PUBLIC DISCLOSURE

October 16, 2023

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

Primebank
RSSD# 671147

37 1st Avenue NW
Le Mars, Iowa 51031

Federal Reserve Bank of Chicago

230 South LaSalle Street
Chicago, Illinois 60604-1413

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INSTITUTION'S CRA RATING

Primebank is rated: Satisfactory
The Lending Test is rated: Satisfactory
The Community Development Test is rated: Satisfactory

Primebank is meeting the credit needs of its community based on an analysis of lending and community development activities. The average loan-to-deposit ratio is more than reasonable given the bank's size, financial condition, and assessment area credit needs. A majority of loans are originated in the bank's assessment areas. The geographic distribution reflects reasonable dispersion throughout the assessment areas. Loan distribution reflects reasonable penetration among borrowers of different income levels, including low- and moderate-income individuals, and businesses and farms of different sizes. Neither Primebank nor this Reserve Bank received any Community Reinvestment Act (CRA)-related complaints since the previous examination.

Primebank's community development performance demonstrates adequate responsiveness to the needs of its assessment areas through community development loans, qualified investments, and community development services. This performance is appropriate, considering the bank's capacity, as well as the need and availability of community development opportunities within the bank's assessment areas.

SCOPE OF EXAMINATION

Primebank's CRA performance was evaluated using the Intermediate Small Institution Examination Procedures issued by the Federal Financial Institutions Examination Council (FFIEC). Performance was evaluated in the context of information about the institution and its assessment areas, including the bank's asset size, financial condition, competition, and the economic and demographic characteristics of the bank's assessment areas.

The bank maintains two delineated assessment areas; a portion of the Sioux City, IA-NE-SD Metropolitan Statistical Area (MSA) #43580, which consists of Woodbury County in its entirety, and Non-Metropolitan Statistical Area (Non-MSA) Iowa, which includes the entirety of Sioux and Plymouth counties. A full scope evaluation was selected for both assessment areas based on the bank's deposit market share, branch and automated teller machine (ATM) concentration, volume of Home Mortgage Disclosure Act (HMDA) reportable loans, small business and small farm lending, economic and demographic characteristics, and an evaluation of the needs of assessment area communities. Performance for both assessment areas was weighted equally in the overall evaluation as a result of the bank's similar branch presence, deposit share, and lending volume within each assessment area.

Loan products reviewed include HMDA-reportable loans, small business, and small farm loans. These are considered the bank's primary business lines based on volume by number and dollar

amount. Both small business and HMDA-reportable loans received more weight in the evaluation. Commercial loans represent the largest segment of the institution's loan portfolio and HMDA-reportable loans represent a majority of the loan originations.

Performance within the designated assessment areas was evaluated using intermediate-small bank examination procedures based on the following performance criteria:

- *Loan-to-Deposit Ratio* – A 12 quarter average loan-to-deposit ratio was calculated for the bank and compared to a sample of local competitors.

- *Lending in the Assessment Area* – The bank's HMDA-reportable loans originated within the assessment areas from January 1, 2021, through December 31, 2022, and a sample of small business and small farm loans originated from January 1, 2022, through December 31, 2022, were reviewed to determine the percentage of loans originated within the assessment areas.

- *Geographic Distribution of Lending in the Assessment Area* – The bank's HMDA-reportable loans originated within the assessment areas from January 1, 2021 through December 31, 2022, and a sample of small business and small farm loans originated within the assessment areas from January 1, 2022, through December 31, 2022, were analyzed to determine the extent to which the bank is making loans in geographies of different income levels, particularly those designated as low- and moderate-income.

- *Lending to Borrowers of Different Income and to Businesses and Farms of Different Sizes* – The bank's HMDA-reportable loans originated within the assessment areas from January 1, 2021, through December 31, 2022, and a sample of small business and small farm loans originated within the assessment areas from January 1, 2022 through December 31, 2022, were reviewed to determine the distribution among borrowers of different income levels, particularly those considered low- or moderate-income, and to businesses and farms with different revenue sizes.

- *Response to Substantiated Complaints* – Complaints were reviewed to determine if any were related to the bank's record of helping to meet community credit needs and its responses to any received were evaluated for appropriateness.

- *Community Development Activities* – The bank's responsiveness to community development needs through community development loans, qualified investments, and community development services from September 22, 2020, through October 16, 2023, were reviewed considering the capacity, need, and availability of such opportunities within the assessment area.

In addition, four community representatives were contacted in connection with this examination to

provide information regarding local economic and socio-economic conditions in the assessment area. The following types of organizations were contacted: economic development and affordable housing.

DESCRIPTION OF INSTITUTION

Primebank is a wholly owned subsidiary of Primebank, Inc., a one-bank holding company located in Le Mars, Iowa. The intrastate bank operates its main office in Le Mars, Iowa, with one branch office located in Sioux Center. In addition, the bank operates two branch offices located in Sioux City, Iowa. Further, the institution maintains seven cash-only automated teller machines (ATMs) throughout the combined assessment area. Since the previous evaluation, the bank closed a loan production office (LPO) that operated in Sioux City, Iowa.

As of the June 30, 2022, Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, Primebank ranks third out of 28 financial institutions operating within the combined assessment area. The bank held approximately $581.0 million in deposits, representing a market share of 8.5 percent. The financial institutions with the largest percentage of the deposit market share are American State Bank in Sioux Center, Iowa at 14.7 percent, and The Security National Bank of Sioux City, Iowa at 13.3 percent.

According to the June 30, 2023 Uniform Bank Performance Report (UBPR), Primebank reported total assets of approximately $676.0 million. Primebank provides a range of traditional loan and deposit products and services. While the bank is primarily a commercial lender, it also offers agricultural, residential real estate, and consumer loan products. Traditional deposit products consist of checking, savings, certificates of deposit, as well as health savings accounts and individual retirement accounts. The bank maintains a website (www.primebank.com) that provides information on loan and deposit products, applications, online banking, and other bank services. Online and mobile banking allows customers to access and monitor their accounts, deposit funds, pay bills with eBill pay, and locate branches and ATMs.

Details of the allocation of the bank's loan portfolio are provided in the following table.

Composition of Loan Portfolio as of June 30, 2023 ($ in 000's)		
Type	**$**	**%**
Commercial	243,377	41.3
Agriculture	209,696	35.5
Residential Real Estate	118,405	20.1
Consumer	10,610	1.8
Other	7,982	1.4
Total	**590,070**	**100.0**
Note: Percentages may not total 100.0 percent due to rounding.		

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

The bank was rated **satisfactory** under the CRA at its previous evaluation conducted on September 21, 2020.

DESCRIPTION OF ASSESSMENT AREA

Primebank is an intrastate bank that operates in two contiguous assessment areas in the northwestern portion of Iowa. The delineated assessment areas include a portion of the Sioux City, IA-NE-SD MSA (Sioux City MSA), and two counties in Non-MSA Iowa. The institution's main office, one additional branch location, and five cash-only ATMs are located in the Non-MSA, Iowa assessment area. Within the Sioux City MSA, the bank maintains two branch locations and two cash-only ATMs.

Description of Primebank's Individual Assessment Areas			
Assessment Area	**Description**	**# of Branches**	**Review Type**
Sioux City, IA-NE-SD MSA	• Woodbury County	2	Full
Non-MSA Iowa	• Sioux County • Plymouth County	2	Full

The combined delineated assessment area includes 44 census tracts, including 12 upper-, 21 middle-, eight moderate-, two low-, and one unknown-income census tract. The one unknown census tract represents a small part of the Winnebago Reservation of Nebraska that falls within Woodbury County, Iowa. Further, there are six census tracts in the bank's combined assessment area noted as underserved census tracts due to their remote rural designation.

Of the 42,222 families residing in the combined assessment area, 17.9 percent are low-income and 17.2 percent are moderate-income families. Businesses and farms with gross annual revenues less than or equal to $1 million represent 89.2 and 98.0 percent, respectively. This information is indicative of lending opportunities for low- and moderate-income families, as well as small businesses and small farms within the assessment areas.

The combined assessment area is unchanged since the previous evaluation of September 21, 2020. However, due to demographic changes in the 2020 Decennial Census and the American Community Survey (ACS) for the period of 2016-2020, the number of census tracts and their income designations have changed. The total number of census tracts increased from 39 to 44. There have been no changes to the total number of low-, moderate-, upper-, or unknown-income census tracts in the assessment areas. However, the number of middle-income census tracts increased from 16 to 21.

Tract Designation Change Data

The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. Accordingly, lending activity that took place in calendar years up to and including 2021 are evaluated based on ACS income level definitions from the five-year survey data set 2011-2015. Lending activity performed in 2022 and beyond are evaluated based on ACS income level definitions from the five-year survey data set 2016-2020.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	**2021 Designations (#)**	**2022 Designations (#)**	**Net Change (#)**
Low	2	2	-
Moderate	8	8	-
Middle	16	21	+5
Upper	12	12	-
Unknown	1	1	-
Total	**39**	**44**	**+5**
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 * U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020*			

Additional assessment area demographic information of the combined assessment areas is provided in the following table. Please refer to Appendix B for 2021 combined assessment area demographic information.

2022 Combined Assessment Area AA Demographics							
Income Categories	**Tract Distribution**		**Families by Tract Income**		**Families < Poverty Level as % of Families by Tract**		**Families by Family Income**	
	#	%	#	%	#	%	#	%
Low	2	4.5	768	1.8	314	40.9	7,573	17.9
Moderate	8	18.2	7,064	16.7	828	11.7	7,283	17.2
Middle	21	47.7	20,977	49.7	1,453	6.9	9,353	22.2
Upper	12	27.3	13,413	31.8	497	3.7	18,013	42.7
Unknown	1	2.3	0	0.0	0	0.0	0	0.0
Total AA	44	100.0	42,222	100.0	3,092	7.3	42,222	100.0
	Housing Units by Tract	**Housing Type by Tract**						
		Owner-occupied			**Rental**		**Vacant**	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,576	377	0.8	23.9	957	60.7	242	15.4
Moderate	11,645	5,262	11.8	45.2	5,511	47.3	872	7.5
Middle	33,887	23,493	52.7	69.3	8,295	24.5	2,099	6.2
Upper	19,285	15,405	34.6	79.9	2,900	15.0	980	5.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	66,393	44,537	100.0	67.1	17,663	26.6	4,193	6.3
	Total Businesses by Tract	**Businesses by Tract & Revenue Size**						
		Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**		
	#	%	#	%	#	%	#	%
Low	192	2.5	156	2.3	36	4.9	0	0.0
Moderate	1,370	18.0	1,130	16.7	232	31.3	8	9.8
Middle	3,839	50.5	3,459	51.0	333	44.9	47	57.3
Upper	2,203	29.0	2,035	30.0	141	19.0	27	32.9
Unknown	1	0.0	1	0.0	0	0.0	0	0.0
Total AA	7,605	100.0	6,781	100.0	742	100.0	82	100.0
Percentage of Total Businesses:			89.2		9.8			1.1
	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	10	0.8	10	0.8	0	0.0	0	0.0
Middle	745	58.8	731	58.9	14	56.0	0	0.0
Upper	512	40.4	501	40.3	11	44.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,267	100.0	1,242	100.0	25	100.0	0	0.0
Percentage of Total Farms:			98.0		2.0			0.0
Source: *2022 FFIEC Census Data*								
2022 Dun & Bradstreet Data								
2016-2020 U.S. Census Bureau: American Community Survey								
Note: *Percentages may not total 100.0 percent due to rounding.*								

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

LENDING TEST

Primebank's performance relative to the lending test is **Satisfactory**. The loan-to-deposit (LTD) ratio is more than reasonable given the bank's size, financial condition, and assessment area credit needs. A majority of HMDA-reportable, small business, and small farm loans were originated in the assessment areas. The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas. The distribution of loans throughout the assessment areas reflects reasonable penetration among individuals of different income levels, including low- and moderate-income, and businesses and farms of different revenue sizes.

Loan-to-Deposit Ratio

Primebank had a more than reasonable LTD (considering seasonal variations) given the bank's size, financial condition, the credit needs of its assessment areas, and taking into account, as appropriate, other lending-related activities. As of June 30, 2023, the bank's LTD ratio averaged 93.9 percent over a 12-quarter period. The LTD ratio shows a slight decrease from the previous evaluation in which the bank had a ratio of 96.6 percent over a 13-quarter period. Overall, Primebank's LTD ratio was above its local competitors over the evaluation period. The following table compares the bank's LTD ratio and local competitors.

Comparative Loan-to-Deposit Ratios as of June 30, 2023	
Comparative Data	**12 Quarter Average (%)**
Primebank	93.9
Peer Avg – Local	85.4
Competitors	
American Bank NA – Le Mars, IA	99.8
Premier Bank – Rock Valley, IA	97.8
Heritage Bank – Spicer, MN	94.3
Liberty National Bank – Sioux City, IA	87.0
Shelby City State Bank – Harlan, IA	69.7
Midstates Bank – Council Bluffs, IA	64.0

Assessment Area Concentration

Primebank made a majority of its loans, and as appropriate, other lending-related activities, within the assessment areas. During the evaluation period, the bank originated 85.0 percent of total loans by number and 73.1 percent by dollar amount inside the assessment areas. The percentage of HMDA-reportable loans originated within the assessment areas was 84.5 percent by number and 71.4 percent by dollar volume. In addition, the bank originated 79.8 percent of small business loans by number as well as 81.2 percent by dollar inside the assessment areas. Further, Primebank

originated 95.4 percent by number and 92.6 percent by dollar amount of small farm loans inside their assessment areas. Performance indicates the bank is actively serving the credit needs of the local community. The bank's overall assessment area concentration of loans decreased since the previous evaluation when 90.0 percent of loans by number and 85.7 percent by dollar were originated within the assessment area. This overall decrease is driven by fewer loans by number and dollar amount originated within the assessment areas for all three loan products since the previous evaluation.

