PUBLIC DISCLOSURE

January 5, 2009

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

VisionBank of Iowa
RSSD# 3462092

620 S. 60th Street
West Des Moines, Iowa 50266

Federal Reserve Bank of Chicago

230 South LaSalle Street
Chicago, Illinois 60604-1413

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

TABLE OF CONTENTS

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

VisionBank of Iowa is meeting the needs of its community based upon the analysis of lending activities, economic conditions of the assessment area, and supported by information from community representatives. The loan-to-deposit ratio is above the national peer group and area competition. Lending in the assessment area is satisfactory as a majority of the loans are originated within the assessment area. Lending to borrowers of different income levels and to businesses of different sizes reflects a poor distribution to low- and moderate-income individuals and a poor distribution of loans to small businesses, as compared to the demographics and performance context of the assessment area. The geographic distribution of loans is reasonable taking into account the needs and characteristics of the assessment area as well as the percentage of low- and moderate-income tracts within the assessment and location of the bank's offices.

VisionBank of Iowa commenced de novo operations on October 14, 2006; therefore, this is the first evaluation of the bank under CRA. There have been no CRA-related complaints received by the institution or this Reserve Bank regarding the bank's CRA performance.

SCOPE OF EXAMINATION.

CRA Performance was evaluated in the context of information about the institution and its assessment area, such as asset size, financial condition, competition, and economic and demographic characteristics. The samples for the evaluation included commercial and home equity loans originated between October 31, 2006 and October 31, 2008. In addition, 2007 loan information reported under the Home Mortgage Disclosure Act (HMDA) was utilized as was 2008 residential real estate loan information. Performance within the designated assessment area was evaluated using *small bank, full-scope examination procedures* based on the following performance standards:

- ***Loan-to-Deposit Ratio*** – Quarterly LTD ratios since the bank opened through September 30, 2008 were compared to the national peer group as well as a sample of local competitors;

- ***Lending in the Assessment Area*** – A sample of commercial, residential real estate, and home equity loans and 2007 HMDA data were reviewed to determine the percentage of loans originated in the assessment area;

- ***Lending to Borrowers of Different Incomes and Businesses and Farms of Different Sizes*** – An analysis was conducted using a sample of residential real estate and home equity loans to assess the loan distribution among borrowers of different incomes. In addition, the June 30, 2007 and June 30, 2008 Consolidated Reports of Condition and Income were utilized to assess the distribution of loans to businesses of different sizes.

- ***Geographic Distribution of Lending in the Assessment Area*** – Evaluated the extent to which the bank is making loans to all geographies within the assessment area.

- *Complaints* – Neither VisionBank of Iowa nor this Reserve Bank has received any CRA-related complaints.

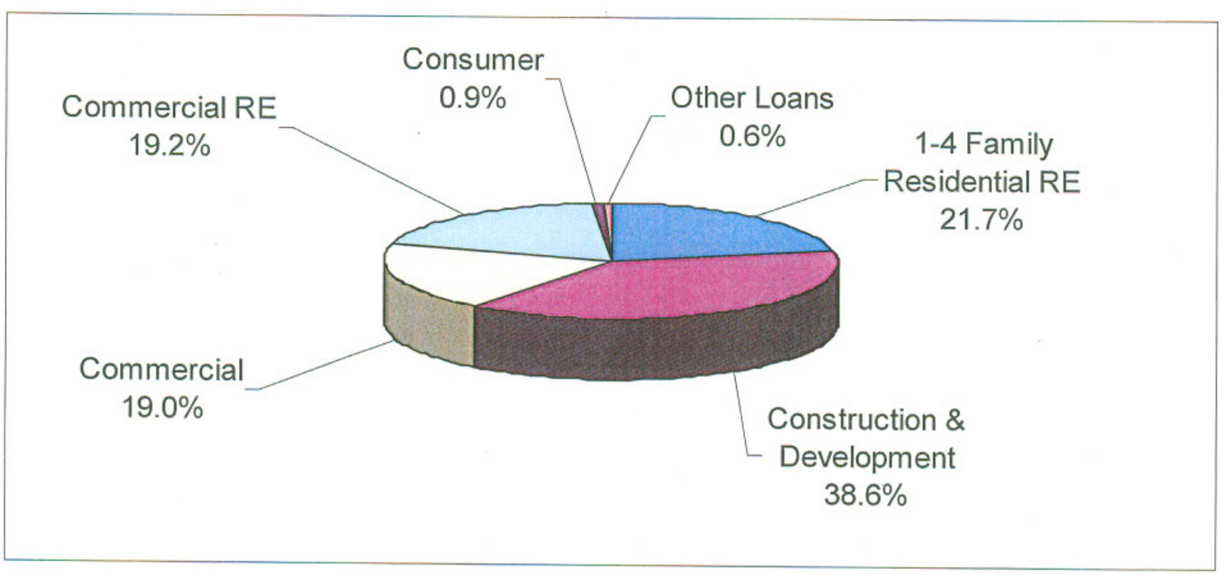
In addition to the above criteria, information obtained through discussions with two community representatives was considered in the overall evaluation.

