

# **PUBLIC DISCLOSURE**

November 1, 2021

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

GNB Bank  
RSSD# 724744

529 G Avenue  
Grundy Center, Iowa 50638

Federal Reserve Bank of Chicago

230 South LaSalle Street  
Chicago, Illinois 60604-1413

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

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## INSTITUTION'S CRA RATING

**GNB Bank is rated: Satisfactory**

**The Lending Test is rated: Satisfactory**

**The Community Development Test is rated: Satisfactory**

GNB Bank is meeting the credit needs of its community based on an analysis of lending and community development activities. The bank's average loan-to-deposit (LTD) ratio is more than reasonable considering the characteristics of the bank, its local competitors, and the credit needs of the assessment areas. A majority of the bank's loans are located in the delineated assessment areas. The geographic distribution of loans reflects reasonable dispersion throughout the assessment area and lending reflects reasonable penetration among borrowers of different incomes and businesses and farms of different revenue sizes. Neither GNB Bank nor this Reserve Bank received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation.

GNB Bank's community development performance demonstrates adequate responsiveness to the needs of its assessment areas through community development loans, qualified investments and donations, and community development services. This performance is appropriate, considering the bank's capacity, and the need and availability of such opportunities for community development in the bank's assessment areas.

## SCOPE OF EXAMINATION

GNB Bank's CRA performance was evaluated using the Intermediate Small Institution Examination Procedures issued by the Federal Financial Institutions Examination Council (FFIEC). The evaluation was performed within the context of information about the institution and its assessment areas including asset size, financial condition, market presence of other financial institutions, and economic and demographic characteristics.

The bank maintains four delineated assessment areas, the Waterloo-Cedar Falls, IA Metropolitan Statistical Area #47940 (Waterloo-Cedar Falls, IA MSA), the West Iowa Non-Metropolitan Statistical Area (West IA Non-MSA), the Ames, IA Metropolitan Statistical Area #11180 (Ames, IA MSA), and the East Iowa Non-Metropolitan Statistical Area (East IA Non-MSA). A full scope evaluation was selected for both the Waterloo-Cedar Falls, IA MSA and the West IA Non-MSA assessment areas based on the bank's deposit market share, branch 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. Additional weight was given to the West IA Non-MSA given the deposit and loan volume for that area. The evaluation also placed additional emphasis on small business and small farm loans, given commercial and agricultural loans comprise 42.5 percent and 40.6 percent of the

bank's portfolio, respectively and 25.9 percent and 40.6 percent respectively, of the originations in the previous 12 months.

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 similarly situated financial institutions;
- ***Lending in the Assessment Area*** – The bank's HMDA-reportable loans originated from January 1, 2019 through December 31, 2020 and a sample of small business and small farm loans originated from January 1, 2020 through December 31, 2020 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 from January 1, 2019 through December 31, 2020 and a sample of small business and small farm loans originated from January 1, 2020 through December 31, 2020 within the assessment areas, 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 (LMI);
- ***Lending to Borrowers of Different Income and to Businesses and Farms of Different Sizes*** – The bank's HMDA-reportable loans originated within the assessment area from January 1, 2019 through December 31, 2020 and a sample of small business and small farm loans originated from January 1, 2020 through December 31, 2020, 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; and
- ***Community Development Activities*** – The bank's responsiveness to community development needs through community development loans, qualified investments, and community development services, from October 15, 2018 to November 1, 2021 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, Agricultural, and Affordable Housing.

## DESCRIPTION OF INSTITUTION

GNB Bank is a wholly owned subsidiary of GNB Bancorporation, a one-bank holding company headquartered in Grundy Center, Iowa. GNB Bank's branch network includes the main office and eight full-service branch offices. The bank operates 10 Automated Teller Machines (ATMs), of which seven are full-service and three are cash-only. In addition to the main office in Grundy Center, there are branches located in Ackley, Iowa Falls, Geneva, Grundy Center, Story City, Marshalltown, Conrad, and Manchester, Iowa. The bank also operates an insurance, investment, and real estate office located in Grundy Center, Iowa, a real estate office in Manchester, Iowa, an insurance building in Conrad, Iowa and an affiliate Community Title Company in Grundy Center, Iowa. Previously, the bank operated a mortgage subsidiary, Inspired Financial Services; however, in 2019 it was merged into the bank. Following the merger, the Inspired Financial Services office in Cedar Falls was closed, and operations were relocated to the main office in Grundy Center. The effects of this merger have no impact on the bank's assessment area since the Cedar Falls office was not a branch. Since the prior evaluation, the bank closed two cash-only ATMs within the Waterloo-Cedar Falls, IA MSA, and one full-service ATM in the West IA Non MSA; all three ATMs were in middle-income census tracts. No branch openings or closures occurred since the prior examination and no branches are in low- or moderate-income census tracts.

As of June 30, 2021, the bank reported total assets of \$594.0 million according to the Uniform Bank Performance Report (UBPR). GNB Bank provides a comprehensive range of banking and related financial services to meet the needs of individuals, families, businesses, and farms in the communities it serves. The bank offers a full range of loan products including commercial, residential real estate, agricultural, and consumer loans as well as a variety of standard, non-complex deposit products including checking, savings, money market, and certificate of deposit accounts. The bank offers a number of alternative retail delivery services, including mobile and internet banking. The website has transactional capabilities and provides customers with the ability to perform account transfers, bill payments, and apply for mortgage and consumer loans. Additionally, through the mobile and internet banking capabilities, customers have the ability to review account balances and brokerage accounts, and initiate account transfers.

GNB Bank's marketing focus includes brand positioning and growth in retail and commercial deposits and loan activity. This is accomplished through traditional marketing channels, as well as its social media, Facebook page. All retail, commercial, agricultural and residential lending products are marketed to all the bank's market areas. There have been no changes since the previous evaluation.

As shown in the following table, GNB Bank is primarily a commercial lender with 42.5 percent of its loan portfolio concentrated in commercial loans as of June 30, 2021. Also significant are agricultural loans constituting 40.6 percent of the loan portfolio. Residential Real Estate lending represents 11.7 percent. Consumer lending is not a major product line, at only 1.2 percent of the loan portfolio.

<b>Composition of Loan Portfolio</b> as of <b>June 30, 2021</b> (000's)		
<b>Type</b>	<b>\$</b>	<b>%</b>
Residential Real Estate	47,907	11.7
Commercial	173,615	42.5
Agriculture	165,968	40.6
Consumer	4,798	1.2
Other	16,213	4.0
Total	408,501	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 October 15, 2018.

#### **DESCRIPTION OF ASSESSMENT AREA**

GNB Bank operates in four individual assessment areas throughout the state of Iowa: the Waterloo-Cedar Falls, IA MSA, the West IA Non-MSA, the Ames, IA MSA, and the East IA Non-MSA. The assessment areas remain unchanged since the previous evaluation. Additional information regarding these assessment areas is provided in the table below:

<b>Description of GNB Bank's Individual Assessment Areas</b>			
<b>Assessment Area</b>	<b>Description</b>	<b># of Branches</b>	<b>Type of Review</b>
Ames, IA MSA	Story County	1	Limited Scope
East IA Non-MSA	Delaware County	1	Limited Scope
Waterloo-Cedar Falls, IA MSA	Grundy County	3	Full Scope
West IA Non-MSA	Franklin, Hardin, and Marshall Counties	4	Full Scope

According to the 2020 Federal Financial Institutions Examination Council (FFIEC) Census Data, the combined assessment areas consist of 47 total census tracts; two are designated as low-income, two are moderate-income, 37 are middle-income, five are upper-income tract and one is an unknown-income tract. The unknown tract is located in the Ames, IA MSA and includes the Iowa State University campus. According to the FFIEC, there are no distressed or underserved middle-income census tracts located in the assessment area.

Of the 45,292 families residing in the combined assessment area; 16.6 percent are low-income, and 17.6 percent are moderate-income. Businesses and farms with revenues under \$1 million represent 90.6 and 98.4 percent, respectively, of all businesses and farms in the assessment area. This information is indicative of the lending opportunities for low- and moderate-income families as well as small businesses and farms within the assessment areas.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

### LENDING TEST

GNB Bank's performance relative to the lending test is **Satisfactory**. The loan-to-deposit ratio is more than reasonable given the bank's size, financial condition, and combined assessment area credit needs. A majority of loans are originated in the bank's delineated assessment areas. The geographic distribution of loans reflects reasonable distribution throughout the assessment area, including low- and moderate-income geographies. In addition, the loan distribution also reflects reasonable penetration among individuals of different income levels, including low- and moderate-income, and businesses and farms of different sizes.

### Loan-to-Deposit Ratio

GNB Bank had a more than reasonable loan-to-deposit ratio given the bank's size, financial condition, the credit needs of its assessment area.

As of June 30, 2021, the bank's LTD ratio averaged 94.7 percent over a 12-quarter period, which is above the majority of peer lenders in the area. This is indicative of the bank meeting the credit needs of the community. The LTD ratio has also increased since the prior evaluation (93.4 percent), the increase is largely attributed to the bank's willingness to lend. The following table compares the bank's LTD ratio to similarly situated institutions within the assessment areas.

<b>Comparative Loan-to-Deposit Ratios as of June 30, 2021</b>	
<b>Comparative Data</b>	<b>12 Quarter Average (%)</b>
GNB Bank	94.7
<b>Competitors</b>	
Vision Bank of Iowa - Ames Iowa	107.1
Farmers & Merchant Savings Bank -Manchester, Iowa	98.2
Central State Bank - State Center, Iowa	87.0
Green Belt Bank & Trust Company – Iowa Falls, Iowa	86.6
Community Savings Bank – Edgewood, Iowa	85.5
First Security Bank & Trust – Charles City, Iowa	70.8
Citizens State Bank – Monticello, Iowa	62.1

**Assessment Area Concentration**

GNB Bank made a majority of its loans in the bank’s assessment areas.

During the review period, GNB Bank originated 66.0 percent of all loans by number and 62.9 percent of all loans by dollar amount within the assessment areas. While this is a decrease in number volume from the previous evaluation (70.1 percent), the percentage of dollars inside the assessment area did increase compared to the 59.8 percent at the previous evaluation. The bank originated 65.2 percent by number and 64.0 percent by dollar of its HMDA-reportable loans inside its assessment areas. Additionally, the bank originated 66.3 percent by number and 49.7 percent by dollar of its small business loans inside its assessment area. The loan type with the highest concentration of loans originated in the assessment area was small farm loans (69.5 percent by number and 67.9 percent by dollar). Overall, the percentage of HMDA-reportable, small business and small farm originations within the assessment area indicates the bank is actively serving the credit needs of its communities. The following table summarizes GNB Bank’s lending inside and outside its assessment area for HMDA-reportable loans from January 1, 2019 to December 31, 2020, and small business and small farm loans from January 1, 2020 to December 31, 2020.



<b>Lending Inside and Outside the Assessment Area</b>								
<b>Loan Types</b>	<b>Inside</b>				<b>Outside</b>			
	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
CV – Home Purchase – Conventional	106	63.1	11,660	58.3	62	36.9	8,332	41.7
FH – Home Purchase – FHA	3	11.1	312	12.1	24	88.9	2,260	87.9
HI – Home Improvement	15	100.0	643	100.0	0	0	0	0
MF – Multi-Family Housing	6	66.7	9,303	70.31	3	33.3	3,977	29.9
RF – Refinancing	174	70.4	23,792	68.1	73	29.6	11,138	31.9
<b>Total HMDA</b>	<b>304</b>	<b>65.2</b>	<b>45,710</b>	<b>64.0</b>	<b>162</b>	<b>34.8</b>	<b>25,707</b>	<b>36.0</b>
<b>Total Small Business</b>	<b>59</b>	<b>66.3</b>	<b>5,393</b>	<b>49.7</b>	<b>30</b>	<b>33.7</b>	<b>5,463</b>	<b>50.3</b>
<b>Total Small Farm</b>	<b>66</b>	<b>69.5</b>	<b>8,286</b>	<b>67.9</b>	<b>29</b>	<b>30.5</b>	<b>3,923</b>	<b>32.1</b>
<b>Total Loans</b>	<b>429</b>	<b>66.0</b>	<b>59,389</b>	<b>62.9</b>	<b>221</b>	<b>34.0</b>	<b>35,093</b>	<b>37.1</b>
<i>Note: Affiliate loans not included</i>								

### Geographic and Borrower Distribution

GNB Bank’s geographic distribution of loans reflects reasonable distribution throughout the combined assessment areas, including low- and moderate-income geographies. Only the bank’s West IA Non-MSA received a thorough geographic distribution analysis, as the bank’s Waterloo-Cedar Falls IA MSA assessment area is comprised only of middle-income census tracts, and a meaningful geographic distribution analysis could not be performed. However, the dispersion of the loans was reviewed to determine if the bank is sufficiently serving assessment area census tracts. No conspicuous unexplained gaps in contiguous census tracts were identified. The bank’s distribution of loans to individuals of different income levels (including low- and moderate-income individuals) and businesses and farms of different sizes is reasonable given the demographics of the bank's assessment areas. Further details on geographic and borrower distribution can be found in the individual assessment area sections.

### Response to Complaints

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

## COMMUNITY DEVELOPMENT TEST

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

### **Lending, Investment, and Services Activities**

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

During the evaluation period, GNB Bank originated 22 qualified loans totaling approximately \$34.3 million throughout the combined assessment area and broader statewide and regional area. This exceeds the \$16.4 million in community development loans originated during the previous evaluation. The majority of loans were for the purpose to revitalize-stabilize certain areas, more specifically the bank showed excellent responsiveness to the COVID-19 pandemic credit needs of its communities through the Payment Protection Program (PPP) loans. These loans benefited small businesses and farms throughout the combined assessment areas and broader statewide regional area.

The bank made 12 new qualified investments during the evaluation period totaling \$4.5 million for the purposes of affordable housing, community services, and revitalization and stabilization of the community. Additionally, the bank maintained 12 qualified investments for the purpose of community services and revitalization and stabilization from the previous evaluation period with an outstanding balance of \$3.1 million. The total amount in the combined assessment area and broader statewide regional area reflects a significant increase from the prior evaluation in which the bank had approximately \$1.5 million in qualified investments.

There were 68 qualified donations for community development purposes that totaled \$61,750. The donations exclusively benefited organizations that focus on community services. This was above the \$47,000 in qualified donations made during the previous evaluation.

Qualified community development service hours totaled 881 for 27 different organizations that focus on economic development, affordable housing, and community services. The bank's service hours were below the 1,091 offered at the previous exam, however the bank's ability to conduct a variety of in-person community development services within its assessment areas was limited due to the COVID-19 pandemic. Additional information with respect to the bank's community development services is found within the individual assessment area sections.

Additional details of community development performance can be found in the individual assessment area discussions.

Community Development Activities(\$000) October 15, 2018 - November 1, 2021								
Assessment Area	Loans		Investments		Donations		Services	
	#	\$	#	\$	#	\$	#	Hours
<b>Full Review</b>								
Waterloo-Cedar Falls IA MSA	3	5,872	2	275	17	12,550	9	488.5
West IA Non-MSA	11	11,621	1	212	28	12,950	9	241
<b>Limited Review</b>								
Ames MSA	0	0	0	0	6	2,400	4	121
East IA Non-MSA	1	5,545	0	0	10	30,350	3	15
<b>Other</b>								
Regional	7	11,293	21	7,157	7	3,500	2	15
<b>Total Qualified</b>	<b>22</b>	<b>34,331</b>	<b>24</b>	<b>7,644</b>	<b>68</b>	<b>61,750</b>	<b>27</b>	<b>881</b>

#### 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.

## WATERLOO-CEDAR FALLS, IOWA METROPOLITAN AREA #47940 – FULL REVIEW

### SCOPE OF EXAMINATION

Full-scope examination procedures were used to evaluate the Waterloo-Cedar Falls, IA MSA assessment area. The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation. For further information, please refer to the “Scope of Examination” section.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE WATERLOO-CEDAR FALLS, IA MSA

The entire Waterloo-Cedar Falls, Iowa Metropolitan Statistical Area assessment area consists of Black Hawk, Bremer and Grundy Counties. The bank designates only Grundy County as its assessment area.

The assessment area is comprised of four total census tracts. Based on 2020 FFIEC census data and 2015 American Community Survey (ACS) data, all four census tracts are designated middle-income census tracts. The assessment area remains unchanged since the previous evaluation.

The bank operates its main office and two branches within the assessment area. In the assessment area, the bank also operates a GNB Insurance and Real Estate office as well. Since the previous evaluation, the bank closed two cash-only ATMs, both located in middle-income census tracts, leaving one cash-only ATM still in operation. The bank operates all branches in middle-income census tract. In addition, both branches include a full-service ATM.