The following table presents Primebank's lending inside and outside its assessment areas by product.

Lending Inside and Outside the Assessment Area								
	Inside				Outside			
Loan Type	#	%	$(000s)	%	#	%	$(000s)	%
Home Improvement	27	77.1	1,471	63.9	8	22.9	830	36.1
Home Purchase – Conventional	530	85.1	91,484	79.2	93	14.9	23,988	20.8
Multi-Family Housing	54	88.5	24,895	43.7	7	11.5	32,116	56.3
Refinance	328	83.7	55,117	81.5	64	16.3	12,492	18.5
Total HMDA-Related (2021-2022)	**939**	**84.5**	**172,967**	**71.4**	**172**	**15.5**	**69,426**	**28.6**
Small Business-Related (2022)	**95**	**79.8**	**12,844**	**81.2**	**24**	**20.2**	**2,982**	**18.8**
Small Farm-Related (2022)	**103**	**95.4**	**14,397**	**92.6**	**5**	**4.6**	**1,149**	**7.4**
Total Loans	**1,137**	**85.0**	**200,208**	**73.1**	**201**	**15.0**	**73,556**	**26.9**

Geographic and Borrower Distribution

Primebank demonstrated a reasonable geographic distribution of loans given the bank's assessment areas. The analysis includes HMDA-reportable, small business, and small farm loans and takes into consideration the size and complexity of the bank as well as focuses on loan dispersion in low- and moderate-income census tracts. Primebank's distribution of loans to individuals of different income levels (including low- and moderate-income) and to businesses and farms of different revenue sizes reflects reasonable penetration given the demographics of the bank's assessment areas.

Please refer to the full reviews of the Sioux City MSA, and the Non-MSA Iowa assessment areas for more information.

Response to Complaints

The bank or this Reserve Bank has not received any CRA-related complaints since the previous evaluation.

COMMUNITY DEVELOPMENT TEST

The bank's performance relative to the community development test is **Satisfactory**.

Lending, Donation, and Services Activities

Primebank demonstrates adequate responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, donations, and community development services.

During the evaluation period, Primebank originated 20 qualified loans with a total of $15.5 million toward affordable housing, economic development, and revitalizing and stabilizing the communities within its assessment areas.

In addition, the bank participated in the Small Business Administration's (SBA) Paycheck Protection Program (PPP) in response to the COVID-19 pandemic. Of the 714 PPP loans originated for a total of $16.2 million, the bank originated 143 PPP loans for approximately $4.1 million to borrowers located within low- and moderate-income census tracts and in underserved census tracts during the evaluation period. PPP loans were originated in a direct response to the COVID-19 pandemic and were specifically designed to benefit small businesses in assisting to retain jobs.

In total, the bank originated 163 qualified community development loans for $19.6 million, which is in alignment with the bank's performance at the previous evaluation in which the bank made 149 community development loans (including PPP loans) for a total of $20.1 million.

During the evaluation period, the bank made four qualified investments for a total of $1.5 million. Of the bank's four qualified investments, two investments were current period investments totaling $800,000, and two were prior period investments totaling $733,250. This represents a decrease in community development investments from the previous evaluation, where the bank made six qualified community development investments for a total of $2.6 million.

Additionally, the bank provided 97 qualified donations for a total of $194,252 to organizations which support affordable housing, revitalizing and stabilizing local communities, and community services tailored to meet the needs of low-and moderate-income individuals. This is an increase from the previous evaluation in which the bank made 92 donations totaling $167,351.

During the evaluation period, Primebank's staff provided 1,125 hours of community development services to 19 unique organizations. A majority of service hours were dedicated to organizations

with a community service or economic development focus. Staff provided these organizations with financial planning services, technical assistance, as well as volunteering with programs that target low- and moderate-income individuals throughout the bank's assessment areas. Employees served as members of the board and/or as committee members within several of these organizations. These services are responsive and flexible in nature as they helped organizations with financial and technical assistance. This is also notable considering the bank's community development services occurred in part during the pandemic, when person to person contact was limited. During the previous evaluation, the bank provided 2,068 hours of community development services to 17 unique organizations.

Additional information with respect to the bank's community development activities is found within the individual assessment area sections.

AA Name	Loans		PPP Loans		Investments		Donations		Services	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	Hours
Non-MSA IA	11	7,747	88	2,486	2	733	61	152	27	716
Sioux City, IA-NE-SD MSA	9	7,801	39	1,425	2	800	32	39	15	409
Broader Regional or Statewide Area	0	0	14	197	0	0	3	3	0	0
Nationwide	0	0	2	23	0	0	0	0	0	0
Total	20	15,548	143	4,131	4	1,533	96	194	42	1,125

Qualified Community Development Activities
September 22, 2020 - October 16, 2023

SIOUX CITY, IA-NE-SD MSA #43580 – FULL REVIEW

SCOPE OF EXAMINATION

Full scope examination procedures were used to evaluate the bank's performance in the Sioux City, IA-NE-SD MSA (Sioux City MSA) assessment area. The scope is consistent with the overall scope of the examination described within the institution summary. For further information, refer to the "Scope of Examination" section for details.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE SIOUX CITY, IA-NE-SD MSA[1]

Primebank's Sioux City MSA assessment area is comprised of Woodbury County in its entirety and excludes Dakota and Dixon Counties in Nebraska and Union County in South Dakota, which comprise the broader Sioux City MSA. Based on 2022 FFIEC Census Data, the assessment area includes 29 total census tracts, which is comprised of two low-, eight moderate-, 12 middle-, six upper-, and one unknown-income census tract. The geographic configuration of the assessment area is unchanged from the previous performance evaluation of September 21, 2020. However, due to changes in the 2020 Decennial Census and the ACS for the period of 2016-2020, the number of census tracts increased from 26 to 29, and the number of low- and moderate-income census tracts increased from 9 to 10.

The bank operates two branches and two cash-only ATMs within the assessment area. The branch locations are located in middle- and upper-income census tracts, respectively. Since the previous evaluation, the bank closed its loan production office that operated in Sioux City, Iowa. The bank has not opened or closed any branches in the assessment area since the previous evaluation.

According to the June 30, 2022, FDIC Deposit Market Share Report, Primebank ranked eighth out of 21 financial institutions operating within the Sioux City MSA. The bank held $138.2 million in deposits, representing a market share of 4.2 percent. The financial institutions with the largest percentage share of the deposit market include The Security National Bank of Sioux City, Iowa (29.1 percent), and Wells Fargo Bank, National Association (13.8 percent). In 2022, Primebank ranked first out of 144 HMDA reporting financial institutions in the Sioux City-MSA for home mortgage originations with 259 total originations. The Security National Bank of Sioux City, IA and Central Bank ranked second and third with 200 and 196 home mortgage originations, respectively. Primebank also ranked first in 2021 out of 166 HMDA reporters with 418 total home mortgage originations within the Sioux City MSA.

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[1] *Census tract designations are based on American Community Survey income data. For years 2017 and after, the designations are based on 2011-2015 ACS data. For years 2016 and before, the designations are based on 2006-2010 ACS data. For examinations that include performance before and after 2017, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.*

Tract Designation Change Data

The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. Accordingly, lending activity that took place in calendar years up to and including 2021 are evaluated based on ACS income level definitions from the five-year survey data set 2011-2015. Lending activity performed in 2022 and beyond are evaluated based on ACS income level definitions from the five-year survey data set 2016-2020.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	**2021 Designations (#)**	**2022 Designations (#)**	**Net Change (#)**
Low	2	2	-
Moderate	7	8	+1
Middle	8	12	+4
Upper	8	6	-2
Unknown	1	1	-
Total	**26**	**29**	**+3**
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 *U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020*			

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of ACS data, 2011-2015 and 2016-2020.

Additional assessment area demographic information for 2022 is provided in the following table. Please refer to Appendix B for 2021 demographic information for the assessment area.

2022 Sioux City, IA-NE-SD MSA 43580 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	6.9	768	3.0	314	40.9	5,791	22.4
Moderate	8	27.6	7,064	27.4	828	11.7	4,661	18.1
Middle	12	41.4	12,350	47.8	1,031	8.3	5,369	20.8
Upper	6	20.7	5,628	21.8	263	4.7	9,989	38.7
Unknown	1	3.4	0	0.0	0	0.0	0	0.0
Total AA	29	100.0	25,810	100.0	2,436	9.4	25,810	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,576	377	1.4	23.9	957	60.7	242	15.4
Moderate	11,645	5,262	19.8	45.2	5,511	47.3	872	7.5
Middle	20,580	13,919	52.3	67.6	5,387	26.2	1,274	6.2
Upper	8,654	7,080	26.6	81.8	1,030	11.9	544	6.3
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	42,455	26,638	100.0	62.7	12,885	30.3	2,932	6.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = $1 Million		Over $1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low	192	4.7	156	4.3	36	8.7	0	0.0
Moderate	1,370	33.9	1,130	31.4	232	56.3	8	25.0
Middle	1,679	41.5	1,551	43.1	111	26.9	17	53.1
Upper	802	19.8	762	21.2	33	8.0	7	21.9
Unknown	1	0.0	1	0.0	0	0.0	0	0.0
Total AA	4,044	100.0	3,600	100.0	412	100.0	32	100.0
Percentage of Total Businesses:				89.0		10.2		0.8
	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	10	3.8	10	3.8	0	0.0	0	0.0
Middle	148	55.8	144	55.2	4	100.0	0	0.0
Upper	107	40.4	107	41.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	265	100.0	261	100.0	4	100.0	0	0.0
Percentage of Total Farms:				98.5		1.5		0.0

Source: 2022 FFIEC Census Data

2022 Dun & Bradstreet Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Population Characteristics

According to the 2020 U.S. Census Bureau ACS, population in the assessment area in 2020 was 105,941. Woodbury County, Iowa makes up a majority of the population in the Sioux City MSA, at 70.7 percent. Primebank's assessment area experienced a 3.3 percent population increase from 2015 to 2020, which is below the growth of the Sioux City MSA in its entirety (4.1 percent), and similar to growth in the state of Iowa (3.1 percent).

According to community representatives, Sioux City, Iowa is primarily responsible for maintaining and growing the population in the area as many people move to the city and surrounding areas for employment. One representative noted that a strong driver of population growth has been from diverse communities, specifically an increase in Black and Hispanic individuals moving to the area in recent years. Community representatives also noted that there is a need for additional housing in the area so individuals that currently commute into the area for employment can live closer to their workplaces. Representatives noted that these trends are likely to continue; however, they are contingent on employment opportunities in the area and the addition of housing supply.

The table below presents population trends for the assessment area, the entire MSA , and the state of Iowa from 2015 to 2020.

Population Change 2015 and 2020			
Area	2015 Population	2020 Population	Percent Change
Assessment Area	102,530	105,941	3.3%
Sioux City, IA-NE-SD MSA	144,036	149,940	4.1%
State of Iowa	3,093,526	3,190,369	3.1%
Source: 2020 U.S. Census Bureau Decennial Census			
2011 - 2015 U.S. Census Bureau American Community Survey			

Income Characteristics

According to the U.S. Census Bureau, the assessment area is comprised of 25,810 families, of which 22.4 percent are designated as low-income, 18.1 percent are moderate-income, 20.8 percent are middle-income, and 38.7 percent are upper-income families. Families living below the poverty level within the assessment area is 9.4 percent, which is above the state of Iowa's poverty rate of 7.1 percent.

Overall, the assessment area experienced a significant increase in MFI at 13.8 percent, which was below the increase in the Sioux City MSA (14.6 percent). The state of Iowa had an increase in MFI

at 7.4 percent, which is significantly below growth in the assessment area and individual counties comprising the assessment area.

Community representatives stated that employers in the area have seen significant growth and have increased wages to attract additional employees. Additionally, the cost of living has increased significantly, subsequently incentivizing individuals to ask for higher wages, or move to different employers for better compensation.

The following table presents the MFI for families living in the assessment area, the entire MSA, and the state of Iowa.

Median Family Income Change 2015 and 2020			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Assessment Area	$62,921	$71,611	13.8%
Sioux City, IA-NE-SD MSA	$64,901	$74,387	14.6%
State of Iowa	$73,712	$79,186	7.4%
Source: 2011 - 2015 U.S. Census Bureau American Community Survey *2016 - 2020 U.S. Census Bureau American Community Survey* *Median Family Incomes have been inflation-adjusted and are expressed in 2020 dollars.*			

Housing Characteristics

There is a total of 42,455 housing units within the assessment area. The majority of housing units are owner-occupied at 62.7 percent, followed by rental units (30.3 percent) and vacant units (6.9 percent). Most of the assessment area's owner-occupied housing units are located in middle- and upper-income census tracts (approximately 78.8 percent), while 21.2 percent of owner-occupied housing units are located in low- and moderate-income census tracts. Of the total housing units located in low-income census tracts, the majority are rental units (60.7 percent), which indicates fewer lending opportunities in these census tracts. The two low-income census tracts within the assessment area are located within Sioux City, Iowa.

A method to understand poverty and housing outcomes is calculating housing cost burden, which is presented in the table below. The housing cost burden is the ratio of a household's gross monthly housing costs to the household's gross monthly income. Housing cost burden, as defined by the Department of Housing and Urban Development (HUD), takes these quantitative ratios, and assigns qualitative values to them. If a household's housing cost is above 30.0 percent of its income, then that household is considered housing cost burdened. If housing cost is above 50.0 percent, then the household is severely housing cost burdened. Across the assessment area, 35.2 percent of all renters are considered housing cost burdened. Of cost burdened renters, 65.3 percent

are low-income, and 24.6 percent are moderate-income. For all homeowners, only 12.7 percent are experiencing housing cost burden within the assessment area. However, those homeowners that do experience burden are low- and moderate-income owners at 50.9 percent and 19.3 percent, respectively.