DESCRIPTION OF INSTITUTION

VisionBank of Iowa is owned by Ogden BancShares, Inc., a two-bank holding company located in Boone, Iowa. The bank's main office is located in West Des Moines, with an additional office located in Grimes. Both offices are located within the Des Moines Metropolitan Statistical Area (MSA). The bank's primary focus has been commercial lending; however, standard loan and deposit products are offered at both locations. Both offices operate full-service automated teller machines (ATM). The bank also operates a cash-dispensing ATM in West Des Moines within the Village of Ponderosa.

As of the September 30, 2008 Uniform Bank Performance Report, the bank reported total assets of $110.8 million. The bank offers non-complex loan and deposit products. As shown in Exhibit 1 below, the loan portfolio consists primarily of commercial and residential real estate loans, construction and development loans and commercial loans.

Exhibit 1 – VisionBank of Iowa's Loan Portfolio as of 09/30/2008



The bank's peer group includes commercial banks having assets less than $750 million established in 2006. Local competitors for loan and deposits as identified by the bank include: Two Rivers Bank & Trust, West Des Moines, Iowa; West Bank, West Des Moines, Iowa; Bankers Trust Company, NA, Des Moines, Iowa; local branch offices of First American Bank, Fort Dodge, Iowa and of Valley Bank, Moline, Illinois.

According to the June 30, 2008 FDIC Deposit Market Share Report, VisionBank of Iowa holds .64% of the deposits in the Des Moines MSA. The bank ranks 30th out of the 51 financial institutions located within the assessment area.

There are no apparent factors relating to the bank's financial condition, size, products offered, legal impediments, or local economic conditions that would prevent it from meeting the credit needs of the community.

DESCRIPTION OF ASSESSMENT AREA

An institution's assessment area(s) will include towns, counties, or other political subdivision where its branches are located and a substantial portion of its loans are made. Assessment area(s) must consist of one or more geographies defined by census tracts, which are statistical subdivisions of a county. The 2000 U.S. Bureau of Census data is used in this evaluation, unless stated otherwise.

VisionBank of Iowa's assessment area, shown in Appendix B, includes 78 census tracts located in portions of Dallas County and Polk County, both located in the Des Moines Metropolitan Statistical Area (MSA). The assessment area consists of 2 middle- and 1 upper-income census tracts in Dallas County; and 6 low-, 20 moderate-, 35 middle-, and 14 upper-income census tracts located in Polk County. The bank's main office in West Des Moines is located in an upper-income tract and the Grimes office is located within a middle-income tract, both within Polk County. The low- and moderate-income tracts in the assessment are located in the City of Des Moines. The bank's assessment area was designated at opening based on plans for future expansion into the Ankeny market.

According the 2000 U.S. Census data, the total population of the assessment area is 372,219, while the populations of Polk County and Dallas County in their entirety are 374,601 and 40,750, respectively. Based on the 2007 U.S. Census estimate, the population of both counties has increased to 418,339 and 57,288, respectively.

Income Characteristics

Exhibit 2 compares the income levels for the assessment area to the two counties in the assessment area, the Des Moines MSA, and the State of Iowa based on the 2000 U.S. Census Bureau data. In contrast to the 2000 data, the 2008 HUD-adjusted median family income for the Des Moines MSA and Metropolitan Iowa is $67,900 and $63,900, respectively.

