

PUBLIC DISCLOSURE

July 19, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Peoples Bank
RSSD# 968249

12701 University Avenue
Clive, Iowa 50325

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 RATING

Peoples Bank is rated: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

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

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

SCOPE OF EXAMINATION

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

The institution maintains three delineated assessments areas which include the Iowa Non-Metropolitan Statistical Area (Iowa Non-MSA), specifically Carroll and Greene County; Boone County which is in the Ames, IA Metropolitan Statistical Area (MSA) #11180 (Ames MSA); and Dallas County, Guthrie County and Polk County which are in the Des Moines-West Des Moines, IA MSA #19780 (Des Moines-West Des Moines MSA). The Ames MSA and Des Moines-West Des Moines MSA assessment areas were selected for a full scope review due to bank presence, deposit market share, volume of home mortgage, small farms, and small business, as well as community development needs. More consideration was given to the Des Moines-West Des Moines MSA due to bank presence, loan volume, and deposit market share. A limited scope review was conducted for the Iowa Non-MSA assessment area to determine consistency with the bank's overall performance in the full review assessment areas. The bank's performance in the limited review assessment area did not affect the overall rating.

Loan products reviewed include Home Mortgage Disclosure Act (HMDA)-reportable loans, small business loans and small farm loans. These are considered the bank's primary business lines based on volume by number and dollar amount. Small business lending received the most weight as it represents a majority of the loan portfolio by volume. In addition, the bank's community development activities were also evaluated.

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 sixteen-quarter average loan-to-deposit (LTD) ratio was calculated for the bank and compared to a sample of local competitors;
- ***Lending in the Assessment Area*** – The bank's HMDA-reportable loans originated 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 within the assessment area, from January 1, 2020 through December 31, 2020, were analyzed to determine the extent to which the bank is making loans in geographies of different income levels, particularly those designated as low- and moderate-income;
- ***Lending to Borrowers of Different Income and to Businesses and Farms of Different Sizes*** – The bank's HMDA-reportable loans originated from January 1, 2019 through December 31, 2020, and a sample of small business and small farm loans originated within the assessment area, 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 June 16, 2017 through July 19, 2021 were reviewed considering the capacity and the needs 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, community development, and affordable housing.

DESCRIPTION OF INSTITUTION

Peoples Bank, headquartered in Clive, Iowa, became a member of the Federal Reserve System on June 19, 2019 and is a subsidiary of Green Circle Investments, a bank holding company with majority ownership held by Rigler Investment Company, another bank holding company. Both holding companies are based out of Clive, Iowa. The intrastate bank operates nine branches, including its main office in Clive, Iowa, as well as operating four full-service and five cash-only automated teller machines (ATM), all within its assessment areas. No branches/ATMs were opened nor closed since the previous examination, and all of the branch locations maintain at least one loan officer on staff.

The bank offers a variety of lending products including residential real estate, commercial, agricultural, and consumer loans. Peoples Bank offers standard non-complex products and is primarily a commercial and agricultural lender, which make up 53.1 and 29.0 percent of the loan portfolio respectively, as of March 31, 2021. In addition, residential real estate loans, including variable and fixed rate in-house and secondary market loans, make up 15.0 percent of the loan portfolio. Also included in the residential real estate portfolio are VA and FHA loans. Furthermore, the bank offers standard, non-complex deposit and savings products including personal checking and savings and commercial checking and savings accounts. According to the Uniform Bank Performance Report (UBPR), the bank reported total assets of \$390.3 million, gross loans of \$244.9 million, and total deposits of \$313.4 million as of March 31, 2021.

Composition of Loan Portfolio as of March 31, 2021		
Loan Type	Dollar Volume (\$ in000's)	% of Portfolio
Residential Real Estate	36,704	15.0
Commercial	129,969	53.1
Agriculture	71,066	29.0
Consumer	2,546	1.0
Other	4,628	1.9
Total	244,913	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

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 by the Federal Deposit Insurance Corporation (FDIC), on June 15, 2017.

DESCRIPTION OF ASSESSMENT AREA

Peoples Bank operates in three assessment areas in the central portion of the state of Iowa: a portion of the Ames, IA MSA #11180 (all of Boone County), a portion of the Des Moines-West Des Moines, IA MSA #19780 (all of Polk, Dallas, and Guthrie Counties), and Iowa Non-MSA (Green County in its entirety and partial Carroll County). According to 2020 FFIEC Data, the combined assessment area is comprised of 129 census tracts. Since the previous examination, the delineated assessment areas have changed. At the previous examination, within the Des Moines-West Des Moines MSA the bank took a portion of Polk County (55 of 98 census tracts) however, the bank altered this delineation to include Polk County in its entirety due to a recommendation from this Reserve Bank. The Des Moines-West Des Moines MSA assessment area is comprised of 116 census tracts, including nine low-, 30 moderate-, 47 middle-, 29 upper-, and one unknown- income level census tracts. The unknown-income census tract is comprised of an airport thus, has no median family income to report. The city of Des Moines, which is the state's capital and most populous city, is located in Polk County.

Additionally, as a result of the OMB's 2019 revised delineation, Boone County was reassigned from the Iowa Non-MSA to become part of the Ames MSA. Prior to 2019, the bank's delineated Iowa Non-MSA assessment area included the entireties of Boone and Greene Counties, and a portion of Carroll County. At that time the Ames MSA was not included in the bank's delineated assessment area. The revised delineated Iowa Non-MSA assessment area includes Greene County, in its entirety, and a portion of Carroll County. The Iowa Non-MSA assessment area is comprised of six middle-income census tracts of which two are considered underserved due to their remote rural location, all located in Carroll County. The Ames MSA consists of Boone and Story County, of which the bank delineated Boone in its entirety, while excluding Story County. The Ames MSA assessment area is comprised of seven census tracts, including one moderate- and six middle-income census tracts.

According to 2020 FFIEC Census Data, a total of 243,169 housing units are located in the combined assessment area, of which 62,535 (25.7 percent) are located in low- and moderate-income census tracts. In the low-income tracts, 35.2 percent of housing units are owner-occupied while in moderate-income tracts 56.6 percent are owner-occupied. This indicates there are ample opportunities for home ownership in these tracts. Additionally, businesses and farms with \$1 million or less in total annual revenue represent 90.2 and 98.0 percent, respectively, of all businesses and farms in the assessment area. This data suggests that credit opportunities are available to businesses and farms of different revenue levels throughout the assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

LENDING TEST

Peoples Bank’s performance relative to the lending test is rated Satisfactory. The LTD ratio is reasonable given the bank’s size, financial condition, and assessment area credit needs. A majority of loans are originated within the bank’s delineated assessment areas. The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. In addition, loan distribution reflects reasonable penetration among individuals of different income levels, including low- and moderate-income (LMI), and businesses and farms of different sizes.

Loan-to-Deposit Ratio

Peoples Bank’s LTD ratio is reasonable given the bank’s size, financial condition, competition, and assessment area credit needs. As of March 31, 2021, the bank’s sixteen quarter average LTD ratio was 87.2 percent which is reasonable compared to its local competitors. Peoples Bank’s LTD ratio is in the middle of the range, at 44.5 to 108.2 percent, of the LTD ratios for the local banks that operate in the assessment areas. A reasonable LTD ratio indicates the bank’s willingness to lend and meet the credit needs of the assessment areas. The table below compares the bank’s LTD ratio to that of its local competitors.

Comparative Loan-to-Deposit Ratios as of March 31, 2021	
Institution	16-Quarter Average (%)
Peoples Bank	87.2
Competitors	
VisionBank of Iowa	108.2
Rolling Hills Bank & Trust	97.7
Home State Bank	90.3
Midwest Heritage Bank	89.8
Iowa Savings Bank	78.0
Raccoon Valley Bank	76.8
Earlham Savings Bank	60.4
Iowa State Bank	58.6
Boone Bank & Trust Co.	53.1
Community State Bank	44.5

Assessment Area Concentration

Peoples Bank’s assessment area concentration is satisfactory. The bank originated a majority of its loans in its delineated assessment areas.

Peoples Bank originated 85.1 percent of all loans by number and 80.6 percent by dollar amount inside the assessment areas. The product line with the highest concentration of loans originated inside the assessment areas was HMDA-reportable loans with 87.2 percent by number and 82.0 percent by dollar amount. Small business concentration within the assessment areas was 80.2 percent by number and 75.9 percent by dollar amount. Lastly, the bank originated 74.0 percent by number and 74.9 percent by dollar amount of its small farm loans inside its assessment areas. Overall, the percentage of HMDA-reportable, small business, and small farm originations inside the assessment areas indicates the bank is actively serving the credit needs of the community.

The following table summarizes the bank’s lending inside and outside the combined assessment areas, broken down by product.

Lending Inside and Outside the AA								
Loan Type	Inside				Outside			
	#	% of #	\$(000)	% of	#	% of #	\$(000)	% of \$
Home Improvement	63	92.6	\$6,275	85.9	5	7.4	\$1,029	14.1
Home Purchase- Conventional	137	87.3	\$29,334	85.8	20	12.7	\$4,854	14.2
Multi-Family Housing	26	76.5	\$18,448	70.7	8	23.5	\$7,627	29.3
Refinancing	401	87.2	\$81,620	83.4	59	12.8	\$16,246	16.6
HMDA (2019-2020)	627	87.2	\$135,677	82.0	92	12.8	\$29,755	18.0
Small Business (2020)	77	80.2	\$19,237	75.9	19	19.8	\$6,099	24.1
Small Farm (2020)	71	74.0	\$14,550	74.9	25	26.0	\$4,885	25.1
Total Loans	775	85.1	\$169,464	80.6	136	14.9	\$40,740	19.4

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

Geographic and Borrower Distribution

Peoples Bank’s overall geographic distribution of loans reflects reasonable dispersion throughout the assessment areas, including LMI geographies. In addition, the borrower distribution reflects a reasonable penetration among individuals of different income levels, including LMI individuals, and businesses and farms of different revenue sizes. A detailed analysis of the bank’s geographic and borrower distribution is provided within the individual assessment area sections.

Response to Complaints

The bank nor this Reserve Bank has not received any CRA-related complaints since the previous examination.

COMMUNITY DEVELOPMENT TEST

Peoples Bank's performance relative to the community development test is Satisfactory.

Lending, Investment, and Services Activities

Peoples Bank demonstrates adequate responsiveness to the needs of the assessment areas through community development loans, qualified investments and donations, and community development services. This performance was evaluated in comparison with the bank's ability to lend and the need and availability of such opportunities for community development in the bank's assessment areas. Since the previous evaluation, the bank has transitioned to an Intermediate Small Bank (ISB). At the previous examination, the bank was evaluated under the Small Bank Examination Procedures. During this evaluation period, Peoples Bank originated 28 qualified loans with a total of \$7.8 million towards affordable housing and revitalization and stabilization of its assessment areas. In addition, as a response to COVID-19, the bank participated in the Small Business Administration's (SBA) Payment Protection Program (PPP). In round one, the bank issued 223 loans totaling \$13 million, which directly impacted the smaller contractors and retail businesses within the area, specifically in the rural market. Round two was approximately doubled in number, at 418 loans and totaled \$11 million; this round included small farms loans which expanded their agriculture portfolio. This activity demonstrates the bank's responsiveness to the credit needs of the community.

During the same period, the bank made 15 qualified investments totaling \$1.2 million. Qualified investments were primarily for the community development purposes of community service and revitalization or stabilization of low- or moderate-income, or distressed or underserved geographies. In addition, 200 donations totaling \$65,348 were made for community development purposes. The bank provided contributions to organizations which support affordable housing, economic development, revitalization and stabilization of distressed or underserved geographies, and community services tailored to meet the needs of low- and moderate-income individuals in the assessment areas.

Lastly, bank staff provided 1,074 hours of community development services during the evaluation period. A majority of the service hours were dedicated to organizations with a community service focus. Benefitting from these services were organizations that received financial planning or resource allocation services as well as programs that target low- and moderate-income individuals throughout the bank's assessment areas. Bank employees served as board members or committee members for several of these organizations.

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

Community Development Activities June 15, 2017 - July 19, 2021								
Assessment Area	Loans		Investments		Donations		Services	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	Hours
Full Review								
Des Moines-West Des Moines, Iowa MSA	13	\$6,012	9	\$649	81	\$46	45	712
Ames, Iowa MSA	0	\$0	6	\$520	24	\$6	1	2
Limited Review								
Iowa Non-MSA	15	\$1,769	0	\$0	72	\$9	29	336
Regional	0	\$0	0	\$0	23	\$5	1	24
Total Qualified	28	\$7,780	15	\$1,169	200	\$65	76	1,074
<i>Note: Totals may not add up due to rounding.</i>								

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.

Des Moines-West Des Moines, IA MSA 19780 – FULL REVIEW

SCOPE OF EXAMINATION

Full scope examination procedures were used to evaluate the bank's performance in the Des Moines-West Des Moines MSA. The scope is consistent with the scope of the examination described within the institution summary. For further information, please refer to the "Scope of Examination" section.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN DES MOINES-WEST DES MOINES, IOWA MSA # 19780

The Des Moines-West Des Moines MSA assessment area includes Dallas, Guthrie, and Polk Counties in their entireties. This is a change from the previous examination, where the bank took a portion of Polk County (55 of 98 census tracts). The Des Moines-West Des Moines MSA assessment area is comprised of 116 census tracts, including nine low-, 30 moderate-, 47 middle-, 29 upper-, and one unknown- income level census tracts. The unknown-income census tract is comprised of an airport thus, has no median family income is available to report. Peoples Bank operates its main office with a cash-only ATM and three additional branches with full-service ATMs within the Des Moines-West Des Moines MSA assessment area. The main office is located in an upper-income census tract, in the city of Clive, which is a suburb of Des Moines. Two of the branches are located in middle-income census tracts and one branch is located in a moderate-income census tract.

The June 30, 2020 FDIC Deposit Market Share Report ranks Peoples Bank, with a market share of 0.7 percent, 20th among 46 FDIC-insured depository institutions operating in the Des Moines-West Des Moines MSA assessment area. However, 55.9 percent of Peoples Bank's total deposits and 67.2 percent of total loans are within the Des Moines-West Des Moines MSA assessment area.

