

PUBLIC DISCLOSURE

July 18, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

CBI Bank & Trust
RSSD# 830542

301 Iowa Avenue
Muscatine, Iowa 52761

Federal Reserve Bank of Chicago

230 South LaSalle Street
Chicago, Illinois 60604-1413

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

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INSTITUTION'S CRA RATING

CBI Bank & Trust is rated: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

CBI Bank & Trust is meeting the credit needs of its community based on an analysis of lending and community development activities. The bank's loan-to-deposit ratio (LTD) is reasonable given the bank's size, financial condition, and assessment area credit needs. A majority of the bank's loans are located in the assessment area. The geographic distribution of loans reflects reasonable dispersion throughout the assessment area and lending reflects reasonable penetration among borrowers of different incomes and businesses and farms of different revenue sizes. Neither CBI Bank & Trust nor this Reserve Bank received any CRA-related complaints since the previous examination.

CBI Bank & Trust's community development performance demonstrates excellent responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

SCOPE OF EXAMINATION

CBI Bank & Trust'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 area, including the bank's asset size, financial condition, competition, and economic and demographic characteristics.

The bank maintains the following five delineated assessment areas: Davenport-Moline-Rock Island IA-IL Metropolitan Statistical Area (MSA) #19340, (Davenport-Moline-Rock Island, IA-IL MSA), Iowa Non-MSA, Galesburg, IL Non-MSA, Iowa City MSA #26980 (Iowa City, IA MSA), and the Peoria, IL MSA #37900 (Peoria, IL MSA). A full scope evaluation was selected for the Davenport-Moline-Rock Island IA-IL MSA, the Iowa Non-MSA, and the Galesburg, IL Non-MSA assessment areas based on the bank's deposit market share, branch concentration, volume of Home Mortgage Disclosure Act (HMDA) reportable loans, small business and small farm lending, economic and demographic characteristics, and an evaluation of the needs of assessment area communities. Limited scope evaluations were conducted for the Iowa City, IA MSA and Peoria, IL MSA assessment areas. Review periods differ slightly by assessment area as a result of the bank's merger with Farmers & Mechanics Bank (F&M Bank), Galesburg, Illinois, which occurred on

February 6, 2021. The Galesburg, IL Non-MSA and Peoria, IL MSA assessment areas were added as a result of the merger to the bank's previously delineated assessment areas (Davenport-Moline-Rock Island, IA-IL MSA, Iowa Non-MSA, and the Iowa City, IA MSA). This is detailed further below in the performance criteria.

Loan products reviewed include HMDA-reportable loans, small business, and small farm loans. These products are considered the bank's primary business lines based on volume by number and dollar amount. The bank's level of community development activities was also evaluated.

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

- ***Loan-to-Deposit Ratio*** – A 13-quarter average loan-to-deposit ratio was calculated for the bank and compared to a sample of local competitors.
- ***Lending in the Assessment Area*** – The bank's HMDA-reportable loans originated from January 1, 2020, through December 31, 2021, and samples of small business and small farm loans originated from January 1, 2021, through December 31, 2021, were reviewed to determine the percentage of loans originated within the assessment area. The bank's HMDA-reportable, small business, and small farm loans originated from January 1, 2021, through December 31, 2021, were reviewed for the Galesburg, IL Non-MSA and the Peoria, IL MSA.
- ***Geographic Distribution of Lending in the Assessment Area*** – The bank's HMDA-reportable loans originated from January 1, 2020, through December 31, 2021, and samples of small business and small farm loans originated from January 1, 2021, through December 31, 2021, were analyzed to determine the extent to which the bank is making loans in geographies of different income levels, particularly those designated as low- and moderate-income. The bank's HMDA-reportable, small business, and small farm loans originated from January 1, 2021, through December 31, 2021, were reviewed for the Galesburg, IL Non-MSA and Peoria, IL MSA.
- ***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 through December 31, 2021, and samples of small business and small farm loans originated within the assessment area from January 1, 2021 through December 31, 2021, were reviewed to determine the distribution among borrowers of different income levels, particularly those considered low- or moderate-income, and to businesses and farms with different revenue sizes. The bank's HMDA-reportable, small business, and small farm loans originated from January 1, 2021, through December 31, 2021, were reviewed for the Galesburg, IL Non-MSA and Peoria, IL MSA.

- **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 complaints received were evaluated for appropriateness.
- **Community Development Activities** – The bank’s responsiveness to community development needs through community development loans, qualified investments, and community development services from February 20, 2019, through July 18, 2022, were reviewed considering the capacity, need, and availability of such opportunities within the assessment area. Activities from March 10, 2020 – July 18, 2022, were reviewed for the Galesburg, IL Non-MSA and Peoria, IL MSA.

In addition, six community representatives were contacted in connection with this examination to provide information regarding local economic and socio-economic conditions in the assessment area. The following types of organizations were contacted: affordable housing and economic development.

DESCRIPTION OF ASSESSMENT AREA

CBI Bank and Trust is an interstate bank operating within five individual assessment areas throughout Iowa and Illinois. The combined assessment area consists of 232 census tracts of which 73 are designated as low- or moderate-income (20 low- and 53 moderate-income), representing 31.5 percent of all tracts in the combined assessment area. The low- and moderate-income census tracts include 49,040 families, representing 20.8 percent of all families in the assessment area. According to FFIEC 2021 Census Data, three census tracts within the IA Non-MSA (Louisa County) are designated as underserved due to the remote and rural nature. As mentioned above, the delineated assessment area has been altered since the previous evaluation as a result of the merger with F&M Bank. As such, Galesburg, IL Non-MSA and Peoria, IL MSA are now included in the bank’s assessment area. Further, the bank now delineates Louisa County, Iowa in its entirety within the IA Non-MSA and no longer takes a sole tract (#801.0) within Keokuk County, Iowa (Iowa City, IA MSA). Details on the bank’s assessment areas are included in the following table.

Description of CBI Bank & Trust’s Individual Assessment Areas		
Scope	Assessment Area	Description
Full	Iowa Non-MSA	Muscatine and Louisa County
Limited	Iowa City MSA #26980	Johnson and Washington County
Limited	Peoria, Illinois MSA #37900	Tazewell and Peoria County
Full	Davenport-Moline-Rock Island MSA #19340	Mercer, Rock Island, and Scott County
Full	Galesburg, Illinois Non-MSA	Knox and Warren County

The bank’s combined assessment area includes 409,516 total housing units, of which 102,462 (25.0

percent) are located in low-and moderate-income census tracts. Within the low-income tracts, 25.6 percent of housing units are owner-occupied, while 52.2 percent are owner-occupied in moderate-income tracts. This indicates there are sufficient opportunities for HMDA lending in these tracts.

A total of 34,960 businesses are located in the combined assessment area, of which 8,941 (25.6 percent) are located in low-and moderate-income census tracts. Businesses with gross annual revenues under \$1.0 million represent 90.0 percent of total businesses, evidencing ample opportunities for small business lending within the assessment area. A total of 1,960 farms are located in the combined assessment area, of which 66 (3.4 percent) are located in low-and moderate-income census tracts. Farms with gross annual revenues under \$1.0 million represent 98.4 percent of total farms, evidencing significant opportunities for small farm lending within the assessment area.

Additional assessment area demographic information is provided in the following table.

Assessment Area: 2021 Combined Assessment Area									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	20	8.6	8,940	3.8	3,316	37.1	47,861	20.3	
Moderate-income	53	22.8	40,100	17.0	6,615	16.5	42,281	17.9	
Middle-income	114	49.1	127,201	53.9	10,248	8.1	51,325	21.7	
Upper-income	45	19.4	59,873	25.4	2,005	3.3	94,647	40.1	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	232	100.0	236,114	100.0	22,184	9.4	236,114	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied		Rental		Vacant			
		#	%	%	#	%	#	%	
Low-income	22,432	5,734	2.2	25.6	12,581	56.1	4,117	18.4	
Moderate-income	80,030	41,786	16.2	52.2	30,751	38.4	7,493	9.4	
Middle-income	213,977	142,540	55.2	66.6	57,064	26.7	14,373	6.7	
Upper-income	93,077	68,176	26.4	73.2	19,646	21.1	5,255	5.6	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
Total Assessment Area	409,516	258,236	100.0	63.1	120,042	29.3	31,238	7.6	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	2,788	8.0	2,368	7.5	392	12.8	28	6.3	
Moderate-income	6,153	17.6	5,545	17.6	553	18.1	55	12.3	
Middle-income	17,094	48.9	15,377	48.9	1,457	47.6	260	58.3	
Upper-income	8,925	25.5	8,164	26.0	658	21.5	103	23.1	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	34,960	100.0	31,454	100.0	3,060	100.0	446	100.0	
	Percentage of Total Businesses:			90.0		8.8		1.3	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	4	0.2	4	0.2	0	0.0	0	0.0	
Moderate-income	62	3.2	62	3.2	0	0.0	0	0.0	
Middle-income	1,428	72.9	1,406	72.9	19	67.9	3	100.0	
Upper-income	466	23.8	457	23.7	9	32.1	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	1,960	100.0	1,929	100.0	28	100.0	3	100.0	
	Percentage of Total Farms:			98.4		1.4		0.2	
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

DESCRIPTION OF INSTITUTION

CBI Bank & Trust, headquartered in Muscatine, Iowa, is a wholly owned subsidiary of Central Bancshares, Inc. with assets of \$1.2 billion as of March 31, 2022. The bank operates 17 branches, including the main office, and nine cash-only automated teller machines (ATMs). Since the previous evaluation, the bank acquired Walcott Trust & Savings Bank (Walcott, Iowa) in 2019. Walcott Trust & Savings Bank, which is located within the Davenport-Moline-Rock Island IA-IL MSA, fully merged with CBI Bank & Trust in June 2020. As mentioned, CBI Bank & Trust also merged with its sister bank F&M Bank in February 2021. Additionally, the bank established a de novo branch in Monmouth, IL which is in the Galesburg Non-MSA assessment area, in December 2021. The acquisition of Walcott Trust & Savings Bank, the merger with F&M, and establishment of a new branch added eight additional locations.

CBI Bank & Trust is primarily a commercial lender as commercial loans represent approximately 52.4 percent of the loan portfolio, followed by agricultural and residential real estate loans at 22.5 percent and 21.7 percent, respectively. The bank offers a range of retail banking services that are available to the communities it serves. Loan products are standard and generally non-complex and include residential mortgages, construction, consumer installment, commercial, agricultural, and home equity lines of credit. In addition, the bank participates in various government-sponsored loan programs offered through the Small Business Administration (SBA) and United States Department of Agriculture. Deposit products include personal checking and savings, business/commercial checking and savings, money markets, certificates of deposit, and more.

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

Composition of Loan Portfolio as of March 31, 2022 (000's)		
Type	\$	%
Commercial	366,262	52.4
Agriculture	157,364	22.5
Residential Real Estate	151,634	21.7
Consumer	13,976	2.0
Other	9,627	1.4
Total	698,863	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 February 19, 2019.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank's lending and community development test performance in the Davenport-Moline-Rock Island, IA-IL MSA and the state of Iowa were given the greatest weight based on the percentage of HMDA-reportable, small business and small farm loan volume, the size and breadth of the branch network, and total deposits.

LENDING TEST

CBI Bank & Trust's performance relative to the lending test is Satisfactory based on several major factors. The loan-to-deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs. A majority of the loans are in the assessment area. The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. In addition, loan distribution reflects reasonable penetration among individuals of different income levels, including low- and moderate-income, and to businesses and farms of different sizes.

Loan-to-Deposit Ratio

CBI Bank & Trust had a reasonable loan-to-deposit (LTD) ratio (considering seasonal variations) given the bank's size, financial condition, the credit needs of its assessment areas. The bank's 13-quarter average LTD ratio was 75.2 percent which is comparable to the 20-quarter average LTD ratio at the previous evaluation 78.3 percent, indicating consistent willingness to lend and meet the credit needs of the assessment area. The bank's LTD ratio remains comparable to local competitors of similar size and structure. The following table compares the bank's LTD ratio to its local competitors.

Comparative Loan-to-Deposit Ratios as of March 31, 2022	
Comparative Data	13 Quarter Average (%)
CBI Bank and Trust	75.2
Peer Avg – Local	78.3
Competitors	
Bank Midwest	83.3
Bank Yates City	75.4
Federation Bank	72.7
Heartland Bank	96.9
Liberty Trust & Savings Bank	64.6
Princeville State Bank	54.9
Quad City Bank & Trust	85.5
Security Savings Bank	74.4

Assessment Area Concentration

CBI Bank & Trust made a majority of its loans, and as appropriate, other lending-related activities that are in the bank's assessment area. Among the three loan products reviewed, the bank originated 87.1 percent by number and 84.2 percent by dollar inside the assessment area. Overall, the percentage of HMDA-reportable, small business, and small farm originations within the assessment area indicates the bank is actively serving the credit needs of the community. The following table summarizes CBI Bank & Trust's lending inside and outside its assessment area for HMDA-reportable loans from January 1, 2020, through December 31, 2021, and small business and small farm loans from January 1, 2021, through December 31, 2021.

Loan Types	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Improvement	42	97.7	\$2,030	99.0	1	2.3	\$21	1.0
Home Purchase - Conventional	618	84.3	\$97,170	82.1	115	15.7	\$21,193	17.9
Loan Purpose Not Applicable	1	50.0	\$51	50.0	1	50.0	\$51	50.0
Multi-Family Housing	55	88.7	\$25,025	75.8	7	11.3	\$7,975	24.2
Refinancing	905	87.6	\$146,506	85.9	128	12.4	\$24,090	14.1
Total HMDA related	1,621	86.5	\$270,782	83.5	252	13.5	\$53,330	16.5
Small Business	118	94.4	\$18,114	97.3	7	5.6	\$496	2.7
Total Small Bus. related	118	94.4	\$18,114	97.3	7	5.6	\$496	2.7
Small Farm	108	88.5	\$11,634	81.7	14	11.5	\$2,604	18.3
Total Small Farm related	108	88.5	\$11,634	81.7	14	11.5	\$2,604	18.3
TOTAL LOANS	1,847	87.1	\$300,531	84.2	273	12.9	\$56,430	15.8

Geographic and Borrower Distribution

CBI Bank & Trust demonstrated a reasonable geographic distribution of loans given the bank's assessment areas. The bank's distribution of loans to and, as appropriate, other lending-related activities for individuals of different income levels (including low- and moderate-income individuals) and businesses and farms of different sizes is reasonable given the demographics of the bank's assessment areas. The specifics of the bank's lending in each assessment area and relevant demographics are discussed in the individual assessment area sections.

Response to Complaints

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

COMMUNITY DEVELOPMENT TEST

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

Lending, Investment, and Services Activities

CBI Bank & Trust demonstrates excellent responsiveness to the community development needs by providing community development loans, qualified investments, and community development services, considering the bank's capacity and the need and availability of such opportunities, in the bank's assessment areas.

CBI Bank & Trust originated 70 qualified loans with a total of \$44.1 million toward community services, affordable housing, economic development and revitalization and stabilization activities within its assessment area. Community development lending significantly increased since the previous evaluation, as the bank originated 20 community development loans totaling \$18.6 million over a 63-month period for CBI Bank & Trust, and 23 loans totaling \$8.3 million over a 50-month span for F&M Bank. Additional details of community development lending performance can be found in the individual assessment area discussions.

CBI Bank & Trust made 15 new investments totaling \$8.1 million and had 11 qualified investments from the prior evaluation period with an outstanding balance of \$3.6 million. During the prior evaluation period, the bank made seven total investments for a total of \$1,765,000. The bank provided 292 contributions to organizations which support affordable housing, economic development, revitalization and stabilization of distressed or underserved geographies, and community services tailored to meet the needs of low- and moderate-income individuals and households in the bank's assessment areas. The bank's donations totaled \$468,794 which was an increase from the previous evaluation (\$201,643).

CBI Bank & Trust staff provided 44 community development services for approximately 4,937.5 hours since the prior evaluation. A majority of the total number of service hours were dedicated to organizations with a community service or an economic development focus. Benefitting from these services were organizations that received financial planning or resource allocation services as well as programs that target low- and moderate-income individuals throughout the bank's assessment areas. Bank employees served as board members or committee members for several of these organizations. During the prior evaluation the bank's qualified community development service hours totaled 2,660 hours.

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

Community Development Activities								
February 19, 2019 – July 18, 2022								
Assessment Area	Loans		Investments		Donations		Services	
	#	\$	#	\$	#	\$	#	Hours
Full Review								
Iowa Non-MSA	11	1,722,225	1	500,000	63	142,230	9	1,136
Davenport-Moline-Rock Island IA-IL MSA #19340	17	5,708,739	3	1,605,000	37	79,100	11	831.5
Galesburg, IL Non-MSA	24	116,584,910	10	3,215,000	95	128,854	15	1,722
Limited Review								
Peoria, IL MSA #37900	9	11,110,500	4	2,640,000	10	17,900	3	470
Iowa City, IA MSA #26980	9	8,954,803	7	2,665,000	87	100,710	6	778
Regional Impact								
Statewide Regional Area	0	0	1	1,000,000	0	0	0	0
Total Qualified	70	44,081,177	26	11,625,000	292	468,794	44	4,937.5

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.

DAVENPORT-MOLINE-ROCK ISLAND, IA-IL MSA #19340 – FULL REVIEW

CRA RATING FOR DAVENPORT-MOLINE-ROCK ISLAND, IA-IL MSA: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

CBI Bank & Trust is rated Satisfactory in the Davenport-Moline-Rock Island, IA-IL MSA based on reasonable geographic distribution of loans throughout the assessment area and a reasonable penetration among individuals of different income levels, and to businesses and farms of different sizes. The bank also demonstrates excellent responsiveness to the needs of its assessment area through community development loans, qualified investments, and community development services. This performance is appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the overall scope presented in the Scope of Examination section of this performance evaluation. Please refer to the Scope of Examination section for more detailed information.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN DAVENPORT-MOLINE-ROCK ISLAND, IA-IL MSA

CBI Bank & Trust designates Scott County in Iowa and Mercer and Rock Island counties in Illinois as its assessment area and the assessment area is unchanged since the previous evaluation.

The bank operates four branches and four cash-only ATMs (one stand-alone ATM) within the assessment area. Two additional branches were added since the previous evaluation due to the acquisition of Walcott Trust & Savings Bank in June 2020. The bank operates one branch in a low-income census tract which includes a cash-only ATM.

Based on 2021 FFIEC census data and 2015 American Community Survey (ACS) Data, the assessment area is comprised of 91 total census tracts including four low-, 26 moderate-, 47 middle-, and 14 upper-income census tracts.

The Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report dated June 30, 2021, ranks CBI Bank & Trust 13th among 27 FDIC-insured institutions operating in the assessment area. The bank holds a 2.0 percent market share, compared to the market leader Quad City Bank & Trust (Bettendorf, Iowa) which holds 20.5 percent of the assessment area's deposits. The 27 banks competing for deposits and loans with CBI Bank & Trust have 104 offices located throughout the assessment area.

CBI Bank and Trust ranks 35th out of 312 aggregate lenders in 2021 HMDA-reportable transactions. A total of 111 originations were reported by the bank compared to 1,794 reported by market leader GreenState Credit Union. The market is highly competitive with large national lenders for HMDA-reportable loans, and the bank ranks in the top 15.0 percent.