Exhibit 2

Distribution of Families by Income Level						
Location	Median Family Income ($)	Percent of Families				
		Low	Moderate	Middle	Upper	Below Poverty Level
Assessment Area	56,330	17.4	18.4	24.6	39.6	5.4
Dallas County	58,293	16.1	18.6	24.2	41.1	4.0
Polk County	56,560	17.3	18.5	25.0	39.2	5.3
Des Moines MSA	55,620	17.4	18.8	25.3	38.5	5.0
State of Iowa	48,005	16.9	19.5	25.7	37.9	6.0

Low-income is defined as less than 50% of median family income; moderate-income as 50% to less than 80% of median family income; middle-income as 80% to less than 120% of median family income; and upper-income as 120% or more of median family income.

Housing Characteristics and Affordability

The assessment area has 156,337 total housing units of which 65.1% are owner-occupied, 30.1% are rental units, and 4.8% are vacant. In comparison, in the State of Iowa 67.5% are owner occupied, 25.8% are rental units, and 6.7% are vacant. The median age of housing stock in the assessment area is newer than the State of Iowa at 33 and 41 years, respectively, and the median housing value is also higher at $100,530 and $82,100, respectively.

Affordability ratios, developed by dividing the median household income by the median housing value for a given area or groups of geographies, are helpful in comparing costs for different areas. An area with a high ratio generally has more affordable housing than an area with a low ratio.

The affordability ratios for the assessment area and State of Iowa are .46 and .48, respectively, indicating that housing is only slightly less affordable in the assessment area than the rest of the State of Iowa.

Labor and Employment

According to the Iowa Workforce Development, the unemployment rates for Dallas County, Polk County, and the entire Des Moines MSA are lower than the State of Iowa. Dallas County is the only area that has not seen an increase in unemployment over the past year. All other areas have seen an increase due to the down-turn in the economy and several major employers cutting jobs in the area.

Exhibit 3	Unemployment Figures	
Location	**November 2008**	**November 2007**
Dallas County	3.0	3.0
Polk County	3.8	3.3
Des Moines MSA	3.8	3.3
State of Iowa	4.3	3.8

The major employers in Polk and Dallas Counties are depicted in Exhibit 4. According to the Iowa Workforce Development, the assessment area's largest employers are in Wholesale and Retail Trade which represents 17.3% of the area's total employment.

Exhibit 4

Major Employers in the Assessment Area

Company	Location	# of Employees	Description of Industry
Principal Financial Group	Polk County	57,584	Finance & Insurance
Hy-Vee Food Stores, Inc.	Polk County	54,000	Grocery Stores
State of Iowa	Polk County	24,304	Executive
Iowa Health System	Polk County	18,923	Health Services
Mid American Energy Holding Co.	Polk County	17,200	Electric & Other Services
Wells Fargo Financial Services, Inc.	Polk County	11,582	Finance
Barr-Nunn Enterprise & Transport	Dallas County	1,515	Trucking Operator
Universal Pediatric Services	Dallas County	460	Home Health Care
Monarch Holdings	Dallas County	345	MFG Metal Doors
County of Dallas	Dallas County	329	Executive

*Iowa Workforce Development & Hoovers.com

Community Representatives

Information obtained through two community representatives was considered for this evaluation. Those contacts included representatives from an economic development group and an urban development business. Representatives indicated there is a large amount of competition in the West Des Moines area for financial institutions given the large number of institutions located in this area. Overall, the institutions are doing a good job meeting the small business lending needs in the area. The West Des Moines housing market has been impacted by the economy with many high-end homes for sale in this area sitting vacant. Foreclosures in the area have also resulted in a number of vacancies. Information obtained from representatives indicated that due to the state of the economy, education on fiscal responsibility would be very helpful to the community. The Grimes area reportedly has seen significant annual growth due to it being one of the more affordable suburbs within the Des Moines Metropolitan Area. The local institutions in the Grimes area are meeting the credit needs and are actively involved in financing new and existing expansion projects to promote community development. While it was indicated that there are additional opportunities for local financial institutions, the current economy has slowed growth in the community.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Performance standards for small banks consist of the following, as applicable: the bank's LTD ratio, the percentage of loans located in the bank's assessment area, the record of lending to borrowers of different income levels and businesses and farms of different revenue sizes, the geographic distribution of loans, and the record of taking action in response to written complaints. To determine CRA performance, the preceding standards are analyzed and evaluated within the assessment area context, which includes, but not limited to, comparative analyses of the assessment area and the state, demographic data on median income, nature of housing stock, housing costs, and other relevant data pertaining to the bank's assessment area.

