

# **PUBLIC DISCLOSURE**

July 27, 2020

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

The First Bank of Baldwin  
RSSD #143952

990 Main Street  
Baldwin, WI 54002

Federal Reserve Bank of Minneapolis  
90 Hennepin Avenue, P. O. Box 291  
Minneapolis, Minnesota 55480

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

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*Definitions for many of the terms used in this performance evaluation can be found in section 228.12 of Regulation BB. For additional convenience, a Glossary of Common CRA Terms is attached as Appendix C at the end of this performance evaluation.*

## INSTITUTION'S CRA RATING

The First Bank of Baldwin (the bank) is rated **Satisfactory**. This rating is based on the following conclusions with respect to the performance criteria:

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated inside the AAs.
- An excellent distribution and dispersion of loans occurs throughout the bank's AAs.
- Overall, lending reflects a reasonable penetration among individuals of different income levels, including low- and moderate-income (LMI), and businesses and farms of different sizes.
- Neither the bank nor this Reserve Bank received any CRA-related complaints since the previous evaluation.

## SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council's (FFIEC's) Interagency Examination Procedures for Small Institutions were used to evaluate the bank's CRA performance. The evaluation considered the CRA performance context, including the bank's asset size, financial condition, business strategy, and market competition, as well as AA demographic and economic characteristics and credit needs. The bank has two AAs for CRA purposes: the Baldwin and Balsam Lake AAs. Examiners conducted a full-scope review of the Baldwin AA and a limited-scope review of the Balsam Lake AA. By number, 92.1% of the bank's lending within its AAs was in the Baldwin AA. The following data was reviewed:

- The bank's 20-quarter average NLTD ratio.
- The bank's universe of home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA), originated between January 1, 2015, and December 31, 2018. Examiners reviewed the bank's 2015 and 2016 data for consistency with its 2017 and 2018 data but did not include a detailed analysis of the 2015 and 2016 data in this evaluation. Examiners also reviewed HMDA data reported by aggregate lenders to better assess the bank's performance with respect to HMDA lending.
- Statistical samples of 61 small business and 70 small farm loans originated between January 1, 2019, and December 31, 2019, and 42 consumer loans originated between July 1, 2019, and December 31, 2019.

Examiners weighted small business and small farm loans equally and highest, followed by consumer loans and then HMDA loans, based on the bank's loan portfolio concentration and strategic focus, as well as lending data that the bank provided.

Of the five core performance criteria, examiners placed the greatest weight on geographic and borrower distribution.

## DESCRIPTION OF INSTITUTION

The First Bank of Baldwin is a community bank headquartered in Baldwin, Wisconsin. The bank's characteristics include the following:

- The bank is a wholly owned subsidiary of Baldwin Bancshares, Inc.
- The bank owns Baldwin Investments, Inc., which operates out of the bank's main office.
- The bank has total assets of \$192.0 million as of March 31, 2020.
- In addition to its main office in Baldwin, the bank has three branches located in Spring Valley, Plum City, and Balsam Lake, Wisconsin.<sup>1</sup> The bank also operates a loan production office (LPO) in Chippewa Falls, Wisconsin.<sup>2</sup>
- The bank's main, Spring Valley, and Balsam Lake offices provide drive-up services, and the bank operates cash-dispensing-only ATMs at the main office and at each branch. The Balsam Lake branch also offers walk-up services.
- The bank's primary business focus is agricultural and commercial loans, but it actively originates consumer loans as well, based on lending activity for 2019 that the bank provided. Since the previous evaluation, the bank has experienced organic loan growth including through the opening of a new branch and LPO. Agricultural lending significantly increased (102.7%). Finally, while the bank offers portfolio residential real estate loans, the focus is on its primary business lines according to bank management.

<b>Loan Type</b>	<b>\$(000)</b>	<b>%</b>
Agricultural	40,182	36.9
Commercial	42,979	39.4
Residential Real Estate	22,315	20.5
Consumer	2,370	2.2
Other	1,134	1.0
Gross Loans	108,980	100.0

*Note: Percentages may not total 100.0 percent due to rounding.*

The bank was rated Satisfactory under the CRA at its June 29, 2015, performance evaluation. There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

<sup>1</sup> The bank's 2020 operating hours were affected by the ongoing coronavirus pandemic.

<sup>2</sup> The bank's Balsam Lake branch and LPO are new since the previous evaluation. The bank also consolidated a limited-service branch in a Baldwin grocery store with its main office since the previous evaluation.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

This performance evaluation first discusses the bank's overall performance, followed by an in-depth evaluation of performance in the Baldwin AA (full-scope review), and a brief discussion of performance in the Balsam Lake AA (limited-scope review).

### Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank's average NLTD ratio to determine the reasonableness of lending in light of the bank's performance context (such as its capacity to lend, the availability of lending opportunities, and the demographic and economic factors present in the AAs). No similarly situated Federal Deposit Insurance Corporation (FDIC)-insured institutions operate in the bank's AAs for comparison purposes. The bank's NLTD ratio is reasonable.

The bank's average NLTD for the past 20 quarters is 78.6%. At the previous evaluation, the bank's 16-quarter average NLTD ratio was 72.7%. Since then, the bank's NLTD ratio has ranged from 71.7% to 86.0% and bank management stated that overall loan growth has been good. Bank management also stated that the bank's NLTD has some seasonal fluctuations based on agricultural credit needs.

As of March 31, 2020, the bank's NLTD ratio was 78.0%, which is slightly below the peer group ratio of 79.5%. The bank's peer group includes insured commercial banks with assets between \$100 million and \$300 million, with three or more full-service banking offices located in an MSA. The bank operates in a competitive environment with numerous financial institutions, including regional banks as well as credit unions. Community contacts indicated that overall, local financial institutions meet area credit needs.

### Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AAs. Overall, a majority of the bank's loans, by number and dollars, are originated inside the AAs. Most of the consumer loans outside of the AAs are to borrowers in Chippewa County, which is where the bank's Chippewa Falls LPO is located. Further, while 52.4% of consumer loans are outside the AAs by dollar, five of these loans are the five largest dollar loans in the sample. By number, more than half of the small business loans outside of the AAs were to borrowers in counties adjacent to the bank's AA and in Chippewa County.

Table 2 Lending Inside and Outside the AAs								
Loan Type	Inside				Outside			
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%
Home Purchase – Conventional	88	69.3	13,479	69.7	39	30.7	5,865	30.3
Home Refinance	140	83.3	20,737	69.9	28	16.7	8,934	30.1
Home Improvement	49	86.0	4,064	83.4	8	14.0	811	16.6
Multifamily	1	20.0	375	25.1	4	80.0	1,119	74.9
<b>Total HMDA Loans<sup>3</sup></b>	<b>278</b>	<b>77.9</b>	<b>38,655</b>	<b>69.8</b>	<b>79</b>	<b>22.1</b>	<b>16,729</b>	<b>30.2</b>
<b>Consumer Loans</b>	<b>32</b>	<b>76.2</b>	<b>275</b>	<b>47.6</b>	<b>10</b>	<b>23.8</b>	<b>303</b>	<b>52.4</b>
<b>Small Business Loans</b>	<b>34</b>	<b>55.7</b>	<b>6,037</b>	<b>55.4</b>	<b>27</b>	<b>44.3</b>	<b>4,858</b>	<b>44.6</b>
<b>Small Farm Loans</b>	<b>60</b>	<b>85.7</b>	<b>6,627</b>	<b>79.9</b>	<b>10</b>	<b>14.3</b>	<b>1,664</b>	<b>20.1</b>
<b>Total Loans</b>	<b>404</b>	<b>76.2</b>	<b>51,594</b>	<b>68.7</b>	<b>126</b>	<b>23.8</b>	<b>23,553</b>	<b>31.3</b>

*Note: Percentages may not add to 100.0 percent due to rounding.*

### Geographic Distribution of Loans

This performance criterion evaluates the bank’s distribution of lending within its AAs by income level of census tracts with consideration given to the dispersion of loans throughout the AAs. The bank’s overall geographic distribution of loans reflects excellent distribution among the different census tracts and dispersion throughout the AAs.

### Lending to Borrowers of Different Income Levels and to Businesses and Farms of Different Sizes

This performance criterion evaluates the bank’s lending to borrowers of different income levels and farms and businesses of different revenue sizes. The bank’s lending has an overall reasonable penetration among individuals of different income levels and farms and businesses of different sizes. The bank’s lending to borrowers of different incomes levels is excellent for consumer loans and reasonable for HMDA loans. The bank’s lending to entities of different revenue sizes is reasonable for both small business and small farm loans.

### FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

An evaluation of the bank’s fair lending activities was conducted during the examination to determine compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act. No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

<sup>3</sup> The filer is partially exempt from filing the expanded fields, and is also exempt from reporting open-end LOCs (and the filer did not optionally report any open-ended loans). Originations with loan purpose “other” are excluded from this table and the 2018 HMDA tables.

**METROPOLITAN AREA  
BALDWIN ASSESSMENT AREA  
(Full-Scope Review)**

**DESCRIPTION OF THE INSTITUTION’S OPERATIONS IN THE BALDWIN AA**

The bank’s Baldwin AA comprises St. Croix and Pierce counties (part of the Minneapolis-St. Paul-Bloomington MN-WI MSA), as well as portions of Dunn and Pepin counties: specifically, census tracts 9702.00 and 9706.00 in Dunn County and tract 9502.00 in Pepin County. See Appendix A for an AA map and Appendix B for additional demographic data.

- The Baldwin AA includes 25 census tracts: four moderate-income, 19 middle-income, and two upper-income tracts. The number of tracts has not changed since the previous evaluation; however, the income classifications of several tracts changed.<sup>4</sup> The Baldwin AA previously included one moderate-income, 23 middle-income, and one upper-income tracts.
- According to the June 30, 2019, FDIC Deposit Market Share Report, the bank ranks ninth out of 22 FDIC-insured financial institutions with offices in Dunn, Pepin, Pierce, and St. Croix counties, with 5.4% of the deposits.
- Examiners conducted three community contact interviews during the evaluation. One contact was a representative from an organization that promotes economic development in the area. The second contact was a local government official familiar with business and housing conditions in the area. The third contact was a representative from an organization familiar with agricultural conditions in the region.

<b>Table 3 Population Change</b>			
Area	2010 Population	2015 Population	% Change
Dunn County, WI	43,857	44,159	0.7
Pepin County, WI	7,469	7,372	(1.3)
Pierce County, WI	41,019	40,799	(0.5)
St. Croix County, WI	84,345	86,118	2.1
Minneapolis-St. Paul-Bloomington MN-WI MSA	3,348,859	3,458,790	3.3
State of Wisconsin	5,686,986	5,742,117	1.0
Source: 2010 U.S. Census Bureau Decennial Census 2011-2015 U.S. Census Bureau: American Community Survey			

- The populations of Dunn and St. Croix counties have grown since the 2010 census. The modest population growth in Dunn County is comparable to the statewide growth, while St. Croix County slightly exceeds the statewide rate. The growth rate for these two

<sup>4</sup>Tracts 9604.00, 1205.01, and 1208.00 changed from middle income to moderate income and tract 1209.04 changed from middle income to upper income.

counties is also slightly below that of the MSA. The populations of Pepin and Pierce counties had slight reductions in population since the 2010 census.

- A community contact indicated that residents like that they can live in a small town yet still be within close proximity to the Twin Cities. Another contact indicated that because some residents prefer to commute to the Twin Cities area for work rather than find local job opportunities, the local workforce is shrinking. Finally, bank management indicated that the new bridge between Stillwater, Minnesota, and Hudson, Wisconsin, has made it easier for individuals to commute between the two states.