**Distribution of Branches, ATMs, and Demographics**

Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
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	3	100.0	3	100.0	100.0	100.0	100.0
Upper	0	0.0	0	0.0	0.0	0.0	0.0
Unknown	0	0.0	0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report dated June 30, 2020, ranks GNB Bank second among seven FDIC-insured institutions operating in the assessment area. The bank holds a 30.7 percent market share, compared to the market leader Lincoln Savings Bank of Reinbeck, Iowa, which holds 37.5 percent of the assessment area's deposits.

GNB Bank ranks fifth out of 69 aggregate lenders in 2020 HMDA-reportable transactions. A total of 50 originations and purchase transactions were reported by the bank compared to 111 reported by market leader Veridian Credit Union. GNB Bank is competitive in the market with large national lenders for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table. Please refer to Appendix B for 2019 demographic information.

<i>Assessment Area: 2020 Waterloo-Cedar Falls, IA MSA 47940</i>									
<i>Income Categories</i>	<i>Tract Distribution</i>		<i>Families by Tract Income</i>		<i>Families &lt; Poverty Level as % of Families by Tract</i>		<i>Families by Family Income</i>		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	451	12.7	
Moderate-income	0	0.0	0	0.0	0	0.0	713	20.0	
Middle-income	4	100.0	3,564	100.0	119	3.3	883	24.8	
Upper-income	0	0.0	0	0.0	0	0.0	1,517	42.6	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>4</b>	<b>100.0</b>	<b>3,564</b>	<b>100.0</b>	<b>119</b>	<b>3.3</b>	<b>3,564</b>	<b>100.0</b>	
	<i>Housing Units by Tract</i>	<i>Housing Types by Tract</i>							
		<i>Owner-Occupied</i>		<i>Rental</i>		<i>Vacant</i>			
		#	%	%	#	%	#	%	
Low-income	0	0	0.0	0.0	0	0.0	0	0.0	
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0	
Middle-income	5,538	4,174	100.0	75.4	1,009	18.2	355	6.4	
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>5,538</b>	<b>4,174</b>	<b>100.0</b>	<b>75.4</b>	<b>1,009</b>	<b>18.2</b>	<b>355</b>	<b>6.4</b>	
	<i>Total Businesses by Tract</i>	<i>Businesses by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>		<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>			
		#	%	#	%	#	%	#	%
Low-income	0	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	575	521	100.0	100.0	43	100.0	11	100.0	
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>575</b>	<b>521</b>	<b>100.0</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>	<b>11</b>	<b>100.0</b>	
	<i>Percentage of Total Businesses:</i>			<b>90.6</b>		<b>7.5</b>		<b>1.9</b>	
	<i>Total Farms by Tract</i>	<i>Farms by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>		<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>			
		#	%	#	%	#	%	#	%
Low-income	0	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	212	210	100.0	100.0	2	100.0	0	0.0	
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>212</b>	<b>210</b>	<b>100.0</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	
	<i>Percentage of Total Farms:</i>			<b>99.1</b>		<b>0.9</b>		<b>0.0</b>	

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS

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

### Population Characteristics

The population was stable across the assessment area, the entire MSA, and the state of Iowa between 2010 and 2015. Although the assessment area experienced population declines, the decline was less than 1.0 percent. The entire MSA and the State of Iowa had slight increases in population, but also, less than 2.0 percent. A community representative noted the area is currently a significant commuter community, given its proximity to Waterloo and Cedar Falls.

The table below presents population changes in the assessment area, the entire MSA, and the state of Iowa between 2010 and 2015.

Population Change 2010 and 2011-2015			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Grundy County, IA	12,453	12,407	-0.4
Waterloo-Cedar Falls, IA MSA	167,819	169,442	1.0
State of Iowa	3,046,355	3,093,526	1.6
<i>Source: 2010 – U.S. Census Bureau: Decennial Census                      2011-2015 – U.S. Census Bureau: Decennial Census: American Community Survey</i>			

### Income Characteristics

The median family income has significantly decreased, when adjusted for inflation, in the assessment area, while the entire MSA and the state of Iowa remained relatively stable between 2010 and 2015. Although it has experienced a decline during the 2011-2015 ACS time period, the assessment area still has the highest median family income when compared to the entire MSA and the state of Iowa; this is also consistent with 2006-2010.

The table below presents median family income change in the assessment area, the MSA in its entirety, and the state of Iowa between 2010 and 2015.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2006-2010 Median Family Income (\$)	2011-2015 Median Family Income (\$)	Percentage Change (%)
Grundy County, IA	\$74,213	\$69,940	-5.8
Waterloo-Cedar Falls, IA MSA	\$65,971	\$65,749	-0.3
State of Iowa	\$67,302	\$67,466	0.2
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey                      2011 - 2015 U.S. Census Bureau American Community Survey                      Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

### Housing Characteristics

According to 2020 FFIEC Census data, there are a total of 5,538 housing units in the assessment area. The majority of housing units are owner-occupied at 75.4 percent, while 18.2 percent are rental units and 6.4 percent of housing units are vacant in the assessment area. As stated previously, there are only middle-income census tracts in the assessment area.

A method in understanding poverty and housing outcomes, is calculating housing cost burden, which 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 20.0 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. Based on 2013-2017 HUD data, the assessment area, the entire MSA, and the state of Iowa; low-income households are severely housing cost burdened as both renters and owners, with renters bearing the highest percentages. Community representatives indicated housing, especially affordable housing, is limited and in high demand. As a result, this can drive the costs up, and affordability down.

Please review the following table for more detail on trends in housing costs across the noted areas.

2020 Waterloo-Cedar Falls, IA MSA Housing Cost Burden (%)						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Grundy County, IA	69.0%	8.0%	26.0%	55.2%	20.0%	12.1%
Waterloo-Cedar Falls, IA MSA	76.4%	30.0%	43.0%	57.0%	27.0%	15.1%
State of Iowa	71.3%	21.3%	38.2%	57.5%	25.1%	15.4%
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

### Employment Characteristics

Based on the most recent data available from the Bureau of Labor Statistics (i.e., 2017-2020), unemployment rates experienced recent increases after experiencing steady declines from 2017-2019, across the assessment area, the counties that comprise the MSA and the state of Iowa in 2020. The entire MSA has consistently experienced higher unemployment rates than the assessment area and the state of Iowa. In 2020, with the onset of the COVID-19 pandemic, both the economy and the workforce were negatively affected. While a community contact stated the area lost revenue because of the pandemic, they didn’t feel the area was seriously impacted given that most of the area is rural, which did not see as much business restrictions as more urban areas. The table below



presents the unemployment rates in the assessment area, the MSA, and the state of Iowa between 2017 and 2020.

<b>Unemployment Rates (%)</b>				
<b>2017 to 2020</b>				
<b>Region</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Grundy County, IA	2.9%	2.6%	2.8%	4.4%
Waterloo-Cedar Falls MSA	3.5%	2.7%	3.1%	5.7%
State of Iowa	3.1%	2.6%	2.8%	5.3%

*Source: U.S. Bureau of Labor Statistics*

### **Industry Characteristics**

According to the U.S. Bureau of Labor Statistics, the assessment area contains a diverse employment base and is most heavily impacted by the industries of construction, government, and retail trade. The most prominent industries according to the U.S. Bureau of Labor Statistics and community representatives in the assessment area are agricultural, local government, and construction.

### **Community Representatives**

Two community representatives were contacted to provide information about local housing, employment, and other economic conditions within the assessment area. Representatives identified affordable housing and small business lending as the assessment area's greatest needs. Representatives indicated that there is a high demand for new affordable residential real estate construction in the assessment area. One community contact stated the area is largely a bedroom community, with residents living there, but working outside of the community. This presents a hardship in business retention or creation. Further, the representatives discussed that during the review period, businesses within the assessment area were finding it difficult to attract new qualified workers and that opportunities for work are available in the area. Representatives did note that while financial institutions within the community have been active and responsive to credit needs because of the COVID-19 pandemic, partaking in mortgage forbearance and loan accommodation programs (PPP lending), more support towards affordable housing would be welcomed.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE WATERLOO-CEDAR FALLS, IA MSA**

### **LENDING TEST**

The geographic distribution of loans reflects reasonable distribution throughout the assessment area. In addition, the loan distribution reflects reasonable penetration among individuals of different income levels, including low- and moderate-income, and businesses and farms of

different sizes.

### **Geographic Distribution of Loans**

GNB Bank's lending reflects reasonable geographic distribution throughout the assessment area. As the assessment area is comprised only of middle-income census tracts, a meaningful geographic distribution analysis could not be performed. However, the dispersion of the loans was reviewed to determine if the bank is sufficiently serving assessment area census tracts. No conspicuous unexplained gaps in contiguous census tracts were identified. The bank lent in all census tracts of Grundy County.

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

The bank's lending to individuals of different income levels and to businesses and farms of different sizes is reasonable. As stated in the scope of the evaluation, small business and small farm loans are given greater weight in the analysis.

A breakdown of the bank's HMDA-reportable, small business and small farm lending is discussed in more detail below by individual products.

#### HMDA-Reportable Lending

The borrower distribution of 2020 HMDA-reportable loans reflects reasonable penetration among individuals of different income levels.

The bank's primary HMDA-reportable products during the review period were home purchase and refinance loans. The remaining HMDA-reportable products will not be evaluated due to low volumes of originations. Borrower distribution of 2019 HMDA-reportable loans is comparable to the bank's performance in 2020, as shown in Appendix B.

#### *Home Purchase Loans*

In 2020, the bank made 10.0 percent of its home purchase loans, by number, to low-income borrowers, which is consistent with the percentage by aggregate lenders at 10.9 percent, and the demographic figure, at 12.7 percent, of assessment area families of low-income. The bank made 10.0 percent of its home purchase loans, by number, to moderate-income borrowers. This resulted in the bank significantly under-performing the percentage by aggregate lenders at 28.2 percent, and below the percentage of moderate-income families within the assessment area at 20.0 percent.

As seen in the 2019 table in Appendix B, the bank's performance of home purchase lending in 2020 to low- and moderate-income borrowers was consistent.

In 2020, the bank made 50.0 percent of its home purchase loans, by number, to middle-income borrowers, which significantly exceeded the percentage by aggregate lenders at 23.8 percent and the percentage of middle-income families in the assessment area at 24.8 percent. The bank made 20.0 percent of its home purchase loans to upper-income borrowers, consistent with the percentage by aggregate lenders at 23.0 percent, by number, but significantly below the percentage of upper-income families in the assessment area at 42.6 percent. Lastly, the bank made 10.0 percent of its home purchase loans, by number, to borrowers of unknown income, which was below the percentage by aggregate lenders at 14.1 percent.

The bank's home purchase lending to middle-income borrowers was consistent in 2019. Lending to upper-income borrowers was slightly above 2020 lending, consistent with aggregate lenders and just slightly below the demographic. Lastly, the bank also originated 14.3 percent of its home purchase loans, by number, to borrowers of unknown income. This is below the aggregate lenders, which originated 17.6 percent to borrowers of unknown income.

#### *Refinance Loans*

In 2020, the bank made 2.7 percent of its refinance loans, by number, to low-income borrowers, which was comparable to the percentage by aggregate lenders at 4.7 percent. However, the bank's refinance lending was below the percentage of low-income families within the assessment area at 12.7 percent. The bank made 10.8 percent of its refinance loans, by number, to moderate-income borrowers. This was below the percentage by aggregate lenders at 14.7 percent, and to the percentage of moderate-income families in the assessment area at 20.0 percent.

The bank's 2019 lending performance to low-income borrowers was consistent with 2020. The bank's 2019 refinance lending to moderate-income borrowers, was slightly above 2020, consistent with the percentage by aggregate lenders but below the percentage of moderate-income families within the assessment area.

In 2020, the bank made 27.0 percent of its refinance loans, by number, to middle-income borrowers, which was consistent with both the percentage by aggregate lenders at 26.7 percent and the percentage of middle-income families at 24.8 percent. The bank made 59.5 percent of its refinance loans, by number, to upper-income borrowers, which was significantly above both the percentage by aggregate lenders, at 41.0 percent and the percentage of upper-income families within the assessment area, at 42.6 percent. Lastly, the bank did not originate any refinance loans to borrowers of unknown income, which was below the percentage by aggregate of lenders at 12.9

percent.

The bank's refinance lending in 2019 to middle-income borrowers exceeded 2020. The bank's lending, at 28.6 percent was just above the percentage of aggregate lenders at 25.3 and the percentage middle-income families, at 24.8 percent. Lending to upper-income borrowers, at 38.1 percent, by number, was below 2020, consistent with the percentage by aggregate lenders at 40.1 percent but below the percentage of upper-income families in the assessment area at 42.6 percent. The bank made 14.3 percent of its refinance loans to unknown-income borrowers in 2019, falling below the percentage by aggregate of lenders at 17.6 percent.

<b>Borrower Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area: 2020 Waterloo-Cedar Falls, IA MSA 47940</b>								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2020			2020			
		Count Bank		Agg %	Dollar Bank		Agg %	
		#	%	%	\$(000s)	\$%	\$%	
Home Purchase	Low	1	10.0	10.9	78	8.4	6.5	12.7
	Moderate	1	10.0	28.2	100	10.8	22.6	20.0
	Middle	5	50.0	23.8	448	48.4	24.3	24.8
	Upper	2	20.0	23.0	259	28.0	32.5	42.6
	Unknown	1	10.0	14.1	41	4.4	14.1	0.0
	<b>Total</b>		<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>926</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	1	2.7	4.7	24	0.5	1.9	12.7
	Moderate	4	10.8	14.7	416	8.3	9.6	20.0
	Middle	10	27.0	26.7	993	19.9	21.5	24.8
	Upper	22	59.5	41.0	3,556	71.3	53.4	42.6
	Unknown	0	0.0	12.9	0	0.0	13.6	0.0
	<b>Total</b>		<b>37</b>	<b>100.0</b>	<b>100.0</b>	<b>4,989</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	3.6	0	0.0	0.8	12.7
	Moderate	0	0.0	21.4	0	0.0	20.1	20.0
	Middle	1	50.0	35.7	22	37.3	36.8	24.8
	Upper	1	50.0	35.7	37	62.7	38.8	42.6
	Unknown	0	0.0	3.6	0	0.0	3.4	0.0
	<b>Total</b>		<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>59</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	12.7
	Moderate	0	0.0	0.0	0	0.0	0.0	20.0
	Middle	0	0.0	0.0	0	0.0	0.0	24.8
	Upper	0	0.0	0.0	0	0.0	0.0	42.6
	Unknown	1	100.0	100.0	76	100.0	100.0	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>76</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	11.5	0	0.0	6.9	12.7
	Moderate	0	0.0	11.5	0	0.0	4.3	20.0
	Middle	0	0.0	26.9	0	0.0	20.1	24.8
	Upper	0	0.0	46.2	0	0.0	65.8	42.6
	Unknown	0	0.0	3.8	0	0.0	3.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	12.7
	Moderate	0	0.0	9.1	0	0.0	5.5	20.0
	Middle	0	0.0	18.2	0	0.0	6.5	24.8
	Upper	0	0.0	72.7	0	0.0	88.0	42.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	12.7
	Moderate	0	0.0	0.0	0	0.0	0.0	20.0
	Middle	0	0.0	0.0	0	0.0	0.0	24.8
	Upper	0	0.0	0.0	0	0.0	0.0	42.6
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	2	4.0	6.7	102	1.7	3.3	12.7
	Moderate	5	10.0	18.9	516	8.5	13.3	20.0
	Middle	16	32.0	25.6	1,463	24.2	22.2	24.8
	Upper	25	50.0	35.1	3,852	63.7	47.1	42.6
	Unknown	2	4.0	13.6	117	1.9	14.2	0.0
	<b>Total</b>		<b>50</b>	<b>100.0</b>	<b>100.0</b>	<b>6,050</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data  
Note: Percentages may not add to 100.0 percent due to rounding

Small Business Loans

The distribution of small business loans reflects excellent penetration among businesses of different revenue sizes. In 2020, the bank made 100.0 percent of its small business loans, by number, to businesses reporting annual revenues of \$1.0 million or less, which exceeded the percentage of assessment area businesses at 90.6 percent. In addition, of these loans, 86.7 percent had a loan amount of \$100,000 or less, which is reflective of loans most responsive to the smallest businesses.

The table below presents the borrower distribution of small business loans in the assessment area in 2020.