In 2020, Peoples Bank ranked 36th among 410 organizations that originated or purchased home mortgage loans (HMDA-reporters), originating 307 HMDA-reportable loans.

Additional assessment area demographic information is provided in the following table. Please refer to Appendix B for 2019 demographic information.

Assessment Area: 2020 Des Moines-West Des Moines, IA MSA 19780									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	9	7.8	6,000	4.4	1,837	30.6	28,224	20.6	
Moderate-income	30	25.9	28,585	20.8	4,551	15.9	23,492	17.1	
Middle-income	47	40.5	55,136	40.2	3,806	6.9	29,484	21.5	
Upper-income	29	25.0	47,521	34.6	1,421	3.0	56,042	40.8	
Unknown-income	1	0.9	0	0.0	0	0.0	0	0.0	
Total Assessment Area	116	100.0	137,242	100.0	11,615	8.5	137,242	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied			Rental		Vacant		
		#	%	%	#	%	#	%	
Low-income	11,086	3,902	2.7	35.2	5,840	52.7	1,344	12.1	
Moderate-income	49,667	27,879	19.3	56.1	17,478	35.2	4,310	8.7	
Middle-income	94,259	60,557	41.9	64.2	26,806	28.4	6,896	7.3	
Upper-income	69,306	52,076	36.1	75.1	14,618	21.1	2,612	3.8	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
Total Assessment Area	224,318	144,414	100.0	64.4	64,742	28.9	15,162	6.8	
	Total Businesses by Tract		Businesses by Tract & Revenue Size						
	#	%	Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#	%
Low-income	1,021	3.7	885	3.6	128	5.2	8	2.8	
Moderate-income	4,013	14.5	3,629	14.6	357	14.6	27	9.4	
Middle-income	13,418	48.6	11,940	48.0	1,319	53.9	159	55.6	
Upper-income	9,139	33.1	8,407	33.8	640	26.2	92	32.2	
Unknown-income	11	0.0	8	0.0	3	0.1	0	0.0	
Total Assessment Area	27,602	100.0	24,869	100.0	2,447	100.0	286	100.0	
	Percentage of Total Businesses:			90.1		8.9		1.0	
	Total Farms by Tract		Farms by Tract & Revenue Size						
	#	%	Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#	%
Low-income	4	0.5	3	0.4	1	5.3	0	0.0	
Moderate-income	79	9.5	77	9.5	2	10.5	0	0.0	
Middle-income	506	61.0	496	61.2	10	52.6	0	0.0	
Upper-income	241	29.0	234	28.9	6	31.6	1	100.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	830	100.0	810	100.0	19	100.0	1	100.0	
	Percentage of Total Farms:			97.6		2.3		0.1	

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

According to the 2015 American Community Survey (ACS) data, the Des Moines-West Des Moines MSA assessment area’s population is 538,001, which is a 6.0 percent increase from the 2010 decennial census. This is attributed to Dallas and Polk Counties, which increased by 13.2 and 5.0 percent, respectively. During the same time period, the state of Iowa experienced a 1.5 percent increase in population. A community representative stated that the population increase in the area is due to competitive wage offerings and school systems that attract residents in surrounding counties. The representative also noted that Dallas County’s significant population increase is in part due to the availability of new home construction.

The table below presents the population trends for the bank’s Des Moines-West Des Moines MSA assessment area, and the state of Iowa from 2010 to 2015.

Area	Population Change		
	2010 Population	2011-15 Population	Percentage Change
Assessment Area	507,729	538,001	6.0
Dallas County	66,135	74,892	13.2
Guthrie County	10,954	10,740	-2.0
Polk County	430,640	452,369	5.0
Des Moines – West Des Moines MSA	569,633	637,913	12.0
State of Iowa	3,046,355	3,093,526	1.5

Source: U.S. Census Bureau 2010 Decennial Census and 2011-2015 American Community Survey Data

Income Characteristics

According to the 2020 FFIEC Census Data, the Des Moines-West Des Moines MSA assessment area is comprised of 137,242 families, with 20.6 percent being low-income, 17.1 percent moderate-income, 21.5 percent middle-income, and 40.8 percent upper-income. Approximately 8.5 percent of families residing within the assessment area live below the poverty line, which is consistent with the state of Iowa poverty rate at 8.1 percent.

The table below presents the Median Family Income (MFI) for the counties comprising the Des Moines-West Des Moines MSA assessment area, and the state of Iowa. According to 2011-2015 ACS data, MFI in the Des Moines-West Des Moines MSA assessment area is \$76,282, a 7.2 percent increase from the 2006-2011 ACS data. This is attributed to Dallas County, which increased by 10.0 percent to a \$92,428 MFI, since 2010. Dallas County continues to have the highest MFI compared to the other counties in the Des Moines-West Des Moines MSA and the state of Iowa, which is consistent with Dallas County being more financially affluent, according to a community representative. In addition, a community representative attributed the growth to historically competitive wages offered by the financial services industry, one of the major industries in the

assessment area. The representative expects this growth to continue and noted that there was no major economic impact during the pandemic for businesses within the assessment area.

Median Family Income Change			
Area	2010 Median Family Income	2011-15 Median Family Income	Percentage Change
Assessment Area	71,154	76,282	7.2
Dallas County	84,018	92,428	10.0
Guthrie County	61,951	61,006	-1.5
Polk County	70,445	74,335	5.5
Des Moines-West Des Moines MSA	71,705	75,653	5.5
State of Iowa	61,804	67,466	9.2

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

Housing Characteristics

According to 2020 FFIEC Census data, there are 224,318 housing units in the Des Moines-West Des Moines MSA assessment area, the majority of which are owner-occupied at 64.4 percent, while 28.9 percent are rental units and only 6.8 percent are vacant. The assessment area’s owner-occupied rate aligns with the rates of the entire Des Moines-West Des Moines MSA (65.2 percent) and state of Iowa (65.2 percent); although Dallas County’s rate is above that at 72.2 percent. The assessment area’s vacancy rate is below the state of Iowa (8.7 percent), driven by the low rate in Dallas County at 5.7 percent.

Counties comprising the Des Moines-West Des Moines MSA assessment area, and the state of Iowa experienced increases in median housing values and median gross rents from 2010 to 2015. While the increase in median housing value in the assessment area (5.8 percent) is less than the increase in the state of Iowa (8.4 percent); the increase in median gross rent in the assessment area (13.4 percent) align with the increase in the state of Iowa (13.0 percent). Overall, the housing cost in the Des Moines-West Des Moines MSA assessment area is higher than the state of Iowa, largely attributed to Dallas and Polk Counties. According to the 2011-2015 ACS data, the assessment area median housing value is \$160,082, while the state of Iowa is \$129,200. Dallas and Polk Counties have median housing values of \$190,700 and \$157,200, respectively. The assessment area’s median gross rent (\$805) is higher than the state of Iowa (\$697). Dallas and Polk Counties have median gross rent of \$910 and \$799, respectively. A community representative attributed the historically higher housing costs in Dallas and Polk Counties to them being deemed more financially affluent than the state of Iowa, due to the presence of the financial services industry in the area. The only county, in the assessment area, that has a lower housing cost than the state of Iowa is Guthrie County.

A common method to compare relative affordability of housing across geographic areas is the affordability ratio, which is defined in Appendix D. Generally, a higher ratio supports more affordable housing opportunities. Based on the 2011-2015 ACS data, the affordability ratios for Dallas, Guthrie and Polk counties are 0.40, 0.49 and 0.38, respectively. This is similar to the state of Iowa’s ratio at 0.41 and the assessment area’s ratio at 0.38. The ratios indicate that housing in Guthrie County is more affordable compared to the rest of the assessment area and the state of Iowa. This is due to Guthrie County’s lower housing costs.

Housing cost trend data are presented in the table below.

Trends in Housing Costs							
Location	2006-2010 Median Housing Value	2011-2015 Median Housing Value	Percentage Change	2006-2010 Median Gross Rent	2011-2015 Median Gross Rent	Percentage Change	Affordability Ratio
Assessment Area	151,259	160,082	5.8	710	805	13.4	0.38
Dallas County	176,600	190,700	8.0	688	910	32.3	0.40
Guthrie County	94,600	103,700	9.6	476	601	26.3	0.49
Polk County	149,700	157,200	5.0	714	799	11.9	0.38
Des Moines-West Des Moines MSA	151,057	158,092	4.7	706	796	12.7	0.39
State of Iowa	119,200	129,200	8.4	617	697	13.0	0.41

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

Employment Characteristics

The following table presents the unemployment trends for the assessment area counties, the Des Moines-West Des Moines MSA, and the state of Iowa from 2016 to 2019. Overall, all counties within the assessment area experienced declining unemployment rates from 2016 to 2019, which aligns with unemployment trends in Des Moines-West Des Moines MSA and the state of Iowa.

A community representative noted that as the assessment area counties continue to grow, construction increased as well. This results in more job opportunities, which helps contribute to the declining unemployment rates. In 2019, United Healthcare laid off 549 employees, but the community representative mentioned that most individuals that were laid off were able to find jobs in other sectors. Additionally, the community representative stated, that in 2020 the COVID-19 pandemic caused many local restaurants, bars, and salons to shut down, however many have since recovered and reopened. As a result of the pandemic, many companies have adjusted the way that employees conduct business, such as offering working from home arrangements.

Unemployment Rates (%)				
Area	2016	2017	2018	2019
Dallas County	2.7	2.1	1.7	2.0
Guthrie County	3.6	3.2	2.6	3.0
Polk County	3.5	3.1	2.5	2.8
Des Moines – West Des Moines MSA	3.4	2.9	2.4	2.7
State of Iowa	3.7	3.1	2.5	2.7

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics

Bankruptcy Characteristics

Based on the Administrative Office of the U.S. Courts , the bankruptcy filing rate of the counties that comprise the Des Moines-West Des Moines MSA assessment area, align with the state of Iowa’s filing rate. In general, bankruptcy rates across the state of Iowa and the assessment area are experiencing a slight increase aside from Dallas County which experienced a slight decline from 2018 to 2019.

Personal Bankruptcy Filing Rate (per 1,000 population)				
Area	2016	2017	2018	2019
Dallas County	1.1	1.3	1.6	1.4
Guthrie County	1.5	1.8	0.9	1.8
Polk County	1.8	1.8	1.9	2.1
Des Moines- West Des Moines, IA MSA	1.7	1.7	1.8	2.0
State of Iowa	1.3	1.3	1.4	1.5

Source: Administrative Office of the U.S. Courts

Industry Characteristics

The assessment area contains a diverse employment base and is most heavily impacted by the industries of service providers, healthcare, and manufacturing. A community representative noted that financial services and healthcare industries are leaders within the assessment area, offering competitive wages to employees. Principal Financial Group is the largest financial services company within the area. The representative also noted that, while leading industries within the area were not heavily impacted by the COVID-19 pandemic in 2020, local small businesses were struggling with sustainability, but have since recovered.

The information presented in the table below illustrates the largest employers in the assessment area and details their respective industries.

Largest Employers in the Assessment Area		
Company	Number of Employees	Industry
Principal Financial Group Inc	8,000	Financial Advisory Services
Blank Children's Hospital	6,000	Hospitals
State Public Policy Group Inc	5,000	State Government-General Offices
Iowa Methodist Medical Center	3,734	Hospitals
Mercy One Des Moines Medical Center	3,412	Hospitals
John Deere Co	3,000	Farm Equipment-Manufacturers
Iowa Methodist Medical Center-ER	3,000	Physicians & Surgeons
Wells Fargo Home Mortgage	2,000	Real Estate Loans
TMC Transportation	2,000	Trucking-Motor Freight
Wellmark Inc	1,800	Insurance

Source: Business information provided by Infogroup®, Omaha, NE

Community Representatives

Two community representatives were contacted to provide information regarding local economic and demographic conditions. The representatives provided information on housing, employment, and economic development needs within the assessment area. A representative stated that the counties in the assessment area are expanding and growing due to the influx of insurance and financial industries in the community. This growth has resulted in the increase in population and median family income. While a few people have moved out, many people have moved into the community to take advantage of new job opportunities. The expansion has also resulted in a low supply of housing. In addition, one representative noted the community is busier than ever with programs to support small businesses, including woman and minority-owned small businesses. The representatives believe financial institutions within the assessment area are very responsive with their support.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DES MOINES-WEST DES MOINES, IOWA MSA # 19780

LENDING TEST

Peoples Bank's performance relative to the lending test in the Des Moines-West Des Moines MSA is reasonable given the geographic distribution of HMDA-reportable, small business, and small farm loans, as well as reasonable dispersion among individuals of different income levels and to businesses and farms of different sizes.

Geographic Distribution of Loans

The geographic distribution of HMDA-reportable, small business, and small farm loans reflect a reasonable dispersion of loans throughout the assessment area, including in the bank's low- and moderate-income census tracts. A gap analysis was completed as part of the evaluation, and based upon this analysis, there were no conspicuous or unexplained lending gaps in the assessment area. In 2020, Peoples Bank originated loans in 77.6 percent of the 116 census tracts in the assessment area: including loans in six of the nine (66.7 percent) low-income census tracts, 20 of the 30 (66.7 percent) moderate-income census tracts, and 37 of the 47 (78.7 percent) middle-income census tracts. The dispersion is primarily driven by the large volume of HMDA-reportable loans (286), compared to the sample of small business loans (57) and small farm loans (17) originated in the assessment area. In 2019, the bank originated HMDA-reportable loans in 53.4 percent of the total census tracts; including in three of the nine (33.3 percent) low-income census tracts, six of the 30 (20.0 percent) moderate-income census tracts, and 30 of the 47 (63.8 percent) middle-income census tracts. Based upon this analysis, there are no conspicuous geographic lending gaps.

HMDA-Reportable Loans

In 2020, the geographic distribution of HMDA-reportable loans reflects reasonable dispersion throughout the assessment area. Geographic distribution of 2019 HMDA-reportable loans are comparable, as shown in Appendix B. The bank's primary HMDA-reportable products during the review period were home purchase, refinance, and multi-family loans. The remaining HMDA-reportable products will not be evaluated due to low volumes of originations.