<b>Table 4</b>			
<b>Median Family Income Change</b>			
<b>Area</b>	<b>2010 Median Family Income</b>	<b>2015 Median Family Income</b>	<b>% Change</b>
Dunn County, WI	60,984	63,450	4.0
Pepin County, WI	57,736	61,361	6.3
Pierce County, WI	74,419	77,871	4.6
St. Croix County, WI	78,646	83,192	5.8
Minneapolis-St. Paul-Bloomington MN-WI MSA	79,301	85,636	8.0
State of Wisconsin	64,869	68,064	4.9

Source: 2006-2010 U.S. Census Bureau: American Community Survey  
2011-2015 U.S. Census Bureau: American Community Survey

- The median family income for the MSA is higher than for the state of Wisconsin. The median family income for each county in Table 4 is below that of the MSA; however, the counties all experienced an increase. Median family incomes for Pierce and St. Croix counties are above the state’s median family income.

<b>Table 5</b>						
<b>Housing Costs Change</b>						
<b>Area</b>	<b>Median Housing Value</b>		<b>% Change</b>	<b>Median Gross Rent</b>		<b>% Change</b>
	<b>2010</b>	<b>2015</b>		<b>2010</b>	<b>2015</b>	
Dunn County, WI	152,700	153,700	0.7	653	721	10.4
Pepin County, WI	138,500	141,800	2.4	540	567	5.0
Pierce County, WI	200,200	191,000	(4.6)	724	750	3.6
St. Croix County, WI	225,700	205,400	(9.0)	808	883	9.3
Minneapolis-St. Paul-Bloomington MN-WI MSA	237,991	213,862	(10.1)	838	931	11.1
State of Wisconsin	169,000	165,800	(1.9)	713	776	8.8

Source: 2006-2010 U.S. Census Bureau: American Community Survey  
2011-2015 U.S. Census Bureau: American Community Survey

- The median housing value decreased in Pierce and St. Croix counties, as well as for the MSA and the state. The median housing value slightly increased in Dunn and Pepin counties. The median gross rent increased for each county in Table 5 as well as for the MSA and the state.



- A community contact noted that while St. Croix County’s housing stock is in good condition, the supply of affordable homes is limited. Further, newly built starter homes, with a price ranging from \$275,000 to \$350,000, are not always affordable for first-time home buyers because of high land prices (due to proximity to the Twin Cities) and construction costs.
- Another contact noted that the supply of homes considered affordable, with a price of around \$200,000, has not met demand. The contact estimated that the typical home price is around \$250,000 on the low end and \$400,000 on the high end.

Table 6 Unemployment Rates				
Area	2016	2017	2018	2019
Dunn County	4.2	3.3	3.1	3.5
Pepin County	3.9	3.5	3.3	3.8
Pierce County	4.2	3.4	3.2	3.4
St. Croix County	3.9	3.1	3.0	3.4
Minneapolis-St. Paul-Bloomington, MN-WI MSA	3.6	3.1	2.7	3.0
State of Wisconsin	4.1	3.3	3.0	3.3

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Overall, unemployment rates have declined for each county, the MSA, and the state over the past several years, as shown in Table 6. Bank management indicated that historically, unemployment has been very low due to St. Croix County’s proximity to the Twin Cities.
- The largest employers in the area include local government and schools, health care facilities, a university, and manufacturing companies. Agriculture is also an important industry for the area. A contact noted that overall, the agricultural economy has been stressed, especially for dairy operators because the dairy market has been very poor over the past several years; however, it has shown some improvement recently. The contact also noted a shift over the past several years from full-time farming to having one or two family members working off of the farm, providing income and benefits for the family.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN THE BALDWIN AA

### Geographic Distribution of Loans

The bank’s geographic distribution of loans reflects an excellent distribution among the different census tracts and dispersion throughout the Baldwin AA.

### Home Mortgage Lending

The geographic distribution of HMDA loans is excellent. The bank’s geographic distribution of 2018 and 2017 HMDA loans is shown in Tables 7 and 8.

In 2018, the bank made 50.0% of its HMDA loans in moderate-income tracts, which significantly exceeds aggregate lenders at 18.6%. For the same year, the bank’s lending was also much higher than the percentage of owner-occupied units (17.2%) and the percentage of families (18.4%) in moderate-income tracts. In 2018, the bank’s Baldwin AA included five moderate-income tracts; the bank extended HMDA loans in two of these five tracts, with the most in the tract where its main office is located. The bank did not extend loans in the two moderate-income tracts in the River Falls and New Richmond areas, where the bank does not have a branch and where many other banks operate. The bank also did not extend a HMDA loan in the moderate-income tract where its Spring Valley branch is located; a credit union also operates in Spring Valley. According to bank management, the bank competes with credit unions for home mortgage loans. For each product type except multifamily (no loans), the bank made half of its loans in moderate-income tracts.

Table 7 Geographic Distribution of HMDA Reportable Loans Assessment Area: Baldwin AA 2018								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison 2018						Owner Occupied % of Units
		Count			Dollar			
		Bank #	%	Agg %	Bank \$ (000s)	\$ %	Agg \$ %	
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	6	50.0	19.9	825	40.2	16.9	17.2
	Middle	4	33.3	74.3	867	42.3	75.2	75.4
	Upper	2	16.7	5.8	360	17.5	7.9	7.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>12</b>	<b>100.0</b>	<b>100.0</b>	<b>2,052</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	7	50.0	15.4	427	40.3	13.2	17.2
	Middle	6	42.9	77.2	593	56.0	77.7	75.4
	Upper	1	7.1	7.4	39	3.7	9.1	7.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>14</b>	<b>100.0</b>	<b>100.0</b>	<b>1,059</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	1	50.0	18.9	25	12.8	17.7	17.2
	Middle	1	50.0	73.3	170	87.2	71.9	75.4
	Upper	0	0.0	7.8	0	0.0	10.3	7.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>195</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Table 7 Geographic Distribution of HMDA Reportable Loans Assessment Area: Baldwin AA 2018								
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 0.0
	Moderate	0	0.0	34.4	0	0.0	35.9	30.7
	Middle	0	0.0	65.6	0	0.0	64.1	69.3
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	14	50.0	18.6	1,277	38.6	16.5	17.2
	Middle	11	39.3	75.0	1,630	49.3	75.5	75.4
	Upper	3	10.7	6.4	399	12.1	8.1	7.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>28</b>	<b>100.0</b>	<b>100.0</b>	<b>3,306</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2018 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding.</i>								