<b>Small Business Lending By Revenue &amp; Loan Size</b>							
<b>Assessment Area: 2020 Waterloo-Cedar Falls, IA MSA 47940</b>							
Product Type		<b>Bank &amp; Demographic Comparison</b>					
		<b>Count Bank</b>		<b>Dollar Bank</b>		<b>Total Businesses</b>	
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>	
Small Business	Revenue	\$1 Million or Less	15	100.0	724	100.0	90.6
		Over \$1 Million	0	0.0	0	0.0	7.5
		Unknown	0	0.0	0	0.0	1.9
		<b>Total</b>	<b>15</b>	<b>100.0</b>	<b>724</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	13	86.7	373	51.5	
		\$100,001 - \$250,000	2	13.3	351	48.5	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		<b>Total</b>	<b>15</b>	<b>100.0</b>	<b>724</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	13	86.7	373	51.5	
		\$100,001 - \$250,000	2	13.3	351	48.5	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		<b>Total</b>	<b>15</b>	<b>100.0</b>	<b>724</b>	<b>100.0</b>	
Originations & Purchases							
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Small Farm Loans

The distribution of small farm loans reflects reasonable penetration among farms of different revenue sizes. In 2020, the bank made 96.0 percent of its small farm loans, by number, to farms reporting annual revenues of \$1.0 million or less, which was consistent to the percentage of total farms reporting annual revenues of \$1.0 million or less at 99.1 percent. Of these loans, 58.3 percent had loan amounts of \$100,000 or less, which is reflective of loans most responsive to small farms.

The remainder of the bank’s 2020 small farms loans, 4.0 percent, by number, were made to farms reporting annual revenues of over \$1.0 million. The bank’s lending was above the percent of farms reporting annual revenues of over \$1.0 million comprising the assessment area at 0.9 percent.

The table below presents the borrower distribution of small farm loans in the assessment area in 2020.

<b>Small Farm Lending By Revenue &amp; Loan Size</b>							
<i>Assessment Area: 2020 Waterloo-Cedar Falls, IA MSA 47940</i>							
Product Type		<i>Bank &amp; Demographic Comparison</i>					
		<i>Count</i>		<i>Dollar</i>		<i>Total Farms</i>	
		<i>Bank</i>		<i>Bank</i>			
		<i>#</i>	<i>%</i>	<i>\$ 000s</i>	<i>%</i>	<i>%</i>	
Small Farm	Revenue	\$1 Million or Less	24	96.0	3,287	98.8	99.1
		Over \$1 Million	1	4.0	40	1.2	0.9
		Unknown	0	0.0	0	0.0	0.0
		<b>Total</b>	<b>25</b>	<b>100.0</b>	<b>3,327</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	15	60.0	448	13.5	
		\$100,001 - \$250,000	4	16.0	661	19.9	
		\$250,001 - \$500,000	6	24.0	2,219	66.7	
		<b>Total</b>	<b>25</b>	<b>100.0</b>	<b>3,328</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	14	58.3	408	12.4	
		\$100,001 - \$250,000	4	16.7	661	20.1	
		\$250,001 - \$500,000	6	25.0	2,219	67.5	
		<b>Total</b>	<b>24</b>	<b>100.0</b>	<b>3,288</b>	<b>100.0</b>	

Originations & Purchases  
 2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

**COMMUNITY DEVELOPMENT TEST**

**Lending, Investments, and Services Activities**

The bank demonstrates adequate responsiveness to the community development needs of its assessment area through community development loans, qualified investments and donations, and community development services. The bank made all their community development loans to help revitalize or stabilize the assessment area. While, the remaining community development activities were devoted to affordable housing, community services for low- and moderate-income individuals and families and economic development.

## Lending

During the evaluation period, the bank originated three qualified loans totaling \$5.9 million for the community development purpose of revitalization and stabilization. This is an increase in both number and dollar volume of loans since the previous evaluation when the bank originated one loan for approximately \$154,000. All three loans originated during this evaluation were part of the Paycheck Protection Program (PPP).

## Investments

The bank made two new investments in the assessment area during the evaluation period totaling \$275,094. This is an improvement from the previous evaluation where the bank did not have any investments in the assessment area. The investments were made through the bank’s Community Development Corporation and had a primary focus of affordable housing for LMI individuals. The creation of the bank’s Community Development Corporation is considered to be exceptionally responsive to assessment area needs, while also showcasing leadership in the assessment area, as the Community Development Corporation took initiative in identifying properties that were in need of renovation, then providing funds for the renovation and ensuring the tenants were those most in need of affordable housing.

GNB Bank made qualified donations totaling \$12,550 to nine community organizations in the assessment area. Organizations that benefited from the donations included those that provide emergency services, food assistance, and education for low- and moderate- income individuals.

## Services

During the evaluation period, bank personnel logged 488.5 hours of community development services to nine different organizations. The number of organizations served increased slightly from the previous evaluation (5), however the number of hours slightly decreased from the 515 hours reported at the previous evaluation. The bank’s ability to provide services in person was hindered by the pandemic which limited gatherings of people due to public health concerns.

The following table presents the bank’s community development activities within the Waterloo-Cedar Falls, IA MSA assessment area during the evaluation period.

Community Development Activities October 15, 2018 - November 1, 2021										
Type of Activity	Affordable Housing		Community Services		Economic Development		Activities that Revitalize/Stabilize		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Loans	0	\$0	0	\$0	0	\$0	3	\$5,872,400	3	\$5,872,400
Investments	2	\$275,094	0	\$0	0	\$0	0	\$0	2	\$275,094
Donations	0	\$0	13	\$10,900	2	\$1,000	2	\$650	17	\$12,550
Services	1	239	4	71	4	178.5	0	0	9	488.5



**WEST IOWA NON-METROPOLITAN ASSESSMENT AREA – FULL REVIEW**

**SCOPE OF EXAMINATION**

Full scope examination procedures were used to evaluate the bank’s performance in the West IA Non-MSA assessment area. The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation. For further information, please refer to the “Scope of Examination” section.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN WEST IA NON-MSA**

The West IA Non-MSA assessment area is comprised of three contiguous counties: Franklin, Hardin, and Marshall in their entireties.

The assessment area is comprised of 19 total census tracts. Based on 2020 FFIEC census data and 2015 American Community Survey (ACS) data, two census tracts are designated moderate-income, 16 census tracts are considered middle-income, and one census tract is upper-income. There are no low-income or unknown-income census tracts in the assessment area. In addition, the assessment area does not have any census tracts designated as distressed or underserved middle-income census tracts by the FFIEC. The assessment area remains unchanged since the previous evaluation.

The bank operates four branches and three full-service ATMs within the assessment area. Further, one branch office, with a full-service ATM, offers a more expansive set of products and services as it includes the GNB Insurance and Real Estate office. Since the previous evaluation, the bank closed one full-service ATM within the assessment area, located in a middle-income census tract. All branches are located in middle-income census tract. The bank does not operate any branches or ATMs in the assessment area’s moderate-income census tracts.

<b>Distribution of Branches, ATMs, and Demographics</b>							
<b>Tract Income Level</b>	<b># of Branches</b>	<b>% of Branches</b>	<b># of ATMs</b>	<b>% of ATMs</b>	<b>% of Tracts</b>	<b>% of Families</b>	<b>% of Businesses</b>
Low	0	0.0	0	0.0	0.0	0.0	0.0
Moderate	0	0.0	0	0.0	10.5	10.8	10.3
Middle	4	100.0	3	100.0	84.2	84.0	84.3
Upper	0	0.0	0	0.0	5.3	5.1	5.4
Unknown	0	0.0	0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report dated June 30, 2020, ranks GNB Bank 10th among 20 FDIC-insured institutions operating in the assessment area. The bank holds a 4.3 percent market share, compared to the market leader Green Belt Bank & Trust, which holds 16.4 percent of the assessment area's deposits.

GNB Bank ranks eighth out of 135 aggregate lenders in 2020 HMDA-reportable transactions. A total of 53 originations and purchase transactions were reported by the bank compared to 144 reported by market leader Green Belt Bank & Trust. Although this data is indicative of a saturated market with respect to HMDA-reporters, GNB Bank is competitive in the market with large national lenders, for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table. Please refer to Appendix B for 2019 demographic information.

<b>Assessment Area: 2020 West IA Non MSA</b>									
<b>Income Categories</b>	<b>Tract Distribution</b>		<b>Families by Tract Income</b>		<b>Families &lt; Poverty Level as % of Families by Tract</b>		<b>Families by Family Income</b>		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	2,906	16.3	
Moderate-income	2	10.5	1,933	10.8	323	16.7	3,410	19.1	
Middle-income	16	84.2	14,986	84.0	916	6.1	4,666	26.2	
Upper-income	1	5.3	912	5.1	40	4.4	6,849	38.4	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>19</b>	<b>100.0</b>	<b>17,831</b>	<b>100.0</b>	<b>1,279</b>	<b>7.2</b>	<b>17,831</b>	<b>100.0</b>	
	<b>Housing Units by Tract</b>	<b>Housing Types by Tract</b>							
		<b>Owner-Occupied</b>		<b>Rental</b>		<b>Vacant</b>			
		#	%	#	%	#	%		
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	3,619	1,607	8.2	44.4	1,458	40.3	554	15.3	
Middle-income	24,821	16,950	86.9	68.3	5,308	21.4	2,563	10.3	
Upper-income	1,341	955	4.9	71.2	250	18.6	136	10.1	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>29,781</b>	<b>19,512</b>	<b>100.0</b>	<b>65.5</b>	<b>7,016</b>	<b>23.6</b>	<b>3,253</b>	<b>10.9</b>	
	<b>Total Businesses by Tract</b>	<b>Businesses by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>			
		#	%	#	%	#	%		
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	312	10.3	282	10.3	29	13.1	1	1.5	
Middle-income	2,549	84.3	2,302	84.1	190	86.0	57	87.7	
Upper-income	162	5.4	153	5.6	2	0.9	7	10.8	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>3,023</b>	<b>100.0</b>	<b>2,737</b>	<b>100.0</b>	<b>221</b>	<b>100.0</b>	<b>65</b>	<b>100.0</b>	
	<b>Percentage of Total Businesses:</b>			<b>90.5</b>		<b>7.3</b>		<b>2.2</b>	
	<b>Total Farms by Tract</b>	<b>Farms by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>			
		#	%	#	%	#	%		
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	3	0.4	3	0.4	0	0.0	0	0.0	
Middle-income	605	88.2	594	88.1	10	90.9	1	100.0	
Upper-income	78	11.4	77	11.4	1	9.1	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>686</b>	<b>100.0</b>	<b>674</b>	<b>100.0</b>	<b>11</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	
	<b>Percentage of Total Farms:</b>			<b>98.3</b>		<b>1.6</b>		<b>0.1</b>	
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									

## Population Characteristics

The population was stable across the assessment area as a whole, the counties that comprise the assessment area, and the state of Iowa between 2010 and 2015. Although the assessment area, Franklin County, and Hardin County experienced population declines, they were less than 2.0 percent. Marshall County and the state of Iowa had slight increases in population, but also, less than 2.0 percent. A community representative noted the town of Marshalltown (located in Marshall County), is currently a significant commuter community. The town is trying to entice workers to relocate and become residents, but affordable housing is not readily available, so population growth has been slow.

The table below presents population change in the assessment area as a whole, the counties which comprise the bank’s assessment area, and the state of Iowa between 2010 and 2015.

<b>Population Change 2010 and 2011-2015</b>			
<b>Area</b>	<b>2010 Population</b>	<b>2011-2015 Population</b>	<b>Percentage Change (%)</b>
West IA Non MSA	68,862	68,844	0.0
Franklin County, IA	10,680	10,489	-1.8
Hardin County, IA	17,534	17,393	-0.8
Marshall County, IA	40,648	40,962	0.8
State of Iowa	3,046,355	3,093,526	1.6
<i>Source: 2010— U.S. Census Bureau: Decennial Census                  2011-2015— U.S. Census Bureau: Decennial Census: American Community Survey</i>			

## Income Characteristics

Overall, median family income (adjusted for inflation) grew across the assessment area, the counties comprising the assessment area, and the state of Iowa between 2010 and 2015. The percentage of change in the individual counties trended at rates above the state of Iowa with Hardin County’s median family income increasing at a significantly higher rate than the other two counties in the assessment area. During the 2011-2015 ACS time period, Hardin County also had the highest median family income compared to all other areas assessed; this is also consistent with 2006-2010. A community representative felt Marshalltown offers a variety of middle- to upper-income employment options and employers have had to become more competitive for employees, which is believed to contribute to the median incomes trending upwards.

The table below presents median family income change in the assessment area, the counties in the assessment area, and the state of Iowa between 2010 and 2015.

<b>Median Family Income Change 2006-2010 and 2011-2015</b>			
<b>Area</b>	<b>2006-2010 Median Family Income (\$)</b>	<b>2011-2015 Median Family Income (\$)</b>	<b>Percentage Change (%)</b>
West IA Non MSA	\$60,799	\$62,145	2.2
Franklin County, IA	\$57,624	\$58,636	1.8
Hardin County, IA	\$62,737	\$66,875	6.6
Marshall County, IA	\$60,672	\$61,662	1.6
State of Iowa	\$67,302	\$67,466	0.2
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey                      2011 - 2015 U.S. Census Bureau American Community Survey                      Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

### Housing Characteristics

According to 2020 FFIEC Census data, there are a total of 29,781 housing units in the assessment area. The majority of housing units are owner-occupied at 65.5 percent, while 23.6 percent are rental units. Although only 10.9 percent of housing units are vacant in the assessment area, the moderate-income census tracts experience a higher percentage of vacancy when compared to middle- and upper-income census tracts. Within the moderate-income tracts, owner-occupied units comprise 44.4 percent of housing units, rental units make up 40.3 percent, and vacant units comprise 15.3 percent. The lower percentage of owner-occupied housing in moderate-income census tracts compared to the middle- and upper-income census tracts indicates fewer lending opportunities in those areas.

A method in understanding poverty and housing outcomes, is calculating housing cost burden, which 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 20.0 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. Based on 2013-2017 HUD data, all counties within the assessment area, the assessment area as a whole, and the state of Iowa, low-income households are severely housing cost burdened as both renters and owners, with renters bearing the highest percentages. Community representatives indicated housing, especially affordable housing, is limited and in high demand. As a result, this can drive the costs up, and affordability down.

Please review the table below for more detail on trends in housing costs across the noted areas.

2020 West IA Non MSA Housing Cost Burden (%)						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
West IA Non MSA	66.0%	12.0%	29.2%	51.0%	21.0%	14.0%
Franklin County, IA	66.3%	0.0%	25.0%	55.0%	26.0%	18.4%
Hardin County, IA	58.0%	9.0%	26.0%	44.3%	12.0%	11.0%
Marshall County, IA	69.0%	18.0%	32.0%	53.0%	23.4%	14.0%
State Iowa	71.3%	21.3%	38.2%	57.5%	25.1%	15.4%
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

### Employment Characteristics

Based on the most recent data available from the Bureau of Labor Statistics (i.e., 2017-2020), unemployment rates after experiencing steady declines from 2017-2019, experienced increases, across the assessment area, the counties that comprise the assessment area and the state of Iowa in 2020. Marshall County has consistently had the highest unemployment rate, while Franklin County consistently has had the lowest. In 2020, with the onset of the COVID-19 pandemic, both the economy and the workforce were negatively affected. A community contact stated the community's workforce has not only experienced a rise in early retirements, but individuals are also choosing not to return to the workforce, opting for more time with family. The table below presents the unemployment rates in the assessment area, the counties in the assessment area, and the state of Iowa between 2017 and 2020.

Unemployment Rates (%)				
2017 to 2020				
Region	2017	2018	2019	2020
2020 West IA Non MSA	3.9%	3.7%	3.8%	5.9%
Franklin County, IA	2.7%	2.2%	2.4%	3.8%
Hardin County, IA	3.2%	2.9%	3.2%	4.6%
Marshall County, IA	4.6%	4.6%	4.6%	7.1%
State of Iowa	3.1%	2.6%	2.8%	5.3%
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Industry Characteristics

According to the U.S. Bureau of Labor Statistics, the assessment area contains a diverse employment base and is most heavily impacted by the industries of manufacturing, government, and retail trade. The most prominent industries according to community representatives in the assessment area are manufacturing, professional and technical services, and retail trade.

## **Community Representatives**

Two community representatives were contacted to provide information about local housing, employment, and other economic conditions within the assessment area. Representatives identified affordable housing and public transportation as the assessment area's greatest needs. Representatives indicated that there is a high demand for new affordable residential real estate construction in the assessment area. Hardin County is where the state of Iowa's largest juvenile detention center is located and rehabilitation services for exiting detainees, such as financial literacy, is an area of need as well. Additional support is being sought for LMI (publicly backed) multi-family units per a representative in Marshalltown, the largest city in the assessment area. Further, the representatives discussed that during the review period, businesses within the assessment area were finding it difficult to attract new qualified workers and that opportunities for work are available in the area, if individuals desire to work. Representatives did note that financial institutions within the community have been active and responsive to credit needs as a result of the COVID-19 pandemic. Local financial institutions have also been very active in support of the nonprofit organizations through donations, grants, and their time.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WEST IOWA NON-MSA**

### **LENDING TEST**

GNB Bank has a reasonable geographic distribution of loans throughout the assessment area and reasonable penetration of loans among borrowers of different income levels and businesses and farms of different revenue sizes.