Home Purchase

In 2020, home purchase loans represented 16.8 percent of the bank's HMDA-reportable loans originated within the assessment area. Of the 48 home purchase loans Peoples Bank originated, 2.1 percent were in low-income census tracts, which was comparable to the performance of aggregate lenders (1.8 percent) and slightly below the percentage of owner-occupied units (2.7 percent) in low-income census tracts. The bank originated 25.0 percent of its home purchase loans in moderate-income census tracts, which was above the aggregate lenders' performance (14.9 percent) and the percentage of owner-occupied units (19.3 percent) in moderate-income census tracts. Overall, Peoples Bank's home purchase loan originations in low- to moderate-income (LMI) census tracts (27.1 percent) outperformed the aggregate lenders (16.7 percent) and the percentage of owner-occupied units (22.0 percent) within LMI census tracts.

The bank originated 31.3 percent of its home purchase loans in middle-income census tracts, which was below both aggregate lenders (39.1 percent) and the percentage of owner-occupied units (41.9 percent) located in middle-income census tracts. The majority of the bank's home purchase loans were originated in upper-income census tracts (41.7 percent), which was slightly below aggregate lenders (44.3 percent), yet above the percentage of owner-occupied units (36.1 percent) located in

upper-income census tracts.

The bank's 2019 HMDA-reportable lending is included in Appendix B. The bank's home purchase performance in 2020 was slightly better than the bank's performance in 2019. In 2019, lending in the low-income census tracts was consistent with both the aggregate lenders' performance and the owner-occupied units, while the lending to the moderate-income level census tracts was below both.

Refinance

In 2020, the majority of Peoples Bank's HMDA-reportable loans in the assessment area were refinance loans, representing 72.0 percent. The percentage of refinance loans originated in low-income census tracts (1.5 percent) was above the performance of aggregate lenders (0.8 percent) and below the percentage of owner-occupied units (2.7 percent) in low-income census tracts. The bank originated 10.2 percent of its refinance loans in moderate-income census tracts, which is above the aggregate lenders (7.3 percent) but below the percentage of owner-occupied units (19.3 percent) located in moderate-income census tracts. The bank's performance in moderate-income census tracts shows that the bank is dedicated to lending as they outperformed the aggregate. However, the bank still has a opportunity to lend as they performed lower than the percentage of owner-occupied units (19.3 percent) located in moderate-income census tracts.

Similar to home purchase loans, the majority of the bank's refinance loans were originated in middle- and upper-income level census tracts. The bank originated 33.5 percent of its refinance loans in middle-income census tracts, which is below the aggregate lenders (36.7 percent) and the percentage of owner-occupied units (41.9 percent) in middle-income census tracts. The bank originated 54.9 percent of its refinance loans in upper-income census tracts, which is comparable to the aggregate lenders (55.3 percent) but above the percentage of owner-occupied units (36.1 percent) located in upper-income census tracts.

The bank's 2019 HMDA-reportable lending is included in Appendix B. The geographic distribution of HMDA-reportable refinance loans in 2020 was slightly better than the lending in 2019. In 2020, the bank originated 11.7 percent of its refinance loans in LMI census tracts compared to 8.3 percent in 2019. There was no activity in low-income level census tracts in 2019.

Multi-Family

In 2020, multi-family loans represented 5.9 percent of the bank's HMDA-reportable loans originated within the assessment area. The bank's origination of multi-family loans, in both low- and moderate-income level census tracts, outperformed both the aggregate lenders and multi-family units in those census tracts. The bank's 23.5 percent of its multi-family loans in low-income census tracts was above the aggregate lenders' 8.5 percent and the 7.3 percent of multi-family units located in low-income census tracts. At the same time, the bank originated 29.4 percent of its multi-

family loans in moderate-income census tracts, while the aggregate lenders originated only 24.6 percent and 20.1 percent of multi-family units were located in moderate-income census tracts.

The majority of the bank's multi-family loans were originated in middle-income census tracts (41.2 percent), which was comparable to both aggregate lenders (38.6 percent) and the percentage of multi-family units (45.6 percent) located in middle-income census tracts. The bank originated 5.9 percent of its multi-family loans in upper-income census tracts, which was well below both aggregate lenders (28.4 percent) and the percentage of multi-family units (26.9 percent) located in upper-income census tracts.

The bank's 2019 HMDA-reportable lending is included in Appendix B. In 2019, the bank's multi-family loans origination was non-material, as they only originated five loans compared to 17 in 2020.

The following table summarizes the bank's 2020 geographic distribution of HMDA-reportable lending in the assessment area.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2020 Des Moines-West Des Moines, IA MSA 19780								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		Count		Agg	Dollar		Agg	
		#	%		\$ (000s)	%		
2020								
Home Purchase	Low	1	2.1	1.8	82	0.7	1.0	2.7
	Moderate	12	25.0	14.9	1,298	11.3	9.4	19.3
	Middle	15	31.3	39.1	3,283	28.5	37.4	41.9
	Upper	20	41.7	44.3	6,860	59.5	52.3	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	48	100.0	100.0	11,523	100.0	100.0	100.0
Refinance	Low	3	1.5	0.8	222	0.4	0.4	2.7
	Moderate	21	10.2	7.3	2,346	4.6	4.2	19.3
	Middle	69	33.5	36.7	15,391	30.0	34.0	41.9
	Upper	113	54.9	55.3	33,331	65.0	61.4	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	206	100.0	100.0	51,290	100.0	100.0	100.0
Home Improvement	Low	0	0.0	2.1	0	0.0	1.7	2.7
	Moderate	3	20.0	10.5	225	7.6	6.6	19.3
	Middle	2	13.3	38.4	315	10.6	34.9	41.9
	Upper	10	66.7	48.9	2,421	81.8	56.9	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	15	100.0	100.0	2,961	100.0	100.0	100.0
Multi-Family	Low	4	23.5	8.5	3,448	24.6	3.8	Multi-Family 7.3
	Moderate	5	29.4	24.6	4,873	34.7	7.2	20.1
	Middle	7	41.2	38.6	4,587	32.7	30.4	45.6
	Upper	1	5.9	28.4	1,125	8.0	58.6	26.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	17	100.0	100.0	14,033	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.9	0	0.0	0.4	2.7
	Moderate	0	0.0	7.3	0	0.0	5.5	19.3
	Middle	0	0.0	34.4	0	0.0	29.0	41.9
	Upper	0	0.0	57.3	0	0.0	65.1	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	2.1	0	0.0	1.2	2.7
	Moderate	0	0.0	12.5	0	0.0	6.4	19.3
	Middle	0	0.0	39.8	0	0.0	37.9	41.9
	Upper	0	0.0	45.6	0	0.0	54.5	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	2.7	0	0.0	1.4	2.7
	Moderate	0	0.0	28.9	0	0.0	19.6	19.3
	Middle	0	0.0	39.4	0	0.0	39.8	41.9
	Upper	0	0.0	28.9	0	0.0	39.2	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	8	2.8	1.3	3,753	4.7	0.9	2.7
	Moderate	41	14.3	10.7	8,741	11.0	6.5	19.3
	Middle	93	32.5	37.7	23,576	29.5	34.9	41.9
	Upper	144	50.3	50.3	43,737	54.8	57.7	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	286	100.0	100.0	79,808	100.0	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
Note: Percentages may not add to 100.0 percent due to rounding								

Small Business Loans

The geographic distribution of small business loans is reasonable throughout the assessment area. The 2020 small business loan sample includes 57 loans originated within the assessment area. Although, the bank had no small business lending activity in low-income census tracts, only 3.7 percent of all businesses were located in low-income census tracts. This implies there was few lending opportunities for small business in these census tracts. Peoples Bank originated 17.5 percent of its small business loans in the moderate-income census tracts, which exceeds the percentage of businesses located in moderate-income census tracts (14.5 percent).

The majority of the bank’s small business loans (56.1 percent) were originated in middle-income census tracts, which exceeds the demographic as 48.6 percent of assessment area businesses are located in middle-income census tracts. The bank originated 26.3 percent of its small business loans in upper-income census tracts, below the percentage of assessment area businesses located in upper-income census tracts (33.1 percent).

The following table presents the geographic distribution of small business loans in 2020.

Geographic Distribution of Small Business Loans						
Assessment Area: 2020 Des Moines-West Des Moines, IA MSA 19780						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2020 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	3.7
	Moderate	10	17.5	2,333	17.7	14.5
	Middle	32	56.1	6,147	46.6	48.6
	Upper	15	26.3	4,719	35.8	33.1
	Unknown	0	0.0	0	0.0	0.0
	Total	57	100.0	13,200	100.0	100.0
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 geographic distribution of small farm loans is reasonable throughout the assessment area. The 2020 small farm loan sample includes 17 loans originated within the assessment area. Although, the bank had no small farm lending activity in low-income census tracts, opportunities were limited as only 0.5 percent of all farms were located in low-income census tracts. Peoples Bank originated 17.6 percent of its small farm loans in the moderate-income census tracts, which exceeds the percentage of farms located in moderate-income census tracts (9.5 percent).

The majority of the bank’s small farm loans (52.9 percent) were originated in middle-income census tracts, which is lower than the demographic as 61.0 percent of assessment area farms are located in middle-income census tracts. The bank originated 29.4 percent of its small farm loans in upper-income census tracts, which is comparable to the percentage of assessment area farms located in upper-income census tracts (29.0 percent).

The following table presents the geographic distribution of small farm loans in 2020.

Geographic Distribution of Small Farm Loans						
Assessment Area: 2020 Des Moines-West Des Moines, IA MSA 19780						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		Dollar Bank		Total Farms
		#	%	\$ 000s	\$ %	%
Small Farm	Low	0	0.0	0	0.0	0.5
	Moderate	3	17.6	617	16.1	9.5
	Middle	9	52.9	2,050	53.4	61.0
	Upper	5	29.4	1,174	30.6	29.0
	Unknown	0	0.0	0	0.0	0.0
	Total	17	100.0	3,840	100.0	100.0
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>						

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

The bank’s lending to individuals of different income levels and to businesses and farms of different sizes is reasonable. The bank’s primary HMDA-reportable products during the review period were home purchase and refinance loans. All multi-family loans were made to non-natural persons, such as a limited liability company or corporation, where borrower income is not reported. Therefore, no analysis of the borrower distribution for multi-family loans was conducted.

HMDA-Reportable Loans

The borrower distribution of HMDA-reportable loans shows poor dispersion to individuals of across all income levels. The bank’s HMDA data contains a large number of loans to borrowers with unknown-income levels. The high volume of loans originated to borrowers of unknown-incomes is due to loans originated to businesses, which while they are HMDA-reportable loans, they are not required to report income. The numerous loans to borrowers with unknown-incomes is taken into consideration when comparing the bank’s performance in extending home mortgage loans to LMI borrowers relative to aggregate lenders, who have a significantly lower percentage of

loans to unknown borrowers.

In 2020, Peoples Bank originated 3.1 percent of their HMDA-reportable loans to low-income borrowers, which is below aggregate lenders (6.3 percent) and significantly below the demographic percentage of low-income families in the assessment area (20.6 percent). The bank's lending performance to moderate-income borrowers, at 7.7 percent fell below both the aggregate lenders (16.4 percent) and the percentage of moderate-income families living in the assessment area (17.1 percent).

Peoples Bank's performance in 2019 was generally consistent with 2020 lending. Please refer to Appendix B for the 2019 borrower distribution tables.

Home Purchase

In 2020, home purchase loans represented 16.8 percent of the bank's total HMDA-reportable loans in the Des Moines-West Des Moines MSA assessment area. Peoples Bank originated 8.3 percent of its home purchase loans to low-income borrowers, below the aggregate lending rate of 10.5 percent, and significantly below the percentage of low-income families living in the assessment area at 20.6 percent. The bank originated 12.5 percent of its home purchase loans to moderate-income borrowers, falling below both the aggregate lending rate of 23.3 percent and the percentage of moderate-income families living in the assessment area at 17.1 percent. The bank also originated 14.6 percent of its home purchase loans to middle-income borrowers, which fell slightly below both the aggregate lending of 22.9 percent, and the percentage of middle-income families living in the assessment area at 21.5 percent. The bank originated 50.0 percent of its home purchase loans to upper-income borrowers, surpassing the aggregate lending rate of 29.5 percent and the percentage of upper-income families living in the assessment area at 40.8 percent. Lastly, the bank originated 14.6 percent of its home purchase loans to borrowers with unknown income, which is comparable to the aggregate lending rate of 13.7 percent.

The bank's 2019 HMDA home purchase borrower distribution was generally consistent with 2020 lending.

Refinance

In 2020, refinance loans represented the majority of the bank's total HMDA-reportable loans originated in the Des Moines-West Des Moines MSA assessment area, at 72.0 percent. Peoples Bank originated 1.9 percent of its refinance loans to low-income borrowers, below the aggregate lending rate of 3.6 percent, and significantly below the percentage of low-income families living in the assessment area at 20.6 percent. The bank originated 7.8 percent of its refinance loans to moderate-income borrowers, falling below both the aggregate lending rate of 12.6 percent and the percentage of moderate-income families living in the assessment area at 17.1 percent. The bank also originated 20.4 percent of its refinance loans to middle-income borrowers, which is

comparable to both the aggregate lending ratio of 20.7 percent and the percentage of middle-income families living in the assessment area at 21.5 percent. The bank originated 54.4 percent of its refinance loans to upper-income borrowers, surpassing the aggregate lending rate of 45.5 percent and the percentage of upper-income families living in the assessment area at 40.8 percent. Lastly, the bank originated 15.5 percent of its refinance loans to borrowers with unknown-income, which is comparable to the aggregate lending rate of 17.5 percent.

The bank's 2019 HMDA refinance borrower distribution was generally consistent with 2020 lending.