In 2017, the bank made 58.8% of its HMDA loans in moderate-income tracts, which significantly exceeds aggregate lenders at 18.1%. For the same year, the bank’s lending was also much higher than the percentage of owner-occupied units (17.2%) and the percentage of families (18.4%) in moderate-income tracts. In 2017, the bank’s Baldwin AA included five moderate-income tracts; the bank extended HMDA loans in three of these tracts, with the most in the tract where its main office is located. As with its 2018 HMDA lending, the bank did not extend loans in the two moderate-income tracts in the River Falls and New Richmond areas. For each product type except multifamily (one loan only), the bank made over half of its loans in moderate-income areas. Further, the bank generally extended home improvement, home purchase, and refinance loans in the each of the three moderate-tracts where the bank made HMDA loans.

Table 8 Geographic Distribution of HMDA Reportable Loans Assessment Area: Baldwin AA 2017								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2017						
		Count		Dollar				
		Bank	Agg	Bank	Agg	Agg		
#	%	%	\$ (000s)	\$ %	\$ %			
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	14	53.8	18.2	2,197	50.1	14.8	17.2
	Middle	11	42.3	76.3	1,962	44.8	77.3	75.4
	Upper	1	3.8	5.5	225	5.1	7.9	7.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0

Table 8 Geographic Distribution of HMDA Reportable Loans Assessment Area: Baldwin AA 2017								
	Total	26	100.0	100.0	4,384	100.0	100.0	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	18	58.1	17.3	2,345	50.7	15.3	17.2
	Middle	12	38.7	74.2	2,016	43.6	73.2	75.4
	Upper	1	3.2	8.4	265	5.7	11.6	7.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	31	100.0	100.0	4,626	100.0	100.0	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	15	68.2	21.8	1,027	81.5	14.5	17.2
	Middle	7	31.8	70.2	233	18.5	72.1	75.4
	Upper	0	0.0	8.0	0	0.0	13.4	7.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	22	100.0	100.0	1,260	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 0.0
	Moderate	0	0.0	19.0	0	0.0	14.8	30.7
	Middle	1	100.0	76.2	375	100.0	82.8	69.3
	Upper	0	0.0	4.8	0	0.0	2.3	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	1	100.0	100.0	375	100.0	100.0	100.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	47	58.8	18.1	5,569	52.3	14.9	17.2
	Middle	31	38.8	75.2	4,586	43.1	75.9	75.4
	Upper	2	2.5	6.7	490	4.6	9.2	7.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	80	100.0	100.0	10,645	100.0	100.0	100.0
Originations & Purchases 2017 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding.</i>								

Examiners also evaluated the bank's 2015 and 2016 HMDA lending activity and determined that, overall, the bank's performance was generally consistent with that of 2017 and 2018. The bank's 2015 and 2016 HMDA lending activity was above demographics and aggregate lender performance for both years, similar to that of 2017 and 2018. The bank's Baldwin AA included only one moderate-income tract in 2015 and 2016, where its Spring Valley branch is located.

Overall, given the performance context, the bank's HMDA lending in the moderate-income tracts is excellent.

Small Business Lending

The geographic distribution of small business lending is excellent. The bank originated 48.1% of its small business loans in moderate-income tracts. This lending significantly exceeds demographics, which indicate that 15.9% of businesses in the Baldwin AA are in moderate-income tracts. All 13 of the bank’s small business loans in moderate-income tracts were originated in the tract where the main office is located. The bank did not extend any small business loans in the two moderate-income tracts in the River Falls and New Richmond areas, which the performance context helps explain. The bank also did not extend any loans in the tract where its Spring Valley branch is located, which is a more rural area.

Table 9 Geographic Distribution of Small Business Loans Assessment Area: Baldwin AA 2019						
	Tract Income Levels	Bank & Demographic Comparison 2019				
		Count Bank		Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	13	48.1	2,975	64.0	15.9
	Middle	12	44.4	1,555	33.4	75.5
	Upper	2	7.4	122	2.6	8.5
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>27</b>	<b>100.0</b>	<b>4,652</b>	<b>100.0</b>	<b>100.0</b>

2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding.*

Small Farm Lending

The geographic distribution of small farm lending is excellent. The bank originated 26.4% of its small farm loans in moderate-income tracts. This lending is above demographics, which indicate that 12.6% of farms in the Baldwin AA are in moderate-income tracts. Of the bank’s small farm loans in moderate-income tracts, the bank extended the majority to borrowers in the moderate-income tract where its main office is located. The bank also extended several small farm loans in the moderate-income tract where its Spring Valley branch is located. The bank did not extend any small farm loans in the two moderate-income tracts in the River Falls and New Richmond areas, which the performance context helps explain. The moderate-income tract in River Falls is also almost entirely within city limits, which reduces agricultural lending opportunities.

Table 10 Geographic Distribution of Small Farm Loans Assessment Area: Baldwin AA 2019						
	Tract Income Levels	Bank & Demographic Comparison 2019				Total Farms %
		Count Bank		Dollar Bank		
		#	%	\$ 000s	\$ %	
Small Farm	Low	0	0.0	0	0.0	0.0
	Moderate	14	26.4	1,220	24.7	12.6
	Middle	39	73.6	3,710	75.3	81.3
	Upper	0	0.0	0	0.0	6.1
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>53</b>	<b>100.0</b>	<b>4,930</b>	<b>100.0</b>	<b>100.0</b>

2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
Note: Percentages may not add to 100.0 percent due to rounding.