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

Assessment Area: 2021 Davenport-Moline-Rock Island, IA-IL MSA 19340									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	4	4.4	1,566	1.8	551	35.2	16,880	19.9	
Moderate-income	26	28.6	15,617	18.4	2,679	17.2	15,311	18.1	
Middle-income	47	51.6	50,510	59.7	4,401	8.7	18,188	21.5	
Upper-income	14	15.4	16,973	20.0	540	3.2	34,287	40.5	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	91	100.0	84,666	100.0	8,171	9.7	84,666	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied		Rental		Vacant			
		#	%	%	#	%	#	%	
Low-income	4,530	735	0.8	16.2	2,846	62.8	949	20.9	
Moderate-income	31,422	16,147	17.3	51.4	11,724	37.3	3,551	11.3	
Middle-income	83,247	56,358	60.5	67.7	21,499	25.8	5,390	6.5	
Upper-income	26,751	19,976	21.4	74.7	5,422	20.3	1,353	5.1	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
Total Assessment Area	145,950	93,216	100.0	63.9	41,491	28.4	11,243	7.7	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	779	6.2	659	5.8	105	9.2	15	8.7	
Moderate-income	2,445	19.3	2,167	19.1	253	22.2	25	14.5	
Middle-income	6,347	50.2	5,664	50.0	590	51.7	93	54.1	
Upper-income	3,079	24.3	2,847	25.1	193	16.9	39	22.7	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	12,650	100.0	11,337	100.0	1,141	100.0	172	100.0	
	Percentage of Total Businesses:			89.6		9.0		1.4	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	1	0.2	1	0.2	0	0.0	0	0.0	
Moderate-income	7	1.4	7	1.4	0	0.0	0	0.0	
Middle-income	369	74.1	366	74.5	3	42.9	0	0.0	
Upper-income	121	24.3	117	23.8	4	57.1	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	498	100.0	491	100.0	7	100.0	0	0.0	
	Percentage of Total Farms:			98.6		1.4		0.0	
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Population Change

The assessment area’s population (333,262) experienced slow growth from 2010 to 2015 with an increase of 1.2 percent, slightly below the state of Iowa’s population increase (1.5 percent). Scott County, Iowa saw the largest population increase in population greater than the state of Iowa during the same period with an increase of 2.9 percent. Scott County represents the most populated county within the bank’s assessment area with 44.4 percent of the total assessment area population. The remaining counties within the assessment area saw stagnant growth, as Mercer and Rock Island counties in Illinois experienced 2.0 percent and 0.3 percent declines in population, respectively. The declines in population for Mercer and Rock Island County, Illinois can be attributed to the aging population as these two counties have the highest percentage of residents over the age of 65 within the assessment area at 19.9 percent and 17.1 percent, respectively. Further, a community representative stated that these counties are more rural in nature and economic growth has been slow which has driven individuals away from the area. The table below presents population changes in the assessment area from 2010 to 2015.

Population Change			
Area	2010 Population	2015 Population	Percent Change
2021 Davenport-Moline-Rock Island, IA-IL MSA 19340	329,204	333,262	1.2%
Mercer County, IL	16,434	16,107	-2.0%
Rock Island County, IL	147,546	147,161	-0.3%
Scott County, IA	165,224	169,994	2.9%
Davenport-Moline-Rock Island, IA-IL MSA	379,690	383,145	0.9%
Illinois	12,830,632	12,873,761	0.3%
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 2021 FFIEC Census Data, the assessment area is comprised of 84,666 families, of which 19.9 percent are designated as low- income, 18.1 percent moderate-income, 21.5 percent middle-income, and 40.5 percent are upper-income. Further, 9.7 percent of families residing within the assessment area live below the poverty line, above the state of Iowa’s poverty rate of 8.1 percent but below the state of Illinois poverty rate of 10.5 percent. According to the 2011-2015 American Community Survey (ACS), the median family income (MFI) for the assessment area is \$66,329 which remains below the MFI for both the state of Iowa and the state of Illinois, at \$67,466 and \$71,546, respectively. Within the assessment area, both Mercer (\$64,649) and Rock Island (\$61,895) Counties have MFIs below the state of Illinois, while Scott County (\$72,195) exceeds the state of Iowa. A community representative stated Mercer and Rock Island counties are predominately rural and as a result have not experienced the economic growth Scott County has benefited from. Throughout the pandemic, Illinois had stricter restrictions than Iowa, which also

has had a negative effect on Mercer and Rock Island Counties. Community representatives stated that local businesses may need to raise wages to help attract and retain employees.

Median Family Income Change			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
2021 Davenport-Moline-Rock Island, IA-IL MSA 19340	\$66,976	\$66,329	-1.0%
Mercer County, IL	\$67,542	\$64,649	-4.3%
Rock Island County, IL	\$64,207	\$61,895	-3.6%
Scott County, IA	\$70,252	\$72,195	2.8%
Davenport-Moline-Rock Island, IA-IL MSA	\$67,213	\$66,600	-0.9%
Illinois	\$74,306	\$71,546	-3.7%
Iowa	\$67,302	\$67,466	0.2%

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.

Housing Characteristics

There are a total of 145,950 housing units within the assessment area. The majority of housing units are owner-occupied at 63.9 percent followed by rental units which comprise 28.4 percent of housing units. Vacant housing units (7.7 percent) within the assessment area are below the number of vacant units within both the state of Iowa (8.7 percent) and the state of Illinois (9.8 percent). According to the 2011-2015 ACS, the assessment area had a median housing value of \$128,709 and median gross rent of \$695. The three counties that comprise the assessment area experienced housing value increases at a higher rate when compared to their respective states from 2010 to 2015. Median gross rent within the assessment area saw an increase of 12.5 percent with the largest increase in median gross rent being within Rock Island County which saw an increase of 13.4 percent.

The table below shows the percentage of renters and owners who experience housing cost burden within the assessment area. The cost burden is a measure of affordability via a comparative analysis of individuals of different income levels that spend 30.0 percent or more of their income on housing costs. Renters across all income levels in the assessment area experience this burden at 40.2 percent, which is higher than the housing cost burden among homeowners in the assessment area (16.2 percent). Cost burdens for renters and homeowners in Mercer and Rock Island counties fall below the cost burden rates for the state of Illinois, while Scott County has cost burdens for renters and homeowners that exceed the state of Iowa’s cost burden rates.

According to FFIEC HMDA loan and application records, home mortgage trends reflect increases in home mortgage activity in recent years across the assessment area counties and the broader region. These trends suggest a continued increase in demand for home purchases, driving up

home values and further indicating that housing cost burden for low- and moderate-income homeowners will remain elevated. Community representatives unanimously agreed the most pressing challenge to the local economy is the lack of affordable housing available throughout the assessment area. Although there is a strong labor market within the area, representatives believe that prospective residents are finding it increasingly more difficult to find housing therefore slowing the influx of new residents.

Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
2021 Davenport-Moline-Rock Island, IA-IL MSA 19340	72.2%	32.2%	40.2%	64.4%	28.7%	16.2%
Mercer County, IL	54.4%	31.1%	27.8%	49.6%	21.2%	12.0%
Rock Island County, IL	67.8%	28.8%	39.6%	63.1%	26.1%	16.3%
Scott County, IA	78.1%	35.0%	41.7%	67.6%	32.5%	16.6%
Davenport-Moline-Rock Island, IA-IL MSA	71.4%	30.2%	39.7%	62.5%	27.3%	15.9%
Illinois	75.0%	39.0%	43.4%	69.4%	40.1%	22.6%
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 following table presents the unemployment trends for the assessment area, the state of Iowa and the state of Illinois from 2017 to 2021. In general, the unemployment rates for the assessment area and the states steadily declined from 2017-2019, experienced a surge in 2020, and trended back downward in 2021. The unemployment rates for Mercer and Rock Island Counties were below the state of Illinois' unemployment rate (6.1 percent in 2021), while Scott County's rate (5.4 percent) trended above the state of Iowa rate (4.2 percent). The overall decline in unemployment rates can be attributed to an improving economy. Community representatives stated the unemployment rate within the assessment area increased in 2020 because of the COVID-19 pandemic; however, they believe it has been gradually decreasing and is currently back to pre-pandemic levels. Further, they believe opportunities to work are available however, it is believed that businesses within rural areas are taking longer to return to a pre-pandemic state. Representatives also indicated that due to the recent tightening of the labor market it is anticipated that the unemployment rate will decrease as local businesses begin to raise wages to attract and retain employees.

Unemployment Rates					
Area	2017	2018	2019	2020	2021
2021 Davenport-Moline-Rock Island, IA-IL MSA 19340	4.3%	4.0%	3.9%	7.9%	5.5%
Mercer County, IL	5.1%	5.2%	4.8%	8.2%	4.9%
Rock Island County, IL	5.1%	5.2%	4.8%	9.6%	5.6%
Scott County, IA	3.6%	2.9%	3.2%	6.6%	5.4%
Davenport-Moline-Rock Island, IA-IL MSA	4.4%	4.1%	4.0%	7.9%	5.4%
Illinois	4.9%	4.4%	4.0%	9.2%	6.1%
Iowa	3.1%	2.5%	2.6%	5.1%	4.2%

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

Industry Characteristics

The assessment area contains a diverse employment base that includes manufacturing, health care, retail trade and hospitality and food service. In addition to these major employers, Dun & Bradstreet data indicate that there were 12,650 businesses and 498 farms located within the assessment area in 2021, and the majority (89.6 percent and 98.6 percent, respectively) had revenues of \$1 million or less. Community representatives stated there have not been any notable changes to the industry composition of the assessment area, with no major employers entering or leaving the area in recent years. However, in the more rural areas (Mercer and Rock Island counties), businesses were negatively impacted during the pandemic and the period of shutdown and have not yet returned. Further, representatives presume the labor shortage is having a disproportionate impact on the retail and hospitality industry, as well as some local manufacturing companies. The representatives stated the labor shortage is resulting in local businesses competing with one another to attract new employees, resulting in higher wages and increased benefits.

Community Representatives

Two community representatives were contacted to provide information regarding local economic and demographic conditions. The representatives provided information on affordable housing, employment, and economic development needs within the assessment area. Both representatives highlighted that housing stock is at a low quality due and that there have been minimal housing improvements. In addition, representatives indicated that there is a lack of available workforce and primary employment is extremely siloed to specific industries such as manufacturing.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DAVENPORT-MOLINE-ROCK ISLAND, IA-IL MSA 19340

LENDING TEST

CBI Bank & Trust's performance relative to the lending test in the Davenport-Moline-Rock Island, IA-IL MSA assessment area is satisfactory based on reasonable geographic dispersion of the bank's lending throughout the assessment area and reasonable penetration among borrowers of different incomes and businesses and farms of different revenue sizes.

Geographic Distribution of Loans

CBI Bank & Trust demonstrates reasonable geographic distribution of loans given the bank's assessment area. An analysis of the geographic distribution of HMDA-reportable, small business, and small farm loans was conducted to determine the dispersion of loans among the census tract designations within the assessment area, particularly low- and moderate-income census tracts. The bank's assessment area consists of four low-income, 26 moderate-income, 47 middle-income, and 14 upper-income census tracts. The bank originated loans in 70.3 percent of the census tracts in the assessment area, including two of the four low-income census tracts and 15 of 26 moderate-income census tracts. Based upon this analysis, it appears there are no conspicuous geographic lending gaps. A detailed discussion of HMDA-reportable, small business, and small farm lending in relation to census demographics is provided below.

HMDA-Reportable Loans

Geographic distribution of HMDA-reportable loans reflects reasonable penetration throughout the assessment area. In 2021, CBI Bank & Trust originated 1.8 percent of its total HMDA-reportable loans in low-income census tracts in the assessment area by number which was above the aggregate of lenders by number (0.5 percent) and the percentage of owner-occupied units (0.8 percent) located in low-income census tracts. The bank originated 17.4 percent of HMDA-reportable loans in moderate-income tracts by number which was slightly above the aggregate of lenders by number (13.4) but below the percentage of owner-occupied units (17.3 percent) in moderate-income tracts.

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

Home Purchase

CBI Bank & Trust did not originate any of its home purchase loans in low-income census tracts in 2021. This was slightly below the aggregate of lenders which made 0.5 percent by number of HMDA-reportable home purchase loans in these census tracts, and the percentage of owner-occupied units in low-income census tracts (0.8 percent). Opportunities to lend in low-income census tracts is difficult as 62.8 percent of the housing units serve as rental properties and 20.9 percent of the properties are listed as vacant. The bank made 17.9 percent of its home purchase loans by number in moderate-income census tracts in 2021. This was above the aggregate of lenders by number (16.2 percent) and the percentage of owner-occupied units comprising such tracts (17.3 percent).

The bank originated 53.8 percent of its home purchase loans by number in middle-income census tracts in 2021. This was below the percentage of aggregate lenders by number (57.7 percent) and the percentage of owner-occupied units comprising such tracts (60.5 percent). The bank made 28.2 percent by number of its home purchase loans in upper-income census tracts, which was consistent to the aggregate of lenders by number (25.6 percent) and above the percentage of owner-occupied units comprising these tracts (21.4 percent). As evidenced in the 2020 lending table located in Appendix C, home purchase lending was consistent with 2021 lending.

Refinance

Similar to home purchase loans, CBI Bank & Trust did not originate any of its refinance loans in its low-income census tracts in 2021. This was slightly below the aggregate lenders by number (0.4 percent) and the percentage of owner-occupied units in moderate-income census tracts (0.8 percent). The bank made 15.5 percent of its refinance loans by number and in moderate-income census tracts, which was above the percentage of loans made by aggregate lenders (10.4 percent), and slightly below the percentage of owner-occupied units in these tracts (17.3 percent). The geographic distribution of HMDA-reportable refinance loans in 2020 was consistent with the pattern of lending in 2021.

The bank made 58.6 percent of its refinance loans, by number, in middle-income census tracts in 2021. This was consistent with the performance of the aggregate of lenders which made 57.2 percent of such loans and the percentage of owner-occupied units at 60.5 percent. The bank's lending was below the percentage of aggregate lenders (32.1 percent) but above the percentage of owner-occupied units (21.1 percent) within upper-income census tracts by originating 25.9 percent of its refinance loans in such tracts in 2021. Home refinance lending in 2020 was consistent with 2021 lending.

The following table presents the 2021 geographic distribution of HMDA-reportable loans in the assessment area. The 2020 geographic distribution table of HMDA-reportable loans can be found in Appendix C.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2021 Davenport-Moline-Rock Island, IA-IL MSA 19340								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2021			Dollar			
		Count Bank		Agg	Bank		Agg	
#	%	%	\$ (000s)	\$ %	\$ %			
Home Purchase	Low	0	0.0	0.5	0	0.0	0.3	0.8
	Moderate	7	17.9	16.2	498	7.5	9.3	17.3
	Middle	21	53.8	57.7	3,701	55.8	52.1	60.5
	Upper	11	28.2	25.6	2,428	36.6	38.4	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	39	100.0	100.0	6,627	100.0	100.0	100.0
Refinance	Low	0	0.0	0.4	0	0.0	0.2	0.8
	Moderate	9	15.5	10.4	667	7.8	5.8	17.3
	Middle	34	58.6	57.2	4,677	54.5	50.6	60.5
	Upper	15	25.9	32.1	3,235	37.7	43.3	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	58	100.0	100.0	8,579	100.0	100.0	100.0
Home Improvement	Low	0	0.0	0.4	0	0.0	0.4	0.8
	Moderate	0	0.0	11.2	0	0.0	9.2	17.3
	Middle	2	100.0	57.2	125	100.0	50.4	60.5
	Upper	0	0.0	31.2	0	0.0	40.1	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	2	100.0	100.0	125	100.0	100.0	100.0
Multi-Family	Low	2	20.0	12.9	2,742	31.9	19.8	Multi-Family 9.1
	Moderate	3	30.0	23.9	1,977	23.0	15.6	22.2
	Middle	5	50.0	46.5	3,882	45.1	40.1	52.4
	Upper	0	0.0	16.8	0	0.0	24.4	16.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	10	100.0	100.0	8,601	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.8
	Moderate	0	0.0	7.6	0	0.0	4.1	17.3
	Middle	0	0.0	54.8	0	0.0	47.2	60.5
	Upper	0	0.0	37.6	0	0.0	48.7	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	1.0	0	0.0	0.4	0.8
	Moderate	0	0.0	18.8	0	0.0	8.6	17.3
	Middle	0	0.0	48.1	0	0.0	43.6	60.5
	Upper	0	0.0	32.2	0	0.0	47.4	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	1.6	0	0.0	0.7	0.8
	Moderate	0	0.0	31.2	0	0.0	18.0	17.3
	Middle	0	0.0	55.9	0	0.0	65.9	60.5
	Upper	0	0.0	11.3	0	0.0	15.4	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	2	1.8	0.5	2,742	11.5	1.9	0.8
	Moderate	19	17.4	13.4	3,142	13.1	8.3	17.3
	Middle	62	56.9	57.2	12,385	51.8	50.4	60.5
	Upper	26	23.9	28.8	5,663	23.7	39.4	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	109	100.0	100.0	23,932	100.0	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
Note: Percentages may not add to 100.0 percent due to rounding								

Small Business Loans

Geographic distribution of small business loans reflects reasonable penetration throughout the assessment area. In 2021, CBI Bank & Trust bank originated 8.9 percent of its small business loans by number in low-income census tracts which is slightly above the percentage of total businesses in low-income census tracts (6.2 percent). The bank made 15.6 percent of its small business loans by number in moderate-income census tracts. This was below the percentage of total businesses located in moderate-income census tracts (19.3 percent). The majority of the bank’s small business loans were originated in middle-income census tracts by number (46.7 percent by number) which is slightly below the percentage of small businesses residing within such geographies (50.2 percent). The bank originated 28.9 percent of its small business loans by number in upper-income census tracts, slightly above the percentage of total businesses within these tracts (24.3 percent).

The following table presents the geographic distribution of small business loans in the assessment area in 2021.

Geographic Distribution of Small Business Loans						
Assessment Area: 2021 Davenport-Moline-Rock Island, IA-IL MSA 19340						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2021 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	
Small Business	Low	4	8.9	2,262	23.8	6.2
	Moderate	7	15.6	1,862	19.6	19.3
	Middle	21	46.7	2,683	28.3	50.2
	Upper	13	28.9	2,685	28.3	24.3
	Unknown	0	0.0	0	0.0	0.0
	Total	45	100.0	9,492	100.0	100.0

2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Small Farm Loans

Geographic distribution of small farm loans reflects reasonable penetration throughout the assessment area. The bank did not originate any small farm loans in the low- or moderate-income census tracts in 2021; however, only 0.2 percent of total farms are located in low-income and only 1.4 percent of total farms are located in moderate-income tracts indicating limited opportunity for small farm lending in these tracts. The majority of the bank’s small farm loans by number (88.9 percent) were originated in the middle-income census tracts, exceeding the percentage of farms located in the middle-income tracts (74.1 percent). The bank originated 11.1 percent by number of small farm loans in upper-income census tracts, which is below the percentage of total farms in these tracts (24.3 percent).

The table below presents the geographic distribution of small farm loans in the assessment area in 2021.

Geographic Distribution of Small Farm Loans						
Assessment Area: 2021 Davenport-Moline-Rock Island, IA-IL MSA 19340						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2021 Dollar Bank		Total Farms
		#	%	\$ 000s	\$ %	%
Small Farm	Low	0	0.0	0	0.0	0.2
	Moderate	0	0.0	0	0.0	1.4
	Middle	32	88.9	2,976	81.0	74.1
	Upper	4	11.1	697	19.0	24.3
	Unknown	0	0.0	0	0.0	0.0
	Total	36	100.0	3,673	100.0	100.0

2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

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

CBI Bank & Trust demonstrates a reasonable distribution of loans to and, as appropriate, other lending-related activities for individuals of different income levels (including low- and moderate-income individuals) and a reasonable dispersion among businesses and farms of different sizes. The bank’s primary HMDA-reportable products during the review period were home purchase and refinance loans. The remaining HMDA-reportable loan products will not be evaluated due to low volumes of originations.

HMDA-Reportable Loans

The distribution of HMDA-reportable loans reflects poor penetration among borrowers of different income levels. In 2021, CBI Bank & Trust originated 4.6 percent by number of its HMDA-reportable loans to low-income borrowers, below the aggregate of lenders (10.0 percent) and below the percentage of low-income families in the assessment (19.9 percent). The bank originated 16.5 percent by number of its HMDA-reportable loans to moderate-income borrowers, below the aggregate (19.3 percent) and below the percentage of families designated as moderate-income in the assessment area (18.1 percent). Lastly, the bank made 28.4 percent of its HMDA-reportable loans by number to borrowers with unknown incomes, above the aggregate by number (19.4 percent). The substantial majority of these HMDA-reportable loans were made to businesses; therefore, income information was not required. The bank’s borrower distribution of HMDA-reportable loans was comparable to its lending in 2021.

