

PUBLIC DISCLOSURE

February 27, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

VisionBank of Iowa
RSSD# 269049

104 Chestnut Street
Ames, Iowa 50010

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.

TABLE OF CONTENTS

PERFORMANCE EVALUATION	2
SCOPE OF EXAMINATION	2
DESCRIPTION OF INSTITUTION.....	4
DESCRIPTION OF ASSESSMENT AREA	5
CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA	8
LENDING TEST	8
COMMUNITY DEVELOPMENT TEST	9
AMES, IOWA MSA #11180 – FULL REVIEW	12
DESCRIPTION OF INSTITUTION’S OPERATIONS IN AMES, IOWA MSA #11180	12
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN AMES, IOWA MSA #11180.....	18
DES MOINES – WEST DES MOINES, IOWA MSA #19780 – FULL REVIEW	28
DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE DES MOINES – WEST DES MOINES, IOWA MSA #19780.....	28
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DES MOINES – WEST DES MOINES, IOWA MSA #19780	34
FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	44
APPENDIX A – MAPS OF ASSESSMENT AREAS	45
APPENDIX B – COMBINED ASSESSMENT AREA DEMOGRAPHIC TABLES	46
APPENDIX C – SCOPE OF EXAMINATION	49
APPENDIX D – GLOSSARY	50

INSTITUTION'S CRA RATING

VisionBank of Iowa is rated: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

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

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

SCOPE OF EXAMINATION

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

The bank maintains two delineated assessment areas, the Ames, Iowa Metropolitan Statistical Area (MSA) #11180 (Ames, IA MSA) and the Des Moines – West Des Moines, Iowa Metropolitan Statistical Area (MSA) #19780 (Des Moines-West Des Moines, IA MSA). A full scope evaluation was selected for both assessment areas based on the bank's deposit market share, branch and automated teller machine (ATM) concentration, volume of Home Mortgage Disclosure Act (HMDA) reportable loans, small business and small farm lending, economic and demographic characteristics, and an evaluation of the needs of assessment area communities. Performance within the Ames, IA (MSA) received more weight in the overall evaluation, as a result of the bank's increased branch presence, deposit share, and lending volume within this assessment area.

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

amount. Both small business and HMDA-reportable loans received more weight in the evaluation as they represent a majority of the loan originations.

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

- ***Loan-to-Deposit Ratio*** – A 14 quarter average loan-to-deposit (LTD) ratio from September 30, 2019 to December 31, 2022, 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, 2020 to December 31, 2021, and a sample of small business and small farm loans originated from January 1, 2021 to December 31, 2021, was reviewed to determine the percentage of loans originated within the assessment area.
- ***Geographic Distribution of Lending in the Assessment Area*** – The bank’s HMDA-reportable loans originated from January 1, 2020 to December 31, 2021, and a sample of small business and small farm loans originated within the assessment area from January 1, 2021 to December 31, 2021, was 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, 2020 to December 31, 2021, and a sample of small business and small farm loans originated within the assessment area from January 1, 2021 to December 31, 2021 was reviewed to determine the distribution among borrowers of different income levels, particularly those considered low- or moderate-income, and to businesses and farms with different revenue sizes.
- ***Response to Substantiated Complaints*** – Complaints were reviewed to determine if any were related to the bank’s record of helping to meet community credit needs and its responses to any received were evaluated for appropriateness.
- ***Community Development Activities*** – The bank’s responsiveness to community development needs through community development loans, qualified investments and donations, and community development services, from September 17, 2019 through February 27, 2023, were reviewed considering the capacity, need, and availability of such opportunities within the assessment area.

In addition, four community representatives were contacted in connection with this examination to provide information regarding local economic and socio-economic conditions in the assessment areas. Organizations focused on economic development and affordable housing were contacted.

DESCRIPTION OF INSTITUTION

VisionBank is a subsidiary of VisionBankshares, Inc., a one-bank holding company located in Boone, Iowa. The institution is headquartered in Ames, Iowa and as of November of 2021, is classified as a Women's Depository Institution (WDI). As of December 31, 2021, the branch network consisted of eight full-service branches throughout the assessment area, including a main office in Ames, Iowa. The bank also operates a limited-service branch in Ames, Iowa that does not have a lender onsite, and a loan production office in West Des Moines, Iowa. The bank operates seven full-service automated teller machines (ATMs) and three cash-only ATMs. Since the previous evaluation, and prior to December 31, 2021, the bank opened its new full-service branch location within an upper-income census tract in Waukee, Iowa.

In June of 2022, the bank opened PurposeBank, a division of VisionBank. PurposeBank operates out of VisionBank's Grimes, Iowa branch location and is a full-service financial institution offering personal and commercial deposit accounts, loans including mortgage loans, and additional financial services. PurposeBank aims to provide financial education, promote banking services, and to be a stable source of funding to entrepreneurs, women-owned business, low-to-moderate-income individuals, and majority minority groups throughout central Iowa. In addition to community volunteerism, PurposeBank donates 10.0 percent of its profits back to local organizations working to promote, educate, and increase economic vitality in local individuals and women.

On November 1, 2022, VisionBank acquired Legacy Bank, Altoona, Iowa, establishing four full-service branch locations within the central Iowa region in Mitchellville, Bondurant, Altoona, and Clive, Iowa. As a result of the acquisition, the bank expanded its assessment area in the Des Moines-West Des Moines, IA MSA to include two additional census tracts (402 and 407) in Jasper County, Iowa. However, the acquisition occurred outside of the review period for this examination (2019-2021); therefore, these additional locations are not considered as part of the evaluation.

According to the December 31, 2022, Uniform Bank Performance Report (UBPR), VisionBank reported total assets of approximately \$756 million. VisionBank provides a range of traditional loan and deposit products and services. While the bank is primarily a commercial lender, it also offers residential real estate, agricultural, and consumer loan products. In addition, traditional deposit products consist of checking, savings, money market, negotiable order of withdrawal (NOW) accounts, and certificates of deposit. The bank maintains a website (www.visionbank.com) that provides information on loan and deposit products, applications, other bank services, and access to online banking. Available online and mobile banking allow customers to view account balances, remote deposit capture, transfer funds, make bill and loan payments, and locate branches and ATMs.

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

Composition of Loan Portfolio as of December 31, 2022 (\$ in 000's)		
Type	\$	%
Residential Real Estate	92,340	15.3
Commercial	420,517	69.8
Agriculture	58,074	9.6
Consumer	23,781	3.9
Other	7,476	1.2
Total Loans	602,188	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 on September 16, 2019.

DESCRIPTION OF ASSESSMENT AREA

VisionBank is an intrastate bank that operates in two contiguous assessment areas in central Iowa. The delineated assessment areas consist of the Ames, Iowa Metropolitan Statistical Area (MSA) #11180 and the Des Moines-West Des Moines, Iowa Metropolitan Statistical Area (MSA) #19780. The Ames, IA MSA includes the bank’s main office (with full-service ATM), five branches with full-service ATMs, and one limited-service branch. Within the Des Moines-West Des Moines, IA MSA, the bank operates one branch with one full-service ATM in Polk County and one branch with a full-service ATM in Dallas County, which opened in February of 2021.

The Ames, IA MSA consists of Boone and Story Counties in their entirety, and one contiguous census tract in Hamilton County. Although Hamilton County is not part of the Ames IA, MSA, the bank has elected to maintain the single census tract within Hamilton County as a result of its lending activity within the tract. Overall, the bank’s assessment area has not changed since the previous evaluation. However, the Office of Management and Budget adjusted the Ames, IA MSA to include Boone County in 2018. As a result, the bank’s previous Non-MSA, IA assessment area consisting of Boone County was merged with the Ames, IA MSA. Within the Des Moines- West Des Moines, IA MSA, the bank delineates Polk County in its entirety and a contiguous portion of Dallas County that consists of nine of 15 census tracts.

As previously discussed, VisionBank acquired Legacy Bank, Altoona, Iowa, establishing four full-service branch locations within the central Iowa region on November 1, 2022. As a result of the acquisition, the bank expanded its assessment area within the Des Moines-West Des Moines, IA

MSA to include two additional census tracts (402 and 407) in Jasper County, Iowa. However, because this acquisition occurred outside of the review period for this examination (2019-2021), the Jasper County census tracts will be included in the next evaluation.

The bank does not serve any distressed or underserved middle-income census tracts.

Description of VisionBank’s Individual Assessment Areas			
Assessment Area	Description	# of Branches (Prior to Legacy Acquisition)	Review Type
Ames, IA MSA	<ul style="list-style-type: none"> • Boone County • Story County • Hamilton County (1 of 5 census tracts) 	7	Full
Des Moines-West Des Moines, IA MSA	<ul style="list-style-type: none"> • Polk County • Dallas County (9 of 15 census tracts) 	2	Full

The combined delineated assessment area includes 135 census tracts, including 32 upper-, 62 middle-, 28 moderate-, 11 low-, and two unknown-income census tracts. The two unknown-income census tracts are home to the Des Moines International Airport and Iowa State University. According to community representatives, Iowa State University is primarily responsible for maintaining and growing the population in Ames, Iowa. Additionally, one representative stated people want to live in Polk and Dallas Counties because it is the metropolitan hub of Iowa, containing various jobs and amenities.

Of the 155,240 families residing in the combined assessment area; 19.9 percent are low-income, and 17.1 percent are moderate-income. Businesses and farms with revenues less than or equal to \$1 million represent 90.2 and 97.7 percent, respectively. This information is indicative of lending opportunities for low- and moderate-income families, as well as small businesses and farms within the assessment areas.

Additional assessment area demographic information of the combined assessment areas is provided in the following table. Please refer to Appendix B for 2020 combined assessment area demographic information.

2021 Combined Assessment Area AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	11	8.1	6,897	4.4	2,051	29.7	30,915	19.9
Moderate	28	20.7	26,518	17.1	4,237	16.0	26,523	17.1
Middle	62	45.9	70,510	45.4	4,826	6.8	34,048	21.9
Upper	32	23.7	51,315	33.1	1,521	3.0	63,754	41.1
Unknown	2	1.5	0	0.0	0	0.0	0	0.0
Total AA	135	100.0	155,240	100.0	12,635	8.1	155,240	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	14,727	4,469	2.7	30.3	8,734	59.3	1,524	10.3
Moderate	46,004	25,952	15.9	56.4	16,385	35.6	3,667	8.0
Middle	123,944	76,754	47.0	61.9	39,143	31.6	8,047	6.5
Upper	75,996	56,032	34.3	73.7	17,100	22.5	2,864	3.8
Unknown	7	0	0.0	0.0	7	100.0	0	0.0
Total AA	260,678	163,207	100.0	62.6	81,369	31.2	16,102	6.2
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1,410	4.6	1,226	4.4	174	6.5	10	3.1
Moderate	3,571	11.6	3,222	11.6	327	12.2	22	6.8
Middle	15,905	51.6	14,267	51.3	1,448	54.0	190	58.6
Upper	9,870	32.1	9,042	32.5	726	27.1	102	31.5
Unknown	38	0.1	32	0.1	6	0.2	0	0.0
Total AA	30,794	100.0	27,789	100.0	2,681	100.0	324	100.0
Percentage of Total Businesses:				90.2		8.7		1.1
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	8	0.7	6	0.5	2	8.3	0	0.0
Moderate	29	2.5	28	2.5	1	4.2	0	0.0
Middle	804	70.2	788	70.4	15	62.5	1	50.0
Upper	305	26.6	298	26.6	6	25.0	1	50.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,146	100.0	1,120	100.0	24	100.0	2	100.0
Percentage of Total Farms:				97.7		2.1		0.2
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

LENDING TEST

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

Loan-to-Deposit Ratio

VisionBank had a more than reasonable LTD ratio (considering seasonal variations) given the bank’s size, financial condition, and assessment area credit needs. As of December 31, 2022, the bank’s LTD ratio averaged 101.5 percent over a 14-quarter period. The LTD shows a decrease from the previous evaluation in which the bank had a ratio of 109.1 percent over a 13-quarter period. Overall, the bank’s LTD ratio was above its local competitors over the evaluation period. The following table compares the bank’s LTD ratio to peers and local competitors.