The following table summarizes the bank's 2020 borrower distribution of HMDA-reportable lending in the assessment area.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2020 Des Moines-West Des Moines, IA MSA 19780								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income	
		2020						
		Count Bank		Agg	Dollar Bank		Agg	%
#	%	%	\$(000s)	\$ %	\$ %			
Home Purchase	Low	4	8.3	10.5	232	2.0	6.1	20.6
	Moderate	6	12.5	23.3	664	5.8	18.4	17.1
	Middle	7	14.6	22.9	1,677	14.6	22.6	21.5
	Upper	24	50.0	29.5	8,311	72.1	38.7	40.8
	Unknown	7	14.6	13.7	638	5.5	14.2	0.0
	Total	48	100.0	100.0	11,523	100.0	100.0	100.0
Refinance	Low	4	1.9	3.6	426	0.8	1.8	20.6
	Moderate	16	7.8	12.6	2,947	5.7	8.5	17.1
	Middle	42	20.4	20.7	8,133	15.9	17.7	21.5
	Upper	112	54.4	45.5	35,320	68.9	53.7	40.8
	Unknown	32	15.5	17.5	4,464	8.7	18.2	0.0
	Total	206	100.0	100.0	51,290	100.0	100.0	100.0
Home Improvement	Low	1	6.7	5.6	184	6.2	3.1	20.6
	Moderate	0	0.0	13.7	0	0.0	8.6	17.1
	Middle	2	13.3	22.2	520	17.6	15.2	21.5
	Upper	11	73.3	53.0	1,862	62.9	59.5	40.8
	Unknown	1	6.7	5.4	395	13.3	13.6	0.0
	Total	15	100.0	100.0	2,961	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	20.6
	Moderate	0	0.0	0.8	0	0.0	0.0	17.1
	Middle	0	0.0	1.7	0	0.0	0.0	21.5
	Upper	0	0.0	3.4	0	0.0	1.3	40.8
	Unknown	17	100.0	94.1	14,033	100.0	98.7	0.0
	Total	17	100.0	100.0	14,033	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	5.6	0	0.0	2.7	20.6
	Moderate	0	0.0	11.8	0	0.0	7.6	17.1
	Middle	0	0.0	21.2	0	0.0	14.5	21.5
	Upper	0	0.0	58.8	0	0.0	72.8	40.8
	Unknown	0	0.0	2.5	0	0.0	2.5	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	8.4	0	0.0	3.4	20.6
	Moderate	0	0.0	19.2	0	0.0	13.9	17.1
	Middle	0	0.0	23.2	0	0.0	20.8	21.5
	Upper	0	0.0	46.9	0	0.0	59.0	40.8
	Unknown	0	0.0	2.3	0	0.0	2.9	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	20.6
	Moderate	0	0.0	0.0	0	0.0	0.0	17.1
	Middle	0	0.0	0.1	0	0.0	0.2	21.5
	Upper	0	0.0	0.0	0	0.0	0.0	40.8
	Unknown	0	0.0	99.9	0	0.0	99.8	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	9	3.1	6.3	842	1.1	3.1	20.6
	Moderate	22	7.7	16.4	3,612	4.5	11.0	17.1
	Middle	51	17.8	21.2	10,330	12.9	17.4	21.5
	Upper	147	51.4	39.1	45,493	57.0	42.9	40.8
	Unknown	57	19.9	17.0	19,530	24.5	25.6	0.0
	Total	286	100.0	100.0	79,808	100.0	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Loans

The borrower distribution of small business loans reflects reasonable dispersion among businesses of different sizes. The bank originated 100.0 percent of its small business loans to businesses with annual revenues equal to or less than \$1 million. The bank’s performance is greater than the presence of businesses with revenues of \$1 million or less operating in the assessment area at 90.1 percent. Of the 57 loans made to small businesses, 36.8 percent were in dollar amounts of \$100,000 or less, which is deemed most beneficial to small business borrowers, thus indicating the bank’s willingness to meet the credit needs of small businesses.

The following table presents the borrower distribution of small business loans in 2020.

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2020 Des Moines-West Des Moines, IA MSA 19780								
Product Type		Bank & Demographic Comparison						
		2020		2020		Total Businesses %		
		Count Bank		Dollar Bank				
		#	%	\$ 000s	\$ %			
Small Business	Revenue	\$1 Million or Less	57	100.0	13,200	100.0	90.1	
		Over \$1 Million	0	0.0	0	0.0	8.9	
		Unknown	0	0.0	0	0.0	1.0	
		Total	57	100.0	13,200	100.0	100.0	
	Loan Size	\$100,000 or Less	21	36.8	1,689	12.8		
		\$100,001 - \$250,000	18	31.6	2,847	21.6		
		\$250,001 - \$1 Million	18	31.6	8,664	65.6		
		Total	57	100.0	13,200	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	21	36.8	1,689	12.8		
		\$100,001 - \$250,000	18	31.6	2,847	21.6		
		\$250,001 - \$1 Million	18	31.6	8,664	65.6		
		Total	57	100.0	13,200	100.0		

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 borrower distribution of small farm loans reflects reasonable dispersion among farms of different sizes. The bank originated 100.0 percent of its small farm loans to farms with revenues equal to or less than \$1.0 million. The bank’s performance is comparable to the presence of total small farms operating in the assessment area at 97.6 percent. Of the 17 small farm loans originated, 11.8 percent were originated to small farms in the amounts of \$100,000 or less, which are considered the most beneficial to small farms, indicating the bank’s willingness to meet the credit needs of small farms.

The following table shows the bank’s distribution of small farm loans in 2020.

Small Farm Lending By Revenue & Loan Size								
Assessment Area: 2020 Des Moines-West Des Moines, IA MSA 19780								
Product Type		Bank & Demographic Comparison						
		2020		2020		Total Farms		
Revenue	Loan Size	Count		Dollar				
		Bank		Bank				
		#	%	\$ 000s	\$ %	%		
Small Farm	Revenue	\$1 Million or Less	17	100.0	3,840	100.0	97.6	
		Over \$1 Million	0	0.0	0	0.0	2.3	
		Unknown	0	0.0	0	0.0	0.1	
		Total	17	100.0	3,840	100.0	100.0	
	Loan Size	\$100,000 or Less	2	11.8	188	4.9		
		\$100,001 - \$250,000	7	41.2	1,123	29.2		
		\$250,001 - \$500,000	8	47.1	2,530	65.9		
		Total	17	100.0	3,841	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	2	11.8	188	4.9		
		\$100,001 - \$250,000	7	41.2	1,123	29.2		
		\$250,001 - \$500,000	8	47.1	2,530	65.9		
		Total	17	100.0	3,841	100.0		

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

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

Since the previous examination, the bank has transitioned to becoming an intermediate-small bank; therefore, they were not evaluated for community development activity during the previous examination.

Lending

During the evaluation period, the bank originated 13 qualified loans totaling approximately \$6.0 million towards affordable housing within the assessment area. This involvement is responsive to the needs of the community, as identified by a representative in the area, who indicated a need for affordable housing due to the increase in population and low supply of affordable housing. In

addition, the bank’s participation with the SBA’s Payment Protection Program (PPP) in response to the COVID-19 pandemic, demonstrates the bank’s responsiveness to the changing credit needs of the community and the closure of many local businesses.

Investments

The bank made nine community development investments during the evaluation period totaling approximately \$649,000. Eight investments were for infrastructure improvements in moderate-income census tracts within the assessment area. The bank made one investment, for \$200,000, towards the improvement of community school district buildings, located in a moderate-income census tract.

In addition to the investments, the bank made 81 qualified donations, totaling \$46,480. The investments were to community organizations with a focus on activities that revitalize or stabilize the assessment area, community services that benefit LMI individuals, economic development, and affordable housing.

Services

During the evaluation period, the bank logged 711.5 hours of community development services. Of the total number of service hours, the majority (520.5 hours) were dedicated to organizations with a community service focus towards LMI individuals, while the remaining went toward revitalizing or stabilizing the assessment area, economic development, and affordable housing.

The table below presents the bank’s community development activities during the evaluation period.

Summary of CD Activities										
Review Period: June 15, 2017 – July 19, 2021										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	13	\$6,011,857	0	0	0	0	0	0	13	\$6,011,857
Investment	0	0	0	0	8	\$449,000	1	\$200,000	9	\$649,000
Donations	1	\$250	1	\$212	2	\$4,000	77	\$42,018	81	\$46,480
Services	1	2	8	179	2	10	34	521	45	712

Ames, IA MSA 11180 – FULL REVIEW

SCOPE OF EXAMINATION

Full scope examination procedures were used to evaluate the bank's performance in the Ames MSA. The scope is consistent with the scope of the examination described within the institution summary. For further information, please refer to the "Scope of Examination" section.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN AMES, IOWA MSA #11180

The Ames MSA assessment area includes Boone County in its entirety, while excluding Story County. At the previous evaluation, the Ames MSA was not included in the bank's delineated assessment area. This change is a result of OMB's 2019 revised delineation, where Boone County was reassigned to the Ames MSA. Prior to 2019, Boone County was included in the bank's delineated Iowa Non-MSA assessment area. The Ames MSA assessment area is comprised of seven census tracts, including one moderate- and six middle-income census tracts. Peoples Bank operates one branch with a full-service ATM in a middle-income level census tract within this assessment area.

The June 30, 2020 FDIC Deposit Market Share Report ranks Peoples Bank, with a market share of 1.4 percent, last among eight FDIC-insured depository institutions operating in the Ames MSA assessment area. This is 2.8 percent of Peoples Bank's total deposits. The Ames MSA assessment area's loan volume is 14.5 percent of their total loan volume. Loan volumes include HMDA-reportable loans from January 1, 2019 to December 31, 2020 and small business and small farms from January 1, 2020 to December 31, 2020.

In 2020, Peoples Bank ranked third among 129 organizations that originated or purchased home mortgage loans (HMDA-reporters), originating 76 HMDA-reportable loans. By comparison, the first and second ranked organizations by HMDA-reportable loans are VisionBank of Iowa and Iowa Bankers Mortgage Corporation with 138 and 137 originated or purchased home mortgage loans, respectively.

Additional assessment area demographic information is provided in the following table. Please refer to Appendix B for 2019 demographic information.

Assessment Area: 2020 Ames, IA MSA 11180								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	1,269	18.3
Moderate-income	1	14.3	1,032	14.9	41	4.0	1,506	21.8
Middle-income	6	85.7	5,886	85.1	333	5.7	1,863	26.9
Upper-income	0	0.0	0	0.0	0	0.0	2,280	33.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	7	100.0	6,918	100.0	374	5.4	6,918	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	1,782	1,262	15.6	70.8	376	21.1	144	8.1
Middle-income	10,007	6,852	84.4	68.5	2,269	22.7	886	8.9
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
Total Assessment Area	11,789	8,114	100.0	68.8	2,645	22.4	1,030	8.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	136	11.0	124	10.8	11	13.6	1	8.3
Middle-income	1,106	89.0	1,025	89.2	70	86.4	11	91.7
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
Total Assessment Area	1,242	100.0	1,149	100.0	81	100.0	12	100.0
	Percentage of Total Businesses:			92.5		6.5		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	6	2.6	6	2.7	0	0.0	0	0.0
Middle-income	223	97.4	219	97.3	2	100.0	2	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
Total Assessment Area	229	100.0	225	100.0	2	100.0	2	100.0
	Percentage of Total Farms:			98.3		0.9		0.9
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

According to the 2015 American Community Survey (ACS) data, Boone County’s population is 26,401, which is stable with the population from the 2010 decennial census, of 26,306. While the 0.4 percent increase is less than the state of Iowa’s population increase of 1.5 percent, it is significantly less than the 34.0 percent increase of the entire Ames MSA, during the same time period. A community representative stated the reason for the differential in growth is Boone County’s rural nature verses the rest of the Ames MSA’s growth with the presence of Iowa State University in Story County. Iowa State University’s presence attracts private sector job opportunities, which helps build the community. According to a community representative, this is evident in their support of building residential centers for workforce, within Story County in communities outside of the city of Ames. The community representative also noted that a similar economic development initiative was implemented with the city of Boone, effective January 2021, and that they are excited about the impact it can have in Boone County.

The table below presents the population trends for the bank’s Ames MSA assessment area, and the state of Iowa from 2010 to 2015. The Ames MSA’s population growth of 34.0 percent is also attributed to the inclusion of Boone County into the MSA

Population Change			
Area	2010 Population	2011-15 Population	Percentage Change
Boone County	26,306	26,401	0.4
Ames MSA	89,542	119,987	34.0
State of Iowa	3,046,355	3,093,526	1.5

Source: U.S. Census Bureau 2010 Decennial Census and 2011-2015 American Community Survey Data

Income Characteristics

According to the 2020 FFIEC Census Data, Boone County is comprised of 6,918 families, with 18.3 percent being low-income, 21.8 percent moderate-income, 26.9 percent middle-income, and 33.0 percent upper-income. Approximately 5.4 percent of families residing within the assessment area live below the poverty line, which is consistent with the entire Ames MSA poverty rate at 6.0 percent, but less than the state of Iowa’s rate of 8.1 percent.

The table below presents the MFI for Boone County, the Ames MSA, and the state of Iowa. According to 2011-2015 ACS data, MFI in Boone County is \$69,260, a 3.6 percent increase from the 2006-2011 ACS data. While the median family income growth is greater than the Ames MSA increase of 0.1 percent, it is less than the state of Iowa’s increase of 9.2 percent. Overall, Boone County’s median family income is consistent with the state of Iowa (\$67,466), but less than the median family income of the Ames MSA (\$74,380), which includes Story County. According to a community representative, Boone County’s lower MFI is due to it rural nature, and lack of big companies and job opportunities when compared to Story County, which is more metropolitan.

Median Family Income Change			
Area	2010 Median Family Income	2011-15 Median Family Income	Percentage Change
Boone County	66,872	69,260	3.6
Ames MSA	74,278	74,380	0.1
State of Iowa	61,804	67,466	9.2

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

Housing Characteristics

Boone County’s housing is more affordable than the average for the state of Iowa, including the entire Ames MSA. According to 2011-2015 American Community Survey data, the median housing value in Boone County increased 3.3 percent since 2010, compared to an 8.4 percent increase throughout the state of Iowa, and a 0.7 percent decrease in the Ames MSA. Boone County’s median housing value of \$119,600 is well below that of Ames MSA at \$154,968, but also below the \$129,200 average value for the state of Iowa.

Median gross rent for Boone County of \$644 is also below that of the state of Iowa at \$697 and the Ames MSA at \$757. A community representative mentioned that there are not many rental opportunities in Boone County, and that it has mostly owner-occupied units, compared to Story County that is home to Iowa State University, resulting in more rental opportunities.