Home Purchase

CBI Bank & Trust originated 7.7 percent of its home purchase loans by number and 5.2 percent by dollar volume to low-income borrowers in 2021, which was below the percentage of aggregate lenders by number (13.2 percent), and significantly below the percentage of low-income families located in the assessment area (19.9 percent). The bank originated 28.2 percent of its home purchase loans by number to moderate-income borrowers. This is above the percentage of aggregate lenders by number (23.7 percent) and the percentage of moderate-income families in the assessment area (18.1 percent).

The bank made 5.1 percent of its home purchase loans by number to middle-income borrowers in 2021 which was significantly below the percentage of aggregate of lenders by number (19.3 percent) and the percentage of middle-income families in the assessment area (21.5 percent). The bank made 33.3 percent by number of its home purchase loans to upper-income borrowers, above the percentage of aggregate lenders by number (27.3 percent), but below the percentage of upper-income families in the assessment area (40.5 percent). Lastly, the bank made 25.6 percent of its home purchase loans by number to borrowers of unknown income, which was above the aggregate lenders (16.5 percent).

The borrower distribution of HMDA-reportable home purchase loans in 2020 was slightly below the lending performance of 2021. Please refer to Appendix C for the 2020 borrower distribution lending table.

Refinance

CBI Bank & Trust originated 3.4 percent of its refinance loans by number in 2021 to low-income borrowers, which was below to the percentage of aggregate lenders by number (7.4 percent) and significantly below the percentage of low-income families in the assessment area (19.9 percent). The bank originated 12.1 percent of its refinance loans by number to moderate-income borrowers. This was below both the percentage of aggregate lenders by number (16.2 percent) and the percentage of moderate-income families in the assessment area (18.1 percent). The bank made 27.6 percent of its refinance loans by number to middle-income borrowers, which was above the percentage of aggregate lenders by number (20.4 percent) and the percentage of middle-income families in the assessment area (21.5 percent). The bank made 39.7 percent of its refinance loans by number to upper-income borrowers, which was above the aggregate lenders by number (35.4 percent) and consistent with the percentage of upper-income families comprising the assessment area (40.5 percent). Lastly, the bank made 17.2 percent of its refinance loans by number to borrowers of unknown income, below the aggregate of lenders (20.6 percent).

The bank's borrower distribution of refinance loans in 2020 exceeded its performance in 2021.

The following table presents the borrower distribution of HMDA-reportable loans in the assessment area in 2021. The table for borrower distribution of HMDA-reportable loans in 2020 can be found in Appendix C.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2021 Davenport-Moline-Rock Island, IA-IL MSA 19340								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		2021			Dollar			
		Count Bank	Agg	Dollar Bank	Agg			
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	3	7.7	13.2	343	5.2	7.2	19.9
	Moderate	11	28.2	23.7	1,883	28.4	17.4	18.1
	Middle	2	5.1	19.3	149	2.2	18.6	21.5
	Upper	13	33.3	27.3	3,073	46.4	40.2	40.5
	Unknown	10	25.6	16.5	1,179	17.8	16.6	0.0
	Total		39	100.0	100.0	6,627	100.0	100.0
Refinance	Low	2	3.4	7.4	160	1.9	3.8	19.9
	Moderate	7	12.1	16.2	483	5.6	10.5	18.1
	Middle	16	27.6	20.4	2,592	30.2	16.8	21.5
	Upper	23	39.7	35.4	4,790	55.8	46.4	40.5
	Unknown	10	17.2	20.6	554	6.5	22.4	0.0
	Total		58	100.0	100.0	8,579	100.0	100.0
Home Improvement	Low	0	0.0	6.3	0	0.0	4.4	19.9
	Moderate	0	0.0	14.2	0	0.0	8.6	18.1
	Middle	0	0.0	24.9	0	0.0	19.2	21.5
	Upper	1	50.0	46.7	39	31.2	53.6	40.5
	Unknown	1	50.0	7.9	86	68.8	14.3	0.0
	Total		2	100.0	100.0	125	100.0	100.0
Multi-Family	Low	0	0.0	0.6	0	0.0	0.1	19.9
	Moderate	0	0.0	0.6	0	0.0	0.1	18.1
	Middle	0	0.0	1.9	0	0.0	0.1	21.5
	Upper	0	0.0	1.9	0	0.0	0.1	40.5
	Unknown	10	100.0	94.8	8,601	100.0	99.5	0.0
	Total		10	100.0	100.0	8,601	100.0	100.0
Other Purpose LOC	Low	0	0.0	7.1	0	0.0	2.8	19.9
	Moderate	0	0.0	17.3	0	0.0	17.5	18.1
	Middle	0	0.0	20.8	0	0.0	24.3	21.5
	Upper	0	0.0	50.3	0	0.0	50.5	40.5
	Unknown	0	0.0	4.6	0	0.0	4.9	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	13.5	0	0.0	6.3	19.9
	Moderate	0	0.0	19.2	0	0.0	9.1	18.1
	Middle	0	0.0	19.2	0	0.0	11.6	21.5
	Upper	0	0.0	47.6	0	0.0	72.8	40.5
	Unknown	0	0.0	0.5	0	0.0	0.3	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	19.9
	Moderate	0	0.0	0.5	0	0.0	0.1	18.1
	Middle	0	0.0	0.0	0	0.0	0.0	21.5
	Upper	0	0.0	0.0	0	0.0	0.0	40.5
	Unknown	0	0.0	99.5	0	0.0	99.9	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	5	4.6	10.0	503	2.1	4.9	19.9
	Moderate	18	16.5	19.3	2,366	9.9	12.6	18.1
	Middle	18	16.5	19.6	2,741	11.5	16.1	21.5
	Upper	37	33.9	31.6	7,902	33.0	39.6	40.5
	Unknown	31	28.4	19.4	10,420	43.5	26.8	0.0
	Total		109	100.0	100.0	23,932	100.0	100.0

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

Small Business Loans

The distribution of small business loans reflects reasonable penetration among businesses of different revenue sizes. In 2021, CBI Bank & Trust originated 77.8 percent by number of its small business loans to small businesses reporting annual revenues of \$1 million or less, which was below the percentage of small businesses operating within the assessment area (89.6 percent). Of the 35 loans originated to small businesses, 51.4 percent were in amounts of \$100,000 or less which are considered most beneficial to small businesses. As mentioned previously, the COVID-19 pandemic had a significant impact on the revenues of local businesses. As a result of the pandemic, the bank participated in the Small Business Administration’s (SBA) Payment Protection Program (PPP), and originated 359 PPP loans not reflected in the table below. This lending activity is particularly responsive considering the financial stress many small businesses experienced throughout the pandemic. The following table summarizes the bank’s 2021 small business lending in the assessment area.

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2021 Davenport-Moline-Rock Island, IA-IL MSA 19340							
Product Type		Bank & Demographic Comparison					
		2021		2021		Total Businesses %	
Revenue	Loan Size	Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	35	77.8	7,176	75.6	89.6
		Over \$1 Million	10	22.2	2,316	24.4	9.0
		Unknown	0	0.0	0	0.0	1.4
		Total	45	100.0	9,492	100.0	100.0
	Loan Size	\$100,000 or Less	23	51.1	1,170	12.3	
		\$100,001 - \$250,000	10	22.2	1,562	16.5	
		\$250,001 - \$1 Million	12	26.7	6,760	71.2	
		Total	45	100.0	9,492	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	18	51.4	819	11.4	
		\$100,001 - \$250,000	9	25.7	1,412	19.7	
\$250,001 - \$1 Million		8	22.9	4,946	68.9		
Total		35	100.0	7,177	100.0		
Originations & Purchases							
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Small Farm Lending

The distribution of small farm loans reflects reasonable penetration among farms of different revenue sizes. In 2021, CBI Bank & Trust originated 94.4 percent by number of its agricultural loans to small farms reporting annual revenues of \$1 million or less, which was consistent with the percentage of small farms operating within the assessment area (98.6 percent). Of the 34 loans

originated to small farms, 76.5 percent were in amounts of \$100,000 or less which are considered most beneficial to small farms. The following table summarizes the bank’s 2021 small farm lending in the assessment area.

Small Farm Lending By Revenue & Loan Size							
Assessment Area: 2021 Davenport-Moline-Rock Island, IA-IL MSA 19340							
Product Type		Bank & Demographic Comparison					
		2021		2021		Total Farms	
#	%	\$ 000s	\$ %	%			
						Small Farm	Revenue
Over \$1 Million	2	5.6	652	17.8	1.4		
Unknown	0	0.0	0	0.0	0.0		
Total	36	100.0	3,673	100.0	100.0		
Loan Size	\$100,000 or Less	26	72.2	949	25.8		
	\$100,001 - \$250,000	5	13.9	682	18.6		
	\$250,001 - \$500,000	5	13.9	2,043	55.6		
	Total	36	100.0	3,674	100.0		
Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	26	76.5	949	31.4		
	\$100,001 - \$250,000	4	11.8	530	17.5		
	\$250,001 - \$500,000	4	11.8	1,543	51.1		
	Total	34	100.0	3,022	100.0		

Originations & Purchases
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

COMMUNITY DEVELOPMENT TEST

CBI Bank & Trust’s community development activities are **outstanding**. The bank demonstrates excellent responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services.

Lending, Investments, and Services Activities

Lending

CBI Bank & Trust originated 17 qualified community development loans totaling \$5.7 million in the assessment area during the evaluation period. When compared to the previous evaluation of five loans totaling \$13.6 million, the bank increased the number of community development loans by 240.0 percent but decreased the dollar volume by 58.0 percent. Of the bank’s qualified community development loans, three loans (\$419,222) were made for the purpose of affordable housing, three (\$163,600) for community services, three (\$900,350) for economic development, and eight loans (\$4.2 million) were made for revitalization/stabilization purposes.

Community representatives contacted as part of this evaluation indicated that one of the most pressing needs for the assessment area is affordable housing development. CBI Bank & Trust Bank originated loans that directly addressed the affordable housing need and that indirectly addressed affordable housing by providing funds to a women's shelters. This demonstrates a level of responsiveness to the assessment area's credit needs.

Investments

CBI Bank & Trust made three qualified investments totaling \$1.6 million in the assessment area. This is a significant increase since the previous examination as the bank had no qualified investments during the prior evaluation period. New investments include bonds to local municipalities primarily serving low- to moderate-income communities or families. Additionally, CBI Bank & Trust made 50 donations for \$93,250 in the assessment area. Additionally, all donations were focused on providing vital community services to low- and moderate-income individuals and families. Donations significantly increased since the previous evaluation, as the bank made seven donations totaling \$1,550 over a 63-month period.

Services

CBI Bank & Trust staff provided 11 volunteer financial services for approximately 831.5 hours which is a significant increase when compared to the previous evaluation. At the previous evaluation, the bank had 3 qualified community development services for 63 hours in this assessment area. This is considered especially responsive as the majority of the bank's review period was during the COVID-19 Pandemic, which significantly limited in-person events and opportunities to provide community development services. A majority of the services provided were through active board membership at organizations serving a variety of community development and economic development purposes.

The following table represents the bank's community development activities during the evaluation period.

**Davenport-Moline-Rock Island, IA-IL MSA 19340
Community Development Activities
February 19, 2019 – July 18, 2022**

Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	3	419,222	3	900,350	8	4,225,567	3	163,600	17	5,708,739
Investment	0	0	0	0	0	0	3	1,605,000	3	1,605,000
Donations	0	0	0	0	0	0	50	93,250	50	93,250
Services	2	138	3	338	0	0	6	356	11	832

STATE OF IOWA

CRA RATING FOR IOWA

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

CBI Bank & Trust is rated Satisfactory in the state of Iowa based on a reasonable geographic distribution of loans throughout the assessment areas and a reasonable penetration among individuals of different income levels, and businesses and farms of different sizes. The bank also demonstrates adequate responsiveness to the needs of its assessment areas through community development loans, qualified investments, and community development services. This performance is appropriate, considering the bank's capacity, and the need and availability of such opportunities for community development in the bank's assessment areas.

SCOPE OF EXAMINATION

A full-scope review was conducted to evaluate the bank's Iowa Non-MSA (Louisa County and Muscatine County), and a limited-scope review was conducted on the bank's Iowa City, IA MSA #37900 assessment area. The scope of the review for the state of Iowa is consistent with the overall scope presented in the Scope of Examination section of the performance evaluation. Overall, the state of Iowa carried an equal weight during the overall evaluation as the bank's activities occurred in other portions of the bank's combined assessment area. Please refer to the Scope of Examination section for more detailed information.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN IOWA

CBI Bank & Trust's operations in the state of Iowa consist of performance in the bank's Iowa Non-MSA assessment area and the Iowa City, IA MSA assessment area. The Iowa Non-MSA consists of Muscatine County and Louisa County, Iowa, in their entireties and the Iowa City, IA MSA consists of the entireties of Johnson County and Washington County, Iowa. The bank's main office, six branches and seven ATMs are located in the state of Iowa. Please refer to the individual assessment area summaries for additional details regarding the bank's operations, as well as demographic and economic conditions.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN IOWA

LENDING TEST

CBI Bank & Trust's performance relative to the lending test in Iowa is satisfactory based on reasonable geographic distribution of loans throughout the assessment areas and a reasonable penetration among individuals of different income levels, and businesses and farms of different sizes.

Geographic and Borrower Distribution

CBI Bank & Trust's lending activities reflect reasonable distribution throughout the assessment areas within the state of Iowa.

The geographic distribution of HMDA-reportable, small business, and small farm loans reflects reasonable penetration throughout the state of Iowa assessment areas. In addition, the distribution of loans reflects reasonable penetration among borrowers of different income levels and businesses and farms of different sizes as supported by a review of HMDA-reportable, small business and small farm loans. Further discussion with respect to the geographic and borrower distribution of lending can be found in the individual assessment area analyses.

COMMUNITY DEVELOPMENT TEST

Lending, Investments, and Services Activities

CBI Bank & Trust's community development activities are satisfactory. The bank demonstrates adequate responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services.

The conclusions regarding the bank's lending, investment (including donations) and service activities within the state of Iowa are based on the analysis of the Iowa Non-MSA assessment area and the Iowa City, Iowa MSA.

IOWA NONMETROPOLITAN ASSESSEMENT AREA– FULL REVIEW

SCOPE OF EXAMINATION

Full scope examination procedures were used to evaluate the bank's performance in the Iowa Non-MSA assessment area. The scope for this assessment area is consistent with the overall scope presented in the Scope of Examination section of this performance evaluation. Please refer to the Scope of Examination section for more detailed information.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN IOWA NON-MSA

The Iowa Non-MSA assessment area consists of Muscatine County and Louisa County in their entirety. Since the previous evaluation, changes to the bank's Iowa Non-MSA assessment area include the designation of Louisa County in its entirety.

The assessment area is comprised of 13 total census tracts. Based on 2021 FFIEC census data and 2015 American Community Survey (ACS) Data, the assessment area consists of one moderate-, nine middle-, and three upper-income census tracts. There are no low-income census tracts. Three of the four middle-income census tracts in Louisa County are designated as underserved due to the remote and rural location of the tracts.

The bank operates its main office, three branches and four cash-only ATMs (one stand-alone ATM) within the assessment area. The bank has not opened or closed any branches since the previous evaluation. The bank operates three branches in middle-income census tracts and one branch in an upper-income tract.

The FDIC Deposit Market Share Report dated June 30, 2021, ranks CBI Bank & Trust first among 12 FDIC-insured institutions operating in the assessment area. The bank holds a 25.1 percent market share, compared to First National Bank of Muscatine, Muscatine, Iowa (23.8 percent) and Community Bank and Trust Company, Muscatine, Iowa (18.2 percent) who rank second and third in the market, respectively.

CBI Bank & Trust ranks first out of 148 aggregate lenders for 2021 HMDA-reportable transactions with a total of 190 originations. GreenState Credit Union ranks second with 169 reported originations followed by Rocket Mortgage, LLC which reported 121 origination and purchase transactions. The market is highly competitive with large national lenders for HMDA-reportable loans with CBI Bank & Trust maintaining a strong presence. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2021 IA Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,547	17.6
Moderate-income	1	7.7	799	5.5	163	20.4	2,799	19.3
Middle-income	9	69.2	9,647	66.7	1,116	11.6	3,433	23.7
Upper-income	3	23.1	4,022	27.8	202	5.0	5,689	39.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	13	100.0	14,468	100.0	1,481	10.2	14,468	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	1,359	873	5.7	64.2	289	21.3	197	14.5
Middle-income	15,479	10,034	65.0	64.8	3,878	25.1	1,567	10.1
Upper-income	6,133	4,533	29.4	73.9	1,049	17.1	551	9.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	22,971	15,440	100.0	67.2	5,216	22.7	2,315	10.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	104	5.1	92	5.0	12	6.8	0	0.0
Middle-income	1,449	71.1	1,288	70.3	137	77.8	24	75.0
Upper-income	486	23.8	451	24.6	27	15.3	8	25.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	2,039	100.0	1,831	100.0	176	100.0	32	100.0
	Percentage of Total Businesses:			89.8		8.6		1.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1	0.4	1	0.4	0	0.0	0	0.0
Middle-income	169	66.0	167	66.0	1	50.0	1	100.0
Upper-income	86	33.6	85	33.6	1	50.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	256	100.0	253	100.0	2	100.0	1	100.0
	Percentage of Total Farms:			98.8		0.8		0.4
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Population Change

The Iowa Non-MSA assessment area population (54,184) experienced stagnant growth from 2010 to 2015 with an increase of 0.1 percent. Both counties in the assessment area were below the population rate of change in the state of Iowa (1.5 percent) during the same time period with Muscatine County increasing a mere 0.4 percent and Louisa County experiencing a population decline of 1.0 percent. The decline in population can be attributed to the very rural nature of Louisa County. Community representatives stated that limited job opportunities have contributed to younger individuals leaving for higher education and not returning. Conversely, one community representative stated Muscatine County's population has remained relatively stable, but the lack of housing is preventing real growth in the area. The following table presents population changes in the assessment area from 2010 to 2015.

Population Change			
Area	2010 Population	2015 Population	Percent Change
2021 IA Non MSA	54,132	54,184	0.1%
Louisa County, IA	11,387	11,271	-1.0%
Muscatine County, IA	42,745	42,913	0.4%
NonMSA Iowa	1,261,493	1,250,756	-0.9%
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

The assessment area is comprised of 14,468 families, of which 17.6 percent are designated as low-income, 19.4 percent are moderate-income, 23.7 percent are middle-income, and 39.3 percent are upper-income. Further, 10.2 percent of families residing within the assessment area live below the poverty line, consistent with the state of Iowa's poverty rate of 12.1 percent. According to the 2011-2015 ACS, the MFI for the assessment area is \$62,315 which remains below the MFI for the state of Iowa (\$67,466). Community representatives stated that there is a sustained need for livable wages as the area remains in a poor financial condition due to the rural location and lack of economic growth. However, representatives believe that a manufacturing technology initiative within the assessment area will potentially create high paying jobs which could increase the MFI in the future.

Median Family Income Change			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
2021 IA Non MSA	\$65,172	\$62,315	-4.4%
Louisa County, IA	\$59,808	\$60,068	0.4%
Muscatine County, IA	\$66,911	\$64,083	-4.2%
NonMSA Iowa	\$61,224	\$61,681	0.7%
Iowa	\$67,302	\$67,466	0.2%

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.

Housing Characteristics

There are a total of 22,971 housing units within the assessment area. The majority of housing units are owner-occupied (67.2 percent), followed by rental units (22.7 percent) and vacant housing units (10.1 percent). The number of vacant units within the assessment area is slightly higher the number of vacant units within the state of Iowa (8.7 percent). According to the 2011-2015 ACS, the assessment area had a median housing value of \$122,014 and median gross rent of \$707. The counties that comprise the assessment area were both below the state of Iowa with respect to housing value trends from 2010 to 2015.