Comparative Loan-to-Deposit Ratios as of December 31, 2022	
Comparative Data	14 Quarter Average (%)
VisionBank	101.5
Peer Avg – Local	80.1
Competitors	
Central State Bank	89.1
City State Bank	75.7
Iowa State Bank	60.3
Peoples Bank	77.3
Raccoon Valley Bank	79.8
South Story Bank & Trust Company	98.3

Assessment Area Concentration

VisionBank made a substantial majority of loans, and as appropriate, other lending-related activities in the assessment area. During the evaluation period, the bank originated 91.6 percent of total loans by number and 92.3 percent by dollar amount inside the assessment area. The percentage of HMDA-reportable loans originated within the assessment area was 92.2 percent by number and 93.2 percent by dollar volume. Small business-related loans had the second highest concentration originated inside the assessment area, with a total of 88.5 percent by number and

89.7 percent by dollar amount. Further, the bank originated 84.0 percent by number and 69.9 percent by dollar amount of small farm-related loans inside their assessment area. Performance indicates the bank is actively serving the credit needs of the local community. The bank’s overall assessment area concentration of loans increased since the previous evaluation when 87.7 percent of total loans were originated within the assessment area.

The following table presents VisionBank’s lending inside and outside its assessment area by product.

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Purchase - Conventional	141	92.2	35,664	92.1	12	7.8	3,055	7.9
Home Improvement	3	100.0	89	100.0	0	0.0	0	0.0
Multi-Family Housing	35	83.3	24,927	98.2	7	16.7	468	1.8
Refinancing	569	92.8	127,743	92.5	44	7.2	10,320	7.5
Total HMDA related	748	92.2	188,423	93.2	63	7.8	13,843	6.8
Small Business related	46	88.5	11,293	89.7	6	11.5	1,295	10.3
Small Farm related	42	84.0	4,061	69.9	8	16.0	1,748	30.1
TOTAL LOANS	836	91.6	203,776	92.3	77	8.4	16,885	7.7

Geographic and Borrower Distribution

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

Please refer to the full reviews of the Ames, IA MSA, and the Des Moines – West Des Moines, IA MSA assessment areas for more information.

Response to Complaints

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

COMMUNITY DEVELOPMENT TEST

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

Lending, Donation, and Services Activities

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

During the evaluation period, VisionBank originated 50 qualified loans with a total of \$20.4 million toward affordable housing and revitalizing and stabilizing the community within its assessment areas. This was an increase in qualified loan volume from the previous evaluation when the bank made six community development loans totaling \$491,671.

In addition, the bank participated in the Small Business Administration's (SBA) Paycheck Protection Program (PPP) in response to the COVID-19 pandemic. Of the 50 qualified loans, the bank originated 35 PPP loans for borrowers located within low-and-moderate income census tracts, totaling approximately \$6.4 million during the evaluation period. PPP loans were originated in a direct response to the COVID-19 pandemic and were specifically designed to benefit small businesses in assisting to retain jobs. Therefore, these loans are considered very responsive to the needs of the assessment area. Further, of the bank's 50 qualified loans, 14 were instances of loan modifications to assist borrowers during the COVID-19 pandemic. These modifications were mostly related to providing borrowers with interest-only payments.

During the evaluation period, the bank did not make any qualified investments; however, it made \$135,038 in community development donations throughout its assessment areas. The bank provided 72 qualified donations to organizations which support affordable housing, revitalizing and stabilizing local communities, economic development, and community services tailored to meet the needs of low-and moderate-income individuals. This is a significant increase from the previous evaluation in which the bank made donations totaling \$93,250.

During the evaluation period, VisionBank's staff provided 1,154 hours of community development services to 14 unique organizations. A majority of the total number of service hours were dedicated to organizations with an affordable housing and a community service focus. Staff provided these organizations with financial planning services, technical assistance, as well as volunteering with programs that target low- and moderate-income individuals throughout the bank's assessment areas. Employees served as members of the board and/or as committee members within several of these organizations. These services are responsive and flexible in nature as they helped organizations with financial and technical assistance. This is also notable considering the bank's community development services occurred in part during the pandemic, when person to person contact was limited. During the previous evaluation, the bank provided 1,128 hours of community development services to 11 unique organizations.

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

Community Development Activities September 16, 2019 – February 27, 2023								
Assessment Area	Loans		Investments		Donations		Services	
	#	\$ (\$000)	#	\$ (\$000)	#	\$ (\$000)	#	Hours
Full Review								
Ames, Iowa MSA	41	18,237	0	0	35	59	9	759
Des Moines, West Des Moines, Iowa MSA	9	2,121	0	0	37	76	5	395
Total Qualified	50	20,358	0	0	72	135	14	1,154

AMES, IOWA MSA #11180 – FULL REVIEW

SCOPE OF EXAMINATION

Full scope examination procedures were used to evaluate the bank’s performance in the Ames, IA MSA assessment area. The scope is consistent with the overall scope of the examination described within the institution summary. For further information, refer to the “Scope of Examination” section for details.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE AMES, IOWA MSA #11180 ¹

The bank’s Ames, IA, MSA assessment area is comprised of Boone and Story Counties in their entirety, and one single contiguous census tract in Hamilton County. The assessment area includes 28 census tracts, which is comprised of two low-, one moderate-, 21 middle-, three upper-, and one unknown-income census tract. As previously discussed, the unknown-income census tract is comprised entirely by Iowa State University, which is located in Ames, Iowa (Story County). The assessment area has not changed since the previous evaluation; however, the Office of Management and Budget adjusted the Ames IA, MSA to include Boone County in 2018. As a result, the bank’s previous non-MSA Iowa assessment area, which was comprised of Boone County, was merged with the Ames IA, MSA.

Within the assessment area, the bank operates its main office with a full-service ATM, five branches with full-service ATMs, and one limited-service branch. The main office (104 Chestnut Street, Ames Iowa) is located in a low-income census tract. The remaining branch locations are in middle-income census tracts. The bank has not opened or closed any branches in the assessment area since the previous evaluation.

According to the June 30, 2021, Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, VisionBank ranked third out of 28 financial institutions operating within the Ames, IA MSA. The bank held \$424.8 million in deposits, representing a market share of 9.9 percent. The financial institutions with the largest percentage share of the deposit market include First National Bank (15.5 percent), and U.S. Bank National Association (11.9 percent).

Additional assessment area demographic information for 2021 is provided in the following table. Please refer to Appendix B for 2020 demographic information for combined assessment area demographic information.

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

2021 Ames, IA MSA 11180 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	7.1	897	3.4	214	23.9	4,726	17.7
Moderate	1	3.6	1,032	3.9	41	4.0	4,807	18.0
Middle	21	75.0	21,037	78.6	1,257	6.0	6,701	25.0
Upper	3	10.7	3,794	14.2	100	2.6	10,526	39.3
Unknown	1	3.6	0	0.0	0	0.0	0	0.0
Total AA	28	100.0	26,760	100.0	1,612	6.0	26,760	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	3,641	567	2.0	15.6	2,894	79.5	180	4.9
Moderate	1,782	1,262	4.5	70.8	376	21.1	144	8.1
Middle	38,876	22,538	79.6	58.0	13,941	35.9	2,397	6.2
Upper	6,690	3,956	14.0	59.1	2,482	37.1	252	3.8
Unknown	7	0	0.0	0.0	7	100.0	0	0.0
Total AA	50,996	28,323	100.0	55.5	19,700	38.6	2,973	5.8
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	408	7.7	353	7.3	53	13.1	2	2.9
Moderate	138	2.6	126	2.6	11	2.7	1	1.4
Middle	3,905	73.4	3,596	74.3	252	62.2	57	82.6
Upper	836	15.7	742	15.3	85	21.0	9	13.0
Unknown	30	0.6	26	0.5	4	1.0	0	0.0
Total AA	5,317	100.0	4,843	100.0	405	100.0	69	100.0
Percentage of Total Businesses:				91.1		7.6		1.3
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	5	0.8	3	0.5	2	16.7	0	0.0
Moderate	5	0.8	5	0.8	0	0.0	0	0.0
Middle	572	87.7	562	87.9	9	75.0	1	100.0
Upper	70	10.7	69	10.8	1	8.3	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	652	100.0	639	100.0	12	100.0	1	100.0
Percentage of Total Farms:				98.0		1.8		0.2
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Population Characteristics

According to the 2010 to 2015 U.S. Census Bureau American Community Survey (ACS), population in the assessment area in 2015 was 135,284. The assessment area experienced a 2.9 percent population increase from 2010 to 2015. Most of the assessment area's population resides in Story County, which accounts for approximately 69.2 percent of the entire assessment area. Within the assessment area, Story County had the greatest population growth at 4.5 percent, compared to the 0.4 percent growth in Boone County. The population of Hamilton County decreased by 2.4 percent from 2010 to 2015. During the same period, the state of Iowa saw a slight increase in population of 1.5 percent.

According to a community representative, Iowa State University is primarily responsible for maintaining and growing the population in the area. Another representative stated that Boone County lost a fair amount of people moving East, as students go to Iowa State University or other urban areas. However, the representative noted slight growth in recent years, which can be attributed to the COVID-19 pandemic and individuals moving further outside of Ames due to hybrid/remote work opportunities. It was also noted that while the city of Boone has lost population, the rural areas of the county, specifically those closest to Ames, have seen population growth. These trends are likely to continue; however, they are contingent on business need and as opportunities to work from home or hybrid work arrangements continue to be offered. The following table presents population trends for the assessment area, the counties comprising the assessment area, as well as the state of Iowa from 2010 and 2015.

Population Change 2010 and 2011-2015			
Area	2010 Population	2015 Population	Percent Change
Assessment Area	131,521	135,284	2.9%
Boone County, IA	26,306	26,401	0.4%
Hamilton County, IA	15,673	15,297	-2.4%
Story County, IA	89,542	93,586	4.5%
Iowa	3,046,355	3,093,526	1.5%
<p><i>Source: 2010 U.S. Census Bureau Decennial Census 2011 - 2015 U.S. Census Bureau American Community Survey</i></p>			

Income Characteristics

According to the U.S. Census Bureau, the assessment area is comprised of 26,760 families, of which 17.7 percent are designated as low-income, 18.0 percent are moderate-income, 25.0 percent are middle-income, and 39.3 percent are upper-income families. Families living below the poverty

level within the assessment area is 6.0 percent, which is below the state of Iowa’s poverty rate of 8.1 percent.

Overall, the assessment area experienced a decrease in MFI at 4.3 percent, which was comparable to that of Story County. Boone and Story County experienced a decrease in MFI at 4.9 percent and 4.1 respectively, whereas Hamilton County experienced the sharpest decline in MFI at 9.7 percent. The state of Iowa had an increase in MFI at 0.2 percent exceeding growth in the assessment area and individual counties comprising the assessment area.