Consumer Lending

The geographic distribution of consumer lending is excellent. The bank originated 50.0% of its consumer loans in moderate-income tracts, which significantly exceeds the percentage of households in moderate-income tracts (16.6%). Of the bank’s consumer loans in moderate-income tracts, the bank extended half in the tract where its main office is located and half in the tract where its Spring Valley branch is located. The bank did not extend any consumer loans in the two moderate-income tracts in the River Falls and New Richmond areas, which the performance context helps explain.

Table 11 Geographic Distribution of Consumer Loans Assessment Area: Baldwin AA 2019						
	Tract Income Levels	Bank & Demographic Comparison 2019				Households %
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	10	50.0	60	39.0	16.6
	Middle	10	50.0	94	61.0	77.4
	Upper	0	0.0	0	0.0	6.0
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>20</b>	<b>100.0</b>	<b>154</b>	<b>100.0</b>	<b>100.0</b>

2019 FFIEC Census Data  
Note: Percentages may not add to 100.0 percent due to rounding.

## Lending to Borrowers of Different Income Levels and to Businesses and Farms of Different Sizes

Overall, the bank's lending has a reasonable penetration among individuals of different income levels and businesses and farms of different sizes.

### Home Mortgage Lending

Overall, the borrower distribution of home mortgage lending is reasonable. The bank's borrower distribution of 2018 and 2017 HMDA loans is shown in Tables 12 and 13.

In 2018, the bank originated 10.7% of its HMDA loans to low-income borrowers, which is slightly above the aggregate lenders' percentage of 9.0%. The bank's lending to low-income borrowers was below the percentage of low-income families in the Baldwin AA (19.2%) but is still reasonable given the affordability issues in the Baldwin AA. For the same year, the bank originated 17.9% of its loans to moderate-income borrowers, which was below aggregate lenders' performance and the percentage of moderate-income families in the Baldwin AA.

Table 12 Borrower Distribution of HMDA Reportable Loans Assessment Area: Baldwin AA 2018								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2018			Dollar			
		Count		Agg %	Bank		Agg \$ %	
		#	%		\$(000s)	\$ %		
Home Purchase	Low	0	0.0	9.1	0	0.0	5.5	19.2
	Moderate	3	25.0	23.9	405	19.7	19.6	20.1
	Middle	6	50.0	25.2	1,116	54.4	25.2	25.1
	Upper	3	25.0	25.7	531	25.9	33.5	35.7
	Unknown	0	0.0	16.2	0	0.0	16.2	0.0
	<b>Total</b>	<b>12</b>	<b>100.0</b>	<b>100.0</b>	<b>2,052</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	3	21.4	10.1	189	17.8	6.2	19.2
	Moderate	2	14.3	22.1	240	22.7	16.9	20.1
	Middle	7	50.0	27.3	460	43.4	26.5	25.1
	Upper	2	14.3	28.7	170	16.1	37.3	35.7
	Unknown	0	0.0	11.8	0	0.0	13.1	0.0
	<b>Total</b>	<b>14</b>	<b>100.0</b>	<b>100.0</b>	<b>1,059</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Table 12 Borrower Distribution of HMDA Reportable Loans Assessment Area: Baldwin AA 2018								
Home Improvement	Low	0	0.0	6.2	0	0.0	5.3	19.2
	Moderate	0	0.0	18.2	0	0.0	13.2	20.1
	Middle	0	0.0	28.3	0	0.0	24.3	25.1
	Upper	1	50.0	41.2	25	12.8	46.7	35.7
	Unknown	1	50.0	6.2	170	87.2	10.5	0.0
	<b>Total</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>195</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	19.2
	Moderate	0	0.0	0.0	0	0.0	0.0	20.1
	Middle	0	0.0	0.0	0	0.0	0.0	25.1
	Upper	0	0.0	6.3	0	0.0	3.9	35.7
	Unknown	0	0.0	93.8	0	0.0	96.1	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	3	10.7	9.0	189	5.7	5.5	19.2
	Moderate	5	17.9	22.6	645	19.5	18.2	20.1
	Middle	13	46.4	26.0	1,576	47.7	24.8	25.1
	Upper	6	21.4	28.1	726	22.0	34.1	35.7
	Unknown	1	3.6	14.3	170	5.1	17.4	0.0
	<b>Total</b>	<b>28</b>	<b>100.0</b>	<b>100.0</b>	<b>3,306</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2018 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

In 2017, the bank originated 11.3% of its HMDA loans to low-income borrowers, which slightly exceeds aggregate lenders' percentage of 8.5%, but is below demographics (19.2%). The bank also originated 26.3% of its loans to moderate-income borrowers, which also slightly exceeds aggregate lenders' performance of 23.4%. The bank's moderate-income lending also exceeds the percentage of moderate-income families (20.1%) in the Baldwin AA. By product, the bank's refinance lending to both low- and moderate-income borrowers exceeded aggregate lenders and demographics.