The cost burden is a measure of affordability via a comparative analysis of individuals of different income levels that spend 30.0 percent or more of their income on housing costs. Renters across all income levels in the assessment area experience this burden at 29.7 percent, which reflects higher rates than the housing cost burden among homeowners in the assessment area at 16.7 percent. Assessment area renter cost burden is lower than the state of Iowa (38.0 percent). Conversely, housing cost burden for homeowners in the assessment area is slightly higher than the homeowner housing cost burden for the state of Iowa (15.2 percent).

Housing cost burden rates among homeowners present similar comparative trends to those of renters, with individuals in the lower income levels experiencing higher cost burdens than the average homeowner. According to FFIEC HMDA loan and application records, home mortgage trends reflect increases in home mortgage activity in recent years across the assessment area counties and the broader region. These trends suggest a continued increase in demand for home purchases, driving up home values and further indicating that housing cost burden for low- and moderate-income homeowners will remain elevated.

According to community representatives, the most pressing challenge to the local economy is the lack of affordable housing available throughout the assessment area. New housing is slow to

develop in the area, especially single-family residences in the \$120,000 range. Another challenge the assessment area faces is the age of existing housing stock. The median age of housing stock in the assessment area is 57 years, which is above the median for the state of Iowa (48 years). A community representative stated that a large portion of the housing stock is in need of repair.

The following table shows the percentage of renters and owners who experience a cost burden within the assessment area.

Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
2021 IA Non MSA	61.8%	30.9%	29.7%	61.4%	32.0%	16.7%
Louisa County, IA	56.3%	13.9%	24.4%	54.2%	17.5%	14.8%
Muscatine County, IA	63.1%	35.6%	30.9%	63.9%	35.7%	17.2%
NonMSA Iowa	65.2%	16.3%	32.4%	55.7%	20.9%	14.7%
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

Unemployment rates for the assessment area and the state of Iowa steadily declined from 2017-2019 and then experienced a surge in 2020, with 2021 rates again trending downward. The unemployment rates for Louisa and Muscatine counties in 2021 were consistent with the state of Iowa’s unemployment rate of 4.2 percent. Community representatives stated the unemployment rate within the assessment area increased in 2020 because of the COVID-19 pandemic, and the overall decline in unemployment rates can be attributed to an improving economy. However, representatives indicated that while there are more employment opportunities within the area the wages offered are not desirable. The following table presents the unemployment trends for the assessment area and the state of Iowa from 2017 to 2021.

Unemployment Rates					
Area	2017	2018	2019	2020	2021
2021 IA Non MSA	3.2%	2.6%	2.8%	5.6%	4.6%
Louisa County, IA	3.2%	2.6%	2.9%	4.8%	4.3%
Muscatine County, IA	3.2%	2.6%	2.7%	5.8%	4.7%
NonMSA Iowa	3.2%	2.6%	2.7%	4.8%	4.1%
Iowa	3.1%	2.5%	2.6%	5.1%	4.2%

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

Industry Characteristics

Major employers in the assessment area include manufacturing, government agencies, retail trade, health care and hospitality and food service. In addition to these major employers, Dun & Bradstreet data indicate that there were 2,039 businesses and 256 farms located within the assessment area in 2021, and the majority (89.8 percent and 98.8 percent, respectively) had revenues of \$1 million or less. While there have not been any notable changes to the industry composition of the assessment area, rural businesses were negatively impacted during the pandemic and have not fully returned to their pre-pandemic state.

Community Representatives

Two community representatives were contacted to provide information regarding local economic and demographic conditions. Community representatives stated employers were struggling to find employees prior to the pandemic due to an aging population alongside a lack of housing availability. Additionally, representatives highlighted that a major portion of the housing stock within the assessment area remains in dire need of revitalization. One representative noted a need for livable wages within the assessment area which further affects the ability to access affordable housing and overall sustainable living conditions. The labor shortage which further increased due to the pandemic had a disproportionate impact on the retail and hospitality industry as well as some local manufacturing companies. As a result, local businesses are competing with one another to attract new employees by offering higher wages and increased benefits.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN IOWA NON-MSA

LENDING TEST

CBI Bank & Trust's performance in the Iowa Non-MSA assessment area reflects a reasonable geographic dispersion of the bank's lending throughout the assessment area and a reasonable penetration among borrowers of different incomes and businesses and farms of different revenue sizes.

Geographic Distribution of Loans

CBI Bank & Trust demonstrates a reasonable geographic distribution of loans given the bank's assessment area. An analysis of the geographic distribution of loans was conducted to determine the dispersion of loans among the census tract designations within the assessment area, particularly low- and moderate-income census tracts. The bank's assessment area consists of one moderate-income, nine middle-income, and three upper-income census tracts. There are no low-income census tracts in the assessment area. The bank originated loans in 100.0 percent of the 13

census tracts in the assessment area. Based upon this analysis, there are no conspicuous geographic lending gaps.

HMDA-Reportable Loans

Geographic distribution of HMDA-reportable loans reflects reasonable penetration throughout the assessment area. In 2021, CBI Bank & Trust originated 3.7 percent of HMDA-reportable loans in moderate-income census tracts by number. This was comparable to the aggregate of lenders (4.1 percent) by number but below the percentage of owner-occupied units (5.7 percent).

Geographic dispersion of 2020 HMDA-reportable loans are comparable, as shown in Appendix C. The bank's primary HMDA-reportable products during the review period were home purchase and refinance loans. The remaining HMDA-reportable products will not be evaluated due to low origination volumes.

Home Purchase

CBI Bank & Trust originated 7.7 percent of its home purchase loans by number in moderate-income census tracts in 2021. This was comparable to both the aggregate of lenders by number (6.4 percent) and the percentage of owner-occupied units in moderate-income census tracts (5.7 percent).

The bank made 53.8 percent of its home purchase loans by number and in middle-income census tracts, which was below both the percentage of aggregate lenders by number (61.2 percent) and the percentage of owner-occupied units comprising such tracts (65.0 percent). As it relates to upper-income census tracts, the bank made 38.5 percent of its home purchase loans by number in these tracts which exceeded the percentage of aggregate lenders by number (32.4 percent) and the percentage of owner-occupied units comprising these tracts (29.4 percent).

As shown in the 2020 lending table located in Appendix C, geographic distribution of HMDA-reportable home purchase loans in 2021 was above the bank's 2020 performance.

Refinance

CBI Bank & Trust made 1.1 percent by number of its refinance loans in moderate-income census tracts in 2021, which was below the percentage of loans made by aggregate lenders (2.4 percent) and the percentage of owner-occupied units in moderate-income census tracts (5.7 percent).

The bank made 52.2 percent of its refinance loans by number in middle-income census tracts in 2021. This was below the performance of the aggregate of lenders which made 58.8 percent of refinance loans by number and the percentage of owner-occupied units in middle-income tracts (65.0 percent). The bank's lending in upper-income census tracts by number (46.7 percent)

exceeded the percentage of aggregate lenders (38.8 percent) as well as the percentage of owner-occupied units within upper-income census tracts (29.4 percent). Geographic distribution of refinance loans in 2020 was consistent with 2021 performance. The 2020 geographic distribution table of HMDA-reportable loans can be found in Appendix C. The following table presents the 2021 geographic distribution of HMDA-reportable loans in the assessment area.

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2021 IA Non MSA							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2021		2021			
		Count Bank	Agg	Dollar Bank	Agg		
		#	%	\$ (000s)	%	\$ %	
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	6	7.7	6.4	516	4.0	5.7
	Middle	42	53.8	61.2	5,995	46.6	65.0
	Upper	30	38.5	32.4	6,356	49.4	29.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	78	100.0	100.0	12,867	100.0	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	1	1.1	2.4	60	0.5	5.7
	Middle	48	52.2	58.8	5,277	41.6	65.0
	Upper	43	46.7	38.8	7,336	57.9	29.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	92	100.0	100.0	12,673	100.0	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	5.7
	Middle	5	45.5	71.0	223	33.0	65.0
	Upper	6	54.5	29.0	452	67.0	29.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	11	100.0	100.0	675	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	10.0	0	0.0	1.5
	Middle	4	57.1	50.0	587	73.5	72.3
	Upper	3	42.9	40.0	212	26.5	26.3
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	7	100.0	100.0	799	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	5.3	0	0.0	5.7
	Middle	0	0.0	63.2	0	0.0	65.0
	Upper	0	0.0	31.6	0	0.0	29.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	5.7
	Middle	0	0.0	62.1	0	0.0	65.0
	Upper	0	0.0	37.9	0	0.0	29.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	8.3	0	0.0	5.7
	Middle	0	0.0	54.2	0	0.0	65.0
	Upper	0	0.0	37.5	0	0.0	29.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	7	3.7	4.1	576	2.1	5.7
	Middle	99	52.7	60.4	12,082	44.7	65.0
	Upper	82	43.6	35.5	14,356	53.1	29.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	188	100.0	100.0	27,014	100.0	100.0

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

Small Business Loans

Geographic distribution of small business loans reflects excellent penetration throughout the assessment area. In 2021, the bank’s performance significantly exceeded the percentage of total businesses within moderate-income census tracts (5.1 percent) as the bank made 20.7 percent of its small business loans by number in moderate-income tracts. The majority of the bank’s small business loans were originated in middle-income census tracts at 58.6 percent by number which is below the percentage of total businesses residing within middle-income tracts (71.1 percent). Small business lending in upper-income tracts was comparable to total businesses in these tracts (23.8 percent) by number (20.7 percent).

The following table presents the geographic distribution of small business loans in the assessment area in 2021.

Geographic Distribution of Small Business Loans						
Assessment Area: 2021 IA Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2021 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	6	20.7	580	13.0	5.1
	Middle	17	58.6	2,625	58.8	71.1
	Upper	6	20.7	1,257	28.2	23.8
	Unknown	0	0.0	0	0.0	0.0
	Total	29	100.0	4,461	100.0	100.0

2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Small Farm Loans

Geographic distribution of small farm loans reflects reasonable penetration throughout the assessment area. In 2021, the bank did not originate any small farm loans in moderate-income census tracts which is below the percentage of total farms in such tracts (0.4 percent). The lack of small farm loan originations in the moderate-income census tracts in 2021 is considered reasonable given the limited number of farms within the tracts, resulting in less opportunity for small farm lending. The bank originated 31.4 percent by number of its small farm loans in middle-income tracts, which is below the percentage of total businesses in middle-income tracts (66.0 percent). The majority of the bank’s small farm loans were originated in the upper-income census tracts (68.6 percent by number) significantly exceeding the percentage of farms located in the upper-income tracts (33.6 percent).

The table below presents the geographic distribution of small farm loans in the assessment area in 2021.

Geographic Distribution of Small Farm Loans						
Assessment Area: 2021 IA Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		Dollar Bank		Total Farms
		2021	2021	2021	2021	2021
		#	%	\$ 000s	\$ %	%
Small Farm	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.4
	Middle	11	31.4	1,026	33.3	66.0
	Upper	24	68.6	2,059	66.8	33.6
	Unknown	0	0.0	0	0.0	0.0
	Total		35	100.0	3,084	100.0
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

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

CBI Bank & Trust demonstrates a reasonable distribution of loans to and, as appropriate, other lending-related activities for individuals of different income levels (including low- and moderate-income individuals) and businesses and farms of different sizes given the demographics of the bank's assessment area.

HMDA-Reportable Loans

The distribution of HMDA-reportable loans reflects reasonable penetration among customers of different income levels. The presence of loans originated to borrowers of unknown income is due to loans originated to businesses, which while considered HMDA-reportable loans, these borrowers are not required to report income.

CBI Bank & Trust originated 5.3 percent of its HMDA-reportable loans to low-income borrowers by number in 2021, which is slightly below the aggregate of lenders by number (6.7 percent) and below the percentage of families designated as low-income in the assessment area (17.6 percent). The bank originated 18.6 percent by number of its HMDA-reportable loans to moderate-income borrowers, which is below the aggregate of lenders by number (21.5 percent) and slightly below the percentage of families designated as moderate-income (19.3 percent). The bank originated 9.0 percent by number of its HMDA-reportable loans to borrowers with unknown income, which is below the aggregate of lenders (18.5 percent).

In 2020, the bank's borrower distribution of HMDA-reportable loans was generally comparable to its lending in 2021. The bank's primary HMDA-reportable products during the review period were home purchase and refinance loans. The remaining HMDA-reportable products will not be evaluated due to low origination volumes.

Home Purchase

CBI Bank & Trust originated 5.1 percent of its home purchase loans by number to low-income borrowers in 2021, which was below the percentage of aggregate lenders by number (8.7 percent) and significantly below the percentage of low-income families in the assessment area (17.6 percent). The bank made 20.5 percent of its home purchase loans by number to moderate-income borrowers. This was below the percentage of aggregate lenders by number (27.1 percent) but consistent with the percentage of moderate-income families in the assessment area (19.3 percent).

The bank made 23.1 percent of its home purchase loans by number to middle-income borrowers, which was consistent with the percentage of aggregate of lenders by number (24.2 percent) and the percentage of middle-income families in the assessment area (23.7 percent). The bank made 42.3 percent by number of its home purchase loans to upper-income borrowers, significantly above the percentage of aggregate lenders by number (25.7 percent) and comparable to the percentage of upper-income families in the assessment area (39.3 percent). Lastly, the bank made 9.0 percent of its home purchase loans by number to borrowers of unknown income, which was below the rate of aggregate lenders (14.4 percent).

As shown in the 2020 lending table located in Appendix C, borrower distribution of HMDA-reportable home purchase loans in 2020 was consistent with the bank's 2021 performance.

Refinance Loans

CBI Bank & Trust originated 6.5 percent of its refinance loans by number to low-income borrowers in 2021, which was consistent to the percentage of aggregate lenders by number (5.3 percent). However, the bank's refinance lending was significantly below the percentage of low-income families in the assessment area (17.6 percent). The bank made 18.5 percent of its refinance loans by number to moderate-income borrowers which was slightly above the percentage of aggregate lenders by number (16.7 percent) but below the percentage of moderate-income families in the assessment area (19.3 percent).

The bank made 17.4 percent of its refinance loans by number to middle-income borrowers which was below the percentage of aggregate lenders by number (19.9 percent), and the percentage of middle-income families in the assessment area (23.7 percent). The bank made a majority of its refinance loans by number (53.3 percent) to upper-income borrowers, which was significantly above the percentage of aggregate lenders by number (36.6 percent) and the percentage of upper-income families comprising the assessment area (39.3 percent). Lastly, the bank made 4.3 percent of

its refinance loans by number to borrowers of unknown income, significantly below the percentage of aggregate of lenders (21.4 percent). Borrower distribution of refinance loans in 2020 was consistent with 2021 performance. Please refer to Appendix C for the bank's 2020 borrower distribution lending table. The following table presents the 2021 borrower distribution of HMDA-reportable loans in the assessment area.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2021 IA Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2021			Dollar			
		Count Bank		Agg	Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	4	5.1	8.7	379	2.9	4.8	17.6
	Moderate	16	20.5	27.1	2,210	17.2	20.9	19.3
	Middle	18	23.1	24.2	2,565	19.9	22.9	23.7
	Upper	33	42.3	25.7	7,070	54.9	36.2	39.3
	Unknown	7	9.0	14.4	643	5.0	15.2	0.0
	Total		78	100.0	100.0	12,867	100.0	100.0
Refinance	Low	6	6.5	5.3	440	3.5	2.9	17.6
	Moderate	17	18.5	16.7	1,673	13.2	11.9	19.3
	Middle	16	17.4	19.9	1,729	13.6	17.5	23.7
	Upper	49	53.3	36.6	8,400	66.3	44.4	39.3
	Unknown	4	4.3	21.4	431	3.4	23.3	0.0
	Total		92	100.0	100.0	12,673	100.0	100.0
Home Improvement	Low	0	0.0	7.2	0	0.0	5.8	17.6
	Moderate	2	18.2	24.6	310	45.9	24.4	19.3
	Middle	5	45.5	30.4	188	27.9	30.5	23.7
	Upper	4	36.4	37.7	177	26.2	39.3	39.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		11	100.0	100.0	675	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	17.6
	Moderate	0	0.0	0.0	0	0.0	0.0	19.3
	Middle	1	14.3	10.0	195	24.4	1.9	23.7
	Upper	0	0.0	0.0	0	0.0	0.0	39.3
	Unknown	6	85.7	90.0	604	75.6	98.1	0.0
	Total		7	100.0	100.0	799	100.0	100.0
Other Purpose LOC	Low	0	0.0	5.3	0	0.0	2.2	17.6
	Moderate	0	0.0	21.1	0	0.0	10.2	19.3
	Middle	0	0.0	26.3	0	0.0	21.6	23.7
	Upper	0	0.0	47.4	0	0.0	66.0	39.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	3.4	0	0.0	6.4	17.6
	Moderate	0	0.0	34.5	0	0.0	22.4	19.3
	Middle	0	0.0	24.1	0	0.0	26.7	23.7
	Upper	0	0.0	37.9	0	0.0	44.5	39.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	17.6
	Moderate	0	0.0	0.0	0	0.0	0.0	19.3
	Middle	0	0.0	0.0	0	0.0	0.0	23.7
	Upper	0	0.0	0.0	0	0.0	0.0	39.3
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	10	5.3	6.7	819	3.0	3.6	17.6
	Moderate	35	18.6	21.5	4,193	15.5	15.5	19.3
	Middle	40	21.3	22.0	4,677	17.3	19.2	23.7
	Upper	86	45.7	31.4	15,647	57.9	38.2	39.3
	Unknown	17	9.0	18.5	1,678	6.2	23.5	0.0
	Total		188	100.0	100.0	27,014	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Loans

The borrower distribution of small business loans reflects reasonable penetration among businesses of different revenue sizes. In 2021, CBI Bank & Trust originated 65.5 percent by number of its small business loans to organizations reporting annual revenues of \$1 million or less, which was below the percentage of total businesses operating within the assessment area (89.8 percent). Of the 19 loans originated to small businesses, 63.2 percent were in amounts of \$100,000 or less which are considered most beneficial to the financing needs of small business borrowers. As mentioned previously, the COVID-19 pandemic had a significant impact on the revenues of local businesses. As a result of the pandemic, the bank participated in SBA PPP lending and originated 340 PPP loans, which are not reflected in the table below. This lending activity is particularly responsive considering the financial stress many small businesses experienced throughout the pandemic. The following table summarizes the bank’s 2021 small business lending in the assessment area.

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2021 IA Non MSA							
Product Type		Bank & Demographic Comparison					
		2021		2021		Total Businesses %	
Revenue	Loan Size	Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	19	65.5	2,364	53.0	89.8
		Over \$1 Million	10	34.5	2,097	47.0	8.6
		Unknown	0	0.0	0	0.0	1.6
		Total	29	100.0	4,461	100.0	100.0
	Loan Size	\$100,000 or Less	16	55.2	788	17.7	
		\$100,001 - \$250,000	9	31.0	1,547	34.7	
		\$250,001 - \$1 Million	4	13.8	2,127	47.7	
		Total	29	100.0	4,462	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	12	63.2	638	27.0	
		\$100,001 - \$250,000	6	31.6	985	41.6	
\$250,001 - \$1 Million		1	5.3	742	31.4		
Total		19	100.0	2,365	100.0		
Originations & Purchases							
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Small Farm Loans

The borrower distribution of small farm loans reflects reasonable penetration among farms of different revenue sizes. In 2021, CBI Bank & Trust originated 88.6 percent by number of its agricultural loans to small farms reporting annual revenues of \$1 million or less, which was slightly below the percentage of total farms operating within the assessment area (98.8 percent). Of

the 31 loans originated to small farms, 71.0 percent were in amounts of \$100,000 or less which are considered most beneficial to the financing needs of small farm borrower.

The following table summarizes the bank’s 2021 small farm lending in the assessment area.