A community representative stated there is a limited supply of housing, especially affordable housing of all unit types in the area. The representative noted that continued population growth has furthered the issue despite multiple affordable housing programs for individuals in need. Community representatives also noted that new affordable housing developments are rarely considered as the return on investment for developers is significantly lower. Lastly, community representatives stated that these trends are likely to continue due to the current interest rate environment limiting new development.

Housing Cost Burden						
	Cost Burden - Renters			Cost Burden - Owners		
Area	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	65.3%	24.6%	35.2%	50.9%	19.3%	12.7%
Sioux City, IA-NE-SD MSA	64.8%	20.2%	33.1%	51.7%	17.8%	12.7%
State of Iowa	70.6%	17.7%	37.7%	56.8%	22.5%	15.0%
Cost Burden is housing cost that equals 30.0 percent or more of household income						
Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy						

Employment Characteristics

As of 2021, the unemployment rate for the assessment area was 4.3 percent, which is comparable to the state of Iowa's unemployment rate at 4.2 percent, but slightly higher than the entire Sioux City MSA (4.0 percent). During the COVID-19 pandemic in 2020, the assessment area, Sioux City MSA, and the state of Iowa all had unemployment rates increase to above 5.0 percent. The assessment area, Sioux City MSA, and the state of Iowa all maintain elevated unemployment rates when compared to pre-pandemic levels in 2019. A community representative stated that while unemployment remained high in 2021, unemployment has continued to decrease and was similar to pre-pandemic levels in 2022. Additionally, another community representative stated that there have been some layoffs in the area from major employers; however, no major employers have completely closed or relocated.

The table below presents unemployment statistics for the assessment area, the entire MSA, and the state of Iowa from 2017 to 2021.

Unemployment Rates (%)					
Area	**2017**	**2018**	**2019**	**2020**	**2021**
Assessment Area	3.1	2.5	2.6	5.1	4.3
Sioux City, IA-NE-SD MSA	3.3	2.7	2.8	5.0	4.0
State of Iowa	3.1	2.5	2.6	5.1	4.2
Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics					

Industry Characteristics

According to location quotients developed by the U.S. Bureau of Labor Statistics, the assessment area contains a diverse employment base and is most heavily impacted by the health care, retail, professional and technical services, and construction industries. Both community representatives noted relative stability in local industry conditions.

Community Representatives

Two community representatives were contacted during the evaluation to provide information regarding local economic and demographic conditions within the assessment area. Each representative provided information on housing, employment, economic development needs, as well as information about how the COVID-19 pandemic affected the local economy. Representatives highlighted the need for additional affordable housing and new housing units, and assistance to small businesses and families in the case of an economic downturn. Each representative also discussed the financial challenges within their respective areas and how local financial institutions could be more involved.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SIOUX CITY, IA-NE-SD MSA

LENDING TEST

Geographic Distribution of Loans

For the purposes of this review, loans made in calendar years up to and including 2021 were analyzed based on income designations from the 2011-2015 American Community Survey data[2]. Loans made in calendar years 2022 and after were analyzed based on income designations from the 2016-2020 American Community Survey data.

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[2] *The median family income levels (MFI) for census tracts are calculated using income data from the U.S. Census Bureau's American Community Survey and geographic designations from the Office of Management and Budget and are updated approximately every five years. (.12(m) Income Levels)*

Primebank's geographic distribution of HMDA-reportable, small business, and small farm loans reflects reasonable dispersion throughout the assessment area. An analysis of the bank's geographic dispersion of loans within the assessment area was also conducted to identify any possible conspicuous gaps in lending, particularly within low- and moderate-income tracts. The assessment area contains 29 census tracts, of which two are low-income, and eight are moderate-income. In 2022, Primebank originated loans in 96.5 percent of the 29 census tracts in the assessment area, with no lending in the one unknown-income designation census tract. As previously mentioned, the unknown-income census tract represents a small part of the Winnebago Reservation of Nebraska that falls within Woodbury County, Iowa. Overall, the gap analysis indicates the bank's lending patterns are well balanced across the census tracts within the assessment area and no substantial disparities were identified. The bank's 2021 distribution of loans among the census tract was comparable to 2022 performance.

HMDA-Reportable Loans

The bank's geographic distribution of HMDA-reportable loans reflects reasonable dispersion throughout the assessment area. Geographic distribution of 2022 HMDA-reportable loans was comparable to the 2021 HMDA-reportable lending performance.

In 2022, Primebank originated 3.1 percent of its total HMDA-reportable loans by number in low-income census tracts, above the aggregate performance and the demographic at 1.2 percent and 1.4 percent, respectively. Additionally, the bank originated 24.8 percent of total HMDA-reportable loans in moderate-income census tracts by number, which was above both the aggregate of 21.0 percent and demographic of 19.8 percent. The bank originated the largest portion, 50.0 percent, of total HMDA-reportable loans in middle-income census tracts, which was below the aggregate and demographic at 51.3 percent and 52.3 percent, respectively. Further, the bank originated 22.0 percent of total HMDA-reportable loans in upper-income census tracts, which was below the aggregate at 26.5 percent and demographic at 26.6 percent.

Home Purchase Loans

In 2022, home purchase loans comprised 70.1 percent of the bank's total HMDA-reportable loan portfolio. Primebank originated 2.2 percent of home purchase loans in low-income census tracts, which was above the aggregate at 1.0 percent and demographic (1.4 percent). The bank originated 21.3 percent of its home purchase loans by number in moderate-income census tracts, which was slightly below aggregate at 22.5 percent and slightly above the 19.8 percent of owner-occupied housing located in moderate-income census tracts. The bank originated a majority, (55.6 percent) of its home purchase loans in middle-income census tracts, which was above the aggregate at 49.7 percent and demographics (52.3 percent). Further, the bank originated 20.8 percent of its home purchase loans in upper-income census tracts, which was below both the aggregate (26.7 percent) and demographic (26.6 percent).

In 2021, Primebank's geographic distribution of home purchase loans in low- and moderate-income census tracts slightly exceeded 2022 performance while home purchase lending in moderate-income census tracts was slightly below the bank's 2022 performance.

Refinance Loans

In 2022, refinance loans comprised 16.1 percent of the bank's total HMDA-reportable loan portfolio. Primebank originated 4.9 percent of its refinance loans by number in low-income census tracts, which was above the aggregate at 1.2 percent and above the demographic (1.4 percent). The bank originated 12.2 percent of its refinance loans in moderate-income census tracts, which was below the aggregate and demographic at 16.9 percent and 19.8 percent, respectively. The bank originated a majority (48.8 percent) of its refinance loans in middle-income census tracts. This performance was below the aggregate and demographic at 53.6 percent and 52.3 percent, respectively. Further, the bank originated 34.1 percent of its refinance loans in upper-income census tracts, which was above the aggregate at 28.3 percent, and demographic at 26.6 percent.

In 2021, Primebank's geographic distribution of refinance loans in low-income census tracts was below its 2022 performance, but above the aggregate and demographic. Further, the bank's 2021 refinance lending in moderate-income census tracts was above 2022 performance.

Home Improvement

In 2022, home improvement loans comprised 4.7 percent of the bank's total HMDA-reportable loan portfolio. Primebank originated no home improvement loans in low-income census tracts, which was slightly below aggregate and demographics at 0.7 and 1.4 percent, respectively. The bank originated 33.3 percent of home improvement loans by number in moderate-income census tracts, which was above aggregate (18.1 percent) and demographics (19.8 percent). The bank also originated 33.3 percent of home improvement loans by number in middle-income census tracts, which was below aggregate at 58.0 percent, as well as below demographics at 52.3 percent. The bank originated 33.3 percent of home improvement loans by number in upper-income census tracts, which was above aggregate and demographics at 23.2 and 26.6 percent, respectively.

In 2021, Primebank originated a limited number of home improvement loans, with only four originations. Thus, meaningful analysis could not be conducted.

Multi-family

In 2022, multi-family loans comprised 9.1 percent of the bank's total HMDA-reportable loan portfolio. Primebank originated 8.7 percent of multi-family loans in low-income census tracts, which was comparable to aggregate and demographics at 8.2 and 8.8 percent, respectively. Additionally, the bank originated 69.6 percent of multi-family loans in moderate-income census tracts, which was well above aggregate (46.6 percent) and demographics (46.8 percent). The bank

also originated 17.4 percent of multi-family loans in middle-income census tracts, which was below aggregate (35.6 percent) and below demographics (36.4 percent). Lastly, the bank originated 4.3 percent of multi-family loans in upper-income census tracts, which was below aggregate and demographics at 9.6 and 7.9 percent, respectively.

In 2021, Primebank's geographic distribution of multi-family loans in low-income census tracts was 20.0 percent, above 2022 performance. However, distribution of multi-family loans in moderate-income census tracts was 46.7 percent, which was below 2022 performance.

The following table presents the bank's geographic distribution of HMDA-reportable loans in 2022. See Appendix B for 2021 lending tables.

Distribution of 2022 Home Mortgage Lending By Income Level of Geography Assessment Area: Sioux City, IA-NE-SD MSA 43580							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans							
Low	4	2.2	1.0	385	1.2	0.7	1.4
Moderate	38	21.3	22.5	4,699	15.2	16.5	19.8
Middle	99	55.6	49.7	17,192	55.6	51.2	52.3
Upper	37	20.8	26.7	8,667	28.0	31.6	26.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	178	100.0	100.0	30,943	100.0	100.0	100.0
Refinance Loans							
Low	2	4.9	1.2	88	1.4	0.4	1.4
Moderate	5	12.2	16.9	736	12.0	12.4	19.8
Middle	20	48.8	53.6	3,194	51.9	52.3	52.3
Upper	14	34.1	28.3	2,140	34.8	34.9	26.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	41	100.0	100.0	6,158	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	0.7	0	0.0	1.5	1.4
Moderate	4	33.3	18.1	91	21.1	15.5	19.8
Middle	4	33.3	58.0	204	47.2	57.0	52.3
Upper	4	33.3	23.2	137	31.7	26.1	26.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	12	100.0	100.0	432	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	2	8.7	8.2	276	3.4	2.9	8.8
Moderate	16	69.6	46.6	7,338	89.3	70.8	46.8
Middle	4	17.4	35.6	504	6.1	22.7	36.4
Upper	1	4.3	9.6	98	1.2	3.6	7.9
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	23	100.0	100.0	8,216	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	8	3.1	1.2	749	1.6	0.9	1.4
Moderate	63	24.8	21.0	12,864	28.1	21.3	19.8
Middle	127	50.0	51.3	21,094	46.1	48.6	52.3
Upper	56	22.0	26.5	11,042	24.1	29.2	26.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	254	100.0	100.0	45,749	100.0	100.0	100.0
Source: 2022 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.							

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. A sample of small business loans originated in 2022 was reviewed, of which 4.3 percent by number were in low-income census tracts within assessment area. Primebank's performance was consistent with the percentage of total businesses in low-income census tracts at 4.7 percent. The bank originated 26.1 percent of small business loans in moderate-income census tracts, which was below total businesses located in moderate-income census tracts (33.9 percent). Additionally, the bank originated 23.9 percent of small business loans in middle-income tracts, which was below the demographic (41.5 percent). The majority of the bank's small business loans (45.7 percent) were originated in upper-income census tracts, which was above the percentage of total businesses located in those geographies (19.8 percent).

The following table presents Primebank's geographic distribution of small business loans in 2022.

Distribution of 2022 Small Business Lending By Income Level of Geography					
Assessment Area: Sioux City, IA-NE-SD MSA 43580					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
Low	2	4.3	385	5.8	4.7
Moderate	12	26.1	2,116	32.0	33.9
Middle	11	23.9	1,380	20.9	41.5
Upper	21	45.7	2,733	41.3	19.8
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	46	100.0	6,614	100.0	100.0
Source: 2022 FFIEC Census Data					
2022 Dun & Bradstreet Data					
2016-2020 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

Small Farm Loans

The geographic distribution of small farm loans reflects a reasonable dispersion throughout the assessment area. A sample of small farm loans originated in 2022 was reviewed. Primebank originated no small farm loans in low- or moderate-income census tracts. No farms are located within low-income census tracts; however, small farm lending in moderate-income tracts was below the percentage of total farms in moderate-income tracts (3.8 percent). The low percentage of total farms located in low- and moderate-income census tracts significantly limits the bank's ability to originate loans within those geographies. The bank originated 8.0 percent of its small farm loans in middle-income census tracts, which is well below the demographic (55.8 percent). A substantial majority (92.0 percent) of the bank's small farm loans were originated in upper-income census tracts, which was above the 40.4 percent of total farms located in upper-income geographies.

The following table presents Primebank's geographic distribution of small farm loans in 2022.

Distribution of 2022 Small Farm Lending By Income Level of Geography					
Assessment Area: Sioux City, IA-NE-SD MSA 43580					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	$(000)	$%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	3.8
Middle	2	8.0	700	20.6	55.8
Upper	23	92.0	2,704	79.4	40.4
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	25	100.0	3,404	100.0	100.0
Source: 2022 FFIEC Census Data					
2022 Dun & Bradstreet Data					
2016-2020 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

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

For the purposes of this review, loans made in calendar year 2021 or before were analyzed based on 2011-2015 American Community Survey income designations for individuals[3]. Loans made in calendar year 2022 or after were analyzed based on 2016-2020 American Community Survey income designations for individuals.

Primebank's distribution of loans reflects reasonable penetration among individuals of different income levels, including low- and moderate-income individuals, and businesses and farms of different sizes.