Table 13 Borrower Distribution of HMDA Reportable Loans Assessment Area: Baldwin AA 2017								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count		2017 Dollar				
		Bank #	Agg %	Bank \$ (000s)	Agg \$ %	Bank \$ %	Agg \$ %	
Home Purchase	Low	1	3.8	8.7	81	1.8	5.2	19.2
	Moderate	6	23.1	24.4	659	15.0	19.5	20.1
	Middle	8	30.8	26.0	1,393	31.8	25.7	25.1
	Upper	11	42.3	25.4	2,251	51.3	34.3	35.7
	Unknown	0	0.0	15.5	0	0.0	15.4	0.0
	<b>Total</b>	<b>26</b>	<b>100.0</b>	<b>100.0</b>	<b>4,384</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	6	19.4	8.9	572	12.4	5.1	19.2
	Moderate	10	32.3	23.0	1,155	25.0	17.5	20.1
	Middle	7	22.6	22.8	1,362	29.4	21.0	25.1
	Upper	8	25.8	31.6	1,537	33.2	39.8	35.7
	Unknown	0	0.0	13.8	0	0.0	16.7	0.0
	<b>Total</b>	<b>31</b>	<b>100.0</b>	<b>100.0</b>	<b>4,626</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	2	9.1	5.4	156	12.4	3.1	19.2
	Moderate	5	22.7	16.7	55	4.4	12.7	20.1
	Middle	7	31.8	32.4	265	21.0	30.8	25.1
	Upper	7	31.8	38.1	719	57.1	44.8	35.7
	Unknown	1	4.5	7.4	65	5.2	8.5	0.0
	<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>100.0</b>	<b>1,260</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	19.2
	Moderate	0	0.0	0.0	0	0.0	0.0	20.1
	Middle	0	0.0	0.0	0	0.0	0.0	25.1
	Upper	0	0.0	0.0	0	0.0	0.0	35.7
	Unknown	1	100.0	100.0	375	100.0	100.0	0.0
	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>375</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	9	11.3	8.5	809	7.6	5.0	19.2
	Moderate	21	26.3	23.4	1,869	17.6	18.3	20.1
	Middle	22	27.5	25.2	3,020	28.4	24.0	25.1
	Upper	26	32.5	28.1	4,507	42.3	35.9	35.7
	Unknown	2	2.5	14.8	440	4.1	16.8	0.0
	<b>Total</b>	<b>80</b>	<b>100.0</b>	<b>100.0</b>	<b>10,645</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Originations & Purchases 2017 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Examiners also evaluated the bank's 2015 and 2016 HMDA lending activity and determined that, overall, the bank's performance was generally consistent with that of 2017 and 2018. In

2015, the bank extended 34.9% of its HMDA loans to low- and moderate-income borrowers, compared to aggregate lenders at 30.0%. The bank’s 2016 HDMA lending to low- and moderate-income borrowers of 30.9% slightly exceeded aggregate lenders at 28.4%.

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank extended 77.8% of its small business loans to businesses with gross annual revenues of \$1 million or less, which is below demographics. According to Dun & Bradstreet data, 90.6% of businesses in the Baldwin AA have gross annual revenues of \$1 million or less. According to bank management, opportunities for lending to small businesses have been limited. The majority of the bank’s small business loans were for \$100,000 or less, which indicates a willingness to serve the needs of small businesses in the Baldwin AA. A community contact indicated that local banks are meeting commercial credit needs.

Table 14 Small Business Lending By Revenue & Loan Size Assessment Area: Baldwin AA 2019							
Product Type			Bank & Demographic Comparison				
			2019		Total Businesses		
			Count Bank	Dollar Bank			
			#	%	\$ 000s	%	
Small Business	Revenue	\$1 Million or Less	21	77.8	2,479	53.3	90.6
		Over \$1 Million or Unknown	6	22.2	2,173	46.7	9.4
		<b>Total</b>	<b>27</b>	<b>100.0</b>	<b>4,652</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	16	59.3	687	14.8	
		\$100,001 - \$250,000	6	22.2	1,026	22.1	
		\$250,001 - \$1 Million	5	18.5	2,939	63.2	
		<b>Total</b>	<b>27</b>	<b>100.0</b>	<b>4,652</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	13	61.9	482	19.4	
		\$100,001 - \$250,000	5	23.8	874	35.3	
		\$250,001 - \$1 Million	3	14.3	1,123	45.3	
		<b>Total</b>	<b>21</b>	<b>100.0</b>	<b>2,479</b>	<b>100.0</b>	

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Small Farm Lending

The borrower distribution of small farm lending is reasonable. The bank extended 94.3% of its small farm loans to farms with gross annual revenues of \$1 million or less, which is slightly below demographics. According to Dun & Bradstreet data, 96.8% of farms in the Baldwin AA

have gross annual revenues of \$1 million or less. The majority of the bank’s small farm loans were for \$100,000 or less, which indicates a willingness to serve the needs of small farms in the Baldwin AA.

**Table 15**  
**Small Farm Lending By Revenue & Loan Size**  
**Assessment Area: Baldwin AA 2019**

Product Type		Bank & Demographic Comparison					
		Count		2019 Dollar		Total Farms	
		Bank	%	Bank	Bank		
#	%	\$ 000s	\$ %	%			
Small Farm	Revenue	\$1 Million or Less	50	94.3	4,631	93.9	96.8
		Over \$1 Million or Unknown	3	5.7	299	6.1	3.2
		<b>Total</b>	<b>53</b>	<b>100.0</b>	<b>4,930</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	38	71.7	1,699	34.5	
		\$100,001 - \$250,000	12	22.6	2,023	41.0	
		\$250,001 - \$500,000	3	5.7	1,208	24.5	
		<b>Total</b>	<b>53</b>	<b>100.0</b>	<b>4,930</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	36	72.0	1,549	33.4	
		\$100,001 - \$250,000	11	22.0	1,874	40.5	
		\$250,001 - \$500,000	3	6.0	1,208	26.1	
		<b>Total</b>	<b>50</b>	<b>100.0</b>	<b>4,631</b>	<b>100.0</b>	

Originations & Purchases  
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Consumer Lending

The borrower distribution of consumer lending is excellent. The bank originated a majority of its consumer loans (65.0%) to low- and moderate-income borrowers, which greatly exceeds demographic data. According to demographic data, 38.6% of households in the Baldwin AA are low and moderate income. The bank’s lending to low-income borrowers is particularly strong at 40.0%, compared to the 21.8% of low-income households in the Baldwin AA.

