	14,654
Total real estate – 1-4 family mortgage	305,141	341,744
Real estate – commercial mortgage:		
Owner-occupied	300,616	323,041
Non-owner occupied	546,663	552,728
Land development	25,588	29,454
Total real estate – commercial mortgage	872,867	905,223
Installment loans to individuals	51,723	59,675
Loans	$ 1,395,906	$ 1,514,107

Past Due and Nonaccrual Loans

The Company’s policies with respect to placing loans on nonaccrual status or charging off loans, and its accounting for interest on any such loans, are described above in Note 3, “Non Purchased Loans.”

The following tables provide an aging of past due accruing and nonaccruing loans, segregated by class, as of the dates presented:

	Accruing Loans				Nonaccruing Loans				
	30-89 Days Past Due	90 Days or More Past Due	Current Loans	Total Loans	30-89 Days Past Due	90 Days or More Past Due	Current Loans	Total Loans	Total Loans
March 31, 2021									
Commercial, financial, agricultural	$ 213	$ 2	$ 133,655	$ 133,870	$ 65	$ 1,762	$ 8,146	$ 9,973	$ 143,843
Real estate – construction:									
Residential	—	—	2,561	2,561	—	—	—	—	2,561
Commercial	—	—	19,771	19,771	—	—	—	—	19,771
Total real estate – construction	—	—	22,332	22,332	—	—	—	—	22,332
Real estate – 1-4 family mortgage:									
Primary	2,819	11	181,372	184,202	339	3,470	2,528	6,337	190,539
Home equity	857	21	70,110	70,988	—	760	665	1,425	72,413
Rental/investment	135	—	28,338	28,473	—	257	70	327	28,800
Land development	66	—	13,289	13,355	—	—	34	34	13,389
Total real estate – 1-4 family mortgage	3,877	32	293,109	297,018	339	4,487	3,297	8,123	305,141
Real estate – commercial mortgage:									
Owner-occupied	586	50	297,666	298,302	—	675	1,639	2,314	300,616
Non-owner occupied	—	—	538,699	538,699	—	145	7,819	7,964	546,663
Land development	—	—	25,245	25,245	—	138	205	343	25,588
Total real estate – commercial mortgage	586	50	861,610	862,246	—	958	9,663	10,621	872,867
Installment loans to individuals	1,295	45	50,153	51,493	12	118	100	230	51,723
Loans, net of unearned income	$ 5,971	$ 129	$ 1,360,859	$ 1,366,959	$ 416	$ 7,325	$ 21,206	$ 28,947	$ 1,395,906

	Accruing Loans				Nonaccruing Loans				
	30-89 Days Past Due	90 Days or More Past Due	Current Loans	Total Loans	30-89 Days Past Due	90 Days or More Past Due	Current Loans	Total Loans	Total Loans
December 31, 2020									
Commercial, financial, agricultural	$ 818	$ 101	$ 163,658	$ 164,577	$ 74	$ 2,024	$ 9,838	$ 11,936	$ 176,513
Real estate – construction:									
Residential	—	—	2,859	2,859	—	—	—	—	2,859
Commercial	—	—	28,093	28,093	—	—	—	—	28,093
Total real estate – construction	—	—	30,952	30,952	—	—	—	—	30,952
Real estate – 1-4 family mortgage:									
Primary	2,394	74	206,635	209,103	687	2,799	2,181	5,667	214,770
Home equity	294	43	78,739	79,076	4	674	638	1,316	80,392
Rental/investment	180	14	30,931	31,125	—	724	79	803	31,928
Land development	109	—	14,231	14,340	—	—	314	314	14,654
Total real estate – 1-4 family mortgage	2,977	131	330,536	333,644	691	4,197	3,212	8,100	341,744
Real estate – commercial mortgage:									
Owner-occupied	2,511	—	317,997	320,508	193	447	1,893	2,533	323,041
Non-owner occupied	207	—	544,694	544,901	7,682	—	145	7,827	552,728
Land development	112	—	28,962	29,074	—	164	216	380	29,454
Total real estate – commercial mortgage	2,830	—	891,653	894,483	7,875	611	2,254	10,740	905,223
Installment loans to individuals	2,026	35	57,339	59,400	31	136	108	275	59,675
Loans, net of unearned income	$ 8,651	$ 267	$ 1,474,138	$ 1,483,056	$ 8,671	$ 6,968	$ 15,412	$ 31,051	$ 1,514,107

There were no restructured loans contractually 90 days past due or more and still accruing at March 31, 2021 and two restructured loans in the aggregate amount of $134 contractually 90 days past due or more and still accruing at March 31, 2020. The outstanding balance of restructured loans on nonaccrual status was $19,140 and $3,797 at March 31, 2021 and March 31, 2020, respectively.

Restructured Loans

An explanation of what constitutes a "restructured loan," and management's analysis in determining whether to restructure a loan, are described above in Note 3, "Non Purchased Loans."

The table below illustrates the impact of modifications classified as restructured loans which were made during the periods presented and held on the Consolidated Balance Sheets at the respective period end.

	Number of Loans	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment
Three months ended March 31, 2021			
Commercial, financial, agricultural	1	$ 135	$ 135
Three months ended March 31, 2020			
Real estate – 1-4 family mortgage:			
Primary	1	$ 223	$ 114

With respect to loans that were restructured during the three months ended March 31, 2021 and March 31, 2020, none have subsequently defaulted and remain outstanding as of the date of this report.

Changes in the Company’s restructured loans are set forth in the table below:

	Number of Loans		Recorded Investment
Totals at January 1, 2021	48	$	8,687
Additional advances or loans with concessions	1		364
Reductions due to:			
Reclassified to nonperforming loans	(1)		(1,317)
Principal paydowns	—		(81)
Totals at March 31, 2021	48	$	7,653

The allowance for credit losses attributable to restructured loans was $167 and $56 at March 31, 2021 and March 31, 2020, respectively. The Company had $153 and $7 in remaining availability under commitments to lend additional funds on these restructured loans at March 31, 2021 and March 31, 2020, respectively.

As discussed in Note 3, “Non Purchased Loans,” the Company implemented a loan deferral program in response to the COVID-19 pandemic. As of March 31, 2021, the Company had 139 loans with total balances of approximately $12,000 remaining on deferral. Under the applicable guidance, none of these loans were considered “restructured loans.”

Credit Quality

A discussion of the Company’s policies regarding internal risk-rating of loans is discussed above in Note 3, “Non Purchased Loans.” The following tables present the Company’s loan portfolio by year of origination and internal risk-rating grades as of the dates presented:

	Term Loans Amortized Cost Basis by Origination Year								
	2021	**2020**	**2019**	**2018**	**2017**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
March 31, 2021									
Commercial, Financial, Agricultural	**$ —**	**$ —**	**$ 695**	**$ 19,849**	**$ 19,070**	**$ 36,825**	**$ 57,113**	**$ 992**	**$ 134,544**
Pass	—	—	695	17,492	12,727	28,753	49,572	480	109,719
Special Mention	—	—	—	341	87	89	—	—	517
Substandard	—	—	—	2,016	6,256	7,983	7,541	512	24,308
Real Estate - Construction	**$ —**	**$ —**	**$ —**	**$ 10,679**	**$ 449**	**$ 10,783**	**$ —**	**$ —**	**$ 21,911**
Residential	$ —	$ —	$ —	$ 1,006	$ 449	$ 685	$ —	$ —	$ 2,140
Pass	—	—	—	1,006	449	685	—	—	2,140
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Commercial	$ —	$ —	$ —	$ 9,673	$ —	$ 10,098	$ —	$ —	$ 19,771
Pass	—	—	—	9,673	—	10,098	—	—	19,771
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Real Estate - 1-4 Family Mortgage	**$ —**	**$ —**	**$ —**	**$ 14,248**	**$ 5,259**	**$ 35,994**	**$ 847**	**$ 234**	**$ 56,582**
Primary	$ —	$ —	$ —	$ 5,773	$ 2,699	$ 16,786	$ —	$ —	$ 25,258
Pass	—	—	—	4,438	2,608	12,494	—	—	19,540
Special Mention	—	—	—	—	—	970	—	—	970
Substandard	—	—	—	1,335	91	3,322	—	—	4,748
Home Equity	$ —	$ —	$ —	$ —	$ —	$ —	$ 756	$ 234	$ 990
Pass	—	—	—	—	—	—	60	—	60
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	696	234	930
Rental/Investment	$ —	$ —	$ —	$ —	$ 1,863	$ 16,242	$ 88	$ —	$ 18,193
Pass	—	—	—	—	1,863	15,062	88	—	17,013
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	1,180	—	—	1,180
Land Development	$ —	$ —	$ —	$ 8,475	$ 697	$ 2,966	$ 3	$ —	$ 12,141
Pass	—	—	—	8,475	677	1,498	3	—	10,653
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	20	1,468	—	—	1,488

	Term Loans Amortized Cost Basis by Origination Year								
	2021	**2020**	**2019**	**2018**	**2017**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
Real Estate - Commercial Mortgage	**$ —**	**$ —**	**$ —**	**$ 72,095**	**$ 160,878**	**$ 575,810**	**$ 20,364**	**$ 4,551**	**$ 833,698**
Owner-Occupied	$ —	$ —	$ —	$ 14,539	$ 33,862	$ 225,908	$ 3,632	$ 2	$ 277,943
Pass	—	—	—	14,539	28,985	190,103	3,605	—	237,232
Special Mention	—	—	—	—	1,596	11,187	—	—	12,783
Substandard	—	—	—	—	3,281	24,618	27	2	27,928
Non-Owner Occupied	$ —	$ —	$ —	$ 55,609	$ 123,232	$ 335,246	$ 16,500	$ 4,549	$ 535,136
Pass	—	—	—	36,677	115,553	291,494	6,447	—	450,171
Special Mention	—	—	—	2,561	—	7,877	—	—	10,438
Substandard	—	—	—	16,371	7,679	35,875	10,053	4,549	74,527
Land Development	$ —	$ —	$ —	$ 1,947	$ 3,784	$ 14,656	$ 232	$ —	$ 20,619
Pass	—	—	—	1,947	3,784	8,017	232	—	13,980
Special Mention	—	—	—	—	—	5,306	—	—	5,306
Substandard	—	—	—	—	—	1,333	—	—	1,333
Installment loans to individuals	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Pass	—	—	—	—	—	—	—	—	—
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Total loans subject to risk rating	**$ —**	**$ —**	**$ 695**	**$ 116,871**	**$ 185,656**	**$ 659,412**	**$ 78,324**	**$ 5,777**	**$ 1,046,735**
Pass	—	—	695	94,247	166,646	558,204	60,007	480	880,279
Special Mention	—	—	—	2,902	1,683	25,429	—	—	30,014
Substandard	—	—	—	19,722	17,327	75,779	18,317	5,297	136,442

	Term Loans Amortized Cost Basis by Origination Year								
	2020	**2019**	**2018**	**2017**	**2016**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
December 31, 2020									
Commercial, Financial, Agricultural	**$ —**	**$ 711**	**$ 28,242**	**$ 27,222**	**$ 22,377**	**$ 20,759**	**$ 64,563**	**$ 1,788**	**$ 165,662**
Pass	—	711	24,211	20,930	17,240	16,880	56,736	409	137,117
Special Mention	—	—	357	97	104	—	—	—	558
Substandard	—	—	3,674	6,195	5,033	3,879	7,827	1,379	27,987
Real Estate - Construction	**$ —**	**$ —**	**$ 10,522**	**$ 9,228**	**$ 10,781**	**$ —**	**$ —**	**$ —**	**$ 30,531**
Residential	$ —	$ —	$ 1,543	$ 211	$ 684	$ —	$ —	$ —	$ 2,438
Pass	—	—	1,543	211	684	—	—	—	2,438
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Commercial	$ —	$ —	$ 8,979	$ 9,017	$ 10,097	$ —	$ —	$ —	$ 28,093
Pass	—	—	8,979	9,017	10,097	—	—	—	28,093
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—

	Term Loans Amortized Cost Basis by Origination Year								
	2020	**2019**	**2018**	**2017**	**2016**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
Real Estate - 1-4 Family Mortgage	**$ —**	**$ —**	**$ 14,022**	**$ 7,126**	**$ 1,112**	**$ 38,747**	**$ 957**	**$ 253**	**$ 62,217**
Primary	$ —	$ —	$ 6,873	$ 3,212	$ 595	$ 17,223	$ 249	$ —	$ 28,152
Pass	—	—	5,556	3,212	594	12,665	249	—	22,276
Special Mention	—	—	—	—	—	1,120	—	—	1,120
Substandard	—	—	1,317	—	1	3,438	—	—	4,756
Home Equity	$ —	$ —	$ —	$ —	$ —	$ —	$ 697	$ 253	$ 950
Pass	—	—	—	—	—	—	59	—	59
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	638	253	891
Rental/Investment	$ —	$ —	$ —	$ 1,883	$ 232	$ 18,275	$ 9	$ —	$ 20,399
Pass	—	—	—	1,883	232	16,139	9	—	18,263
Special Mention	—	—	—	—	—	44	—	—	44
Substandard	—	—	—	—	—	2,092	—	—	2,092
Land Development	$ —	$ —	$ 7,149	$ 2,031	$ 285	$ 3,249	$ 2	$ —	$ 12,716
Pass	—	—	7,149	2,009	285	1,793	2	—	11,238
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	22	—	1,456	—	—	1,478
Real Estate - Commercial Mortgage	**$ —**	**$ —**	**$ 76,557**	**$ 153,960**	**$ 171,487**	**$ 435,073**	**$ 22,631**	**$ 4,688**	**$ 864,396**
Owner-Occupied	$ —	$ —	$ 15,001	$ 32,567	$ 61,568	$ 181,007	$ 9,723	$ 2	$ 299,868
Pass	—	—	15,001	29,276	43,962	161,790	5,808	—	255,837
Special Mention	—	—	—	—	9,670	—	—	—	9,670
Substandard	—	—	—	3,291	7,936	19,217	3,915	2	34,361
Non-Owner Occupied	$ —	$ —	$ 55,962	$ 117,592	$ 107,004	$ 242,249	$ 12,720	$ 4,686	$ 540,213
Pass	—	—	37,002	109,910	83,738	221,423	6,431	—	458,504
Special Mention	—	—	2,591	—	5,302	2,622	—	—	10,515
Substandard	—	—	16,369	7,682	17,964	18,204	6,289	4,686	71,194
Land Development	$ —	$ —	$ 5,594	$ 3,801	$ 2,915	$ 11,817	$ 188	$ —	$ 24,315
Pass	—	—	5,594	3,801	2,780	4,962	188	—	17,325
Special Mention	—	—	—	—	—	5,438	—	—	5,438
Substandard	—	—	—	—	135	1,417	—	—	1,552
Installment loans to individuals	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Pass	—	—	—	—	—	—	—	—	—
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Total loans subject to risk rating	**$ —**	**$ 711**	**$ 129,343**	**$ 197,536**	**$ 205,757**	**$ 494,579**	**$ 88,151**	**$ 6,729**	**$ 1,122,806**
Pass	—	711	105,035	180,249	159,612	435,652	69,482	409	951,150
Special Mention	—	—	2,948	97	15,076	9,224	—	—	27,345
Substandard	—	—	21,360	17,190	31,069	49,703	18,669	6,320	144,311

The following tables present the performing status of the Company’s loan portfolio not subject to risk rating by origination date:

	Term Loans Amortized Cost Basis by Origination Year								
	2021	**2020**	**2019**	**2018**	**2017**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
March 31, 2021									
Commercial, Financial, Agricultural	**$ —**	**$ —**	**$ —**	**$ 412**	**$ 384**	**$ 3,004**	**$ 5,260**	**$ 239**	**$ 9,299**
Performing Loans	—	—	—	412	384	3,004	5,240	239	9,279
Non-Performing Loans	—	—	—	—	—	—	20	—	20
Real Estate - Construction	**$ —**	**$ —**	**$ —**	**$ 421**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 421**
Residential	$ —	$ —	$ —	$ 421	$ —	$ —	$ —	$ —	$ 421
Performing Loans	—	—	—	421	—	—	—	—	421
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Commercial	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Performing Loans	—	—	—	—	—	—	—	—	—
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Real Estate - 1-4 Family Mortgage	**$ —**	**$ —**	**$ 368**	**$ 2,520**	**$ 29,796**	**$ 149,758**	**$ 63,625**	**$ 2,492**	**$ 248,559**
Primary	$ —	$ —	$ 246	$ 1,899	$ 26,826	$ 135,980	$ 233	$ 97	$ 165,281
Performing Loans	—	—	246	1,789	26,072	131,995	233	24	160,359
Non-Performing Loans	—	—	—	110	754	3,985	—	73	4,922
Home Equity	$ —	$ —	$ —	$ 550	$ 2,702	$ 2,504	$ 63,272	$ 2,395	$ 71,423
Performing Loans	—	—	—	550	2,702	2,416	62,569	1,975	70,212
Non-Performing Loans	—	—	—	—	—	88	703	420	1,211
Rental/Investment	$ —	$ —	$ 122	$ —	$ 196	$ 10,169	$ 120	$ —	$ 10,607
Performing Loans	—	—	122	—	196	10,080	120	—	10,518
Non-Performing Loans	—	—	—	—	—	89	—	—	89
Land Development	$ —	$ —	$ —	$ 71	$ 72	$ 1,105	$ —	$ —	$ 1,248
Performing Loans	—	—	—	71	72	1,105	—	—	1,248
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Real Estate - Commercial Mortgage	**$ —**	**$ —**	**$ 334**	**$ 1,230**	**$ 994**	**$ 34,460**	**$ 2,151**	**$ —**	**$ 39,169**
Owner-Occupied	$ —	$ —	$ —	$ 654	$ 607	$ 19,757	$ 1,655	$ —	$ 22,673
Performing Loans	—	—	—	654	607	19,437	1,655	—	22,353
Non-Performing Loans	—	—	—	—	—	320	—	—	320
Non-Owner Occupied	$ —	$ —	$ 334	$ 424	$ —	$ 10,347	$ 422	$ —	$ 11,527
Performing Loans	—	—	334	424	—	10,215	422	—	11,395
Non-Performing Loans	—	—	—	—	—	132	—	—	132
Land Development	$ —	$ —	$ —	$ 152	$ 387	$ 4,356	$ 74	$ —	$ 4,969
Performing Loans	—	—	—	152	387	4,301	74	—	4,914
Non-Performing Loans	—	—	—	—	—	55	—	—	55
Installment loans to individuals	**$ —**	**$ —**	**$ —**	**$ 30,610**	**$ 13,880**	**$ 5,004**	**$ 2,179**	**$ 50**	**$ 51,723**
Performing Loans	—	—	—	30,572	13,826	4,849	2,174	28	51,449
Non-Performing Loans	—	—	—	38	54	155	5	22	274
Total loans not subject to risk rating	**$ —**	**$ —**	**$ 702**	**$ 35,193**	**$ 45,054**	**$ 192,226**	**$ 73,215**	**$ 2,781**	**$ 349,171**
Performing Loans	—	—	702	35,045	44,246	187,402	72,487	2,266	342,148
Non-Performing Loans	—	—	—	148	808	4,824	728	515	7,023