Community representatives in the area stated that many of the higher paying jobs are in the more urban areas, outside of Boone County. However, the county has experienced slight economic growth in recent years, as the local economy is heavily tied to farming conditions, which has benefited from high crop yields. Additionally, community representatives noted that the cost of living within Boone County is lower than that of neighboring counties. Within Story County it was discussed that although there is a higher MFI, the cost of living is higher due to property taxes and housing costs within the surrounding Ames metropolitan area. The following table presents the median family income (MFI) for families living in the assessment area, the counties comprising the assessment area, and the state of Iowa.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Assessment Area	\$74,878	\$71,689	-4.3%
Boone County, IA	\$72,820	\$69,260	-4.9%
Hamilton County, IA	\$66,940	\$60,427	-9.7%
Story County, IA	\$80,885	\$77,539	-4.1%
Iowa	\$67,302	\$67,466	0.2%
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey 2011 - 2015 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

Housing Characteristics

There is a total of 50,996 housing units within the assessment area. The majority of housing units are owner-occupied at 55.5 percent, followed by rental units which comprise 38.6 percent of total units. Vacant units make up 5.8 percent of the housing units in the assessment area. Most of the assessment area’s owner-occupied housing units are located in middle- and upper-income census tracts (approximately 93.6 percent), while only 6.5 percent of owner-occupied housing units are located in low- and moderate-income census tracts. Of the total housing units located in low-income census tracts, the majority are rental units (79.5 percent), which indicates fewer lending opportunities in these census tracts. The two low-income census tracts within the assessment area

are within Story County, located just east and north of Iowa State University’s campus in Ames, Iowa, which includes a high volume of temporary and rental housing.

A method to understand poverty and housing outcomes is calculating housing cost burden, which is presented in the table below. The housing cost burden is the ratio of a household’s gross monthly housing costs to the household’s gross monthly income. Housing cost burden, as defined by the Department of Housing and Urban Development (HUD), takes these quantitative ratios, and assigns qualitative values to them. If a household’s housing cost is above 30.0 percent of its income, then that household is considered housing cost burdened. If housing cost is above 50.0 percent, then the household is severely housing cost burdened. Across the assessment area, 46.5 percent of all renters are considered housing cost burdened. Of the cost burdened renters, 77.9 percent are low-income, and 29.6 percent are moderate-income. For homeowners, only 14.8 percent are experiencing housing cost burden within the assessment area. However, those homeowners that do experience burden are low- and moderate-income owners at 64.7 percent and 29.2 percent, respectively.

A community representative stated there is a limited supply of affordable housing and building is difficult without subsidies. Existing units have gone up significantly in price and are no longer affordable for many buyers. Further, developers are buying housing and raising the price after making improvements, which has become more prominent in Ames, Iowa (Story County) in recent years. Another representative stated that renters in Boone County have not seen as much of a significant increase in the cost of housing as in Des Moines or Ames, Iowa. Individuals moving away from Ames are generally buying homes in the outskirts of Boone County, which has caused prices to increase given the rise in demand. The representative also stated that new development is geared towards rental based housing targeted towards college students, which skew the rental cost burden as they have no or very low income.

Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	77.9%	29.6%	46.5%	64.7%	29.2%	14.8%
Boone County, IA	68.8%	24.1%	32.1%	64.0%	30.6%	15.7%
Hamilton County, IA	56.5%	16.0%	27.1%	54.9%	31.5%	14.6%
Story County, IA	80.3%	32.4%	50.5%	67.8%	28.0%	14.5%
Ames, IA MSA	79.4%	30.8%	48.2%	66.5%	28.8%	14.9%
Iowa	72.2%	24.1%	38.0%	58.9%	25.3%	15.2%
Cost Burden is housing cost that equals 30 percent or more of household income						
Source: U.S. Department of Housing and Urban Development (HUD), 2014-2018 Comprehensive Housing Affordability Strategy						

Employment Characteristics

The unemployment rate for the assessment area and the counties comprising the assessment are comparable or lower than the state of Iowa’s unemployment rate at 4.2 percent in 2021. Hamilton County had the highest unemployment rate in 2020, during the height of the COVID-19 pandemic, at 4.3 percent, which was lower than the state of Iowa’s unemployment rate of 5.1 percent for the same period. Overall, unemployment rates in the assessment area, counties comprising the assessment area, and the state of Iowa are still elevated when compared to pre-pandemic levels in 2019. A community representative stated that while unemployment is low in Story County, some businesses do not want to move or expand, given current staff issues/shortages, as there is a lack of skilled individuals to fill positions. Additionally, a representative noted that in Boone County it has been a struggle for businesses to match the increase in wage demand for workers, which has led to workers searching outside of the area for employment. The table below presents unemployment statistics for the assessment area, the counties comprising the assessment area, and the state of Iowa.

Unemployment Rates (%)					
Area	2017	2018	2019	2020	2021
Assessment Area	2.1	1.8	1.9	3.7	3.2
Boone County, IA	2.4	2.1	2.3	4.0	3.5
Hamilton County, IA	3.2	2.7	2.7	4.3	4.2
Story County, IA	2.0	1.6	1.7	3.5	3.0
Iowa	3.1	2.5	2.6	5.1	4.2
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>					

Industry Characteristics

According to location quotients developed by the U.S. Bureau of Labor Statistics, the assessment area contains a diverse employment base and is most heavily impacted by the health care, retail, professional and technical services, and construction industries. Further, the assessment area is heavily impacted by Iowa State University, which is in the city of Ames, Iowa. Both representatives noted overall stability in industry conditions, despite the challenges caused by the COVID-19 pandemic. However, one community representative stated that the service industry in the assessment area continues to face challenges attracting workers since the COVID-19 pandemic.

Community Representatives

Two community representatives were contacted during the evaluation to provide information regarding local economic and demographic conditions within the assessment area. Each representative provided information on housing, employment, economic development needs, as well as information about how the COVID-19 pandemic affected the local economy. Each representative also discussed the financial challenges within their respective areas and how local

financial institutions could be more involved. Representatives also discussed the need for economic development programs, donations to organizations that focus on affordable housing, and additional financial resources in rural areas where funding is currently lacking.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN AMES, IA MSA

LENDING TEST

As previously noted, the bank's performance within the Ames, IA MSA carried more weight in the evaluation due to its increased lending activity, branch presence, and overall deposit share within this assessment area. Additionally, small business and HMDA-reportable loans received more weight than small farm loans, given the bank's primary focus on commercial lending and the volume of HMDA-reportable loans originated.

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

Geographic Distribution of Loans

VisionBank's geographic distribution of HMDA-reportable, small business, and small farm loans reflects reasonable dispersion throughout the assessment area. An analysis of the bank's geographic dispersion of loans within the assessment area was also conducted to identify any possible conspicuous gaps in lending, particularly within low- and moderate-income tracts. The assessment area contains 28 census tracts, of which two are low-income, and one is moderate-income. In 2021, VisionBank originated loans in 89.3 percent of the 28 census tracts in the assessment area. The gap analysis indicates the bank's lending patterns are well balanced across the census tracts within the assessment area and no substantial disparities were identified. The bank's 2020 distribution of loans among the census tract designations was comparable to 2021's performance.

HMDA-Reportable Loans

The bank's geographic distribution of HMDA-reportable loans reflects reasonable dispersion throughout the assessment area. Geographic distribution of 2021 HMDA-reportable loans were comparable to the 2020 HMDA-reportable lending performance.

In 2021, VisionBank originated 3.0 percent of its total HMDA-reportable loans by number in low-income census tracts, slightly above the aggregate performance and the demographic at 1.3 percent and 2.0 percent, respectively. Additionally, the bank originated 1.8 percent of total HMDA-reportable loans in moderate-income census tracts by number, slightly below both the aggregate of 3.8 percent and demographic of 4.5 percent. The bank originated a majority, 73.8 percent, of total HMDA-reportable loans in middle-income census tracts, which was below the aggregate and

demographic at 78.5 percent and 79.6 percent, respectively. Further, the bank originated 21.3 percent of total HMDA-reportable loans in upper-income census tracts, which was above the aggregate at 16.4 percent and demographic at 14.0 percent.

Home Purchase Loans

In 2021, home purchase loans comprised 25.6 percent of the bank's total HMDA-reportable loan portfolio. The bank did not originate any home purchase loans in low-income census tracts, which was below the aggregate at 1.3 percent and demographic at 2.0 percent. The bank originated 2.4 percent of its home purchase loans by number in moderate-income census tracts, which was slightly below aggregate at 5.4 percent and the 4.5 percent of owner-occupied housing located in moderate-income census tracts. The bank originated a majority, 76.2 percent, of its home purchase loans in middle-income census tracts, which was comparable to the aggregate at 77.4 percent and below the demographic 79.6 percent. Further, the bank originated 21.4 percent of its home purchase loans in upper-income census tracts, which was above both the aggregate at 16.0 percent and demographic at 14.0 percent.

In 2020, the bank's geographic distribution of home purchase loans in low- income census tracts slightly exceeded its 2021 performance. Further, the bank's 2020 home purchase lending in moderate-income census tracts was comparable to the bank's 2021 performance.

Refinance Loans

In 2021, refinance loans comprised 63.4 percent of the bank's total HMDA-reportable loan portfolio. The bank originated 3.8 percent of its refinance loans by number in low-income census tracts, which was slightly above the aggregate at 1.1 percent and comparable to the demographic of 2.0 percent. The bank originated 1.9 percent of its refinance loans in moderate-income census tracts, which was comparable to the aggregate at 2.8 percent and slightly below the demographic at 4.5 percent. The bank originated a majority, 72.1 percent, of its refinance loans in middle-income census tracts. Performance was below the aggregate and demographic at 79.3 percent and 79.6 percent, respectively. Further, the bank originated 22.1 percent of its refinance loans in upper-income census tracts, which was above the aggregate at 16.9 percent, and demographic at 14.0 percent.

In 2020, the bank's geographic distribution of refinance loans in low- income census tracts was below its 2021 performance, but comparable to the aggregate and demographic. Further, the bank's 2020 refinance lending in moderate-income census tracts was comparable to its 2021 performance.

The following table presents the bank's geographic distribution of HMDA-reportable loans in 2020 and 2021.

Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Ames, IA MSA 11180													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	2	4.3	1.3	910	9.4	1.2	0	0.0	1.3	0	0.0	0.9	2.0
Moderate	2	4.3	4.6	282	2.9	2.9	1	2.4	5.4	214	1.9	3.3	4.5
Middle	37	78.7	81.0	7,024	72.7	77.7	32	76.2	77.4	8,889	77.1	73.3	79.6
Upper	6	12.8	13.0	1,444	14.9	18.1	9	21.4	16.0	2,424	21.0	22.5	14.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	47	100.0	100.0	9,660	100.0	100.0	42	100.0	100.0	11,527	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	0.6	0	0.0	0.4	4	3.8	1.1	1,547	7.0	1.0	2.0
Moderate	7	2.3	2.4	674	1.1	1.2	2	1.9	2.8	159	0.7	1.6	4.5
Middle	240	79.5	77.2	48,381	76.2	73.3	75	72.1	79.3	13,548	61.4	74.6	79.6
Upper	55	18.2	19.8	14,455	22.8	25.0	23	22.1	16.9	6,805	30.8	22.8	14.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	302	100.0	100.0	63,510	100.0	100.0	104	100.0	100.0	22,059	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.0	0	0.0	0.0	0	0.0	1.2	0	0.0	1.6	2.0
Moderate	0	0.0	2.9	0	0.0	2.2	0	0.0	3.6	0	0.0	1.9	4.5
Middle	3	100.0	82.9	89	100.0	81.0	0	0.0	76.9	0	0.0	71.9	79.6
Upper	0	0.0	14.1	0	0.0	16.9	0	0.0	18.3	0	0.0	24.6	14.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	3	100.0	100.0	89	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	1	16.7	13.6	1,592	35.0	17.4	1	5.6	12.0	381	6.0	1.6	17.9
Moderate	0	0.0	1.5	0	0.0	0.7	0	0.0	2.7	0	0.0	0.0	0.7
Middle	4	66.7	75.8	2,182	48.0	67.1	14	77.8	62.7	4,230	67.1	89.9	67.2
Upper	1	16.7	9.1	770	16.9	14.8	3	16.7	22.7	1,693	26.9	8.5	14.1
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	6	100.0	100.0	4,544	100.0	100.0	18	100.0	100.0	6,304	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	3	0.8	1.0	2,502	3.2	2.0	5	3.0	1.3	1,928	4.8	1.2	2.0
Moderate	9	2.5	3.3	956	1.2	1.8	3	1.8	3.8	373	0.9	1.5	4.5
Middle	284	79.3	78.8	57,676	74.1	74.5	121	73.8	78.5	26,667	66.9	80.0	79.6
Upper	62	17.3	16.9	16,669	21.4	21.6	35	21.3	16.4	10,922	27.4	17.3	14.0
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	358	100.0	100.0	77,803	100.0	100.0	164	100.0	100.0	39,890	100.0	100.0	100.0
Source: 2021 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. A sample of small business loans originated in 2021 was reviewed, of which 19.4 percent by number were in low-income census tracts within assessment area. The bank's performance was significantly above the percentage of total businesses in low-income census tracts at 7.7 percent. The bank did not originate any small business loans in moderate-income census tracts; however, just 2.6 percent of total businesses are located within this sole census tract, indicating very limited lending opportunities. The majority of the bank's small business loans, 64.5 percent, were originated in middle-income census tracts, which was below the percentage of total businesses located in those geographies at 73.4 percent. Further, the bank originated 16.1 percent of small business loans in upper-income census tracts, which was consistent with the percentage of total businesses located in those geographies at 15.7 percent.