According to 2020 FFIEC Census data, there are 11,789 housing units in Boone County, the majority of which are owner-occupied at 68.8 percent, while 22.4 percent are rental units and only 8.7 percent are vacant units. While Boone County’s owner-occupied, rental, and vacancy rates are consistent with the state of Iowa, they differ from the Ames MSA. In the Ames MSA, there are a higher rate of rental units (39.1 percent), but a lower rate of owner-occupied (55.2 percent) and vacant (5.7 percent) units.

A common method to compare relative affordability of housing across geographic areas is the affordability ratio, which is defined in Appendix D. Generally, a higher ratio supports more affordable housing opportunities. Based on the 2011-2015 ACS data, the affordability ratio for Boone County is 0.44, which is similar to the state of Iowa’s ratio at 0.41, but greater than Ames MSA’s ratio at 0.33. The ratios indicate that housing in Boone County is more affordable compared to the rest of the Ames MSA.

Housing cost trend data are presented in the table below.

Trends in Housing Costs							
Location	2006-2010 Median Housing Value	2011-2015 Median Housing Value	Percentage Change	2006-2010 Median Gross Rent	2011-2015 Median Gross Rent	Percentage Change	Affordability Ratio
Boone County	115,800	119,600	3.3	572	644	12.6	0.44
Ames MSA	156,007	154,968	-0.7	703	757	7.7	0.33
State of Iowa	119,200	129,200	8.4	617	697	13.0	0.41

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

Employment Characteristics

The following table presents the unemployment trends for Boone County, the Ames MSA, and the state of Iowa from 2016 to 2019. Although Boone County’s unemployment rate is higher than Ames MSA’s rate, it did experience a steady decline from 2016 to 2019, which aligns with unemployment trends in Ames MSA and the state of Iowa. According to a community representative, Ames MSA’s lower unemployment rate is attributed to the huge public sector presence in Story County.

Additionally, a community representative stated that in 2020, the COVID-19 pandemic caused many local businesses to shut down but have since recovered and reopened.

Unemployment Rates (%)				
Area	2016	2017	2018	2019
Boone County	2.8	2.4	2.1	2.4
Ames MSA	2.4	2.1	1.7	2.0
State of Iowa	3.7	3.1	2.5	2.7

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics

Bankruptcy Characteristics

Based on the Administrative Office of the U.S. Courts’, the bankruptcy filing rate of Boone County aligns with the state of Iowa’s filing rate. In general, bankruptcy rates across the state of Iowa are stable from 2016 through 2019.

Personal Bankruptcy Filing Rate (per 1,000 population)				
Area	2016	2017	2018	2019
Boone County	1.2	1.3	1.6	1.6
Ames MSA	0.6	0.8	1.0	0.9
State of Iowa	1.3	1.3	1.4	1.5

Source: Administrative Office of the U.S. Courts

Industry Characteristics

According to location quotients developed by the U.S. Bureau of Labor Statistics, the assessment area contains a diverse employment base and is most heavily impacted by the industries of agriculture, service providers, and construction. A community representative noted that railroads, healthcare, and school systems are also leaders within the assessment area. The representative also noted that, while leading industries within the area were not heavily impacted by the COVID-19 pandemic in 2020, local small businesses were struggling with sustainability, but have since recovered.

Since the previous examination, the assessment area has not experienced any major layoffs or company closures.

The information presented in the table below illustrates the largest employers in the assessment area and details their respective industries.

Largest Employers in the Assessment Area		
Company	Number of Employees	Industry
State of Iowa-Woodward Research	700	Government Offices-State
Woodward Resource Center	656	Residential Care Homes
Jeffrey Maire DO	400	Physicians & Surgeons
CDS Global	375	Data Retrieval Services
Boone County Hospital	316	Hospitals
Fareway Stores Inc	270	Management Services
Kinzler Construction Services	250	Fireproofing
Woodward Academy	249	Counseling Services
DMACC	150	Junior-Community College-Tech Institutes
West Haven Community	130	Nursing & Convalescent Homes

Source: Business information provided by Infogroup®, Omaha, NE

Community Representatives

Two community representatives were contacted to provide information regarding local economic and demographic conditions. A representative provided information on housing, employment, and economic development needs within the assessment area. The representative stated Boone County is a more rural community, compared to the rest of the Ames MSA that includes Story County. Story County is home to Iowa State University. This results in the lack of growth in Boone County and lower median family income. People are more reluctant to move into the rural Boone County, because there are better job opportunities in the more metropolitan Story County, which also impacts housing values. The representative also noted that the pandemic closed many local businesses but have since reopened. In addition, a representative stated that financial institutions are active in agricultural and economic development of the community, through participation in various community committees and programs.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN AMES, IOWA MSA #11180

LENDING TEST

Peoples Bank's performance relative to the lending test in the Ames MSA is reasonable. This is based on reasonable geographic distribution of HMDA-reportable, small business, and small farm loans, as well as reasonable dispersion among individuals of different income levels and businesses and farms of different sizes in the bank's assessment area.

Geographic Distribution of Loans

Overall, the geographic distribution of HMDA-reportable, small business, and small farm loans reflect a reasonable dispersion of loans throughout the Ames MSA assessment area. The Ames MSA assessment area consists of seven census tracts: one moderate- and six middle-income census tracts. Since there are no low-income census tracts, the analysis focuses on loan penetration in moderate-income census tracts in the bank's assessment area. Given the limited number of small business loans originated during the evaluation period, HMDA-reportable and small farm loans received more weight in the evaluation.

In 2020, Peoples Bank originated loans in all seven census tracts in the assessment area, including loans in the one moderate-income census tract. The dispersion is primarily driven by the large volume of HMDA-reportable loans (75), compared to small business loans, (8) and small farm loans (17) originated in the assessment area. In 2019, the bank originated HMDA-reportable loans in 85.7 percent of the total census tracts; including in the one moderate-income census tract and five of the six (83.3 percent) middle-income census tracts. Based upon this analysis, there are no conspicuous geographic lending gaps.

HMDA-Reportable Loans

In 2020, the geographic distribution of HMDA-reportable loans reflects reasonable dispersion throughout the Ames MSA assessment area. The geographic distribution of 2019 HMDA-reportable loans are comparable, as shown in Appendix B. The bank's primary HMDA-reportable products during the review period were home purchase, refinance, and home improvement loans. The remaining HMDA-reportable products will not be evaluated due to low volumes of originations.

Home Purchase

In 2020, home purchase loans represented 28.0 percent of the bank's HMDA-reportable loans originated within the assessment area. Of the 21 home purchase loans originated, 9.5 percent were in moderate-income census tracts, which was below both the performance of aggregate lenders (17.4 percent) and the percentage of owner-occupied units (15.6 percent) in moderate-income census tracts. The majority of the bank's home purchase loans were originated in middle-income census tracts (90.5 percent), which was slightly above both the aggregate lenders' performance (82.6 percent) and the percentage of owner-occupied units (84.4 percent) in middle-income census tracts.

Refinance

In 2020, the largest percentage of Peoples Bank's HMDA-reportable loans in the assessment area were refinance loans, representing 49.3 percent. Of the 37 refinance loans Peoples Bank originated, 13.5 percent were in moderate-income census tracts, which was above the performance of aggregate lenders (10.3 percent) and slightly below the percentage of owner-occupied units (15.6 percent) in moderate-income census tracts. Similar to home purchase loans, the majority of the bank's refinance loans were originated in middle-income census tracts at 86.5 percent, which is comparable to both the aggregate lenders (89.7 percent) and the percentage of owner-occupied units (84.4 percent) in middle-income census tracts.

Home Improvement

In 2020, home improvement loans represented 22.7 percent of the bank's HMDA-reportable loans originated within the assessment area. Of the 17 home improvement loans Peoples Bank originated, 11.8 percent were in moderate-income census tracts, which was slightly above the performance of aggregate lenders (10.0 percent) and below the percentage of owner-occupied units (15.6 percent) in moderate-income census tracts. Similar to both home purchase and refinance loans, the majority of the bank's home improvement loans were originated in middle-income census tracts at 88.2 percent, which is comparable to both the aggregate lenders (90.0 percent) and the percentage of owner-occupied units (84.4 percent) in middle-income census tracts.

The following table summarizes the bank's 2020 geographic distribution of HMDA-reportable lending in the assessment area.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2020 Ames, IA MSA 11180								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		Count		Dollar				
		Bank	Agg	Bank	Agg	Agg		
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	2	9.5	17.4	296	6.7	13.0	15.6
	Middle	19	90.5	82.6	4,107	93.3	87.0	84.4
	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
	Total		21	100.0	100.0	4,404	100.0	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	5	13.5	10.3	459	8.6	5.6	15.6
	Middle	32	86.5	89.7	4,877	91.4	94.4	84.4
	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
	Total		37	100.0	100.0	5,336	100.0	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	2	11.8	10.0	163	13.0	9.3	15.6
	Middle	15	88.2	90.0	1,087	87.0	90.7	84.4
	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
	Total		17	100.0	100.0	1,250	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 0.0
	Moderate	0	0.0	10.0	0	0.0	16.2	8.1
	Middle	0	0.0	90.0	0	0.0	83.8	91.9
	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
	Total		0	0.0	100.0	0	0.0	100.0
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	15.6
	Middle	0	0.0	100.0	0	0.0	100.0	84.4
	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
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	13.0	0	0.0	14.8	15.6
	Middle	0	0.0	87.0	0	0.0	85.2	84.4
	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
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	26.7	0	0.0	18.6	15.6
	Middle	0	0.0	73.3	0	0.0	81.4	84.4
	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
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	9	12.0	13.4	918	8.4	8.9	15.6
	Middle	66	88.0	86.6	10,072	91.6	91.1	84.4
	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
	Total		75	100.0	100.0	10,990	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Loans

The geographic distribution of small business loans is reasonable throughout the assessment area. The 2020 small business loan sample includes eight loans originated within the assessment area. Although the bank had no small business lending activity in moderate-income census tracts, only 11.0 percent of all businesses were located in moderate-income census tracts. This implies there were few lending opportunities for small business in the moderate-income census tracts, within the assessment area. All of the bank’s small business loans were originated in middle-income census tracts, which exceeds the demographic as 89.0 percent of assessment area businesses are located in middle-income census tracts.

The following table presents the geographic distribution of small business loans in 2020.

Geographic Distribution of Small Business Loans						
Assessment Area: 2020 Ames, IA MSA 11180						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2020 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	11.0
	Middle	8	100.0	3,011	100.0	89.0
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	8	100.0	3,011	100.0	100.0

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 is reasonable throughout the assessment area. The 2020 small farm loan sample includes 17 loans originated within the assessment area. Although, the bank had no small farm lending activity in moderate-income census tracts, only 2.6 percent of all farms were located in moderate-income census tracts. This implies there are few lending opportunities for small farms in the moderate-income census tracts. Similar to small business loans, all of the bank’s small farm loans were originated in middle-income census tracts, which is comparable to the demographic as 97.4 percent of assessment area farms are located in middle-income census tracts.

The following table presents the geographic distribution of small farm loans in 2020.

Geographic Distribution of Small Farm Loans						
Assessment Area: 2020 Ames, IA MSA 11180						
	Tract Income Levels	Bank & Demographic Comparison				
		Count		2020 Dollar		Total Farms
		Bank	Bank	Bank	Bank	
		#	%	\$ 000s	\$ %	%
Small Farm	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	2.6
	Middle	17	100.0	3,402	100.0	97.4
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total		17	100.0	3,402	100.0

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’s lending to individuals of different income levels and to businesses and farms of different sizes is reasonable. Also, as previously noted, given the limited number of small business loans originated during the evaluation period, HMDA-reportable and small farm loans received more weight in the evaluation.

HMDA-Reportable Loans

The borrower distribution of HMDA-reportable loans shows reasonable dispersion to individuals of different income designations. In 2020, Peoples Bank originated 8.0 percent of their HMDA-reportable loans to low-income borrowers, below aggregate lenders (11.5 percent) and the demographic percentage of low-income families in the assessment area (18.3 percent). The bank’s lending performance to moderate-income borrowers at 24.0 percent, is above both the aggregate lenders (19.4 percent) and the percentage of moderate-income families living in the assessment area (21.8 percent).

Peoples Bank’s performance in 2019 was slightly below 2020 lending. Please refer to Appendix B for the 2019 borrower distribution tables.

Home Purchase

In 2020, home purchase loans represented 28.0 percent of the bank’s total HMDA-reportable loans in the Ames MSA assessment area. Peoples Bank originated 9.5 percent of its home purchase loans to low-income borrowers, below both the aggregate lending rate of 19.9 percent and the percentage

of low-income families living in the assessment area at 18.3 percent. The bank originated 28.6 percent of its home purchase loans to moderate-income borrowers, which is above both the aggregate lending rate of 23.6 percent and the percentage of moderate-income families living in the assessment area at 21.8 percent. The bank also originated 14.3 percent of its home purchase loans to middle-income borrowers, which fell below both the aggregate lending rate of 19.9 percent and the percentage of middle-income families living in the assessment area at 26.9 percent. The bank originated 42.9 percent of its home purchase loans to upper-income borrowers, surpassing the aggregate lending rate of 22.4 percent and the percentage of upper-income families living in the assessment area at 33.0 percent. Lastly, the bank originated 4.8 percent of its home purchase loans to borrowers with unknown income, which is below the aggregate lending rate of 14.2 percent.

The bank's 2019 HMDA-reportable home purchase borrower distribution was generally consistent with 2020 lending.

Refinance

In 2020, refinance loans represented 49.3 percent of the bank's total HMDA-reportable loans in the Ames MSA assessment area. Peoples Bank originated 5.4 percent of its refinance loans to low-income borrowers, comparable to the aggregate lending rate of 5.8 percent but significantly below the percentage of low-income families living in the assessment area at 18.3 percent. The bank originated 27.0 percent of its refinance loans to moderate-income borrowers, which is above both the aggregate lending rate of 17.8 percent and the percentage of moderate-income families living in the assessment area at 21.8 percent. The bank also originated 27.0 percent of its refinance loans to middle-income borrowers, which is comparable to both the aggregate lending rate of 24.9 percent and the percentage of middle-income families living in the assessment area at 26.9 percent. The bank originated 32.4 percent of its refinance loans to upper-income borrowers, which is comparable to the aggregate lending rate of 35.7 percent and the percentage of upper-income families living in the assessment area at 33.0 percent. Lastly, the bank originated 8.1 percent of its home purchase loans to borrowers with unknown income, which is below the aggregate lending rate of 15.8 percent.