	Term Loans Amortized Cost Basis by Origination Year								
	2020	**2019**	**2018**	**2017**	**2016**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term**	**Total Loans**
December 31, 2020									
Commercial, Financial, Agricultural	**$ —**	**$ —**	**$ 445**	**$ 349**	**$ 303**	**$ 2,899**	**$ 6,809**	**$ 46**	**$ 10,851**
Performing Loans	—	—	445	349	303	2,899	6,784	46	10,826
Non-Performing Loans	—	—	—	—	—	—	25	—	25
Real Estate - Construction	**$ —**	**$ —**	**$ 421**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 421**
Residential	$ —	$ —	$ 421	$ —	$ —	$ —	$ —	$ —	$ 421
Performing Loans	—	—	421	—	—	—	—	—	421
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Commercial	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Performing Loans	—	—	—	—	—	—	—	—	—
Non-Performing Loans	—	—	—	—	—	—	—	—	—
Real Estate - 1-4 Family Mortgage	**$ —**	**$ 371**	**$ 3,082**	**$ 33,674**	**$ 28,169**	**$ 140,689**	**$ 70,870**	**$ 2,672**	**$ 279,527**
Primary	$ —	$ 248	$ 1,953	$ 30,078	$ 25,956	$ 127,642	$ 630	$ 111	$ 186,618
Performing Loans	—	248	1,842	29,321	25,935	122,970	630	25	180,971
Non-Performing Loans	—	—	111	757	21	4,672	—	86	5,647
Home Equity	$ —	$ —	$ 742	$ 3,324	$ 1,668	$ 1,027	$ 70,120	$ 2,561	$ 79,442
Performing Loans	—	—	742	3,324	1,668	960	69,518	2,124	78,336
Non-Performing Loans	—	—	—	—	—	67	602	437	1,106
Rental/Investment	$ —	$ 123	$ —	$ 200	$ 193	$ 10,893	$ 120	$ —	$ 11,529
Performing Loans	—	123	—	200	193	10,800	120	—	11,436
Non-Performing Loans	—	—	—	—	—	93	—	—	93
Land Development	$ —	$ —	$ 387	$ 72	$ 352	$ 1,127	$ —	$ —	$ 1,938
Performing Loans	—	—	387	30	117	1,127	—	—	1,661
Non-Performing Loans	—	—	—	42	235	—	—	—	277
Real Estate - Commercial Mortgage	**$ —**	**$ 337**	**$ 597**	**$ 1,063**	**$ 982**	**$ 35,946**	**$ 1,902**	**$ —**	**$ 40,827**
Owner-Occupied	$ —	$ —	$ —	$ 625	$ 660	$ 20,531	$ 1,357	$ —	$ 23,173
Performing Loans	—	—	—	625	660	20,253	1,357	—	22,895
Non-Performing Loans	—	—	—	—	—	278	—	—	278
Non-Owner Occupied	$ —	$ 337	$ 443	$ 49	$ 66	$ 11,467	$ 153	$ —	$ 12,515
Performing Loans	—	337	443	49	66	11,331	153	—	12,379
Non-Performing Loans	—	—	—	—	—	136	—	—	136
Land Development	$ —	$ —	$ 154	$ 389	$ 256	$ 3,948	$ 392	$ —	$ 5,139
Performing Loans	—	—	154	389	256	3,890	392	—	5,081
Non-Performing Loans	—	—	—	—	—	58	—	—	58
Installment loans to individuals	**$ —**	**$ —**	**$ 34,976**	**$ 15,497**	**$ 1,118**	**$ 4,348**	**$ 3,676**	**$ 60**	**$ 59,675**
Performing Loans	—	—	34,942	15,405	1,051	4,262	3,676	29	59,365
Non-Performing Loans	—	—	34	92	67	86	—	31	310
Total loans not subject to risk rating	**$ —**	**$ 708**	**$ 39,521**	**$ 50,583**	**$ 30,572**	**$ 183,882**	**$ 83,257**	**$ 2,778**	**$ 391,301**
Performing Loans	—	708	39,376	49,692	30,249	178,492	82,630	2,224	383,371
Non-Performing Loans	—	—	145	891	323	5,390	627	554	7,930

Note 5 – Allowance for Credit Losses

(In Thousands)

The following is a summary of total non purchased and purchased loans as of the dates presented:

	March 31, 2021	December 31, 2020
Commercial, financial, agricultural	$ 2,249,287	$ 2,536,984
Lease financing	79,271	80,022
Real estate – construction:		
Residential	255,356	246,673
Commercial	700,562	611,431
Total real estate – construction	955,918	858,104
Real estate – 1-4 family mortgage:		
Primary	1,766,751	1,750,951
Home equity	504,620	513,160
Rental/investment	285,779	296,364
Land development	128,911	137,833
Total real estate – 1-4 family mortgage	2,686,061	2,698,308
Real estate – commercial mortgage:		
Owner-occupied	1,644,770	1,657,806
Non-owner occupied	2,767,869	2,747,467
Land development	136,388	149,579
Total real estate – commercial mortgage	4,549,027	4,554,852
Installment loans to individuals	172,859	209,537
Gross loans	10,692,423	10,937,807
Unearned income	(4,015)	(4,160)
Loans, net of unearned income	10,688,408	10,933,647
Allowance for credit losses on loans	(173,106)	(176,144)
Net loans	$ 10,515,302	$ 10,757,503

Allowance for Credit Losses on Loans

The allowance for credit losses is an estimate of expected losses inherent within the Company’s loans held for investment portfolio and is maintained at a level believed adequate by management to absorb credit losses inherent in the entire loan portfolio. Management evaluates the adequacy of the allowance for credit losses on a quarterly basis. Expected credit loss inherent in non-cancellable off-balance-sheet credit exposures is accounted for as a separate liability in the Consolidated Balance Sheets. The allowance for credit losses on loans held for investment, as reported in the Company’s Consolidated Balance Sheets, is adjusted by a provision for credit losses, which is reported in earnings, and reduced by net charge-offs. Loan losses are charged against the allowance for credit losses when management believes the uncollectability of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance. For more information about the Company’s policies and procedures for determining the amount of the allowance for credit losses, please refer to the discussion in Note 1, “Significant Accounting Policies,” in the Notes to the Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020.

The Company has made an accounting policy election to exclude accrued interest from the measurement of the allowance for credit losses in the Company’s loan portfolio. As of March 31, 2021 and December 31, 2020, the Company had accrued interest receivable for loans of $56,199 and $56,459, respectively, which is recorded in the “Other assets” line item on the Consolidated Balance Sheets. Although the Company made the election to exclude accrued interest from the measurement of the allowance for credit losses, the Company did have an allowance for credit losses on interest deferred as part of the loan deferral program of $1,375 and $1,500, respectively, as of March 31, 2021 and December 31, 2020. The decrease in the balance during the first quarter of 2021 is due to the charge-off of deferred interest balances.

The following tables provide a roll-forward of the allowance for credit losses by loan category and a breakdown of the ending balance of the allowance based on the Company’s credit loss methodology for the periods presented:

	Commercial	Real Estate - Construction	Real Estate - 1-4 Family Mortgage	Real Estate - Commercial Mortgage	Lease Financing	Installment Loans to Individuals	Total
Three Months Ended March 31, 2021							
Allowance for credit losses:							
Beginning balance	$ 39,031	$ 16,047	$ 32,165	$ 76,127	$ 1,624	$ 11,150	$ 176,144
Charge-offs	(3,498)	(52)	(101)	(61)	—	(1,658)	(5,370)
Recoveries	289	13	261	171	11	1,587	2,332
Net (charge-offs) recoveries	(3,209)	(39)	160	110	11	(71)	(3,038)
Provision for credit losses on loans	1,770	(1,031)	(631)	(12)	(89)	(7)	—
Ending balance	$ 37,592	$ 14,977	$ 31,694	$ 76,225	$ 1,546	$ 11,072	$ 173,106
Period-End Amount Allocated to:							
Individually evaluated	$ 9,908	$ —	$ 232	$ 4,846	$ —	$ 607	$ 15,593
Collectively evaluated	27,684	14,977	31,462	71,379	1,546	10,465	157,513
Ending balance	$ 37,592	$ 14,977	$ 31,694	$ 76,225	$ 1,546	$ 11,072	$ 173,106
Loans:							
Individually evaluated	$ 15,435	$ —	$ 6,311	$ 18,508	$ —	$ 621	$ 40,875
Collectively evaluated	2,233,852	955,918	2,679,750	4,530,519	75,256	172,238	10,647,533
Ending balance	$ 2,249,287	$ 955,918	$ 2,686,061	$ 4,549,027	$ 75,256	$ 172,859	$ 10,688,408
Nonaccruing loans with no allowance for credit losses	$ 1,848	$ —	$ 4,695	$ 2,113	$ —	$ —	$ 8,656

	Commercial	Real Estate - Construction	Real Estate - 1-4 Family Mortgage	Real Estate - Commercial Mortgage	Lease Financing	Installment Loans to Individuals	Total
Three Months Ended March 31, 2020							
Allowance for credit losses:							
Beginning balance	$ 10,658	$ 5,029	$ 9,814	$ 24,990	$ 910	$ 761	$ 52,162
Impact of the adoption of ASC 326	11,351	3,505	14,314	4,293	521	8,500	42,484
Charge-offs	(393)	—	(221)	(2,047)	—	(2,688)	(5,349)
Recoveries	190	—	88	1,699	5	2,556	4,538
Net (charge-offs) recoveries	(203)	—	(133)	(348)	5	(132)	(811)
Provision for credit losses on loans	4,131	2,390	3,325	15,302	152	1,050	26,350
Ending balance	$ 25,937	$ 10,924	$ 27,320	$ 44,237	$ 1,588	$ 10,179	$ 120,185
Period-End Amount Allocated to:							
Individually evaluated	$ 3,653	$ —	$ 370	$ 856	$ —	$ 270	$ 5,149
Collectively evaluated	22,284	10,924	26,950	43,381	1,588	9,909	115,036
Ending balance	$ 25,937	$ 10,924	$ 27,320	$ 44,237	$ 1,588	$ 10,179	$ 120,185
Loans:							
Individually evaluated	$ 10,460	$ 2,728	$ 5,865	$ 7,508	$ —	$ 625	$ 27,186
Collectively evaluated	1,414,116	785,167	2,840,436	4,301,200	84,679	316,593	9,742,191
Ending balance	$ 1,424,576	$ 787,895	$ 2,846,301	$ 4,308,708	$ 84,679	$ 317,218	$ 9,769,377
Nonaccruing loans with no allowance for credit losses	$ 4,224	$ 2,728	$ 3,309	$ 2,594	$ —	$ —	$ 12,855

The Company did not record a provision for credit losses during the first quarter of 2021, as compared to a provision for credit losses on loans of $26,350 in the first quarter of 2020. The Company's allowance for credit loss model considers economic projections, primarily the national unemployment rate and GDP, over a reasonable and supportable period of two years. Based on the continual improvements in these forecasts over the last few quarters, the Company determined that additional provisioning during the first quarter of 2021 was not necessary.

Allowance for Credit Losses on Unfunded Loan Commitments

The Company maintains a separate allowance for credit losses on unfunded loan commitments, which is included in the "Other liabilities" line item on the Consolidated Balance Sheets. For more information about the Company's policies and procedures for determining the amount of the allowance for credit losses on unfunded loan commitments, please refer to the discussion in Note 1, "Significant Accounting Policies," in the Notes to the Consolidated Financial Statements in Item 8, Financial Statements and Supplementary Data, in the Company's Annual Report on Form 10-K for the year ended December 31, 2020.

The following tables provide a roll-forward of the allowance for credit losses on unfunded loan commitments for the periods presented.

Three Months Ended March 31, 2021		
Allowance for credit losses on unfunded loan commitments:		
Beginning balance	$	20,535
Provision for credit losses on unfunded loan commitments (included in other noninterest expense)		—
Ending balance	$	20,535

Three Months Ended March 31, 2020		
Allowance for credit losses on unfunded loan commitments:		
Beginning balance	$	946
Impact of the adoption of ASC 326		10,389
Provision for credit losses on unfunded loan commitments (included in other noninterest expense)		3,400
Ending balance	$	14,735

Note 6 – Other Real Estate Owned

(In Thousands)

The following tables provide details of the Company's other real estate owned ("OREO") purchased and non purchased, net of valuation allowances and direct write-downs, as of the dates presented:

	Purchased OREO	Non Purchased OREO	Total OREO
March 31, 2021			
Residential real estate	$ 405	$ 79	$ 484
Commercial real estate	1,161	1,948	3,109
Residential land development	337	4	341
Commercial land development	1,776	261	2,037
Total	$ 3,679	$ 2,292	$ 5,971
December 31, 2020			
Residential real estate	$ 72	$ 107	$ 179
Commercial real estate	1,741	924	2,665
Residential land development	337	676	1,013
Commercial land development	1,777	338	2,115
Total	$ 3,927	$ 2,045	$ 5,972

Changes in the Company's purchased and non purchased OREO were as follows:

	Purchased OREO	Non Purchased OREO	Total OREO
Balance at January 1, 2021	$ 3,927	$ 2,045	$ 5,972
Transfers of loans	516	1,523	2,039
Impairments	—	(70)	(70)
Dispositions	(700)	(1,206)	(1,906)
Other	(64)	—	(64)
Balance at March 31, 2021	$ 3,679	$ 2,292	$ 5,971

At March 31, 2021 and December 31, 2020, the amortized cost of loans secured by Real Estate - 1-4 Family Mortgage in the process of foreclosure was $1,830 and $1,308, respectively.

Components of the line item “Other real estate owned” in the Consolidated Statements of Income were as follows for the periods presented:

	Three Months Ended March 31,	
	2021	2020
Repairs and maintenance	$ 20	$ 86
Property taxes and insurance	11	133
Impairments	70	197
Net (gains) losses on OREO sales	(56)	12
Rental income	(4)	(10)
Total	$ 41	$ 418

Note 7 – Goodwill and Other Intangible Assets
(In Thousands)

The carrying amounts of goodwill by operating segments for the three months ended March 31, 2021 were as follows:

	Community Banks	Insurance	Total
Balance at January 1, 2021	$ 936,916	$ 2,767	$ 939,683
Additions to goodwill and other adjustments	—	—	—
Balance at March 31, 2021	$ 936,916	$ 2,767	$ 939,683

The following table provides a summary of finite-lived intangible assets as of the dates presented:

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
March 31, 2021			
Core deposit intangibles	$ 82,492	$ (55,091)	$ 27,401
Customer relationship intangible	2,470	(1,329)	1,141
Total finite-lived intangible assets	$ 84,962	$ (56,420)	$ 28,542
December 31, 2020			
Core deposit intangibles	$ 82,492	$ (53,539)	$ 28,953
Customer relationship intangible	2,470	(1,284)	1,186
Total finite-lived intangible assets	$ 84,962	$ (54,823)	$ 30,139

Current year amortization expense for finite-lived intangible assets is presented in the table below.

	Three Months Ended March 31,	
	2021	2020
Amortization expense for:		
Core deposit intangibles	$ 1,553	$ 1,850
Customer relationship intangible	45	45
Total intangible amortization	$ 1,598	$ 1,895

The estimated amortization expense of finite-lived intangible assets for the year ending December 31, 2021 and the succeeding four years is summarized as follows:

	Core Deposit Intangibles	Customer Relationship Intangible	Total
2021	$ 5,860	$ 181	$ 6,041
2022	4,940	181	5,121
2023	4,044	181	4,225
2024	3,498	181	3,679
2025	3,103	181	3,284

Note 8 – Mortgage Servicing Rights

(In Thousands)

The Company retains the right to service certain mortgage loans that it sells to secondary market investors. These mortgage servicing rights ("MSRs") are recognized as a separate asset on the date the corresponding mortgage loan is sold. MSRs are amortized in proportion to and over the period of estimated net servicing income. These servicing rights are carried at the lower of amortized cost or fair value. Fair value is determined using an income approach with various assumptions, including expected cash flows, prepayment speeds, market discount rates, servicing costs, and other factors, and is subject to significant fluctuation as a result of actual prepayment speeds, default rates and losses differing from estimates thereof. Servicing rights are evaluated for impairment (or reversals of prior impairments) quarterly based upon the fair value of the rights as compared to the carrying amount. Impairment is recognized through a valuation allowance in the amount that unamortized cost exceeds fair value. If the Company later determines that all or a portion of the impairment no longer exists, a reduction of the valuation allowance may be recorded as an increase to income. Changes in valuation allowances related to servicing rights are reported in "Mortgage banking income" on the Consolidated Statements of Income.

There was a positive valuation adjustment of $13,561 during the three months ended March 31, 2021 on MSRs. This positive adjustment primarily arose from an increase in mortgage interest rates and a corresponding decrease in actual prepayment speeds. During the three months ended March 31, 2020 there was a negative valuation adjustment of $9,571 which was caused by a difference between actual prepayment speeds and the Company's assumptions with respect to prepayment speeds. A decline in mortgage interest rates or an increase in actual prepayment speeds may cause negative adjustments to the valuation of the Company's MSRs.

Changes in the Company's MSRs were as follows:

Balance at January 1, 2021	$ 62,994
Capitalization	9,409
Amortization	(5,701)
Valuation adjustment	13,561
Balance at March 31, 2021	$ 80,263

Data and key economic assumptions related to the Company's MSRs are as follows as of the dates presented:

	March 31, 2021	December 31, 2020
Unpaid principal balance	$ 7,776,998	$ 7,322,671
Weighted-average prepayment speed (CPR)	11.53 %	15.05 %
Estimated impact of a 10% increase	$ (3,776)	$ (4,001)
Estimated impact of a 20% increase	(7,330)	(7,674)
Discount rate	9.84 %	9.86 %
Estimated impact of a 10% increase	$ (3,163)	$ (2,144)
Estimated impact of a 20% increase	(6,097)	(4,144)
Weighted-average coupon interest rate	3.46 %	3.58 %
Weighted-average servicing fee (basis points)	30.32	29.94
Weighted-average remaining maturity (in years)	6.37	5.14

The Company recorded servicing fees of $4,071 and $2,623 for the three months ended March 31, 2021 and 2020, respectively, which are included in "Mortgage banking income" in the Consolidated Statements of Income.

Note 9 - Employee Benefit and Deferred Compensation Plans

(In Thousands, Except Share Data)

Pension and Post-retirement Medical Plans

The Company sponsors a noncontributory defined benefit pension plan, under which participation and benefit accruals ceased as of December 31, 1996, and it provides retiree medical benefits, consisting of the opportunity to purchase coverage at subsidized rates under the Company's group medical plan.

Information related to the defined benefit pension plan maintained by Renasant Bank ("Pension Benefits") and to the post-retirement health and life plan ("Other Benefits") as of the dates presented is as follows:

	Pension Benefits Three Months Ended March 31,		Other Benefits Three Months Ended March 31,	
	2021	2020	2021	2020
Service cost	$ —	$ —	$ 1	$ 2
Interest cost	166	242	4	5
Expected return on plan assets	(443)	(413)	—	—
Recognized actuarial loss (gain)	54	79	—	(18)
Net periodic (return) benefit cost	$ (223)	$ (92)	$ 5	$ (11)

Incentive Compensation Plans

The Company maintains a long-term equity compensation plan that provides for the grant of stock options and the award of restricted stock. There were no stock options granted, nor compensation expense associated with options recorded, during the three months ended March 31, 2021 or 2020.

The following table summarizes information about options outstanding, exercised and forfeited as of and for the three months ended March 31, 2021:

	Shares	Weighted Average Exercise Price
Options outstanding at beginning of period	10,500	$ 14.96
Granted	—	—
Exercised	(2,000)	14.96
Forfeited	—	—
Options outstanding at end of period	8,500	$ 14.96

The Company also awards performance-based restricted stock to executives and other officers and employees and time-based restricted stock to non-employee directors, executives, and other officers and employees.
The following table summarizes the changes in restricted stock as of and for the three months ended March 31, 2021:

	Performance-Based Restricted Stock	Weighted Average Grant-Date Fair Value	Time-Based Restricted Stock	Weighted Average Grant-Date Fair Value
Nonvested at beginning of period	132,827	$ 32.88	548,416	$ 34.15
Awarded	78,230	34.02	212,224	36.20
Vested	—	—	(89,240)	40.20
Cancelled	—	—	(19,461)	37.05
Nonvested at end of period	211,057	$ 33.30	651,939	$ 33.90

During the three months ended March 31, 2021, the Company reissued 93,859 shares from treasury in connection with the exercise of stock options and awards of restricted stock. The Company recorded total stock-based compensation expense of $2,756 and $2,750 for the three months ended March 31, 2021 and 2020, respectively.

Note 10 – Derivative Instruments

(In Thousands)

The Company uses certain derivative instruments to meet the needs of customers as well as to manage the interest rate risk associated with certain transactions.

Non-hedge derivatives

The Company enters into derivative instruments that are not designated as hedging instruments to help its commercial customers manage their exposure to interest rate fluctuations. To mitigate the interest rate risk associated with these customer contracts, the Company enters into an offsetting derivative contract position. The Company manages its credit risk, or potential risk of default by its commercial customers, through credit limit approval and monitoring procedures.

The Company enters into interest rate lock commitments with its customers to mitigate the interest rate risk associated with the commitments to fund fixed-rate residential mortgage loans. The Company also enters into forward commitments to sell residential mortgage loans to secondary market investors.