The following table presents the bank's geographic distribution of small business loans in 2021.

Distribution of 2021 Small Business Lending By Income Level of Geography						
Assessment Area: Ames, IA MSA 11180						
Geographic Income Level	Bank Loans				Total Businesses %	
	#	#%	\$(000)	%		
Low	6	19.4	2,083	31.0	7.7	
Moderate	0	0.0	0	0.0	2.6	
Middle	20	64.5	3,519	52.3	73.4	
Upper	5	16.1	1,127	16.7	15.7	
Unknown	0	0.0	0	0.0	0.6	
Tract-Unk	0	0.0	0	0.0		
Total	31	100.0	6,729	100.0	100.0	

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

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

Small Farm Loans

The geographic distribution of small farm loans reflects a reasonable dispersion throughout the assessment area. A sample of small farm loans originated in 2021 was reviewed, of which, none were originated in low- or moderate-income census tracts. Performance was comparable to the 0.8 percent of total farms located in both low-and- moderate-income geographies. The low percentage of small farms significantly limits the bank's ability to originate loans within those geographies. A substantial majority (91.9 percent) of the bank's small farm loans were originated in middle-income census tracts, which was above the 87.7 percent of small farms located in middle-income geographies. Further, the bank originated 8.1 percent of small farm loans in upper-income census

tracts, which was slightly below the percentage of total farms located in those geographies at 10.7 percent.

The following table presents the bank's geographic distribution of small farm loans in 2021.

Distribution of 2021 Small Farm Lending By Income Level of Geography					
Assessment Area: Ames, IA MSA 11180					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.8
Moderate	0	0.0	0	0.0	0.8
Middle	34	91.9	3,106	90.0	87.7
Upper	3	8.1	345	10.0	10.7
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	37	100.0	3,451	100.0	100.0

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

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

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

VisionBank’s distribution of loans reflects poor penetration among individuals of different income levels, including low- and moderate-income individuals, and businesses and farms of different sizes. The bank experienced a decline in lending distribution performance when compared to the previous examination.

HMDA- Reportable Loans

The borrower distribution of HMDA-reportable loans reflects poor penetration among individuals of different income levels. The bank’s distribution of total HMDA-reportable lending to borrowers of different income levels in 2020 was comparable to the bank’s 2021 performance.

In 2021, the bank’s total HMDA-reportable loans originated to low-income borrowers was 2.7 percent by number, which was below the aggregate at 8.3 percent and significantly below the percentage of low-income families located in the assessment area at 17.7 percent. The bank originated 11.6 percent of total HMDA-reportable loans to moderate-income borrowers, which was below the aggregate at 20.0 percent and the percentage of moderate-income families located in the assessment area at 18.0 percent. The bank originated 23.3 percent of total HMDA-reportable loans to middle-income borrowers, which was consistent to the aggregate and demographic at 22.0 percent and 25.0 percent, respectively. The bank originated 47.3 percent of its total HMDA-reportable loans to upper-income borrowers, which exceeded the aggregate at 32.4 percent and the

demographic at 39.3 percent. Further, the bank originated 15.1 percent of total HMDA-reportable loans to borrowers of unknown-income, which was slightly below the aggregate at 17.3 percent.

The bank has a moderate volume of lending to borrowers of unknown income among its borrower distribution of HMDA-reportable lending. This is attributed to the bank's volume of non-owner-occupied, one-to-four family originations. These loans are HMDA-reportable; however, income is not required to be reported; therefore, these loans could potentially skew the analysis of the bank's HMDA-reportable lending, with 10.8 percent and 15.1 percent, in 2020 and 2021 respectively, being originated to borrowers with unknown-income. This was considered as part of the overall analysis.

Home Purchase Loans

In 2021, VisionBank originated 2.4 percent of home purchase loans, to low-income borrowers, which was below the aggregate at 10.6 percent, and significantly below the percentage of low-income families located in the assessment area at 17.7 percent. The bank originated 9.5 percent of its home purchase loans to moderate-income borrowers, which was also below the aggregate at 23.5 percent and demographic at 18.0 percent. The bank originated 26.2 percent of its home purchase loans to middle-income borrowers, which was above the aggregate at 21.8 percent and comparable to the percentage of middle-income families located in the assessment area at 25.0 percent. The bank originated 47.6 percent of its home purchase loans to upper-income borrowers, which was significantly above the aggregate at 27.0 percent and above the demographic at 39.3 percent. Further, the bank originated 14.3 percent of its home purchase loans to unknown-income borrowers, which was slightly below the aggregate lenders at 17.1 percent.

In 2020, the bank's home purchase loans to low-income borrowers were comparable to its 2021 performance. While home purchase loans to moderate-income borrowers were above the bank's 2021 performance, the bank's performance was still below the aggregate and demographics.

Refinance Loans

In 2021, VisionBank originated 2.9 percent of its refinance loans to low-income borrowers. Performance was below the aggregate at 6.4 percent and the percentage of low-income families in the assessment area at 17.7 percent. The bank originated 12.5 percent of its refinance loans to moderate-income borrowers, which was below the aggregate and the demographic as both were 18.0 percent. The bank originated 22.1 percent of its refinance loans to middle-income borrowers, which was comparable to the aggregate at 22.1 percent and below the demographic at 25.0 percent. The bank originated 47.1 percent of its refinance loans to upper-income borrowers, which was above the aggregate at 35.6 percent and the percentage of upper-income families located in the assessment area at 39.3 percent. The bank also originated 15.4 percent of its refinance loans to unknown-income borrowers, which was below the aggregate at 18.0 percent.

In 2020, the bank’s refinance loans to low- and moderate-income borrowers was comparable to its 2021 performance.

The following table presents the bank’s borrower distribution of HMDA-reportable loans in 2020 and 2021.

Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Ames, IA MSA 11180													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2020						2021						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	2.1	12.0	26	0.3	7.2	1	2.4	10.6	124	1.1	6.4	17.7
Moderate	8	17.0	25.2	1,179	12.2	21.1	4	9.5	23.5	964	8.4	18.4	18.0
Middle	14	29.8	23.3	2,885	29.9	24.5	11	26.2	21.8	2,625	22.8	22.2	25.0
Upper	16	34.0	26.8	3,959	41.0	35.1	20	47.6	27.0	6,535	56.7	36.6	39.3
Unknown	8	17.0	12.8	1,611	16.7	12.2	6	14.3	17.1	1,279	11.1	16.4	0.0
Total	47	100.0	100.0	9,660	100.0	100.0	42	100.0	100.0	11,527	100.0	100.0	100.0
Refinance Loans													
Low	6	2.0	4.9	590	0.9	2.6	3	2.9	6.4	323	1.5	3.6	17.7
Moderate	41	13.6	16.3	6,177	9.7	11.8	13	12.5	18.0	2,105	9.5	12.8	18.0
Middle	88	29.1	24.0	15,316	24.1	21.2	23	22.1	22.1	4,130	18.7	19.9	25.0
Upper	137	45.4	40.2	35,122	55.3	48.4	49	47.1	35.6	12,299	55.8	44.0	39.3
Unknown	30	9.9	14.5	6,305	9.9	16.0	16	15.4	18.0	3,202	14.5	19.7	0.0
Total	302	100.0	100.0	63,510	100.0	100.0	104	100.0	100.0	22,059	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	8.2	0	0.0	4.5	0	0.0	11.8	0	0.0	5.1	17.7
Moderate	0	0.0	14.7	0	0.0	8.9	0	0.0	17.8	0	0.0	11.1	18.0
Middle	1	33.3	28.2	21	23.6	22.2	0	0.0	24.3	0	0.0	24.6	25.0
Upper	2	66.7	43.5	68	76.4	49.5	0	0.0	40.8	0	0.0	46.6	39.3
Unknown	0	0.0	5.3	0	0.0	14.9	0	0.0	5.3	0	0.0	12.5	0.0
Total	3	100.0	100.0	89	100.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													
Low	7	2.0	7.6	616	0.8	4.3	4	2.7	8.3	447	1.3	4.9	17.7
Moderate	49	13.9	19.4	7,356	10.0	15.2	17	11.6	20.0	3,069	9.1	15.3	18.0
Middle	103	29.3	23.6	18,222	24.9	22.3	34	23.3	22.0	6,755	20.1	21.0	25.0
Upper	155	44.0	35.2	39,149	53.4	43.2	69	47.3	32.4	18,834	56.1	40.7	39.3
Unknown	38	10.8	14.2	7,916	10.8	15.0	22	15.1	17.3	4,481	13.3	18.1	0.0
Total	352	100.0	100.0	73,259	100.0	100.0	146	100.0	100.0	33,586	100.0	100.0	100.0
Source: 2021 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Small Business Loans

VisionBank’s distribution of small business loans reflects reasonable dispersion among businesses of different revenue sizes. A sample of the bank’s small business loans originated in 2021 was reviewed of which, 100.0 percent by number were to businesses with total revenues of \$1.0 million or less. This is above the percentage of total businesses within the assessment area with total revenues of \$1.0 million or less (91.1 percent). Of these loans, the highest percentage (48.4 percent) had a loan amount of \$100,000 or less, which are considered the most beneficial to small businesses, 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 2021.

Distribution of 2021 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Ames, IA MSA 11180					
	Bank Loans				Total
	#	#%	\$(000)	%	Businesses
By Revenue					
\$1 Million or Less	31	100.0	6,729	100.0	91.1
Over \$1 Million	0	0.0	0	0.0	7.6
Revenue Unknown	0	0.0	0	0.0	1.3
Total	31	100.0	6,729	100.0	100.0
By Loan Size					
\$100,000 or Less	15	48.4	644	9.6	
\$100,001 - \$250,000	8	25.8	1,410	21.0	
\$250,001 - \$1 Million	8	25.8	4,675	69.5	
Total	31	100.0	6,729	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	15	48.4	644	9.6	
\$100,001 - \$250,000	8	25.8	1,410	21.0	
\$250,001 - \$1 Million	8	25.8	4,675	69.5	
Total	31	100.0	6,729	100.0	
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

Small Farm Loans

VisionBank’s distribution of small farm loans reflects reasonable penetration among farms of different revenue sizes. A sample of small farm loans originated in 2021 was reviewed, of which 100.0 percent by number were to farms with total revenues of \$1.0 million or less. This was comparable to the gross revenue composition of small farms in the assessment area, at 98.0 percent. Of these loans, 70.3 percent had a loan amount of \$100,000 or less, demonstrating the bank’s willingness to meet small farm credit needs.