HMDA- Reportable Loans

The borrower distribution of HMDA-reportable loans reflects reasonable penetration among individuals of different income levels. Primebank's distribution of total HMDA-reportable lending to borrowers of different income levels in 2021 was comparable to the bank's 2022 performance. In 2022, Primebank's HMDA-reportable loans originated to low-income borrowers was 12.1 percent by number, which was comparable to the aggregate at 12.1 percent and below the percentage of low-income families located in the assessment area (22.4 percent). The bank originated 20.3 percent of total HMDA-reportable loans to moderate-income borrowers, which was

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[3] *Income levels for individuals are calculated annually by the FFIEC using geographic definitions from the OMB, income data from the ACS and the Consumer Price Index from the Congressional Budget Office (.12(m) Income Levels).*

below the aggregate (24.5 percent) but above the percentage of moderate-income families located in the assessment area (18.1 percent). The bank originated 18.2 percent of total HMDA-reportable loans to middle-income borrowers, which was below the aggregate and demographic at 23.3 percent and 20.8 percent, respectively. Further, the bank originated 16.5 percent of its total HMDA-reportable loans to upper-income borrowers, which is below the aggregate (22.1 percent) and the demographic (38.7 percent).

Primebank has a moderate volume of HMDA-reportable lending to borrowers with unknown-incomes. This is attributed to the bank's volume of non-owner-occupied, one-to-four family loan originations. These loans are HMDA-reportable; however, income is not required to be reported. These loans could potentially skew the analysis of the bank's HMDA-reportable lending but were considered as part of the overall analysis. In 2021 and 2022, the bank originated 23.8 and 32.9 percent, respectively, of total HMDA-reportable loans to borrowers with unknown-income.

Home Purchase Loans

In 2022, Primebank originated 11.2 percent of home purchase loans to low-income borrowers, which was comparable to the aggregate (11.3 percent), but significantly below the percentage of low-income families located in the assessment area at 22.4 percent. The bank originated 19.7 percent of its home purchase loans to moderate-income borrowers, which was below the aggregate (24.9 percent) but above demographics (18.1 percent). Home purchase loans to middle-income borrowers (15.7 percent) was below the aggregate at 21.9 percent and below the percentage of middle-income families located in the assessment area (20.8 percent). The bank originated 15.2 percent of its home purchase loans to upper-income borrowers, which was below the aggregate at 19.3 percent and well below the demographic (38.7 percent). Further, the bank originated 38.2 percent of its home purchase loans to unknown-income borrowers, which was above the aggregate lenders (22.6 percent).

In 2021, the bank's home purchase loans to low-income borrowers were comparable to its 2022 performance. While home purchase loans to moderate-income borrowers were below the bank's 2022 performance, the bank's performance was similar to aggregate and below demographics.

Refinance Loans

In 2022, Primebank originated 17.1 percent of its refinance loans to low-income borrowers. Performance was above the aggregate at 14.8 percent but below the percentage of low-income families in the assessment area (22.4 percent). The bank originated 26.8 percent of its refinance loans to moderate-income borrowers, which was slightly below the aggregate (27.5 percent) but above the demographic (18.1 percent). Primebank originated 19.5 percent of its refinance loans to middle-income borrowers, which was below the aggregate at 26.6 percent and just below the demographic (20.8 percent). Refinance loans originated to upper-income borrowers (19.5 percent) was slightly below the aggregate at 21.5 percent and well below the percentage of upper-income

families located in the assessment area (38.7 percent). The bank also originated 17.1 percent of its refinance loans to unknown-income borrowers, which was above aggregate (9.6 percent).

In 2021, the bank's refinance loans to low- and moderate-income borrowers was below its 2022 performance, but comparable to aggregate performance.

Home Improvement

In 2022, Primebank originated 8.3 percent of its home improvement loans to low-income borrowers. Performance was below aggregate at 12.3 percent and below the percentage of low-income families in the assessment area (22.4 percent). The bank originated 8.3 percent of its home improvement loans to moderate-income borrowers, which was also below aggregate (13.8 percent) and below the demographic (18.1 percent). Primebank originated 50.0 percent of its home improvement loans to middle-income borrowers, which was significantly above the aggregate and demographics at 26.8 and 20.8 percent, respectively. The bank originated 25.0 percent of its home improvement loans to upper-income borrowers, which was well below the aggregate (42.0 percent) and the percentage of upper-income families located in the assessment area (38.7 percent). The bank also originated 8.3 percent of its refinance loans to unknown-income borrowers, which was above the aggregate at 5.1 percent.

In 2021, the bank made only four total home improvement loans. Thus, a meaningful analysis could not be completed.

The following table presents Primebank's borrower distribution of HMDA-reportable loans in 2022. See Appendix B for 2021 lending tables.

Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	
Distribution of 2022 Home Mortgage Lending By Borrower Income Level **Assessment Area: Sioux City, IA-NE-SD MSA 43580**							
Home Purchase Loans							
Low	20	11.2	11.3	2,469	8.0	7.6	22.4
Moderate	35	19.7	24.9	5,356	17.3	21.6	18.1
Middle	28	15.7	21.9	5,905	19.1	23.7	20.8
Upper	27	15.2	19.3	9,378	30.3	31.5	38.7
Unknown	68	38.2	22.6	7,835	25.3	15.6	0.0
Total	178	100.0	100.0	30,943	100.0	100.0	100.0
Refinance Loans							
Low	7	17.1	14.8	787	12.8	9.2	22.4
Moderate	11	26.8	27.5	1,281	20.8	22.6	18.1
Middle	8	19.5	26.6	1,522	24.7	27.4	20.8
Upper	8	19.5	21.5	1,542	25.0	30.4	38.7
Unknown	7	17.1	9.6	1,026	16.7	10.5	0.0
Total	41	100.0	100.0	6,158	100.0	100.0	100.0
Home Improvement Loans							
Low	1	8.3	12.3	62	14.4	12.3	22.4
Moderate	1	8.3	13.8	30	6.9	15.9	18.1
Middle	6	50.0	26.8	213	49.3	18.4	20.8
Upper	3	25.0	42.0	120	27.8	49.9	38.7
Unknown	1	8.3	5.1	7	1.6	3.5	0.0
Total	12	100.0	100.0	432	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	28	12.1	12.1	3,318	8.8	8.0	22.4
Moderate	47	20.3	24.5	6,667	17.8	21.6	18.1
Middle	42	18.2	23.3	7,640	20.4	24.3	20.8
Upper	38	16.5	22.1	11,040	29.4	31.9	38.7
Unknown	76	32.9	18.0	8,868	23.6	14.3	0.0
Total	231	100.0	100.0	37,533	100.0	100.0	100.0

Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.
Multifamily loans are not included in the borrower distribution analysis.

Small Business Loans

Primebank's distribution of small business loans reflects reasonable dispersion among businesses of different revenue sizes. A sample of the bank's small business loans originated in 2022 was reviewed of which 69.6 percent by number were to businesses with total revenues of $1.0 million or less. This is below the percentage of total businesses within the assessment area with total revenues of $1.0 million or less (89.0 percent). However, of these loans, 53.1 percent had loan

amounts of $100,000 or less, which are considered the most beneficial to small businesses and indicating the bank's willingness to meet the credit needs of small businesses.

The following table presents the borrower distribution of small business loans in 2022.

Distribution of 2022 Small Business Lending By Revenue Size of Businesses Assessment Area: Sioux City, IA-NE-SD MSA 43580					
	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
By Revenue					
$1 Million or Less	32	69.6	4,300	65.0	89.0
Over $1 Million	6	13.0	962	14.5	10.2
Revenue Unknown	8	17.4	1,351	20.4	0.8
Total	46	100.0	6,614	100.0	100.0
By Loan Size					
$100,000 or Less	26	56.5	1,071	16.2	
$100,001 - $250,000	15	32.6	2,505	37.9	
$250,001 - $1 Million	5	10.9	3,038	45.9	
Total	46	100.0	6,614	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	17	53.1	626	14.6	
$100,001 - $250,000	13	40.6	2,059	47.9	
$250,001 - $1 Million	2	6.3	1,615	37.6	
Total	32	100.0	4,300	100.0	
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.					

Small Farm Loans

Primebank's distribution of small farm loans reflects reasonable penetration among farms of different revenue sizes. A sample of small farm loans originated in 2022 was reviewed of which 64.0 percent by number were to farms with total revenues of $1.0 million or less. This was well below the total percentage of small farms in the assessment area (98.5 percent). However, of these loans, 50.0 percent had loan amount of $100,000 or less, which are considered the most beneficial to small farms and indicating the bank's willingness to meet the credit needs of small farms.

The following table presents the borrower distribution of small farm loans in 2022.

Distribution of 2022 Small Farm Lending By Revenue Size of Farms Assessment Area: Sioux City, IA-NE-SD MSA 43580					
	Bank Loans				Total Farms
	#	#%	$(000)	$%	%
By Revenue					
$1 Million or Less	16	64.0	2,526	74.2	98.5
Over $1 Million	9	36.0	878	25.8	1.5
Revenue Unknown	0	0.0	0	0.0	0.0
Total	25	100.0	3,404	100.0	100.0
By Loan Size					
$100,000 or Less	14	56.0	676	19.9	
$100,001 - $250,000	7	28.0	1,078	31.7	
$250,001 - $500,000	4	16.0	1,650	48.5	
Total	25	100.0	3,404	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	8	50.0	299	11.8	
$100,001 - $250,000	4	25.0	577	22.8	
$250,001 - $500,000	4	25.0	1,650	65.3	
Total	16	100.0	2,526	100.0	
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.					

COMMUNITY DEVELOPMENT TEST

Lending, Investment, and Services Activities

Primebank demonstrates adequate responsiveness to the needs of its assessment area through community development loans, qualified investments, donations, and services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

Lending

During the evaluation period, the bank originated 48 community development loans, with the purpose of revitalization and stabilization and economic development, for a total of approximately $9.2 million. The majority of the bank's community development loans were attributed to PPP and loan modifications in response to the COVID-19 pandemic. These PPP loans are specifically designed to benefit small businesses, and to retain jobs during the health crisis, as such PPP loans are considered very responsive and flexible. Community development lending within the assessment area decreased slightly since the previous evaluation, in which the bank originated 58 community development loans for a total of $9.8 million.

Investments

The bank made two qualified community development investments during the review period for a total of $800,000, both with the purpose of revitalization and stabilization. One investment totaling $300,000 was a current period investment while the other was a prior period investment totaling $500,000. Additionally, the bank made 32 qualified community development donations totaling $38,905 to various organizations. A substantial portion of qualified donations were made for the purpose of revitalization and stabilization. During the previous evaluation, the bank made three qualified investments for a total of $1.1 million, as well as 51 qualified donations totaling $121,865 in community development donations throughout the Sioux City MSA assessment area, demonstrating a decrease since the previous evaluation.

Services

During the evaluation period, bank staff provided a total of 409 hours of community development services to seven unique organizations located in the assessment area. This is a significant decrease of community service activities since the previous evaluation where the bank provided 931 service hours to 10 organizations. The majority of service hours involved bank staff serving as board members, committee members, and/or providing financial expertise for non-profit organizations. The decrease in performance is attributed to less opportunity to participate in face-to-face community development service activities during a substantial portion of the review period due to the COVID-19 pandemic.

The following table presents Primebank's community development activities within the Sioux City MSA assessment area during the evaluation period.

Qualified Community Development Activities Review Period September 22, 2020 – October 16, 2023										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	$/Hours	#	$/Hours	#	$/Hours	#	$/Hours	#	$/Hours
Lending	0	0	7	6,481,570	41*	2,744,928*	0	0	48	9,226,498
Investment	0	0	0	0	2	800,000	0	0	2	800,000
Donations	0	0	0	0	7	22,000	25	16,905	32	38,905
Services	0	0	2	154	0	0	5	255	7	409
*The following field includes community development qualified Paycheck Protection Program (PPP) loans.										

NON-MSA, IOWA – FULL REVIEW

SCOPE OF EXAMINATION

Full scope examination procedures were used to evaluate the bank's performance in the Non-MSA Iowa assessment area. The scope of this section is consistent with the overall scope of the examination described within the institution summary. For further information refer to the "Scope of Examination" section for details.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NON-MSA, IOWA[4]

The bank's Non-MSA Iowa assessment area is comprised of Plymouth and Sioux Counties in their entireties. Based on 2022 FFIEC census data, the assessment area is comprised of 15 census tracts which include no low- or moderate-income census tracts, nine middle-income, and six upper-income census tracts. The assessment area has not changed since the previous evaluation. The geographic configuration of the assessment area is unchanged from the previous performance evaluation of September 21, 2020. However, due to changes in the 2020 Decennial Census and the ACS for the period of 2016-2020, the number of census tracts increased from 13 to 15, and the number of moderate-income census tracts decreased from one to zero. Although there are no low- or moderate-income census tracts, the FFIEC has designated six census tracts within Sioux County as underserved, remote rural areas.

Within the assessment area, the bank operates two branches, including the bank's main office location in Le Mars, Iowa. Additionally, the bank operates five cash-only ATMs, two of which are located at each branch location in the assessment area. The bank does operate one cash-only ATM in an underserved census tract.

According to the June 30, 2022, FDIC Deposit Market Share Report, Primebank ranked fourth among 13 FDIC-insured financial institutions operating within the Non-MSA Iowa assessment area. The bank held $390.0 million in deposits, representing a market share of 11.3 percent. The financial institutions with the largest percentage share of the deposit market include American State Bank (25.0 percent), Iowa State Bank (15.9 percent), and Peoples Bank (14.0 percent). In 2022, Primebank ranked fourth out of 105 HMDA reporting financial institutions in the Non-MSA Iowa for home mortgage originations with 92 total originations. American State Bank and Northwest Bank ranked first and second with 203 and 167 home mortgage originations, respectively. Primebank ranked fourth in 2021 out of 107 HMDA reporters with 184 total home mortgage originations within the assessment area.