The following table provides a summary of the Company’s derivatives not designated as hedging instruments as of the dates presented:

	Balance Sheet Location	March 31, 2021				December 31, 2020			
		Notional Amount		Fair Value		Notional Amount		Fair Value	
Derivative assets:									
Interest rate contracts	Other Assets	$	232,095	$	7,111	$	222,933	$	9,884
Interest rate lock commitments	Other Assets		598,448		11,875		589,701		19,824
Forward commitments	Other Assets		847,000		13,767		—		—
Totals		$	1,677,543	$	32,753	$	812,634	$	29,708
Derivative liabilities:									
Interest rate contracts	Other Liabilities	$	232,095	$	7,111	$	222,933	$	9,884
Interest rate lock commitments	Other Liabilities		51,290		373		—		—
Forward commitments	Other Liabilities		60,000		53		716,000		5,090
Totals		$	343,385	$	7,537	$	938,933	$	14,974

Gains and losses included in the Consolidated Statements of Income related to the Company's derivative financial instruments were as follows as of the dates presented:

	Three Months Ended March 31,			
	2021		2020	
Interest rate contracts:				
Included in interest income on loans	$	370	$	736
Interest rate lock commitments:				
Included in mortgage banking income		(8,322)		21,821
Forward commitments				
Included in mortgage banking income		18,803		(15,470)
Total	$	10,851	$	7,087

Derivatives designated as cash flow hedges

Cash flow hedge relationships mitigate exposure to the variability of future cash flow or other forecasted transactions. The Company uses interest rate swap contracts in an effort to manage future interest rate exposure on borrowings. The hedging strategy converts the LIBOR-based variable interest rate on the forecasted borrowings to a fixed interest rate. As of March 31, 2021, the Company is hedging its exposure to the variability of future cash flows through 2030 and a portion of these hedges are forward starting.

The following table provides a summary of the Company's derivatives designated as cash flow hedges as of the dates presented:

	Balance Sheet Location	March 31, 2021				December 31, 2020			
		Notional Amount		Fair Value		Notional Amount		Fair Value	
Derivative assets:									
Interest rate swaps	Other Assets	$	200,000	$	16,474	$	175,000	$	3,866
Derivative liabilities:									
Interest rate swaps	Other Liabilities	$	62,000	$	3,798	$	87,000	$	5,924

Changes in fair value of the cash flow hedges are, to the extent that the hedging relationship is effective, recorded as other comprehensive income and are subsequently recognized in earnings at the same time that the hedged item is recognized in earnings. The ineffective portions of the changes in fair value of the hedging instruments are immediately recognized in earnings. The assessment of the effectiveness of the hedging relationship is evaluated under the hypothetical derivative method. There were no ineffective portions for the three months ended March 31, 2021 or 2020. The impact on other comprehensive income for the three months ended March 31, 2021 and 2020 is discussed in Note 13, "Other Comprehensive Income (Loss)."

Derivatives designated as fair value hedges

Fair value hedges protect against changes in the fair value of an asset, liability, or firm commitment. The Company enters into interest rate swap agreements to manage interest rate exposure on certain of the Company’s fixed-rate subordinated notes. The agreements convert the fixed interest rates to LIBOR-based variable interest rates.

The following table provides a summary of the Company's derivatives designated as fair value hedges as of the dates presented:

	Balance Sheet	March 31, 2021		December 31, 2020	
	Location	Notional Amount	Fair Value	Notional Amount	Fair Value
Derivative liabilities:					
Interest rate swaps	Other Liabilities	$ 100,000	$ 7,650	$ 100,000	$ 209

The following table presents the effects of the Company’s fair value hedge relationships on the Consolidated Statements of Income for the periods presented:

	Income Statement	Amount of Gain (Loss Recognized in Income) Three Months Ended March 31,	
	Location	2021	2020
Derivative liabilities:			
Interest rate swaps - subordinated notes	Interest Expense	$ (7,650)	$ —
Derivative liabilities - hedged items:			
Interest rate swaps - subordinated notes	Interest Expense	$ 7,650	$ —

The following table presents the amounts that were recorded in the Consolidated Balance Sheets related to cumulative basis adjustments for fair value hedges as of the dates presented:

	Carrying Amount of the Hedged Liability		Cumulative Amount of Fair Value Hedging Adjustments Included in the Carrying Amount of the Hedged Liability	
Balance Sheet Location	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Long-term debt	$ 90,717	$ 98,114	$ 7,650	$ 209

Offsetting

Certain financial instruments, including derivatives, may be eligible for offset in the consolidated balance sheet when the “right of offset” exists or when the instruments are subject to an enforceable master netting agreement, which includes the right of the non-defaulting party or non-affected party to offset recognized amounts, including collateral posted with the counterparty, to determine a net receivable or net payable upon early termination of the agreement. Certain of the Company’s derivative instruments are subject to master netting agreements; however, the Company has not elected to offset such financial instruments in the Consolidated Balance Sheets. The following table presents the Company’s gross derivative positions as recognized in the Consolidated Balance Sheets as well as the net derivative positions, including collateral pledged to the extent the application of such collateral did not reduce the net derivative liability position below zero, had the Company elected to offset those instruments subject to an enforceable master netting agreement:

	Offsetting Derivative Assets		Offsetting Derivative Liabilities	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Gross amounts recognized	$ 30,352	$ 3,866	$ 18,501	$ 21,107
Gross amounts offset in the Consolidated Balance Sheets	—	—	—	—
Net amounts presented in the Consolidated Balance Sheets	30,352	3,866	18,501	21,107
Gross amounts not offset in the Consolidated Balance Sheets				
Financial instruments	9,172	3,866	9,172	3,866
Financial collateral pledged	—	—	9,329	14,042
Net amounts	$ 21,180	$ —	$ —	$ 3,199

Note 11 – Income Taxes

(In Thousands)

The following table is a summary of the Company's temporary differences between the tax basis of assets and liabilities and their financial reporting amounts that give rise to deferred income tax assets and liabilities and their approximate tax effects as of the dates presented.

	March 31, 2021	December 31, 2020
Deferred tax assets		
Allowance for credit losses	$ 53,318	$ 53,597
Loans	4,883	5,526
Deferred compensation	12,311	13,114
Impairment of assets	874	1,067
Net operating loss carryforwards	1,667	1,857
Lease liabilities under operating leases	18,168	17,732
Other	3,504	3,539
Total deferred tax assets	94,725	96,432
Deferred tax liabilities		
Net unrealized gains on securities	6,804	8,434
Investment in partnerships	719	793
Fixed assets	2,534	3,285
Mortgage servicing rights	19,025	14,623
Junior subordinated debt	2,223	2,245
Intangibles	3,968	3,882
Lease right-of-use asset	17,239	16,833
Other	1,459	1,672
Total deferred tax liabilities	53,971	51,767
Net deferred tax assets	$ 40,754	$ 44,665

For the three months ended March 31, 2021 and 2020, the Company recorded a provision for income taxes totaling $16,842 and $773, respectively. The provision for income taxes includes both federal and state income taxes and differs from the statutory rate due to favorable permanent differences. The effective tax rate was 22.59% and 27.80% for the three months ended March 31, 2021 and 2020, respectively.

The Company and its subsidiaries file a consolidated U.S. federal income tax return. The Company is currently open to audit under the statute of limitations by the Internal Revenue Service and state departments of revenue for the years ending December 31, 2017 through December 31, 2019.

The Company acquired both federal and state net operating losses as part of its previous acquisitions with varying expiration periods. The federal and state net operating losses acquired in its acquisition of Brand Group Holdings, Inc. ("Brand") were $81,288 and $55,067, respectively, as of the September 1, 2018 acquisition date, all created in 2018. As part of The Tax Cuts and Jobs Act and corresponding state tax laws, the federal net operating losses and the majority of the state net operating losses created by Brand have an indefinite carryforward period. As of March 31, 2021, there are state net operating losses acquired in the Brand acquisition without expiration periods of $21,781. The federal and state net operating losses acquired in the Company's acquisition of Heritage Financial Group, Inc. ("Heritage") in 2015 were $18,321 and $16,849, respectively, of which $2,788 and $1,965 remain to be utilized as of March 31, 2021. The net operating losses related to the Heritage acquisition begin to expire in 2029 and are expected to be utilized. Because the benefits are expected to be fully realized, the Company recorded no valuation allowance against the net operating losses for the period ending March 31, 2021.

Note 12 – Fair Value Measurements

(In Thousands)

Fair Value Measurements and the Fair Level Hierarchy

FASB Accounting Standards Codification Topic ("ASC") 820, "Fair Value Measurements and Disclosures," provides guidance for using fair value to measure assets and liabilities and also establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to a valuation based on quoted prices in active markets for identical assets and liabilities (Level 1), moderate priority to a valuation based on quoted prices in active markets for similar assets and liabilities and/or based on assumptions that are observable in the market (Level 2), and the lowest priority to a valuation based on assumptions that are not observable in the market (Level 3).

Recurring Fair Value Measurements

The Company carries certain assets and liabilities at fair value on a recurring basis in accordance with applicable standards. The Company's recurring fair value measurements are based on the requirement to carry such assets and liabilities at fair value or the Company's election to carry certain eligible assets and liabilities at fair value. Assets and liabilities that are required to be carried at fair value on a recurring basis include securities available for sale and derivative instruments. The Company has elected to carry mortgage loans held for sale at fair value on a recurring basis as permitted under the guidance in ASC 825, "Financial Instruments" ("ASC 825").

The following methods and assumptions are used by the Company to estimate the fair values of the Company's financial assets and liabilities that are measured on a recurring basis:

Securities available for sale: Securities available for sale consist primarily of debt securities, such as obligations of U.S. Government agencies and corporations, obligations of states and political subdivisions, mortgage-backed securities and trust preferred securities. Where quoted market prices in active markets are available, securities are classified within Level 1 of the fair value hierarchy. If quoted prices from active markets are not available, fair values are based on quoted market prices for similar instruments traded in active markets, quoted market prices for identical or similar instruments traded in markets that are not active, or model-based valuation techniques where all significant assumptions are observable in the market. Such instruments are classified within Level 2 of the fair value hierarchy. When assumptions used in model-based valuation techniques are not observable in the market, the assumptions used by management reflect estimates of assumptions used by other market participants in determining fair value. When there is limited transparency around the inputs to the valuation, the instruments are classified within Level 3 of the fair value hierarchy.

Derivative instruments: Most of the Company's derivative contracts are extensively traded in over-the-counter markets and are valued using discounted cash flow models which incorporate observable market based inputs including current market interest rates, credit spreads, and other factors. Such instruments are categorized within Level 2 of the fair value hierarchy and include interest rate swaps and other interest rate contracts such as interest rate caps and/or floors. The Company's interest rate lock commitments are valued using current market prices for mortgage-backed securities with similar characteristics, adjusted for certain factors including servicing and risk. The value of the Company's forward commitments is based on current prices for securities backed by similar types of loans. Because these assumptions are observable in active markets, the Company's interest rate lock commitments and forward commitments are categorized within Level 2 of the fair value hierarchy.

Mortgage loans held for sale in loans held for sale: Mortgage loans held for sale are primarily agency loans which trade in active secondary markets. The fair value of these instruments is derived from current market pricing for similar loans, adjusted for differences in loan characteristics, including servicing and risk. Because the valuation is based on external pricing of similar instruments, mortgage loans held for sale are classified within Level 2 of the fair value hierarchy.

The following tables present assets and liabilities that are measured at fair value on a recurring basis as of the dates presented:

	Level 1	Level 2	Level 3	Totals
March 31, 2021				
Financial assets:				
Securities available for sale	$ —	$ 1,536,041	$ —	$ 1,536,041
Derivative instruments	—	49,227	—	49,227
Mortgage loans held for sale in loans held for sale	—	502,002	—	502,002
Total financial assets	$ —	$ 2,087,270	$ —	$ 2,087,270
Financial liabilities:				
Derivative instruments:	$ —	$ 18,985	$ —	$ 18,985

	Level 1	Level 2	Level 3	Totals
December 31, 2020				
Financial assets:				
Trust preferred securities	$ —	$ —	$ 9,012	$ 9,012
Other available for sale securities	—	1,334,445	—	1,334,445
Total securities available for sale	—	1,334,445	9,012	1,343,457
Derivative instruments	—	33,574	—	33,574
Mortgage loans held for sale in loans held for sale	—	417,771	—	417,771
Total financial assets	$ —	$ 1,785,790	$ 9,012	$ 1,794,802
Financial liabilities:				
Derivative instruments	$ —	$ 21,107	$ —	$ 21,107

The Company reviews fair value hierarchy classifications on a quarterly basis. Changes in the Company's ability to observe inputs to the valuation may cause reclassification of certain assets or liabilities within the fair value hierarchy. Transfers between levels of the hierarchy are deemed to have occurred at the end of period. There were no such transfers between levels of the fair value hierarchy during the three months ended March 31, 2021.

The following tables provide a reconciliation for assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs, or Level 3 inputs, as of the dates presented:

	2021	2020
	Trust preferred securities	Trust preferred securities
Three Months Ended March 31,		
Balance at beginning of period	$ 9,012	$ 9,986
Accretion included in net income	7	9
Unrealized gains (losses) included in other comprehensive income	941	(1,319)
Realized losses	2,061	—
Sales	(12,021)	—
Settlements	—	(72)
Balance at end of period	$ —	$ 8,604

For the three months ended March 31, 2021 and 2020, respectively, there were no gains or losses included in earnings that were attributable to the change in unrealized gains or losses related to assets or liabilities held at the end of each respective period that were measured on a recurring basis using significant unobservable inputs.

Nonrecurring Fair Value Measurements

Certain assets and liabilities may be recorded at fair value on a nonrecurring basis. These nonrecurring fair value adjustments typically are a result of the application of the lower of cost or market accounting or a write-down occurring during the period.

The following tables provide the fair value measurement for assets measured at fair value on a nonrecurring basis that were still held on the Consolidated Balance Sheets as of the dates presented and the level within the fair value hierarchy each is classified:

March 31, 2021	Level 1	Level 2	Level 3	Totals
Individually evaluated loans, net of allowance for credit losses	$ —	$ —	$ 8,810	$ 8,810
OREO	—	—	215	215
Mortgage servicing rights	—	—	80,263	80,263
Total	$ —	$ —	$ 89,288	$ 89,288

December 31, 2020	Level 1	Level 2	Level 3	Totals
Individually evaluated loans, net of allowance for credit losses	$ —	$ —	$ 24,145	$ 24,145
OREO	—	—	2,736	2,736
Mortgage servicing rights	—	—	62,994	62,994
Total	$ —	$ —	$ 89,875	$ 89,875

The following methods and assumptions are used by the Company to estimate the fair values of the Company's financial assets measured on a nonrecurring basis:

Individually evaluated loans: Loans are individually evaluated for credit losses each quarter taking into account the fair value of the collateral less estimated selling costs. Collateral may be real estate and/or business assets including but not limited to equipment, inventory and accounts receivable. The fair value of real estate is determined based on appraisals by qualified licensed appraisers. The fair value of the business assets is generally based on amounts reported on the business's financial statements. Appraised and reported values may be adjusted based on changes in market conditions from the time of valuation and management's knowledge of the client and the client's business. Since not all valuation inputs are observable, these nonrecurring fair value determinations are classified as Level 3. Individually evaluated loans are reviewed and evaluated on at least a quarterly basis for additional impairment and adjusted accordingly, based on the same factors previously identified. Individually evaluated loans that were measured or re-measured at fair value had a carrying value of $14,477 and $36,990 at March 31, 2021 and December 31, 2020, respectively, and a specific reserve for these loans of $5,667 and $12,845 was included in the allowance for credit losses as of such dates.

Other real estate owned: OREO is comprised of commercial and residential real estate obtained in partial or total satisfaction of loan obligations. OREO acquired in settlement of indebtedness is recorded at the fair value of the real estate less estimated costs to sell. Subsequently, it may be necessary to record nonrecurring fair value adjustments for declines in fair value. Fair value, when recorded, is determined based on appraisals by qualified licensed appraisers and adjusted for management's estimates of costs to sell. Accordingly, values for OREO are classified as Level 3.

The following table presents OREO measured at fair value on a nonrecurring basis that was still held on the Consolidated Balance Sheets as of the dates presented:

	March 31, 2021	December 31, 2020
Carrying amount prior to remeasurement	$ 285	$ 4,051
Impairment recognized in results of operations	(70)	(1,315)
Fair value	$ 215	$ 2,736

Mortgage servicing rights: Mortgage servicing rights are carried at the lower of amortized cost or fair value. Fair value is determined using an income approach with various assumptions including expected cash flows, market discount rates, prepayment speeds, servicing costs, and other factors. Because these factors are not all observable and include management's assumptions, mortgage servicing rights are classified within Level 3 of the fair value hierarchy. Mortgage servicing rights were carried at amortized cost at March 31, 2021 and fair value at December 31, 2020. There were $13,561 of positive valuation adjustments on MSRs during the three months ended March 31, 2021 and $11,726 of negative valuation adjustments recognized during the twelve months ended December 31, 2020.

The following table presents information as of March 31, 2021 about significant unobservable inputs (Level 3) used in the valuation of assets measured at fair value on a nonrecurring basis:

Financial instrument		Fair Value	Valuation Technique	Significant Unobservable Inputs	Range of Inputs
Individually evaluated loans, net of allowance for credit losses	$	8,810	Appraised value of collateral less estimated costs to sell	Estimated costs to sell	4-10%
OREO	$	215	Appraised value of property less estimated costs to sell	Estimated costs to sell	4-10%

Fair Value Option

The Company elected to measure all mortgage loans originated for sale on or after July 1, 2012 at fair value under the fair value option as permitted under ASC 825. Electing to measure these assets at fair value reduces certain timing differences and better matches the changes in fair value of the loans with changes in the fair value of derivative instruments used to economically hedge them.

Net losses of $12,231 and net gains of $12,709 resulting from fair value changes of these mortgage loans were recorded in income during the three months ended March 31, 2021 and 2020, respectively. The amount does not reflect changes in fair values of related derivative instruments used to hedge exposure to market-related risks associated with these mortgage loans. The change in fair value of both mortgage loans held for sale and the related derivative instruments are recorded in “Mortgage banking income” in the Consolidated Statements of Income.

The Company’s valuation of mortgage loans held for sale incorporates an assumption for credit risk; however, given the short-term period that the Company holds these loans, valuation adjustments attributable to instrument-specific credit risk is nominal. Interest income on mortgage loans held for sale measured at fair value is accrued as it is earned based on contractual rates and is reflected in loan interest income on the Consolidated Statements of Income.