The following table presents the borrower distribution of small farm loans in 2021.

Distribution of 2021 Small Farm Lending By Revenue Size of Farms					
Assessment Area: Ames, IA MSA 11180					
	Bank Loans				Total Farms
	#	#%	\$(000)	%	%
By Revenue					
\$1 Million or Less	37	100.0	3,450	100.0	98.0
Over \$1 Million	0	0.0	0	0.0	1.8
Revenue Unknown	0	0.0	0	0.0	0.2
Total	37	100.0	3,451	100.0	100.0
By Loan Size					
\$100,000 or Less	26	70.3	1,051	30.5	
\$100,001 - \$250,000	7	18.9	1,224	35.5	
\$250,001 - \$500,000	4	10.8	1,175	34.0	
Total	37	100.0	3,451	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	26	70.3	1,051	30.5	
\$100,001 - \$250,000	7	18.9	1,224	35.5	
\$250,001 - \$500,000	4	10.8	1,175	34.1	
Total	37	100.0	3,450	100.0	
<i>Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

COMMUNITY DEVELOPMENT TEST

Lending, Donation, and Services Activities

The bank demonstrates adequate responsiveness to the needs of its assessment area through community development loans, donations, and 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

During the evaluation period, the bank originated 41 community development loans, all for revitalization and stabilization purposes for a total of approximately \$18.2 million. The majority of the bank's community development loans were attributed to PPP and loan modifications in response to the COVID-19 pandemic. These PPP loans are specifically designed to benefit small businesses, and to retain jobs during the health crisis, as such PPP loans are considered very

responsive and flexible. Community development lending increased since the previous evaluation, in which the bank did not originate any community development loans in the assessment area.

Donations

The bank did not make any qualified investments during the review period; however, it made 35 qualified community development donations totaling \$59,325 to various organizations. A substantial portion of qualified donations were to community service organizations. During the previous evaluation, the bank made nine qualified donations totaling \$20,786 in community development donations throughout the Ames, IA MSA assessment area demonstrating an increase since the previous evaluation.

Services

During the evaluation period, bank staff provided a total of 759 hours of community development services to 13 unique organizations located in the assessment area. This is an increase of community service activities since the previous evaluation where the bank provided 126 service hours to one organization. The majority of service hours involved bank staff serving as board members, committee members, and/or providing financial expertise for non-profit organizations. In addition to serving on boards, bank staff worked with low- and moderate-income individuals.

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

Community Development Activities										
Review Period September 17, 2019 – February 27, 2023										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	0	0	0	0	41	18,237,000	0	0	41	18,237,000
Investment	0	0	0	0	0	0	0	0	0	0
Donations	6	4,950	1	500	12	9,523	16	44,352	35	59,325
Services	3	140	4	405	0	0	6	214	13	759

DES MOINES – WEST DES MOINES, IOWA 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, Iowa MSA. The scope of this section is consistent with the overall scope of the examination described within the institution summary. For further information refer to the "Scope of Examination" section for details.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE DES MOINES – WEST DES MOINES, IOWA MSA #19780 ²

The bank's Des Moines-West Des Moines, IA MSA assessment area is comprised of Polk County in its entirety and a contiguous portion of Dallas County, consisting of nine of the 15 census tracts. Based on 2021 FFIEC census data, the assessment area is comprised of 107 census tracts which include nine low-income, 27 moderate-income, 41 middle-income, 29 upper-income, and one unknown-income census tract. As previously discussed, the unknown-income census tract is comprised entirely by the Des Moines International Airport. The assessment area has not changed since the previous evaluation. All low-income census tracts within the assessment area are located in Polk County.

Within the assessment area, the bank operates one branch with a full-service ATM in Polk County. In addition, since the previous evaluation the bank opened one branch with a full-service ATM in Dallas County. The bank also operates a Loan Production Office (LPO) in Dallas County. All of the branch locations, including the LPO, are located in upper-income census tracts. As previous discussed, the bank acquired Legacy Bank on November 1, 2022, which is located in the Des Moines-West Des Moines, IA MSA. However, the acquisition will not be taken into consideration, as it was completed after the evaluation period.

According to the June 30, 2021, Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report, VisionBank ranked 30th among 45 FDIC-insured financial institutions operating within the Des Moines-West Des Moines, IA MSA. The bank held \$65.6 million in deposits, representing a market share of 0.3 percent. The financial institutions with the largest percentage share of the deposit market include Principal Bank (17.8 percent), Wells Fargo Bank National Association (16.3 percent), and Bankers Trust Company (15.1 percent).

Additional assessment area demographic information for 2021 is provided in the following table. Please refer to Appendix B for 2020 combined demographic information.

² Census tract designations are based on American Community Survey income data. For years 2017 and after, the designations are based on 2011-2015 ACS data. For years 2016 and before, the designations are based on 2006-2010 ACS data. For examinations that include performance before and after 2017, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2021 Des Moines-West Des Moines, IA MSA 19780 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	9	8.4	6,000	4.7	1,837	30.6	26,189	20.4
Moderate	27	25.2	25,486	19.8	4,196	16.5	21,716	16.9
Middle	41	38.3	49,473	38.5	3,569	7.2	27,347	21.3
Upper	29	27.1	47,521	37.0	1,421	3.0	53,228	41.4
Unknown	1	0.9	0	0.0	0	0.0	0	0.0
Total AA	107	100.0	128,480	100.0	11,023	8.6	128,480	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	11,086	3,902	2.9	35.2	5,840	52.7	1,344	12.1
Moderate	44,222	24,690	18.3	55.8	16,009	36.2	3,523	8.0
Middle	85,068	54,216	40.2	63.7	25,202	29.6	5,650	6.6
Upper	69,306	52,076	38.6	75.1	14,618	21.1	2,612	3.8
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	209,682	134,884	100.0	64.3	61,669	29.4	13,129	6.3
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1,002	3.9	873	3.8	121	5.3	8	3.1
Moderate	3,433	13.5	3,096	13.5	316	13.9	21	8.2
Middle	12,000	47.1	10,671	46.5	1,196	52.5	133	52.2
Upper	9,034	35.5	8,300	36.2	641	28.2	93	36.5
Unknown	8	0.0	6	0.0	2	0.1	0	0.0
Total AA	25,477	100.0	22,946	100.0	2,276	100.0	255	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	3	0.6	3	0.6	0	0.0	0	0.0
Moderate	24	4.9	23	4.8	1	8.3	0	0.0
Middle	232	47.0	226	47.0	6	50.0	0	0.0
Upper	235	47.6	229	47.6	5	41.7	1	100.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	494	100.0	481	100.0	12	100.0	1	100.0
Percentage of Total Farms:				97.4		2.4		0.2
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Population Characteristics

According to the U.S. Census Bureau American Community Survey (ACS), population in the assessment area in 2015 was 527,261, an increase of 6.1 percent since 2010. The majority of the assessment area's population resides in Polk County, which is the most populous county in Iowa and includes the capital city of Des Moines. Polk County experienced a population increase of 5.0 percent, compared to the 13.2 percent growth in Dallas County. During the same period, the state of Iowa had a slight increase in population of 1.5 percent.

According to a community representative, people are attracted to living in Polk and Dallas Counties because it is the metropolitan hub of Iowa. The representative stated the western suburbs in Polk County have expanded across county lines into Dallas County as there is space for growth. The increase within Dallas County is attributed to new housing developments and individuals with higher incomes moving to the suburbs in search of newer and larger homes. Population growth in Dallas County has also been positively impacted by the COVID-19 pandemic, as it has allowed more people to work from home and no longer requires workers to live near their job facilities. However, job opportunities within the urban areas of Polk County are still attracting workers and families to the area. The following table presents population trends for the assessment area, the counties comprising the assessment area, as well as the state of Iowa from 2010 and 2015.

Population Change 2010 and 2011-2015			
Area	2010 Population	2015 Population	Percent Change
Assessment Area	496,775	527,261	6.1%
Dallas County, IA	66,135	74,892	13.2%
Polk County, IA	430,640	452,369	5.0%
Des Moines-West Des Moines, IA MSA	606,475	637,913	5.2%
Iowa	3,046,355	3,093,526	1.5%

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

Income Characteristics

According to the U.S. Census Bureau, the assessment area is comprised of 128,480 families, of which 20.4 percent are designated as low-income, 16.9 percent are moderate-income, 21.3 percent are middle-income, and 41.4 percent are upper-income. Families living below the poverty level within the assessment area is 8.6 percent, which is comparable with the state of Iowa poverty rate of 8.1 percent.

Overall, the assessment area experienced a slight decrease in MFI, while the state of Iowa’s remained relatively stable. Polk County had the largest decrease in MFI at 3.1 percent, while Dallas County had an increase of 1.0 percent. Dallas County has a significantly higher MFI than the assessment area, Polk County, and the state of Iowa.

A community representative noted that as the Dallas County population continues to grow, so does the job market and it has seen an increase in businesses in the area. Additionally, many of the western Des Moines suburbs have expanded across the county line into Dallas County, which has led to newer housing developments which require a higher income to afford. Representatives noted that businesses in Polk County have closed offices in downtown Des Moines, Iowa, in response to the COVID-19 pandemic. The representative stated that if businesses continue to become less dependent on office locations, Polk County could be more heavily impacted economically as downtown Des Moines contains a large number of commercial buildings. The following table presents the median family income (MFI) for families living in the assessment area, the counties comprising the assessment area, and the state of Iowa from 2010 and 2015.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Assessment Area	\$77,881	\$76,608	-1.6%
Dallas County, IA	\$91,492	\$92,428	1.0%
Polk County, IA	\$76,711	\$74,335	-3.1%
Des Moines-West Des Moines, IA MSA	\$75,913	\$75,653	-0.3%
Iowa	\$67,302	\$67,466	0.2%
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey 2011 - 2015 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

Housing Characteristics

There are a total of 209,682 housing units within the assessment area. The majority of housing units are owner-occupied at 64.3 percent, followed by rental units which comprise 29.4 percent of the total units. Vacant units make up 6.3 percent of the housing units in the assessment area. The majority, 78.8 percent, of the assessment area’s owner-occupied housing are located in middle- and upper-income census tracts, while only 21.2 percent are located in low- and moderate-income census tracts. Of the total housing units located in low-income census tracts, the majority are rental units at 52.7 percent. The limited number of owner-occupied housing units combined with a high percentage of rental units indicates fewer home mortgage lending opportunities in low- and moderate-income census tracts.

A method to understand poverty and housing outcomes is calculating housing cost burden, which is presented in the table below. The housing cost burden is the ratio of a household’s gross monthly housing costs to the household’s gross monthly income. Housing cost burden, as defined by the Department of Housing and Urban Development (HUD), takes these quantitative ratios, and assigns qualitative values to them. If a household’s housing cost is above 30.0 percent of its income, then that household is considered housing cost burdened. If housing cost is above 50.0 percent, then the household is severely housing cost burdened. Across the bank’s assessment area, 39.7 percent of all renters are considered housing cost burdened. Of the cost burdened renters, 80.3 percent are low-income, and 30.4 percent are moderate-income. For homeowners, only 16.3 percent are experiencing housing cost burden within the assessment area. However, of those homeowners that do experience burden 68.8 percent are low- and 35.0 percent are moderate-income owners.

Community representatives stated that the demand for market rate and affordable housing outweighs the supply in both Polk and Dallas Counties. A representative in Dallas County noted that some builders are hesitant to build affordable housing in the area and it is relatively impossible to build a home for less than \$250,000. The representative also noted there is a huge demand for homes in this price range as well as affordable rental units throughout the assessment area. A second community representative confirmed the lack of affordable housing in Dallas County and stated there is more affordable housing within the older housing stock located in Polk County. According to the representative, gap financing would benefit affordable housing growth in the area. Further, it was noted that rental and eviction assistance programs to help those who lost their jobs due to the pandemic have since expired in Dallas County. However, this program was recently renewed for residents living in Polk County, Iowa, which will assist in keeping individuals in their homes.

Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	80.3%	30.4%	39.7%	68.8%	35.0%	16.3%
Dallas County, IA	80.6%	34.2%	37.0%	60.7%	26.5%	12.4%
Polk County, IA	80.3%	29.9%	40.1%	70.0%	36.1%	17.0%
Des Moines-West Des Moines, IA MSA	78.3%	29.4%	39.1%	66.8%	34.0%	16.5%
Iowa	72.2%	24.1%	38.0%	58.9%	25.3%	15.2%
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2014-2018 Comprehensive Housing Affordability Strategy</i>						

Employment Characteristics

The unemployment rate for the assessment area and Polk County are comparable with the state of Iowa’s unemployment rate at 4.2 percent. Dallas County has maintained the lowest employment rate when compared to the assessment area, Polk County, and the state of Iowa. Polk County had the highest unemployment rate in 2020, during the height of the COVID-19 pandemic, at 5.9 percent, which was higher than the combined assessment area and the state of Iowa, at 5.5 and 5.1 respectively. Overall, unemployment rates in the assessment area, counties comprising the assessment area, and state of Iowa are elevated when compared to pre-pandemic levels in 2019.

A community representative confirmed that Dallas County continues to see lower unemployment due to the growing opportunities in the area. Additionally, the community representative further stated that younger families are moving into the Dallas County area and therefore they are not seeing as high of an impact of retirees leaving the workforce. Another community contact noted that Polk County is currently experiencing a labor shortage issue, where employers are unable to find workers to fill positions. The table below presents unemployment statistics for the assessment area, the counties comprising the assessment area, and the state of Iowa.

Unemployment Rates (%)					
Area	2017	2018	2019	2020	2021
Assessment Area	2.9	2.4	2.6	5.5	4.2
Dallas County, IA	2.1	1.7	1.8	3.5	2.9
Polk County, IA	3.0	2.6	2.7	5.9	4.5
Des Moines-West Des Moines, IA MSA	2.9	2.4	2.6	5.4	4.2
Iowa	3.1	2.5	2.6	5.1	4.2
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>					

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 professional and technical services, health care, retail, and wholesale trade industries. Two large healthcare providers, UnityPoint Health Alliance and Mercy One, have multiple hospitals and clinics in the assessment area. One representative stated one of the largest needs in the local community is attracting more skilled workers to the healthcare industry. Wells Fargo continues to be one of the largest employers in the region, as well as Principal Financial Group. Additionally, Des Moines houses a large percentage of government workers due to it serving as the state capital.

Community Representatives

Two community representatives were contacted during the evaluation to provide information regarding local economic and demographic conditions within the assessment area. Each

representative provided information on housing, employment, economic development needs, as well as providing information about how the COVID-19 pandemic affected the economy in the area. Additionally, each representative discussed the financial challenges within their respective areas and how local financial institutions could be more involved. Both representatives state there was a need for more affordable housing in both Polk and Dallas Counties. One representative stated that banks could assist with providing financial literacy courses in the communities it serves. Further, banks could better serve the area in terms of economic development by providing gap financing. Finally, labor shortages were identified as a continued area of concern given the low unemployment rate and the continuing growth in the area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS DES MOINES – WEST DES MOINES IOWA MSA

LENDING TEST

As previously noted, small business and HMDA-reportable loans received more weight than small farm loans given the bank's primary focus on commercial lending and the volume of HMDA-reportable loans originated. Additionally, a meaningful analysis of the bank's small farm loans could not be conducted due to the limited volume of small farm lending within this assessment area.

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

Geographic Distribution of Loans

VisionBank's geographic distribution of HMDA-reportable, small business, and small farm loans reflects reasonable dispersion throughout the assessment area. An analysis of the bank's geographic distribution of loans within the assessment area was also conducted to identify any possible conspicuous gaps in lending, particularly within low- and moderate-income tracts. The bank's assessment area contains 107 census tracts, of which nine are low-income, and 27 are moderate-income. In 2021, the gap analysis identified disparities in the bank's distribution of loans. The bank only originated loans in 35.5 percent of the 107 census tracts included in its assessment area. The gap analysis also indicates the bank's lending patterns are not well balanced across the census tracts within its assessment area, including the low- and moderate-income. The bank originated loans in only three of the nine low-income census tracts, and in three of the 27 moderate-income census tracts. The bank's 2020 distribution of loans among the census tract designations was comparable to 2021's performance.

The bank does experience lending challenges in reaching the low-and-moderate income census tracts within its assessment area. Among the challenges include an increased distance in branch locations relative to the low-and-moderate income census tracts in Polk County, significant

competition from other lenders in this area, and an overall lack of branch locations and deposit share within the assessment area. With the recent acquisition of Legacy Bank, the bank has added four branches within their assessment area, which will increase the bank's presence, and given the location, the opportunity to better serve low- and moderate-income census tracts.

HMDA – Reportable Loans

VisionBank's geographic distribution of total HMDA-reportable loans reflects reasonable dispersion throughout the assessment area. The bank's 2020 distribution of total HMDA-reportable lending across geographies of different income levels was comparable to 2021 performance. Overall, performance was driven by the bank's lending to low-income borrowers, number of bank locations within the assessment area and their proximity to low- and moderate-income census tracts, and the significant amount of competition within the assessment area.

In 2021, the bank originated 3.6 percent of total HMDA reportable loans by number in low-income census tracts, slightly exceeding the rate of aggregate lending and the demographic of owner-occupied units at 1.7 percent and 2.9 percent, respectively. Additionally, in 2021 the bank originated 3.6 percent of total HMDA-reportable loans by number in moderate-income census tracts, which was below both the aggregate at 12.8 percent and the demographic at 18.3 percent. The bank originated 26.5 percent of total HMDA-reportable loans in middle-income census tracts, which was below the aggregate and demographic figure at 37.1 percent and 40.2 percent, respectively. The bank's HMDA-reportable loans originated in upper-income census accounted for the highest volume by number of originations among all census tract income levels at 66.3 percent. This bank's performance was significantly above aggregate at 48.3 percent and the demographic at 38.6 percent. The bank's two branches and one loan production office are located in upper-income census tracts, which impacted lending in those geographies.

Home Purchase Loans

In 2021, home purchase loans comprised 36.1 percent by number of the bank's total HMDA-reportable loans. The bank originated 6.7 percent by number of its home purchase in low-income census tracts. The bank's performance exceeded both the aggregate at 2.2 percent, and the demographic of owner-occupied housing units at 2.9 percent. The bank did not originate any home purchase loans in moderate-income census tracts, which was significantly below both the aggregate at 15.1 percent and the demographic at 18.3 percent. The bank originated 23.3 percent of its home purchase loans in middle-income census tracts, which was also significantly below the aggregate and demographic figures at 38.1 percent and 40.2 percent, respectively. Further, the bank originated a majority, 70.0 percent, of its home purchase loans in upper-income census tracts, which was significantly above both the aggregate at 44.6 percent and the demographic at 38.6 percent.

The bank's distribution of home purchase loans across geographies of different income levels in 2020 was comparable with the bank's 2021 performance.

Refinance Loans

In 2021, refinance loans comprised 59.0 percent by number of the bank's total HMDA-reportable loans. The bank did not originate any refinance loans in low-income census tracts, which was below the aggregate at 1.2 percent and the demographic at 2.9 percent. The bank originated 6.1 percent of refinance loans in moderate-income census tracts, which was below the aggregate and demographic at 10.7 percent and 18.3 percent, respectively. The bank originated 26.5 percent of refinance loans in middle-income census tracts, which was below the aggregate at 36.4 percent and demographic at 40.2 percent. Further, the bank originated 67.3 percent of refinance loans in upper-income census tracts, which was significantly above the aggregate at 51.7 percent, and demographic at 38.6 percent.

The bank's distribution of refinance loans across geographies of different income levels in 2020 was comparable with the bank's 2021 performance.

The following table presents the bank's geographic distribution of HMDA-reportable loans in 2020 and 2021.

Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Des Moines-West Des Moines, IA MSA 19780													
Geographic Income Level	Bank And Aggregate Loans By Year											Owner Occupied Units %	
	2020						2021						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%		\$%
Home Purchase Loans													
Low	1	4.5	1.8	79	1.4	1.0	2	6.7	2.2	245	2.8	1.2	2.9
Moderate	0	0.0	14.2	0	0.0	9.0	0	0.0	15.1	0	0.0	9.4	18.3
Middle	3	13.6	37.8	441	7.8	35.8	7	23.3	38.1	2,408	27.3	36.3	40.2
Upper	18	81.8	46.1	5,140	90.8	54.2	21	70.0	44.6	6,164	69.9	53.1	38.6
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	22	100.0	100.0	5,660	100.0	100.0	30	100.0	100.0	8,817	100.0	100.0	100.0
Refinance Loans													
Low	1	0.9	0.8	103	0.4	0.4	0	0.0	1.2	0	0.0	0.6	2.9
Moderate	1	0.9	6.9	231	0.8	4.0	3	6.1	10.7	434	3.2	6.4	18.3
Middle	34	29.8	33.8	7,858	27.3	30.4	13	26.5	36.4	2,957	22.0	33.2	40.2
Upper	78	68.4	58.5	20,561	71.5	65.3	33	67.3	51.7	10,030	74.7	59.8	38.6
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	114	100.0	100.0	28,753	100.0	100.0	49	100.0	100.0	13,421	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	2.3	0	0.0	1.8	0	0.0	1.7	0	0.0	1.3	2.9
Moderate	0	0.0	9.6	0	0.0	6.1	0	0.0	10.9	0	0.0	8.2	18.3
Middle	0	0.0	36.3	0	0.0	32.3	0	0.0	37.1	0	0.0	35.9	40.2
Upper	0	0.0	51.8	0	0.0	59.8	0	0.0	50.2	0	0.0	54.5	38.6
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans												Multi-family Units %	
Low	0	0.0	8.7	0	0.0	3.9	1	25.0	10.0	398	25.5	5.5	7.5
Moderate	0	0.0	23.5	0	0.0	7.0	0	0.0	32.5	0	0.0	22.0	19.3
Middle	0	0.0	39.1	0	0.0	31.0	2	50.0	37.3	848	54.4	45.2	45.7
Upper	7	100.0	28.7	12,521	100.0	58.2	1	25.0	20.1	312	20.0	27.3	27.5
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	7	100.0	100.0	12,521	100.0	100.0	4	100.0	100.0	1,558	100.0	100.0	100.0
Total Home Mortgage Loans												Owner Occupied Units %	
Low	2	1.4	1.3	182	0.4	1.0	3	3.6	1.7	643	2.7	1.3	2.9
Moderate	1	0.7	10.3	231	0.5	6.2	3	3.6	12.8	434	1.8	9.1	18.3
Middle	37	25.9	35.5	8,299	17.7	32.4	22	26.5	37.1	6,213	26.1	35.6	40.2
Upper	103	72.0	52.9	38,222	81.4	60.4	55	66.3	48.3	16,506	69.4	54.0	38.6
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	143	100.0	100.0	46,934	100.0	100.0	83	100.0	100.0	23,796	100.0	100.0	100.0
Source: 2021 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area, when considering the bank's low volume of lending. A sample of small business loans was reviewed, of which 6.7 percent by number were originated in low-income census tracts. The bank's performance was above the percentage of total businesses in low-income census tracts at 3.9 percent. The bank did not originate any small business loans in moderate-income census tracts, which was below the percentage of total businesses in moderate-income census tracts at 13.5 percent. The bank originated 20.0 percent of small business loans in middle-income census tracts, which was significantly below the percentage of total businesses in middle-income census tracts at 47.1 percent. Further, the bank originated 73.3 percent of small business loans in upper-income census tracts, which significantly exceeded the percentage of total businesses located in those geographies at 35.5 percent.