Small Farm Lending By Revenue & Loan Size							
Assessment Area: 2021 IA Non MSA							
Product Type		Bank & Demographic Comparison					
		2021		2021		Total Farms	
Revenue	Loan Size	Count		Dollar			
		Bank		Bank		%	
		#	%	\$ 000s	\$ %	%	
Small Farm	Revenue	\$1 Million or Less	31	88.6	2,847	92.3	98.8
		Over \$1 Million	4	11.4	237	7.7	0.8
		Unknown	0	0.0	0	0.0	0.4
		Total	35	100.0	3,084	100.0	100.0
	Loan Size	\$100,000 or Less	26	74.3	1,236	40.1	
		\$100,001 - \$250,000	7	20.0	1,223	39.7	
		\$250,001 - \$500,000	2	5.7	625	20.3	
		Total	35	100.0	3,084	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	22	71.0	999	35.1	
		\$100,001 - \$250,000	7	22.6	1,223	43.0	
		\$250,001 - \$500,000	2	6.5	625	22.0	
		Total	31	100.0	2,847	100.0	

Originations & Purchases
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

COMMUNITY DEVELOPMENT TEST

Lending, Investment, and Services Activities

CBI Bank & Trust demonstrates adequate responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services.

Lending

CBI Bank & Trust originated 11 loans totaling approximately \$1.7 million during the evaluation period primarily for the purpose of revitalization and stabilization within the assessment area, as well as economic development. The majority of the qualified community development loans with the purpose of revitalization and stabilization were made to purchase and renovate vacant buildings in the Muscatine, IA downtown district. These efforts helped to attract and retain businesses and residents to the local area. Although community development lending decreased by dollar volume (\$2.6 million) it is consistent with the number of community development loans

originated during the previous evaluation (11).

Investments

CBI Bank & Trust made one qualified investment totaling \$500,000 during the evaluation period which was a mortgage-backed security for affordable home loan financing. This demonstrates responsiveness as community representatives indicated that one of the most pressing needs for the assessment area is affordable housing. Community development investments increased since the previous evaluation as the bank made no qualified investments during that time period. The bank also made 50 donations for \$128,280 that focused on providing vital community services to low- and moderate-income individuals and families. At the previous evaluation, the bank made 75 donations totaling \$167,768 over a 63-month time period.

Services

During the evaluation period bank staff provided 1,136 hours of community development services. Of the total number of service hours, 522 hours were dedicated to organizations with a community service focus, 204 hours were devoted to economic development organizations, and 410 hours were to organizations supporting affordable housing. During the prior evaluation, the bank had qualified community development services to eight different organizations totaling 1,879 hours.

Iowa Non-MSA Community Development Activities February 19, 2019 – July 18, 2022										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	0	0	4	277,025	7	1,445,200	0	0	11	1,722,225
Investment	1	500,000	0	0	0	0	0	0	1	500,000
Donations	0	0	5	5,480	0	0	45	122,600	50	128,080
Services	2	410	2	204	0	0	5	522	9	1,136

IOWA CITY, IOWA MSA #26980 – LIMITED REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS IN IOWA CITY, IA MSA #26980

The Iowa City, IA MSA #26980 assessment area is comprised of 29 census tracts total including one low-income tract, nine moderate-income tracts, 13 middle-income tracts, and six upper-income census tracts. The bank operates three branches and three cash-only ATMs within the Iowa City, IA MSA assessment area. Since the previous evaluation, the bank has not closed or opened any branches in the assessment area; however, the assessment area delineation has changed. The bank continues to designate Johnson County and Washington County, Iowa, in their entirety but no longer takes a single tract (#801) in Keokuk County, Iowa.

The FDIC Deposit Market Share Report dated June 30, 2021, ranks CBI Bank & Trust 10th among 20 FDIC-insured institutions operating in the assessment area. During this time, the bank held approximately \$97.0 million in deposits representing a 1.7 percent market share, compared to the market leader Hills Bank and Trust, Hills, Iowa, which holds 45.7 percent (approximately \$2.6 billion) of the assessment area's deposits.

CBI Bank and Trust ranks 14th out of 226 aggregate lenders in 2021 HMDA-reportable transactions. A total of 167 originations were reported by the bank compared to 3,597 reported by market leader GreenState Credit Union. The data is indicative of a saturated market with respect to HMDA reporters; however, CBI Bank & Trust is competitive in the market with large national lenders, especially for HMDA-reportable loans. Key 2021 assessment area demographic information is provided in the following table. Please refer to Appendix C for 2020 demographic information.

Assessment Area: 2021 Iowa City, IA MSA 26980									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	1	3.4	61	0.2	5	8.2	7,189	19.7	
Moderate-income	9	31.0	7,293	20.0	995	13.6	6,505	17.8	
Middle-income	13	44.8	19,102	52.3	1,206	6.3	8,785	24.1	
Upper-income	6	20.7	10,071	27.6	259	2.6	14,048	38.5	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	29	100.0	36,527	100.0	2,465	6.7	36,527	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied				Rental		Vacant	
		#	%	%	#	%	#	%	
Low-income	878	20	0.1	2.3	720	82.0	138	15.7	
Moderate-income	16,951	6,930	17.6	40.9	9,085	53.6	936	5.5	
Middle-income	34,069	20,905	53.1	61.4	11,747	34.5	1,417	4.2	
Upper-income	15,628	11,544	29.3	73.9	3,413	21.8	671	4.3	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
Total Assessment Area	67,526	39,399	100.0	58.3	24,965	37.0	3,162	4.7	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#	%
Low-income	307	4.0	279	4.0	27	5.9	1	1.4	
Moderate-income	1,867	24.6	1,708	24.2	144	31.3	15	21.4	
Middle-income	3,586	47.3	3,347	47.4	200	43.5	39	55.7	
Upper-income	1,827	24.1	1,723	24.4	89	19.3	15	21.4	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	7,587	100.0	7,057	100.0	460	100.0	70	100.0	
	Percentage of Total Businesses:			93.0		6.1		0.9	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	32	5.7	32	5.8	0	0.0	0	0.0	
Middle-income	470	83.6	460	83.3	9	100.0	1	100.0	
Upper-income	60	10.7	60	10.9	0	0.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	562	100.0	552	100.0	9	100.0	1	100.0	
	Percentage of Total Farms:			98.2		1.6		0.2	
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS(IOWA CITY, IA MSA #26980)

Assessment Area	Lending Test	Community Development Test
Iowa City, IA MSA #26980	Consistent	Exceeds

CBI Bank & Trust’s lending performance in the Iowa City, IA MSA assessment area is consistent with the institution’s lending performance for the state of Iowa. The institution’s community development performance in the area exceeds its community development performance for the state of Iowa; however, it does not change the rating for the state of Iowa.

LENDING TEST

Geographic Distribution of Loans

The following table represents 2021 geographic distribution of HMDA-reportable, small business, and small farm loans for the Iowa City, IA MSA assessment area.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2021 Iowa City, IA MSA 26980								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2021			Dollar			
		Count Bank		Agg	Bank		Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	1	1.4	0.1	672	3.9	0.3	0.1
	Moderate	14	19.4	17.7	2,019	11.7	13.1	17.6
	Middle	36	50.0	54.4	7,753	44.8	55.5	53.1
	Upper	21	29.2	27.7	6,871	39.7	31.2	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		72	100.0	100.0	17,315	100.0	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.1	0.1
	Moderate	9	10.6	12.9	1,071	7.0	8.6	17.6
	Middle	45	52.9	52.9	7,437	48.3	52.6	53.1
	Upper	31	36.5	34.2	6,884	44.7	38.8	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		85	100.0	100.0	15,392	100.0	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.1
	Moderate	0	0.0	10.9	0	0.0	8.7	17.6
	Middle	1	100.0	56.5	13	100.0	57.9	53.1
	Upper	0	0.0	32.6	0	0.0	33.5	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		1	100.0	100.0	13	100.0	100.0
Multi-Family	Low	0	0.0	1.2	0	0.0	0.7	Multi-Family 4.5
	Moderate	1	16.7	32.9	384	13.5	55.7	33.6
	Middle	3	50.0	45.1	1,124	39.5	26.0	49.4
	Upper	2	33.3	20.7	1,336	47.0	17.6	12.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		6	100.0	100.0	2,844	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.1
	Moderate	0	0.0	11.7	0	0.0	8.5	17.6
	Middle	0	0.0	49.5	0	0.0	49.9	53.1
	Upper	0	0.0	38.8	0	0.0	41.7	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	0.1
	Moderate	0	0.0	15.3	0	0.0	9.4	17.6
	Middle	0	0.0	52.5	0	0.0	59.1	53.1
	Upper	0	0.0	32.2	0	0.0	31.5	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	0.1
	Moderate	0	0.0	28.6	0	0.0	9.9	17.6
	Middle	0	0.0	35.7	0	0.0	79.6	53.1
	Upper	0	0.0	35.7	0	0.0	10.5	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	1	0.6	0.1	672	1.9	0.2	0.1
	Moderate	24	14.6	15.0	3,474	9.8	14.1	17.6
	Middle	85	51.8	53.5	16,327	45.9	51.9	53.1
	Upper	54	32.9	31.4	15,091	42.4	33.9	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		164	100.0	100.0	35,564	100.0	100.0

Originations & Purchases
2016 FFIEC Census Data

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

Geographic Distribution of Small Business Loans						
Assessment Area: 2021 Iowa City, IA MSA 26980						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2021 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	
Small Business	Low	0	0.0	0	0.0	4.0
	Moderate	8	40.0	244	14.7	24.6
	Middle	10	50.0	850	51.1	47.3
	Upper	2	10.0	569	34.2	24.1
	Unknown	0	0.0	0	0.0	0.0
	Total	20	100.0	1,663	100.0	100.0
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Small Farm Loans						
Assessment Area: 2021 Iowa City, IA MSA 26980						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2021 Dollar Bank		Total Farms
		#	%	\$ 000s	\$ %	
Small Farm	Low	0	0.0	0	0.0	0.0
	Moderate	1	3.4	325	7.8	5.7
	Middle	28	96.6	3,834	92.2	83.6
	Upper	0	0.0	0	0.0	10.7
	Unknown	0	0.0	0	0.0	0.0
	Total	29	100.0	4,159	100.0	100.0
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

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

The following tables represent the 2021 borrower distribution of HMDA-reportable, small business, and small farm loans in the Iowa City, IA MSA assessment area.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2021 Iowa City, IA MSA 26980								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2021						
		Count Bank		Agg %	Dollar Bank		Agg \$ %	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	6	8.3	11.6	791	4.6	6.6	19.7
	Moderate	15	20.8	21.9	2,937	17.0	16.7	17.8
	Middle	10	13.9	17.2	2,082	12.0	16.9	24.1
	Upper	30	41.7	22.1	8,994	51.9	29.1	38.5
	Unknown	11	15.3	27.2	2,511	14.5	30.7	0.0
	Total		72	100.0	100.0	17,315	100.0	100.0
Refinance	Low	10	11.8	6.1	1,173	7.6	3.4	19.7
	Moderate	15	17.6	16.1	1,721	11.2	11.4	17.8
	Middle	12	14.1	17.5	2,104	13.7	16.0	24.1
	Upper	33	38.8	26.5	8,592	55.8	33.8	38.5
	Unknown	15	17.6	33.8	1,802	11.7	35.3	0.0
	Total		85	100.0	100.0	15,392	100.0	100.0
Home Improvement	Low	0	0.0	8.4	0	0.0	5.2	19.7
	Moderate	1	100.0	16.9	13	100.0	11.4	17.8
	Middle	0	0.0	24.5	0	0.0	22.4	24.1
	Upper	0	0.0	45.0	0	0.0	51.2	38.5
	Unknown	0	0.0	5.2	0	0.0	9.8	0.0
	Total		1	100.0	100.0	13	100.0	100.0
Multi-Family	Low	0	0.0	1.2	0	0.0	0.1	19.7
	Moderate	0	0.0	2.4	0	0.0	0.4	17.8
	Middle	0	0.0	0.0	0	0.0	0.0	24.1
	Upper	0	0.0	0.0	0	0.0	0.0	38.5
	Unknown	6	100.0	96.3	2,844	100.0	99.4	0.0
	Total		6	100.0	100.0	2,844	100.0	100.0
Other Purpose LOC	Low	0	0.0	8.5	0	0.0	6.1	19.7
	Moderate	0	0.0	16.9	0	0.0	14.5	17.8
	Middle	0	0.0	23.8	0	0.0	17.4	24.1
	Upper	0	0.0	47.5	0	0.0	59.0	38.5
	Unknown	0	0.0	3.3	0	0.0	3.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	8.5	0	0.0	6.2	19.7
	Moderate	0	0.0	22.0	0	0.0	17.6	17.8
	Middle	0	0.0	28.8	0	0.0	27.3	24.1
	Upper	0	0.0	29.7	0	0.0	39.1	38.5
	Unknown	0	0.0	11.0	0	0.0	9.8	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	19.7
	Moderate	0	0.0	0.0	0	0.0	0.0	17.8
	Middle	0	0.0	0.0	0	0.0	0.0	24.1
	Upper	0	0.0	0.0	0	0.0	0.0	38.5
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	16	9.8	8.6	1,964	5.5	4.6	19.7
	Moderate	31	18.9	18.6	4,671	13.1	12.8	17.8
	Middle	22	13.4	17.9	4,186	11.8	15.3	24.1
	Upper	63	38.4	25.9	17,586	49.4	29.7	38.5
	Unknown	32	19.5	29.1	7,157	20.1	37.6	0.0
	Total		164	100.0	100.0	35,564	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2021 Iowa City, IA MSA 26980								
Product Type		Bank & Demographic Comparison						
		Count Bank		Dollar Bank		Total Businesses		
		#	%	\$ 000s	\$ %	%		
Small Business	Revenue	\$1 Million or Less	15	75.0	1,088	65.4	93.0	
		Over \$1 Million	5	25.0	575	34.6	6.1	
		Unknown	0	0.0	0	0.0	0.9	
		Total	20	100.0	1,663	100.0	100.0	
	Loan Size	\$100,000 or Less	16	80.0	627	37.7		
		\$100,001 - \$250,000	2	10.0	246	14.8		
		\$250,001 - \$1 Million	2	10.0	790	47.5		
		Total	20	100.0	1,663	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	13	86.7	483	44.4		
		\$100,001 - \$250,000	1	6.7	116	10.7		
		\$250,001 - \$1 Million	1	6.7	490	45.0		
		Total	15	100.0	1,089	100.0		

Originations & Purchases
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Small Farm Lending By Revenue & Loan Size								
Assessment Area: 2021 Iowa City, IA MSA 26980								
Product Type		Bank & Demographic Comparison						
		Count Bank		Dollar Bank		Total Farms		
		#	%	\$ 000s	\$ %	%		
Small Farm	Revenue	\$1 Million or Less	24	82.8	2,431	58.5	98.2	
		Over \$1 Million	4	13.8	1,228	29.5	1.6	
		Unknown	1	3.4	500	12.0	0.2	
		Total	29	100.0	4,159	100.0	100.0	
	Loan Size	\$100,000 or Less	15	51.7	463	11.1		
		\$100,001 - \$250,000	8	27.6	1,286	30.9		
		\$250,001 - \$500,000	6	20.7	2,410	57.9		
		Total	29	100.0	4,159	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	14	58.3	395	16.2		
		\$100,001 - \$250,000	8	33.3	1,286	52.9		
		\$250,001 - \$500,000	2	8.3	750	30.9		
		Total	24	100.0	2,431	100.0		

Originations & Purchases
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

COMMUNITY DEVELOPMENT TEST

CBI Bank & Trust’s community development performance in Iowa City, IA MSA assessment area exceeds the bank’s community development performance for the state of Iowa; however, it does not change the rating for the state of Iowa.

The bank’s community development performance in the Iowa City, Iowa MSA exceeds the overall performance in the state of Iowa. The bank originated nine qualified community development loans totaling approximately \$9.0 million focusing on affordable housing and revitalization/stabilization. During the previous evaluation, the bank made four loans for \$2.4 million. The bank made seven qualified investments for approximately \$2.7 million; the number of investments was consistent with the previous evaluation while the dollar amount totaled \$1.8 million. Donations and services also experienced increases since the previous evaluation. The bank made 44 donations for \$32,425 during the previous examination compared to 88 donations totaling \$100,710 during this evaluation. Lastly, while total community development services decreased from nine to six, service hours increased from 718 hours at the previous examination to 778 hours during this evaluation period.

Iowa City, IA MSA Community Development Activities February 19, 2019 – July 2022										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	2	1,330,000	0	0	7	7,624,803	0	0	9	8,954,803
Investment	0	0	0	0	7	2,665,000	0	0	7	2,665,000
Donations	0	0	24	7,765	6	5,975	57	86,970	87	100,710
Services	0	0	1	92	1	117.5	4	568.5	6	778

STATE OF ILLINOIS

CRA RATING FOR Illinois

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

CBI Bank & Trust is rated Satisfactory in the state of Illinois based on reasonable geographic distribution of loans throughout the assessment areas and a reasonable penetration among individuals of different income levels, and businesses and farms of different sizes. The bank also demonstrates excellent responsiveness to the needs of its assessment areas through community development loans, qualified investments, and community development services. This performance is appropriate, considering the bank's capacity, and the need and availability of such opportunities for community development in the bank's assessment areas.

SCOPE OF EXAMINATION

The scope of the review for the state of Illinois is consistent with the overall scope presented in the overall section of the performance evaluation with the exception of the review periods for the bank's HMDA lending and community development activities. As a result of the bank's merger with Farmers and Mechanics Bank (February 6, 2021), only 2021 HMDA lending was evaluated and the review period for community development activities was April 10, 2020, through July 18, 2022. Please refer to the Scope of Examination section for detailed information.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE STATE OF ILLINOIS

CBI Bank & Trust's operations in Illinois consist of the bank's Galesburg, IL Non-MSA assessment area and the Peoria, IL MSA #37900 assessment area. The Galesburg, IL Non-MSA consists of Knox County, and Warren County, in Illinois, both in their entirety, and the Peoria, IL MSA consists of Peoria County in its entirety. The bank operates seven branches and five ATMs located in Illinois. In December 2021, the bank established a de novo branch in Monmouth, IL which is located in the Galesburg Non-MSA assessment area. Please refer to the individual assessment area summaries for demographic and economic conditions.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF ILLINOIS

LENDING TEST

CBI Bank and Trust's performance relative to the lending test in Illinois is satisfactory based on reasonable geographic distribution of loans throughout the assessment areas and a reasonable penetration among individuals of different income levels, and businesses and farms of different sizes.

Geographic and Borrower Distribution

CBI Bank & Trust's lending activities reflect reasonable distribution throughout the assessment areas within the state of Illinois.

The geographic distribution of HMDA-reportable, small business, and small farm loans reflects reasonable penetration throughout the state of Illinois assessment areas. In addition, the distribution of loans reflects reasonable penetration among borrowers of different income levels and businesses and farms of different sizes as supported by a review of HMDA-reportable, small business and small farm loans. Further discussion with respect to the geographic and borrower distributions of lending can be found in the individual assessment area analyses. Further discussion with respect to the geographic and borrower distribution of lending can be found in the individual assessment area analyses.

COMMUNITY DEVELOPMENT TEST

Lending, Investments, and Services Activities

CBI Bank & Trust's community development activities are outstanding. The bank demonstrates excellent responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services.

The conclusions regarding the bank's lending, investment (including donations) and service activities within the state of Illinois are based on the analysis of the Galesburg, IL Non-MSA and the Peoria, IL MSA. Please refer to the individual assessment area summary for support of the overall rating.

GALESBURG, IL NON-METROPOLITAN ASSESSMENT AREA– FULL REVIEW

SCOPE OF EXAMINATION

Full scope examination procedures were used to evaluate the bank's performance in the Galesburg, Illinois Non-MSA assessment area. The scope is consistent with the scope presented in the overall section of the performance evaluation with the exception of the review periods for the bank's HMDA lending and community development activities. As a result of the bank's merger with F&M Bank (February 6, 2021), only 2021 HMDA lending will be evaluated, and the review period for community development activities was March 10, 2020, through July 18, 2022. Please refer to the Scope of Examination section in the institution summary for more detailed information.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN GALESBURG, IL NON-MSA

The Galesburg, IL Non-MSA is comprised of Knox and Warren counties in their entireties. Since the previous exam, the bank's assessment area remains unchanged.