The following table summarizes the differences between the fair value and the principal balance for mortgage loans held for sale measured at fair value as of March 31, 2021 and December 31, 2020:

		Aggregate Fair Value		Aggregate Unpaid Principal Balance		Difference
March 31, 2021						
Mortgage loans held for sale measured at fair value	$	502,002	$	492,064	$	9,938
December 31, 2020						
Mortgage loans held for sale measured at fair value	$	417,771	$	395,602	$	22,169

Fair Value of Financial Instruments

The carrying amounts and estimated fair values of the Company’s financial instruments, including those assets and liabilities that are not measured and reported at fair value on a recurring basis or nonrecurring basis, were as follows as of the dates presented:

		Fair Value			
As of March 31, 2021	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	$ 1,261,916	$ 1,261,916	$ —	$ —	$ 1,261,916
Securities available for sale	1,536,041	—	1,536,041	—	1,536,041
Loans held for sale	502,002	—	502,002	—	502,002
Loans, net	10,515,302	—	—	10,420,129	10,420,129
Mortgage servicing rights	80,263	—	—	83,730	83,730
Derivative instruments	49,227	—	49,227	—	49,227
Financial liabilities					
Deposits	$ 12,736,908	$ 11,133,259	$ 1,610,535	$ —	$ 12,743,794
Short-term borrowings	12,154	12,154	—	—	12,154
Federal Home Loan Bank advances	152,124	—	157,139	—	157,139
Junior subordinated debentures	110,939	—	99,076	—	99,076
Subordinated notes	204,597	—	219,900	—	219,900
Derivative instruments	18,985	—	18,985	—	18,985

		Fair Value			
As of December 31, 2020	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	$ 633,203	$ 633,203	$ —	$ —	$ 633,203
Securities available for sale	1,343,457	—	1,334,445	9,012	1,343,457
Loans held for sale	417,771	—	417,771	—	417,771
Loans, net	10,757,503	—	—	10,668,625	10,668,625
Mortgage servicing rights	62,994	—	—	62,994	62,994
Derivative instruments	33,574	—	33,574	—	33,574
Financial liabilities					
Deposits	$ 12,059,081	$ 10,363,193	$ 1,706,005	$ —	$ 12,069,198
Short-term borrowings	21,340	21,340	—	—	21,340
Federal Home Loan Bank advances	152,167	—	158,914	—	158,914
Junior subordinated debentures	110,794	—	93,092	—	93,092
Subordinated notes	212,009	—	217,575	—	217,575
Derivative instruments	21,107	—	21,107	—	21,107

Note 13 – Other Comprehensive Income (Loss)

(In Thousands)

Changes in the components of other comprehensive income, net of tax, were as follows for the periods presented:

	Pre-Tax	Tax Expense (Benefit)	Net of Tax
Three months ended March 31, 2021			
Securities available for sale:			
Unrealized holding losses on securities	$ (20,044)	$ (5,101)	$ (14,943)
Reclassification adjustment for gains realized in net income	(1,357)	(345)	(1,012)
Total securities available for sale	(21,401)	(5,446)	(15,955)
Derivative instruments:			
Unrealized holding gains on derivative instruments	14,734	3,750	10,984
Total derivative instruments	14,734	3,750	10,984
Defined benefit pension and post-retirement benefit plans:			
Amortization of net actuarial loss recognized in net periodic pension cost	54	12	42
Total defined benefit pension and post-retirement benefit plans	54	12	42
Total other comprehensive loss	$ (6,613)	$ (1,684)	$ (4,929)
Three months ended March 31, 2020			
Securities available for sale:			
Unrealized holding gains on securities	$ 22,389	$ 5,695	$ 16,694
Total securities available for sale	22,389	5,695	16,694
Derivative instruments:			
Unrealized holding losses on derivative instruments	(4,028)	(1,025)	(3,003)
Total derivative instruments	(4,028)	(1,025)	(3,003)
Defined benefit pension and post-retirement benefit plans:			
Amortization of net actuarial loss recognized in net periodic pension cost	62	16	46
Total defined benefit pension and post-retirement benefit plans	62	16	46
Total other comprehensive income	$ 18,423	$ 4,686	$ 13,737

The accumulated balances for each component of other comprehensive income, net of tax, were as follows as of the dates presented:

	March 31, 2021	December 31, 2020
Unrealized gains on securities	$ 14,972	$ 42,246
Non-credit related portion of previously recorded other-than-temporary impairment on securities	—	(11,319)
Unrealized gains (losses) on derivative instruments	10,346	(638)
Unrecognized losses on defined benefit pension and post-retirement benefit plans obligations	(5,179)	(5,221)
Total accumulated other comprehensive income	$ 20,139	$ 25,068

Note 14 – Net Income Per Common Share

(In Thousands, Except Share Data)

Basic net income per common share is calculated by dividing net income by the weighted-average number of common shares outstanding for the period. Diluted net income per common share reflects the pro forma dilution of shares outstanding, assuming outstanding service-based restricted stock awards fully vested and outstanding stock options were exercised into common shares, calculated in accordance with the treasury method. Basic and diluted net income per common share calculations are as follows for the periods presented:

	Three Months Ended March 31,	
	2021	2020
Basic		
Net income applicable to common stock	$ 57,908	$ 2,008
Average common shares outstanding	56,240,201	56,534,816
Net income per common share - basic	$ 1.03	$ 0.04
Diluted		
Net income applicable to common stock	$ 57,908	$ 2,008
Average common shares outstanding	56,240,201	56,534,816
Effect of dilutive stock-based compensation	278,998	171,473
Average common shares outstanding - diluted	56,519,199	56,706,289
Net income per common share - diluted	$ 1.02	$ 0.04

Stock-based compensation awards that could potentially dilute basic net income per common share in the future that were not included in the computation of diluted net income per common share due to their anti-dilutive effect were as follows for the periods presented:

	Three Months Ended March 31,	
	2021	2020
Number of shares	1,875	236,327
Exercise prices (for stock option awards)	—	—

Note 15 – Regulatory Matters

(In Thousands)

The Company and the Bank are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on the Company's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. Capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

The Federal Reserve, the FDIC and the Office of the Comptroller of the Currency have issued guidelines governing the levels of capital that bank holding companies and banks must maintain. Those guidelines specify capital tiers, which include the following classifications:

Capital Tiers	Tier 1 Capital to Average Assets (Leverage)	Common Equity Tier 1 to Risk - Weighted Assets	Tier 1 Capital to Risk - Weighted Assets	Total Capital to Risk - Weighted Assets
Well capitalized	5% or above	6.5% or above	8% or above	10% or above
Adequately capitalized	4% or above	4.5% or above	6% or above	8% or above
Undercapitalized	Less than 4%	Less than 4.5%	Less than 6%	Less than 8%
Significantly undercapitalized	Less than 3%	Less than 3%	Less than 4%	Less than 6%
Critically undercapitalized	Tangible Equity / Total Assets less than 2%			

The following table provides the capital and risk-based capital and leverage ratios for the Company and for the Bank as of the dates presented:

	March 31, 2021		December 31, 2020	
	Amount	Ratio	Amount	Ratio
Renasant Corporation				
Tier 1 Capital to Average Assets (Leverage)	$ 1,353,317	9.49 %	$ 1,306,597	9.37 %
Common Equity Tier 1 Capital to Risk-Weighted Assets	1,245,969	11.05 %	1,199,394	10.93 %
Tier 1 Capital to Risk-Weighted Assets	1,353,317	12.00 %	1,306,597	11.91 %
Total Capital to Risk-Weighted Assets	1,701,667	15.09 %	1,653,694	15.07 %
Renasant Bank				
Tier 1 Capital to Average Assets (Leverage)	$ 1,412,831	9.91 %	$ 1,369,994	9.83 %
Common Equity Tier 1 Capital to Risk-Weighted Assets	1,412,831	12.52 %	1,369,994	12.49 %
Tier 1 Capital to Risk-Weighted Assets	1,412,831	12.52 %	1,369,994	12.49 %
Total Capital to Risk-Weighted Assets	1,548,990	13.72 %	1,504,985	13.73 %

Common equity Tier 1 capital ("CET1") generally consists of common stock, retained earnings, accumulated other comprehensive income and certain minority interests, less certain adjustments and deductions. In addition, the Company must maintain a "capital conservation buffer," which is a specified amount of CET1 capital in addition to the amount necessary to meet minimum risk-based capital requirements. The capital conservation buffer is designed to absorb losses during periods of economic stress. If the Company's ratio of CET1 to risk-weighted capital is below the capital conservation buffer, the Company will face restrictions on its ability to pay dividends, repurchase outstanding stock and make certain discretionary bonus payments. The required capital conservation buffer is 2.5% of CET1 to risk-weighted assets in addition to the amount necessary to meet minimum risk-based capital requirements. As shown in the tables above, as of March 31, 2021, the Company's CET1 capital was in excess of the capital conservation buffer.

The Company has elected to take advantage of transitional relief offered by the Federal Reserve and the FDIC to delay for two years the estimated impact of Accounting Standards Codification Topic 326, "Financial Instruments - Credit Losses" ("ASC 326"), often referred to as CECL, on regulatory capital, followed by a three-year transitional period to phase out the capital benefit provided by the two-year delay.

Note 16 – Segment Reporting

(In Thousands)

The operations of the Company's reportable segments are described as follows:

- The Community Banks segment delivers a complete range of banking and financial services to individuals and small to medium-sized businesses including checking and savings accounts, business and personal loans, asset-based lending and equipment leasing, as well as safe deposit and night depository facilities.
- The Insurance segment includes a full service insurance agency offering all major lines of commercial and personal insurance through major carriers.

- The Wealth Management segment, through the Trust division, offers a broad range of fiduciary services including the administration (as trustee or in other fiduciary or representative capacities) of benefit plans, management of trust accounts, inclusive of personal and corporate benefit accounts, and custodial accounts, as well as accounting and money management for trust accounts. In addition, the Wealth Management segment, through the Financial Services division, provides specialized products and services to customers, which include fixed and variable annuities, mutual funds and other investment services through a third party broker-dealer.

In order to give the Company’s divisional management a more precise indication of the income and expenses they can control, the results of operations for the Community Banks, the Insurance and the Wealth Management segments reflect the direct revenues and expenses of each respective segment. Indirect revenues and expenses, including but not limited to income from the Company’s investment portfolio as well as certain costs associated with data processing and back office functions, primarily support the operations of the community banks and, therefore, are included in the results of the Community Banks segment. Included in “Other” are the operations of the holding company and other eliminations which are necessary for purposes of reconciling to the consolidated amounts.

The following table provides financial information for the Company’s operating segments as of and for the periods presented:

	Community Banks	Insurance	Wealth Management	Other	Consolidated
Three months ended March 31, 2021					
Net interest income (loss)	$ 112,948	$ 107	$ 384	$ (3,791)	$ 109,648
Provision for credit losses	—	—	—	—	—
Noninterest income (loss)	73,070	3,248	5,171	(452)	81,037
Noninterest expense	109,586	1,923	4,101	325	115,935
Income (loss) before income taxes	76,432	1,432	1,454	(4,568)	74,750
Income tax expense (benefit)	17,656	367	—	(1,181)	16,842
Net income (loss)	$ 58,776	$ 1,065	$ 1,454	$ (3,387)	$ 57,908
Total assets	$ 15,525,500	$ 31,004	$ 64,320	$ 1,747	$ 15,622,571
Goodwill	$ 936,916	$ 2,767	$ —	$ —	$ 939,683
Three months ended March 31, 2020					
Net interest income (loss)	$ 108,869	$ 187	$ 441	$ (2,895)	$ 106,602
Provision for credit losses	26,212	—	138	—	26,350
Noninterest income (loss)	30,683	2,940	4,344	(397)	37,570
Noninterest expense (benefit)	109,284	1,886	3,945	(74)	115,041
Income (loss) before income taxes	4,056	1,241	702	(3,218)	2,781
Income tax expense (benefit)	1,280	330	—	(837)	773
Net income (loss)	$ 2,776	$ 911	$ 702	$ (2,381)	$ 2,008
Total assets	$ 13,776,076	$ 28,448	$ 71,895	$ 24,131	$ 13,900,550
Goodwill	$ 936,916	$ 2,767	$ —	$ —	$ 939,683

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(In Thousands, Except Share Data)

This Form 10-Q may contain or incorporate by reference statements regarding Renasant Corporation (referred to herein as the “Company”, “we”, “our”, or “us”) that constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements preceded by, followed by or that otherwise include the words “believes,” “expects,” “projects,” “anticipates,” “intends,” “estimates,” “plans,” “potential,” “possible,” “may increase,” “may fluctuate,” “will likely result,” and similar expressions, or future or conditional verbs such as “will,” “should,” “would” and “could,” are generally forward-looking in nature and not historical facts. Forward-looking statements include information about the Company’s future financial performance, business strategy, projected plans and objectives and are based on the current beliefs and expectations of management. The Company’s management believes these forward-looking statements are reasonable, but they are all inherently subject to significant business, economic and competitive risks and uncertainties, many of which are beyond the Company’s control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change. Actual results may differ from those indicated or implied in the forward-looking statements, and such differences may be material. Prospective investors are cautioned that any such forward-looking statements are not guarantees for future performance and involve risks and uncertainties and, accordingly, investors should not place undue reliance on these forward-looking statements, which speak only as of the date they are made.

In the current environment, one of the most important factors that could cause the Company’s actual results to differ materially from those in forward-looking statements is the continued impact of the COVID-19 pandemic and related governmental measures to respond to the pandemic on the United States economy and the economies of the markets in which the Company operates and its participation in government programs related to the pandemic. In this Form 10-Q, the Company addresses the historical impact of the pandemic on certain aspects of the Company’s operations and sets forth certain expectations regarding the COVID-19 pandemic’s future impact on the Company’s business, financial condition, results of operations, liquidity, asset quality, capital, cash flows and prospects. The Company believes that its statements regarding future events and conditions in light of the COVID-19 pandemic are reasonable, but these statements are based on assumptions regarding, among other things, how long the pandemic will continue, the pace at which the COVID-19 vaccine can be distributed and administered to residents of the markets the Company serves and the United States generally, the duration, extent and effectiveness of the governmental measures implemented to contain the pandemic and ameliorate its impact on businesses and individuals throughout the United States, and the impact of the pandemic and the government’s virus containment measures on national and local economies, all of which are out of the Company’s control. If the Company’s assumptions underlying its statements about future events prove to be incorrect, the Company’s business, financial condition, results of operations, liquidity, asset quality, capital, cash flows and prospects may be materially different from what is presented in the Company’s forward-looking statements.

Important factors other than the COVID-19 pandemic currently known to management that could cause actual results to differ materially from those in forward-looking statements include the following: (1) the Company’s ability to efficiently integrate acquisitions into its operations, retain the customers of these businesses, grow the acquired operations and realize the cost savings expected from an acquisition to the extent and in the timeframe anticipated by management; (2) the effect of economic conditions and interest rates on a national, regional or international basis; (3) timing and success of the implementation of changes in operations to achieve enhanced earnings or effect cost savings; (4) competitive pressures in the consumer finance, commercial finance, insurance, financial services, asset management, retail banking, mortgage lending and auto lending industries; (5) the financial resources of, and products available from, competitors; (6) changes in laws and regulations as well as changes in accounting standards; (7) changes in policy by regulatory agencies; (8) changes in the securities and foreign exchange markets; (9) the Company’s potential growth, including its entrance or expansion into new markets, and the need for sufficient capital to support that growth; (10) changes in the quality or composition of the Company’s loan or investment portfolios, including adverse developments in borrower industries or in the repayment ability of individual borrowers; (11) an insufficient allowance for credit losses as a result of inaccurate assumptions; (12) general economic, market or business conditions, including the impact of inflation; (13) changes in demand for loan products and financial services; (14) concentration of credit exposure; (15) changes or the lack of changes in interest rates, yield curves and interest rate spread relationships; (16) increased cybersecurity risk, including potential network breaches, business disruptions or financial losses; (17) natural disasters, epidemics and other catastrophic events in the Company’s geographic area; (18) the impact, extent and timing of technological changes; and (19) other circumstances, many of which are beyond management’s control. The COVID-19 pandemic has exacerbated, and is likely to continue to exacerbate, the impact of any of these factors on the Company. Management believes that the assumptions underlying the Company’s forward-looking statements are reasonable, but any of the assumptions could prove to be inaccurate.

The Company undertakes no obligation, and specifically disclaims any obligation, to update or revise forward-looking statements, whether as a result of new information or to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, except as required by federal securities laws.

Financial Condition

The following discussion provides details regarding the changes in significant balance sheet accounts at March 31, 2021 compared to December 31, 2020.

Assets

Total assets were $15,622,571 at March 31, 2021 compared to $14,929,612 at December 31, 2020.

Investments

The securities portfolio is a liquid source of interest income that also can be used in collateralizing certain deposits and other types of borrowings. The following table shows the carrying value of our securities portfolio, all of which are classified as available for sale, by investment type and the percentage of such investment type relative to the entire securities portfolio as of the dates presented:

	March 31, 2021		December 31, 2020	
	Balance	Percentage of Portfolio	Balance	Percentage of Portfolio
U.S. Treasury securities	$ 3,050	0.20 %	$ 7,079	0.53 %
Obligations of other U.S. Government agencies and corporations	1,004	0.07	1,009	0.08
Obligations of states and political subdivisions	328,818	21.41	305,201	22.72
Mortgage-backed securities	1,139,970	74.21	955,549	71.12
Trust preferred securities	—	—	9,012	0.67
Other debt securities	63,199	4.11	65,607	4.88
	$ 1,536,041	100.00 %	$ 1,343,457	100.00 %

During the three months ended March 31, 2021, we purchased $465,245 in investment securities. Mortgage-backed securities and collateralized mortgage obligations (“CMOs”), in the aggregate, comprised approximately 93% of these purchases. CMOs are included in the “Mortgage-backed securities” line item in the above table. The mortgage-backed securities and CMOs held in our investment portfolio are primarily issued by government sponsored entities. Obligations of state and political subdivisions comprised approximately 7% of purchases made during the first three months of 2021.

Proceeds from maturities, calls and principal payments on securities during the first three months of 2021 totaled $95,382. The Company sold municipal securities, residential mortgage backed securities, and trust preferred securities with a carrying value of $154,034 at the time of sale for net proceeds of $155,391, resulting in a net gain on sale of $1,357 during the first three months of 2021. Proceeds from the maturities, calls and principal payments on securities during the first three months of 2020 totaled $76,269. The Company did not sell any securities during the first three months of 2020.

For more information about the Company’s security portfolio, see Note 2, “Securities,” in the Notes to Consolidated Financial Statements of the Company in Item 1, Financial Statements, in this report.

Loans Held for Sale

Loans held for sale, which consist of residential mortgage loans being held until they are sold in the secondary market, were $502,002 at March 31, 2021, as compared to $417,771 at December 31, 2020. Mortgage loans to be sold are sold either on a “best efforts” basis or under a mandatory delivery sales agreement. Under a “best efforts” sales agreement, residential real estate originations are locked in at a contractual rate with third party private investors or directly with government sponsored agencies, and the Company is obligated to sell the mortgages to such investors only if the mortgages are closed and funded. The risk we assume is conditioned upon loan underwriting and market conditions in the national mortgage market. Under a mandatory delivery sales agreement, the Company commits to deliver a certain principal amount of mortgage loans to an investor at a specified price and delivery date. Penalties are paid to the investor if we fail to satisfy the contract. Gains and losses are realized at the time consideration is received and all other criteria for sales treatment have been met. Our standard practice is to sell the loans within 30-40 days after the loan is funded. Although loan fees and some interest income are derived from mortgage loans held for sale, the main source of income is gains from the sale of these loans in the secondary market.

Loans

Total loans, excluding loans held for sale, were $10,688,408 at March 31, 2021 and $10,933,647 at December 31, 2020. Non purchased loans totaled $9,292,502 at March 31, 2021 compared to $9,419,540 at December 31, 2020. Loans purchased in previous acquisitions totaled $1,395,906 and $1,514,107 at March 31, 2021 and December 31, 2020, respectively.

The tables below set forth the balance of loans outstanding, net of unearned income and excluding loans held for sale, by loan type and the percentage of each loan type to total loans as of the dates presented:

	March 31, 2021			
	Non Purchased	Purchased	Total Loans	Percentage of Total Loans
Commercial, financial, agricultural [1]	$ 2,105,444	$ 143,843	$ 2,249,287	21.04 %
Lease financing, net of unearned income	75,256	—	75,256	0.70
Real estate – construction:				
Residential	252,795	2,561	255,356	2.39
Commercial	680,791	19,771	700,562	6.55
Total real estate – construction	933,586	22,332	955,918	8.94
Real estate – 1-4 family mortgage:				
Primary	1,576,212	190,539	1,766,751	16.53
Home equity	432,207	72,413	504,620	4.72
Rental/investment	256,979	28,800	285,779	2.67
Land development	115,522	13,389	128,911	1.21
Total real estate – 1-4 family mortgage	2,380,920	305,141	2,686,061	25.13
Real estate – commercial mortgage:				
Owner-occupied	1,344,154	300,616	1,644,770	15.39
Non-owner occupied	2,221,206	546,663	2,767,869	25.90
Land development	110,800	25,588	136,388	1.28
Total real estate – commercial mortgage	3,676,160	872,867	4,549,027	42.57
Installment loans to individuals	121,136	51,723	172,859	1.62
Total loans, net of unearned income	$ 9,292,502	$ 1,395,906	$ 10,688,408	100.00 %

[1] Includes Paycheck Protection Program (“PPP”) loans of $860,864 as of March 31, 2021.