The following table presents the bank's geographic distribution of small business loans in 2021.

Distribution of 2021 Small Business Lending By Income Level of Geography					
Assessment Area: Des Moines-West Des Moines, IA MSA 19780					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	1	6.7	163	3.6	3.9
Moderate	0	0.0	0	0.0	13.5
Middle	3	20.0	1,195	26.2	47.1
Upper	11	73.3	3,206	70.2	35.5
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	15	100.0	4,564	100.0	100.0

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

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

Small Farm Loans

The following table presents the bank's geographic distribution of small farm loans in 2021. Due to the limited sample of small farm loans originated within this assessment area, a meaningful analysis of the geographic distribution of small farm loans could not be conducted.

Distribution of 2021 Small Farm Lending By Income Level of Geography					
Assessment Area: Des Moines-West Des Moines, IA MSA 19780					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.6
Moderate	0	0.0	0	0.0	4.9
Middle	5	100.0	610	100.0	47.0
Upper	0	0.0	0	0.0	47.6
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	5	100.0	610	100.0	100.0

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

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

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

VisionBank’s distribution of loans reflects poor penetration among individuals of different income levels and businesses and farms of different sizes. A meaningful analysis of the bank’s small farm loans could not be conducted due to the limited volume of small farm lending within this assessment area.

HMDA-Reportable Loans

The borrower distribution of total HMDA-reportable loans reflects poor penetration among individuals of different income levels. In 2021, the bank did not originate any HMDA-reportable loans to low-income borrowers, which was below the aggregate at 8.0 percent and significantly below the demographic at 20.4 percent. The bank originated 8.9 percent of total HMDA-reportable loans to moderate-income borrowers, which was also below the aggregate at 18.7 percent and the demographic at 16.9 percent. Further, community representatives cited affordable housing as a significant need in the assessment area; this need was considered in evaluating the bank’s performance.

The bank originated 20.3 percent of total HMDA-reportable loans to middle-income borrowers, which was consistent with the aggregate and demographic figures at 20.6 percent and 21.3 percent, respectively. The bank’s HMDA-reportable loans originated to upper-income borrowers accounted for the highest volume by number of originations among all borrower income levels at 48.1 percent. The bank’s performance was significantly above aggregate at 32.5 percent and above the demographic at 41.4 percent.

The bank has a moderate volume of lending to borrowers of unknown income among its borrower

distribution of HMDA-reportable lending. This is attributed to the bank's volume of non-owner-occupied, one-to-four family originations. These loans are HMDA-reportable; however, income is not required to be reported, therefore these loans could potentially skew the analysis of HMDA-reportable lending, with 8.8 percent and 22.8 percent, in 2020 and 2021 respectively, being originated to borrowers with unknown income. This was considered as a part of the overall analysis.

Borrower distribution of 2020 HMDA-reportable loans was comparable to the bank's 2021 performance.

Home Purchase Loans

In 2021, VisionBank did not originate any home purchase loans to low-income borrowers, which was below the aggregate at 10.2 percent, and significantly below the percentage of low-income families at 20.4 percent. The bank originated 13.3 percent of its home purchase loans to moderate-income borrowers, which was below the aggregate at 22.6 percent and the percentage of moderate-income families at 16.9 percent. The bank originated 10.0 percent of its home purchase loans to middle-income borrowers, which was below the aggregate at 21.4 percent and the percentage of middle-income families at 21.3 percent. The bank originated 46.7 percent of its home purchase loans to upper-income borrowers, which was significantly above the aggregate at 27.1 percent and above the demographic at 41.4 percent. Further, the bank originated 30.0 percent of its home purchase loans to unknown-income borrowers, which was above the aggregate at 18.8 percent.

In 2020, the bank's home purchase loans to moderate-income borrowers were comparable to its 2021 performance. While home purchase loans to low-income borrowers were above the bank's 2021 performance. The bank's performance for both low-and-moderate income borrowers was below the aggregate and demographics.

Refinance Loans

In 2021, VisionBank did not originate any refinance loans to low-income borrowers, which was below the aggregate at 6.4 percent and significantly below the percentage of low-income families in the assessment area at 20.4 percent. The bank originated 6.1 percent of its refinance loans to moderate-income borrowers, which was below the aggregate at 15.8 percent and demographic at 16.9 percent. The bank originated 26.5 percent of its refinance loans to middle-income borrowers, exceeding both the aggregate at 20.1 percent and demographic at 21.3 percent. The bank originated 49.0 percent of its refinance loans to upper-income borrowers, which was above the aggregate at 35.3 percent and the percentage of upper-income families located in the assessment area at 41.4 percent. Further, the bank originated 18.4 percent of its refinance loans to unknown-income borrowers, which was below the aggregate at 22.4 percent.

In 2020, the bank’s refinance loans to moderate-income borrowers were above the bank’s 2021 performance. While refinance loans to low-income borrowers were comparable to its 2021 performance. The bank’s performance for both low-and-moderate income borrowers was below the aggregate and demographics.

Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Des Moines-West Des Moines, IA MSA 19780													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2020						2021						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	2	9.1	10.3	236	4.2	6.0	0	0.0	10.2	0	0.0	5.7	20.4
Moderate	2	9.1	23.4	310	5.5	18.5	4	13.3	22.6	739	8.4	17.3	16.9
Middle	3	13.6	22.9	475	8.4	22.5	3	10.0	21.4	827	9.4	21.0	21.3
Upper	10	45.5	29.7	3,910	69.1	38.7	14	46.7	27.1	5,377	61.0	36.2	41.4
Unknown	5	22.7	13.7	729	12.9	14.2	9	30.0	18.8	1,874	21.3	19.8	0.0
Total	22	100.0	100.0	5,660	100.0	100.0	30	100.0	100.0	8,817	100.0	100.0	100.0
Refinance Loans													
Low	1	0.9	3.7	170	0.6	1.8	0	0.0	6.4	0	0.0	3.4	20.4
Moderate	11	9.6	12.5	1,933	6.7	8.5	3	6.1	15.8	455	3.4	11.2	16.9
Middle	27	23.7	20.8	5,513	19.2	17.8	13	26.5	20.1	2,817	21.0	17.6	21.3
Upper	68	59.6	45.5	19,383	67.4	53.6	24	49.0	35.3	7,593	56.6	44.4	41.4
Unknown	7	6.1	17.5	1,754	6.1	18.3	9	18.4	22.4	2,556	19.0	23.4	0.0
Total	114	100.0	100.0	28,753	100.0	100.0	49	100.0	100.0	13,421	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	5.1	0	0.0	2.9	0	0.0	7.2	0	0.0	4.7	20.4
Moderate	0	0.0	13.2	0	0.0	8.3	0	0.0	15.5	0	0.0	11.1	16.9
Middle	0	0.0	22.2	0	0.0	15.2	0	0.0	22.7	0	0.0	20.2	21.3
Upper	0	0.0	53.9	0	0.0	59.4	0	0.0	52.0	0	0.0	59.3	41.4
Unknown	0	0.0	5.6	0	0.0	14.1	0	0.0	2.5	0	0.0	4.6	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													
Low	3	2.2	6.3	406	1.2	3.5	0	0.0	8.0	0	0.0	4.5	20.4
Moderate	13	9.6	16.5	2,243	6.5	12.3	7	8.9	18.7	1,194	5.4	14.1	16.9
Middle	30	22.1	21.3	5,988	17.4	19.4	16	20.3	20.6	3,644	16.4	19.2	21.3
Upper	78	57.4	39.2	23,293	67.7	47.5	38	48.1	32.5	12,970	58.3	40.7	41.4
Unknown	12	8.8	16.6	2,483	7.2	17.3	18	22.8	20.1	4,430	19.9	21.5	0.0
Total	136	100.0	100.0	34,413	100.0	100.0	79	100.0	100.0	22,238	100.0	100.0	100.0
Source: 2021 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Small Business Loans

The distribution of small business loans reflects reasonable penetration among businesses of

different revenue sizes. A sample of small business loans originated in 2021 was reviewed, of which 100.0 percent by number were to businesses with annual revenues of \$1.0 million or less. The bank’s performance exceeds the percentage of total businesses in the assessment area with total revenues of \$1.0 million or less (90.1 percent). A community representative highlighted the need for financial institutions to provide gap financing to small businesses within the assessment area. The bank’s small business lending performance improved since the previous evaluation in which the bank originated 47.4 percent by count to businesses with annual revenues of \$1 million or less.

The following table presents the borrower distribution of small business loans in 2021.

Distribution of 2021 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Des Moines-West Des Moines, IA MSA 19780					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
By Revenue					
\$1 Million or Less	15	100.0	4,564	100.0	90.1
Over \$1 Million	0	0.0	0	0.0	8.9
Revenue Unknown	0	0.0	0	0.0	1.0
Total	15	100.0	4,564	100.0	100.0
By Loan Size					
\$100,000 or Less	4	26.7	163	3.6	
\$100,001 - \$250,000	4	26.7	808	17.7	
\$250,001 - \$1 Million	7	46.7	3,593	78.7	
Total	15	100.0	4,564	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	4	26.7	163	3.6	
\$100,001 - \$250,000	4	26.7	808	17.7	
\$250,001 - \$1 Million	7	46.7	3,593	78.7	
Total	15	100.0	4,564	100.0	
<i>Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Small Farm Loans

The following table presents the bank's distribution of small farm loans in 2021 based upon revenue amounts. Due to the limited sample of small farm loans originated within this assessment area, a meaningful analysis of the borrower distribution of small farm loans could not be conducted.

Distribution of 2021 Small Farm Lending By Revenue Size of Farms					
Assessment Area: Des Moines-West Des Moines, IA MSA 19780					
	Bank Loans				Total Farms
	#	#%	\$(000)	%	%
By Revenue					
\$1 Million or Less	5	100.0	610	100.0	97.4
Over \$1 Million	0	0.0	0	0.0	2.4
Revenue Unknown	0	0.0	0	0.0	0.2
Total	5	100.0	610	100.0	100.0
By Loan Size					
\$100,000 or Less	2	40.0	110	18.0	
\$100,001 - \$250,000	3	60.0	500	82.0	
\$250,001 - \$500,000	0	0.0	0	0.0	
Total	5	100.0	610	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	2	40.0	110	18.0	
\$100,001 - \$250,000	3	60.0	500	82.0	
\$250,001 - \$500,000	0	0.0	0	0.0	
Total	5	100.0	610	100.0	
<i>Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

COMMUNITY DEVELOPMENT TEST

Lending, Donation, and Services Activities

VisionBank demonstrates adequate responsiveness to the community development needs of its assessment area through loans, donations, and 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

During the review period, the bank originated nine community development loans within the assessment area, totaling approximately \$2.1 million. Eight loans were for revitalization and stabilization and one loan was for affordable housing purposes. Community development lending in the Des Moines-West Des Moines, IA MSA has increase since the previous evaluation, where the bank originated five community development loans, totaling approximately \$441,671. Overall, the bank demonstrates responsiveness to the credit needs of its community.

Investments

VisionBank did not make any qualified investments during the review period; however, the bank made 37 qualified community development donations totaling \$75,713 to various organizations. A substantial portion of the bank’s qualified donations were to affordable housing and community services organizations. During the previous evaluation the bank made 12 qualified donations totaling approximately \$45,355 in community development donations throughout the Des Moines-West Des Moines, IA MSA assessment area.

Services

Bank staff provided a total of 395 hours of community development services to five unique organizations located in the assessment area. The majority of service hours involved bank staff serving as board members and providing financial expertise for non-profit organizations. The bank’s community services performance has decreased since the previous evaluation when the bank provided 636 service hours to seven unique organizations.