The assessment area is comprised of 21 total census tracts. Based on 2021 FFIEC census data and 2015 ACS Data, the assessment area consists of three low-, four moderate-, eleven middle-, and three upper-income census tracts. There are no middle-income tracts designated as distressed or underserved.

CBI Bank & Trust operates four branches and four (cash-only) ATMs within the assessment area. Since the previous evaluation, the bank opened a branch and an ATM in Monmouth, IL. The assessment area remains unchanged as Monmouth, IL is located within Warren County, IL. The bank operates two branches in low-income census tracts and two in middle-income census tracts.

The FDIC Deposit Market Share Report dated June 30, 2021, ranks CBI Bank & Trust second among 16 FDIC-insured institutions operating in the assessment area. The bank holds a 16.9 percent market share, compared to the market leader Midwest Bank, Monmouth, IL, which holds 20.4 percent of the assessment area's deposits.

CBI Bank & Trust ranks first out of 140 aggregate lenders in 2021 HMDA-reportable transactions. A total of 394 originations and purchase transactions were reported by the bank compared to 118 reported by Midwest Bank and 115 reported by I.H. Mississippi Valley Credit Union, who rank second and third in the market, respectfully. The market is highly competitive among lenders for HMDA-reportable loans with the bank maintaining a strong presence. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2021 Galesburg IL Non MSA									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	3	14.3	1,344	8.0	553	41.1	3,937	23.3	
Moderate-income	4	19.0	3,631	21.5	650	17.9	3,362	19.9	
Middle-income	11	52.4	9,733	57.7	706	7.3	3,487	20.7	
Upper-income	3	14.3	2,169	12.9	176	8.1	6,091	36.1	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	21	100.0	16,877	100.0	2,085	12.4	16,877	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied		Rental		Vacant			
		#	%	%	#	%	#	%	
Low-income	3,481	1,122	5.8	32.2	1,864	53.5	495	14.2	
Moderate-income	6,577	4,122	21.3	62.7	1,819	27.7	636	9.7	
Middle-income	17,584	11,765	60.7	66.9	3,729	21.2	2,090	11.9	
Upper-income	3,993	2,375	12.3	59.5	1,334	33.4	284	7.1	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
Total Assessment Area	31,635	19,384	100.0	61.3	8,746	27.6	3,505	11.1	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	408	345	18.1	59	31.7	4	7.7		
Moderate-income	309	283	14.8	20	10.8	6	11.5		
Middle-income	1,166	1,039	54.5	87	46.8	40	76.9		
Upper-income	262	240	12.6	20	10.8	2	3.8		
Unknown-income	0	0	0.0	0	0.0	0	0.0		
Total Assessment Area	2,145	1,907	100.0	186	100.0	52	100.0		
	Percentage of Total Businesses:			88.9		8.7		2.4	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	3	3	1.1	0	0.0	0	0.0		
Moderate-income	13	13	4.8	0	0.0	0	0.0		
Middle-income	225	224	83.3	1	33.3	0	0.0		
Upper-income	31	29	10.8	2	66.7	0	0.0		
Unknown-income	0	0	0.0	0	0.0	0	0.0		
Total Assessment Area	272	269	100.0	3	100.0	0	0.0		
	Percentage of Total Farms:			98.9		1.1		0.0	
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Population Change

The Galesburg, IL Non-MSA assessment area population of 69,813 experienced a slight decline (1.2 percent) from 2010 to 2015. Knox County experienced the largest decline in population (1.5 percent) while the population for Warren County remained unchanged. The state of Illinois (0.3 percent) slightly increased during the same time period. Community representatives stated the decline in population can be attributed to an aging population and a shift of population to more urban and metropolitan areas. The percentage of residents over the age of 65 within Knox and Warren counties is 19.3 percent and 17.9 percent, respectively, which is above the rate for the state of Illinois (13.5 percent). The table below presents population changes in the assessment area from 2010 to 2015.

Population Change			
Area	2010 Population	2015 Population	Percent Change
2021 Galesburg IL Non MSA	70,626	69,813	-1.2%
Knox County, IL	52,919	52,112	-1.5%
Warren County, IL	17,707	17,701	0.0%
NonMSA Illinois	1,509,418	1,486,185	-1.5%
Illinois	12,830,632	12,873,761	0.3%

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

Income Characteristics

According to 2021 FFIEC Census Data, the assessment area is comprised of 16,877 families of which 23.3 percent are designated as low-income, 19.9 percent are moderate-income, 20.7 percent are middle-income, and 36.1 percent are upper-income families. Further, 12.4 percent of families residing within the assessment area live below the poverty line, which is above the poverty rate for the state of Illinois (10.5 percent). According to the 2011-2015 ACS, the MFI for the assessment area is \$53,874 which is significantly below the MFI for the state of Illinois (\$71,546). A Community representative noted that the MFI for the area is generally lower than the state and national average due to a decrease in the labor force through the last 15 years. Community representatives predict that MFI will increase as a result of a COVID-19 related assistance payments that helped individuals within the assessment area.

Median Family Income Change			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
2021 Galesburg IL Non MSA	\$55,625	\$53,874	-3.1%
Knox County, IL	\$56,342	\$53,229	-5.5%
Warren County, IL	\$54,037	\$54,095	0.1%
NonMSA Illinois	\$58,992	\$59,323	0.6%
Illinois	\$74,306	\$71,546	-3.7%

*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.*

Housing Characteristics

There are a total of 31,635 housing units within the assessment area. The majority of housing units are owner-occupied (61.3 percent), followed by rental units (27.6 percent) and vacant units (11.1 percent). Vacant units within the assessment area are slightly higher the number of vacant units within the state of Illinois (9.8 percent). According to the 2011-2015 ACS, the assessment area had a median housing value of \$80,854 and median gross rent of \$574. The counties that comprise the assessment area were both significantly below the state of Illinois with respect to housing value trends from 2010 to 2015.

The housing cost burden is a measure of affordability via a comparative analysis of individuals of different income levels that spend 30.0 percent or more of their income on housing costs. Renters across all income levels in the assessment area experience this burden at 38.3 percent, which is below the cost burden for renters in the state of Illinois (43.4 percent). The housing cost burden for homeowners in the assessment area (12.3 percent) is also lower than the cost burden for homeowners in the state of Illinois (22.6 percent).

Housing cost burden rates among homeowners present similar comparative trends to those of renters, with individuals in the lower income levels experiencing higher cost burdens than the average homeowner. The housing cost burden among the counties that comprise the assessment area implies a shortage of affordable housing in both counties.

Community representatives stated housing demand in the assessment area doesn't necessarily stem from lack of housing but more so a lack of quality housing. The median age of housing stock in the assessment area is 61 years, which is above the median for the state of Illinois (48 years). Due to population loss over the last 40 years, there is an excess supply of housing but much of it is of poor quality. More specifically, one representative stated there is a surplus of affordable homes in the sub \$80,000 range, but the quality is poor and undesirable. When quality and affordable single-family residences do come available, they are sold immediately. The following table shows the

percentage of renters and owners who are spending more than 30 percent of household income on housing costs.

Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
2021 Galesburg IL Non MSA	68.1%	19.1%	38.3%	48.2%	17.0%	12.3%
Knox County, IL	68.5%	23.2%	40.5%	48.7%	16.9%	12.3%
Warren County, IL	65.7%	2.4%	28.9%	47.0%	17.2%	12.5%
NonMSA Illinois	66.7%	20.6%	35.8%	54.1%	21.7%	14.7%
Illinois	75.0%	39.0%	43.4%	69.4%	40.1%	22.6%
<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 rates for the assessment area and the state steadily declined from 2017-2019 and then experienced a surge in 2020 with 2021 rates again trending downward. In 2021, the unemployment rate for Knox County (6.6 percent) was consistent with the state of Illinois (6.1 percent), while Warren County’s unemployment rate was lower (4.6 percent). Community representatives stated that the overall decline in unemployment rates can be attributed to a recovering economy prior to the COVID-19 pandemic. Conversely, community representatives stated that many businesses continue to be short staffed due to a tight labor market. To address the workforce issue and combat unemployment, there has been a renewed focus on vocational training. A school system within the assessment area has put a lot of money into vocational programs and the Galesburg, Illinois city council has begun using a metric of economic health by considering enrollment in vocational programs in the area. The goal of workforce development is to address the root of the issue by looking at the supply of labor rather than only enticing businesses to come to the area. The following table presents the unemployment trends for the assessment area and the state of Illinois from 2017 to 2021.

Unemployment Rates					
Area	2017	2018	2019	2020	2021
2021 Galesburg IL Non MSA	4.9%	4.9%	4.5%	8.1%	6.0%
Knox County, IL	5.2%	5.2%	4.7%	8.8%	6.6%
Warren County, IL	4.2%	4.1%	3.9%	6.3%	4.6%
NonMSA Illinois	4.9%	4.9%	4.2%	7.8%	5.0%
Illinois	4.9%	4.4%	4.0%	9.2%	6.1%
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>					

Industry Characteristics

The assessment areas major employers include health care, retail trade, and manufacturing. In addition to these major employers, Dun & Bradstreet data indicate that there were 2,145 businesses and 272 farms located within the assessment area in 2021, and the majority (88.9 percent and 98.9 percent, respectively) had revenues of \$1 million or less. Community representatives stated that a lack of workforce remains a challenge. While there have not been any notable changes to the industry composition of the assessment area, there has been new investments in renewable energy. The assessment area also recently permitted municipal wind and solar projects which is beneficial for local tradesmen as the solar project committed to using the local union labor.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN GALESBURG, IL NON-MSA

LENDING TEST

CBI Bank & Trust's performance in the Galesburg, IL Non-MSA assessment area reflects a reasonable geographic dispersion of the bank's lending throughout the assessment area and a reasonable penetration among borrowers of different incomes and businesses and farms of different revenue sizes.

Geographic Distribution of Loans

CBI Bank & Trust demonstrates reasonable geographic distribution of loans given the bank's assessment area.

The bank's assessment area consists of three low-income, four moderate-income, eleven middle-income, and three upper-income census tracts. The bank originated loans in 100 percent of the 21 census tracts in the assessment area. Based upon this analysis, there are no conspicuous geographic lending gaps.

HMDA-Reportable Loans

Geographic distribution of HMDA-reportable loans reflects poor penetration throughout the assessment area. In 2021, CBI Bank & Trust originated 4.7 percent of HMDA-reportable loans in low-income tracts by number. This was below the aggregate of lenders in number (5.7 percent) and below the percentage of owner-occupied units in low-income census tracts (5.8 percent). The bank originated 11.7 percent of HMDA-reportable loans in moderate-income tracts by number, which was below the aggregate of lenders at 16.8 by number as well as significantly below the percentage of owner-occupied units in moderate-income census tracts (21.3 percent), indicating that there is the ability to lend in these tracts.

The majority of HMDA-reportable loans by number (62.4 percent) were originated in middle-income census tracts which is comparable to aggregate (63.6 percent) and the percentage of owner-occupied units in these tracts (60.7 percent). The bank originated 21.1 percent of its HMDA-reportable loans by number in upper-income census tracts. This exceeds HMDA-reportable loans by number (14.0 percent) for the aggregate of lenders as well as the percentage of owner-occupied units in upper-income census tracts (12.3 percent).

The bank's primary HMDA-reportable products during the review period were home purchase and refinance loans. The remaining HMDA-reportable products will not be evaluated due to low volumes of originations.

Home Purchase

CBI Bank & Trust originated 3.4 percent of its HMDA-reportable home purchase loans by number in the low-income census tracts in 2021. This was below HMDA-reportable purchase loans made by aggregate of lenders by number (7.1 percent) in low-income census tracts, and the percentage of owner-occupied units in low-income census tracts (5.8 percent). The bank's performance in the moderate-income census tracts by number (13.2 percent) was below the aggregate of lenders by number (16.4 percent) and the percentage of owner-occupied units in moderate-income census tracts (21.3 percent).

The bank made 64.4 percent of its home purchase loans by number in middle-income census tracts, which was consistent with the percentage of aggregate lenders by number (64.9 percent) and above the percentage of owner-occupied units comprising such tracts (60.7 percent). As it relates to upper-income census tracts, the bank made 19.0 percent by number of its home purchase loans in these tracts, which exceeded both the percentage of aggregate lenders (11.7 percent) and the percentage of owner-occupied units comprising these tracts (12.3 percent).

Refinance

CBI Bank & Trust bank made 3.7 percent by number of its HMDA-reportable refinance loans in low-income census tracts, which was above the percentage of refinance loans made by aggregate lenders by number (2.2 percent) but below the percentage of owner-occupied units in these tracts (5.8 percent). The bank's performance in moderate-income census tracts by number (9.2 percent) was below the aggregate of lenders by number (16.1 percent) and significantly below the percentage of owner-occupied units in moderate-income census tracts at (21.3 percent).

The bank made 62.6 percent of its refinance loans by number in middle-income census tracts in 2021. This was consistent with the performance of the aggregate of lenders by number (64.1 percent) and slightly above the percentage of owner-occupied units (60.7 percent) in middle-income tracts. The bank's lending in upper-income census tracts by number (24.5 percent) exceeded aggregate lenders (17.6 percent) and the percentage of owner-occupied units (12.3

percent) within upper-income census tracts.

The following table presents the 2021 geographic distribution of HMDA-reportable loans in the assessment area.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2021 Galesburg IL Non MSA								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2021			Dollar			
		Count Bank	Agg	Bank	Agg			
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	7	3.4	7.1	310	1.4	2.9	5.8
	Moderate	27	13.2	16.4	1,950	8.6	11.4	21.3
	Middle	132	64.4	64.9	14,303	63.3	68.2	60.7
	Upper	39	19.0	11.7	6,042	26.7	17.4	12.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	205	100.0	100.0	22,605	100.0	100.0	100.0
Refinance	Low	6	3.7	2.2	263	1.6	1.4	5.8
	Moderate	15	9.2	16.1	1,017	6.2	10.5	21.3
	Middle	102	62.6	64.1	9,444	57.6	65.6	60.7
	Upper	40	24.5	17.6	5,666	34.6	22.5	12.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	163	100.0	100.0	16,390	100.0	100.0	100.0
Home Improvement	Low	2	22.2	3.8	73	24.2	2.9	5.8
	Moderate	2	22.2	30.8	23	7.6	18.1	21.3
	Middle	3	33.3	53.8	100	33.1	60.9	60.7
	Upper	2	22.2	11.5	106	35.1	18.2	12.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	9	100.0	100.0	302	100.0	100.0	100.0
Multi-Family	Low	3	60.0	27.3	991	65.5	6.4	Multi-Family 37.5
	Moderate	1	20.0	18.2	316	20.9	2.6	7.9
	Middle	1	20.0	36.4	205	13.6	3.1	33.0
	Upper	0	0.0	18.2	0	0.0	87.9	21.6
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	5	100.0	100.0	1,512	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	11.1	0	0.0	15.8	5.8
	Moderate	0	0.0	0.0	0	0.0	0.0	21.3
	Middle	0	0.0	66.7	0	0.0	61.5	60.7
	Upper	0	0.0	22.2	0	0.0	22.7	12.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	3.6	0	0.0	1.9	5.8
	Moderate	0	0.0	28.6	0	0.0	16.3	21.3
	Middle	0	0.0	50.0	0	0.0	72.7	60.7
	Upper	0	0.0	17.9	0	0.0	9.0	12.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	25.0	0	0.0	12.6	5.8
	Moderate	0	0.0	16.1	0	0.0	22.6	21.3
	Middle	1	100.0	55.4	51	100.0	57.3	60.7
	Upper	0	0.0	3.6	0	0.0	7.5	12.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	1	100.0	100.0	51	100.0	100.0	100.0
HMDA Totals	Low	18	4.7	5.7	1,637	4.0	2.7	5.8
	Moderate	45	11.7	16.8	3,306	8.1	10.6	21.3
	Middle	239	62.4	63.6	24,103	59.0	62.0	60.7
	Upper	81	21.1	14.0	11,814	28.9	24.8	12.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	383	100.0	100.0	40,860	100.0	100.0	100.0

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

Small Business Loans

Geographic distribution of small business loans reflects reasonable penetration throughout the assessment area. While CBI Bank & Trust only originated 16 small business loans in 2021, performance significantly exceeded the percentage of total businesses within low-income census tracts. The bank originated 56.3 percent by number of its small business loans in low-income census tracts, which is significantly above the percentage of total businesses in these tracts (19.0 percent). In moderate-income census tracts, the bank’s small business performance by number (6.3 percent) was below the percentage of total businesses in such tracts (14.4 percent). Small business loans originated in middle-income tracts represented 31.3 percent by number of the bank’s total small business loans which was significantly below total businesses located in these tracts (54.4 percent). The bank made 6.3 percent by number of its small business loans in upper-income census tracts, which is below total businesses in such tracts (12.2 percent).

The following table presents the geographic distribution of small business loans in the assessment area in 2021.

Geographic Distribution of Small Business Loans						
Assessment Area: 2021 Galesburg IL Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2021 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	9	56.3	1,120	82.3	19.0
	Moderate	1	6.3	13	1.0	14.4
	Middle	5	31.3	118	8.7	54.4
	Upper	1	6.3	110	8.1	12.2
	Unknown	0	0.0	0	0.0	0.0
	Total	16	100.0	1,361	100.0	100.0
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Farm Loans

Geographic distribution of small farm loans reflects reasonable penetration throughout the assessment area. While CBI Bank & Trust only originated nine small farm loans in 2021, performance was below the percentage of total farms within low-income census tracts. The bank did not originate any small farm loans in the low-income census tracts; however, there are only 1.1 percent of total farms in such tracts. The bank’s performance in moderate-income tracts by number (50.0 percent) significantly exceeded the percentage of total farms in the moderate-income tracts (4.8 percent). Small farm loans originated in middle-income tracts represented 33.3 percent by number of the bank’s total small business loans which was significantly below total businesses

located in these tracts (82.7 percent). The bank made 16.7 percent by number of its small farm loans in upper-income census tracts, which is above total businesses in such tracts (11.4 percent).

The following table presents the geographic distribution of small farm loans in the assessment area in 2021.

Geographic Distribution of Small Farm Loans						
Assessment Area: 2021 Galesburg IL Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2021 Dollar Bank		Total Farms
		#	%	\$ 000s	\$ %	
Small Farm	Low	0	0.0	0	0.0	1.1
	Moderate	3	50.0	117	18.9	4.8
	Middle	2	33.3	201	32.5	82.7
	Upper	1	16.7	300	48.5	11.4
	Unknown	0	0.0	0	0.0	0.0
	Total	6	100.0	618	100.0	100.0

2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

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

CBI Bank and Trust demonstrates a distribution of loans to and, as appropriate, other lending-related activities for individuals of different income levels (including low- and moderate-income individuals) and businesses and farms of different sizes that is reasonable given the demographics of the bank's assessment area.

HMDA-Reportable Loans

The borrower distribution of HMDA-reportable loans reflects reasonable penetration among customers of different income levels. The volume of loans originated to borrowers of unknown income is due to loans originated to businesses, which while HMDA-reportable loans, businesses are not required to report income. In 2021, CBI Bank & Trust originated 13.3 percent by number of its total HMDA-reportable loans to low-income borrowers, above the aggregate of lenders by number (12.2 percent) but below the percentage of families designated as low-income in the assessment area (23.3 percent). The bank originated 12.5 percent number of its total HMDA-reportable loans to moderate-income borrowers, which was below the aggregate of lenders by number (18.4 percent) and the percentage of families designated as moderate-income in the assessment area (19.9 percent).

CBI Bank & Trust originated 21.9 percent by number of its HMDA-reportable loans to middle-income borrowers, which is slightly above the aggregate of lenders by number (19.3 percent) as well as the percentage of middle-income families in the assessment area (20.7 percent). The bank made 45.4 percent by number of its HMDA-reportable loans to upper-income borrowers, which is above the aggregate (31.3 percent) and the percentage of upper-income families in the assessment area (36.1 percent). Lastly, the bank made 6.8 percent by number of its HMDA-reportable loans to borrowers with unknown income, compared to 18.8 percent by number for the aggregate.