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[4] *Census tract designations are based on American Community Survey income data. For years 2017 and after, the designations are based on 2011-2015 ACS data. For years 2016 and before, the designations are based on 2006-2010 ACS data. For examinations that include performance before and after 2017, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.*

Tract Designation Change Data

The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. Accordingly, lending activity that took place in calendar years up to and including 2021 are evaluated based on ACS income level definitions from the five-year survey data set 2011-2015. Lending activity performed in 2022 and beyond are evaluated based on ACS income level definitions from the five-year survey data set 2016-2020.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	0	0	-
Moderate	1	0	-1
Middle	8	9	+1
Upper	4	6	+2
Unknown	0	0	-
Total	13	15	+2
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 *U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020*			

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of ACS data, 2011-2015 and 2016-2020.

Additional assessment area demographic information for 2022 is provided in the following table. Please refer to Appendix B for 2021 combined demographic information.

2022 IA Non MSA 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	1,782	10.9
Moderate	0	0.0	0	0.0	0	0.0	2,622	16.0
Middle	9	60.0	8,627	52.6	422	4.9	3,984	24.3
Upper	6	40.0	7,785	47.4	234	3.0	8,024	48.9
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	15	100.0	16,412	100.0	656	4.0	16,412	100.0

	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	13,307	9,574	53.5	71.9	2,908	21.9	825	6.2
Upper	10,631	8,325	46.5	78.3	1,870	17.6	436	4.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	23,938	17,899	100.0	74.8	4,778	20.0	1,261	5.3

	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	2,160	60.7	1,908	60.0	222	67.3	30	60.0
Upper	1,401	39.3	1,273	40.0	108	32.7	20	40.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3,561	100.0	3,181	100.0	330	100.0	50	100.0
Percentage of Total Businesses:				89.3		9.3		1.4

	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	597	59.6	587	59.8	10	47.6	0	0.0
Upper	405	40.4	394	40.2	11	52.4	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,002	100.0	981	100.0	21	100.0	0	0.0
Percentage of Total Farms:				97.9		2.1		0.0

Source: 2022 FFIEC Census Data

2022 Dun & Bradstreet Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Population Characteristics

According to the U.S. Census Bureau ACS, population in the assessment area in 2020 was 61,570, an increase of 3.7 percent since 2015. The majority of the assessment area's population resides in Sioux County, which maintains a population of 35,872, a growth of 3.9 percent since 2015. The assessment area, as well as the individual counties comprising the assessment area, outperformed population growth in the state of Iowa, which experienced population growth 3.1 percent.

According to a community representative, there are significant job opportunities in Le Mars, IA, which has contributed to the growth in Plymouth County. Additionally, the same representative noted that many individuals commute to Le Mars, IA from surrounding counties for employment opportunities. Community representatives also noted a number of new housing units are currently being built, which reflects the potential for future population growth as those commuting in may move closer to the area.

The following table presents population trends for the assessment area, the counties comprising the assessment area, as well as the state of Iowa from 2015 and 2020.

Population Change 2015 and 2016-2020			
Area	2015 Population	2020 Population	Percent Change
Assessment Area	59,362	61,570	3.7%
Plymouth, IA	24,853	25,698	3.4%
Sioux County, IA	34,509	35,872	3.9%
State of Iowa	3,093,526	3,190,369	3.1%
Source: 2015 U.S. Census Bureau Decennial Census *2016 - 2020 U.S. Census Bureau American Community Survey*			

Income Characteristics

According to the U.S. Census Bureau, the assessment area is comprised of 16,412 families, of which 10.9 percent are designated as low-income, 16.0 percent are moderate-income, 24.3 percent are middle-income, and 48.9 percent are upper-income. Families living below the poverty level within the assessment area is 4.0 percent, which is lower than the state of Iowa poverty rate of 7.1 percent.

Overall, the assessment area experienced an increase in MFI (6.7 percent), slightly below the increase experienced by the state of Iowa overall (7.4 percent) from 2015 through 2020. Plymouth County had the smallest increase in MFI at 4.6 percent, while Sioux County had an increase of 8.0 percent. Sioux County has a slightly higher MFI than the assessment area, Plymouth County, and

the state of Iowa. However, the assessment area is also above Plymouth County and the state of Iowa.

A community representative noted that as the population in the area continues to grow, there has also been an increase in the number of businesses in the area. This increase in businesses has increased the demand for workers, and thus raised wages as businesses in the area compete for individuals. The same representative noted that a shortage of individuals has led to businesses seeking help from job seekers outside of the assessment area and in some cases providing transportation for them.

The following table presents the median family income (MFI) for families living in the assessment area, the counties comprising the assessment area, and the state of Iowa from 2015 and 2020.

Median Family Income Change 2011-2015 and 2016-2020			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Assessment Area	$77,500	$82,695	6.7%
Plymouth, IA	$78,717	$82,372	4.6%
Sioux County, IA	$77,541	$83,744	8.0%
State of Iowa	$73,712	$79,186	7.4%
Source: 2011 - 2015 U.S. Census Bureau American Community Survey *2016 - 2020 U.S. Census Bureau American Community Survey* *Median Family Incomes have been inflation-adjusted and are expressed in 2020 dollars.*			

Housing Characteristics

There are a total of 23,938 housing units within the assessment area. The majority of housing units are owner-occupied at 74.8 percent, followed by rental units which comprise 20.0 percent of the total housing units. Vacant units make up 5.3 percent of the housing units in the assessment area. All of the assessment area's owner-occupied housing are located in middle- and upper-income census tracts as there are no low- or moderate-income census tracts within the assessment area.

A method to understand poverty and housing outcomes is calculating housing cost burden, which is presented in the table below. The housing cost burden is the ratio of a household's gross monthly housing costs to the household's gross monthly income. Housing cost burden, as defined by HUD, takes these quantitative ratios, and assigns qualitative values to them. If a household's housing cost is above 30.0 percent of its income, then that household is considered housing cost burdened. If housing cost is above 50.0 percent, then the household is severely housing cost burdened. Across Primebank's assessment area, 28.7 percent of all renters are considered housing cost burdened. Of the cost burdened renters, 63.5 percent are low-income, and 2.9 percent are

moderate-income. For homeowners, only 11.8 percent are experiencing housing cost burden within the assessment area. However, of those homeowners that do experience burden, 54.1 percent are low-income and 16.4 percent are moderate-income owners.

Community representatives stated that the affordable housing demand outweighs the supply in both Sioux and Plymouth Counties. A representative in Plymouth County noted that due to significant job growth in the previous couple of years, there have been approximately ten new apartment complexes built. However, the contact noted that there is still a need for additional housing. Another community representative noted that although there have been projects to provide additional housing opportunities, there is still a need, specifically for 1-4 family residential and senior living housing.

Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	63.5%	2.9%	28.7%	54.1%	16.4%	11.8%
Plymouth, IA	52.1%	0.7%	21.9%	57.4%	15.5%	12.3%
Sioux County, IA	73.0%	6.3%	35.3%	51.1%	17.0%	11.3%
State of Iowa	70.6%	17.7%	37.7%	56.8%	22.5%	15.0%
Cost Burden is housing cost that equals 30 percent or more of household income						
Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy						

Employment Characteristics

The unemployment rate for the assessment area and Sioux and Plymouth Counties in 2021 are comparable at 2.6 percent, 2.4 percent, and 3.0 percent, respectively. The assessment area and the counties comprising the assessment area maintain unemployment rates significantly below the state of Iowa, which was 4.2 percent in 2021. Additionally, prior to the COVID-19 pandemic, the assessment area and Sioux and Plymouth counties had lower unemployment rates than the state of Iowa by similar margins. During the COVID-19 pandemic, Plymouth County experienced a large increase in the unemployment rate in 2020, while Sioux County experienced a smaller increase.

One community representative for Plymouth County noted that many businesses in the area have a lack of employees and are actively looking to hire additional staff. Another community representative noted that unemployment has remained high post-pandemic, part of which they attribute to frictional unemployment as people look for the right fit. Both community contacts noted that business conditions in the area are stable, and no major employers have experienced disruptions, however, some businesses have not grown as they continue to try to fill current openings.

Unemployment Rates (%)					
Area	2017	2018	2019	2020	2021
Assessment Area	2.1	1.8	1.9	3.0	2.6
Plymouth, IA	2.3	1.9	2.1	3.5	3.0
Sioux County, IA	2.0	1.8	1.8	2.6	2.4
State of Iowa	3.1	2.5	2.6	5.1	4.2
Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics					

Industry Characteristics

According to location quotients developed by the U.S. Bureau of Labor Statistics, the assessment area contains a diverse employment base and is most heavily impacted by construction, retail trade, health care, manufacturing, transportation and agriculture, forestry, fishing, and hunting. One community representative also noted that Wells Enterprises, an ice cream and frozen treats business, maintains a large presence in the area, as do multiple connecting businesses focused on the production and sales of ice cream and food goods.

Community Representatives

Two community representatives were contacted during the evaluation to provide information regarding local economic and demographic conditions within the assessment area. Each representative provided information on housing, employment, economic development needs, as well as providing information about how the COVID-19 pandemic affected the economy in the area. Additionally, each representative discussed the financial challenges within their respective areas and how local financial institutions could be more involved. Both representatives stated that there was a need for more affordable housing in both Plymouth and Sioux counties. One representative stated that banks could further assist with affordable housing projects to prepare for the influx in population the area is receiving.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS NON-MSA IOWA

LENDING TEST

Due to low volumes, home improvement and multifamily loans were not included in the geographic and borrower distribution analyses of HMDA-reportable loans.

Geographic Distribution of Loans

For the purposes of this review, loans made in calendar years up to and including 2021 were analyzed based on income designations from the 2011-2015 American Community Survey data[5]. Loans made in calendar years 2022 and after were analyzed based on income designations from the 2016-2020 American Community Survey data.

An analysis of the geographic distribution of loans was conducted to determine the dispersion of loans among the census tract designations within the assessment area, particularly low- and moderate-income census tracts. However, in 2022, the assessment area had no low- or moderate-income census tracts and was comprised of nine middle- and six upper-income census tracts. The assessment area is comprised only of middle- or upper-income census tracts and therefore a meaningful analysis could not be performed. The dispersion of the loans in the assessment area was reviewed to determine if the bank is sufficiently serving the census tracts included in the assessment area. Examiners determined that there were no conspicuous unexplained gaps in contiguous census tracts.

In 2021, the Non-MSA Iowa assessment area was comprised of 13 census tracts, of which one census tract was designated as moderate-income. Primebank originated loans in 100.0 percent of the 13 census tracts with loans originated in moderate-, middle-, and upper-income census tracts. Based upon this analysis, there are no conspicuous geographic lending gaps.

HMDA – Reportable Loans

As previously mentioned, the bank's primary HMDA-reportable products were evaluated using a limited analysis due to the absence of low- and moderate-income census tracts within the assessment area in 2022; however, the presence of a moderate-income census tract in 2021, coupled with higher lending volume, the analysis below will focus on 2021 lending. A table illustrating the geographic distribution of lending in 2022 can be referenced in Appendix B.

In 2021, Primebank originated a total of 182 HMDA-reportable loans in the assessment area. The bank originated 13.7 percent of HMDA-reportable loans in moderate-income geographies, which was above aggregate at 5.7 percent and demographics at 6.2 percent. The bank originated 26.9 percent of HMDA-reportable loans in middle-income census tracts, which was below aggregate and owner-occupied units in the area at 56.8 and 56.2 percent, respectively. The majority of the bank's HMDA-reportable loans were originated in upper-income census tracts (59.3 percent), which was above both the aggregate and demographics at 37.6 percent.

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[5] *The median family income levels (MFI) for census tracts are calculated using income data from the U.S. Census Bureau's American Community Survey and geographic designations from the Office of Management and Budget and are updated approximately every five years. (.12(m) Income Levels)*

Home Purchase

In 2021, the bank originated 20.8 percent of home purchase loans in the one moderate-income census tract in the assessment area. This performance was significantly above aggregate (6.9 percent) and owner-occupied units in the moderate-income tract (6.2 percent). The bank originated 26.0 percent of HMDA-reportable loans in middle-income census tracts, which was below aggregate and owner-occupied units in the area at 58.2 and 56.2 percent, respectively. The majority of the bank's HMDA-reportable loans were originated in upper-income census tracts (53.2 percent), which was above both aggregate (34.9 percent) and demographics (37.6 percent).

Refinance

In 2021, the bank originated 4.3 percent of refinance loans in the one moderate-income census tract, which was comparable to aggregate lenders at 4.1 percent but below demographics (6.2 percent). Additionally, the bank originated 29.0 percent of refinance loans in middle-income geographies, which was significantly below the aggregate and demographics at 56.5 percent and 56.2 percent, respectively. Lastly, the bank made a majority of refinance loans in upper-income geographies at 66.7 percent, which was significantly above aggregate (39.5 percent) and demographics (37.6 percent).

The bank originated a limited number of home improvement and multi-family loans in 2021. Thus, meaningful analysis cannot be conducted.

The following table summarizes the bank's 2021 geographic distribution of HMDA-Reportable lending in the assessment area. See Appendix B for 2022 HMDA-reportable lending tables.