### **Geographic Distribution of Loans**

The bank's lending activities reflect reasonable distribution throughout the assessment area. GNB Bank originated HMDA-reportable, small business and small farm loans in 100.0 percent of the 19 census tracts in the West IA Non-MSA assessment area in 2020. There are no low-income census tracts in the assessment area, however, loans penetrated both moderate-income census tracts. This exceeds the bank's geographic penetration across census tracts in 2019, where the bank originated loans in 78.9 percent of the 19 census tracts, which included both moderate-income census tracts. While there were no conspicuous gaps in HMDA-reportable lending across the bank's assessment area, opportunities to lend were limited. The percentage of rental units (40.3 percent) and vacant units (15.3 percent) in the moderate-income tracts resulted in a limited stock of owner-occupied housing units in moderate-income census tracts, which limits lending opportunities for local financial institutions.

A breakdown of the bank's HMDA-reportable, small business, and small farm lending is discussed in more detail below by individual products. As stated in the scope of the evaluation, small business and small farm lending received greater weight in the analysis.

### HMDA-Reportable Lending

The geographic distribution of 2020 HMDA-reportable loans reflects reasonable dispersion throughout the assessment area.

The bank's primary HMDA-reportable products during the review period were home purchase and refinance loans. The remaining HMDA-reportable products will not be evaluated due to low volumes of originations. Geographic distribution of 2019 HMDA-reportable loans is comparable to the bank's performance in 2020, as shown in Appendix B.

#### *Home Purchase Loans*

In 2020, the bank originated 3.4 percent of its home purchase loans, by number, in moderate-income census tracts. This was below both the aggregate lenders, which made 8.0 percent, by number, of HMDA-reportable home purchase loans in these census tracts, and the percentage of owner-occupied units in moderate-income census tracts, at 8.2 percent.

As seen in the 2019 lending table located in Appendix B, home purchase lending was below 2020 lending. The bank did not originate any loans in the moderate-income tracts in 2019, while both the percentage of aggregate lenders and the percentage of owner-occupied units were at 8.2 percent.

In 2020, the bank originated the majority of their home purchase loans (96.6 percent) in middle-income census tracts, which exceeded both the percentage by aggregate lenders and the percentage of owner-occupied units within such tracts, at 85.6 percent and 86.9 percent, respectively.

The bank's lending activity in 2019, as it relates to home purchase loans originated in middle-income census tracts, was consistent with the outcomes to that of 2020. More specifically, the bank made the majority of its 2019 home purchase loans (89.5 percent) of in middle-income census tracts.

#### *Refinance Loans*

In 2020, the bank did not originate any refinance loans in the moderate-income census tracts, which was below the percentage of loans made by aggregate lenders at 3.4 percent, and the percentage of owner-occupied units in these tracts at 8.2 percent.



Refinance lending performance in moderate-income census tracts in 2019 is consistent with that of 2020. The bank did not originate any refinance loans in the in moderate-income census tracts.

Consistent with home purchase lending, the bank originated the majority of their refinance loans (95.5 percent) in middle-income census tracts in 2020. This exceeded the percentage by the aggregate lenders, which made 87.7 percent of such loans and the percentage of owner-occupied units at 86.9 percent.

Refinance lending in middle-income census tracts in 2019 was slightly above 2020. The bank made all (100.0 percent) of its refinance loans in middle-income census tracts, which was significantly above the aggregate lenders who made 86.5 percent and the percentage of owner-occupied housing in middle-income census tracts at 86.9 percent.

The table below presents the 2020 geographic distribution of HMDA-reportable loans in the assessment area. The 2019 geographic distribution table of HMDA-reportable loans can be found in Appendix B.

<b>Geographic Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area: 2020 West IA Non MSA</b>								
Product Type	Tract Income Levels	<b>Bank &amp; Aggregate Lending Comparison</b>						Owner Occupied % of Units
		Count		Dollar		Agg	Agg	
		Bank	Agg	Bank	Agg			
#	%	%	\$ (000s)	\$%	\$%			
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	1	3.4	8.0	70	2.5	5.7	8.2
	Middle	28	96.6	85.6	2,714	97.5	85.7	86.9
	Upper	0	0.0	6.4	0	0.0	8.6	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>29</b>	<b>100.0</b>	<b>100.0</b>	<b>2,784</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	3.4	0	0.0	1.8	8.2
	Middle	21	95.5	87.7	2,664	95.3	87.5	86.9
	Upper	1	4.5	9.0	132	4.7	10.8	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>100.0</b>	<b>2,796</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	5.8	0	0.0	4.3	8.2
	Middle	1	100.0	87.0	10	100.0	83.0	86.9
	Upper	0	0.0	7.2	0	0.0	12.7	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	<i>Multi-Family</i> 0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	24.0
	Middle	1	100.0	100.0	1,124	100.0	100.0	75.0
	Upper	0	0.0	0.0	0	0.0	0.0	1.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>1,124</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	3.4	0	0.0	4.6	8.2
	Middle	0	0.0	89.7	0	0.0	91.5	86.9
	Upper	0	0.0	6.9	0	0.0	4.0	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	8.2
	Middle	0	0.0	100.0	0	0.0	100.0	86.9
	Upper	0	0.0	0.0	0	0.0	0.0	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	21.1	0	0.0	18.0	8.2
	Middle	0	0.0	78.9	0	0.0	82.0	86.9
	Upper	0	0.0	0.0	0	0.0	0.0	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	1	1.9	6.0	70	1.0	3.7	8.2
	Middle	51	96.2	86.6	6,512	97.0	87.1	86.9
	Upper	1	1.9	7.4	132	2.0	9.2	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>53</b>	<b>100.0</b>	<b>100.0</b>	<b>6,714</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data

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

Small Business Loans

Geographic distribution of small business loans was reasonable. In 2020, the bank’s performance was consistent with the percentage of total businesses within moderate-income census tracts. The bank made 11.1 percent of small business loans in the moderate-income census tracts, compared to the percentage of total businesses in such tracts at 10.3 percent.

The bank made the majority of its small business loans (88.9 percent, by number), in middle-income census tracts. This was slightly above the percentage of total businesses that are in these tracts at 84.3 percent.

The table below presents the geographic distribution of small business loans in the assessment area in 2020.

<b>Geographic Distribution of Small Business Loans</b>						
<b>Assessment Area: 2020 West IA Non MSA</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>%</b>	
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	2	11.1	49	1.8	10.3
	Middle	16	88.9	2,710	98.2	84.3
	Upper	0	0.0	0	0.0	5.4
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>18</b>	<b>100.0</b>	<b>2,759</b>	<b>100.0</b>	<b>100.0</b>

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
 Note: Percentages may not add to 100.0 percent due to rounding

Small Farm Loans

Geographic distribution of small farm loans reflects reasonable penetration throughout the assessment area. Although in 2020, the bank did not originate any small farm loans in the moderate-income census tracts, only 0.4 percent of total farms are located in those tracts, which significantly limits the lending opportunities for the bank.

The bank made 100.0 percent of its small farm loans, by number, in the middle-income census tracts. This was above the percentage of total farms that are located in these tracts at 88.2 percent.

The table below presents the geographic distribution of small farm loans in the assessment area in 2020.

<b>Geographic Distribution of Small Farm Loans</b>						
<b>Assessment Area: 2020 West IA Non MSA</b>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Farms</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	
<b>Small Farm</b>	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.4
	Middle	22	100.0	1,936	100.0	88.2
	Upper	0	0.0	0	0.0	11.4
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>1,936</b>	<b>100.0</b>	<b>100.0</b>

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
Note: Percentages may not add to 100.0 percent due to rounding

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

The bank demonstrates reasonable distribution of loans and, as appropriate, other lending-related activities to individuals of different income levels (including low- and moderate-income individuals) and businesses and farms of different sizes given the demographics of the assessment area.

A breakdown of the bank’s HMDA-reportable, small business and small farm lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

The borrower distribution of 2020 HMDA-reportable loans reflects reasonable penetration among individuals of different income levels.

The bank’s primary HMDA-reportable products during the review period were home purchase and refinance loans. The remaining HMDA-reportable products will not be evaluated due to low volumes of originations. Borrower distribution of 2019 HMDA-reportable loans is comparable to the bank’s performance in 2020, as shown in Appendix B.

*Home Purchase Loans*

In 2020, the bank made 6.9 percent of its home purchase loans, by number, to low-income borrowers, below the percentage by aggregate lenders at 12.2 percent, and the demographic figure, at 16.3 percent, of assessment area families of low-income. The bank made 13.8 percent of its home purchase loans, by number, to moderate-income borrowers. This resulted in the bank significantly

under-performing the percentage by aggregate lenders at 30.8 percent, and below the percentage of moderate-income families within the assessment area at 19.1 percent.

As seen in the 2019 table in Appendix B, the bank's performance of lending to low-income borrowers was consistent with its performance in 2020. The bank's originations of home purchase loans (26.3 percent) to moderate-income borrowers exceeded 2020 lending, although slightly below the percentage by aggregate lenders at 30.1 percent did exceed the percentage of moderate-income families in the assessment area at 19.1 percent.

In 2020, the bank made 31.0 percent of its home purchase loans, by number, to middle-income borrowers, which exceeded the percentage by aggregate lenders at 23.2 percent and the percentage of middle-income families in the assessment area at 26.2 percent. The bank made 34.5 percent of its home purchase loans to upper-income borrowers, exceeding the percentage by aggregate lenders at 24.5 percent, by number, but below the percentage of upper-income families in the assessment area at 38.4 percent. Lastly, the bank made 13.8 percent of its home purchase loans, by number, to borrowers of unknown-income, which was above the percentage by aggregate lenders at 9.4 percent.

The bank's home purchase lending to middle-income borrowers in 2020 was below its performance in 2019. The bank originated 15.8 percent of home purchase loans, by number, to middle-income borrowers. This was below the percentage by aggregate lenders at 23.7 percent and the percentage of middle-income families in the assessment area at 26.2 percent. Lending to upper-income borrowers was more consistent with 2020 lending. Lastly, the bank also originated 5.3 percent of its home purchase loans, by number, to borrowers of unknown-income. This is below the aggregate lenders, which originated 10.0 percent to borrowers of unknown income.

#### *Refinance Loans*

In 2020, the bank made 9.1 percent of its refinance loans, by number, to low-income borrowers, which was higher than the percentage by aggregate lenders at 6.2 percent. However, the bank's refinance lending was below the percentage of low-income families within the assessment area at 16.3 percent. The bank made 13.6 percent of its refinance loans, by number, to moderate-income borrowers. This was slightly below the percentage by aggregate lenders at 17.3 percent, and to the percentage of moderate-income families in the assessment area at 19.1 percent.

The bank's 2019 lending performance to low-income borrowers was consistent with 2020. The bank's 2019 refinance lending to moderate-income borrowers, was slightly above 2020, just below the percentage by aggregate lenders and consistent with the percentage of moderate-income families within the assessment area.

In 2020, the bank made 36.4 percent of its refinance loans, by number, to middle-income borrowers, which was above the percentage by aggregate lenders at 22.5 percent and the percentage of middle-income families at 26.2 percent. The bank made 40.9 percent of its refinance loans, by number, to upper-income borrowers. This performance was consistent with the percentage of upper-income families within the assessment area at 38.4 percent, and slightly above the percentage by aggregate lenders at 37.3 percent. Lastly, the bank did not originate any refinance loans to borrowers of unknown-income, which was below the percentage by aggregate of lenders at 16.7 percent.

The bank's refinance lending in 2019 was consistent with 2020 lending.

<b>Borrower Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area 2020 West IA Non MSA</b>								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count		Dollar		Agg		
		Bank	Agg	Bank	Agg			
#	%	%	\$(000s)	\$%	\$%			
Home Purchase	Low	2	6.9	12.2	131	4.7	7.5	16.3
	Moderate	4	13.8	30.8	405	14.5	24.4	19.1
	Middle	9	31.0	23.2	1,017	36.5	23.9	26.2
	Upper	10	34.5	24.5	893	32.1	34.4	38.4
	Unknown	4	13.8	9.4	338	12.1	9.8	0.0
	<b>Total</b>	<b>29</b>	<b>100.0</b>	<b>100.0</b>	<b>2,784</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	2	9.1	6.2	150	5.4	3.0	16.3
	Moderate	3	13.6	17.3	414	14.8	12.1	19.1
	Middle	8	36.4	22.5	808	28.9	19.2	26.2
	Upper	9	40.9	37.3	1,424	50.9	46.9	38.4
	Unknown	0	0.0	16.7	0	0.0	18.8	0.0
	<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>100.0</b>	<b>2,796</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	8.7	0	0.0	6.4	16.3
	Moderate	1	100.0	26.1	10	100.0	18.4	19.1
	Middle	0	0.0	18.8	0	0.0	11.4	26.2
	Upper	0	0.0	40.6	0	0.0	55.5	38.4
	Unknown	0	0.0	5.8	0	0.0	8.2	0.0
	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	16.3
	Moderate	0	0.0	0.0	0	0.0	0.0	19.1
	Middle	0	0.0	0.0	0	0.0	0.0	26.2
	Upper	0	0.0	0.0	0	0.0	0.0	38.4
	Unknown	1	100.0	100.0	1,124	100.0	100.0	0.0
	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>1,124</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	17.2	0	0.0	16.0	16.3
	Moderate	0	0.0	17.2	0	0.0	16.8	19.1
	Middle	0	0.0	31.0	0	0.0	32.3	26.2
	Upper	0	0.0	34.5	0	0.0	35.0	38.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	6.7	0	0.0	2.3	16.3
	Moderate	0	0.0	33.3	0	0.0	25.7	19.1
	Middle	0	0.0	33.3	0	0.0	45.5	26.2
	Upper	0	0.0	20.0	0	0.0	22.1	38.4
	Unknown	0	0.0	6.7	0	0.0	4.3	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	16.3
	Moderate	0	0.0	0.0	0	0.0	0.0	19.1
	Middle	0	0.0	0.0	0	0.0	0.0	26.2
	Upper	0	0.0	0.0	0	0.0	0.0	38.4
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	4	7.5	9.1	281	4.2	5.0	16.3
	Moderate	8	15.1	23.5	829	12.3	17.2	19.1
	Middle	17	32.1	22.3	1,825	27.2	20.4	26.2
	Upper	19	35.8	30.4	2,317	34.5	38.9	38.4
	Unknown	5	9.4	14.8	1,462	21.8	18.5	0.0
	<b>Total</b>	<b>53</b>	<b>100.0</b>	<b>100.0</b>	<b>6,714</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data  
Note: Percentages may not add to 100.0 percent due to rounding

Small Business Loans

The distribution of small business loans reflects reasonable penetration among businesses of different revenue sizes. In 2020, the bank made 83.3 percent of its small business loans, by number, to businesses reporting annual revenues of \$1.0 million or less, which was below the percentage of assessment area businesses at 90.5 percent. However, of these loans, 93.3 percent had a loan amount of \$100,000 or less, which is reflective of loans most responsive to small businesses.

The remainder of the bank’s 2020 small business loans, 16.7 percent, by number, were made to businesses reporting annual revenues of over \$1.0 million. The bank’s lending was above the percent of businesses reporting annual revenues of over \$1.0 million comprising the assessment area at 7.3 percent.

The table below presents the borrower distribution of small business loans in the assessment area in 2020.

<b>Small Business Lending By Revenue &amp; Loan Size</b>							
<b>Assessment Area: 2020 West IA Non MSA</b>							
Product Type		<b>Bank &amp; Demographic Comparison</b>					
		<b>Count Bank</b>		<b>Dollar Bank</b>		<b>Total Businesses</b>	
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>	
Small Business	Revenue	\$1 Million or Less	15	83.3	612	22.2	90.5
		Over \$1 Million	3	16.7	2,147	77.8	7.3
		Unknown	0	0.0	0	0.0	2.2
		<b>Total</b>	<b>18</b>	<b>100.0</b>	<b>2,759</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	14	77.8	332	12.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	4	22.2	2,427	88.0	
		<b>Total</b>	<b>18</b>	<b>100.0</b>	<b>2,759</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	14	93.3	332	54.2	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	1	6.7	280	45.8	
		<b>Total</b>	<b>15</b>	<b>100.0</b>	<b>612</b>	<b>100.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

Small Farm Loans

The distribution of small farm loans reflects reasonable penetration among farms of different revenue sizes. In 2020, the bank made 95.5 percent of its small farm loans, by number, to farms reporting annual revenues of \$1.0 million or less, which was consistent to the percentage of total



farms reporting annual revenues of \$1.0 million or less at 98.3 percent. Of these loans, 71.4 percent had a loan amount of \$100,000 or less, which is reflective of loans most responsive to small farms.