Table 16 Borrower Distribution of Consumer Loans Assessment Area: Baldwin AA 2019						
	Borrower Income Levels	Bank & Demographic Comparison 2019				Households by Household Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	8	40.0	49	31.6	21.8
	Moderate	5	25.0	50	32.3	16.8
	Middle	7	35.0	56	36.1	20.5
	Upper	0	0.0	0	0.0	40.8
	Unknown	0	0.0	0	0.0	
	Total	<b>20</b>	<b>100.0</b>	<b>155</b>	<b>100.0</b>	<b>100.0</b>
2019 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding.</i>						

**NONMETROPOLITAN AREA  
BALSAM LAKE ASSESSMENT AREA**  
(Limited-Scope Review)

**DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN THE BALSAM LAKE AA**

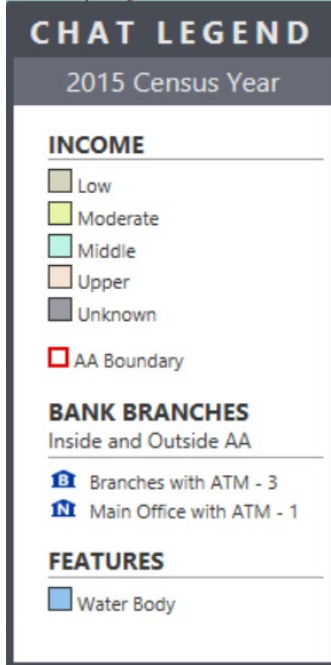
The Balsam Lake AA encompasses all of Polk County (see Appendix A for an AA map). The AA consists of 10 middle-income census tracts (see Appendix B for additional demographic information). The bank has one full-service branch with a drive-up facility and walk-up hours, as well as a cash-dispensing-only ATM, in Balsam Lake. The bank opened its Balsam Lake branch in 2018; accordingly, the Balsam Lake AA is new since the previous evaluation. A few very small tracts of land representing St. Croix Chippewa Indians of Wisconsin communities are in Polk County.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA IN THE  
BALSAM LAKE AA**

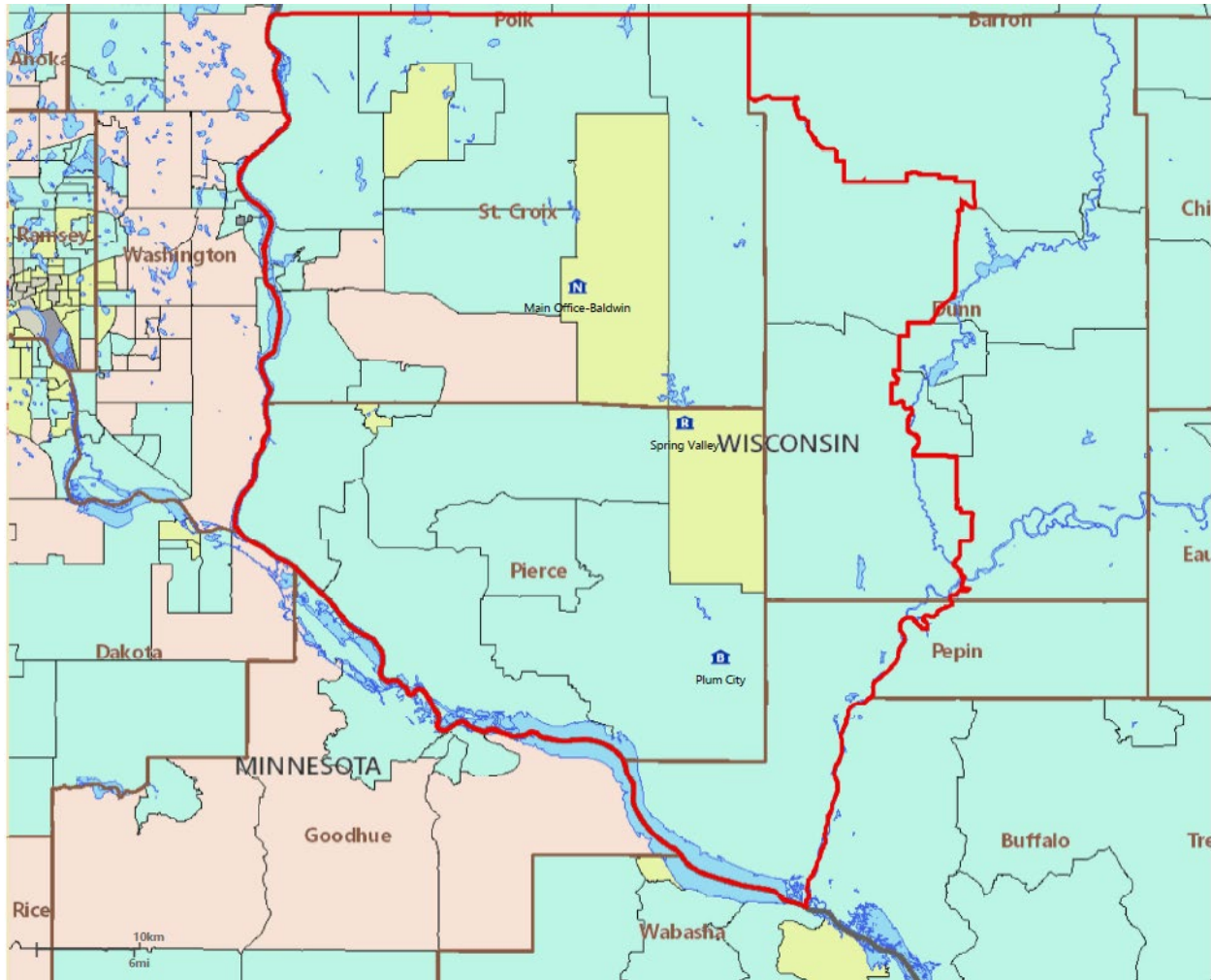
The institution's lending performance in the area is consistent with the institution's lending performance overall. The bank's activity in this AA accounts for only 3.1% of the bank's total deposits and 7.9% of its lending activity. According to the June 30, 2019, FDIC Deposit Market Share report, the bank ranks 11th out of 11 financial institutions in the AA and has a 0.7% market share. The loan sample and HMDA data included a very limited number of loans originated in this AA.