	Bank And Aggregate Loans						Owner Occupied Units %
Geographic Income Level	**Bank**		**Agg**	**Bank**		**Agg**	
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans							

Distribution of 2021 Home Mortgage Lending By Income Level of Geography
Assessment Area: IA Non MSA

Geographic Income Level	Bank #	Bank #%	Agg #%	Bank $(000)	Bank $%	Agg $%	Owner Occupied Units %
Home Purchase Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	16	20.8	6.9	2,397	16.1	6.0	6.2
Middle	20	26.0	58.2	3,545	23.8	54.7	56.2
Upper	41	53.2	34.9	8,981	60.2	39.3	37.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	77	100.0	100.0	14,923	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	4	4.3	4.1	467	2.7	3.1	6.2
Middle	27	29.0	56.5	4,563	26.7	56.1	56.2
Upper	62	66.7	39.5	12,060	70.6	40.8	37.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	93	100.0	100.0	17,090	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	25.0	8.3	25	7.8	4.6	6.2
Middle	1	25.0	50.0	170	53.0	60.0	56.2
Upper	2	50.0	41.7	126	39.3	35.3	37.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	4	100.0	100.0	321	100.0	100.0	100.0
Multifamily Loans							**Multi-family Units %**
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	4	50.0	16.1	311	5.4	2.6	6.1
Middle	1	12.5	35.5	900	15.7	48.1	52.2
Upper	3	37.5	48.4	4,528	78.9	49.2	41.7
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	8	100.0	100.0	5,739	100.0	100.0	100.0
Total Home Mortgage Loans							**Owner Occupied Units %**
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	25	13.7	5.7	3,200	8.4	4.3	6.2
Middle	49	26.9	56.8	9,178	24.1	55.2	56.2
Upper	108	59.3	37.6	25,695	67.5	40.5	37.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	182	100.0	100.0	38,073	100.0	100.0	100.0

Source: 2021 FFIEC Census Data

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

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

Small Business Loans

As previously mentioned, there were no low- or moderate-income census tracts in the Non-MSA Iowa assessment area in 2022, thus a review of Primebank's small business lending for conspicuous lending gaps was conducted. Primebank originated 30.6 of its small business loans in middle-income census tracts, which is significantly below the total of businesses located in middle-income tracts (60.7 percent). However, the bank originated 69.4 percent of its small business loans in upper-income census tracts, which is significantly above the total of businesses locate in upper-income tracts (39.3 percent).

The following table presents the bank's geographic distribution of small business loans in 2022.

Distribution of 2022 Small Business Lending By Income Level of Geography					
Assessment Area: IA Non MSA					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	$(000)	$%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0.0
Middle	15	30.6	2,810	45.1	60.7
Upper	34	69.4	3,420	54.9	39.3
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	49	100.0	6,230	100.0	100.0
Source: 2022 FFIEC Census Data					
2022 Dun & Bradstreet Data					
2016-2020 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

Small Farm Loans

As previously mentioned, there were no low- or moderate-income census tracts in the Non-MSA Iowa assessment area in 2022, thus a review of Primebank's small farm lending for conspicuous lending gaps was conducted. Primebank originated 46.2 of its small business loans in middle-income census tracts, which is below the total of businesses located in middle-income tracts (59.6 percent). The bank originated 53.8 percent of its small business loans in upper-income census tracts, which is above the total of businesses located in upper-income tracts (40.4 percent).

The following table presents the bank's geographic distribution of small farm loans in 2022.

Distribution of 2022 Small Farm Lending By Income Level of Geography					
Assessment Area: IA Non MSA					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	$(000)	$%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0.0
Middle	36	46.2	5,516	50.2	59.6
Upper	42	53.8	5,477	49.8	40.4
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	78	100.0	10,992	100.0	100.0

Source: 2022 FFIEC Census Data
          2022 Dun & Bradstreet Data
          2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

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

For the purposes of this review, loans made in calendar year 2021 or before were analyzed based on 2011-2015 American Community Survey income designations for individuals[6]. Loans made in calendar year 2022 or after were analyzed based on 2016-2020 American Community Survey income designations for individuals.

Primebank's distribution of loans reflects reasonable penetration among individuals of different income levels, including low- and moderate-income, and businesses and farms of different sizes.

HMDA-Reportable Loans

The borrower distribution of total HMDA-reportable loans reflects reasonable penetration among individuals of different income levels. In 2022, Primebank originated 8.8 percent of HMDA-reportable loans to low-income borrowers, which was above the aggregate at 8.1 percent and comparable to the demographic (10.9 percent). The bank originated 16.3 percent of HMDA-reportable loans to moderate-income borrowers, which was below aggregate (23.4 percent) but above the demographic (16.0 percent). The bank also originated 18.8 percent of total HMDA-reportable loans to middle-income borrowers, which was below the aggregate and demographic figures at 23.6 percent and 24.3 percent, respectively. The bank's HMDA-reportable loans originated to upper-income borrowers accounted for the highest volume by number of originations among all borrower income levels at 37.5 percent. This performance was above aggregate (33.9 percent) but below the demographic (48.9 percent).

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[6] *Income levels for individuals are calculated annually by the FFIEC using geographic definitions from the OMB, income data from the ACS and the Consumer Price Index from the Congressional Budget Office (.12(m) Income Levels).*

The bank has a moderate volume of lending to borrowers of unknown-income among its borrower distribution of HMDA-reportable lending. This is attributed to the bank's volume of non-owner-occupied, one-to-four family originations. These loans are HMDA-reportable; however, income is not required to be reported, therefore these loans could potentially skew the analysis of HMDA-reportable lending, with 9.8 percent and 18.8 percent, in 2021 and 2022 respectively, being originated to borrowers with unknown-income. This was considered as a part of the overall analysis.

Borrower distribution of 2021 HMDA-reportable loans was comparable to the bank's 2021 performance.

Home Purchase Loans

In 2022, Primebank originated 10.0 percent of home purchase loans to low-income borrowers, which was above the aggregate at 8.1 percent, and comparable the percentage of low-income families at 10.9 percent. The bank originated 18.0 percent of its home purchase loans to moderate-income borrowers, which was below the aggregate at 24.7 percent but above the percentage of moderate-income families at 16.0 percent. The bank originated 10.0 percent of its home purchase loans to middle-income borrowers, which was below the aggregate at 21.9 percent and the percentage of middle-income families at 24.3 percent. The bank originated 34.0 percent of its home purchase loans to upper-income borrowers, which was above the aggregate at 31.8 percent but significantly below the demographic at 48.9 percent. Further, the bank originated 28.0 percent of its home purchase loans to unknown-income borrowers, which was above the aggregate at 13.4 percent.

In 2021, the bank's home purchase loans to low- and moderate-income borrowers exceeded its 2022 performance with 9.1 percent to low-income borrowers, and 31.2 percent to moderate-income borrowers. The bank's performance was above aggregate (7.1 percent) but below the demographic (12.7 percent) for low-income borrowers, and above aggregate (29.3 percent) and demographics (16.7 percent) for moderate-income borrowers.

Refinance Loans

In 2022, Primebank originated 8.7 percent of refinance loans to low-income borrowers, which was below the aggregate at 9.7 percent and below the percentage of low-income families in the assessment area (10.9 percent). The bank originated 13.0 percent of its refinance loans to moderate-income borrowers, which was below aggregate at 23.7 percent and the demographic (16.0 percent). The bank originated 26.1 percent of its refinance loans to middle-income borrowers, exceeding both the aggregate (24.6 percent) and demographic (24.3 percent). The bank originated 47.8 percent of its refinance loans to upper-income borrowers, which was above aggregate (35.0 percent) and comparable to the percentage of upper-income families located in the assessment area (48.9

percent). Further, the bank originated 4.3 percent of its refinance loans to unknown-income borrowers, which was below the aggregate (7.0 percent).

In 2021, Primebank's refinance loans originated to low-income borrowers (2.2 percent) was below 2022 performance, aggregate (4.5 percent), and demographics (12.7 percent). Refinance loans to moderate-income borrowers (21.5 percent) was above 2022 performance, aggregate (19.6 percent), and demographics (16.7 percent).

Distribution of 2022 Home Mortgage Lending By Borrower Income Level Assessment Area: IA Non MSA						
Borrower Income Level	**Bank And Aggregate Loans**					**Families by Family Income %**
	Bank		**Agg**	**Bank**		**Agg**	
	Bank		**Agg**	**Bank**		**Agg**	
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans							
Low	5	10.0	8.1	739	5.8	4.7	10.9
Moderate	9	18.0	24.7	1,471	11.5	18.4	16.0
Middle	5	10.0	21.9	1,452	11.4	21.5	24.3
Upper	17	34.0	31.8	6,254	49.0	42.8	48.9
Unknown	14	28.0	13.4	2,841	22.3	12.6	0.0
Total	50	100.0	100.0	12,757	100.0	100.0	100.0
Refinance Loans							
Low	2	8.7	9.7	107	2.8	5.0	10.9
Moderate	3	13.0	23.7	366	9.7	18.0	16.0
Middle	6	26.1	24.6	801	21.2	24.6	24.3
Upper	11	47.8	35.0	2,440	64.5	46.8	48.9
Unknown	1	4.3	7.0	70	1.8	5.6	0.0
Total	23	100.0	100.0	3,784	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	1.4	0	0.0	0.7	10.9
Moderate	1	14.3	11.3	58	10.5	7.5	16.0
Middle	4	57.1	36.6	380	69.1	33.0	24.3
Upper	2	28.6	46.5	112	20.4	52.8	48.9
Unknown	0	0.0	4.2	0	0.0	5.9	0.0
Total	7	100.0	100.0	550	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	7	8.8	8.1	846	4.9	4.7	10.9
Moderate	13	16.3	23.4	1,895	11.1	18.0	16.0
Middle	15	18.8	23.6	2,633	15.4	22.6	24.3
Upper	30	37.5	33.9	8,806	51.5	44.1	48.9
Unknown	15	18.8	11.0	2,911	17.0	10.6	0.0
Total	80	100.0	100.0	17,091	100.0	100.0	100.0
Source: 2022 FFIEC Census Data							
2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

Small Business Loans

The distribution of small business loans reflects reasonable penetration among businesses of different revenue sizes. A sample of small business loans originated in 2022 was reviewed, of which 57.1 percent by number were to businesses with annual revenues of $1.0 million or less. Primebank's performance is below the percentage of total businesses in the assessment area with total revenues of $1.0 million or less (89.3 percent). However, of the bank's 28 small business loans originated to businesses with revenue less than $1 million, 71.4 percent were in loan amounts of $100,000 or less which are considered the most beneficial to small businesses, and indicating the bank's willingness to meet the credit needs of small businesses within the assessment area.

The following table presents the borrower distribution of small business loans in 2022.

Distribution of 2022 Small Business Lending By Revenue Size of Businesses Assessment Area: IA Non MSA					Total Businesses %
	Bank Loans				
	#	#%	$(000)	$%	
By Revenue					
$1 Million or Less	28	57.1	2,744	44.0	89.3
Over $1 Million	15	30.6	2,336	37.5	9.3
Revenue Unknown	6	12.2	1,150	18.5	1.4
Total	49	100.0	6,230	100.0	100.0
By Loan Size					
$100,000 or Less	29	59.2	1,198	19.2	
$100,001 - $250,000	14	28.6	2,267	36.4	
$250,001 - $1 Million	6	12.2	2,765	44.4	
Total	49	100.0	6,230	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	20	71.4	815	29.7	
$100,001 - $250,000	6	21.4	979	35.7	
$250,001 - $1 Million	2	7.1	950	34.6	
Total	28	100.0	2,744	100.0	
Source: 2022 FFIEC Census Data					
2022 Dun & Bradstreet Data					
2016-2020 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

Small Farm Loans

The distribution of small farm loans reflects reasonable penetration among farms of different revenue sizes. A sample of small farm loans originated in 2022 was reviewed, of which 82.1 percent by number were to farms with annual revenue of $1 million or less. The bank's performance is below the percentage of total farms in the assessment area with total revenues of $1 million or less (97.9 percent). Of those loans, a total of 53.1 percent of small farm loans were in loan

amounts of $100,000 or less, which are considered the most beneficial to small farms, and indicating the bank's willingness to meet the credit needs of small farms within the assessment area.

The following table presents the borrower distribution of small farm loans in 2022.

Distribution of 2022 Small Farm Lending By Revenue Size of Farms Assessment Area: IA Non MSA					
	Bank Loans				Total Farms
	#	#%	$(000)	$%	%
By Revenue					
$1 Million or Less	64	82.1	8,604	78.3	97.9
Over $1 Million	12	15.4	1,939	17.6	2.1
Revenue Unknown	2	2.6	450	4.1	0.0
Total	78	100.0	10,992	100.0	100.0
By Loan Size					
$100,000 or Less	38	48.7	1,485	13.5	
$100,001 - $250,000	27	34.6	4,843	44.1	
$250,001 - $500,000	13	16.7	4,665	42.4	
Total	78	100.0	10,992	100.0	
By Loan Size and Revenues $1 Million or Less					
$100,000 or Less	34	53.1	1,294	15.0	
$100,001 - $250,000	18	28.1	3,085	35.9	
$250,001 - $500,000	12	18.8	4,225	49.1	
Total	64	100.0	8,604	100.0	

Source: 2022 FFIEC Census Data
             2022 Dun & Bradstreet Data
             2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.					

COMMUNITY DEVELOPMENT TEST

Lending, Investment, and Services Activities

Primebank demonstrates adequate responsiveness to the community development needs of its assessment area through loans, qualified investments, donations, and services as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

Lending

During the evaluation period, the bank originated 99 community development loans for approximately $10.2 million with the purposes of revitalization and stabilization, economic

development, and affordable housing. The majority of the bank's community development loans were attributed to PPP and loan modifications in response to the COVID-19 pandemic. The PPP loans were specifically designed to benefit small businesses and to retain jobs during the health crisis. As such PPP loans are considered very responsive and flexible. Community development lending within the assessment area was comparable to community development lending at the previous evaluation, in which the bank originated 91 community development loans for a total of $10.3 million.

Investments

The bank made two qualified community development investments during the review period for a total of $733,250, both for the purpose of revitalization and stabilization. One investment totaling $500,000 was a current period investment while the other was a prior period investment totaling $233,250. Additionally, the bank made 61 qualified community development donations totaling $152,347 to various organizations. A substantial portion of qualified donations were to community service organizations. During the previous evaluation, the bank made four qualified investments for a total of $1.8 million, as well as 41 qualified donations totaling $45,486 in community development donations throughout Non-MSA Iowa demonstrating a decrease in investments and increase in donations since the previous evaluation.

Services

Bank staff provided a total of 716 hours of community development services to 11 unique organizations located throughout the assessment area. The majority of service hours involved bank staff serving as board members and providing financial expertise and technical experience to organizations in the area. The bank's community services performance decreased since the previous evaluation when the bank provided 1,137 service hours to seven unique organizations. The decrease in performance can be partly attributed to the fewer community development opportunities as a substantial part of the review period overlapped with the COVID-19 pandemic.