The remainder of the bank’s 2020 small farms loans, 4.5 percent, by number, were made to farms reporting annual revenues of over \$1.0 million. The bank’s lending was also consistent with the percent of farms reporting annual revenues of over \$1.0 million comprising the assessment area at 1.6 percent.

The table below presents the borrower distribution of small farm loans in the assessment area in 2020.

<b>Small Farm Lending By Revenue &amp; Loan Size</b>							
<b>Assessment Area: 2020 West IA Non MSA</b>							
Product Type		<b>Bank &amp; Demographic Comparison</b>					
		<b>Count Bank</b>		<b>Dollar Bank</b>		<b>Total Farms</b>	
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	<b>%</b>	
Small Farm	Revenue	\$1 Million or Less	21	95.5	1,906	98.5	98.3
		Over \$1 Million	1	4.5	30	1.5	1.6
		Unknown	0	0.0	0	0.0	0.1
		<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>1,936</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	16	72.7	463	23.9	
		\$100,001 - \$250,000	3	13.6	575	29.7	
		\$250,001 - \$500,000	3	13.6	898	46.4	
		<b>Total</b>	<b>22</b>	<b>100.0</b>	<b>1,936</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	15	71.4	433	22.7	
		\$100,001 - \$250,000	3	14.3	575	30.2	
		\$250,001 - \$500,000	3	14.3	898	47.1	
		<b>Total</b>	<b>21</b>	<b>100.0</b>	<b>1,906</b>	<b>100.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

## COMMUNITY DEVELOPMENT TEST

### Lending, Investment, and Services Activities

GNB Bank demonstrates adequate responsiveness to the community development needs of its assessment area through community development loans, qualified investments and donations, and community development services. The bank originated the majority of loans to help revitalize or stabilize the assessment area and promote economic development. The majority of the remaining community development activities were devoted to community services for low- and moderate-income individuals and families.

## **Lending**

During the evaluation period, the bank originated 11 qualified loans totaling \$11.6 million for the community development purposes of affordable housing, economic development and revitalize and stabilize. While the number volume of loans slightly decreased since the previous evaluation (14), the dollars increased significantly from the approximate \$3.1 million originated during the previous evaluation period. During this review period approximately \$1.9 million in loans were made to small businesses that were part of the Disadvantaged Business Enterprise by the Iowa Department of Transportation. This involvement is exceptionally responsive to the needs of the community, as identified by a representative in the area who indicated a need for participation and tailoring of products to benefit small businesses.

## **Investments**

The bank maintained one prior period investment during the evaluation period totaling \$212,368. The investment had a primary focus of financing the construction and renovation of a school that served a majority of students on free or reduced lunch. This is a decrease in investment dollars from the previous evaluation where the bank maintained four investments for a total of \$343,695.

GNB Bank made qualified donations totaling \$12,950 to 15 community organizations in the assessment area. Organizations that benefited from the donations included emergency services, shelter for transitionally houseless individuals, food assistance, and education for low- and moderate- income individuals. The bank increased the amount of donation dollars in this assessment area compared to the previous evaluation where it made 17 donations for \$7,148.

## **Services**

During the evaluation period, the bank logged 241 hours of community development services to nine different organizations. The number of organizations served was comparable to the previous evaluation (11), however the number of hours decreased by over half, as 462 hours were reported at the previous evaluation. This decrease in community development service hours was largely due to the COVID-19 pandemic limiting the bank's ability to conduct in-person activities. The following table presents the bank's community development activities within the Iowa Non-MSA assessment area during the evaluation period.

<b>Community Development Activities</b>										
<b>October 15, 2018 - November 1, 2021</b>										
<b>Type of Activity</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Activities that Revitalize/Stabilize</b>		<b>Totals</b>	
	<b>#</b>	<b>\$/Hours</b>	<b>#</b>	<b>\$/Hours</b>	<b>#</b>	<b>\$/Hours</b>	<b>#</b>	<b>\$/Hours</b>	<b>#</b>	<b>\$/Hours</b>
<b>Loans</b>	2	\$158,000	0	\$0	6	\$1,892,540.55	3	\$9,570,000	11	\$11,620,540
<b>Investments</b>	0	\$0	1	\$212,368	0	\$0	0	\$0	1	\$212,368
<b>Donations</b>	0	\$0	16	\$8,325	3	\$3,500	9	\$1,125	28	\$12,950
<b>Services</b>	0	0	4	152	5	89	0	0	9	241

**AMES, IA MSA #11180 - Limited Review**

**SCOPE OF THE REVIEW**

The scope for this assessment area is consistent with the scope presented in the overall section. Please refer to scope in the introduction section for more detailed information.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE AMES, IA MSA**

The Ames, IA MSA is comprised of Boone and Story Counties in their entireties. The bank designates only Story County as its assessment area.

The assessment area is comprised of 20 total census tracts. Based on 2020 FFIEC census data and 2015 American Community Survey (ACS) data, the assessment area is comprised of two low-, 14 middle-, three upper- and one unknown-income census tract. There are no moderate-income census tracts in the assessment area. The unknown-income tract encompasses a portion of the Iowa State University. The assessment area remains unchanged since the previous evaluation.

The bank operates one branch and one full-service ATM within the assessment area. Since the previous evaluation, the bank has not opened or any branches or ATMs in the assessment area. The bank operates its sole branch in a middle-income census tract.

<b>Distribution of Branches, ATMs, and Demographics</b>							
<b>Tract Income Level</b>	<b># of Branches</b>	<b>% of Branches</b>	<b># of ATMs</b>	<b>% of ATMs</b>	<b>% of Tracts</b>	<b>% of Families</b>	<b>% of Businesses</b>
Low	0	0.0	0	0.0	10.0	4.7	10.5
Moderate	0	0.0	0	0.0	0.0	0.0	0.0
Middle	1	100.0	1	100.0	70.0	75.2	68.2
Upper	0	0.0	0	0.0	15.0	20.1	20.7
Unknown	0	0.0	0	0.0	5.0	0.0	0.7
<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks GNB Bank 15th among 19 FDIC-insured institutions operating in the assessment area. The bank holds a 1.1 percent market share, compared to the market leader First National Bank, Ames, Iowa which holds 21.3 percent of the assessment area’s deposits.

GNB Bank ranks 36th out of 188 aggregate lenders in 2020 HMDA-reportable transactions. A total of 19 originations and purchase transactions were reported by the bank compared to 552 reported by market leader Iowa Bankers Mortgage Corporation. While this data is indicative of a saturated market with respect to HMDA reporters, GNB Bank’s presence is not significant. Additional assessment area demographic information is provided in the following table.

<i>Assessment Area: 2020 Ames, IA MSA 11180</i>									
<i>Income Categories</i>	<i>Tract Distribution</i>		<i>Families by Tract Income</i>		<i>Families &lt; Poverty Level as % of Families by Tract</i>		<i>Families by Family Income</i>		
	#	%	#	%	#	%	#	%	
Low-income	2	10.0	897	4.7	214	23.9	3,324	17.6	
Moderate-income	0	0.0	0	0.0	0	0.0	3,116	16.5	
Middle-income	14	70.0	14,204	75.2	863	6.1	4,614	24.4	
Upper-income	3	15.0	3,794	20.1	100	2.6	7,841	41.5	
Unknown-income	1	5.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>20</b>	<b>100.0</b>	<b>18,895</b>	<b>100.0</b>	<b>1,177</b>	<b>6.2</b>	<b>18,895</b>	<b>100.0</b>	
	<i>Housing Units by Tract</i>	<i>Housing Types by Tract</i>							
		<i>Owner-Occupied</i>				<i>Rental</i>		<i>Vacant</i>	
		#	%	%	#	%	#	%	
Low-income	3,641	567	3.0	15.6	2,894	79.5	180	4.9	
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0	
Middle-income	27,350	14,663	76.4	53.6	11,332	41.4	1,355	5.0	
Upper-income	6,690	3,956	20.6	59.1	2,482	37.1	252	3.8	
Unknown-income	7	0	0.0	0.0	7	100.0	0	0.0	
<b>Total Assessment Area</b>	<b>37,688</b>	<b>19,186</b>	<b>100.0</b>	<b>50.9</b>	<b>16,715</b>	<b>44.4</b>	<b>1,787</b>	<b>4.7</b>	
	<i>Total Businesses by Tract</i>	<i>Businesses by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>				<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>	
		#	%	#	%	#	%	#	%
Low-income	424	10.5	367	10.0	55	17.0	2	3.9	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	2,760	68.2	2,537	69.1	181	55.9	42	82.4	
Upper-income	836	20.7	745	20.3	84	25.9	7	13.7	
Unknown-income	28	0.7	24	0.7	4	1.2	0	0.0	
<b>Total Assessment Area</b>	<b>4,048</b>	<b>100.0</b>	<b>3,673</b>	<b>100.0</b>	<b>324</b>	<b>100.0</b>	<b>51</b>	<b>100.0</b>	
<b>Percentage of Total Businesses:</b>				<b>90.7</b>		<b>8.0</b>		<b>1.3</b>	
	<i>Total Farms by Tract</i>	<i>Farms by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>				<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>	
		#	%	#	%	#	%	#	%
Low-income	5	1.4	3	0.9	2	25.0	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	282	79.2	278	79.9	4	50.0	0	0.0	
Upper-income	69	19.4	67	19.3	2	25.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>356</b>	<b>100.0</b>	<b>348</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	
<b>Percentage of Total Farms:</b>				<b>97.8</b>		<b>2.2</b>		<b>0.0</b>	

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS

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

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE AMES, IA MSA**

### **LENDING TEST**

GNB Bank's lending performance in the Ames, IA MSA is consistent with the bank's lending performance overall.

### **Geographic Distribution of Loans**

The following tables represent the 2020 geographic distribution of HMDA-reportable, small business, and small farms loans in the assessment area. Please refer to Appendix C for the bank's 2019 HMDA-reportable lending information.

<b>Geographic Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area 2020 Ames, IA MSA 11180</b>								
Product Type	Tract Income Levels	<b>Bank &amp; Aggregate Lending Comparison</b>						Owner Occupied % of Units
		<b>2020</b>		<b>Dollar</b>		<b>Agg</b>	<b>Agg</b>	
		<b>Count</b>	<b>Agg</b>	<b>Bank</b>	<b>Agg</b>			
<b>#</b>	<b>%</b>	<b>%</b>	<b>\$ (000s)</b>	<b>\$ %</b>	<b>\$ %</b>			
Home Purchase	Low	0	0.0	1.9	0	0.0	1.6	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	7	87.5	79.6	1,332	80.4	74.2	76.4
	Upper	1	12.5	18.6	325	19.6	24.2	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>8</b>	<b>100.0</b>	<b>100.0</b>	<b>1,657</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.7	0	0.0	0.5	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	7	87.5	72.8	1,467	89.2	66.8	76.4
	Upper	1	12.5	26.4	178	10.8	32.6	20.6
	Unknown	0	0.0	0.0	0	0.0	0.1	0.0
	<b>Total</b>	<b>8</b>	<b>100.0</b>	<b>100.0</b>	<b>1,645</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	1	50.0	79.5	71	19.1	77.2	76.4
	Upper	1	50.0	20.5	300	80.9	22.8	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>371</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	15.8	0	0.0	18.1	19.7
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	71.9	0	0.0	66.1	64.8
	Upper	0	0.0	12.3	0	0.0	15.9	15.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	57.8	0	0.0	54.7	76.4
	Upper	0	0.0	42.2	0	0.0	45.3	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	1.1	0	0.0	0.9	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	81.7	0	0.0	70.0	76.4
	Upper	0	0.0	17.2	0	0.0	29.1	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	94.1	0	0.0	91.2	76.4
	Upper	0	0.0	5.9	0	0.0	8.8	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	1.3	0	0.0	2.6	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	15	83.3	75.5	2,870	78.1	69.4	76.4
	Upper	3	16.7	23.1	803	21.9	27.9	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>18</b>	<b>100.0</b>	<b>100.0</b>	<b>3,673</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FHIEC Census Data  
Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of Small Business Loans</b>						
<i>Assessment Area: 2020 Ames, IA MSA 11180</i>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	
Small Business	Low	0	0.0	0	0.0	10.5
	Moderate	0	0.0	0	0.0	0.0
	Middle	14	82.4	839	75.0	68.2
	Upper	3	17.6	280	25.0	20.7
	Unknown	0	0.0	0	0.0	0.7
	<b>Total</b>	<b>17</b>	<b>100.0</b>	<b>1,119</b>	<b>100.0</b>	<b>100.0</b>

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
 Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of Small Farm Loans</b>						
<i>Assessment Area: 2020 Ames, IA MSA 11180</i>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Farms</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	
Small Farm	Low	0	0.0	0	0.0	1.4
	Moderate	0	0.0	0	0.0	0.0
	Middle	1	100.0	15	100.0	79.2
	Upper	0	0.0	0	0.0	19.4
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>15</b>	<b>100.0</b>	<b>100.0</b>

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
 Note: Percentages may not add to 100.0 percent due to rounding

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

The following tables represent the 2020 borrower distribution of HMDA-reportable, small business, and small farms loans in the assessment area. Please refer to Appendix C for the bank’s 2019 HMDA-reportable lending information.



<b>Borrower Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area 2020 Ames, IA MSA 11180</b>								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income
		2020			2020			
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$%	\$%	%
Home Purchase	Low	1	12.5	8.9	110	6.6	5.8	17.6
	Moderate	2	25.0	25.9	470	28.4	21.2	16.5
	Middle	1	12.5	24.5	234	14.1	25.2	24.4
	Upper	4	50.0	28.6	843	50.9	36.2	41.5
	Unknown	0	0.0	12.0	0	0.0	11.6	0.0
	<b>Total</b>		<b>8</b>	<b>100.0</b>	<b>100.0</b>	<b>1,657</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	4.7	0	0.0	2.4	17.6
	Moderate	1	12.5	15.9	78	4.7	11.6	16.5
	Middle	2	25.0	23.7	292	17.8	21.1	24.4
	Upper	5	62.5	41.5	1,275	77.5	48.8	41.5
	Unknown	0	0.0	14.2	0	0.0	16.1	0.0
	<b>Total</b>		<b>8</b>	<b>100.0</b>	<b>100.0</b>	<b>1,645</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	6.8	0	0.0	3.0	17.6
	Moderate	0	0.0	16.2	0	0.0	10.0	16.5
	Middle	0	0.0	28.2	0	0.0	21.4	24.4
	Upper	1	50.0	42.7	71	19.1	47.7	41.5
	Unknown	1	50.0	6.0	300	80.9	18.0	0.0
	<b>Total</b>		<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>371</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	17.6
	Moderate	0	0.0	0.0	0	0.0	0.0	16.5
	Middle	0	0.0	0.0	0	0.0	0.0	24.4
	Upper	0	0.0	1.8	0	0.0	0.1	41.5
	Unknown	0	0.0	98.2	0	0.0	99.9	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	17.6
	Moderate	0	0.0	11.1	0	0.0	6.2	16.5
	Middle	0	0.0	11.1	0	0.0	9.3	24.4
	Upper	0	0.0	73.3	0	0.0	81.1	41.5
	Unknown	0	0.0	4.4	0	0.0	3.5	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	9.7	0	0.0	6.9	17.6
	Moderate	0	0.0	18.3	0	0.0	12.6	16.5
	Middle	0	0.0	24.7	0	0.0	21.3	24.4
	Upper	0	0.0	43.0	0	0.0	56.7	41.5
	Unknown	0	0.0	4.3	0	0.0	2.5	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	17.6
	Moderate	0	0.0	0.0	0	0.0	0.0	16.5
	Middle	0	0.0	0.0	0	0.0	0.0	24.4
	Upper	0	0.0	0.0	0	0.0	0.0	41.5
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	1	5.6	6.2	110	3.0	3.3	17.6
	Moderate	3	16.7	19.0	548	14.9	13.6	16.5
	Middle	3	16.7	23.5	526	14.3	20.2	24.4
	Upper	10	55.6	36.6	2,189	59.6	39.7	41.5
	Unknown	1	5.6	14.7	300	8.2	23.2	0.0
	<b>Total</b>		<b>18</b>	<b>100.0</b>	<b>100.0</b>	<b>3,673</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data  
Note: Percentages may not add to 100.0 percent due to rounding

<b>Small Business Lending By Revenue &amp; Loan Size</b>							
<b>Assessment Area: 2020 Ames, IA MSA 11180</b>							
Product Type		<b>Bank &amp; Demographic Comparison</b>					
		<b>Count</b>		<b>2020 Dollar</b>		<b>Total</b>	
		<b>Bank</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>		<b>Businesses</b>
#	%	\$ 000s	%	%			
Small Business	Revenue	\$1 Million or Less	16	94.1	1,087	97.1	90.7
		Over \$1 Million	1	5.9	32	2.9	8.0
		Unknown	0	0.0	0	0.0	1.3
		<b>Total</b>	<b>17</b>	<b>100.0</b>	<b>1,119</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	13	76.5	424	37.9	
		\$100,001 - \$250,000	4	23.5	695	62.1	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		<b>Total</b>	<b>17</b>	<b>100.0</b>	<b>1,119</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	12	75.0	392	36.1	
		\$100,001 - \$250,000	4	25.0	695	63.9	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		<b>Total</b>	<b>16</b>	<b>100.0</b>	<b>1,087</b>	<b>100.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

<b>Small Farm Lending By Revenue &amp; Loan Size</b>							
<b>Assessment Area: 2020 Ames, IA MSA 11180</b>							
Product Type		<b>Bank &amp; Demographic Comparison</b>					
		<b>Count</b>		<b>2020 Dollar</b>		<b>Total</b>	
		<b>Bank</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>		<b>Farms</b>
#	%	\$ 000s	%	%			
Small Farm	Revenue	\$1 Million or Less	1	100.0	15	100.0	97.8
		Over \$1 Million	0	0.0	0	0.0	2.2
		Unknown	0	0.0	0	0.0	0.0
		<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>15</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	1	100.0	15	100.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$500,000	0	0.0	0	0.0	
		<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>15</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	1	100.0	15	100.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$500,000	0	0.0	0	0.0	
		<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>15</b>	<b>100.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

**COMMUNITY DEVELOPMENT TEST**

GNB Bank’s community development performance in the area is below the bank’s community development performance overall. The bank did not originate any community development loans, or investments in the Ames, IA MSA assessment area; however, it does not change the overall rating.