The table below presents the bank’s community development activities in the Des Moines-West Des Moines, IA MSA during the evaluation period.

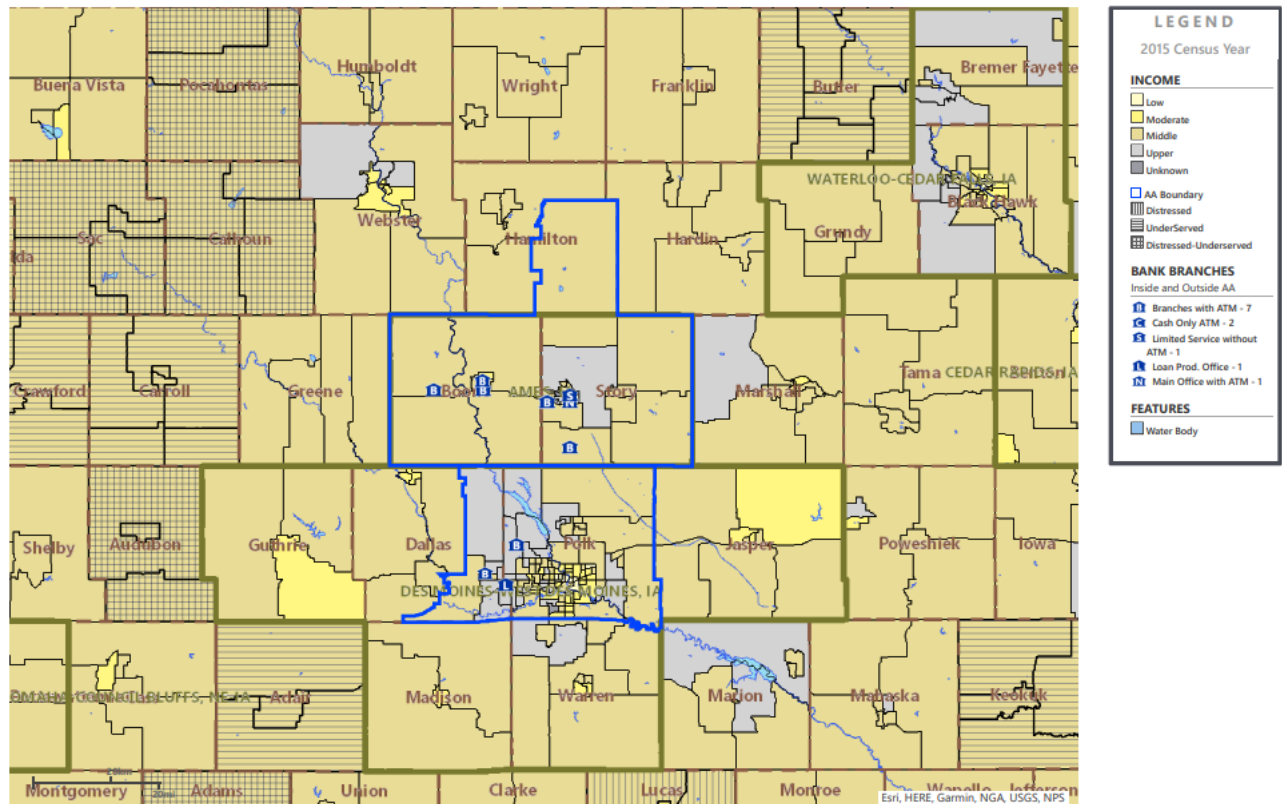
Community Development Activities (\$000) September 17, 2019 – February 27, 2023										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	1	50	0	0	8	2,071	0	0	9	2,121
Investment	0	0	0	0	0	0	0	0	0	0
Donations	10	48	6	3	6	3	15	22	37	76
Services	3	77	2	258	0	0	0	0	5	395

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

APPENDIX A – Maps of Assessment Areas

VisionBank of Iowa 269049
Combined Assessment Area



APPENDIX B – 2020 Assessment Area Demographic Data

2020 Combined Assessment Area AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	11	8.1	6,897	4.4	2,051	29.7	30,915	19.9
Moderate	28	20.7	26,518	17.1	4,237	16.0	26,523	17.1
Middle	62	45.9	70,510	45.4	4,826	6.8	34,048	21.9
Upper	32	23.7	51,315	33.1	1,521	3.0	63,754	41.1
Unknown	2	1.5	0	0.0	0	0.0	0	0.0
Total AA	135	100.0	155,240	100.0	12,635	8.1	155,240	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	14,727	4,469	2.7	30.3	8,734	59.3	1,524	10.3
Moderate	46,004	25,952	15.9	56.4	16,385	35.6	3,667	8.0
Middle	123,944	76,754	47.0	61.9	39,143	31.6	8,047	6.5
Upper	75,996	56,032	34.3	73.7	17,100	22.5	2,864	3.8
Unknown	7	0	0.0	0.0	7	100.0	0	0.0
Total AA	260,678	163,207	100.0	62.6	81,369	31.2	16,102	6.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	1,445	4.6	1,252	4.4	183	6.6	10	3.2
Moderate	3,611	11.6	3,258	11.6	332	12.1	21	6.6
Middle	16,171	51.8	14,478	51.4	1,507	54.7	186	58.9
Upper	9,975	31.9	9,152	32.5	724	26.3	99	31.3
Unknown	39	0.1	32	0.1	7	0.3	0	0.0
Total AA	31,241	100.0	28,172	100.0	2,753	100.0	316	100.0
Percentage of Total Businesses:				90.2		8.8		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	9	0.8	6	0.5	3	11.5	0	0.0
Moderate	30	2.6	29	2.5	1	3.8	0	0.0
Middle	825	70.3	809	70.7	14	53.8	2	66.7
Upper	310	26.4	301	26.3	8	30.8	1	33.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,174	100.0	1,145	100.0	26	100.0	3	100.0
Percentage of Total Farms:				97.5		2.2		0.3
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2020 Des Moines-West Des Moines, IA MSA 19780 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	9	8.4	6,000	4.7	1,837	30.6	26,189	20.4
Moderate	27	25.2	25,486	19.8	4,196	16.5	21,716	16.9
Middle	41	38.3	49,473	38.5	3,569	7.2	27,347	21.3
Upper	29	27.1	47,521	37.0	1,421	3.0	53,228	41.4
Unknown	1	0.9	0	0.0	0	0.0	0	0.0
Total AA	107	100.0	128,480	100.0	11,023	8.6	128,480	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	11,086	3,902	2.9	35.2	5,840	52.7	1,344	12.1
Moderate	44,222	24,690	18.3	55.8	16,009	36.2	3,523	8.0
Middle	85,068	54,216	40.2	63.7	25,202	29.6	5,650	6.6
Upper	69,306	52,076	38.6	75.1	14,618	21.1	2,612	3.8
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	209,682	134,884	100.0	64.3	61,669	29.4	13,129	6.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	1,021	4.0	885	3.8	128	5.5	8	3.2
Moderate	3,475	13.5	3,134	13.5	321	13.7	20	8.1
Middle	12,141	47.1	10,768	46.4	1,246	53.3	127	51.4
Upper	9,139	35.4	8,407	36.2	640	27.4	92	37.2
Unknown	11	0.0	8	0.0	3	0.1	0	0.0
Total AA	25,787	100.0	23,202	100.0	2,338	100.0	247	100.0
Percentage of Total Businesses:				90.0		9.1		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	4	0.8	3	0.6	1	7.1	0	0.0
Moderate	24	4.8	23	4.7	1	7.1	0	0.0
Middle	236	46.7	230	46.9	6	42.9	0	0.0
Upper	241	47.7	234	47.8	6	42.9	1	100.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	505	100.0	490	100.0	14	100.0	1	100.0
Percentage of Total Farms:				97.0		2.8		0.2
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2020 Ames, IA MSA 11180 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	7.1	897	3.4	214	23.9	4,726	17.7
Moderate	1	3.6	1,032	3.9	41	4.0	4,807	18.0
Middle	21	75.0	21,037	78.6	1,257	6.0	6,701	25.0
Upper	3	10.7	3,794	14.2	100	2.6	10,526	39.3
Unknown	1	3.6	0	0.0	0	0.0	0	0.0
Total AA	28	100.0	26,760	100.0	1,612	6.0	26,760	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	3,641	567	2.0	15.6	2,894	79.5	180	4.9
Moderate	1,782	1,262	4.5	70.8	376	21.1	144	8.1
Middle	38,876	22,538	79.6	58.0	13,941	35.9	2,397	6.2
Upper	6,690	3,956	14.0	59.1	2,482	37.1	252	3.8
Unknown	7	0	0.0	0.0	7	100.0	0	0.0
Total AA	50,996	28,323	100.0	55.5	19,700	38.6	2,973	5.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	424	7.8	367	7.4	55	13.3	2	2.9
Moderate	136	2.5	124	2.5	11	2.7	1	1.4
Middle	4,030	73.9	3,710	74.6	261	62.9	59	85.5
Upper	836	15.3	745	15.0	84	20.2	7	10.1
Unknown	28	0.5	24	0.5	4	1.0	0	0.0
Total AA	5,454	100.0	4,970	100.0	415	100.0	69	100.0
Percentage of Total Businesses:				91.1		7.6		1.3
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	5	0.7	3	0.5	2	16.7	0	0.0
Moderate	6	0.9	6	0.9	0	0.0	0	0.0
Middle	589	88.0	579	88.4	8	66.7	2	100.0
Upper	69	10.3	67	10.2	2	16.7	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	669	100.0	655	100.0	12	100.0	2	100.0
Percentage of Total Farms:				97.9		1.8		0.3
Source: 2020 FFIEC Census Data 2020 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX C – Scope of Examination

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED	<ul style="list-style-type: none"> • HMDA-reportable Lending January 1, 2020 to December 31, 2021 • Small Business Lending January 1, 2021 to December 31, 2021 • Small Farm Lending January 1, 2021 to December 31, 2021 • Community Development Activities September 17, 2019 to February 27, 2023 		
FINANCIAL INSTITUTION VisionBank of Iowa		PRODUCTS REVIEWED <ul style="list-style-type: none"> • HMDA-Reportable • Small Business • Small Farm 	
AFFILIATE(S)	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED	
None	NA	NA	
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Ames, Iowa MSA #11180	Full Scope	None	N/A
Des Moines – West Des Moines, Iowa MSA #19780	Full Scope	None	N/A

APPENDIX D– Glossary

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

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

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

American Community Survey Data (ACS): The American Community Survey (ACS) data is based on a nationwide survey designed to provide local communities with reliable and timely demographic, social, economic, and housing data each year. The Census Bureau first released data for geographies of all sizes in 2010. This data is known as the “five-year estimate data.” The five-year estimate data is used by the FFIEC as the base file for data used in conjunction with consumer compliance and CRA examinations.³

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

³ Source: FFIEC press release dated October 19, 2011.

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

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

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

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

Community Development: The financial supervisory agencies have adopted the following definition for community development:

1. Affordable housing, including for multi-family housing, for low- and moderate-income households;
2. Community services tailored to meet the needs of low- and moderate-income individuals;
3. Activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or
4. Activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definitions of community development. Activities that revitalize or stabilize:

- 1) Low- or moderate-income geographies;
- 2) Designated disaster areas; or
- 3) Distressed or underserved nonmetropolitan middle-income geographies

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Income Level: Income level means:

- 1) Low-income – an individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a census tract;
- 2) Moderate-income – an individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent in the case of a census tract;

- 3) Middle-income – an individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent in the case of a census tract; and
- 4) Upper-income – an individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent in the case of a census tract.

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

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

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

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

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

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

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

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

Metropolitan Area: A metropolitan statistical area (MSA) or a metropolitan division (MD) as

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

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

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

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

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

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

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

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

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

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

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