The following table presents the bank's community development activities in the Non-MSA Iowa assessment area during the evaluation period.

Community Development Activities September 22, 2020 – October 16, 2023										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	$/Hours	#	$/Hours	#	$/Hours	#	$/Hours	#	$/Hours
Lending	1	2,600,000	1	350,904	97*	7,282,312*	0	0	99	10,233,216
Investment	0	0	0	0	2	733,250	0	0	2	733,250
Donations	1	1,000	0	0	30	115,634	30	35,713	61	152,347
Services	0	0	3	140	1	22	8	554	12	716
The following field includes community development qualified Paycheck Protection Program (PPP) loans.										

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – Maps of Assessment Areas

Primebank 671147
Combined Assessment Area
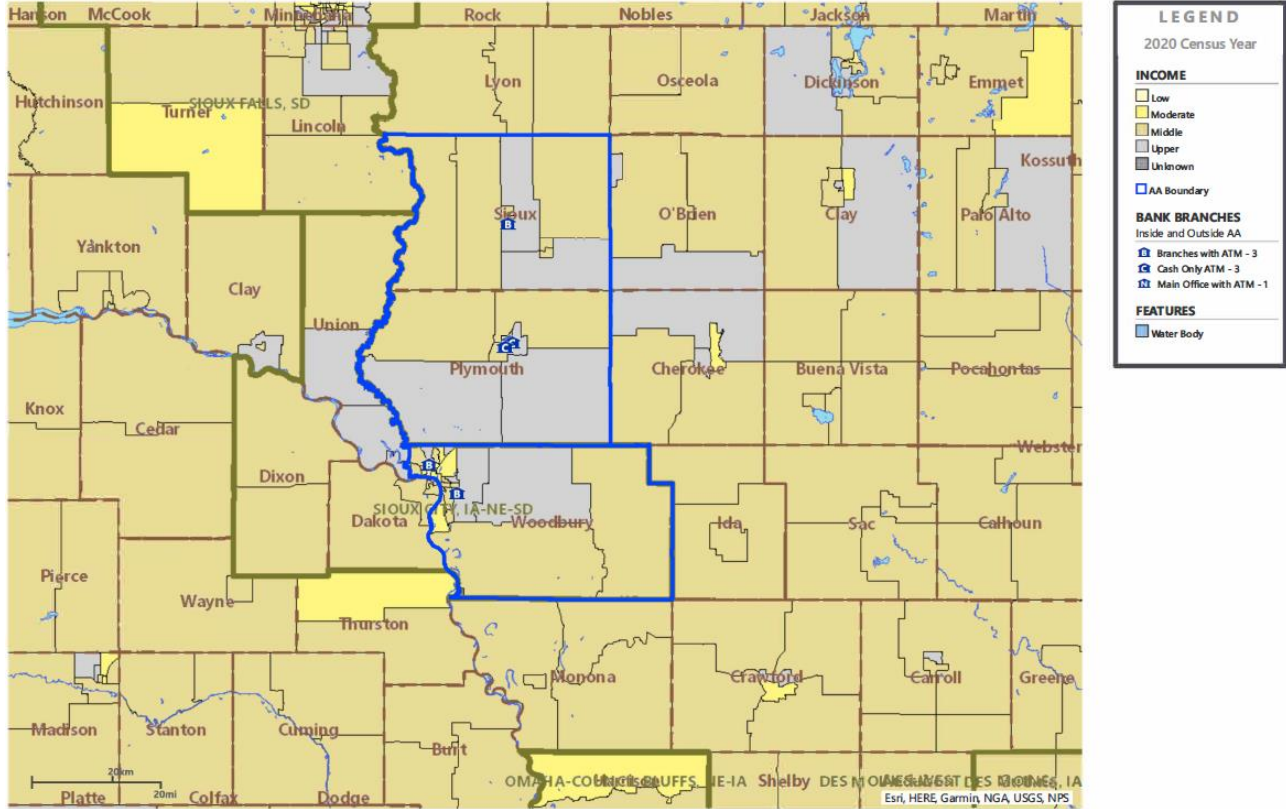
APPENDIX B – 2021 Assessment Area Demographics; Additional Tables

2021 Combined Assessment Area AA Demographics							
Income Categories	**Tract Distribution**		**Families by Tract Income**		**Families < Poverty Level as % of Families by Tract**		**Families by Family Income**	
	#	%	#	%	#	%	#	%
Low	2	5.1	1,010	2.4	306	30.3	7,424	18.0
Moderate	8	20.5	6,528	15.8	1,262	19.3	7,341	17.8
Middle	16	41.0	17,721	42.9	1,241	7.0	9,259	22.4
Upper	12	30.8	16,073	38.9	813	5.1	17,308	41.9
Unknown	1	2.6	0	0.0	0	0.0	0	0.0
Total AA	**39**	**100.0**	**41,332**	**100.0**	**3,622**	**8.8**	**41,332**	**100.0**

	Housing Units by Tract	**Housing Type by Tract**					
		Owner-occupied			**Rental**		**Vacant**	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	2,365	411	0.9	17.4	1,713	72.4	241	10.2
Moderate	10,831	5,724	13.2	52.8	4,181	38.6	926	8.5
Middle	27,542	18,484	42.7	67.1	7,438	27.0	1,620	5.9
Upper	23,878	18,677	43.1	78.2	3,788	15.9	1,413	5.9
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	**64,616**	**43,296**	**100.0**	**67.0**	**17,120**	**26.5**	**4,200**	**6.5**

	Total Businesses by Tract		**Businesses by Tract & Revenue Size**					
			Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**	
	#	%	#	%	#	%	#	%
Low	875	11.3	702	10.2	165	21.6	8	9.5
Moderate	972	12.5	821	11.9	148	19.3	3	3.6
Middle	3,213	41.5	2,916	42.3	261	34.1	36	42.9
Upper	2,686	34.7	2,458	35.6	191	25.0	37	44.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**7,746**	**100.0**	**6,897**	**100.0**	**765**	**100.0**	**84**	**100.0**
Percentage of Total Businesses:				**89.0**		**9.9**		**1.1**

	Total Farms by Tract		**Farms by Tract & Revenue Size**					
			Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**	
	#	%	#	%	#	%	#	%
Low	3	0.2	3	0.2	0	0.0	0	0.0
Moderate	17	1.3	17	1.3	0	0.0	0	0.0
Middle	913	70.7	896	70.8	17	68.0	0	0.0
Upper	358	27.7	349	27.6	8	32.0	1	100.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**1,291**	**100.0**	**1,265**	**100.0**	**25**	**100.0**	**1**	**100.0**
Percentage of Total Farms:				**98.0**		**1.9**		**0.1**

Source: 2021 FFIEC Census Data

2021 Dun & Bradstreet Data

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

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

2021 Sioux City, IA-NE-SD MSA 43580 AA Demographics							
Income Categories	**Tract Distribution**		**Families by Tract Income**		**Families < Poverty Level as % of Families by Tract**		**Families by Family Income**	
	#	%	#	%	#	%	#	%
Low	2	7.7	1,010	4.0	306	30.3	5,414	21.2
Moderate	7	26.9	5,503	21.6	1,143	20.8	4,700	18.4
Middle	8	30.8	8,455	33.1	770	9.1	5,651	22.1
Upper	8	30.8	10,565	41.4	531	5.0	9,768	38.3
Unknown	1	3.8	0	0.0	0	0.0	0	0.0
Total AA	**26**	**100.0**	**25,533**	**100.0**	**2,750**	**10.8**	**25,533**	**100.0**
	Housing Units by Tract	**Housing Type by Tract**						
		Owner-occupied			**Rental**		**Vacant**	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	2,365	411	1.6	17.4	1,713	72.4	241	10.2
Moderate	9,152	4,656	17.8	50.9	3,672	40.1	824	9.0
Middle	14,322	8,825	33.8	61.6	4,711	32.9	786	5.5
Upper	15,649	12,206	46.8	78.0	2,462	15.7	981	6.3
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	**41,488**	**26,098**	**100.0**	**62.9**	**12,558**	**30.3**	**2,832**	**6.8**
	Total Businesses by Tract	**Businesses by Tract & Revenue Size**						
		Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**		
	#	%	#	%	#	%	#	%
Low	875	21.1	702	19.0	165	39.4	8	22.9
Moderate	596	14.3	493	13.3	102	24.3	1	2.9
Middle	1,017	24.5	961	26.0	49	11.7	7	20.0
Upper	1,667	40.1	1,545	41.7	103	24.6	19	54.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**4,155**	**100.0**	**3,701**	**100.0**	**419**	**100.0**	**35**	**100.0**
Percentage of Total Businesses:				**89.1**		**10.1**		**0.8**
	Total Farms by Tract	**Farms by Tract & Revenue Size**						
		Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**		
	#	%	#	%	#	%	#	%
Low	3	1.1	3	1.2	0	0.0	0	0.0
Moderate	2	0.8	2	0.8	0	0.0	0	0.0
Middle	79	30.0	78	30.1	1	25.0	0	0.0
Upper	179	68.1	176	68.0	3	75.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**263**	**100.0**	**259**	**100.0**	**4**	**100.0**	**0**	**0.0**
Percentage of Total Farms:				**98.5**		**1.5**		**0.0**
Source: 2021 FFIEC Census Data								
2021 Dun & Bradstreet Data								
2011-2015 U.S. Census Bureau: American Community Survey								
Note: Percentages may not total 100.0 percent due to rounding.								

	Bank And Aggregate Loans						Owner Occupied Units %
Geographic Income Level	**Bank**		**Agg**	**Bank**		**Agg**	
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans							
Low	8	3.6	2.1	661	2.0	1.3	1.6
Moderate	43	19.1	15.7	4,552	13.9	10.3	17.8
Middle	97	43.1	35.8	13,138	40.0	31.0	33.8
Upper	77	34.2	46.3	14,510	44.2	57.5	46.8
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	225	100.0	100.0	32,861	100.0	100.0	100.0
Refinance Loans							
Low	4	2.3	0.9	477	1.7	0.6	1.6
Moderate	14	8.2	9.2	1,239	4.4	5.9	17.8
Middle	42	24.6	33.2	5,431	19.3	27.6	33.8
Upper	111	64.9	56.6	20,938	74.6	65.9	46.8
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	171	100.0	100.0	28,085	100.0	100.0	100.0
Home Improvement Loans							
Low	1	25.0	2.7	18	10.7	1.1	1.6
Moderate	1	25.0	13.4	111	66.1	12.9	17.8
Middle	1	25.0	35.7	14	8.3	28.2	33.8
Upper	1	25.0	48.2	25	14.9	57.8	46.8
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	4	100.0	100.0	168	100.0	100.0	100.0
Multifamily Loans							**Multi-family Units %**
Low	3	20.0	25.4	488	6.3	42.6	21.5
Moderate	7	46.7	28.4	5,666	72.7	15.0	25.4
Middle	4	26.7	34.3	1,392	17.9	31.0	35.1
Upper	1	6.7	11.9	250	3.2	11.4	18.0
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	15	100.0	100.0	7,796	100.0	100.0	100.0
Total Home Mortgage Loans							**Owner Occupied Units %**
Low	16	3.9	1.9	1,644	2.4	6.8	1.6
Moderate	65	15.7	12.8	11,568	16.8	9.2	17.8
Middle	144	34.7	34.5	19,975	29.0	29.6	33.8
Upper	190	45.8	50.8	35,723	51.8	54.4	46.8
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	415	100.0	100.0	68,910	100.0	100.0	100.0

Distribution of 2021 Home Mortgage Lending By Income Level of Geography
Assessment Area: Sioux City, IA-NE-SD MSA 43580

Source: 2021 FFIEC Census Data

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

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

Distribution of 2021 Home Mortgage Lending By Borrower Income Level Assessment Area: Sioux City, IA-NE-SD MSA 43580						
Borrower Income Level	**Bank And Aggregate Loans**					**Families by Family Income %**
	Bank		**Agg**	**Bank**		**Agg**	
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans						
Low	19	8.4	9.2	2,026	6.2	5.8	21.2
Moderate	35	15.6	28.3	4,704	14.3	23.5	18.4
Middle	36	16.0	23.6	6,122	18.6	24.4	22.1
Upper	49	21.8	23.8	10,516	32.0	32.5	38.3
Unknown	86	38.2	15.2	9,493	28.9	13.8	0.0
Total	225	100.0	100.0	32,861	100.0	100.0	100.0
Refinance Loans						
Low	17	9.9	7.3	1,509	5.4	3.9	21.2
Moderate	28	16.4	19.5	3,052	10.9	14.2	18.4
Middle	41	24.0	23.6	6,182	22.0	21.2	22.1
Upper	77	45.0	34.9	16,271	57.9	44.4	38.3
Unknown	8	4.7	14.7	1,071	3.8	16.3	0.0
Total	171	100.0	100.0	28,085	100.0	100.0	100.0
Home Improvement Loans						
Low	2	50.0	8.0	32	19.0	4.6	21.2
Moderate	0	0.0	21.4	0	0.0	16.4	18.4
Middle	0	0.0	24.1	0	0.0	26.6	22.1
Upper	1	25.0	38.4	25	14.9	38.0	38.3
Unknown	1	25.0	8.0	111	66.1	14.3	0.0
Total	4	100.0	100.0	168	100.0	100.0	100.0
Total Home Mortgage Loans						
Low	38	9.5	8.1	3,567	5.8	4.8	21.2
Moderate	63	15.8	23.1	7,756	12.7	18.7	18.4
Middle	77	19.3	23.4	12,304	20.1	22.8	22.1
Upper	127	31.8	30.0	26,812	43.9	38.2	38.3
Unknown	95	23.8	15.4	10,675	17.5	15.5	0.0
Total	400	100.0	100.0	61,114	100.0	100.0	100.0
Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.						