Loan-to-Deposit Ratio

The bank's average LTD ratio, calculated from data contained in the Consolidated Reports of Condition, was evaluated giving consideration to the bank's capacity to lend, loan-to-deposit ratios of competitors and national peer, as well as demographic factors, economic conditions and lending opportunities present in the assessment area.

The bank's LTD ratio relative to its national peer and a sample of local competitors meets the standards for satisfactory performance under this criterion. Exhibit 5 shows the comparison since the bank was established in October 2006 through September 30, 2008. The bank's average LTD ratio of 120% exceeds the peer group and majority of local area competitors.

Exhibit 5

LTD Ratios for Local Competitors

Bank Name, City, 9/08 Assets $(Millions)	9/08 (%)	6/08 (%)	3/08 (%)	12/07 (%)	9/07 (%)	6/07 (%)	3/07 (%)	12/06 (%)	Avg. (%)
VisionBank of Iowa, West Des Moines, IA, $110.8	102.7	120.7	123.4	125.5	118.9	128.9	112.6	127.2	120.0
National Peer Group	96.5	97.5	95.0	93.4	87.8	88.2	85.9	82.4	90.8
Bankers Trust Company NA, Des Moines, IA, $2,238.3	120.7	121.2	119.6	114.2	117.0	118.3	120.9	109.0	117.6
First American Bank, Fort Dodge, IA, $1,761.6	104.2	103.5	103.6	100.0	102.9	98.4	99.1	99.4	101.4
Two Rivers Bank & Trust Company, West Des Moines, IA, $215.4	115.2	155.7	130.4	128.6	128.8	125.9	121.3	120.6	128.3
Valley Bank, Moline, IL $702.6	88.5	92.3	91.8	94.0	88.2	83.8	85.2	87.8	89.0
West Bank, West Des Moines, IA, $1,446.3	96.1	111.5	112.0	106.6	108.1	107.5	101.5	96.5	105.0

Lending in the Assessment Area

To assess the extent of lending within the assessment area, the following were reviewed: commercial, home equity, 2007 HMDA related loans, 2008 1-4 family residential real estate loans. The sample period for the loans reviewed was October 31, 2006 through October 31, 2008. Information from the performance context, such as economic conditions present within the assessment area, loan demand, bank size, financial condition, branching network, and business strategies were considered when evaluating the bank's performance.

Lending within the assessment area meets the standards for satisfactory performance under this criterion. A majority of the loans are originated within the assessment area, with an overall penetration of 82% supporting the bank's commitment to lend within the chosen assessment area. The bank is primarily a commercial lender and the majority of its residential real estate and consumer lending is attributed to relationship banking. The distribution of a sample of the bank's primary loan products is illustrated in Exhibit 6.

Exhibit 6

Distribution of Loans in Assessment Area (AA)

Loan Type	Number of Loans		
	# in Sample	# in AA	% in AA
Commercial	226	190	84.1%
Home Equity	164	126	76.8%
2007 HMDA Loans	100	82	82.0%
2008 1-4 Family RE	21	21	100.0%
Totals	511	419	82.0%

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

The distribution of loans among borrowers of different income levels was determined by reviewing a sample of home equity and 1-4 family residential real estate loans from 2008, and 2007 HMDA-related loans. The June 30, 2008 and June 30, 2007 Consolidated Reports of Condition were used to determine the distribution of loans to businesses of different sizes. Information from the performance context, such as economic conditions present within the assessment area, demographics, loan demand, bank size, financial condition, branching network, and business strategies, was considered when evaluating the bank's performance.