	December 31, 2020			
	Non Purchased	Purchased	Total Loans	Percentage of Total Loans
Commercial, financial, agricultural [1]	$ 2,360,471	$ 176,513	$ 2,536,984	23.20 %
Lease financing, net of unearned income	75,862	—	75,862	0.69
Real estate – construction:				
Residential	243,814	2,859	246,673	2.26
Commercial	583,338	28,093	611,431	5.59
Total real estate – construction	827,152	30,952	858,104	7.85
Real estate – 1-4 family mortgage:				
Primary	1,536,181	214,770	1,750,951	16.02
Home equity	432,768	80,392	513,160	4.69
Rental/investment	264,436	31,928	296,364	2.71
Land development	123,179	14,654	137,833	1.26
Total real estate – 1-4 family mortgage	2,356,564	341,744	2,698,308	24.68
Real estate – commercial mortgage:				
Owner-occupied	1,334,765	323,041	1,657,806	15.16
Non-owner occupied	2,194,739	552,728	2,747,467	25.13
Land development	120,125	29,454	149,579	1.37
Total real estate – commercial mortgage	3,649,629	905,223	4,554,852	41.66
Installment loans to individuals	149,862	59,675	209,537	1.92
Total loans, net of unearned income	$ 9,419,540	$ 1,514,107	$ 10,933,647	100.00 %

(1) Includes PPP loans of $1,128,703 as of December 31, 2020.

Loan concentrations are considered to exist when there are amounts loaned to a number of borrowers engaged in similar activities that would cause them to be similarly impacted by economic or other conditions. At March 31, 2021, there were no concentrations of loans exceeding 10% of total loans which are not disclosed as a category of loans separate from the categories listed above.

Deposits

The Company relies on deposits as its major source of funds. Total deposits were $12,736,908 and $12,059,081 at March 31, 2021 and December 31, 2020, respectively. Noninterest-bearing deposits were $4,135,360 and $3,685,048 at March 31, 2021 and December 31, 2020, respectively, while interest-bearing deposits were $8,601,548 and $8,374,033 at March 31, 2021 and December 31, 2020, respectively.

The growth in noninterest-bearing deposits across the Company's footprint during the current year is driven by government stimulus payments and client sentiment to maintain liquidity. Management continues to focus on growing and maintaining a stable source of funding, specifically noninterest-bearing deposits and other core deposits. Noninterest bearing deposits represented 32.47% of total deposits at March 31, 2021, as compared to 30.56% of total deposits at December 31, 2020. Under certain circumstances, however, management may elect to acquire non-core deposits in the form of time deposits or public fund deposits (which are deposits of counties, municipalities or other political subdivisions). The source of funds that we select depends on the terms and how those terms assist us in mitigating interest rate risk, maintaining our liquidity position and managing our net interest margin. Accordingly, funds are acquired to meet anticipated funding needs at the rate and with other terms that, in management's view, best address our interest rate risk, liquidity and net interest margin parameters.

Public fund deposits may be readily obtained based on the Company's pricing bid in comparison with competitors. Because public fund deposits are obtained through a bid process, these deposit balances may fluctuate as competitive and market forces change. Although the Company has focused on growing stable sources of deposits to reduce reliance on public fund deposits, it participates in the bidding process for public fund deposits when pricing and other terms make it reasonable given market conditions or when management perceives that other factors, such as the public entity's use of our treasury management or other products and services, make such participation advisable. Our public fund transaction accounts are principally obtained from municipalities, including school boards and utilities. Public fund deposits were $1,548,228 and $1,398,330 at March 31, 2021 and December 31, 2020, respectively.

Borrowed Funds

Total borrowings include federal funds purchased, securities sold under agreements to repurchase, advances from the FHLB, subordinated notes and junior subordinated debentures and are classified on the Consolidated Balance Sheets as either short-term borrowings or long-term debt. Short-term borrowings have original maturities less than one year and typically include federal funds purchased, securities sold under agreements to repurchase, and short-term FHLB advances. The following table presents our short-term borrowings by type as of the dates presented:

	March 31, 2021	December 31, 2020
	Balance	Balance
Security repurchase agreements	$ 12,154	$ 10,947
Federal funds purchased	—	10,393
	$ 12,154	$ 21,340

At March 31, 2021, long-term debt consists of long-term FHLB advances, our junior subordinated debentures and our subordinated notes. The following table presents our long-term debt by type as of the dates presented:

	March 31, 2021	December 31, 2020
	Balance	Balance
Long-term FHLB advances	$ 152,124	$ 152,167
Junior subordinated debentures	110,939	110,794
Subordinated notes	204,597	212,009
	$ 467,660	$ 474,970

Long-term funds obtained from the FHLB are used to match-fund fixed rate loans in order to minimize interest rate risk and also are used to meet day-to-day liquidity needs, particularly when the cost of such borrowing compares favorably to the rates that we would be required to pay to attract deposits. At March 31, 2021, there were $89 in outstanding long-term FHLB advances scheduled to mature within twelve months or less. The Company had $3,681,061 of availability on unused lines of credit with the FHLB at March 31, 2021, as compared to $3,784,520 at December 31, 2020.

The Company has issued subordinated notes, the proceeds of which have been used for general corporate purposes, including providing capital to support the Company's growth organically or through strategic acquisitions, repaying indebtedness and financing investments and capital expenditures, and for investments in the Bank as regulatory capital. The subordinated notes qualify as Tier 2 capital under the current regulatory guidelines.

The Company owns the outstanding common securities of business trusts that issued corporation-obligated mandatorily redeemable preferred capital securities to third-party investors. The trusts used the proceeds from the issuance of their preferred capital securities and common securities (collectively referred to as "capital securities") to buy floating rate junior subordinated debentures issued by the Company (or by companies that the Company subsequently acquired). The debentures are the trusts' only assets and interest payments from the debentures finance the distributions paid on the capital securities.

Results of Operations

Net Income

Net income for the first quarter of 2021 was $57,908 compared to net income of $2,008 for the first quarter of 2020. Basic and diluted earnings per share ("EPS") for the first quarter of 2021 were $1.03 and $1.02, respectively, as compared to basic and diluted EPS of $0.04 for the first quarter of 2020. As discussed in more detail below, our net income was significantly impacted by an adjustment to the valuation of our mortgage servicing rights ("MSR") and the absence of a provision for credit losses expense in the quarter.

From time to time, the Company incurs expenses and charges or recognizes valuation adjustments in connection with certain transactions with respect to which management is unable to accurately predict when these items will be incurred or, when incurred, the amount of such items. The following table presents the impact of these items on reported EPS for the dates presented. The "COVID-19 related expenses" line item in the table below primarily consists of (a) employee overtime and employee benefit accruals directly related to the Company's response to both the COVID-19 pandemic itself and federal legislation enacted to address the pandemic, such as the CARES Act, and (b) expenses associated with supplying branches with protective equipment and sanitation supplies (such as floor markings and cautionary signage for branches, face coverings and hand sanitizer) as well as more frequent and rigorous branch cleaning.

	Three Months Ended					
	March 31, 2021			March 31, 2020		
	Pre-tax	After-tax	Impact to Diluted EPS	Pre-tax	After-tax	Impact to Diluted EPS
MSR valuation adjustment	$ (13,561)	$ (10,497)	$ (0.19)	$ 9,571	$ 6,911	$ 0.12
Restructuring charges	292	226	0.01	—	—	—
COVID-19 related expenses	785	608	0.01	2,903	2,096	0.04

Net Interest Income

Net interest income, the difference between interest earned on assets and the cost of interest-bearing liabilities, is the largest component of our net income, comprising 57.86% of total revenue (i.e., net interest income on a fully taxable equivalent basis and noninterest income) for the first quarter of 2021. The primary concerns in managing net interest income are the volume, mix and repricing of assets and liabilities.

Net interest income was $109,648 for the three months ended March 31, 2021 as compared to $106,602 for the same period in 2020. On a tax equivalent basis, net interest income was $111,264 for the three months ended March 31, 2021 as compared to $108,316 for the same time period in 2020.

The following table sets forth average balance sheet data, including all major categories of interest-earning assets and interest-bearing liabilities, together with the interest earned or interest paid and the average yield or average rate paid on each such category for the periods presented:

	Three Months Ended March 31,					
	2021			2020		
	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate
Assets						
Interest-earning assets:						
Loans held for investment:						
Non purchased	$ 8,362,793	$ 81,928	3.97 %	$ 7,654,662	$ 88,554	4.65 %
Purchased	1,454,637	20,457	5.69	2,032,623	30,187	5.97
Paycheck Protection Program	985,561	10,687	4.40	—	—	—
Total loans held for investment	10,802,991	113,072	4.24	9,687,285	118,741	4.93
Loans held for sale	406,397	2,999	2.96	336,829	2,988	3.57
Securities:						
Taxable[(1)]	1,065,779	4,840	1.82	1,067,274	7,289	2.75
Tax-exempt	306,344	2,284	2.98	225,601	2,058	3.67
Interest-bearing balances with banks	777,166	183	0.10	292,488	811	1.12
Total interest-earning assets	13,358,677	123,378	3.74	11,609,477	131,887	4.57
Cash and due from banks	205,830			186,317		
Intangible assets	969,001			975,933		
Other assets	670,183			700,823		
Total assets	$ 15,203,691			$ 13,472,550		
Liabilities and shareholders’ equity						
Interest-bearing liabilities:						
Deposits:						
Interest-bearing demand[(2)]	$ 5,906,230	$ 3,932	0.27 %	$ 4,939,757	$ 9,253	0.75 %
Savings deposits	882,758	169	0.08	681,182	252	0.15
Time deposits	1,655,778	4,178	1.02	2,116,676	8,989	1.71
Total interest-bearing deposits	8,444,766	8,279	0.40	7,737,615	18,494	0.96
Borrowed funds	483,907	3,835	3.21	829,320	5,077	2.46
Total interest-bearing liabilities	8,928,673	12,114	0.55	8,566,935	23,571	1.11
Noninterest-bearing deposits	3,862,422			2,586,963		
Other liabilities	240,171			213,509		
Shareholders’ equity	2,172,425			2,105,143		
Total liabilities and shareholders’ equity	$ 15,203,691			$ 13,472,550		
Net interest income/net interest margin		$ 111,264	3.37 %		$ 108,316	3.75 %

(1) U.S. Government and some U.S. Government Agency securities are tax-exempt in the states in which the Company operates.
(2) Interest-bearing demand deposits include interest-bearing transactional accounts and money market deposits.

The average balances of nonaccruing assets are included in the table above. Interest income and weighted average yields on tax-exempt loans and securities have been computed on a fully tax equivalent basis assuming a federal tax rate of 21% and a state tax rate of 4.45%, which is net of federal tax benefit.

Net interest margin and net interest income are influenced by internal and external factors. Internal factors include balance sheet changes in volume, mix and pricing decisions. External factors include changes in market interest rates, competition and the shape of the interest rate yield curve. As discussed in more detail below, the decline in loan yields due to the current low interest rate environment as well as changes in the mix of earning assets during the quarter due to increased liquidity on the balance sheet were the largest contributing factors to the decrease in net interest margin for the three months ended March 31, 2021, as compared to the same period in 2020. The Company has continued to focus on lowering the cost of funding through growing noninterest-bearing deposits and aggressively lowering interest rates on interest-bearing deposits.

The following table sets forth a summary of the changes in interest earned, on a tax equivalent basis, and interest paid resulting from changes in volume and rates for the Company for the three months ended March 31, 2021, as compared to the same period in 2020 (the changes attributable to the combined impact of yield/rate and volume have been allocated on a pro-rata basis using the absolute value of amounts calculated):

	Three Months Ended March 31, 2021 Compared to the Three Months Ended March 31, 2020		
	Volume	Rate	Net
Interest income:			
Loans held for investment:			
Non purchased	$ 7,496	$ (14,122)	$ (6,626)
Purchased	(8,319)	(1,411)	(9,730)
Paycheck Protection Program	10,687	—	10,687
Loans held for sale	565	(554)	11
Securities:			
Taxable	(10)	(2,439)	(2,449)
Tax-exempt	654	(428)	226
Interest-bearing balances with banks	551	(1,179)	(628)
Total interest-earning assets	11,624	(20,133)	(8,509)
Interest expense:			
Interest-bearing demand deposits	1,531	(6,852)	(5,321)
Savings deposits	61	(144)	(83)
Time deposits	(1,694)	(3,117)	(4,811)
Borrowed funds	(2,505)	1,263	(1,242)
Total interest-bearing liabilities	(2,607)	(8,850)	(11,457)
Change in net interest income	$ 14,231	$ (11,283)	$ 2,948

Interest income, on a tax equivalent basis, was $123,378 for the three months ended March 31, 2021, as compared to $131,887 for the same period in 2020. This decrease in interest income, on a tax equivalent basis, is due primarily to the Federal Reserve maintaining low interest rates since March 2020 and changes in the mix of earning assets during the quarter due to increased liquidity on the balance sheet.

The following table presents the percentage of total average earning assets, by type and yield, for the periods presented:

	Percentage of Total Average Earning Assets		Yield	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2021	2020	2021	2020
Loans held for investment, excl. PPP	73.49 %	83.44 %	4.22 %	4.93 %
Paycheck Protection Program	7.38	—	4.40	—
Loans held for sale	3.04	2.90	2.96	3.57
Securities	10.27	11.14	2.08	2.91
Other	5.82	2.52	0.10	1.12
Total earning assets	100.00 %	100.00 %	3.74 %	4.57 %

For the first quarter of 2021, interest income on loans held for investment, on a tax equivalent basis, decreased $5,669 to $113,072 from $118,741 in the same period in 2020. Interest income on loans held for investment decreased primarily due to the Federal Reserve maintaining low interest rates since March 2020. Interest income attributable to PPP loans included in loan interest income for the first quarter of 2021 was $10,687, which consisted of $2,392 in interest income and $8,295 in accretion of net origination fees. There was no interest income attributable to PPP loans during the three months ended March 31, 2020.

The PPP origination fees, net of agent fees paid and other origination costs, are being accreted into interest income over the life of the loan. If a PPP loan is forgiven in whole or in part, as provided under the CARES Act, the Company will recognize the non-accreted portion of the net origination fee attributable to the forgiven portion of such loan as of the date of the final forgiveness determination. PPP loans increased margin and loan yield by eight basis points and two basis points, respectively, during the first quarter of 2021. There was no impact to margin and loan yield attributable to PPP loans for the same period in 2020.

The impact from interest income collected on problem loans and purchase accounting adjustments on loans to total interest income on loans held for investment, loan yield and net interest margin is shown in the following table for the periods presented.

	Three Months Ended March 31,	
	2021	2020
Net interest income collected on problem loans	$ 2,180	$ 218
Accretable yield recognized on purchased loans[(1)]	3,088	5,469
Total impact to interest income on loans	$ 5,268	$ 5,687
Impact to loan yield	0.20 %	0.24 %
Impact to net interest margin	0.16 %	0.20 %

(1) Includes additional interest income recognized in connection with the acceleration of paydowns and payoffs from purchased loans of $1,272 and $2,187, for the first quarter of 2021 and 2020, respectively. This additional interest income increased total loan yield by five basis points and nine basis points for the first quarter of 2021 and 2020, respectively, while increasing net interest margin by four and eight basis points for the same respective periods.

For the first quarter of 2021, interest income on loans held for sale (consisting of mortgage loans held for sale), on a tax equivalent basis, increased $11 to $2,999 from $2,988 in the same period in 2020.

Investment income, on a tax equivalent basis, decreased $2,223 to $7,124 for the first quarter of 2021 from $9,347 for the first quarter of 2020. The tax equivalent yield on the investment portfolio for the first quarter of 2021 was 2.08%, down 83 basis points from 2.91% for the same period in 2020. The decrease in taxable equivalent yield on securities was a result of the current interest rate environment.

Interest expense was $12,114 for the first quarter of 2021 as compared to $23,571 for the same period in 2020.

The following table presents, by type, the Company’s funding sources, which consist of total average deposits and borrowed funds, and the total cost of each funding source for the periods presented:

	Percentage of Total Average Deposits and Borrowed Funds		Cost of Funds	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2021	2020	2021	2020
Noninterest-bearing demand	30.20 %	23.19 %	— %	— %
Interest-bearing demand	46.18	44.29	0.27	0.75
Savings	6.90	6.11	0.08	0.15
Time deposits	12.94	18.98	1.02	1.71
Short term borrowings	0.10	4.06	0.31	1.44
Long-term Federal Home Loan Bank advances	1.19	1.37	0.05	1.42
Subordinated notes	1.63	1.01	5.15	5.59
Other borrowed funds	0.86	0.99	4.24	4.85
Total deposits and borrowed funds	100.00 %	100.00 %	0.38 %	0.85 %

Interest expense on deposits was $8,279 and $18,494 for the three months ended March 31, 2021 and 2020, respectively. The cost of total deposits was 0.27% and 0.72% for the same respective periods. The decrease in both deposit expense and cost is attributable to the Company's efforts to reduce deposit rates as they reprice in the current low interest rate environment. During 2021, the Company has continued its efforts to grow non-interest bearing deposits, and such deposits represent 32.47% of total deposits at March 31, 2021 compared to 30.56% of total deposits at December 31, 2020. The growth in non-interest bearing deposits during the year to date has been primarily driven by government stimulus payments and client sentiment. Low cost deposits continue to be the preferred choice of funding; however, the Company may rely on wholesale borrowings when rates are advantageous.

Interest expense on total borrowings was $3,835 and $5,077 for the three months ended March 31, 2021 and 2020, respectively. The decrease in interest expense is a result of lower average borrowings.

A more detailed discussion of the cost of our funding sources is set forth below under the heading "Liquidity and Capital Resources" in this Item.

Noninterest Income

Noninterest Income to Average Assets	
Three Months Ended March 31,	
2021	**2020**
2.16%	1.13%

Total noninterest income includes fees generated from deposit services and other fees and commissions, income from our insurance, wealth management and mortgage banking operations, realized gains on the sale of securities and all other noninterest income. Our focus is to develop and enhance our products that generate noninterest income in order to diversify revenue sources. Noninterest income was $81,037 for the first quarter of 2021 as compared to $37,570 for the same period in 2020.

Service charges on deposit accounts include maintenance fees on accounts, per item charges, account enhancement charges for additional packaged benefits and overdraft fees. Service charges on deposit accounts were $8,023 and $9,070 for the first quarter of 2021 and 2020, respectively. Overdraft fees, the largest component of service charges on deposits, were $3,955 for the three months ended March 31, 2021, as compared to $5,896 for the same period in 2020. Management believes the decrease in the first quarter of 2021 relative to the prior period can be attributed to excess customer liquidity driven by the various government stimulus programs initiated in response to the COVID-19 pandemic.

Fees and commissions were $3,900 during the first quarter of 2021 as compared to $3,054 for the same period in 2020. Fees and commissions include fees related to deposit services, such as ATM fees and interchange fees on debit card transactions. For the first quarter of 2021, interchange fees were $2,392 as compared to $2,054 for the same period in 2020.

Through Renasant Insurance, we offer a range of commercial and personal insurance products through major insurance carriers. Income earned on insurance products was $2,237 and $1,991 for the three months ended March 31, 2021 and 2020, respectively. Contingency income is a bonus received from the insurance underwriters and is based both on commission income and claims experience on our clients' policies during the previous year. Increases and decreases in contingency income are reflective of corresponding increases and decreases in the number of claims paid by insurance carriers. Contingency income, which is included in "Other noninterest income" in the Consolidated Statements of Income, was $1,006 and $892 for the three months ended March 31, 2021 and 2020, respectively.

Our Wealth Management segment has two primary divisions: Trust and Financial Services. The Trust division operates on a custodial basis which includes administration of benefit plans, as well as accounting and money management for trust accounts. The division manages a number of trust accounts inclusive of personal and corporate benefit accounts, IRAs, and custodial accounts. Fees for managing these accounts are based on changes in market values of the assets under management in the account, with the amount of the fee depending on the type of account. The Financial Services division provides specialized products and services to our customers, which include fixed and variable annuities, mutual funds, and stocks offered through a third party provider. Wealth Management revenue was $4,792 for the first quarter of 2021 compared to $4,002 for the same period in 2020. The market value of assets under management or administration was $4,453,355 and $3,628,163 at March 31, 2021 and March 31, 2020, respectively.

Mortgage banking income is derived from the origination and sale of mortgage loans and the servicing of mortgage loans that the Company has sold but retained the right to service. Although loan fees and some interest income are derived from mortgage loans held for sale, the main source of income is gains from the sale of these loans in the secondary market. Originations of mortgage loans to be sold totaled $1,143,349 in the first quarter of 2021 compared to $715,760 for the same period in 2020.