Home Purchase

CBI Bank & Trust originated 14.6 percent of its home purchase loans by number low-income borrowers in 2021, which was consistent with the percentage of aggregate lenders by number (15.5 percent) but below the percentage of families designated as low-income in the assessment area (23.3 percent). The bank made 12.2 percent of its home purchase loans by number to moderate-income borrowers. This was below the percentage of aggregate lenders at by number (21.6 percent) and the percentage of moderate-income families in the assessment area (19.9 percent).

The bank made 19.0 percent of its home purchase loans by number to middle-income borrowers, which was consistent with the percentage of aggregate of lenders by number (17.5 percent) and the percentage of middle-income families in the assessment area (20.7 percent). The bank made 47.3 percent of its home purchase loans by number to upper-income borrowers, significantly above the percentage of aggregate lenders by number (26.9 percent) and comparable to the percentage of upper-income families in the assessment area (36.1 percent). Lastly, the bank made 6.8 percent by number of its home purchase loans to borrowers of unknown income, which was below the rate of aggregate lenders by number (18.5 percent).

Refinance

CBI Bank & Trust originated 11.0 percent of its refinance loans by number to low-income borrowers which was above the percentage of aggregate lenders by number (8.8 percent). However, the bank's refinance lending was significantly below the percentage of low-income families in the assessment area (23.3 percent). The bank made 13.5 percent of its refinance loans by number to moderate-income borrowers. This was below the percentage of aggregate lenders by number (15.5 percent) and below the percentage of moderate-income families in the assessment area (19.9 percent).

The bank originated 25.8 percent of its refinance loans by number to middle-income borrowers. This was slightly above the percentage of aggregate lenders by number (22.6 percent) and above the percentage of middle-income families (20.7 percent). The bank made 44.8 percent of its refinance loans by number to upper-income borrowers which was above the percentage of aggregate lenders by number (39.4 percent) and the percentage of upper-income families comprising the assessment area (36.1 percent). Lastly, the bank made 4.9 percent of its refinance

loans by number to borrowers of unknown income, which was below the percentage of aggregate of lenders by number (13.7 percent).

The following table presents the borrower distribution of HMDA-reportable loans in the assessment area in 2021.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2021 Galesburg IL Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2021			Dollar			
		Count Bank		Agg	Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	30	14.6	15.5	1,982	8.8	9.5	23.3
	Moderate	25	12.2	21.6	1,747	7.7	17.3	19.9
	Middle	39	19.0	17.5	4,236	18.7	18.4	20.7
	Upper	97	47.3	26.9	13,598	60.2	44.0	36.1
	Unknown	14	6.8	18.5	1,042	4.6	10.7	0.0
	Total		205	100.0	100.0	22,605	100.0	100.0
Refinance	Low	18	11.0	8.8	856	5.2	4.6	23.3
	Moderate	22	13.5	15.5	1,503	9.2	10.7	19.9
	Middle	42	25.8	22.6	4,309	26.3	19.3	20.7
	Upper	73	44.8	39.4	9,004	54.9	49.4	36.1
	Unknown	8	4.9	13.7	718	4.4	16.1	0.0
	Total		163	100.0	100.0	16,390	100.0	100.0
Home Improvement	Low	3	33.3	17.3	88	29.1	14.1	23.3
	Moderate	0	0.0	15.4	0	0.0	16.3	19.9
	Middle	3	33.3	30.8	113	37.4	27.2	20.7
	Upper	3	33.3	30.8	101	33.4	37.4	36.1
	Unknown	0	0.0	5.8	0	0.0	5.0	0.0
	Total		9	100.0	100.0	302	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	23.3
	Moderate	1	20.0	9.1	62	4.1	0.4	19.9
	Middle	0	0.0	0.0	0	0.0	0.0	20.7
	Upper	1	20.0	9.1	205	13.6	1.3	36.1
	Unknown	3	60.0	81.8	1,245	82.3	98.3	0.0
	Total		5	100.0	100.0	1,512	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	23.3
	Moderate	0	0.0	11.1	0	0.0	13.7	19.9
	Middle	0	0.0	33.3	0	0.0	37.2	20.7
	Upper	0	0.0	33.3	0	0.0	35.0	36.1
	Unknown	0	0.0	22.2	0	0.0	14.2	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	10.7	0	0.0	11.5	23.3
	Moderate	0	0.0	25.0	0	0.0	17.6	19.9
	Middle	0	0.0	17.9	0	0.0	10.9	20.7
	Upper	0	0.0	46.4	0	0.0	60.0	36.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	23.3
	Moderate	0	0.0	3.6	0	0.0	8.3	19.9
	Middle	0	0.0	0.0	0	0.0	0.0	20.7
	Upper	0	0.0	0.0	0	0.0	0.0	36.1
	Unknown	1	100.0	96.4	51	100.0	91.7	0.0
	Total		1	100.0	100.0	51	100.0	100.0
HMDA Totals	Low	51	13.3	12.2	2,926	7.2	6.8	23.3
	Moderate	48	12.5	18.4	3,312	8.1	13.2	19.9
	Middle	84	21.9	19.3	8,658	21.2	17.3	20.7
	Upper	174	45.4	31.3	22,908	56.1	42.5	36.1
	Unknown	26	6.8	18.8	3,056	7.5	20.3	0.0
	Total		383	100.0	100.0	40,860	100.0	100.0

Originations & Purchases

2016 FFIEC Census Data

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

Small Business Loans

The borrower distribution of small business loans reflects excellent penetration among businesses of different revenue sizes. In 2021, CBI Bank & Trust originated 93.8 percent by number of its small business loans to small businesses reporting annual revenues of \$1 million or less, which was above the percentage of total businesses operating within the assessment area (88.9 percent). Of the 15 loans originated to small businesses, 73.3 percent were in amounts of \$100,000 or less which are considered most beneficial to small businesses. As mentioned previously, the COVID-19 pandemic had a significant impact on the revenues of local businesses. As a result of the pandemic, the bank participated in the SBA’s PPP and originated 328 PPP loans not reflected in the table below. This lending activity is deemed particularly responsive considering the financial stress many small businesses experienced throughout the pandemic. The following table summarizes the bank’s 2021 small business lending in the assessment area.

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2021 Galesburg IL Non MSA							
Product Type		Bank & Demographic Comparison					
		2021		2021		Total Businesses %	
Revenue	Loan Size	Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	15	93.8	1,241	91.2	88.9
		Over \$1 Million	1	6.3	120	8.8	8.7
		Unknown	0	0.0	0	0.0	2.4
		Total	16	100.0	1,361	100.0	100.0
	Loan Size	\$100,000 or Less	11	68.8	312	22.9	
		\$100,001 - \$250,000	3	18.8	422	31.0	
		\$250,001 - \$1 Million	2	12.5	627	46.1	
		Total	16	100.0	1,361	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	11	73.3	312	25.1	
		\$100,001 - \$250,000	2	13.3	302	24.3	
		\$250,001 - \$1 Million	2	13.3	627	50.5	
		Total	15	100.0	1,241	100.0	
Originations & Purchases							
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Small Farm Loans

The distribution of small farm loans reflects reasonable penetration among farms of different revenue sizes. In 2021, CBI Bank & Trust originated 83.3 percent by number of its agricultural loans to small farms reporting annual revenues of \$1 million or less, which was below the percentage of small farms operating within the assessment area (98.9 percent). Of the five loans originated to small farms, 60.0 percent were in amounts of \$100,000 or less which are considered

most beneficial to small farms.

The following table summarizes the bank’s 2021 small farm lending in the assessment area.

Small Farm Lending By Revenue & Loan Size							
Assessment Area: 2021 Galesburg IL Non MSA							
Product Type		Bank & Demographic Comparison					
		2021		2021		Total Farms	
	Revenue	Count Bank		Dollar Bank			%
		#	%	\$ 000s	\$ %		
Small Farm	Revenue	\$1 Million or Less	5	83.3	518	83.8	98.9
		Over \$1 Million	1	16.7	100	16.2	1.1
		Unknown	0	0.0	0	0.0	0.0
		Total	6	100.0	618	100.0	100.0
	Loan Size	\$100,000 or Less	4	66.7	148	23.9	
		\$100,001 - \$250,000	1	16.7	171	27.6	
		\$250,001 - \$500,000	1	16.7	300	48.5	
		Total	6	100.0	619	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	3	60.0	48	9.2	
		\$100,001 - \$250,000	1	20.0	171	32.9	
		\$250,001 - \$500,000	1	20.0	300	57.8	
		Total	5	100.0	519	100.0	
Originations & Purchases							
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

COMMUNITY DEVELOPMENT TEST

Lending, Investment, and Services Activities

CBI Bank & Trust demonstrates excellent responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services, considering the bank’s capacity and the need and availability of such opportunities in the Galesburg, IL Non-MSA assessment area. As previously mentioned, due to the merger CBI Bank & Trust with F&M, the community development evaluation period is the 28-month period from March 10, 2020, through July 18, 2022. F&M’s last performance evaluation included an evaluation of community development activities for the 50-month period of January 11, 2016, through March 9, 2020.

Lending

CBI Bank & Trust originated 24 qualified community development loans for approximately \$16.6 million in the assessment area during the evaluation period. Of the bank’s qualified community development loans, two loans totaling \$4.2 million were made for community service purposes,

three loans for \$3.1 million were made for the purpose of economic development, and 19 loans totaling \$9.3 million for revitalization/stabilization purposes. These efforts helped attract and retain businesses and residents to the local area. During the prior evaluation, the bank originated 20 community development loans for a total of \$7.2 million.

Investments

The bank made 10 qualified investments totaling \$3.2 million during the evaluation period which is consistent with the last examination as the bank made 10 investments for \$3.1 million. However, as mentioned, the prior evaluation included a 50-month evaluation period while this examination period is only 28 months. The investments in the evaluation period include bonds to local municipalities primarily serving low- to moderate-income geographies. CBI Bank & Trust also made 95 donations totaling \$128,854 in the assessment area which is only slightly below the number of donations made during the prior 50-month evaluation (105 donations for \$153,545).

Services

Bank staff provided 15 community development services totaling 1,722 hours during this evaluation period compared to 3,423 hours at the prior evaluation. This is considered especially responsive as the majority of the bank's review period was during the COVID-19 pandemic, which significantly limited in person events and opportunities to provide community development services. Additionally, as mentioned the review period during this evaluation is only 28 months compared to the 50-month timeframe for the prior evaluation. A majority of the services provided were through active board memberships at organizations serving a variety of community development purposes, including community services to low- and moderate-income individuals and small businesses.

The following table presents the bank's community development activities in the assessment area during the review period.

Galesburg, Illinois Non-MSA Community Development Activities March 10, 2020 – July 18, 2022										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	0	0	3	3,054,058	19	9,329,352	2	4,201,500	24	16,584,910
Investment	0	0	0	0	9	2,715,000	1	500,000	10	3,215,000
Donations	0	0	2	1,000	23	68,203	70	59,651	95	128,854
Services	2	252	2	346	4	472	7	652	15	1,722

PEORIA, ILLINOIS MSA #37900 - Limited Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN PEORIA, ILLINOIS MSA

The Peoria, IL MSA #37900 assessment area is comprised Peoria and Tazewell counties in their entirety. The bank operates two branches and two cash-only ATMs (one is a standalone) within the Peoria, IL MSA assessment area. Since the previous evaluation, the bank has not closed or opened any branches in the assessment area and the assessment area is unchanged.

The FDIC Deposit Market Share Report dated June 30, 2021, ranks CBI Bank & Trust 15th among 28 FDIC-insured institutions operating in the assessment area. During this time, the bank held approximately \$60.4 million in deposits representing a 0.8 percent market share, compared to the market leader Morton Community Bank, Morton, IL, which holds 35.2 percent (approximately \$2.8 billion) of the assessment area's deposits.

CBI Bank & Trust ranks 26th out of 306 aggregate lenders in 2021 HMDA-reportable transactions. A total of 101 originations were reported by the bank compared to 1,909 originations reported by market leader Citizens Equity First. The data is indicative of a saturated market with respect to HMDA reporters. CBI Bank & Trust is competitive in the market with large national lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2021 Peoria, IL MSA 37900								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	12	15.4	5,969	7.1	2,207	37.0	17,308	20.7
Moderate-income	13	16.7	12,760	15.3	2,128	16.7	14,304	17.1
Middle-income	34	43.6	38,209	45.7	2,819	7.4	17,432	20.9
Upper-income	19	24.4	26,638	31.9	828	3.1	34,532	41.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	78	100.0	83,576	100.0	7,982	9.6	83,576	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	13,543	3,857	4.2	28.5	7,151	52.8	2,535	18.7
Moderate-income	23,721	13,714	15.1	57.8	7,834	33.0	2,173	9.2
Middle-income	63,598	43,478	47.9	68.4	16,211	25.5	3,909	6.1
Upper-income	40,572	29,748	32.8	73.3	8,428	20.8	2,396	5.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	141,434	90,797	100.0	64.2	39,624	28.0	11,013	7.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	1,294	12.3	1,085	11.6	201	18.3	8	6.7
Moderate-income	1,428	13.5	1,295	13.9	124	11.3	9	7.5
Middle-income	4,546	43.1	4,039	43.3	443	40.4	64	53.3
Upper-income	3,271	31.0	2,903	31.1	329	30.0	39	32.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	10,539	100.0	9,322	100.0	1,097	100.0	120	100.0
	Percentage of Total Businesses:			88.5		10.4		1.1
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	9	2.4	9	2.5	0	0.0	0	0.0
Middle-income	195	52.4	189	51.9	5	71.4	1	100.0
Upper-income	168	45.2	166	45.6	2	28.6	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	372	100.0	364	100.0	7	100.0	1	100.0
	Percentage of Total Farms:			97.8		1.9		0.3
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS PEORIA, IL MSA 37900

Assessment Area	Lending Test	Community Development Test
Peoria, IL MSA 37900	Consistent	Below

The institution's lending performance in the Peoria, IL MSA assessment area is consistent with the institution's lending performance in the state of Illinois. The institution's community development performance in the area is below the institution's community development performance for the state of Illinois; however, it does not change the rating for the state.

LENDING TEST

Geographic Distribution of Loans

The following table represents 2021 geographic distribution of HMDA-reportable, small business, and small farm loans for the assessment area.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2021 Peoria, IL MSA 37900								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison						Owner Occupied % of Units
		2021			2021			
		Count Bank		Agg	Dollar Bank		Agg	
#	%	%	\$ (000s)	\$ %	\$ %			
Home Purchase	Low	4	8.2	1.7	217	3.0	0.8	4.2
	Moderate	6	12.2	15.7	423	5.8	9.2	15.1
	Middle	19	38.8	49.8	2,651	36.5	42.2	47.9
	Upper	20	40.8	32.8	3,967	54.7	47.8	32.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	49	100.0	100.0	7,258	100.0	100.0	100.0
Refinance	Low	2	4.9	1.0	151	2.6	0.5	4.2
	Moderate	4	9.8	9.5	62	1.0	5.2	15.1
	Middle	11	26.8	45.4	1,281	21.7	38.3	47.9
	Upper	24	58.5	44.1	4,422	74.7	56.0	32.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	41	100.0	100.0	5,916	100.0	100.0	100.0
Home Improvement	Low	0	0.0	2.3	0	0.0	1.2	4.2
	Moderate	0	0.0	12.1	0	0.0	7.5	15.1
	Middle	0	0.0	40.0	0	0.0	42.1	47.9
	Upper	1	100.0	45.6	50	100.0	49.2	32.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	1	100.0	100.0	50	100.0	100.0	100.0
Multi-Family	Low	0	0.0	13.3	0	0.0	4.8	18.7
	Moderate	3	42.9	15.6	861	44.6	2.4	14.8
	Middle	3	42.9	45.6	808	41.9	52.1	39.3
	Upper	1	14.3	25.6	260	13.5	40.7	27.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	7	100.0	100.0	1,929	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	1.6	0	0.0	0.6	4.2
	Moderate	0	0.0	9.9	0	0.0	5.3	15.1
	Middle	0	0.0	43.5	0	0.0	34.9	47.9
	Upper	0	0.0	45.0	0	0.0	59.1	32.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	2.2	0	0.0	1.4	4.2
	Moderate	0	0.0	9.6	0	0.0	5.1	15.1
	Middle	0	0.0	39.3	0	0.0	32.8	47.9
	Upper	0	0.0	48.9	0	0.0	60.7	32.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	4.6	0	0.0	3.1	4.2
	Moderate	0	0.0	27.8	0	0.0	23.1	15.1
	Middle	0	0.0	53.6	0	0.0	51.8	47.9
	Upper	0	0.0	13.9	0	0.0	22.1	32.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	6	6.1	1.6	368	2.4	0.9	4.2
	Moderate	13	13.3	13.3	1,346	8.9	7.3	15.1
	Middle	33	33.7	47.7	4,740	31.3	41.2	47.9
	Upper	46	46.9	37.5	8,699	57.4	50.5	32.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	98	100.0	100.0	15,153	100.0	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans						
Assessment Area: 2021 Peoria, IL MSA 37900						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2021 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	
Small Business	Low	1	12.5	100	8.8	12.3
	Moderate	0	0.0	0	0.0	13.5
	Middle	5	62.5	490	43.1	43.1
	Upper	2	25.0	547	48.1	31.0
	Unknown	0	0.0	0	0.0	0.0
	Total	8	100.0	1,137	100.0	100.0

2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Small Farm Loans						
Assessment Area: 2021 Peoria, IL MSA 37900						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2021 Dollar Bank		Total Farms
		#	%	\$ 000s	\$ %	
Small Farm	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	2.4
	Middle	1	50.0	50	50.5	52.4
	Upper	1	50.0	49	49.5	45.2
	Unknown	0	0.0	0	0.0	0.0
	Total	2	100.0	99	100.0	100.0

2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

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

The following tables represent the 2021 borrower distribution of HMDA-reportable, small business, and small farm loans in the assessment area

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2021 Peoria, IL MSA 37900								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2021						
		Count Bank		Agg %	Dollar Bank		Agg \$ %	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	1	2.0	15.7	48	0.7	8.4	20.7
	Moderate	8	16.3	22.0	833	11.5	16.8	17.1
	Middle	8	16.3	19.8	904	12.5	20.2	20.9
	Upper	28	57.1	24.7	5,295	73.0	39.5	41.3
	Unknown	4	8.2	17.8	178	2.5	15.2	0.0
	Total		49	100.0	100.0	7,258	100.0	100.0
Refinance	Low	6	14.6	7.7	386	6.5	3.9	20.7
	Moderate	8	19.5	16.0	675	11.4	10.4	17.1
	Middle	6	14.6	21.1	746	12.6	17.9	20.9
	Upper	19	46.3	37.0	3,725	63.0	49.8	41.3
	Unknown	2	4.9	18.1	384	6.5	18.0	0.0
	Total		41	100.0	100.0	5,916	100.0	100.0
Home Improvement	Low	0	0.0	3.3	0	0.0	2.8	20.7
	Moderate	0	0.0	8.1	0	0.0	6.3	17.1
	Middle	0	0.0	8.1	0	0.0	9.3	20.9
	Upper	1	100.0	18.8	50	100.0	27.6	41.3
	Unknown	0	0.0	61.6	0	0.0	54.0	0.0
	Total		1	100.0	100.0	50	100.0	100.0
Multi-Family	Low	1	14.3	1.1	76	3.9	0.1	20.7
	Moderate	0	0.0	3.3	0	0.0	0.2	17.1
	Middle	0	0.0	1.1	0	0.0	0.1	20.9
	Upper	0	0.0	17.8	0	0.0	2.5	41.3
	Unknown	6	85.7	76.7	1,853	96.1	97.2	0.0
	Total		7	100.0	100.0	1,929	100.0	100.0
Other Purpose LOC	Low	0	0.0	3.7	0	0.0	1.9	20.7
	Moderate	0	0.0	7.3	0	0.0	6.2	17.1
	Middle	0	0.0	7.9	0	0.0	8.2	20.9
	Upper	0	0.0	23.0	0	0.0	38.3	41.3
	Unknown	0	0.0	58.1	0	0.0	45.4	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	5.2	0	0.0	3.2	20.7
	Moderate	0	0.0	14.8	0	0.0	13.5	17.1
	Middle	0	0.0	21.5	0	0.0	25.1	20.9
	Upper	0	0.0	31.9	0	0.0	44.1	41.3
	Unknown	0	0.0	26.7	0	0.0	14.1	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	20.7
	Moderate	0	0.0	0.5	0	0.0	0.4	17.1
	Middle	0	0.0	0.5	0	0.0	1.2	20.9
	Upper	0	0.0	0.0	0	0.0	0.0	41.3
	Unknown	0	0.0	99.0	0	0.0	98.4	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	8	8.2	11.7	510	3.4	6.0	20.7
	Moderate	16	16.3	18.6	1,508	10.0	13.1	17.1
	Middle	14	14.3	19.4	1,650	10.9	17.9	20.9
	Upper	48	49.0	28.8	9,070	59.9	40.9	41.3
	Unknown	12	12.2	21.5	2,415	15.9	22.1	0.0
	Total		98	100.0	100.0	15,153	100.0	100.0