The bank's 2019 HMDA refinance borrower distribution was generally consistent with 2020 lending.

Home Improvement

In 2020, home improvement loans represented 22.7 percent of the bank's total HMDA-reportable loans in the Ames MSA assessment area. Peoples Bank originated 11.8 percent of its home improvement loans to low-income borrowers, which is comparable to the aggregate lending rate of 12.0 percent but below the percentage of low-income families living in the assessment area at 18.3 percent. The bank originated 11.8 percent of its home improvement loans to moderate-income borrowers, which is slightly above the aggregate lending rate of 10.0 percent but below the

percentage of moderate-income families living in the assessment area at 21.8 percent. The bank also originated 47.1 percent of its home improvement loans to middle-income borrowers, which is above both the aggregate lending rate of 30.0 percent and the percentage of middle-income families living in the assessment area at 26.9 percent. The bank originated 23.5 percent of its home improvement loans to upper-income borrowers, below both the aggregate lending rate of 44.0 percent and the percentage of upper-income families living in the assessment area at 33.0 percent. Lastly, the bank originated 5.9 percent of its home improvement loans to borrowers with unknown income, which is comparable to the aggregate lending rate of 4.0 percent.

The bank's 2019 HMDA home purchase borrower distribution was generally consistent with 2020 lending.

The following table summarizes the bank's 2020 borrower distribution of HMDA-reportable lending in the assessment area.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2020 Ames, IA MSA 11180								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2020						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	2	9.5	19.9	135	3.1	11.8	18.3
	Moderate	6	28.6	23.6	827	18.8	21.0	21.8
	Middle	3	14.3	19.9	743	16.9	22.0	26.9
	Upper	9	42.9	22.4	2,439	55.4	32.2	33.0
	Unknown	1	4.8	14.2	260	5.9	13.1	0.0
	Total		21	100.0	100.0	4,404	100.0	100.0
Refinance	Low	2	5.4	5.8	165	3.1	2.9	18.3
	Moderate	10	27.0	17.8	1,188	22.3	12.6	21.8
	Middle	10	27.0	24.9	1,398	26.2	21.0	26.9
	Upper	12	32.4	35.7	2,306	43.2	47.1	33.0
	Unknown	3	8.1	15.8	280	5.2	16.3	0.0
	Total		37	100.0	100.0	5,336	100.0	100.0
Home Improvement	Low	2	11.8	12.0	122	9.7	9.7	18.3
	Moderate	2	11.8	10.0	78	6.2	5.9	21.8
	Middle	8	47.1	30.0	496	39.7	27.5	26.9
	Upper	4	23.5	44.0	460	36.8	49.8	33.0
	Unknown	1	5.9	4.0	95	7.6	7.0	0.0
	Total		17	100.0	100.0	1,250	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	18.3
	Moderate	0	0.0	0.0	0	0.0	0.0	21.8
	Middle	0	0.0	0.0	0	0.0	0.0	26.9
	Upper	0	0.0	10.0	0	0.0	6.6	33.0
	Unknown	0	0.0	90.0	0	0.0	93.4	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	18.3
	Moderate	0	0.0	25.0	0	0.0	9.2	21.8
	Middle	0	0.0	33.3	0	0.0	20.4	26.9
	Upper	0	0.0	41.7	0	0.0	70.4	33.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	17.4	0	0.0	15.5	18.3
	Moderate	0	0.0	21.7	0	0.0	17.6	21.8
	Middle	0	0.0	26.1	0	0.0	20.3	26.9
	Upper	0	0.0	34.8	0	0.0	46.6	33.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	18.3
	Moderate	0	0.0	0.0	0	0.0	0.0	21.8
	Middle	0	0.0	0.0	0	0.0	0.0	26.9
	Upper	0	0.0	0.0	0	0.0	0.0	33.0
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	6	8.0	11.5	421	3.8	6.3	18.3
	Moderate	18	24.0	19.4	2,093	19.0	15.4	21.8
	Middle	21	28.0	22.5	2,636	24.0	20.8	26.9
	Upper	25	33.3	29.9	5,205	47.4	40.2	33.0
	Unknown	5	6.7	16.7	635	5.8	17.3	0.0
	Total		75	100.0	100.0	10,990	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data								

Small Business Loans

The borrower distribution of small business loans reflects reasonable dispersion among businesses of different sizes. The bank originated 100.0 percent of its small business loans to businesses with annual revenues equal to or less than \$1 million. The bank’s performance is slightly greater than the presence of businesses with revenues of \$1 million or less operating in the assessment area at 92.5 percent. Of the eight loans originated to small businesses, 50.0 percent were in dollar amounts of \$100,000 or less, which is deemed most beneficial to small business borrowers, thus indicating the bank’s willingness to meet the credit needs of small businesses.

The following table presents the borrower distribution of small business loans in 2020.

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2020 Ames, IA MSA 11180							
Product Type		Bank & Demographic Comparison					
		2020		2020		Total Businesses %	
Revenue	Loan Size	Count Bank	%	Dollar Bank	%		%
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	8	100.0	3,011	100.0	92.5
		Over \$1 Million	0	0.0	0	0.0	6.5
		Unknown	0	0.0	0	0.0	1.0
		Total	8	100.0	3,011	100.0	100.0
	Loan Size	\$100,000 or Less	4	50.0	310	10.3	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	4	50.0	2,701	89.7	
		Total	8	100.0	3,011	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	4	50.0	310	10.3	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	4	50.0	2,701	89.7	
		Total	8	100.0	3,011	100.0	
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 borrower distribution of small farm loans reflects reasonable dispersion among farms of different sizes. The bank originated 100.0 percent of its small farm loans to farms with revenues equal to or less than \$1.0 million. The bank’s performance is comparable to the presence of total small farms operating in the assessment area at 98.3 percent. Of the 17 small farm loans originated, 29.4 percent were originated to small farms in the amounts of \$100,000 or less, which are considered the most beneficial to small farms, indicating the bank’s willingness to meet the credit needs of small farms.

The following table shows the bank’s distribution of small farm loans in 2020.

Small Farm Lending By Revenue & Loan Size								
Assessment Area: 2020 Ames, IA MSA 11180								
Product Type		Bank & Demographic Comparison						
		2020		2020		Total Farms		
Revenue	Loan Size	Count		Dollar				
		Bank		Bank		%		
		#	%	\$ 000s	\$ %	%		
Small Farm	Revenue	\$1 Million or Less	17	100.0	3,402	100.0	98.3	
		Over \$1 Million	0	0.0	0	0.0	0.9	
		Unknown	0	0.0	0	0.0	0.9	
		Total	17	100.0	3,402	100.0	100.0	
	Loan Size	\$100,000 or Less	5	29.4	437	12.8		
		\$100,001 - \$250,000	8	47.1	1,401	41.2		
		\$250,001 - \$500,000	4	23.5	1,564	46.0		
		Total	17	100.0	3,402	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	5	29.4	437	12.8		
		\$100,001 - \$250,000	8	47.1	1,401	41.2		
		\$250,001 - \$500,000	4	23.5	1,564	46.0		
		Total	17	100.0	3,402	100.0		
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>								

COMMUNITY DEVELOPMENT TEST

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

Lending

The bank did not make any community development loans in the Ames MSA during the evaluation period. However, the bank did participate with the Small Business Administration’s (SBA) Payment Protection Program (PPP) in response to the COVID-19 pandemic, demonstrating the bank’s responsiveness to the changing credit needs of the community as a result of the impact of COVID-19 and the closure of many local businesses.

Investments

The bank made six community development investments during the evaluation period totaling \$520,000. The investments were for infrastructure improvements of moderate-income geographies. This involvement is responsive to the needs of the community, as the Ames MSA is a more rural community according to a representative in the area, and infrastructure improvements play an essential role in enhancing the sustainability of agricultural production.

In addition to the investments, the bank made 24 qualified donations, totaling \$5,654, to community organizations with a focus on activities that revitalize or stabilize the assessment area and community services that benefit LMI individuals. Eighteen out of the 24 qualified donations went to a community service program, that focuses on financial literacy and addresses both financial concepts and social-emotional learning skills that build towards better financial health.

Services

During the evaluation period, the bank logged two hours of community development services, which were dedicated to an organization with a community service focus for LMI individuals.

The table below presents the bank’s community development activities during the evaluation period.

Summary of CD Activities										
Review Period: June 15, 2017 – July 19, 2021										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	0	0	0	0	0	0	0	0	0	0
Investment	0	0	0	0	6	\$520,000.00	0	0	6	\$520,000.00
Donations	0	0	0	0	1	\$400.00	23	\$5,254	24	\$5,654.00
Services	0	0	0	0	0	0	1	2	1	2

Iowa Non-MSA – LIMITED REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS IN IOWA NON-MSA

The bank's operations in the Non-MSA Iowa assessment area are comparable to the overall bank operations. Deposit and loan products are offered at all branch locations are the same. The bank operates four bank branch locations with cash-only ATMs at each location. Since the previous examination, there have been no changes in the branch or ATM network.

The Iowa Non-MSA assessment area includes Greene County in its entirety and a portion of Carroll County. The assessment area is comprised of six middle- income census tracts of which two located in Carroll County are considered underserved due to their remote rural location.

Based on the June 30, 2020 FDIC Deposit Market Share Report, the bank holds a market share of 7.8 percent, ranking sixth among 15 FDIC-insured depository institutions operating in the assessment area. For reference and comparison, the first and second ranking financial institutions by market share are Home State Bank and Availa Bank at 16.9 percent and 15.8 percent, respectively. In 2020, Peoples Bank ranked first among 67 organizations that originated or purchased home mortgage loans (HMDA-reporters).

Additional 2020 assessment area demographic information is presented in the following table. Assessment area demographics for 2019 can be found in Appendix B.

Assessment Area: 2020 IA Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	782	18.3
Moderate-income	0	0.0	0	0.0	0	0.0	760	17.7
Middle-income	6	100.0	4,283	100.0	377	8.8	894	20.9
Upper-income	0	0.0	0	0.0	0	0.0	1,847	43.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	6	100.0	4,283	100.0	377	8.8	4,283	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
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	7,062	4,827	100.0	68.4	1,366	19.3	869	12.3
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
Total Assessment Area	7,062	4,827	100.0	68.4	1,366	19.3	869	12.3
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
	#	%	Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
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	876	100.0	796	100.0	63	100.0	17	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
Total Assessment Area	876	100.0	796	100.0	63	100.0	17	100.0
	Percentage of Total Businesses:			90.9		7.2		1.9
	Total Farms by Tract		Farms by Tract & Revenue Size					
	#	%	Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
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	324	100.0	321	100.0	3	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
Total Assessment Area	324	100.0	321	100.0	3	100.0	0	0.0
	Percentage of Total Farms:			99.1		0.9		0.0

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 IOWA NON-MSA

LENDING TEST

Peoples Bank's lending performance in the Iowa 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. The assessment area is comprised only of middle-income and upper-income census tracts; therefore, a meaningful analysis of geographic distribution could not be performed. Please refer to Appendix B for the bank's 2019 HMDA-reportable lending information.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2020 IA Non MSA								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		Count		Dollar				
		#	%	Bank	Agg	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	6	100.0	100.0	527	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
	Total	6	100.0	100.0	527	100.0	100.0	100.0
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	44	100.0	100.0	3,661	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
	Total	44	100.0	100.0	3,661	100.0	100.0	100.0
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	7	100.0	100.0	757	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
	Total	7	100.0	100.0	757	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	2	100.0	100.0	70	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
	Total	2	100.0	100.0	70	100.0	100.0	100.0
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
	Total	0	0.0	100.0	0	0.0	100.0	100.0
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
	Total	0	0.0	100.0	0	0.0	100.0	100.0
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
	Total	0	0.0	100.0	0	0.0	100.0	100.0
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	59	100.0	100.0	5,015	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
	Total	59	100.0	100.0	5,015	100.0	100.0	100.0

Originations & Purchases
2016 FFIEC Census Data

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

Geographic Distribution of Small Business Loans						
Assessment Area: 2020 IA Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2020 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.0
	Middle	12	100.0	3,026	100.0	100.0
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	12	100.0	3,026	100.0	100.0

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

Geographic Distribution of Small Farm Loans						
Assessment Area: 2020 IA Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2020 Dollar Bank		Total Farms
		#	%	\$ 000s	\$ %	%
Small Farm	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.0
	Middle	37	100.0	7,307	100.0	100.0
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	37	100.0	7,307	100.0	100.0