## APPENDIX A – MAPS OF THE ASSESSMENT AREAS

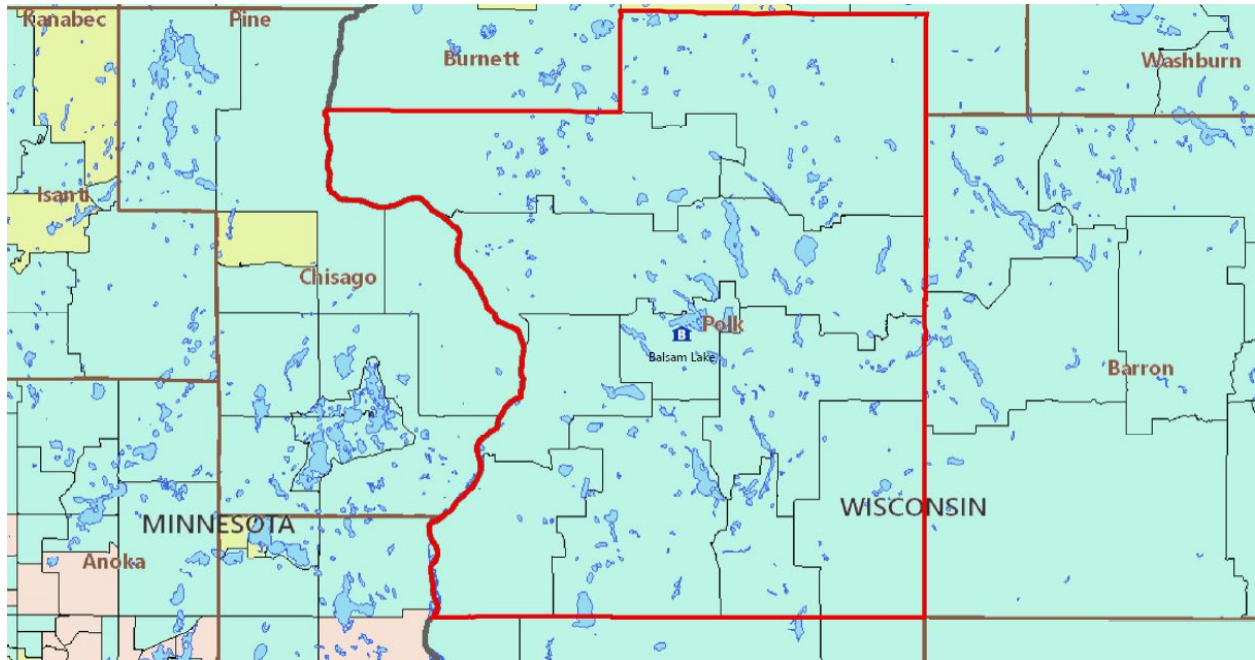
### Assessment Area Income Key



Baldwin AA



**Balsam Lake AA**





**APPENDIX B – DEMOGRAPHIC INFORMATION**

BALDWIN AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	7,071	18.8
Moderate	4	16.0	5,632	15.0	423	7.5	7,451	19.8
Middle	19	76.0	29,348	77.9	1,503	5.1	9,451	25.1
Upper	2	8.0	2,675	7.1	25	0.9	13,682	36.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>25</b>	<b>100.0</b>	<b>37,655</b>	<b>100.0</b>	<b>1,951</b>	<b>5.2</b>	<b>37,655</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	9,228	5,449	13.6	59.0	3,257	35.3	522	5.7
Middle	43,931	31,571	79.0	71.9	9,060	20.6	3,300	7.5
Upper	3,270	2,929	7.3	89.6	235	7.2	106	3.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>56,429</b>	<b>39,949</b>	<b>100.0</b>	<b>70.8</b>	<b>12,552</b>	<b>22.2</b>	<b>3,928</b>	<b>7.0</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	958	15.9	843	15.5	97	21.2	18	16.7
Middle	4,541	75.5	4,127	75.8	330	72.1	84	77.8
Upper	512	8.5	475	8.7	31	6.8	6	5.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>6,011</b>	<b>100.0</b>	<b>5,445</b>	<b>100.0</b>	<b>458</b>	<b>100.0</b>	<b>108</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.6</b>		<b>7.6</b>		<b>1.8</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	87	12.6	85	12.7	2	11.1	0	0.0
Middle	560	81.3	543	81.4	13	72.2	4	100.0
Upper	42	6.1	39	5.8	3	16.7	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>689</b>	<b>100.0</b>	<b>667</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>	<b>4</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>96.8</b>		<b>2.6</b>		<b>0.6</b>
<p>Source: 2019 FFIEC Census Data 2019 Dun &amp; Bradstreet data NOTE: Percentages may not add up to 100.0 due to rounding.</p>								

BALSAM LAKE AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	2,276	18.4
Moderate	0	0.0	0	0.0	0	0.0	2,400	19.4
Middle	10	100.0	12,366	100.0	887	7.2	2,861	23.1
Upper	0	0.0	0	0.0	0	0.0	4,829	39.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>10</b>	<b>100.0</b>	<b>12,366</b>	<b>100.0</b>	<b>887</b>	<b>7.2</b>	<b>12,366</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	24,251	13,862	100.0	57.2	4,132	17.0	6,257	25.8
Upper	0	0	0.0	0.0	0	0.0	0	0.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>24,251</b>	<b>13,862</b>	<b>100.0</b>	<b>57.2</b>	<b>4,132</b>	<b>17.0</b>	<b>6,257</b>	<b>25.8</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	2,088	100.0	1,881	100.0	161	100.0	46	100.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>2,088</b>	<b>100.0</b>	<b>1,881</b>	<b>100.0</b>	<b>161</b>	<b>100.0</b>	<b>46</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				90.1		7.7		2.2
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	275	100.0	272	100.0	3	100.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>275</b>	<b>100.0</b>	<b>272</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				98.9		1.1		0.0
<p>Source: 2019 FFIEC Census Data 2019 Dun &amp; Bradstreet data NOTE: Percentages may not add up to 100.0 due to rounding.</p>								

## APPENDIX C – GLOSSARY

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

**Census tract:** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income geographies.

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

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

**Full-scope review:** Performance is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

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

applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

**Home mortgage loans:** Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited-scope review:** Performance is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

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

**Metropolitan area (MA):** A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

**Multifamily:** Refers to a residential structure that contains five or more units.

**Other products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

**Qualified investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

**Small loan(s) to business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

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