Given the demographics of the assessment area, the distribution of VisionBank of Iowa's loans reflects a poor penetration among borrowers of different income and revenue levels, as supported by a review of home equity loans, 2008 1-4 family residential real estate originations, and 2007 HMDA-related loan data. This is attributed to the de novo bank's primary focus being commercial lending. The majority of the initial banking relationships were developed by commercial lenders, with this business line dealing primarily with higher income individuals. In addition, some of the lenders have a private banking background which also typically deals with higher income individuals. Due to the commercial lending focus, there was very little marketing done to bring in new consumer and mortgage customers. The majority of the bank's mortgage and consumer lending was crossover business from the commercial portfolio. Management indicated the move to a traditional banking office in West Des Moines should help to attract a broader range of consumer clients. In addition, the Grimes branch is specifically targeting retail banking business.

Home Equity Loans

Exhibit 7 shows the distribution of a sample of home equity loans by income level. As shown, the penetration of loans to low- and moderate-income borrowers is poor compared to income demographics of the assessment area. As previously discussed, this is attributed to the bank's primary initial focus on commercial lending.

Exhibit 7

Loan Distribution of Home Equity Loans by Income Level

Income Level	Total Number of Loans	Percent of Total Loans	Percent of Families in Assessment Area
Low	1	2.5%	17.4%
Moderate	5	12.5%	18.4%
Middle	5	12.5%	24.6%
Upper	29	72.5%	39.6%
Totals	40	100.0%	100.0%

1-4 Family Residential Real Estate Loans

Exhibit 8 shows the distribution of a sample of 1-4 family residential real loans originated in 2008 by income level. As shown, the penetration of loans to low- and moderate-income borrowers is poor compared to income demographics of the assessment area. No aggregate data was available for this time period to compare to the peers in the assessment area. The low penetration is again due to the bank's commercial focus as no marketing was conducted to bring in new mortgage business.

Exhibit 8

Loan Distribution of 1-4 Family Residential RE by Income Level

Income Level	Total Number of Loans	Percent of Total Loans	Percent of Families in Assessment Area
Low	2	10.0%	17.4%
Moderate	1	5.0%	18.4%
Middle	1	5.0%	24.6%
Upper	16	80.0%	39.6%
Totals	20	100.0%	100.0%

2007 HMDA Loans

Exhibit 9 shows the distribution of HMDA-related loans by income level. As shown, the penetration of loans to low- and moderate-income borrowers is poor compared to income demographics of the assessment area. The penetration is also poor when compared to the 2007 aggregate HMDA data, in which 11.4% of the aggregate loans were to low-income borrowers and 25.6% to moderate-income borrowers. Management attributed the low penetration to the bank's commercial focus.

Exhibit 9

Loan Distribution of HMDA Loans by Income Level

Income Level	Total Number of Loans	Percent of Total Loans	Percent of Families in Assessment Area
Low	2	2.4%	17.4%
Moderate	11	13.4%	18.4%
Middle	13	15.9%	24.6%
Upper	24	29.3%	39.6%
Unknown	32	39.0%	0.0%
Totals	82	100.0%	100.0%

Loans to Small Businesses

VisionBank of Iowa's assessment area and branch locations do not provide many opportunities to originate agriculture-related loans; therefore, only small business loans are discussed in this section. The distribution of the commercial loan portfolio reflects a poor penetration in loans to small businesses. Management attributed the low penetration to the commercial portfolios brought over by the commercial lenders hired for this de novo institution. These portfolios contained primarily high levels of upper-income business. The distribution, based on the information from the Consolidated Reports of Condition as of June 30, 2007 and June 30, 2008, is shown in Exhibits 10 and 11.

Exhibit 10

Distribution of Small Business Loans
June 30, 2007

Original Dollar Amount	Outstanding Number	Outstanding Dollar Amount (000's)
Loans Secured by Non-Farm Non-Residential Properties		
Less than or equal to $100,000	3	251
Greater than $100,000 through $250,000	6	1,019
Greater than $250,000 through $1 million	10	4,691
Total	19	5,961
Commercial and Industrial Loans		
Less than or equal to $100,000	17	484
Greater than $100,000 through $250,000	12	918
Greater than $250,000 through $1 million	20	6,633
Total	49	8,035
Loans Secured by Non-Farm Non-Residential Properties and Commercial and Industrial Loans		
Grand Totals	68	13,996

Loan originations in the $100,000 or less category represent 29.4% of the number and 5.3% of the dollar amount of small business loans. Emphasis is placed on this category as these loans strongly encourage small business and economic development within the assessment area. Small business loans represent 36.2% of the overall commercial loan portfolio during this time period.