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 B for the bank’s 2019 HMDA-reportable lending information.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2020 IA Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2020						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	1	16.7	13.5	18	3.5	7.7	18.3
	Moderate	2	33.3	33.3	72	13.7	26.3	17.7
	Middle	0	0.0	25.0	0	0.0	30.1	20.9
	Upper	2	33.3	19.8	430	81.7	27.9	43.1
	Unknown	1	16.7	8.3	6	1.1	8.0	0.0
	Total		6	100.0	100.0	527	100.0	100.0
Refinance	Low	4	9.1	4.7	145	3.9	2.0	18.3
	Moderate	11	25.0	17.8	683	18.7	12.6	17.7
	Middle	13	29.5	25.4	921	25.2	22.5	20.9
	Upper	13	29.5	37.3	1,724	47.1	47.0	43.1
	Unknown	3	6.8	14.8	189	5.2	15.9	0.0
	Total		44	100.0	100.0	3,661	100.0	100.0
Home Improvement	Low	1	14.3	7.1	41	5.4	4.4	18.3
	Moderate	2	28.6	35.7	167	22.1	23.8	17.7
	Middle	0	0.0	21.4	0	0.0	11.0	20.9
	Upper	1	14.3	14.3	147	19.4	17.8	43.1
	Unknown	3	42.9	21.4	402	53.1	42.9	0.0
	Total		7	100.0	100.0	757	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	18.3
	Moderate	0	0.0	0.0	0	0.0	0.0	17.7
	Middle	0	0.0	0.0	0	0.0	0.0	20.9
	Upper	0	0.0	0.0	0	0.0	0.0	43.1
	Unknown	2	100.0	100.0	70	100.0	100.0	0.0
	Total		2	100.0	100.0	70	100.0	100.0
Other Purpose LOC	Low	0	0.0	16.7	0	0.0	11.6	18.3
	Moderate	0	0.0	16.7	0	0.0	7.1	17.7
	Middle	0	0.0	33.3	0	0.0	28.2	20.9
	Upper	0	0.0	33.3	0	0.0	53.1	43.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	20.0	0	0.0	3.7	18.3
	Moderate	0	0.0	20.0	0	0.0	17.2	17.7
	Middle	0	0.0	40.0	0	0.0	69.0	20.9
	Upper	0	0.0	20.0	0	0.0	10.1	43.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	18.3
	Moderate	0	0.0	0.0	0	0.0	0.0	17.7
	Middle	0	0.0	0.0	0	0.0	0.0	20.9
	Upper	0	0.0	0.0	0	0.0	0.0	43.1
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	6	10.2	8.1	204	4.1	4.0	18.3
	Moderate	15	25.4	22.6	922	18.4	16.8	17.7
	Middle	13	22.0	24.5	921	18.4	24.4	20.9
	Upper	16	27.1	28.7	2,301	45.9	38.5	43.1
	Unknown	9	15.3	16.1	667	13.3	16.3	0.0
	Total		59	100.0	100.0	5,015	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2020 IA Non MSA								
Product Type		Bank & Demographic Comparison						
		2020		2020		Total Businesses		
#	%	\$ 000s	\$ %	%	%			
						Small Business	Revenue	\$1 Million or Less
Over \$1 Million	0	0.0	0	0.0	7.2			
Unknown	0	0.0	0	0.0	1.9			
Total	12	100.0	3,026	100.0	100.0			
Small Business	Loan Size	\$100,000 or Less	5	41.7	370	12.2		
		\$100,001 - \$250,000	2	16.7	263	8.7		
		\$250,001 - \$1 Million	5	41.7	2,392	79.1		
		Total	12	100.0	3,025	100.0		
Small Business	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	5	41.7	370	12.2		
		\$100,001 - \$250,000	2	16.7	263	8.7		
		\$250,001 - \$1 Million	5	41.7	2,392	79.1		
		Total	12	100.0	3,025	100.0		

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 Lending By Revenue & Loan Size								
Assessment Area: 2020 IA Non MSA								
Product Type		Bank & Demographic Comparison						
		2020		2020		Total Farms		
#	%	\$ 000s	\$ %	%	%			
						Small Farm	Revenue	\$1 Million or Less
Over \$1 Million	0	0.0	0	0.0	0.9			
Unknown	0	0.0	0	0.0	0.0			
Total	37	100.0	7,307	100.0	100.0			
Small Farm	Loan Size	\$100,000 or Less	9	24.3	816	11.2		
		\$100,001 - \$250,000	19	51.4	3,093	42.3		
		\$250,001 - \$500,000	9	24.3	3,399	46.5		
		Total	37	100.0	7,308	100.0		
Small Farm	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	9	24.3	816	11.2		
		\$100,001 - \$250,000	19	51.4	3,093	42.3		
		\$250,001 - \$500,000	9	24.3	3,399	46.5		
		Total	37	100.0	7,308	100.0		

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

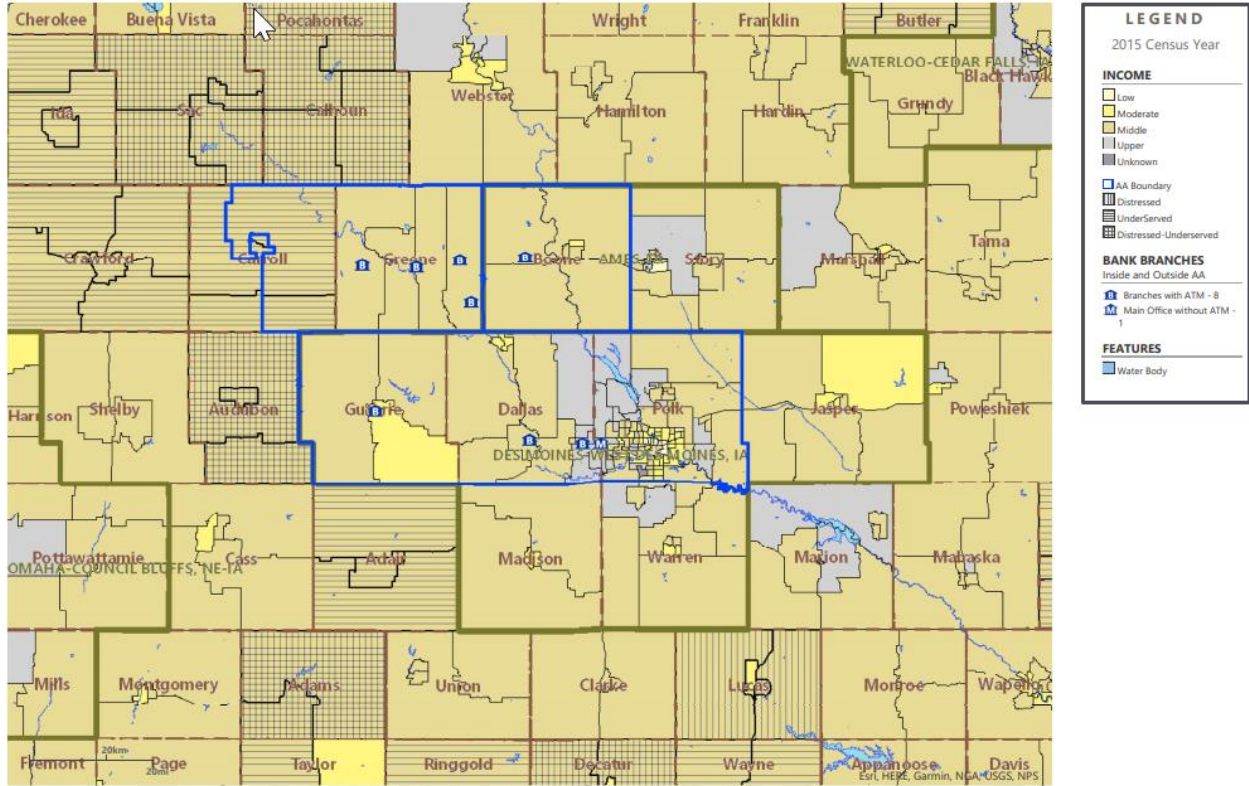
COMMUNITY DEVELOPMENT TEST

Peoples Bank’s community development performance in the Iowa Non-MSA assessment area is generally consistent with the bank’s community development performance overall; however, the bank did not make any investments within the assessment area during the evaluation period.

Summary of CD Activities										
Review Period: June 15, 2017 – July 19, 2021										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	14	\$1,758,547	0	0	1	\$10,000.00	0	0	15	\$1,768,547
Investment	0	0	0	0	0	0	0	0	0	0
Donations	0	0	0	0	1	\$1,000.00	71	\$7,714	72	\$8,714
Services	3	21	0	0	0	0	26	316	29	337

APPENDIX A – Map of Assessment Areas

Peoples Bank 968249
Combined Assessment Area



APPENDIX B – Assessment Area Demographics; Additional Tables

Assessment Area: 2019 Combined AA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	9	7.0	6,000	4.0	1,837	30.6	30,275	20.4
Moderate-income	31	24.0	29,617	20.0	4,592	15.5	25,758	17.4
Middle-income	59	45.7	65,305	44.0	4,516	6.9	32,241	21.7
Upper-income	29	22.5	47,521	32.0	1,421	3.0	60,169	40.5
Unknown-income	1	0.8	0	0.0	0	0.0	0	0.0
Total Assessment Area	129	100.0	148,443	100.0	12,366	8.3	148,443	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	11,086	3,902	2.5	35.2	5,840	52.7	1,344	12.1
Moderate-income	51,449	29,141	18.5	56.6	17,854	34.7	4,454	8.7
Middle-income	111,328	72,236	45.9	64.9	30,441	27.3	8,651	7.8
Upper-income	69,306	52,076	33.1	75.1	14,618	21.1	2,612	3.8
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	243,169	157,355	100.0	64.7	68,753	28.3	17,061	7.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	987	3.4	853	3.2	129	4.9	5	1.6
Moderate-income	4,071	13.9	3,673	13.9	372	14.1	26	8.6
Middle-income	15,275	52.2	13,616	51.7	1,479	56.2	180	59.2
Upper-income	8,930	30.5	8,190	31.1	647	24.6	93	30.6
Unknown-income	10	0.0	7	0.0	3	0.1	0	0.0
Total Assessment Area	29,273	100.0	26,339	100.0	2,630	100.0	304	100.0
	Percentage of Total Businesses:			90.0		9.0		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	3	0.2	3	0.2	0	0.0	0	0.0
Moderate-income	84	6.0	81	5.9	3	11.1	0	0.0
Middle-income	1,084	76.8	1,065	77.2	16	59.3	3	75.0
Upper-income	240	17.0	231	16.7	8	29.6	1	25.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,411	100.0	1,380	100.0	27	100.0	4	100.0
	Percentage of Total Farms:			97.8		1.9		0.3
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Assessment Area: 2019 Des Moines-West Des Moines, IA MSA 19780								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	9	7.8	6,000	4.4	1,837	30.6	28,224	20.6
Moderate-income	30	25.9	28,585	20.8	4,551	15.9	23,492	17.1
Middle-income	47	40.5	55,136	40.2	3,806	6.9	29,484	21.5
Upper-income	29	25.0	47,521	34.6	1,421	3.0	56,042	40.8
Unknown-income	1	0.9	0	0.0	0	0.0	0	0.0
Total Assessment Area	116	100.0	137,242	100.0	11,615	8.5	137,242	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	11,086	3,902	2.7	35.2	5,840	52.7	1,344	12.1
Moderate-income	49,667	27,879	19.3	56.1	17,478	35.2	4,310	8.7
Middle-income	94,259	60,557	41.9	64.2	26,806	28.4	6,896	7.3
Upper-income	69,306	52,076	36.1	75.1	14,618	21.1	2,612	3.8
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	224,318	144,414	100.0	64.4	64,742	28.9	15,162	6.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	987	3.6	853	3.5	129	5.2	5	1.8
Moderate-income	3,941	14.5	3,554	14.6	362	14.6	25	9.1
Middle-income	13,304	49.0	11,806	48.4	1,346	54.1	152	55.3
Upper-income	8,930	32.9	8,190	33.6	647	26.0	93	33.8
Unknown-income	10	0.0	7	0.0	3	0.1	0	0.0
Total Assessment Area	27,172	100.0	24,410	100.0	2,487	100.0	275	100.0
	Percentage of Total Businesses:			89.8		9.2		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	3	0.4	3	0.4	0	0.0	0	0.0
Moderate-income	79	9.5	76	9.4	3	14.3	0	0.0
Middle-income	508	61.2	498	61.6	10	47.6	0	0.0
Upper-income	240	28.9	231	28.6	8	38.1	1	100.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	830	100.0	808	100.0	21	100.0	1	100.0
	Percentage of Total Farms:			97.3		2.5		0.1
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Des Moines-West Des Moines, IA MSA 19780								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2019		2019				
		Count		Dollar				
		Bank	Agg	Bank	Agg			
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	2	3.9	2.0	490	4.0	1.1	2.7
	Moderate	5	9.8	15.5	903	7.4	9.7	19.3
	Middle	19	37.3	39.5	3,945	32.4	38.3	41.9
	Upper	25	49.0	43.0	6,836	56.1	51.0	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		51	100.0	100.0	12,174	100.0	100.0
Refinance	Low	0	0.0	1.0	0	0.0	0.5	2.7
	Moderate	7	8.3	10.2	709	3.5	5.5	19.3
	Middle	35	41.7	38.7	7,104	35.6	35.9	41.9
	Upper	42	50.0	50.1	12,161	60.9	58.1	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		84	100.0	100.0	19,973	100.0	100.0
Home Improvement	Low	1	8.3	1.9	50	5.5	1.5	2.7
	Moderate	2	16.7	12.2	107	11.7	10.3	19.3
	Middle	4	33.3	42.2	165	18.1	38.2	41.9
	Upper	5	41.7	43.8	590	64.7	50.1	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		12	100.0	100.0	911	100.0	100.0
Multi-Family	Low	1	20.0	8.0	772	18.5	4.6	Multi-Family 7.3
	Moderate	0	0.0	29.7	0	0.0	20.2	20.1
	Middle	4	80.0	36.9	3,392	81.5	35.5	45.6
	Upper	0	0.0	25.5	0	0.0	39.7	26.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		5	100.0	100.0	4,164	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.9	0	0.0	0.8	2.7
	Moderate	0	0.0	8.5	0	0.0	4.6	19.3
	Middle	0	0.0	41.2	0	0.0	37.6	41.9
	Upper	0	0.0	49.4	0	0.0	57.0	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	2.0	0	0.0	0.9	2.7
	Moderate	0	0.0	14.5	0	0.0	8.7	19.3
	Middle	0	0.0	40.0	0	0.0	35.7	41.9
	Upper	0	0.0	43.6	0	0.0	54.7	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	3.5	0	0.0	2.2	2.7
	Moderate	0	0.0	35.0	0	0.0	24.7	19.3
	Middle	0	0.0	40.4	0	0.0	43.8	41.9
	Upper	0	0.0	21.1	0	0.0	29.3	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	4	2.6	1.6	1,312	3.5	1.2	2.7
	Moderate	14	9.2	13.5	1,719	4.6	9.0	19.3
	Middle	62	40.8	39.4	14,606	39.2	37.1	41.9
	Upper	72	47.4	45.4	19,587	52.6	52.7	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		152	100.0	100.0	37,223	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Des Moines-West Des Moines, IA MSA 19780								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	2	3.9	9.0	299	2.5	5.1	20.6
	Moderate	6	11.8	23.5	1,092	9.0	18.3	17.1
	Middle	15	29.4	23.2	2,847	23.4	22.3	21.5
	Upper	26	51.0	30.8	7,301	60.0	40.5	40.8
	Unknown	2	3.9	13.5	636	5.2	13.8	0.0
	Total		51	100.0	100.0	12,174	100.0	100.0
Refinance	Low	4	4.8	5.3	280	1.4	2.5	20.6
	Moderate	7	8.3	14.4	1,155	5.8	9.3	17.1
	Middle	10	11.9	19.2	1,819	9.1	16.1	21.5
	Upper	44	52.4	42.0	13,446	67.3	52.3	40.8
	Unknown	19	22.6	19.1	3,272	16.4	19.8	0.0
	Total		84	100.0	100.0	19,973	100.0	100.0
Home Improvement	Low	0	0.0	5.0	0	0.0	3.3	20.6
	Moderate	3	25.0	17.2	104	11.4	13.7	17.1
	Middle	0	0.0	24.5	0	0.0	20.6	21.5
	Upper	7	58.3	49.3	655	71.8	57.3	40.8
	Unknown	2	16.7	4.0	153	16.8	5.1	0.0
	Total		12	100.0	100.0	911	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	20.6
	Moderate	0	0.0	0.0	0	0.0	0.0	17.1
	Middle	0	0.0	1.1	0	0.0	0.2	21.5
	Upper	0	0.0	6.5	0	0.0	1.2	40.8
	Unknown	5	100.0	92.4	4,164	100.0	98.6	0.0
	Total		5	100.0	100.0	4,164	100.0	100.0
Other Purpose LOC	Low	0	0.0	5.9	0	0.0	3.8	20.6
	Moderate	0	0.0	13.8	0	0.0	8.9	17.1
	Middle	0	0.0	24.3	0	0.0	19.9	21.5
	Upper	0	0.0	53.4	0	0.0	63.9	40.8
	Unknown	0	0.0	2.7	0	0.0	3.5	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	7.8	0	0.0	4.8	20.6
	Moderate	0	0.0	18.3	0	0.0	13.4	17.1
	Middle	0	0.0	27.7	0	0.0	20.8	21.5
	Upper	0	0.0	42.9	0	0.0	56.7	40.8
	Unknown	0	0.0	3.3	0	0.0	4.2	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.2	0	0.0	0.1	20.6
	Moderate	0	0.0	1.0	0	0.0	1.0	17.1
	Middle	0	0.0	0.5	0	0.0	0.3	21.5
	Upper	0	0.0	0.5	0	0.0	1.0	40.8
	Unknown	0	0.0	97.8	0	0.0	97.7	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	6	3.9	7.1	579	1.6	3.6	20.6
	Moderate	16	10.5	18.9	2,351	6.3	13.0	17.1
	Middle	25	16.4	21.4	4,666	12.5	17.9	21.5
	Upper	77	50.7	36.2	21,402	57.5	42.1	40.8
	Unknown	28	18.4	16.3	8,225	22.1	23.5	0.0
	Total		152	100.0	100.0	37,223	100.0	100.0