While mortgage loan originations remain elevated compared to pre-pandemic levels, margins have compressed as the interest rate environment has begun to rise and housing inventories are below demand. Mortgage banking income was $50,733 and $15,535 for the three months ended March 31, 2021 and 2020, respectively. The increase in mortgage banking income is primarily the result of a positive mortgage servicing rights valuation adjustment of $13,561 during the first three months of 2021 compared to a $9,571 negative valuation adjustment for the same period in 2020. The table below presents the components of mortgage banking income included in noninterest income for the periods presented.

	Three Months Ended March 31,	
	2021	2020
Gain on sales of loans, net	$ 33,901	$ 21,782
Fees, net	4,902	2,919
Mortgage servicing (loss) income, net	(1,631)	405
MSR valuation adjustment	13,561	(9,571)
Mortgage banking income, net	$ 50,733	$ 15,535

Bank-owned life insurance ("BOLI") income is derived from changes in the cash surrender value of the bank-owned life insurance policies and death benefits received on covered individuals. BOLI income was $2,072 for the three months ended March 31, 2021 as compared to $1,163 for the same period in 2020. The increase is primarily due to the $896 of life insurance proceeds received during the first three months of 2021. There were no life insurance proceeds received during the three months ended March 31, 2020.

Other noninterest income was $7,923 and $2,755 for the three months ended March 31, 2021 and 2020, respectively. Other noninterest income includes income from our SBA banking division and other miscellaneous income and can fluctuate based on production in our SBA banking division and recognition of other seasonal income items. During the quarter the Company entered into a referral relationship with a separate firm to originate PPP loans under the latest round of funding. The Company earned $2,310 of PPP referral fees during the three months ended March 31, 2021.

Noninterest Expense

Noninterest Expense to Average Assets	
Three Months Ended March 31,	
2021	2020
3.09%	3.46%

Noninterest expense was $115,935 and $115,041 for the first quarter of 2021 and 2020, respectively.

Salaries and employee benefits increased $5,507 to $78,696 for the first quarter of 2021 as compared to $73,189 for the same period in 2020. The increase in salaries and employee benefits is primarily due to incentive expenses recognized during the first quarter of 2021. This increase was partially offset by cost savings realized by the voluntary early retirement program offered during the fourth quarter of 2020.

Data processing costs increased to $5,451 in the first quarter of 2021 from $5,006 for the same period in 2020. The Company continues to examine new and existing contracts to negotiate favorable terms to offset the increased variable cost components of our data processing costs, such as new accounts and increased transaction volume.

Net occupancy and equipment expense for the first quarter of 2021 was $12,538, down from $14,120 for the same period in 2020. The decrease in occupancy and equipment expense is primarily attributable to the restructuring and nonrenewal of certain leases.

Expenses related to other real estate owned for the first quarter of 2021 were $41 as compared to $418 for the same period in 2020. Expenses on other real estate owned included write downs of the carrying value to fair value on certain pieces of property held in other real estate owned of $70 and $197 for the first three months of 2021 and 2020, respectively. For the three months ended March 31, 2021 and 2020, other real estate owned with a cost basis of $1,906 and $782, respectively, was sold, resulting in a net gain of $56 and a net loss of $12, respectively.

Professional fees include fees for legal and accounting services, such as routine litigation matters, external audit services as well as assistance in complying with newly-enacted and existing banking and governmental regulations. Professional fees were $2,921 for the first quarter of 2021 as compared to $2,641 for the same period in 2020.

Advertising and public relations expense was $3,252 for the first quarter of 2021 as compared to $3,400 for the same period in 2020.

Amortization of intangible assets totaled $1,598 and $1,895 for the first quarter of 2021 and 2020, respectively. This amortization relates to finite-lived intangible assets which are being amortized over the useful lives as determined at acquisition. These finite-lived intangible assets have remaining estimated useful lives ranging from approximately 2 to 8 years.

Communication expenses, those expenses incurred for communication to clients and between employees, were $2,292 for the first quarter of 2021 as compared to $2,198 for the same period in 2020.

Other noninterest expense includes the provision for unfunded commitments, business development and travel expenses, other discretionary expenses, loan fees expense and other miscellaneous fees and operating expenses. Other noninterest expense was $8,854 for the three months ended March 31, 2021 as compared to $12,174 for the same period in 2020. The provision for unfunded commitments was $3,400 for the three months ended March 31, 2020. There was no provision recorded for unfunded commitments recorded for the same period in 2021.

Efficiency Ratio

	Efficiency Ratio	
	Three Months Ended March 31,	
	2021	2020
Efficiency ratio (GAAP)	60.29 %	78.86 %
Adjusted efficiency ratio (Non-GAAP)[1]	63.85 %	68.73 %

[1] A reconciliation of this financial measure from GAAP to non-GAAP can be found under the “Non-GAAP Financial Measures” heading at the end of this Item 2, Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The efficiency ratio is a measure of productivity in the banking industry. (This ratio is a measure of our ability to turn expenses into revenue. That is, the ratio is designed to reflect the percentage of one dollar that we must expend to generate a dollar of revenue.) The Company calculates this ratio by dividing noninterest expense by the sum of net interest income on a fully tax equivalent basis and noninterest income. The table above shows the impact on the efficiency ratio of items that (1) the Company does not consider to be part of our core operating activities, such as amortization of intangibles, or (2) the Company incurred in connection with certain transactions where management is unable to accurately predict the timing of when these items will be incurred or, when incurred, the amount of such items, such as expenses or recoveries incurred in connection with our response to the COVID-19 pandemic, our MSR valuation adjustment and the provision for unfunded commitments. We remain committed to aggressively managing our costs within the framework of our business model. Our goal is to improve the efficiency ratio over time from currently reported levels as a result of revenue growth while at the same time controlling noninterest expenses.

Income Taxes

Income tax expense for the first quarter of 2021 and 2020 was $16,842 and $773, respectively. The effective tax rates for those periods were 22.59% and 27.80%, respectively.

Risk Management

The management of risk is an on-going process. Primary risks that are associated with the Company include credit, interest rate and liquidity risk. Credit risk and interest rate risk are discussed below, while liquidity risk is discussed in the next subsection under the heading “Liquidity and Capital Resources.”

Credit Risk and Allowance for Credit Losses on Loans and Unfunded Commitments

COVID-19 Update. At March 31, 2021, the Company’s credit quality metrics remained stable. The Company is continuing to monitor all asset categories given that any category or borrower could be negatively impacted by the pandemic, with enhanced monitoring of loans remaining on deferral as well as a focus on those industries more highly impacted by the pandemic, primarily the hospitality and senior living industries. In addition, to provide necessary relief to the Company’s borrowers – both consumer and commercial clients – the Company established loan deferral programs allowing qualified clients to defer principal and interest payments for up to 90 days. A second 90-day deferral was available to borrowers that remained current on taxes and insurance and also satisfied underwriting standards established by the Company that analyzed the ability of the borrower to service its loan in accordance with its existing terms in light of the impact of the COVID-19 pandemic on the borrower, its industry and the markets in which it operated. The Company has discontinued its deferral programs as economic conditions in the Company's markets have improved to the extent that management viewed a broad deferral program as no longer necessary. At March 31, 2021, the Company had 592 loans (not in thousands) on deferral with an aggregate balance of approximately $94,000 or 0.96% of our loan portfolio (excluding PPP loans) by dollar value. In accordance with the applicable guidance, none of these loans were considered "restructured loans" and thus are not included in the discussion of our restructured loans below.

The Company's credit quality in future quarters may be impacted by both external and internal factors related to the pandemic in addition to those factors that traditionally affect credit quality. External factors outside the Company's control include items such as the pace at which the COVID-19 vaccine is administered to residents in the Company's markets and the United States generally, federal, state and local government measures, the re-imposition of "shelter-in-place" orders, and the economic impact of government programs, including additional fiscal stimulus and the extension of the Paycheck Protection Program. Internal factors that will potentially impact credit quality include items such as the performance of the Company's loans that remain on deferral, involvement in government offered programs and the related financial impact of these programs. The impact of each of these items are unknown at this time and could materially and adversely impact future credit quality.

Management of Credit Risk. Inherent in any lending activity is credit risk, that is, the risk of loss should a borrower default. Credit risk is monitored and managed on an ongoing basis by a credit administration department, a problem asset resolution committee and the Board of Directors Credit Review Committee. Oversight of the Company's lending operations (including adherence to our policies and procedures governing the loan approval and monitoring process), credit quality and loss mitigation are major concerns of credit administration and these committees. The Company's central appraisal review department reviews and approves third-party appraisals obtained by the Company on real estate collateral and monitors loan maturities to ensure updated appraisals are obtained. This department is managed by a State Certified General Real Estate Appraiser and employs three additional State Certified General Real Estate Appraisers and four real estate evaluators. In addition, we maintain a loan review staff to independently monitor loan quality and lending practices. Loan review personnel monitor and, if necessary, adjust the grades assigned to loans through periodic examination, focusing their review on commercial and real estate loans rather than consumer and small balance consumer mortgage loans, such as 1-4 family mortgage loans.

In compliance with loan policy, the lending staff is given lending limits based on their knowledge and experience. In addition, each lending officer's prior performance is evaluated for credit quality and compliance as a tool for establishing and enhancing lending limits. Before funds are advanced on consumer and commercial loans below certain dollar thresholds, loans are reviewed and scored using centralized underwriting methodologies. Loan quality, or "risk-rating," grades are assigned based upon certain factors, which include the scoring of the loans. This information is used to assist management in monitoring credit quality. Loan requests of amounts greater than an officer's lending limits are reviewed for approval by senior credit officers.

For loans with a commercial purpose, risk-rating grades are assigned by lending, credit administration and loan review personnel, based on an analysis of the financial and collateral strength and other credit attributes underlying each loan. Loan grades range from 1 to 9, with 1 rated loans having the least credit risk.

Management's problem asset resolution committee and the Board of Directors' Credit Review Committee monitor loans that are past due or those that have been downgraded and placed on the Company's internal watch list due to a decline in the collateral value or cash flow of the debtor; the committees then adjust loan grades accordingly. This information is used to assist management in monitoring credit quality. When the ultimate collectability of a loan's principal is in doubt, wholly or partially, the loan is placed on nonaccrual.

After all collection efforts have failed, collateral securing loans may be repossessed and sold or, for loans secured by real estate, foreclosure proceedings initiated. The collateral is sold at public auction for fair market value (based upon recent appraisals described in the above paragraph), with fees associated with the foreclosure being deducted from the sales price. The purchase price is applied to the outstanding loan balance. If the loan balance is greater than the sales proceeds, the deficient balance is sent to the Board of Directors' Credit Review Committee for charge-off approval. These charge-offs reduce the allowance for credit losses on loans. Charge-offs reflect the realization of losses in the portfolio that were recognized previously through the provision for credit losses on loans.

The Company's practice is to charge off estimated losses as soon as such losses are identified and reasonably quantified. Net charge-offs for the first three months of 2021 were $3,038, or 0.11% of average loans (annualized), compared to net charge-offs of $811, or 0.03% of average loans (annualized), for the same period in 2020. The charge-offs were fully reserved for in the Company's allowance for credit losses on loans.

Allowance for Credit Losses on Loans; Provision for Credit Losses on Loans. The allowance for credit losses is available to absorb credit losses inherent in the loans held for investment portfolio. Loan losses are charged against the allowance for credit losses when management believes the uncollectability of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance. Management evaluates the adequacy of the allowance on a quarterly basis.

The appropriate level of the allowance is based on an ongoing analysis of the loan portfolio and represents an amount that management deems adequate to provide for inherent losses, including loans evaluated on a collective (pooled) basis and those evaluated on an individual basis as set forth in ASC 326. The credit loss estimation process involves procedures to appropriately consider the unique characteristics of the Company's loan portfolio segments. Credit quality is assessed and monitored by evaluating various attributes, and the results of those evaluations are utilized in underwriting new loans and in the Company's process for the estimation of expected credit losses. Credit quality monitoring procedures and indicators can include an assessment of problem loans, the types of loans, historical loss experience, new lending products, emerging credit trends, changes in the size and character of loan categories, and other factors, including our risk rating system, regulatory guidance and economic conditions, such as the unemployment rate and GDP growth in the national and local economies as well as trends in the market values of underlying collateral securing loans, all as determined based on input from management, loan review staff and other sources. This evaluation is complex and inherently subjective, as it requires estimates by management that are inherently uncertain and therefore susceptible to significant revision as more information becomes available. In future periods, evaluations of the overall loan portfolio, in light of the factors and forecasts then prevailing, may result in significant changes in the allowance and provision for credit loss in those future periods.

The methodology for estimating the amount of expected credit losses reported in the allowance for credit losses has two basic components: first, a collective or pooled component for estimated expected credit losses for pools of loans that share similar risk characteristics; and second, an asset-specific component involving individual loans that do not share risk characteristics with other loans and the measurement of expected credit losses for such individual loans.

- The allowance for credit losses for loans that share similar risk characteristics with other loans is calculated on a collective (or pool) basis, where such loans are segregated into loan portfolio segments based upon similarity of credit risk. In determining the allowance for credit losses on loans evaluated on a collective basis, the Company categorizes loan pools based on loan type and/or risk rating. The Company uses two CECL models: (1) a loss rate model, based on average historical life-of-loan loss rates, is used for the Real Estate - 1-4 Family Mortgage, Real Estate - Construction and the Installment Loans to Individuals portfolio segments, and (2) for the Commercial, Real Estate - Commercial Mortgage and Lease Financing portfolio segments, the Company uses a probability of default/loss given default model, which calculates an expected loss percentage for each loan pool by considering (a) the probability of default, based on the migration of loans from performing (using risk ratings) to default using life-of-loan analysis periods, and (b) the historical severity of loss, based on the aggregate net lifetime losses incurred per loan pool.

  The historical loss rates calculated as described above are adjusted, as necessary, for both internal and external qualitative factors where there are differences in the historical loss data of the Company and current or projected future conditions. Internal factors include loss history, changes in credit quality (including movement between risk ratings) and/or credit concentration and the nature and volume of the respective loan portfolio segments. External factors include current and reasonable and supportable forecasted economic conditions and changes in collateral values. These factors are used to adjust the historical loss rates (as described above) to ensure that they reflect management's expectation of future conditions based on a reasonable and supportable forecast period. To the extent the lives of the loans in the portfolio extend beyond the period for which a reasonable and supportable forecast can be made, when necessary, the models immediately revert back to the historical loss rates adjusted for qualitative factors related to current conditions.

- For loans that do not share similar risk characteristics with other loans, an individual analysis is performed to determine the expected credit loss. If the respective loan is collateral dependent (that is, when the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of the collateral), the expected credit loss is measured as the difference between the amortized cost basis of the loan and the fair value of the collateral. The fair value of collateral is initially based on external appraisals. Generally, collateral values for loans for which measurement of expected losses is dependent on the fair value of such collateral are updated every twelve months, either from external third parties or in-house certified appraisers. Third-party appraisals are obtained from a pre-approved list of independent, third-party, local appraisal firms. The fair value of the collateral derived from the external appraisal is then adjusted for the estimated cost to sell if repayment or satisfaction of a loan is dependent on the sale (rather than only on the operation) of the collateral. Other acceptable methods for determining the expected credit losses for individually evaluated loans (typically used for loans that are not collateral dependent) is a discounted cash flow approach or, if applicable, an observable market price. Once the expected credit loss amount is determined, an allowance equal to such expected credit loss is included in the allowance for credit losses.

In addition to its quarterly analysis of the allowance for credit losses, on a regular basis, management and the Board of Directors review loan ratios. These ratios include the allowance for credit losses as a percentage of total loans, net charge-offs as a percentage of average loans, the provision for credit losses as a percentage of average loans, nonperforming loans as a percentage of total loans and the allowance coverage on nonperforming loans. Also, management reviews past due ratios by officer, community bank and the Company as a whole.

The following table presents the allocation of the allowance for credit losses on loans by loan category and the percentage of loans in each category to total loans as of the dates presented:

	March 31, 2021		December 31, 2020		March 31, 2020	
	Balance	% of Total	Balance	% of Total	Balance	% of Total
Commercial, financial, agricultural	$ 37,592	21.04 %	$ 39,031	23.20 %	$ 25,937	14.58 %
Lease financing	1,546	0.70 %	1,624	0.69 %	1,588	0.87 %
Real estate – construction	14,977	8.94 %	16,047	7.85 %	10,924	8.07 %
Real estate – 1-4 family mortgage	31,694	25.13 %	32,165	24.68 %	27,320	29.13 %
Real estate – commercial mortgage	76,225	42.57 %	76,127	41.66 %	44,237	44.10 %
Installment loans to individuals	11,072	1.62 %	11,150	1.92 %	10,179	3.25 %
Total	$ 173,106	100.00 %	$ 176,144	100.00 %	$ 120,185	100.00 %

The provision for credit losses on loans charged to operating expense is an amount which, in the judgment of management, is necessary to maintain the allowance for credit losses on loans at a level that is believed to be adequate to meet the inherent risks of losses in our loan portfolio. The Company did not record a provision for credit losses during the first quarter of 2021, as compared to a provision for credit losses on loans of $26,350 in the first quarter of 2020. The Company's allowance for credit loss model considers economic projections, primarily the national unemployment rate and GDP, over a reasonable and supportable period of two years. Based on the continual improvements in these forecasts over the last few quarters, the Company determined that additional provisioning during the first quarter of 2021 was not necessary.

The table below reflects the activity in the allowance for credit losses on loans for the periods presented:

	Three Months Ended March 31,	
	2021	2020
Balance at beginning of period	$ 176,144	$ 52,162
Impact of the adoption of ASC 326	—	42,484
Charge-offs		
Commercial, financial, agricultural	3,498	393
Lease financing	—	—
Real estate – construction	52	—
Real estate – 1-4 family mortgage	101	221
Real estate – commercial mortgage	61	2,047
Installment loans to individuals	1,658	2,688
Total charge-offs	5,370	5,349
Recoveries		
Commercial, financial, agricultural	289	190
Lease financing	11	5
Real estate – construction	13	—
Real estate – 1-4 family mortgage	261	88
Real estate – commercial mortgage	171	1,699
Installment loans to individuals	1,587	2,556
Total recoveries	2,332	4,538
Net charge-offs	3,038	811
Provision for credit losses on loans	—	26,350
Balance at end of period	$ 173,106	$ 120,185
Net charge-offs (annualized) to average loans	0.11 %	0.03 %
Net charge-offs to allowance for credit losses on loans		
Allowance for credit losses on loans to:		
Total loans	1.62 %	1.23 %
Total loans excluding PPP loans[(1)]	1.76 %	1.23 %
Nonperforming loans	308.54 %	240.19 %
Nonaccrual loans	322.11 %	296.94 %

[(1)] Allowance for credit losses on loans to total loans excluding PPP loans is a non-GAAP financial measure. A reconciliation of this financial measure from GAAP to non-GAAP as well as an explanation of why the Company provides non-GAAP financial measures can be found under the "Non-GAAP Financial Measures" heading at the end of this Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations

The table below reflects annualized net charge-offs to daily average loans outstanding, by loan category, during the periods presented:

	Three Months Ended					
	March 31, 2021			March 31, 2020		
	Net Charge-offs	Average Loans	Annualized Net Charge-offs to Average Loans	Net Charge-offs	Average Loans	Annualized Net Charge-offs to Average Loans
Commercial, financial, agricultural	$ 3,209	$ 2,382,454	0.55%	$ 203	$ 1,377,156	0.06%
Lease financing	(11)	75,429	(0.06)	(5)	82,709	(0.02)
Real estate – construction	39	921,803	0.02	—	829,211	—
Real estate – 1-4 family mortgage	(160)	2,674,824	(0.02)	133	2,847,187	0.02
Real estate – commercial mortgage	(110)	4,558,003	(0.01)	348	4,236,561	0.03
Installment loans to individuals	71	190,478	0.15	132	314,461	0.17
Total	$ 3,038	$ 10,802,991	0.11%	$ 811	$ 9,687,285	0.03%

The following table provides further details of the Company’s net charge-offs (recoveries) of loans secured by real estate for the periods presented:

	Three Months Ended March 31,	
	2021	2020
Real estate – construction:		
Residential	$ 39	$ —
Total real estate – construction	39	—
Real estate – 1-4 family mortgage:		
Primary	(79)	151
Home equity	(93)	(11)
Rental/investment	34	28
Land development	(22)	(35)
Total real estate – 1-4 family mortgage	(160)	133
Real estate – commercial mortgage:		
Owner-occupied	(159)	1,443
Non-owner occupied	25	(1,118)
Land development	24	23
Total real estate – commercial mortgage	(110)	348
Total net charge-offs of loans secured by real estate	$ (231)	$ 481

Allowance for Credit Losses on Unfunded Commitments; Provision for Credit Losses on Unfunded Commitments. The Company maintains a separate allowance for credit losses on unfunded loan commitments, which is included in the “Other liabilities” line item on the Consolidated Balance Sheets. Management estimates the amount of expected losses on unfunded loan commitments by calculating a likelihood of funding over the contractual period for exposures that are not unconditionally cancellable by the Company and applying the loss factors used in the allowance for credit losses on loans methodology described above to unfunded commitments for each loan type. No credit loss estimate is reported for off-balance-sheet credit exposures that are unconditionally cancellable by the Company. A roll-forward of the allowance for credit losses on unfunded commitments is shown in the table below.