Exhibit 11

Distribution of Small Business Loans
June 30, 2008

Original Dollar Amount	Outstanding Number	Outstanding Dollar Amount (000's)
Loans Secured by Non-Farm Non-Residential Properties		
Less than or equal to $100,000	4	258
Greater than $100,000 through $250,000	2	332
Greater than $250,000 through $1 million	8	4,255
Total	14	4,845
Commercial and Industrial Loans		
Less than or equal to $100,000	23	627
Greater than $100,000 through $250,000	16	2,351
Greater than $250,000 through $1 million	28	6,700
Total	67	9,678
Loans Secured by Non-Farm Non-Residential Properties and Commercial and Industrial Loans		
Grand Totals	81	14,523

Exhibit 11 shows that small business lending improved slightly from the prior calendar year as loan originations in the $100,000 or less category represent 33.3% of the number and 6.1% of the dollar amount of small business loans. Small business loans represent 42.8% of the overall commercial loan portfolio as of June 30, 2008. As mentioned previously, community representatives stated that the small business needs of the area are being met.

Geographic Distribution of Loans

The distribution of lending among geographies of different income levels within the assessment area was reviewed. To assess the bank's performance, the following loans were reviewed: commercial, 2007 HMDA-related loans and 2008 1-4 family residential real estate loans, and home equity loans. The sample period for the commercial and home equity loan products was October 31, 2006 through October 31, 2008. Demographic characteristics of census tracts, such as housing types and income level, were considered in the evaluation.

The assessment area is comprised of 78 census tracts. A review of the geographic distribution of lending within low- and moderate-income (LMI) tracts shows that loans are reasonably dispersed throughout the assessment area in light of the location of banking offices, demographics of the assessment area and the level of competition in the assessment area. Exhibit 12 illustrates the distribution of commercial lending within the assessment area. HMDA-related loans and home equity loans were also reviewed with the distribution of these loans illustrated in Exhibits 13 and 14, respectively.

Overall, the geographic distribution of the bank's lending is reasonable. The weaknesses identified can be primarily attributed to the high level of competition with 51 banks within the assessment area, coupled with the location of the bank's two offices in Polk County, one in an upper-income tract and the other in a middle-income tract. The LMI tracts within the assessment area are located in the City of Des Moines while the bank's offices are located in Grimes and West Des Moines, with no LMI tracts in close proximity to these locations. Please refer to the assessment area map in Appendix B. In addition, the bank's assessment area was designated based on the plans for future expansion into the Ankeny market. A decision was made in late 2007, however, to put the project on hold due to the downturn in the economy; therefore, lending in these areas was negatively impacted.

Commercial Lending

The distribution of business loans is considered poor in comparison to the number of businesses in these areas. The bank originated 8.1% of its business loans in low- and moderate-income census tracts in 2007. Although lending within LMI tracts increased to 11.5% in 2008, this penetration is still below the area demographic, as 25.1% of businesses in the assessment area are located in low- and moderate-income tracts. As previously stated, there is a high level of competition and the credit needs of the area are reportedly being met with the low- and moderate-income tracts being served by other institutions with offices in those areas.