2021 IA Non MSA 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	2,010	12.7
Moderate	1	7.7	1,025	6.5	119	11.6	2,641	16.7
Middle	8	61.5	9,266	58.6	471	5.1	3,608	22.8
Upper	4	30.8	5,508	34.9	282	5.1	7,540	47.7
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**13**	**100.0**	**15,799**	**100.0**	**872**	**5.5**	**15,799**	**100.0**
	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	1,679	1,068	6.2	63.6	509	30.3	102	6.1
Middle	13,220	9,659	56.2	73.1	2,727	20.6	834	6.3
Upper	8,229	6,471	37.6	78.6	1,326	16.1	432	5.2
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	**23,128**	**17,198**	**100.0**	**74.4**	**4,562**	**19.7**	**1,368**	**5.9**
	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	376	10.5	328	10.3	46	13.3	2	4.1
Middle	2,196	61.2	1,955	61.2	212	61.3	29	59.2
Upper	1,019	28.4	913	28.6	88	25.4	18	36.7
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**3,591**	**100.0**	**3,196**	**100.0**	**346**	**100.0**	**49**	**100.0**
Percentage of Total Businesses:			**89.0**		**9.6**		**1.4**
	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	15	1.5	15	1.5	0	0.0	0	0.0
Middle	834	81.1	818	81.3	16	76.2	0	0.0
Upper	179	17.4	173	17.2	5	23.8	1	100.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**1,028**	**100.0**	**1,006**	**100.0**	**21**	**100.0**	**1**	**100.0**
Percentage of Total Farms:			**97.9**		**2.0**		**0.1**
Source: 2021 FFIEC Census Data							
2021 Dun & Bradstreet Data							
2011-2015 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

	Distribution of 2022 Home Mortgage Lending By Income Level of Geography						
	Assessment Area: IA Non MSA						
Geographic Income Level	Bank And Aggregate Loans						**Owner Occupied Units %**
	Bank		Agg	Bank		Agg	
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans							
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	18	36.0	51.1	3,844	30.1	45.5	53.5
Upper	32	64.0	48.9	8,913	69.9	54.5	46.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	50	100.0	100.0	12,757	100.0	100.0	100.0
Refinance Loans							
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	8	34.8	48.9	1,640	43.3	45.3	53.5
Upper	15	65.2	51.1	2,144	56.7	54.7	46.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	23	100.0	100.0	3,784	100.0	100.0	100.0
Home Improvement Loans							
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	1	14.3	31.0	200	36.4	29.7	53.5
Upper	6	85.7	69.0	350	63.6	70.3	46.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	7	100.0	100.0	550	100.0	100.0	100.0
Multifamily Loans							**Multi-family Units %**
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	7	87.5	66.7	2,995	95.3	45.5	61.4
Upper	1	12.5	33.3	149	4.7	54.5	38.6
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	8	100.0	100.0	3,144	100.0	100.0	100.0
Total Home Mortgage Loans							**Owner Occupied Units %**
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	34	38.6	49.4	8,679	42.9	45.2	53.5
Upper	54	61.4	50.6	11,556	57.1	54.8	46.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	88	100.0	100.0	20,235	100.0	100.0	100.0

Source: 2022 FFIEC Census Data

2016-2020 U.S. Census Bureau: American Community Survey

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

Distribution of 2021 Home Mortgage Lending By Borrower Income Level Assessment Area: IA Non MSA						
Borrower Income Level	**Bank And Aggregate Loans**					**Families by Family Income %**
	Bank		**Agg**	**Bank**		**Agg**	
	#	#%	#%	$(000)	$%	$%	
Home Purchase Loans							
Low	7	9.1	7.1	828	5.5	3.8	12.7
Moderate	24	31.2	29.3	3,963	26.6	23.1	16.7
Middle	16	20.8	23.8	3,507	23.5	24.2	22.8
Upper	18	23.4	29.3	4,771	32.0	38.9	47.7
Unknown	12	15.6	10.5	1,854	12.4	10.0	0.0
Total	77	100.0	100.0	14,923	100.0	100.0	100.0
Refinance Loans							
Low	2	2.2	4.5	369	2.2	2.5	12.7
Moderate	20	21.5	19.6	2,464	14.4	13.7	16.7
Middle	25	26.9	25.1	4,417	25.8	23.1	22.8
Upper	43	46.2	42.2	9,201	53.8	51.7	47.7
Unknown	3	3.2	8.5	639	3.7	9.0	0.0
Total	93	100.0	100.0	17,090	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	6.7	0	0.0	4.3	12.7
Moderate	0	0.0	15.0	0	0.0	16.4	16.7
Middle	1	25.0	20.0	170	53.0	21.8	22.8
Upper	1	25.0	51.7	25	7.8	48.1	47.7
Unknown	2	50.0	6.7	126	39.3	9.5	0.0
Total	4	100.0	100.0	321	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	9	5.2	5.5	1,197	3.7	3.1	12.7
Moderate	44	25.3	23.0	6,427	19.9	17.8	16.7
Middle	42	24.1	24.5	8,094	25.0	23.6	22.8
Upper	62	35.6	37.4	13,997	43.3	45.9	47.7
Unknown	17	9.8	9.5	2,619	8.1	9.6	0.0
Total	174	100.0	100.0	32,334	100.0	100.0	100.0
Source: 2021 FFIEC Census Data * 2011-2015 U.S. Census Bureau: American Community Survey* *Note: Percentages may not total 100.0 percent due to rounding.* * Multifamily loans are not included in the borrower distribution analysis.*							

APPENDIX C – Scope of Examination

SCOPE OF EXAMINATION		
TIME PERIOD REVIEWED	• HMDA-reportable Lending January 1, 2021 to December 31, 2022 • Small Business Lending January 1, 2022 to December 31, 2022 • Small Farm Lending January 1, 2022 to December 31, 2022 • Community Development Activities September 22, 2020 to October 16, 2023	
FINANCIAL INSTITUTION Primebank		**PRODUCTS REVIEWED** • HMDA-Reportable • Small Business • Small Farm
AFFILIATE(S)	**AFFILIATE RELATIONSHIP**	**PRODUCTS REVIEWED**
None	**NA**	**NA**

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	**TYPE OF EXAMINATION**	**BRANCHES VISITED**	**OTHER INFORMATION**
Sioux City, IA-NE-SD MSA #43580	Full Scope	None	N/A
Non-MSA, Iowa	Full Scope	None	N/A

APPENDIX D – Glossary

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Affordability ratio: To determine housing affordability, the affordability ratio is calculated by dividing median household income by median housing value. This ratio allows the comparison of housing affordability across assessment areas and/or communities. An area with a high ratio generally has more affordable housing than an area with a low ratio.

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.

American Community Survey Data (ACS): The American Community Survey (ACS) data is based on a nationwide survey designed to provide local communities with reliable and timely demographic, social, economic, and housing data each year. The Census Bureau first released data for geographies of all sizes in 2010. This data is known as the "five-year estimate data." The five-year estimate data is used by the FFIEC as the base file for data used in conjunction with consumer compliance and CRA examinations.[7]

Area Median Income (AMI): AMI means –

1. The median family income for the MSA, if a person or geography is located in an MSA, or for the metropolitan division, if a person or geography is located in an MSA that has been subdivided into metropolitan divisions; or
2. The statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment area: Assessment area means a geographic area delineated in accordance with section 228.41

Automated teller machine (ATM): An automated teller machine means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the bank at which deposits are received, cash dispersed or money lent.

Bank: Bank means a state member as that term is defined in section 3(d)(2) of the Federal Deposit Insurance Act (12 USC 1813(d)(2)), except as provided in section 228.11(c)(3), and includes an

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[7] *Source: FFIEC press release dated October 19, 2011.*

uninsured state branch (other than a limited branch) of a foreign bank described in section 228.11(c)(2).

Branch: Branch refers to a staffed banking facility approved as a branch, whether shared or unshared, including, for example, a mini-branch in a grocery store or a branch operated in conjunction with any other local business or nonprofit organization.

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 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.

Combined Statistical Area (CSAs): Adjacent metropolitan statistical areas/metropolitan divisions (MSA/MDs) and micropolitan statistical areas may be combined into larger Combined Statistical Areas based on social and economic ties as well as commuting patterns. The ties used as the basis for CSAs are not as strong as the ties used to support MSA/MD and micropolitan statistical area designations; however, they do bind the larger area together and may be particularly useful for regional planning authorities and the private sector. Under Regulation BB, assessment areas may be presented under a Combined Statistical Area heading; however, all analysis is conducted on the basis of median income figures for MSA/MDs and the applicable state-wide non metropolitan median income figure.

Community Development: The financial supervisory agencies have adopted the following definition for community development:
1. Affordable housing, including for multi-family housing, for low- and moderate-income households;
2. Community services tailored to meet the needs of low- and moderate-income individuals;
3. 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
4. Activities that revitalize or stabilize low- or moderate-income geographies.

   Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definitions of community development. Activities that revitalize or stabilize:
   1) Low- or moderate-income geographies;
   2) Designated disaster areas; or
   3) Distressed or underserved nonmetropolitan middle-income geographies

designated by the Board, Federal Deposit Insurance Corporation and Office of the Comptroller of the Currency based on:

a. Rates of poverty, unemployment or population loss; or

b. Population size, density and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density and dispersion if they help to meet essential community services including the needs of low- and moderate-income individuals.

Community Development Loan: A community development loan means a loan that:

1) Has as its primary purpose community development; and
2) Except in the case of a wholesale or limited purpose bank –
   a. Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment as a home mortgage, small business, small farm, or consumer loan, unless it is a multi-family housing loan (as described in the regulation implementing the Home Mortgage Disclosure Act); and
   b. Benefits the bank's assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s).

Community Development Service: A community development service means a service that:

1) Has as its primary purpose community development; and
2) Is related to the provision of financial services.

Consumer loan: 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 of loans: motor vehicle, credit card, other consumer secured loan, includes loans for home improvement purposes not secured by a dwelling, and other consumer unsecured loan, includes loans for home improvement purposes not secured.

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).

Fair market rent: Fair market rents (FMRs) are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to their program participants. To accomplish this objective, FMRs must be both high enough to

permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard-quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The 40th percentile rent is drawn from the distribution of rents of all units occupied by recent movers (renter households who moved to their present residence within the past 15 months). HUD is required to ensure that FMRs exclude non-market rental housing in their computation. Therefore, HUD excludes all units falling below a specified rent level determined from public housing rents in HUD's program databases as likely to be either assisted housing or otherwise at a below-market rent, and units less than two years old.

Full review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and amount of qualified investments) and qualitative factors (for example, innovativeness, complexity and responsiveness).

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

Home Mortgage Disclosure Act: The statute that requires certain mortgage lenders that do business or have banking offices in metropolitan statistical areas to file annual summary reports of their mortgage lending activity. The reports include data such as the race, gender and income of the applicant(s) and the disposition of the application(s) (for example, approved, denied, and withdrawn).

Home mortgage loans: Are defined in conformance with the definitions of home mortgage activity under the Home Mortgage Disclosure Act and include closed end mortgage loans secured by a dwelling and open-end lines of credit secured by a dwelling. This includes loans for home purchase, refinancing and loans for multi-family housing. It does not include loans for home improvement purposes that are not secured by a dwelling.

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.

Income Level: Income level means:

1) Low-income – an 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 census tract;
2) Moderate-income – an 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 census tract;

3) Middle-income – an 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 census tract; and

4) Upper-income – an individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent in the case of a census tract.

Additional Guidance: .12(m) Income Level: The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level).

Limited-purpose bank: This term refers to a bank that offers only a narrow product line such as credit card or motor vehicle loans to a regional or broader market and for which a designation as a limited-purpose bank is in effect, in accordance with section 228.25(b).

Limited review: Performance under the Lending, Investment, and Services test is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, amount of investments and branch office distribution).

Loan location: Under this definition, a loan is located as follows:

1) Consumer loan is located in the census tract where the borrower resides;
2) Home mortgage loan is located in the census tract where the property to which the loan relates is located;
3) Small business and small farm loan is located in the census tract where the main business facility or farm is located or where the loan proceeds have been applied as indicated by the borrower.

Loan production office (LPO): This term refers to a staffed facility, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

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 MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development (HUD) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area: 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 single core population of at least 2.5 million may be divided into MDs. A metropolitan statistical area that crosses into two or more bordering states is called a multistate metropolitan statistical area.

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

Nonmetropolitan area: This term refers to any area that is not located in a metropolitan statistical area or metropolitan division. Micropolitan statistical areas are included in the definition of a nonmetropolitan area; a micropolitan statistical area has an urban core population of at least 10,000 but less than 50,000.

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: This term refers to any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: This term refers to a state or multistate metropolitan area. For institutions with domestic branch offices in one state only, the institution's CRA rating is the state's rating. If the institution maintains domestic branch offices in more than one state, the institution will receive a rating for each state in which those branch offices are located. If the institution maintains domestic branch offices in at least two states in a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan area.

Small Bank: This term refers to a bank that as of December 31 of either of the prior two calendar years, had assets of less than $1.252 billion. Intermediate small bank means a small bank with assets of at least $313 million as of December 31 of both of the prior two calendar years and less than $1.252 billion as of December 31 of either of the prior two calendar years.

Annual Adjustment: The dollar figures in paragraph (u)(1) of this section shall be adjusted annually and published by the Board, based on the year-to-year change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers, not seasonally adjusted, for each 12-month period ending in November, with rounding to the nearest million.

Small Business Loan: This term refers to a loan that is included in "loans to small businesses" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. The loans have original amounts of $1 million or less and are either secured nonfarm, nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: This term refers to a loan that is included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. These loans have original amounts of $500 thousand or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Wholesale Bank: This term refers to a bank that is not in the business of extending home mortgage, small business, small farm or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with section 228.25(b).