	Three Months Ended March 31,	
	2021	2020
Beginning balance	$ 20,535	$ 946
Impact of the adoption of ASC 326	—	10,389
Provision for credit losses on unfunded loan commitments (included in other noninterest expense)	—	3,400
Ending balance	$ 20,535	$ 14,735

Nonperforming Assets. Nonperforming assets consist of nonperforming loans and other real estate owned. Nonperforming loans are those on which the accrual of interest has stopped or loans which are contractually 90 days past due on which interest continues to accrue. Generally, the accrual of interest is discontinued when the full collection of principal or interest is in doubt or when the payment of principal or interest has been contractually 90 days past due, unless the obligation is both well secured and in the process of collection. Management, the problem asset resolution committee and our loan review staff closely monitor loans that are considered to be nonperforming.

Other real estate owned consists of properties acquired through foreclosure or acceptance of a deed in lieu of foreclosure. These properties are carried at the lower of cost or fair market value based on appraised value less estimated selling costs. Losses arising at the time of foreclosure of properties are charged against the allowance for credit losses on loans. Reductions in the carrying value subsequent to acquisition are charged to earnings and are included in "Other real estate owned" in the Consolidated Statements of Income.

The following tables provide details of the Company's non purchased and purchased nonperforming assets as of the dates presented.

	Non Purchased	Purchased	Total
March 31, 2021			
Nonaccruing loans	$ 24,794	$ 28,947	$ 53,741
Accruing loans past due 90 days or more	2,235	129	2,364
Total nonperforming loans	27,029	29,076	56,105
Other real estate owned	2,292	3,679	5,971
Total nonperforming assets	$ 29,321	$ 32,755	$ 62,076
Nonperforming loans to total loans			0.52 %
Nonaccruing loans to total loans			0.50 %
Nonperforming assets to total assets			0.40 %
December 31, 2020			
Nonaccruing loans	$ 20,369	$ 31,051	$ 51,420
Accruing loans past due 90 days or more	3,783	267	4,050
Total nonperforming loans	24,152	31,318	55,470
Other real estate owned	2,045	3,927	5,972
Total nonperforming assets	$ 26,197	$ 35,245	$ 61,442
Nonperforming loans to total loans			0.51 %
Nonaccruing loans to total loans			0.47 %
Nonperforming assets to total assets			0.41 %

The level of nonperforming loans increased $635 from December 31, 2020 to March 31, 2021, while OREO decreased $1 during the same period.

The following table presents nonperforming loans by loan category as of the dates presented:

	March 31, 2021	December 31, 2020	March 31, 2020
Commercial, financial, agricultural	$ 15,992	$ 16,668	$ 13,615
Lease financing	—	48	277
Real estate – construction:			
Residential	—	497	3,012
Commercial	—	—	—
Total real estate – construction	—	497	3,012
Real estate – 1-4 family mortgage:			
Primary	16,275	16,317	16,078
Home equity	2,436	2,273	2,819
Rental/investment	1,168	1,526	1,408
Land development	85	345	407
Total real estate – 1-4 family mortgage	19,964	20,461	20,712
Real estate – commercial mortgage:			
Owner-occupied	4,923	6,364	9,226
Non-owner occupied	13,998	10,204	1,929
Land development	566	572	673
Total real estate – commercial mortgage	19,487	17,140	11,828
Installment loans to individuals	662	656	593
Total nonperforming loans	$ 56,105	$ 55,470	$ 50,037

Total nonperforming loans as a percentage of total loans were 0.52% as of March 31, 2021 as compared to 0.51% as of December 31, 2020 and March 31, 2020. The Company's coverage ratio, or its allowance for credit losses on loans as a percentage of nonperforming loans, was 308.54% as of March 31, 2021 as compared to 317.55% as of December 31, 2020 and 240.19% as of March 31, 2020.

Management has evaluated the aforementioned loans and other loans classified as nonperforming and believes that all nonperforming loans have been adequately reserved for in the allowance for credit losses at March 31, 2021. Management also continually monitors past due loans for potential credit quality deterioration. Total loans 30-89 days past due but still accruing interest were $21,801 at March 31, 2021 as compared to $26,286 at December 31, 2020 and $45,524 at March 31, 2020.

Although not classified as nonperforming loans, restructured loans are another category of assets that contribute to our credit risk. Restructured loans are those for which concessions have been granted to the borrower due to a deterioration of the borrower's financial condition and are performing in accordance with the new terms. Such concessions may include reduction in interest rates or deferral of interest or principal payments. In evaluating whether to restructure a loan, management analyzes the long-term financial condition of the borrower, including guarantor and collateral support, to determine whether the proposed concessions will increase the likelihood of repayment of principal and interest. Restructured loans that are not performing in accordance with their restructured terms that are either contractually 90 days past due or placed on nonaccrual status are reported as nonperforming loans.

As shown below, restructured loans totaled $20,370 at March 31, 2021 as compared to $20,448 at December 31, 2020 and $11,039 at March 31, 2020. At March 31, 2021, loans restructured through interest rate concessions represented 37% of total restructured loans, while loans restructured by a concession in payment terms represented the remainder. The following table provides further details of the Company's restructured loans in compliance with their modified terms as of the dates presented:

	March 31, 2021	December 31, 2020	March 31, 2020
Commercial, financial, agricultural	$ 2,639	$ 2,326	$ 1,411
Real estate – 1-4 family mortgage:			
Primary	8,363	9,460	6,853
Home equity	331	332	212
Rental/investment	427	432	587
Total real estate – 1-4 family mortgage	9,121	10,224	7,652
Real estate – commercial mortgage:			
Owner-occupied	6,757	6,838	1,398
Non-owner occupied	1,595	797	520
Land development	179	183	—
Total real estate – commercial mortgage	8,531	7,818	1,918
Installment loans to individuals	79	80	58
Total restructured loans in compliance with modified terms	$ 20,370	$ 20,448	$ 11,039

Changes in the Company's restructured loans are set forth in the table below:

	2021	2020
Balance at January 1,	$ 20,448	$ 11,954
Additional advances or loans with concessions	1,621	1,574
Reclassified as performing restructured loan	—	58
Reductions due to:		
Reclassified as nonperforming	(1,495)	(2,449)
Paid in full	—	(34)
Charge-offs	—	(3)
Paydowns	(204)	(61)
Balance at March 31,	$ 20,370	$ 11,039

The following table shows the principal amounts of nonperforming and restructured loans as of the dates presented. All loans where information exists about possible credit problems that would cause us to have serious doubts about the borrower's ability to comply with the current repayment terms of the loan have been reflected in the table below.

	March 31, 2021	December 31, 2020	March 31, 2020
Nonaccruing loans	$ 53,741	$ 51,420	$ 40,474
Accruing loans past due 90 days or more	2,364	4,050	9,563
Total nonperforming loans	56,105	55,470	50,037
Restructured loans in compliance with modified terms	20,370	20,448	11,039
Total nonperforming and restructured loans	$ 76,475	$ 75,918	$ 61,076

The following table provides details of the Company's other real estate owned as of the dates presented:

	March 31, 2021	December 31, 2020	March 31, 2020
Residential real estate	$ 484	$ 179	$ 1,661
Commercial real estate	3,109	2,665	3,411
Residential land development	341	1,013	959
Commercial land development	2,037	2,115	2,640
Total other real estate owned	$ 5,971	$ 5,972	$ 8,671

Changes in the Company's other real estate owned were as follows:

	2021	2020
Balance at January 1,	$ 5,972	$ 8,010
Transfers of loans	2,039	1,640
Impairments	(70)	(197)
Dispositions	(1,906)	(782)
Other	(64)	—
Balance at March 31,	$ 5,971	$ 8,671

Other real estate owned with a cost basis of $1,906 was sold during the three months ended March 31, 2021, resulting in a net gain of $56, while other real estate owned with a cost basis of $782 was sold during the three months ended March 31, 2020, resulting in a net loss of $12.

Interest Rate Risk

Market risk is the risk of loss from adverse changes in market prices and rates. The majority of assets and liabilities of a financial institution are monetary in nature and therefore differ greatly from most commercial and industrial companies that have significant investments in fixed assets and inventories. Our market risk arises primarily from interest rate risk inherent in lending and deposit-taking activities. Management believes a significant impact on the Company's financial results stems from our ability to react to changes in interest rates. A sudden and substantial change in interest rates may adversely impact our earnings because the interest rates borne by assets and liabilities do not change at the same speed, to the same extent or on the same basis.

Because of the impact of interest rate fluctuations on our profitability, the Board of Directors and management actively monitor and manage our interest rate risk exposure. We have an Asset/Liability Committee ("ALCO") that is authorized by the Board of Directors to monitor our interest rate sensitivity and to make decisions relating to that process. The ALCO's goal is to structure our asset/liability composition to maximize net interest income while managing interest rate risk so as to minimize the adverse impact of changes in interest rates on net interest income and capital. The ALCO uses an asset/liability model as the primary quantitative tool in measuring the amount of interest rate risk associated with changing market rates. The model is used to perform both net interest income forecast simulations for multiple year horizons and economic value of equity ("EVE") analyses, each under various interest rate scenarios, which could impact the results presented in the table below.

Net interest income simulations measure the short and medium-term earnings exposure from changes in market interest rates in a rigorous and explicit fashion. Our current financial position is combined with assumptions regarding future business to calculate net interest income under various hypothetical rate scenarios. EVE measures our long-term earnings exposure from changes in market rates of interest. EVE is defined as the present value of assets minus the present value of liabilities at a point in time for a given set of market rate assumptions. An increase in EVE due to a specified rate change indicates an improvement in the long-term earnings capacity of the balance sheet assuming that the rate change remains in effect over the life of the current balance sheet.

The following table presents the projected impact of a change in interest rates on (1) static EVE and (2) earnings at risk (that is, net interest income) for the 1-12 and 13-24 month periods commencing April 1, 2021, in each case as compared to the result under rates present in the market on March 31, 2021. The changes in interest rates assume an instantaneous and parallel shift in the yield curve and do not account for changes in the slope of the yield curve.

	Percentage Change In:		
	Economic Value Equity (EVE)	**Earning at Risk (Net Interest Income)**	
Immediate Change in Rates of (in basis points):	**Static**	**1-12 Months**	**13-24 Months**
+200	17.75%	18.52%	25.83%
+100	9.79%	9.25%	13.19%

The rate shock results for the net interest income simulations for the next twenty-four months produce an asset sensitive position at March 31, 2021 and are all within the parameters set by the Board of Directors. The preceding measures assume no change in the size or asset/liability compositions of the balance sheet, and they do not reflect future actions the ALCO may undertake in response to such changes in interest rates.

The scenarios assume instantaneous movements in interest rates in increments of plus 100 and 200. As interest rates are adjusted over a period of time, it is our strategy to proactively change the volume and mix of our balance sheet in order to mitigate our interest rate risk. The computation of the prospective effects of hypothetical interest rate changes requires numerous assumptions, including asset prepayment speeds, the impact of competitive factors on our pricing of loans and deposits, how responsive our deposit repricing is to the change in market rates and the expected life of non-maturity deposits. These business assumptions are based upon our experience, business plans and published industry experience; however, such assumptions may not necessarily reflect the manner or timing in which cash flows, asset yields and liability costs respond to changes in market rates. Because these assumptions are inherently uncertain, actual results will differ from simulated results.

The Company utilizes derivative financial instruments, including interest rate contracts such as swaps, caps and/or floors, as part of its ongoing efforts to mitigate its interest rate risk exposure and to facilitate the needs of its customers. The Company enters into derivative instruments that are not designated as hedging instruments to help its commercial customers manage their exposure to interest rate fluctuations. To mitigate the interest rate risk associated with these customer contracts, the Company enters into an offsetting derivative contract position with other financial institutions. The Company manages its credit risk, or potential risk of default by its commercial customers, through credit limit approval and monitoring procedures. At March 31, 2021, the Company had notional amounts of $232,095 on interest rate contracts with corporate customers and $232,095 in offsetting interest rate contracts with other financial institutions to mitigate the Company's rate exposure on its corporate customers' contracts and certain fixed rate loans.

Additionally, the Company enters into interest rate lock commitments with its customers to mitigate the interest rate risk associated with the commitments to fund fixed-rate and adjustable rate residential mortgage loans and also enters into forward commitments to sell residential mortgage loans to secondary market investors.

The Company also enters into forward interest rate swap contracts on its FHLB borrowings and its junior subordinated debentures that are accounted for as cash flow hedges. Under each of these contracts, the Company pays a fixed rate of interest and receives a variable rate of interest based on the three-month or one-month LIBOR plus a predetermined spread. The Company entered into an interest rate swap contract on its subordinated notes that is accounted for as a fair value hedge. Under this contract, the Company pays a variable rate of interest based on the three-month LIBOR plus a predetermined spread and receives a fixed rate of interest.

For more information about the Company's derivatives, see Note 10, "Derivative Instruments," in the Notes to Consolidated Financial Statements of the Company in Item 1, Financial Statements.

Liquidity and Capital Resources

Liquidity management is the ability to meet the cash flow requirements of customers who may be either depositors wishing to withdraw funds or borrowers needing assurance that sufficient funds will be available to meet their credit needs.

Core deposits, which are deposits excluding time deposits greater than $250,000, are the major source of funds used by the Bank to meet cash flow needs. Maintaining the ability to acquire these funds as needed in a variety of markets is the key to assuring the Bank's liquidity. Management continually monitors the Bank's liquidity and non-core dependency ratios to ensure compliance with targets established by the Asset/Liability Management Committee.

Our investment portfolio is another alternative for meeting liquidity needs. These assets generally have readily available markets that offer conversions to cash as needed. Within the next twelve months the securities portfolio is forecasted to generate cash flow through principal payments and maturities equal to approximately 14.60% of the carrying value of the total securities portfolio. Securities within our investment portfolio are also used to secure certain deposit types, short-term borrowings and derivative instruments. At March 31, 2021, securities with a carrying value of $633,088 were pledged to secure public fund deposits and as collateral for short-term borrowings and derivative instruments as compared to securities with a carrying value of $614,610 similarly pledged at December 31, 2020.

Other sources available for meeting liquidity needs include federal funds purchased and short-term and long-term advances from the FHLB. Interest is charged at the prevailing market rate on federal funds purchased and FHLB advances. There were no short-term borrowings from the FHLB at March 31, 2021 or December 31, 2020. Long-term funds obtained from the FHLB are used to match-fund fixed rate loans in order to minimize interest rate risk and also are used to meet day-to-day liquidity needs, particularly when the cost of such borrowing compares favorably to the rates that we would be required to pay to attract deposits. At March 31, 2021, the balance of our outstanding long-term advances with the FHLB was $152,124 compared to $152,167 at December 31, 2020. The total amount of the remaining credit available to us from the FHLB at March 31, 2021 was $3,681,061. We also maintain lines of credit with other commercial banks totaling $180,000. These are unsecured lines of credit with the majority maturing at various times within the next twelve months. There were no amounts outstanding under these lines of credit at March 31, 2021 or December 31, 2020.

In 2016 and 2020, we accessed the capital markets to generate liquidity in the form of subordinated notes. In addition, we assumed subordinated notes in connection with our acquisition of Metropolitan BancGroup, Inc. in 2017. The carrying value of the subordinated notes, net of unamortized debt issuance costs, was $204,597 at March 31, 2021.

The following table presents, by type, the Company's funding sources, which consist of total average deposits and borrowed funds, and the total cost of each funding source for the periods presented:

	Percentage of Total Average Deposits and Borrowed Funds		Cost of Funds	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2021	2020	2021	2020
Noninterest-bearing demand	30.20 %	23.19 %	— %	— %
Interest-bearing demand	46.17	44.29	0.27	0.75
Savings	6.90	6.11	0.08	0.15
Time deposits	12.94	18.98	1.02	1.71
Short-term borrowings	0.10	4.06	0.31	1.44
Long-term Federal Home Loan Bank advances	1.19	1.37	0.05	1.42
Subordinated notes	1.63	1.01	5.15	5.59
Other borrowed funds	0.87	0.99	4.24	4.85
Total deposits and borrowed funds	100.00 %	100.00 %	0.38 %	0.84 %

Our strategy in choosing funds is focused on minimizing cost in the context of our balance sheet composition and interest rate risk position. Accordingly, management targets growth of noninterest-bearing deposits. While we do not control the types of deposit instruments our clients choose, we do influence those choices with the rates and the deposit specials we offer. We constantly monitor our funds position and evaluate the effect that various funding sources have on our financial position.

Cash and cash equivalents were $1,261,916 at March 31, 2021, as compared to $637,772 at March 31, 2020. Cash provided by investing activities for the three months ended March 31, 2021 was $29,466, as compared to cash used in investing activities of $130,341 for the three months ended March 31, 2020. Proceeds from the sale, maturity or call of securities within our investment portfolio were $250,773 for the three months ended March 31, 2021, as compared to $76,269 for the same period in 2020. These proceeds were primarily reinvested into the investment portfolio. Purchases of investment securities were $465,245 for the first three months of 2021, as compared to $123,670 for the same period in 2020.

Cash provided by financing activities for the three months ended March 31, 2021 was $656,035, as compared to $476,183 for the same period in 2020. Deposits increased $677,827 and $199,404 for the three months ended March 31, 2021 and 2020, respectively.

Restrictions on Bank Dividends, Loans and Advances

The Company's liquidity and capital resources, as well as its ability to pay dividends to its shareholders, are substantially dependent on the ability of the Renasant Bank (the "Bank") to transfer funds to the Company in the form of dividends, loans and advances. Under Mississippi law, a Mississippi bank may not pay dividends unless its earned surplus is in excess of three times capital stock. A Mississippi bank with earned surplus in excess of three times capital stock may pay a dividend, subject to the approval of the Mississippi Department of Banking and Consumer Finance (the "DBCF"). In addition, the FDIC also has the authority to prohibit the Bank from engaging in business practices that the FDIC considers to be unsafe or unsound, which, depending on the financial condition of the bank, could include the payment of dividends. Accordingly, the approval of the DBCF is required prior to the Bank paying dividends to the Company, and under certain circumstances the approval of the FDIC may be required.

Federal Reserve regulations also limit the amount the Bank may loan to the Company unless such loans are collateralized by specific obligations. At March 31, 2021, the maximum amount available for transfer from the Bank to the Company in the form of loans was $154,899. The Company maintains a line of credit collateralized by cash with the Bank totaling $3,070. There were no amounts outstanding under this line of credit at March 31, 2021.

These restrictions did not have any impact on the Company's ability to meet its cash obligations in the three months ended March 31, 2021, nor does management expect such restrictions to materially impact the Company's ability to meet its currently-anticipated cash obligations.

Potential Demands on Liquidity from Off-Balance Sheet Arrangements

The Company enters into loan commitments and standby letters of credit in the normal course of its business. Loan commitments are made to accommodate the financial needs of the Company's customers. Standby letters of credit commit the Company to make payments on behalf of customers when certain specified future events occur. Both arrangements have credit risk essentially the same as that involved in extending loans to customers and are subject to the Company's normal credit policies, including establishing a provision for credit losses on unfunded commitments. Collateral (e.g., securities, receivables, inventory, equipment, etc.) is obtained based on management's credit assessment of the customer.