Exhibit 12 Geographic Distribution of Commercial Loans								
Census Tracts	Assessment Area				Bank Loans			
	Census Tracts		Businesses		2007		2008	
	#	%	#	%	#	%	#	%
Low	6	7.7	2,275	14.3	5	4.5	4	5.1
Moderate	20	25.7	1,717	10.8	4	3.6	5	6.4
Middle	37	47.4	7,354	46.2	28	25.0	28	35.9
Upper	15	19.2	4,567	28.7	75	66.9	41	52.6
Total	78	100.0	15,913	100.0	112	100.0	78	100.0

2007 HMDA – Reportable Lending & 2008 RE Loans

The distribution of the 2007 HMDA-reportable loans is considered excellent. Census data for 2000 shows that owner-occupied dwellings in low- and moderate-income tracts represent 2.2% and 20.0% of the assessment area, respectively. The bank originated 11.0% and 24.4% of its HMDA-reportable loans in low- and moderate-income tracts, respectively, which is above the demographics as well as aggregate data within the assessment area with only 2.3% and 15.3% of HMDA-reportable loans originated in low- and moderate-income tracts. In 2008, the volume and distribution to low- and moderate-income geographies declined. Management attributed the decline to overall economic conditions as well as continued competition in the assessment area.

Exhibit 13 Geographic Distribution of 2007 HMDA & 2008 1-4 Family RE Sample								
Census Tracts	Assessment Area				Bank Loans			
	Census Tracts		Owner-Occupied Units		2007		2008	
	#	%	#	%	#	%	#	%
Low	6	7.7	2,254	2.2	9	11.0	0	0
Moderate	20	25.7	20,393	20.0	20	24.4	0	0
Middle	37	47.4	50,954	50.1	30	36.6	5	9.5
Upper	15	19.2	28,203	27.7	23	28.0	15	90.5
Total	78	100.0	101,804	100.0	82	100.0	20	100.0

Home Equity Lending

The distribution of home equity lending activities is considered poor. The bank originated 3.4% of its home equity loans in low- and moderate-income tracts in 2007 and 4.4% in 2008. Both years the bank was below the demographics which indicate that 22.2% of the owner-occupied housing in the assessment area is in low- and moderate-income census tracts. Management stated that 100% home equity loans were being done on an exception basis only due to the risk exposure given the decline in the housing market.

Exhibit 14

Geographic Distribution of Home Equity Loans

Census Tracts	Assessment Area				Bank Loans			
	Census Tracts		Owner-Occupied Units		2007		2008	
	#	%	#	%	#	%	#	%
Low	6	7.7	2,254	2.2	0	0	0	0
Moderate	20	25.7	20,393	20.0	2	3.4	3	4.4
Middle	37	47.4	50,954	50.1	27	46.6	21	30.9
Upper	15	19.2	28,203	27.7	29	50.0	44	64.7
Total	78	100.0	101,804	100.0	58	100.0	68	100.0

Complaints

Neither VisionBank of Iowa nor this Reserve Bank has received any CRA-related complaints since the bank opened in October 2006.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES

VisionBank of Iowa is in compliance with substantive portions of the anti-discrimination laws and regulations, including the Equal Credit Opportunity and Fair Housing Acts. A review of loan policies and procedures, articulated lending standards, forms, denied loan applications, and a sample of loans originated during the sample period revealed no evidence of patterns or practices of prohibited discriminatory treatment or other illegal credit practices on a prohibited basis.

Appendix A

GLOSSARY

Aggregate lending: *The number of loans originated and purchased by all lenders subject to reporting requirements as a percentage of the aggregate number of loans originated and purchased by all lenders in the MSA/assessment area.*

Census tract: *Small subdivisions 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. They usually have between 2,500 and 8,000 persons, and their physical size varies 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 for low- and moderate-income individuals; community services targeted to low- and 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.*

Consumer loan: *A loan 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 of loans: motor vehicle, credit card, home equity, other secured loan, and other unsecured loan.*

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

Geography: *A census tract area delineated by the U.S. Bureau of the Census in the most recent decennial census.*

Home Mortgage Disclosure Act ("HMDA"): *The statue 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 (e.g., approved, denied, and withdrawn).*

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

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

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 lenders in the MSA/assessment area.*

Metropolitan area: *Any primary metropolitan statistical area ("PMSA"), metropolitan statistical area ("MSA"), or consolidated metropolitan area ("CMSA"), as defined by the Office of Management and Budget with a population of 250 thousand or more, and any other area designated as such by the appropriate federal financial supervisory agency.*

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.*

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.*

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

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.*

Small loan to business: *A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by non-farm non-residential properties or are classified as commercial and industrial loans.*

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.*

Appendix B

VisionBank of Iowa's Assessment Area