Originations & Purchases

2016 FFIEC Census Data

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

Assessment Area: 2019 Ames, IA MSA 11180								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	1,269	18.3
Moderate-income	1	14.3	1,032	14.9	41	4.0	1,506	21.8
Middle-income	6	85.7	5,886	85.1	333	5.7	1,863	26.9
Upper-income	0	0.0	0	0.0	0	0.0	2,280	33.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	7	100.0	6,918	100.0	374	5.4	6,918	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	1,782	1,262	15.6	70.8	376	21.1	144	8.1
Middle-income	10,007	6,852	84.4	68.5	2,269	22.7	886	8.9
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
Total Assessment Area	11,789	8,114	100.0	68.8	2,645	22.4	1,030	8.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	130	10.6	119	10.5	10	12.5	1	8.3
Middle-income	1,093	89.4	1,012	89.5	70	87.5	11	91.7
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
Total Assessment Area	1,223	100.0	1,131	100.0	80	100.0	12	100.0
	Percentage of Total Businesses:		92.5		6.5		1.0	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	5	2.1	5	2.2	0	0.0	0	0.0
Middle-income	230	97.9	224	97.8	3	100.0	3	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
Total Assessment Area	235	100.0	229	100.0	3	100.0	3	100.0
	Percentage of Total Farms:		97.4		1.3		1.3	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Ames, IA MSA 11180								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2019			2019			
		Count Bank		Agg	Dollar Bank		Agg	
#	%	%	\$ (000s)	\$ %	\$ %			
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	1	25.0	20.1	98	19.5	15.6	15.6
	Middle	3	75.0	79.9	402	80.5	84.4	84.4
	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
	Total	4	100.0	100.0	499	100.0	100.0	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	1	14.3	12.6	102	17.4	7.9	15.6
	Middle	6	85.7	87.4	482	82.6	92.1	84.4
	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
	Total	7	100.0	100.0	584	100.0	100.0	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	8.9	0	0.0	12.3	15.6
	Middle	7	100.0	91.1	234	100.0	87.7	84.4
	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
	Total	7	100.0	100.0	234	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 0.0
	Moderate	0	0.0	25.0	0	0.0	27.5	8.1
	Middle	0	0.0	75.0	0	0.0	72.5	91.9
	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
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	15.0	0	0.0	12.2	15.6
	Middle	0	0.0	85.0	0	0.0	87.8	84.4
	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
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	17.9	0	0.0	18.8	15.6
	Middle	0	0.0	82.1	0	0.0	81.2	84.4
	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
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	23.5	0	0.0	26.8	15.6
	Middle	0	0.0	76.5	0	0.0	73.2	84.4
	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
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	2	11.1	16.9	199	15.1	12.7	15.6
	Middle	16	88.9	83.1	1,118	84.9	87.3	84.4
	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
	Total	18	100.0	100.0	1,317	100.0	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
Note: Percentages may not add to 100.0 percent due to rounding								

Borrower Distribution of HMDA Reportable Loans							
Assessment Area: 2019 Ames, IA MSA 11180							
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %
		2019		2019			
		Count Bank		Agg	Dollar Bank		
#	%	%	\$(000s)	\$ %	\$ %		
Home Purchase	Low	0	0.0	18.6	0	0.0	12.4
	Moderate	1	25.0	25.0	98	19.5	21.0
	Middle	0	0.0	21.9	0	0.0	24.8
	Upper	3	75.0	18.9	402	80.5	28.4
	Unknown	0	0.0	15.6	0	0.0	13.5
	Total	4	100.0	100.0	499	100.0	100.0
Refinance	Low	1	14.3	9.2	58	9.9	4.6
	Moderate	1	14.3	14.9	220	37.7	10.9
	Middle	1	14.3	27.2	45	7.6	23.1
	Upper	3	42.9	31.5	230	39.3	41.3
	Unknown	1	14.3	17.2	32	5.5	20.1
	Total	7	100.0	100.0	584	100.0	100.0
Home Improvement	Low	0	0.0	8.9	0	0.0	4.6
	Moderate	2	28.6	33.9	42	18.0	33.9
	Middle	1	14.3	10.7	20	8.6	12.2
	Upper	3	42.9	37.5	122	52.1	38.0
	Unknown	1	14.3	8.9	50	21.4	11.3
	Total	7	100.0	100.0	234	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	0	0.0	0.0	0	0.0	0.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	100.0	0	0.0	100.0
	Total	0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	5.0	0	0.0	1.6
	Moderate	0	0.0	20.0	0	0.0	19.2
	Middle	0	0.0	20.0	0	0.0	20.0
	Upper	0	0.0	55.0	0	0.0	59.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	3.6	0	0.0	4.8
	Moderate	0	0.0	10.7	0	0.0	12.1
	Middle	0	0.0	39.3	0	0.0	36.7
	Upper	0	0.0	46.4	0	0.0	46.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	0	0.0	0.0	0	0.0	0.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	100.0	0	0.0	100.0
	Total	0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	1	5.6	13.9	58	4.4	8.9
	Moderate	4	22.2	21.1	360	27.3	16.8
	Middle	2	11.1	23.1	65	4.9	23.5
	Upper	9	50.0	25.2	753	57.2	33.5
	Unknown	2	11.1	16.7	82	6.2	17.3
	Total	18	100.0	100.0	1,317	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Assessment Area: 2019 IA Non MSA									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	782	18.3	
Moderate-income	0	0.0	0	0.0	0	0.0	760	17.7	
Middle-income	6	100.0	4,283	100.0	377	8.8	894	20.9	
Upper-income	0	0.0	0	0.0	0	0.0	1,847	43.1	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	6	100.0	4,283	100.0	377	8.8	4,283	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied		Rental		Vacant			
		#	%	%	#	%	#	%	
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	7,062	4,827	100.0	68.4	1,366	19.3	869	12.3	
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	
Total Assessment Area	7,062	4,827	100.0	68.4	1,366	19.3	869	12.3	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
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	878	100.0	798	100.0	63	100.0	17	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	
Total Assessment Area	878	100.0	798	100.0	63	100.0	17	100.0	
	Percentage of Total Businesses:			90.9		7.2		1.9	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
#		%	#	%	#	%	#	%	
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	346	100.0	343	100.0	3	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	
Total Assessment Area	346	100.0	343	100.0	3	100.0	0	0.0	
	Percentage of Total Farms:			99.1		0.9		0.0	
	2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
	Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 IA Non MSA								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		Count		Dollar				
		Bank	Agg	Bank	Agg	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	7	100.0	100.0	207	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
	Total		7	100.0	100.0	207	100.0	100.0
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	23	100.0	100.0	775	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
	Total		23	100.0	100.0	775	100.0	100.0
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	162	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
	Total		5	100.0	100.0	162	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	2	100.0	100.0	181	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
	Total		2	100.0	100.0	181	100.0	100.0
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
	Total		0	0.0	100.0	0	0.0	100.0
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
	Total		0	0.0	100.0	0	0.0	100.0
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
	Total		0	0.0	100.0	0	0.0	100.0
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	37	100.0	100.0	1,325	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
	Total		37	100.0	100.0	1,325	100.0	100.0

Originations & Purchases
2016 FFIEC Census Data

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

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 IA Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2019						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	1	14.3	12.3	16	7.7	8.3	18.3
	Moderate	2	28.6	22.1	101	48.5	16.1	17.7
	Middle	1	14.3	21.3	20	9.6	18.6	20.9
	Upper	2	28.6	30.3	46	22.0	42.0	43.1
	Unknown	1	14.3	13.9	25	12.1	15.0	0.0
	Total		7	100.0	100.0	207	100.0	100.0
Refinance	Low	6	26.1	14.9	139	18.0	7.5	18.3
	Moderate	2	8.7	17.2	57	7.4	11.8	17.7
	Middle	5	21.7	24.1	133	17.2	28.6	20.9
	Upper	7	30.4	32.2	366	47.2	39.1	43.1
	Unknown	3	13.0	11.5	79	10.2	13.0	0.0
	Total		23	100.0	100.0	775	100.0	100.0
Home Improvement	Low	1	20.0	18.2	30	18.6	1.0	18.3
	Moderate	2	40.0	27.3	15	9.3	1.0	17.7
	Middle	1	20.0	18.2	15	9.3	0.3	20.9
	Upper	1	20.0	27.3	102	62.9	2.7	43.1
	Unknown	0	0.0	9.1	0	0.0	95.0	0.0
	Total		5	100.0	100.0	162	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	18.3
	Moderate	0	0.0	0.0	0	0.0	0.0	17.7
	Middle	0	0.0	0.0	0	0.0	0.0	20.9
	Upper	0	0.0	0.0	0	0.0	0.0	43.1
	Unknown	2	100.0	100.0	181	100.0	100.0	0.0
	Total		2	100.0	100.0	181	100.0	100.0
Other Purpose LOC	Low	0	0.0	9.1	0	0.0	7.1	18.3
	Moderate	0	0.0	9.1	0	0.0	4.3	17.7
	Middle	0	0.0	45.5	0	0.0	50.6	20.9
	Upper	0	0.0	36.4	0	0.0	38.0	43.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	18.3
	Moderate	0	0.0	0.0	0	0.0	0.0	17.7
	Middle	0	0.0	0.0	0	0.0	0.0	20.9
	Upper	0	0.0	100.0	0	0.0	100.0	43.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	18.3
	Moderate	0	0.0	0.0	0	0.0	0.0	17.7
	Middle	0	0.0	0.0	0	0.0	0.0	20.9
	Upper	0	0.0	0.0	0	0.0	0.0	43.1
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	8	21.6	12.9	185	14.0	6.5	18.3
	Moderate	6	16.2	19.1	173	13.0	11.5	17.7
	Middle	7	18.9	22.4	168	12.7	18.3	20.9
	Upper	10	27.0	31.1	513	38.7	33.6	43.1
	Unknown	6	16.2	14.5	285	21.5	30.0	0.0
	Total		37	100.0	100.0	1,325	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

APPENDIX C – Scope of Examination

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED	The lending test included 2019 and 2020 HMDA-reportable loans, and a statistical sample of calendar year 2020 small business loans and small farm loans. Community development activities were reviewed from June 16, 2017 through July 19, 2021.		
FINANCIAL INSTITUTION Peoples Bank, Clive, IA			PRODUCTS REVIEWED HMDA-Reportable -2019, 2020 Small Business - 2020 Small Farm - 2020
AFFILIATE(S)	AFFILIATE RELATIONSHIP		PRODUCTS REVIEWED
None	N/A		N/A
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Des Moines-West Des Moines, Iowa MSA #19780	Full Scope	None	The bank delineated its assessment area to include Polk County in its entirety, due to a recommendation from this Reserve Bank.
Ames, Iowa MSA #11180	Full Scope	None	Beginning in 2019, Boone County was incorporated in the Ames, Iowa MSA AA.
Iowa Non-MSA	Limited Scope	None	N/A

APPENDIX D – Glossary

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

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

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

American Community Survey Data (ACS): The American Community Survey (ACS) data is based on a nationwide survey designed to provide local communities with reliable and timely demographic, social, economic, and housing data each year. The Census Bureau first released data for geographies of all sizes in 2010. This data is known as the “five-year estimate data.” The five-year estimate data is used by the FFIEC as the base file for data used in conjunction with consumer compliance and CRA examinations.¹

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

¹ 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 nonmetropolitan 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 are 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 \$1.322 billion. Intermediate small bank means a small bank with assets of at least \$330 million as of December 31 of both of the prior two calendar years and less than \$1.322 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).