Community Development Activities October 15, 2018 - November 1, 2021										
Type of Activity	Affordable Housing		Community Services		Economic Development		Activities that Revitalize/Stabilize		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Loans	0	0	0	0	0	0	0	0	0	0
Investments	0	0	0	0	0	0	0	0	0	0
Donations	0	0	0	0	6	2,400	0	0	6	2,400
Services	0	0	3	117	1	4	0	0	4	121

**EAST IOWA NON-MSA ASSESSMENT AREA – LIMITED REVIEW**

**SCOPE OF THE REVIEW**

The scope for this assessment area is consistent with the scope presented in the overall section. Please refer to scope in the introduction section for more detailed information.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE EAST IA NON-MSA**

The East IA Non-MSA assessment area is comprised of Delaware County in its entirety.

The assessment area is comprised of four total census tracts. Based on 2020 FFIEC census data and 2015 American Community Survey (ACS) data, the assessment area is comprised of three middle-, and one upper-income census tract. There are no low- or moderate-income census tracts in the assessment area. The assessment area does not have any census tracts designated as distressed or underserved middle-income census tracts according to the FFIEC. The assessment area remains unchanged since the previous evaluation.

The bank operates one branch with a full-service ATM and one standalone cash-only ATM within the assessment area. Both are located in middle-income census tracts. Since the previous evaluation, the bank has not opened or any branches or ATMs in the assessment area.

<b>Distribution of Branches, ATMs, and Demographics</b>							
<b>Tract Income Level</b>	<b># of Branches</b>	<b>% of Branches</b>	<b># of ATMs</b>	<b>% of ATMs</b>	<b>% of Tracts</b>	<b>% of Families</b>	<b>% of Businesses</b>
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	100.0	2	100.0	75.0	82.4	81.6
Upper	0	0.0	0	0.0	25.0	17.6	18.4
Unknown	0	0.0	0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks GNB Bank fourth among six FDIC-insured institutions operating in the assessment area. The bank holds a 14.8 percent market share, compared to the market leader Community Savings Bank, Edgewood, Iowa which holds 31.5 percent of the assessment area’s deposits.

GNB Bank ranks fifth out of 69 aggregate lenders in 2020 HMDA-reportable transactions. A total of 64 originations and purchase transactions were reported by the bank compared to 261 reported by market leader Community Savings Bank. The data is indicative of a saturated market with respect to HMDA reporters. However, GNB remains competitive in the market with HMDA-reportable lending. Additional assessment area demographic information is provided in the following table.

<b>Assessment Area 2020 East IA Non MSA</b>									
<b>Income Categories</b>	<b>Tract Distribution</b>		<b>Families by Tract Income</b>		<b>Families &lt; Poverty Level as % of Families by Tract</b>		<b>Families by Family Income</b>		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	836	16.7	
Moderate-income	0	0.0	0	0.0	0	0.0	726	14.5	
Middle-income	3	75.0	4,120	82.4	292	7.1	1,125	22.5	
Upper-income	1	25.0	882	17.6	28	3.2	2,315	46.3	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>4</b>	<b>100.0</b>	<b>5,002</b>	<b>100.0</b>	<b>320</b>	<b>6.4</b>	<b>5,002</b>	<b>100.0</b>	
	<b>Housing Units by Tract</b>	<b>Housing Types by Tract</b>							
		<b>Owner-Occupied</b>				<b>Rental</b>		<b>Vacant</b>	
		#	%	%	#	%	#	%	
Low-income	0	0	0.0	0.0	0	0.0	0	0.0	
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0	
Middle-income	6,728	4,568	81.9	67.9	1,196	17.8	964	14.3	
Upper-income	1,303	1,011	18.1	77.6	198	15.2	94	7.2	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>8,031</b>	<b>5,579</b>	<b>100.0</b>	<b>69.5</b>	<b>1,394</b>	<b>17.4</b>	<b>1,058</b>	<b>13.2</b>	
	<b>Total Businesses by Tract</b>	<b>Businesses by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>				<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>	
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	725	81.6	651	81.6	59	84.3	15	75.0	
Upper-income	163	18.4	147	18.4	11	15.7	5	25.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>888</b>	<b>100.0</b>	<b>798</b>	<b>100.0</b>	<b>70</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	
<b>Percentage of Total Businesses:</b>				<b>89.9</b>		<b>7.9</b>		<b>2.3</b>	
	<b>Total Farms by Tract</b>	<b>Farms by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>				<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>	
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	225	81.2	222	81.0	2	100.0	1	100.0	
Upper-income	52	18.8	52	19.0	0	0.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>277</b>	<b>100.0</b>	<b>274</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	
<b>Percentage of Total Farms:</b>				<b>98.9</b>		<b>0.7</b>		<b>0.4</b>	

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS

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

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE EAST IA NON-MSA**

### **LENDING TEST**

GNB Bank's lending performance in the East IA Non-MSA is consistent with the bank's lending performance overall.

### **Geographic Distribution of Loans**

The following tables represent the 2020 geographic distribution of HMDA-reportable, small business, and small farms loans in the assessment area. Please refer to Appendix C for the bank's 2019 HMDA-reportable lending information.

<b>Geographic Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area: 2020 East IA Non MSA</b>								
Product Type	Tract Income Levels	<b>Bank &amp; Aggregate Lending Comparison</b>						Owner Occupied % of Units
		Count Bank		Agg		Dollar Bank		
		#	%	%	\$ (000s)	\$%	\$%	
Home Purchase	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	9	90.0	87.2	1,259	93.5	84.3	81.9
	Upper	1	10.0	12.8	87	6.5	15.7	18.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>1,346</b>	<b>100.0</b>	<b>100.0</b>
Refinance	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	38	74.5	79.8	5,222	68.2	78.1	81.9
	Upper	13	25.5	20.2	2,434	31.8	21.9	18.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>51</b>	<b>100.0</b>	<b>100.0</b>	<b>7,656</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	1	100.0	80.0	6	100.0	87.2	81.9
	Upper	0	0.0	20.0	0	0.0	12.8	18.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	<i>Multi-Family</i>
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	1	100.0	100.0	94	100.0	100.0	88.0
	Upper	0	0.0	0.0	0	0.0	0.0	12.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>94</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	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	0	0.0	83.9	0	0.0	87.5	81.9
	Upper	0	0.0	16.1	0	0.0	12.5	18.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	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	0	0.0	80.0	0	0.0	74.2	81.9
	Upper	0	0.0	20.0	0	0.0	25.8	18.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	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	0	0.0	100.0	0	0.0	100.0	81.9
	Upper	0	0.0	0.0	0	0.0	0.0	18.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	49	77.8	82.1	6,581	72.3	80.2	81.9
	Upper	14	22.2	17.9	2,521	27.7	19.8	18.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>63</b>	<b>100.0</b>	<b>100.0</b>	<b>9,102</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data  
Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of Small Business Loans</b>						
<i>Assessment Area: 2020 East IA Non MSA</i>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Businesses</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.0
	Middle	5	55.6	410	51.8	81.6
	Upper	4	44.4	381	48.2	18.4
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>9</b>	<b>100.0</b>	<b>791</b>	<b>100.0</b>	<b>100.0</b>

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
 Note: Percentages may not add to 100.0 percent due to rounding

<b>Geographic Distribution of Small Farm Loans</b>						
<i>Assessment Area: 2020 East IA Non MSA</i>						
	<b>Tract Income Levels</b>	<b>Bank &amp; Demographic Comparison</b>				
		<b>Count Bank</b>		<b>2020 Dollar Bank</b>		<b>Total Farms</b>
		<b>#</b>	<b>%</b>	<b>\$ 000s</b>	<b>\$ %</b>	
Small Farm	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.0
	Middle	13	72.2	2,600	86.4	81.2
	Upper	5	27.8	408	13.6	18.8
	Unknown	0	0.0	0	0.0	0.0
	<b>Total</b>	<b>18</b>	<b>100.0</b>	<b>3,008</b>	<b>100.0</b>	<b>100.0</b>

2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
 Note: Percentages may not add to 100.0 percent due to rounding

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

The following tables represent the 2020 borrower distribution of HMDA-reportable, small business, and small farms loans in the assessment area. Please refer to Appendix C for the bank’s 2019 HMDA-reportable lending information.



<b>Borrower Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area: 2020 East IA Non MSA</b>								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2020			2020			
		Count Bank		Agg %	Dollar Bank		Agg %	
		#	%	%	\$(000s)	\$%	\$%	
Home Purchase	Low	1	10.0	8.2	157	11.7	5.1	16.7
	Moderate	3	30.0	23.0	371	27.6	16.7	14.5
	Middle	3	30.0	19.5	433	32.2	20.7	22.5
	Upper	2	20.0	36.2	321	23.8	45.4	46.3
	Unknown	1	10.0	13.1	64	4.8	12.2	0.0
	<b>Total</b>		<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>1,346</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	1	2.0	4.2	98	1.3	2.1	16.7
	Moderate	10	19.6	14.3	783	10.2	8.6	14.5
	Middle	13	25.5	22.6	1,560	20.4	18.7	22.5
	Upper	26	51.0	46.9	5,145	67.2	56.2	46.3
	Unknown	1	2.0	12.0	70	0.9	14.4	0.0
	<b>Total</b>		<b>51</b>	<b>100.0</b>	<b>100.0</b>	<b>7,656</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	11.4	0	0.0	6.1	16.7
	Moderate	0	0.0	5.7	0	0.0	9.4	14.5
	Middle	1	100.0	31.4	6	100.0	24.6	22.5
	Upper	0	0.0	45.7	0	0.0	49.1	46.3
	Unknown	0	0.0	5.7	0	0.0	10.7	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	10.0	0	0.0	8.8	16.7
	Moderate	0	0.0	0.0	0	0.0	0.0	14.5
	Middle	0	0.0	0.0	0	0.0	0.0	22.5
	Upper	0	0.0	0.0	0	0.0	0.0	46.3
	Unknown	1	100.0	90.0	94	100.0	91.2	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>94</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	6.5	0	0.0	2.5	16.7
	Moderate	0	0.0	16.1	0	0.0	12.8	14.5
	Middle	0	0.0	29.0	0	0.0	17.7	22.5
	Upper	0	0.0	48.4	0	0.0	67.0	46.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	10.0	0	0.0	0.8	16.7
	Moderate	0	0.0	30.0	0	0.0	15.5	14.5
	Middle	0	0.0	40.0	0	0.0	40.4	22.5
	Upper	0	0.0	20.0	0	0.0	43.3	46.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	16.7
	Moderate	0	0.0	0.0	0	0.0	0.0	14.5
	Middle	0	0.0	0.0	0	0.0	0.0	22.5
	Upper	0	0.0	0.0	0	0.0	0.0	46.3
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	2	3.2	5.6	255	2.8	3.0	16.7
	Moderate	13	20.6	16.2	1,154	12.7	10.6	14.5
	Middle	17	27.0	22.1	1,999	22.0	19.1	22.5
	Upper	28	44.4	43.2	5,466	60.1	52.6	46.3
	Unknown	3	4.8	12.9	228	2.5	14.7	0.0
	<b>Total</b>		<b>63</b>	<b>100.0</b>	<b>100.0</b>	<b>9,102</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data  
Note: Percentages may not add to 100.0 percent due to rounding

<b>Small Business Lending By Revenue &amp; Loan Size</b>							
<b>Assessment Area: 2020 East IA Non MSA</b>							
Product Type		<b>Bank &amp; Demographic Comparison</b>					
		<b>Count</b>		<b>2020 Dollar</b>		<b>Total</b>	
		<b>Bank</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>		<b>Businesses</b>
#	%	\$ 000s	%	%			
Small Business	Revenue	\$1 Million or Less	7	77.8	430	54.4	89.9
		Over \$1 Million	2	22.2	361	45.6	7.9
		Unknown	0	0.0	0	0.0	2.3
		<b>Total</b>	<b>9</b>	<b>100.0</b>	<b>791</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	7	77.8	195	24.7	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	2	22.2	596	75.3	
		<b>Total</b>	<b>9</b>	<b>100.0</b>	<b>791</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	6	85.7	150	34.9	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	1	14.3	280	65.1	
		<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>430</b>	<b>100.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

<b>Small Farm Lending By Revenue &amp; Loan Size</b>							
<b>Assessment Area: 2020 East IA Non MSA</b>							
Product Type		<b>Bank &amp; Demographic Comparison</b>					
		<b>Count</b>		<b>2020 Dollar</b>		<b>Total</b>	
		<b>Bank</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>		<b>Farms</b>
#	%	\$ 000s	%	%			
Small Farm	Revenue	\$1 Million or Less	18	100.0	3,008	100.0	98.9
		Over \$1 Million	0	0.0	0	0.0	0.7
		Unknown	0	0.0	0	0.0	0.4
		<b>Total</b>	<b>18</b>	<b>100.0</b>	<b>3,008</b>	<b>100.0</b>	<b>100.0</b>
	Loan Size	\$100,000 or Less	8	44.4	397	13.2	
		\$100,001 - \$250,000	7	38.9	1,497	49.8	
		\$250,001 - \$500,000	3	16.7	1,115	37.1	
		<b>Total</b>	<b>18</b>	<b>100.0</b>	<b>3,009</b>	<b>100.0</b>	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	8	44.4	397	13.2	
		\$100,001 - \$250,000	7	38.9	1,497	49.8	
		\$250,001 - \$500,000	3	16.7	1,115	37.1	
		<b>Total</b>	<b>18</b>	<b>100.0</b>	<b>3,009</b>	<b>100.0</b>	

Originations & Purchases  
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS  
*Note: Percentages may not add to 100.0 percent due to rounding*

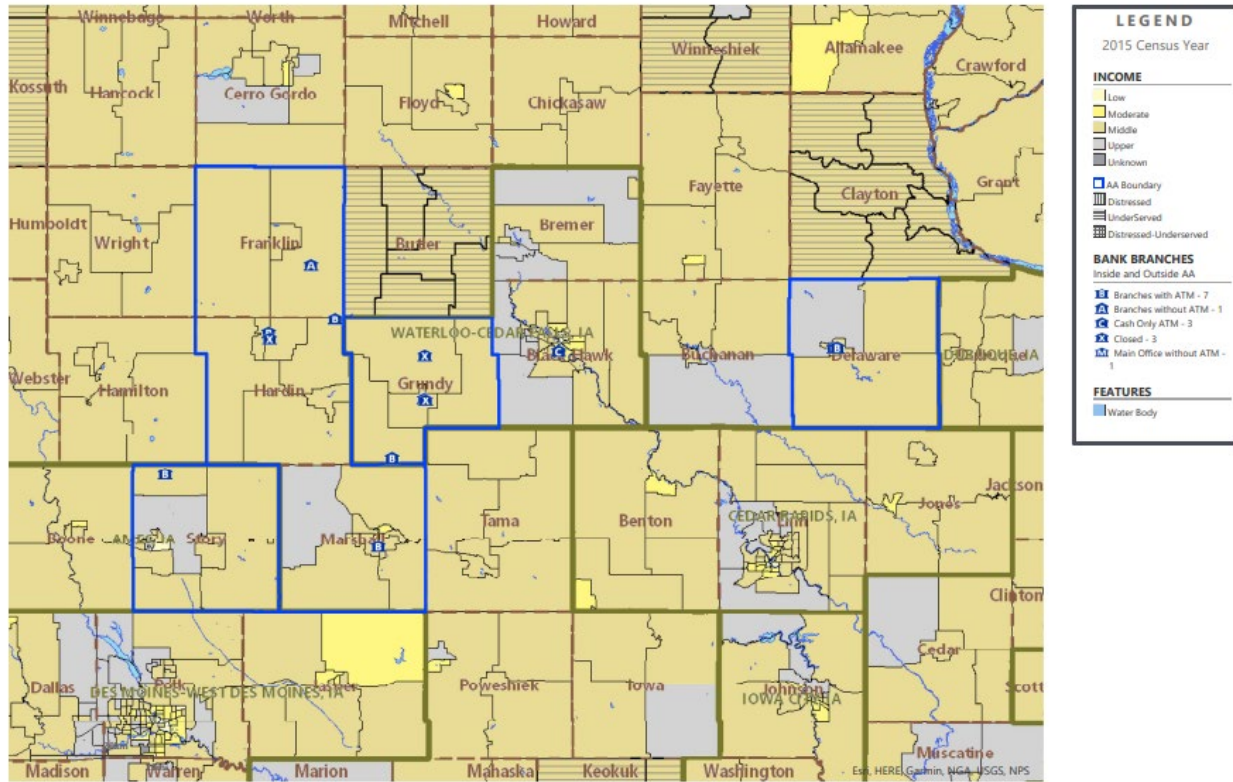
**COMMUNITY DEVELOPMENT TEST**

GNB Bank’s community development performance in the East IA Non-MSA is consistent with the bank’s community development performance overall. The bank made a significant loan to a major healthcare provider via the Paycheck Protection Program as well as large donations to a workforce development group focused on keeping LMI workers in the area.

