Further, a majority (91%) of our factored receivables, representing approximately 32% of our total loan portfolio as of December 31, 2021, are transportation receivables. Although such concentration may cause our future income with respect to our factoring operations to be correlated with demand for the transportation industry in the United States generally, and small-to-mid-sized operators in such industry specifically, we feel the credit risk with respect to our outstanding portfolio is appropriately mitigated as we limit the amount of receivables acquired from individual debtors and creditors thereby achieving diversification across a number of companies and industries. At December 31, 2020, 90% of our factored receivables, representing approximately 20% of our total loan portfolio, were transportation receivables.

Nonperforming Assets

We have established procedures to assist us in maintaining the overall quality of our loan portfolio. In addition, we have adopted underwriting guidelines to be followed by our lending officers and require senior management review of proposed extensions of credit exceeding certain thresholds. When delinquencies exist, we monitor them for any negative or adverse trends. Our loan review procedures include approval of lending policies and underwriting guidelines by the Board of Directors of our bank subsidiary, independent loan review, approval of large credit relationships by our bank subsidiary's Management Loan Committee and loan quality documentation procedures. We, like other financial institutions, are subject to the risk that our loan portfolio will be subject to increasing pressures from deteriorating borrower credit due to general economic conditions.

The following table sets forth the allocation of our nonperforming assets among our different asset categories as of the dates indicated. We classify nonperforming assets as nonaccrual loans and securities, loans modified under restructurings as a result of the borrower experiencing financial difficulties ("TDR"), factored receivables greater than 90 days past due, OREO, and other repossessed assets. Additionally, we consider the portion of the Over-Formula Advance Portfolio that is not covered by Covenant's indemnification to be nonperforming (reflected in nonperforming loans—factored receivables). The balances of nonperforming loans reflect the recorded investment in these assets, including deductions for purchase discounts.

(Dollars in thousands)	December 31, 2021	December 31, 2020
Nonperforming loans:		
Commercial real estate	$ 2,025	$ 9,945
Construction, land development, land	964	2,294
1-4 family residential	1,684	1,851
Farmland	2,044	2,531
Commercial	8,842	17,202
Factored receivables	30,485	23,956
Consumer	240	253
Mortgage warehouse	—	—
Total nonperforming loans	46,284	58,032
Held to maturity securities	5,612	7,945
Other real estate owned, net	524	1,432
Other repossessed assets	2,368	1,069
Total nonperforming assets	$54,788	$68,478
Nonperforming assets to total assets	0.92%	1.15%
Nonperforming loans to total loans held for investment	0.95%	1.16%
Total past due loans to total loans held for investment	2.86%	3.22%

Nonperforming loans decreased $11.7 million, or 20.2%, primarily due to the payoff of a $5.7 million nonperforming commercial real estate loan, the payoff of $5.0 million nonperforming general commercial loan, the payoff of a $2.3 million nonperforming commercial relationship, and the payoff of a $1.0 million nonperforming