Loan commitments and standby letters of credit do not necessarily represent future cash requirements of the Company in that while the borrower has the ability to draw upon these commitments at any time, these commitments often expire without being drawn upon. The Company's unfunded loan commitments and standby letters of credit outstanding were as follows as of the dates presented:

	March 31, 2021	December 31, 2020
Loan commitments	$ 2,886,616	$ 2,749,988
Standby letters of credit	92,525	90,597

The Company closely monitors the amount of remaining future commitments to borrowers in light of prevailing economic conditions and adjusts these commitments and the provision related thereto as necessary. The Company will continue this process as new commitments are entered into or existing commitments are renewed. For a more detailed discussion related to the allowance and provision for credit losses on unfunded loan commitments, refer to the "Risk Management" section above.

Shareholders' Equity and Regulatory Matters

Total shareholders' equity of the Company was $2,173,701 at March 31, 2021 compared to $2,132,733 at December 31, 2020. Book value per share was $38.61 and $37.95 at March 31, 2021 and December 31, 2020, respectively. The growth in shareholders' equity was attributable to earnings retention offset by changes in accumulated other comprehensive income and dividends declared.

The Company maintains a shelf registration statement with the Securities and Exchange Commission ("SEC"). The shelf registration statement, which was effective upon filing, allows the Company to raise capital from time to time through the sale of common stock, preferred stock, depositary shares, debt securities, rights, warrants and units, or a combination thereof, subject to market conditions. Specific terms and prices will be determined at the time of any offering under a separate prospectus supplement that the Company will file with the SEC at the time of the specific offering. The proceeds of the sale of securities, if and when offered, will be used for general corporate purposes or as otherwise described in the prospectus supplement applicable to the offering and could include the expansion of the Company's banking, insurance and wealth management operations as well as other business opportunities.

On October 20, 2020, the Company's Board of Directors approved a stock repurchase program, authorizing the Company to repurchase up to $50,000 of its outstanding common stock, either in open market purchases or privately-negotiated transactions. The repurchase program will remain in effect for one year or, if earlier, the repurchase of the entire amount of common stock authorized to be repurchased. The Company did not repurchase any of its common stock under the stock repurchase plan in the first quarter of 2021.

The Company has junior subordinated debentures with a carrying value of $110,939 at March 31, 2021, of which $107,348 is included in the Company's Tier 1 capital. Federal Reserve guidelines limit the amount of securities that, similar to our junior subordinated debentures, are includable in Tier 1 capital, but these guidelines did not impact the amount of debentures we include in Tier 1 capital at March 31, 2021. Although our existing junior subordinated debentures are currently unaffected by these Federal Reserve guidelines, on account of changes enacted as part of the Dodd-Frank Act, any new trust preferred securities are not includable in Tier 1 capital. Further, if as a result of an acquisition we exceed $15,000,000 in assets, or if we make any acquisition after we have exceeded $15,000,000 in assets, we will lose Tier 1 treatment of our junior subordinated debentures.

The Company has subordinated notes with a carrying value of $204,597 at March 31, 2021, of which $212,191 is included in the Company's Tier 2 capital.

The Federal Reserve, the FDIC and the Office of the Comptroller of the Currency have issued guidelines governing the levels of capital that bank holding companies and banks must maintain. Those guidelines specify capital tiers, which include the following classifications:

Capital Tiers	Tier 1 Capital to Average Assets (Leverage)	Common Equity Tier 1 to Risk - Weighted Assets	Tier 1 Capital to Risk - Weighted Assets	Total Capital to Risk - Weighted Assets
Well capitalized	5% or above	6.5% or above	8% or above	10% or above
Adequately capitalized	4% or above	4.5% or above	6% or above	8% or above
Undercapitalized	Less than 4%	Less than 4.5%	Less than 6%	Less than 8%
Significantly undercapitalized	Less than 3%	Less than 3%	Less than 4%	Less than 6%
Critically undercapitalized	Tangible Equity / Total Assets less than 2%			

The following table provides the capital and risk-based capital and leverage ratios for the Company and for Renasant Bank as of the dates presented:

	Actual		Minimum Capital Requirement to be Well Capitalized		Minimum Capital Requirement to be Adequately Capitalized (including the Capital Conservation Buffer)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
March 31, 2021						
Renasant Corporation:						
Risk-based capital ratios:						
Common equity tier 1 capital ratio	$ 1,245,969	11.05 %	$ 732,824	6.50 %	$ 789,195	7.00 %
Tier 1 risk-based capital ratio	1,353,317	12.00 %	901,937	8.00 %	958,308	8.50 %
Total risk-based capital ratio	1,701,667	15.09 %	1,127,421	10.00 %	1,183,792	10.50 %
Leverage capital ratios:						
Tier 1 leverage ratio	1,353,317	9.49 %	713,071	5.00 %	570,457	4.00 %
Renasant Bank:						
Risk-based capital ratios:						
Common equity tier 1 capital ratio	$ 1,412,831	12.52 %	$ 733,719	6.50 %	$ 790,159	7.00 %
Tier 1 risk-based capital ratio	1,412,831	12.52 %	903,039	8.00 %	959,479	8.50 %
Total risk-based capital ratio	1,548,990	13.72 %	1,128,799	10.00 %	1,185,238	10.50 %
Leverage capital ratios:						
Tier 1 leverage ratio	1,412,831	9.91 %	712,621	5.00 %	570,097	4.00 %
December 31, 2020						
Renasant Corporation:						
Risk-based capital ratios:						
Common equity tier 1 capital ratio	$ 1,199,394	10.93 %	$ 713,086	6.50 %	$ 767,939	7.00 %
Tier 1 risk-based capital ratio	1,306,597	11.91 %	877,644	8.00 %	932,497	8.50 %
Total risk-based capital ratio	1,653,694	15.07 %	1,097,055	10.00 %	1,151,908	10.50 %
Leverage capital ratios:						
Tier 1 leverage ratio	1,306,597	9.37 %	697,579	5.00 %	558,063	4.00 %
Renasant Bank:						
Risk-based capital ratios:						
Common equity tier 1 capital ratio	$ 1,369,994	12.49 %	$ 712,709	6.50 %	$ 767,533	7.00 %
Tier 1 risk-based capital ratio	1,369,994	12.49 %	877,181	8.00 %	932,004	8.50 %
Total risk-based capital ratio	1,504,985	13.73 %	1,096,476	10.00 %	1,151,299	10.50 %
Leverage capital ratios:						
Tier 1 leverage ratio	1,369,994	9.83 %	696,738	5.00 %	557,391	4.00 %

The Company has elected to take advantage of transitional relief offered by the Federal Reserve and FDIC to delay for two years the estimated impact of CECL on regulatory capital, followed by a three-year transitional period to phase out the capital benefit provided by the two-year delay.

For more information regarding the capital adequacy guidelines applicable to the Company and Renasant Bank, please refer to Note 15, “Regulatory Matters,” in the Notes to the Consolidated Financial Statements of the Company in Item 1, Financial Statements.

Non-GAAP Financial Measures

In addition to results presented in accordance with generally accepted accounting principles in the United States of America ("GAAP"), this document contains certain non-GAAP financial measures, namely, an adjusted efficiency ratio and the allowance for credit losses on loans to total loans, excluding PPP loans (the "adjusted allowance ratio"). The adjusted allowance ratio only excludes PPP loans; the adjusted efficiency ratio adjusts GAAP financial measures to exclude the amortization of intangible assets and certain items (such as, when applicable, COVID-19 related expenses, debt prepayment penalties, restructuring charges, swap termination charges, provision for unfunded commitments, gains on sales of securities and asset valuation adjustments) with respect to which the Company is unable to accurately predict when these items will be incurred or, when incurred, the amount thereof. With respect to COVID-19 related expenses in particular, management added these expenses as a charge to exclude when calculating non-GAAP financial measures because the expenses included within this line item are readily quantifiable and possess the same characteristics with respect to management's inability to accurately predict the timing or amount thereof as the other items excluded when calculating non-GAAP financial measures. Management uses the adjusted efficiency ratio when evaluating capital utilization and adequacy, while it uses the adjusted allowance ratio to determine the adequacy of our allowance with respect to loans not fully guaranteed by the U.S. Small Business Administration. In addition, the Company believes that non-GAAP financial measures facilitate the making of period-to-period comparisons and are meaningful indicators of its operating performance, particularly because these measures are widely used by industry analysts for companies with merger and acquisition activities. Also, because the amortization of intangible assets and items such as restructuring charges and COVID-19 related expenses can vary extensively from company to company and, as to intangible assets, are excluded from the calculation of a financial institution's regulatory capital, the Company believes that the presentation of this non-GAAP financial information allows readers to more easily compare the Company's results to information provided in other regulatory reports and the results of other companies. The reconciliations from GAAP to non-GAAP for these financial measures are below.

Adjusted Efficiency Ratio

	Three months ended March 31,	
	2021	**2020**
Interest income (fully tax equivalent basis)	$ 123,378	$ 131,887
Interest expense	12,114	23,571
Net interest income (fully tax equivalent basis)	111,264	108,316
Total noninterest income	81,037	37,570
Net gains on sales of securities	1,357	—
MSR valuation adjustment	13,561	(9,571)
Adjusted noninterest income	66,119	47,141
Total noninterest expense	115,935	115,041
Intangible amortization	1,598	1,895
Restructuring charges	292	—
COVID-19 related expenses	785	2,903
Provision for unfunded commitments	—	3,400
Adjusted noninterest expense	113,260	106,843
Efficiency Ratio (GAAP)	60.29 %	78.86 %
Adjusted Efficiency Ratio (non-GAAP)	63.85 %	68.73 %

Allowance for Credit Losses on Loans to Total Loans, excluding PPP Loans

	March 31, 2021	December 31, 2020
Total loans (GAAP)	$ 10,688,408	$ 10,933,647
Less PPP loans	860,864	1,128,703
Adjusted total loans (non-GAAP)	$ 9,827,544	$ 9,804,944
Allowance for Credit Losses on Loans	$ 173,106	$ 176,144
ACL/Total loans (GAAP)	1.62 %	1.61 %
ACL/Total loans excluding PPP loans (non-GAAP)	1.76 %	1.80 %

The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for any measure prepared in accordance with GAAP. Readers of this Form 10-Q should note that, because there are no standard definitions for the calculations as well as the results, the Company's calculations may not be comparable to a similarly-titled measure presented by other companies. Also, there may be limits in the usefulness of this measure to readers of this document. As a result, the Company encourages readers to consider its consolidated financial statements and footnotes thereto in their entirety and not to rely on any single financial measure.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in our market risk since December 31, 2020. For additional information regarding our market risk, see our Annual Report on Form 10-K for the year ended December 31, 2020.

Item 4. CONTROLS AND PROCEDURES

Based on their evaluation as of the end of the period covered by this quarterly report on Form 10-Q, our Principal Executive Officer and Principal Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) are effective for ensuring that information the Company is required to disclose in reports that it files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to the Company's management, including its Principal Executive and Principal Financial Officers, as appropriate to allow timely decisions regarding required disclosure. There were no changes in the Company's internal control over financial reporting during the fiscal quarter covered by this quarterly report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II. OTHER INFORMATION

Item 1A. RISK FACTORS

When evaluating the risk of an investment in the Company's common stock, potential investors should carefully consider the risk factors appearing in Part I, Item 1A, Risk Factors, of the Company's Annual Report on Form 10-K for the year ended December 31, 2020. There have been no material changes from the risk factors set forth in our Annual Report on Form 10-K.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sales of Equity Securities

None.

Issuer Purchases of Equity Securities

During the three month period ended March 31, 2021, the Company repurchased shares of its common stock as indicated in the following table:

	Total Number of Shares Purchased(1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Share Repurchase Plans	Maximum Number (or Approximate Dollar Value) of Shares That May Yet Be Purchased Under Share Repurchase Plans(2)
January 1, 2021 to January 31, 2021	13,024	$ 33.68	—	$ 50,000
February 1, 2021 to February 28, 2021	1,253	39.60	—	50,000
March 1, 2021 to March 31, 2021	39,344	44.35	—	50,000
Total	53,621	$ 41.65	—	

(1) Share amounts in this column represent shares of Renasant Corporation stock withheld to satisfy federal and state tax liabilities related to the exercise of stock options and the vesting of time-based restricted stock awards.

The Company announced a $50.0 million stock repurchase program on October 20, 2020 which will remain in effect for one year or, if earlier, the repurchase of the entire amount of common stock authorized to be repurchased. No shares were repurchased during the first quarter of 2021 under this plan.

(2) Dollars in thousands

Please refer to the information discussing restrictions on the Company's ability to pay dividends under the heading "Liquidity and Capital Resources" in Part I, Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations, of this report, which is incorporated by reference herein.

Item 6. EXHIBITS

Exhibit Number	Description
(3)(i)	Articles of Incorporation of Renasant Corporation, as amended [(1)]
(3)(ii)	Amended and Restated Bylaws of Renasant Corporation [(2)]
(3)(iii)	Articles of Amendment to the Amended and Restated Bylaws of Renasant Corporation [(3)]
(10)(i)	Amendment No. 3 to Executive Employment Agreement effective April 27, 2021, by and between Renasant Corporation and E. Robinson McGraw
(31)(i)	Certification of the Principal Executive Officer, as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
(31)(ii)	Certification of the Principal Financial Officer, as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
(32)(i)	Certification of the Principal Executive Officer, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
(32)(ii)	Certification of the Principal Financial Officer, as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
(101)	The following materials from Renasant Corporation’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 were formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Income, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Changes in Shareholders’ Equity, (v) Consolidated Statements of Cash Flows and (vi) Notes to Consolidated Financial Statements (Unaudited).
(104)	The cover page of Renasant Corporation’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, formatted in Inline XBRL (included in Exhibit 101).

(1) Filed as exhibit 3.1 to the Form 10-Q of the Company filed with the Securities and Exchange Commission (the “Commission”) on May 10, 2016 and incorporated herein by reference.
(2) Filed as exhibit 3(ii) to the Form 8-K of the Company filed with the Commission on July 20, 2018 and incorporated herein by reference.
(3) Filed as exhibit 3(ii) to the Form 8-K of the Company filed with the Commission on April 30, 2021 and incorporated herein by reference.

The Company does not have any long-term debt instruments under which securities are authorized exceeding ten percent of the total assets of the Company and its subsidiaries on a consolidated basis. The Company will furnish to the Securities and Exchange Commission, upon its request, a copy of all long-term debt instruments.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	RENASANT CORPORATION (Registrant)
Date: May 7, 2021	/s/ C. Mitchell Waycaster C. Mitchell Waycaster President and Chief Executive Officer (Principal Executive Officer)
Date: May 7, 2021	/s/ James C. Mabry IV James C. Mabry IV Executive Vice President and Chief Financial Officer (Principal Financial Officer)

Exhibit 10(i)

RENASANT CORPORATION
EXECUTIVE EMPLOYMENT AGREEMENT
AMENDMENT NO. 3

THIS AMENDMENT NO. 3 (the “Amendment”) is made and entered into by and between E. Robinson McGraw (“Executive”) and Renasant Corporation, a Mississippi corporation (the “Company”), and is intended to amend that certain Executive Employment Agreement by and between Executive and the Company effective as of January 1, 2008, as amended effective April 25, 2017 and as further amended effective August 19, 2019 (as so amended, the “Employment Agreement”).

1. Effectiveness and Construction. This Amendment shall be effective as of April 27, 2021 (the “Effective Date”). To the extent the terms of this Amendment and the Employment Agreement shall conflict, for periods on or after the Effective Date the terms of this Amendment shall control. In all other respects, the terms of the Employment Agreement are hereby ratified and confirmed and shall remain in full force and effect. Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Employment Agreement.

2. Extension of Employment Term. Executive’s Employment Term under the Employment Agreement shall be extended through and until May 1, 2024; thereafter, such term shall continue from year-to-year and shall be renewed for an additional one-year period as of each anniversary of the Effective Date, unless either party shall give 90 days’ prior written notice to the other that the term of Executive’s employment hereunder shall not be extended, at which time the Employment Agreement shall expire (the “Expiration Date”). Nothing herein shall be construed to prohibit the Company or the Bank, as the case may be, from continuing to employ Executive after the Expiration Date as an “at will” employee or under other terms and conditions separately negotiated between the parties.

3. Compensation and Benefits. For periods on and after the Effective Date, Executive’s Base Compensation shall be not less than his Base Compensation in effect immediately prior to the Effective Date and, accordingly, shall not be reduced except as provided in Section 2.1 of the Employment Agreement in connection with a reduction in pay uniformly applicable to all officers of the Company. In addition, the Company and Executive agree that, from and after the Effective Date (a) Executive shall be eligible to receive an Incentive Bonus in an amount based on a percentage of Executive’s Base Compensation at least equal to the percentage applicable to his Incentive Bonus for the 2021 calendar year, except for a reduction in such percentage uniformly applicable to all executive officers of the Company, with the Incentive Bonus subject to the same performance measure(s) (with the same relative weights, if applicable) as applicable to the annual cash incentive for other executive officers of the Company, and (b) Executive shall receive, on an annual basis, Long-Term Incentive awards (i) in the form of shares of the Company’s $5.00 par value common stock subject to service-based restrictions and otherwise on terms consistent with prior service-based restricted stock awards made by the Company to Executive and (ii) in an amount (in dollars) having a value not less than the aggregate dollar value of Executive’s Long-Term Incentive awards (that is, both performance-based and service-based awards) awarded in January 2021, except for any reduction in connection with a reduction in value of annual Long-Term Incentive awards uniformly applicable to all officers of the Company. In all other respects, the payment or provision of Executive’s compensation, perquisites and other benefits as described in Section 2 of the Employment Agreement is hereby ratified and confirmed. Executive shall continue to participate in the retirement, health and insurance plans that may be sponsored and maintained by the Bank or the Company for their employees and executives, from time to time, it being agreed that his service under this Amendment shall constitute full-time employment for purposes thereof.

4. Board of Directors. The Company agrees that, unless otherwise prohibited by applicable law or listing standard, while Executive is an employee of the Company (whether pursuant to the Employment Agreement or otherwise), the Company shall take all appropriate action to cause Executive to be appointed as a member of the Boards of Directors of the Company and the Bank. Without limiting the generality of the foregoing, any age restrictions related to membership on the Boards of Directors of the Company or the Bank shall be waived for Executive. Executive agrees that, if his employment with the Company terminates (regardless of the reason therefor), then he shall tender his resignation from the Board of Directors of each of the Company and the Bank and from the board of directors (or similar governing body) of any other company affiliated with the Company for which Executive serves as a director or officer as of his Termination Date.

5. Executive's Covenants. Executive expressly acknowledges and agrees that those covenants set forth in Section 5 of the Employment Agreement shall continue in force and effect in accordance with their terms and, for avoidance of doubt, that his "Termination Date" thereunder shall be the date on which he ceases to be employed by the Company and the Bank, which may be concurrent with the Expiration Date or at a subsequent date thereafter.

THIS AMENDMENT was approved by the Board of Directors of the Company prior to the date hereof, to be effective as provided herein.

RENASANT CORPORATION: **E. ROBINSON MCGRAW:**

By: /s/ C. Mitchell Waycaster /s/ E. Robinson McGraw C. Mitchell Waycaster, President and Chief Executive Officer
Date: April 27, 2021 Date: April 27, 2021

Exhibit 31(i)

CERTIFICATIONS

I, C. Mitchell Waycaster, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2021 of Renasant Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 7, 2021

/s/ C. Mitchell Waycaster

C. Mitchell Waycaster
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31(ii)

CERTIFICATIONS

I, James C. Mabry IV, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2021 of Renasant Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2021

/s/ James C. Mabry IV
James C. Mabry IV
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32(i)

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Renasant Corporation (the “Company”) for the period ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, C. Mitchell Waycaster, President and Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2021

/s/ C. Mitchell Waycaster
C. Mitchell Waycaster
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32(ii)

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Renasant Corporation (the “Company”) for the period ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, James C. Mabry IV, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2021

/s/ James C. Mabry IV
James C. Mabry IV
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)