<b>Community Development Activities</b> October 15, 2018 - November 1, 2021										
<b>Type of Activity</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Activities that Revitalize/Stabilize</b>		<b>Totals</b>	
	<b>#</b>	<b>\$/Hours</b>	<b>#</b>	<b>\$/Hours</b>	<b>#</b>	<b>\$/Hours</b>	<b>#</b>	<b>\$/Hours</b>	<b>#</b>	<b>\$/Hours</b>
<b>Loans</b>	0	0	0	0	0	0	1	5,545,000	1	5,545,000
<b>Investments</b>	0	0	0	0	0	0	0	0	0	0
<b>Donations</b>	0	0	7	15,350	3	15,000	0	0	10	30,350
<b>Services</b>	0	0	0	0	3	15	0	0	3	15

### APPENDIX A – Maps of Assessment Areas

**GNB Bank 724744**  
Combined Assessment Area



**APPENDIX B - 2019 Demographic and Lending Data Full-scope Reviews**

<i>Assessment Area: 2019 Waterloo-Cedar Falls, IA MSA 47940</i>									
<i>Income Categories</i>	<i>Tract Distribution</i>		<i>Families by Tract Income</i>		<i>Families &lt; Poverty Level as % of Families by Tract</i>		<i>Families by Family Income</i>		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	451	12.7	
Moderate-income	0	0.0	0	0.0	0	0.0	713	20.0	
Middle-income	4	100.0	3,564	100.0	119	3.3	883	24.8	
Upper-income	0	0.0	0	0.0	0	0.0	1,517	42.6	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>4</b>	<b>100.0</b>	<b>3,564</b>	<b>100.0</b>	<b>119</b>	<b>3.3</b>	<b>3,564</b>	<b>100.0</b>	
	<i>Housing Units by Tract</i>	<i>Housing Types by Tract</i>							
		<i>Owner-Occupied</i>		<i>Rental</i>		<i>Vacant</i>			
		#	%	%	#	%	#	%	
Low-income	0	0	0.0	0.0	0	0.0	0	0.0	
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0	
Middle-income	5,538	4,174	100.0	75.4	1,009	18.2	355	6.4	
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>5,538</b>	<b>4,174</b>	<b>100.0</b>	<b>75.4</b>	<b>1,009</b>	<b>18.2</b>	<b>355</b>	<b>6.4</b>	
	<i>Total Businesses by Tract</i>	<i>Businesses by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>		<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>			
		#	%	#	%	#	%	#	%
Low-income	0	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	585	531	100.0	100.0	43	100.0	11	100.0	
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>585</b>	<b>531</b>	<b>100.0</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>	<b>11</b>	<b>100.0</b>	
	<b>Percentage of Total Businesses:</b>			<b>90.8</b>		<b>7.4</b>		<b>1.9</b>	
	<i>Total Farms by Tract</i>	<i>Farms by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>		<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>			
		#	%	#	%	#	%	#	%
Low-income	0	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	216	214	100.0	100.0	2	100.0	0	0.0	
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>216</b>	<b>214</b>	<b>100.0</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	
	<b>Percentage of Total Farms:</b>			<b>99.1</b>		<b>0.9</b>		<b>0.0</b>	

2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS

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

<b>Geographic Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area: 2019 Waterloo-Cedar Falls, IA MSA 47940</b>								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		Count		Dollar		Agg	Agg	
		Bank	Agg	Bank	Agg			
#	%	%	\$ (000s)	\$%	\$%			
Home Purchase	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	19	100.0	100.0	2,288	100.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>19</b>	<b>100.0</b>	<b>100.0</b>	<b>2,288</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	21	100.0	100.0	1,969	100.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>21</b>	<b>100.0</b>	<b>100.0</b>	<b>1,969</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	5	100.0	100.0	126	100.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>100.0</b>	<b>126</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	<i>Multi-Family</i>
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	100.0	0	0.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	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	0	0.0	100.0	0	0.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	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	0	0.0	100.0	0	0.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	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	0	0.0	100.0	0	0.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	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	45	100.0	100.0	4,383	100.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>45</b>	<b>100.0</b>	<b>100.0</b>	<b>4,383</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data

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

<b>Borrower Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area: 2019 Waterloo-Cedar Falls, IA MSA 47910</b>								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019			Dollar			
		Count Bank		Agg	Bank		Agg	
		#	%	%	\$(000s)	\$%	\$%	
Home Purchase	Low	2	10.5	13.0	120	5.2	7.5	12.7
	Moderate	4	21.1	26.4	404	17.7	20.7	20.0
	Middle	8	42.1	27.6	825	36.1	24.9	24.8
	Upper	5	26.3	18.8	939	41.0	29.1	42.6
	Unknown	0	0.0	14.2	0	0.0	17.9	0.0
	<b>Total</b>		<b>19</b>	<b>100.0</b>	<b>100.0</b>	<b>2,288</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	1	4.8	4.4	53	2.7	2.2	12.7
	Moderate	3	14.3	12.6	375	19.0	9.0	20.0
	Middle	6	28.6	25.3	626	31.8	21.5	24.8
	Upper	8	38.1	40.1	691	35.1	49.0	42.6
	Unknown	3	14.3	17.6	224	11.4	18.2	0.0
	<b>Total</b>		<b>21</b>	<b>100.0</b>	<b>100.0</b>	<b>1,969</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	2.8	0	0.0	4.3	12.7
	Moderate	0	0.0	22.2	0	0.0	26.2	20.0
	Middle	3	60.0	36.1	63	50.0	29.6	24.8
	Upper	2	40.0	36.1	63	50.0	34.2	42.6
	Unknown	0	0.0	2.8	0	0.0	5.8	0.0
	<b>Total</b>		<b>5</b>	<b>100.0</b>	<b>100.0</b>	<b>126</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	12.7
	Moderate	0	0.0	0.0	0	0.0	0.0	20.0
	Middle	0	0.0	0.0	0	0.0	0.0	24.8
	Upper	0	0.0	0.0	0	0.0	0.0	42.6
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	6.9	0	0.0	4.1	12.7
	Moderate	0	0.0	20.7	0	0.0	23.3	20.0
	Middle	0	0.0	37.9	0	0.0	32.9	24.8
	Upper	0	0.0	31.0	0	0.0	37.0	42.6
	Unknown	0	0.0	3.4	0	0.0	2.7	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	23.1	0	0.0	12.7	12.7
	Moderate	0	0.0	23.1	0	0.0	19.8	20.0
	Middle	0	0.0	30.8	0	0.0	35.4	24.8
	Upper	0	0.0	23.1	0	0.0	32.0	42.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	12.7
	Moderate	0	0.0	0.0	0	0.0	0.0	20.0
	Middle	0	0.0	0.0	0	0.0	0.0	24.8
	Upper	0	0.0	0.0	0	0.0	0.0	42.6
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	3	6.7	8.9	173	3.9	5.0	12.7
	Moderate	7	15.6	20.4	779	17.8	15.2	20.0
	Middle	17	37.8	27.7	1,514	34.5	23.1	24.8
	Upper	15	33.3	28.3	1,693	38.6	37.3	42.6
	Unknown	3	6.7	14.7	224	5.1	19.4	0.0
	<b>Total</b>		<b>45</b>	<b>100.0</b>	<b>100.0</b>	<b>4,389</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

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

<i>Assessment Area: 2019 West IA Non MSA</i>									
<i>Income Categories</i>	<i>Tract Distribution</i>		<i>Families by Tract Income</i>		<i>Families &lt; Poverty Level as % of Families by Tract</i>		<i>Families by Family Income</i>		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	2,906	16.3	
Moderate-income	2	10.5	1,933	10.8	323	16.7	3,410	19.1	
Middle-income	16	84.2	14,986	84.0	916	6.1	4,666	26.2	
Upper-income	1	5.3	912	5.1	40	4.4	6,849	38.4	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>19</b>	<b>100.0</b>	<b>17,831</b>	<b>100.0</b>	<b>1,279</b>	<b>7.2</b>	<b>17,831</b>	<b>100.0</b>	
	<i>Housing Units by Tract</i>	<i>Housing Types by Tract</i>							
		<i>Owner-Occupied</i>		<i>Rental</i>		<i>Vacant</i>			
		#	%	#	%	#	%		
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	3,619	1,607	8.2	44.4	1,458	40.3	554	15.3	
Middle-income	24,821	16,950	86.9	68.3	5,308	21.4	2,563	10.3	
Upper-income	1,341	955	4.9	71.2	250	18.6	136	10.1	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>29,781</b>	<b>19,512</b>	<b>100.0</b>	<b>65.5</b>	<b>7,016</b>	<b>23.6</b>	<b>3,253</b>	<b>10.9</b>	
	<i>Total Businesses by Tract</i>	<i>Businesses by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>		<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>			
		#	%	#	%	#	%		
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	302	10.0	272	10.0	29	12.8	1	1.6	
Middle-income	2,554	84.7	2,302	84.5	196	86.3	56	87.5	
Upper-income	160	5.3	151	5.5	2	0.9	7	10.9	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>3,016</b>	<b>100.0</b>	<b>2,725</b>	<b>100.0</b>	<b>227</b>	<b>100.0</b>	<b>64</b>	<b>100.0</b>	
<b>Percentage of Total Businesses:</b>			<b>90.4</b>		<b>7.5</b>		<b>2.1</b>		
	<i>Total Farms by Tract</i>	<i>Farms by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>		<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>			
		#	%	#	%	#	%		
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	3	0.4	3	0.4	0	0.0	0	0.0	
Middle-income	620	88.2	610	88.2	9	90.0	1	100.0	
Upper-income	80	11.4	79	11.4	1	10.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>703</b>	<b>100.0</b>	<b>692</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	
<b>Percentage of Total Farms:</b>			<b>98.4</b>		<b>1.4</b>		<b>0.1</b>		

2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS

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



<b>Geographic Distribution of HMDA Reportable Loans</b>							
<b>Assessment Area: 2019 West IA Non MSA</b>							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019		2019		Agg \$	
		Count Bank	Agg %	Dollar Bank \$ (000s)	Agg %		
#	%	%	\$ %	\$ %			
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	8.2	0	0.0	8.2
	Middle	17	89.5	85.4	1,218	75.6	86.9
	Upper	2	10.5	6.4	393	24.4	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>	<b>19</b>	<b>100.0</b>	<b>100.0</b>	<b>1,611</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	6.2	0	0.0	8.2
	Middle	10	100.0	86.5	1,441	100.0	86.9
	Upper	0	0.0	7.3	0	0.0	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>1,441</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	14.3	0	0.0	8.2
	Middle	2	100.0	79.4	41	100.0	86.9
	Upper	0	0.0	6.3	0	0.0	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>41</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	<i>Multi-Family</i> 0.0
	Moderate	2	66.7	41.7	7,360	91.9	24.0
	Middle	1	33.3	50.0	649	8.1	75.0
	Upper	0	0.0	8.3	0	0.0	1.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>8,009</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	3.6	0	0.0	8.2
	Middle	0	0.0	89.3	0	0.0	86.9
	Upper	0	0.0	7.1	0	0.0	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	13.3	0	0.0	8.2
	Middle	0	0.0	83.3	0	0.0	86.9
	Upper	0	0.0	3.3	0	0.0	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	40.0	0	0.0	8.2
	Middle	0	0.0	48.0	0	0.0	86.9
	Upper	0	0.0	12.0	0	0.0	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	2	5.9	8.9	7,360	66.3	8.2
	Middle	30	88.2	84.4	3,349	30.2	86.9
	Upper	2	5.9	6.7	393	3.5	4.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	<b>Total</b>	<b>34</b>	<b>100.0</b>	<b>100.0</b>	<b>11,102</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data  
*Note: Percentages may not add to 100.0 percent due to rounding*

<b>Borrower Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area 2019 West IA Non-MSA</b>								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019		2019		2019		
		Count Bank #	%	Agg %	Dollar Bank \$(000s)	%	Agg %	
Home Purchase	Low	1	5.3	11.5	20	1.2	6.9	16.3
	Moderate	5	26.3	30.1	312	19.4	24.2	19.1
	Middle	3	15.8	23.7	239	14.8	23.2	26.2
	Upper	9	47.4	24.6	930	57.7	34.9	38.4
	Unknown	1	5.3	10.0	110	6.8	10.8	0.0
	<b>Total</b>	<b>19</b>	<b>100.0</b>	<b>100.0</b>	<b>1,611</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	1	10.0	10.8	38	2.6	5.2	16.3
	Moderate	2	20.0	23.2	163	11.3	16.8	19.1
	Middle	3	30.0	20.5	356	24.7	18.8	26.2
	Upper	3	30.0	29.6	849	58.9	42.0	38.4
	Unknown	1	10.0	15.9	35	2.4	17.2	0.0
	<b>Total</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>	<b>1,441</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	11.1	0	0.0	7.8	16.3
	Moderate	0	0.0	23.8	0	0.0	18.0	19.1
	Middle	0	0.0	15.9	0	0.0	9.4	26.2
	Upper	2	100.0	47.6	41	100.0	63.0	38.4
	Unknown	0	0.0	1.6	0	0.0	1.8	0.0
	<b>Total</b>	<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>41</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	16.3
	Moderate	0	0.0	0.0	0	0.0	0.0	19.1
	Middle	0	0.0	8.3	0	0.0	0.3	26.2
	Upper	3	100.0	50.0	8,009	100.0	76.3	38.4
	Unknown	0	0.0	41.7	0	0.0	23.4	0.0
	<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>8,009</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	7.1	0	0.0	5.2	16.3
	Moderate	0	0.0	17.9	0	0.0	11.6	19.1
	Middle	0	0.0	25.0	0	0.0	22.9	26.2
	Upper	0	0.0	46.4	0	0.0	56.9	38.4
	Unknown	0	0.0	3.6	0	0.0	3.4	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	20.0	0	0.0	18.1	16.3
	Moderate	0	0.0	26.7	0	0.0	19.4	19.1
	Middle	0	0.0	16.7	0	0.0	13.1	26.2
	Upper	0	0.0	36.7	0	0.0	49.5	38.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	16.3
	Moderate	0	0.0	0.0	0	0.0	0.0	19.1
	Middle	0	0.0	0.0	0	0.0	0.0	26.2
	Upper	0	0.0	0.0	0	0.0	0.0	38.4
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>
HMDA Totals	Low	2	5.9	11.1	58	0.5	6.0	16.3
	Moderate	7	20.6	26.6	475	4.3	19.7	19.1
	Middle	6	17.6	21.6	595	5.4	19.6	26.2
	Upper	17	50.0	27.7	9,829	88.5	40.5	38.4
	Unknown	2	5.9	13.0	145	1.3	14.2	0.0
	<b>Total</b>	<b>34</b>	<b>100.0</b>	<b>100.0</b>	<b>11,102</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

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

**Appendix C - 2019 Demographic and Lending Data Limited Scope Reviews**

<i>Assessment Area: 2019 Ames, IA MSA 11180</i>									
<i>Income Categories</i>	<i>Tract Distribution</i>		<i>Families by Tract Income</i>		<i>Families &lt; Poverty Level as % of Families by Tract</i>		<i>Families by Family Income</i>		
	#	%	#	%	#	%	#	%	
Low-income	2	10.0	897	4.7	214	23.9	3,324	17.6	
Moderate-income	0	0.0	0	0.0	0	0.0	3,116	16.5	
Middle-income	14	70.0	14,204	75.2	863	6.1	4,614	24.4	
Upper-income	3	15.0	3,794	20.1	100	2.6	7,841	41.5	
Unknown-income	1	5.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>20</b>	<b>100.0</b>	<b>18,895</b>	<b>100.0</b>	<b>1,177</b>	<b>6.2</b>	<b>18,895</b>	<b>100.0</b>	
	<i>Housing Units by Tract</i>	<i>Housing Types by Tract</i>							
		<i>Owner-Occupied</i>		<i>Rental</i>		<i>Vacant</i>			
		#	%	#	%	#	%		
Low-income	3,641	567	3.0	15.6	2,894	79.5	180	4.9	
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0	
Middle-income	27,350	14,663	76.4	53.6	11,332	41.4	1,355	5.0	
Upper-income	6,690	3,956	20.6	59.1	2,482	37.1	252	3.8	
Unknown-income	7	0	0.0	0.0	7	100.0	0	0.0	
<b>Total Assessment Area</b>	<b>37,688</b>	<b>19,186</b>	<b>100.0</b>	<b>50.9</b>	<b>16,715</b>	<b>44.4</b>	<b>1,787</b>	<b>4.7</b>	
	<i>Total Businesses by Tract</i>	<i>Businesses by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>		<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>			
		#	%	#	%	#	%		
Low-income	427	10.7	366	10.1	59	18.0	2	4.4	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	2,719	68.0	2,500	69.0	181	55.4	38	84.4	
Upper-income	824	20.6	737	20.3	82	25.1	5	11.1	
Unknown-income	27	0.7	22	0.6	5	1.5	0	0.0	
<b>Total Assessment Area</b>	<b>3,997</b>	<b>100.0</b>	<b>3,625</b>	<b>100.0</b>	<b>327</b>	<b>100.0</b>	<b>45</b>	<b>100.0</b>	
<b>Percentage of Total Businesses:</b>				<b>90.7</b>		<b>8.2</b>		<b>1.1</b>	
	<i>Total Farms by Tract</i>	<i>Farms by Tract &amp; Revenue Size</i>							
		<i>Less Than or = \$1 Million</i>		<i>Over \$1 Million</i>		<i>Revenue Not Reported</i>			
		#	%	#	%	#	%		
Low-income	6	1.6	5	1.4	1	12.5	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	279	76.0	275	76.6	4	50.0	0	0.0	
Upper-income	82	22.3	79	22.0	3	37.5	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>367</b>	<b>100.0</b>	<b>359</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	
<b>Percentage of Total Farms:</b>				<b>97.8</b>		<b>2.2</b>		<b>0.0</b>	

2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS

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

<b>Geographic Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area 2019 Ames, IA MSA 11180</b>								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		Count		2019		Dollar		
		Bank	Agg	Bank	Agg	Bank	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	1.5	0	0.0	1.0	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	2	100.0	77.5	163	100.0	71.2	76.4
	Upper	0	0.0	21.1	0	0.0	27.8	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>163</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	2.3	0	0.0	2.0	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	4	100.0	72.1	889	100.0	65.2	76.4
	Upper	0	0.0	25.6	0	0.0	32.8	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>4</b>	<b>100.0</b>	<b>100.0</b>	<b>889</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	2.9	0	0.0	1.8	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	1	100.0	81.0	20	100.0	79.1	76.4
	Upper	0	0.0	16.1	0	0.0	19.1	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	12.0	0	0.0	32.6	19.7
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	58.7	0	0.0	32.2	64.8
	Upper	0	0.0	29.3	0	0.0	35.2	15.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	76.6	0	0.0	66.7	76.4
	Upper	0	0.0	23.4	0	0.0	33.3	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	3.3	0	0.0	8.6	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	73.3	0	0.0	61.1	76.4
	Upper	0	0.0	23.3	0	0.0	30.3	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	94.7	0	0.0	86.7	76.4
	Upper	0	0.0	5.3	0	0.0	13.3	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	2.1	0	0.0	6.3	3.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	7	100.0	75.2	1,072	100.0	63.1	76.4
	Upper	0	0.0	22.7	0	0.0	30.6	20.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>1,072</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

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

<b>Borrower Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area 2019 Ames, IA MSA 11180</b>								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019		Dollar Bank		Agg		
		Count Bank #	%	Agg %	\$(000s)	%	Agg %	
Home Purchase	Low	0	0.0	7.2	0	0.0	4.0	17.6
	Moderate	0	0.0	23.4	0	0.0	17.9	16.5
	Middle	1	50.0	24.7	120	73.6	23.6	24.4
	Upper	1	50.0	35.8	43	26.4	45.0	41.5
	Unknown	0	0.0	9.0	0	0.0	9.6	0.0
	<b>Total</b>		<b>2</b>	<b>100.0</b>	<b>100.0</b>	<b>163</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	0	0.0	6.3	0	0.0	3.5	17.6
	Moderate	0	0.0	16.1	0	0.0	11.1	16.5
	Middle	1	25.0	21.3	172	19.3	19.0	24.4
	Upper	3	75.0	40.7	717	80.7	49.0	41.5
	Unknown	0	0.0	15.6	0	0.0	17.5	0.0
	<b>Total</b>		<b>4</b>	<b>100.0</b>	<b>100.0</b>	<b>889</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	5.8	0	0.0	3.2	17.6
	Moderate	0	0.0	17.5	0	0.0	10.5	16.5
	Middle	0	0.0	17.5	0	0.0	19.1	24.4
	Upper	1	100.0	56.9	20	100.0	62.1	41.5
	Unknown	0	0.0	2.2	0	0.0	5.1	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	17.6
	Moderate	0	0.0	0.0	0	0.0	0.0	16.5
	Middle	0	0.0	2.7	0	0.0	0.8	24.4
	Upper	0	0.0	8.0	0	0.0	3.7	41.5
	Unknown	0	0.0	89.3	0	0.0	95.5	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	4.3	0	0.0	1.3	17.6
	Moderate	0	0.0	10.6	0	0.0	7.9	16.5
	Middle	0	0.0	21.3	0	0.0	15.3	24.4
	Upper	0	0.0	61.7	0	0.0	74.5	41.5
	Unknown	0	0.0	2.1	0	0.0	1.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	13.3	0	0.0	15.5	17.6
	Moderate	0	0.0	13.3	0	0.0	11.1	16.5
	Middle	0	0.0	28.9	0	0.0	24.3	24.4
	Upper	0	0.0	43.3	0	0.0	48.2	41.5
	Unknown	0	0.0	1.1	0	0.0	0.9	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	17.6
	Moderate	0	0.0	0.0	0	0.0	0.0	16.5
	Middle	0	0.0	0.0	0	0.0	0.0	24.4
	Upper	0	0.0	0.0	0	0.0	0.0	41.5
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	0	0.0	6.7	0	0.0	3.3	17.6
	Moderate	0	0.0	19.1	0	0.0	12.5	16.5
	Middle	2	28.6	22.5	292	27.2	18.3	24.4
	Upper	5	71.4	38.3	780	72.8	40.0	41.5
	Unknown	0	0.0	13.4	0	0.0	25.8	0.0
	<b>Total</b>		<b>7</b>	<b>100.0</b>	<b>100.0</b>	<b>1,072</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data  
Note: Percentages may not add to 100.0 percent due to rounding

<b>Assessment Area: 2019 East IA Non MSA</b>									
<b>Income Categories</b>	<b>Tract Distribution</b>		<b>Families by Tract Income</b>		<b>Families &lt; Poverty Level as % of Families by Tract</b>		<b>Families by Family Income</b>		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	836	16.7	
Moderate-income	0	0.0	0	0.0	0	0.0	726	14.5	
Middle-income	3	75.0	4,120	82.4	292	7.1	1,125	22.5	
Upper-income	1	25.0	882	17.6	28	3.2	2,315	46.3	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>4</b>	<b>100.0</b>	<b>5,002</b>	<b>100.0</b>	<b>320</b>	<b>6.4</b>	<b>5,002</b>	<b>100.0</b>	
	<b>Housing Units by Tract</b>	<b>Housing Types by Tract</b>							
		<b>Owner-Occupied</b>		<b>Rental</b>		<b>Vacant</b>			
		#	%	%	#	%	#	%	
Low-income	0	0	0.0	0.0	0	0.0	0	0.0	
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0	
Middle-income	6,728	4,568	81.9	67.9	1,196	17.8	964	14.3	
Upper-income	1,303	1,011	18.1	77.6	198	15.2	94	7.2	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>8,031</b>	<b>5,579</b>	<b>100.0</b>	<b>69.5</b>	<b>1,394</b>	<b>17.4</b>	<b>1,058</b>	<b>13.2</b>	
	<b>Total Businesses by Tract</b>	<b>Businesses by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>			
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	709	80.9	632	80.6	63	85.1	14	77.8	
Upper-income	167	19.1	152	19.4	11	14.9	4	22.2	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>876</b>	<b>100.0</b>	<b>784</b>	<b>100.0</b>	<b>74</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>	
			<b>Percentage of Total Businesses:</b>		<b>89.5</b>		<b>8.4</b>		<b>2.1</b>
	<b>Total Farms by Tract</b>	<b>Farms by Tract &amp; Revenue Size</b>							
		<b>Less Than or = \$1 Million</b>		<b>Over \$1 Million</b>		<b>Revenue Not Reported</b>			
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	228	81.1	225	80.9	2	100.0	1	100.0	
Upper-income	53	18.9	53	19.1	0	0.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
<b>Total Assessment Area</b>	<b>281</b>	<b>100.0</b>	<b>278</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	
			<b>Percentage of Total Farms:</b>		<b>98.9</b>		<b>0.7</b>		<b>0.4</b>
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									

<b>Geographic Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area: 2019 East IA Non MSA</b>								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		Count		2019		Dollar		
		Bank	%	Agg	%	Bank	Agg	
		#	%		%	\$(000s)	\$%	
Home Purchase	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	10	83.3	86.5	86.5	869	72.6	84.4
	Upper	2	16.7	13.5	13.5	328	27.4	18.1
	Unknown	0	0.0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>12</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>1,197</b>	<b>100.0</b>
Refinance	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	15	71.4	81.3	81.3	1,752	72.8	81.2
	Upper	6	28.6	18.8	18.8	655	27.2	18.8
	Unknown	0	0.0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>21</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>2,407</b>	<b>100.0</b>
Home Improvement	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	100.0	73.3	73.3	10	100.0	49.7
	Upper	0	0.0	26.7	26.7	0	0.0	50.3
	Unknown	0	0.0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>
Multi-Family	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	0	0.0	100.0	100.0	0	0.0	100.0
	Upper	0	0.0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
Other Purpose LOC	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	0	0.0	84.0	84.0	0	0.0	86.4
	Upper	0	0.0	16.0	16.0	0	0.0	13.6
	Unknown	0	0.0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
Other Purpose Closed/Exempt	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	0	0.0	54.5	54.5	0	0.0	52.4
	Upper	0	0.0	45.5	45.5	0	0.0	47.6
	Unknown	0	0.0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
Loan Purpose Not Applicable	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	0	0.0	85.7	85.7	0	0.0	85.5
	Upper	0	0.0	14.3	14.3	0	0.0	14.5
	Unknown	0	0.0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
HMDA Totals	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	26	76.5	83.0	83.0	2,631	72.8	82.4
	Upper	8	23.5	17.0	17.0	983	27.2	18.1
	Unknown	0	0.0	0.0	0.0	0	0.0	0.0
	<b>Total</b>		<b>34</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>3,614</b>	<b>100.0</b>

Originations & Purchases  
2016 FFIEC Census Data  
Note: Percentages may not add to 100.0 percent due to rounding

<b>Borrower Distribution of HMDA Reportable Loans</b>								
<b>Assessment Area: 2019 East IA Non MSA</b>								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019			2019			
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$%	\$%	
Home Purchase	Low	4	33.3	7.1	236	19.7	3.7	16.7
	Moderate	2	16.7	25.5	203	17.0	19.2	14.5
	Middle	2	16.7	23.2	328	27.4	22.2	22.5
	Upper	3	25.0	33.0	409	34.2	43.3	46.3
	Unknown	1	8.3	11.2	21	1.8	11.5	0.0
	<b>Total</b>		<b>12</b>	<b>100.0</b>	<b>100.0</b>	<b>1,197</b>	<b>100.0</b>	<b>100.0</b>
Refinance	Low	1	4.8	7.4	20	0.8	3.4	16.7
	Moderate	6	28.6	21.3	437	18.2	13.0	14.5
	Middle	2	9.5	19.5	402	16.7	17.1	22.5
	Upper	12	57.1	42.3	1,548	64.3	53.8	46.3
	Unknown	0	0.0	9.6	0	0.0	12.6	0.0
	<b>Total</b>		<b>21</b>	<b>100.0</b>	<b>100.0</b>	<b>2,407</b>	<b>100.0</b>	<b>100.0</b>
Home Improvement	Low	0	0.0	10.0	0	0.0	1.8	16.7
	Moderate	0	0.0	6.7	0	0.0	10.5	14.5
	Middle	1	100.0	33.3	10	100.0	20.2	22.5
	Upper	0	0.0	46.7	0	0.0	64.4	46.3
	Unknown	0	0.0	3.3	0	0.0	3.1	0.0
	<b>Total</b>		<b>1</b>	<b>100.0</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>100.0</b>
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	16.7
	Moderate	0	0.0	0.0	0	0.0	0.0	14.5
	Middle	0	0.0	0.0	0	0.0	0.0	22.5
	Upper	0	0.0	40.0	0	0.0	91.2	46.3
	Unknown	0	0.0	60.0	0	0.0	8.8	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	16.7
	Moderate	0	0.0	32.0	0	0.0	24.5	14.5
	Middle	0	0.0	32.0	0	0.0	32.2	22.5
	Upper	0	0.0	36.0	0	0.0	43.3	46.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	16.7
	Moderate	0	0.0	27.3	0	0.0	23.2	14.5
	Middle	0	0.0	0.0	0	0.0	0.0	22.5
	Upper	0	0.0	36.4	0	0.0	27.5	46.3
	Unknown	0	0.0	36.4	0	0.0	49.4	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	16.7
	Moderate	0	0.0	0.0	0	0.0	0.0	14.5
	Middle	0	0.0	0.0	0	0.0	0.0	22.5
	Upper	0	0.0	0.0	0	0.0	0.0	46.3
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	<b>Total</b>		<b>0</b>	<b>0.0</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>100.0</b>
HMDA Totals	Low	5	14.7	6.8	256	7.1	3.4	16.7
	Moderate	8	23.5	22.5	640	17.7	15.9	14.5
	Middle	5	14.7	21.6	740	20.5	19.3	22.5
	Upper	15	44.1	37.6	1,957	54.2	48.7	46.3
	Unknown	1	2.9	11.5	21	0.6	12.7	0.0
	<b>Total</b>		<b>34</b>	<b>100.0</b>	<b>100.0</b>	<b>3,614</b>	<b>100.0</b>	<b>100.0</b>

Originations & Purchases

2016 FFIEC Census Data

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



### APPENDIX D – Scope of Examination

SCOPE OF EXAMINATION			
<b>TIME PERIOD REVIEWED</b>	<ul style="list-style-type: none"> <li>• HMDA Reportable Lending: January 1, 2019 – December 31, 2020</li> <li>• Small Business Lending: January 1, 2020 – December 31, 2020</li> <li>• Small Farm Lending: January 1, 2020 – December 31, 2020</li> <li>• Community Development Activities: October 15, 2018 – November 1, 2020</li> </ul>		
<b>FINANCIAL INSTITUTION</b> GNB Bank		<b>PRODUCTS REVIEWED</b>	
		<ul style="list-style-type: none"> <li>• HMDA Reportable Lending</li> <li>• Small Business Lending</li> <li>• Small Farm Lending</li> <li>• Community Development Activities</li> </ul>	
<b>AFFILIATE(S)</b>	<b>AFFILIATE RELATIONSHIP</b>	<b>PRODUCTS REVIEWED</b>	
<ul style="list-style-type: none"> <li>• GNB Real Estate</li> <li>• GNB Insurance</li> </ul>	Bank Subsidiary	Affiliate Products Not Reviewed	
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Waterloo-Cedar Falls, Iowa MSA #47940	Full Scope Review	None	N/A
West Iowa, Non-MSA	Full Scope Review	None	N/A
Ames, Iowa MSA #11180	Limited Scope Review	None	N/A
East Iowa, Non-MSA	Limited Scope Review	None	N/A

## APPENDIX E – 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.<sup>1</sup>

**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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<sup>1</sup> 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 product office:** 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).