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

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2021 Peoria, IL MSA 37900								
Product Type		Bank & Demographic Comparison						
		2021		2021		Total Businesses		
#	%	\$ 000s	%	%	%			
						Small Business	Revenue	\$1 Million or Less
Over \$1 Million	0	0.0	0	0.0	10.4			
Unknown	0	0.0	0	0.0	1.1			
Total	8	100.0	1,137	100.0	100.0			
Loan Size	\$100,000 or Less	6	75.0	285	25.1			
	\$100,001 - \$250,000	0	0.0	0	0.0			
	\$250,001 - \$1 Million	2	25.0	852	74.9			
	Total	8	100.0	1,137	100.0			
Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	6	75.0	285	25.1			
	\$100,001 - \$250,000	0	0.0	0	0.0			
	\$250,001 - \$1 Million	2	25.0	852	74.9			
	Total	8	100.0	1,137	100.0			

Originations & Purchases
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Small Farm Lending By Revenue & Loan Size								
Assessment Area: 2021 Peoria, IL MSA 37900								
Product Type		Bank & Demographic Comparison						
		2021		2021		Total Farms		
#	%	\$ 000s	%	%	%			
						Small Farm	Revenue	\$1 Million or Less
Over \$1 Million	0	0.0	0	0.0	1.9			
Unknown	0	0.0	0	0.0	0.3			
Total	2	100.0	99	100.0	100.0			
Loan Size	\$100,000 or Less	2	100.0	99	100.0			
	\$100,001 - \$250,000	0	0.0	0	0.0			
	\$250,001 - \$500,000	0	0.0	0	0.0			
	Total	2	100.0	99	100.0			
Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	2	100.0	99	100.0			
	\$100,001 - \$250,000	0	0.0	0	0.0			
	\$250,001 - \$500,000	0	0.0	0	0.0			
	Total	2	100.0	99	100.0			

Originations & Purchases
2021 FFIEC Census Data & 2021 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

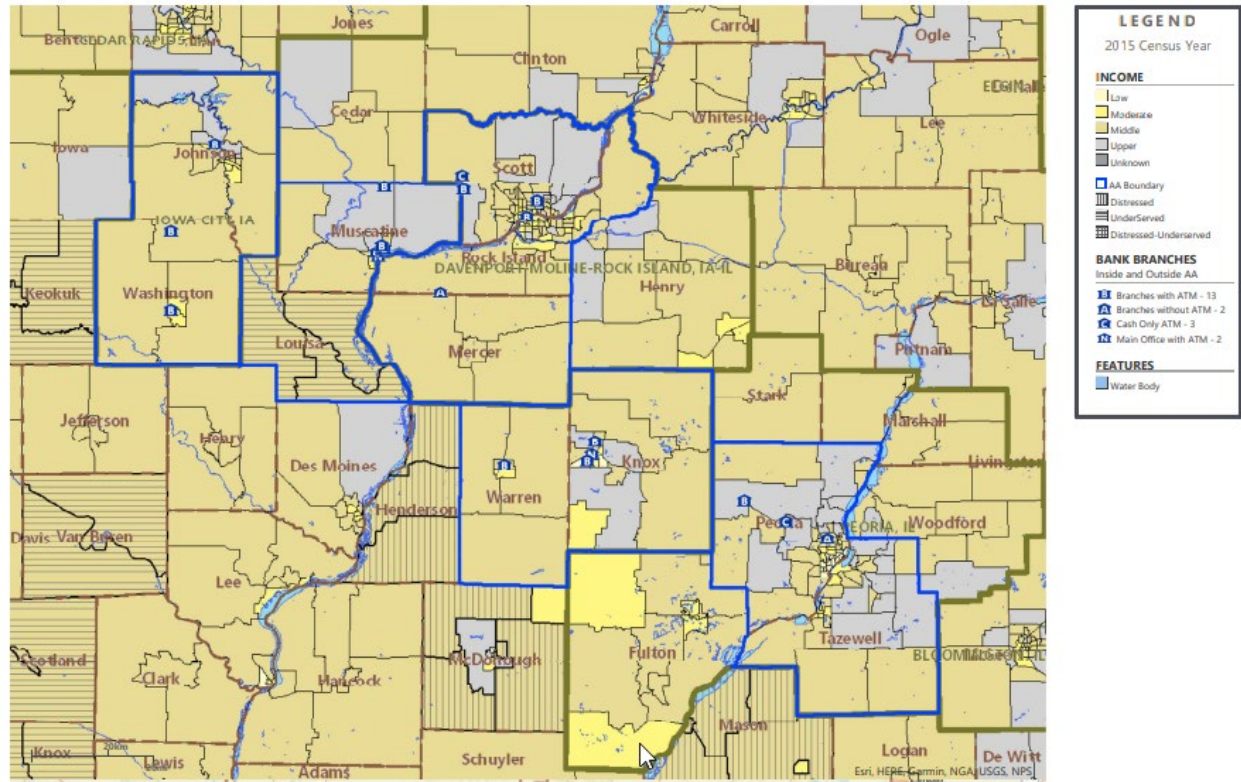
COMMUNITY DEVELOPMENT TEST

CBI Bank & Trust’s community development performance in Peoria, IL MSA assessment area is below the bank’s community development performance for the state of Illinois.

Peoria, IL MSA 37900 Community Development Activities March 10, 2020 – July 18, 2022										
Type of Activity	Affordable Housing		Economic Development		Activities that Revitalize/Stabilize		Community Services		Totals	
	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours	#	\$/Hours
Lending	5	2,986,400	0	0	4	8,124,100	0	0	9	11,110,500
Investment	0	0	0	0	4	2,640,000	0	0	4	2,640,000
Donations	0	0	0	0	0	0	10	17,900	10	17,900
Services	0	0	1	56	0	0	2	414	3	470

APPENDIX A – Map of the Assessment Areas

CBI Bank & Trust 830542
Combined Assessment Area



APPENDIX B – Scope of Examination

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED	<ul style="list-style-type: none"> • HMDA Reportable Lending: January 1, 2020 – December 31, 2021 <ul style="list-style-type: none"> ◦ January 1, 2021 – December 31, 2021 (Galesburg, IL Non MSA and Peoria, IL MSA) • Small Business Lending: January 1, 2021 – December 31, 2021 • Small Farm Lending: January 1, 2021 – December 31, 2021 • Community Development Activities: February 20, 2019 – July 18, 2022 <ul style="list-style-type: none"> ◦ April 10, 2020 – July 18, 2022 (Galesburg, IL Non MSA and Peoria, IL MSA) 		
FINANCIAL INSTITUTION CBI BANK AND TRUST			PRODUCTS REVIEWED <ul style="list-style-type: none"> • HMDA Reportable Lending • Small Business Lending • Small Farm Lending • Community Development Activities
AFFILIATE(S)	AFFILIATE RELATIONSHIP		PRODUCTS REVIEWED
None			
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Davenport-Moline-Rock Island, IA-IL MSA #19340	Full Scope	None	N/A
State of Iowa			
Iowa Non-MSA	Full Scope	Main Office	N/A
Iowa City, IA MSA #26980	Limited Scope		

State of Illinois			
Galesburg, IL Non-MSA	Full Scope	None	N/A
Peoria, IL MSA #37900	Limited Scope		

APPENDIX C – SUPPLEMENTAL INFORMATION

Assessment Area: 2020 Davenport-Moline-Rock Island, IA-IL MSA 19340									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	4	4.4	1,566	1.8	551	35.2	16,880	19.9	
Moderate-income	26	28.6	15,617	18.4	2,679	17.2	15,311	18.1	
Middle-income	47	51.6	50,510	59.7	4,401	8.7	18,188	21.5	
Upper-income	14	15.4	16,973	20.0	540	3.2	34,287	40.5	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	91	100.0	84,666	100.0	8,171	9.7	84,666	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied		Rental		Vacant			
		#	%	%	#	%	#	%	
Low-income	4,530	735	0.8	16.2	2,846	62.8	949	20.9	
Moderate-income	31,422	16,147	17.3	51.4	11,724	37.3	3,551	11.3	
Middle-income	83,247	56,358	60.5	67.7	21,499	25.8	5,390	6.5	
Upper-income	26,751	19,976	21.4	74.7	5,422	20.3	1,353	5.1	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
Total Assessment Area	145,950	93,216	100.0	63.9	41,491	28.4	11,243	7.7	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	799	6.2	675	5.8	113	9.4	11	7.0	
Moderate-income	2,494	19.3	2,211	19.1	263	22.0	20	12.7	
Middle-income	6,462	50.0	5,763	49.8	611	51.1	88	56.1	
Upper-income	3,165	24.5	2,918	25.2	209	17.5	38	24.2	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	12,920	100.0	11,567	100.0	1,196	100.0	157	100.0	
	Percentage of Total Businesses:			89.5		9.3		1.2	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	1	0.2	1	0.2	0	0.0	0	0.0	
Moderate-income	7	1.3	7	1.4	0	0.0	0	0.0	
Middle-income	387	74.4	385	74.9	2	33.3	0	0.0	
Upper-income	125	24.0	121	23.5	4	66.7	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	520	100.0	514	100.0	6	100.0	0	0.0	
	Percentage of Total Farms:			98.8		1.2		0.0	
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2020 Davenport-Moline-Rock Island, IA-IL MSA 19340								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		Count		Dollar				
		Bank	Agg	Bank	Agg	Agg		
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	0.4	0	0.0	0.3	0.8
	Moderate	3	10.0	14.9	192	4.0	8.4	17.3
	Middle	17	56.7	58.7	2,481	51.7	53.0	60.5
	Upper	10	33.3	25.9	2,125	44.3	38.3	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	30	100.0	100.0	4,798	100.0	100.0	100.0
Refinance	Low	2	2.5	0.2	365	3.0	0.1	0.8
	Moderate	8	10.1	8.6	541	4.4	4.4	17.3
	Middle	41	51.9	54.5	6,110	49.6	47.6	60.5
	Upper	28	35.4	36.6	5,302	43.0	47.8	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	79	100.0	100.0	12,318	100.0	100.0	100.0
Home Improvement	Low	0	0.0	1.0	0	0.0	0.6	0.8
	Moderate	1	50.0	13.0	60	89.6	9.6	17.3
	Middle	1	50.0	56.4	7	10.4	51.8	60.5
	Upper	0	0.0	29.7	0	0.0	38.0	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	2	100.0	100.0	67	100.0	100.0	100.0
Multi-Family	Low	1	6.3	6.8	25	0.3	9.3	Multi-Family 9.1
	Moderate	9	56.3	30.4	2,004	25.4	16.8	22.2
	Middle	5	31.3	45.3	5,424	68.8	40.1	52.4
	Upper	1	6.3	17.6	428	5.4	33.8	16.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	16	100.0	100.0	7,881	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.8
	Moderate	0	0.0	11.5	0	0.0	7.1	17.3
	Middle	0	0.0	52.9	0	0.0	52.5	60.5
	Upper	0	0.0	35.6	0	0.0	40.4	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	1.4	0	0.0	0.7	0.8
	Moderate	0	0.0	15.8	0	0.0	10.8	17.3
	Middle	0	0.0	62.0	0	0.0	53.0	60.5
	Upper	0	0.0	20.8	0	0.0	35.6	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.9	0	0.0	0.5	0.8
	Moderate	0	0.0	24.1	0	0.0	18.1	17.3
	Middle	0	0.0	62.5	0	0.0	65.1	60.5
	Upper	0	0.0	12.4	0	0.0	16.4	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	3	2.4	0.4	390	1.6	0.8	0.8
	Moderate	21	16.5	11.8	2,797	11.2	6.9	17.3
	Middle	64	50.4	56.4	14,022	55.9	49.3	60.5
	Upper	39	30.7	31.4	7,855	31.3	43.0	21.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	127	100.0	100.0	25,064	100.0	100.0	100.0

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

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2020 Davenport-Moline-Rock Island, IA-IL MSA 19340								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2020						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	1	3.3	12.3	91	1.9	6.7	19.9
	Moderate	2	6.7	22.7	259	5.4	16.5	18.1
	Middle	6	20.0	20.8	965	20.1	20.3	21.5
	Upper	10	33.3	29.2	2,087	43.5	42.4	40.5
	Unknown	11	36.7	15.0	1,396	29.1	14.2	0.0
	Total		30	100.0	100.0	4,798	100.0	100.0
Refinance	Low	6	7.6	4.7	384	3.1	2.1	19.9
	Moderate	11	13.9	13.5	1,164	9.4	8.3	18.1
	Middle	15	19.0	18.9	1,801	14.6	15.6	21.5
	Upper	39	49.4	42.0	7,700	62.5	53.6	40.5
	Unknown	8	10.1	20.9	1,269	10.3	20.5	0.0
	Total		79	100.0	100.0	12,318	100.0	100.0
Home Improvement	Low	0	0.0	7.4	0	0.0	3.7	19.9
	Moderate	1	50.0	18.8	7	10.4	13.7	18.1
	Middle	0	0.0	20.0	0	0.0	16.9	21.5
	Upper	0	0.0	44.4	0	0.0	51.7	40.5
	Unknown	1	50.0	9.5	60	89.6	14.0	0.0
	Total		2	100.0	100.0	67	100.0	100.0
Multi-Family	Low	0	0.0	0.7	0	0.0	0.0	19.9
	Moderate	0	0.0	3.4	0	0.0	0.1	18.1
	Middle	0	0.0	2.0	0	0.0	0.3	21.5
	Upper	0	0.0	6.8	0	0.0	1.2	40.5
	Unknown	16	100.0	87.2	7,881	100.0	98.4	0.0
	Total		16	100.0	100.0	7,881	100.0	100.0
Other Purpose LOC	Low	0	0.0	9.1	0	0.0	6.1	19.9
	Moderate	0	0.0	16.8	0	0.0	15.0	18.1
	Middle	0	0.0	22.1	0	0.0	23.9	21.5
	Upper	0	0.0	48.6	0	0.0	53.3	40.5
	Unknown	0	0.0	3.4	0	0.0	1.8	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	17.6	0	0.0	13.6	19.9
	Moderate	0	0.0	23.5	0	0.0	16.5	18.1
	Middle	0	0.0	24.4	0	0.0	18.4	21.5
	Upper	0	0.0	30.8	0	0.0	43.7	40.5
	Unknown	0	0.0	3.6	0	0.0	7.8	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	19.9
	Moderate	0	0.0	0.0	0	0.0	0.0	18.1
	Middle	0	0.0	0.0	0	0.0	0.0	21.5
	Upper	0	0.0	0.0	0	0.0	0.0	40.5
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	7	5.5	7.7	475	1.9	3.6	19.9
	Moderate	14	11.0	16.9	1,430	5.7	10.7	18.1
	Middle	21	16.5	19.2	2,766	11.0	16.1	21.5
	Upper	49	38.6	35.8	9,787	39.0	45.5	40.5
	Unknown	36	28.3	20.3	10,606	42.3	24.1	0.0
	Total		127	100.0	100.0	25,064	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Assessment Area: 2020 IA Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,547	17.6
Moderate-income	1	7.7	799	5.5	163	20.4	2,799	19.3
Middle-income	9	69.2	9,647	66.7	1,116	11.6	3,433	23.7
Upper-income	3	23.1	4,022	27.8	202	5.0	5,689	39.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	13	100.0	14,468	100.0	1,481	10.2	14,468	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	1,359	873	5.7	64.2	289	21.3	197	14.5
Middle-income	15,479	10,034	65.0	64.8	3,878	25.1	1,567	10.1
Upper-income	6,133	4,533	29.4	73.9	1,049	17.1	551	9.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	22,971	15,440	100.0	67.2	5,216	22.7	2,315	10.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	104	5.0	93	5.0	11	6.3	0	0.0
Middle-income	1,477	71.4	1,318	70.8	136	77.3	23	76.7
Upper-income	487	23.5	451	24.2	29	16.5	7	23.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	2,068	100.0	1,862	100.0	176	100.0	30	100.0
	Percentage of Total Businesses:			90.0		8.5		1.5
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1	0.4	1	0.4	0	0.0	0	0.0
Middle-income	184	66.9	182	66.9	1	50.0	1	100.0
Upper-income	90	32.7	89	32.7	1	50.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	275	100.0	272	100.0	2	100.0	1	100.0
	Percentage of Total Farms:			98.9		0.7		0.4
2020 FFIEC Census Data & 2020 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2020 IA Non MSA							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		Count		Dollar			
		#	%	Bank	Agg	Bank	
					\$ (000s)	\$ %	\$ %
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	2	2.2	4.4	147	1.1	2.8
	Middle	52	58.4	62.0	5,920	45.5	56.4
	Upper	35	39.3	33.6	6,943	53.4	40.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	89	100.0	100.0	13,010	100.0	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	6	2.8	1.5	554	1.6	0.7
	Middle	77	36.2	53.3	8,984	26.7	45.6
	Upper	130	61.0	45.2	24,081	71.6	53.7
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	213	100.0	100.0	33,619	100.0	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	1	7.7	4.4	25	5.8	3.3
	Middle	9	69.2	64.7	265	61.9	59.0
	Upper	3	23.1	30.9	138	32.2	37.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	13	100.0	100.0	428	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	2	66.7	66.7	240	28.6	63.4
	Upper	1	33.3	33.3	600	71.4	36.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	3	100.0	100.0	840	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	0	0.0	70.6	0	0.0	64.5
	Upper	0	0.0	29.4	0	0.0	35.5
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	9.5	0	0.0	6.8
	Middle	0	0.0	38.1	0	0.0	38.3
	Upper	0	0.0	52.4	0	0.0	54.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	3.9	0	0.0	2.6
	Middle	0	0.0	76.5	0	0.0	67.7
	Upper	0	0.0	19.6	0	0.0	29.7
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	9	2.8	2.9	726	1.5	1.6
	Middle	140	44.0	58.0	15,409	32.2	50.8
	Upper	169	53.1	39.1	31,762	66.3	47.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total	318	100.0	100.0	47,897	100.0	100.0

Originations & Purchases
2016 FFIEC Census Data

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

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2020 IA Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2020						
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	9	10.1	8.9	762	5.9	5.4	17.6
	Moderate	21	23.6	25.7	2,074	15.9	19.7	19.3
	Middle	16	18.0	26.4	2,243	17.2	24.5	23.7
	Upper	37	41.6	26.4	7,264	55.8	36.4	39.3
	Unknown	6	6.7	12.6	667	5.1	14.0	0.0
	Total		89	100.0	100.0	13,010	100.0	100.0
Refinance	Low	8	3.8	3.5	488	1.5	1.5	17.6
	Moderate	33	15.5	15.8	3,294	9.8	10.5	19.3
	Middle	43	20.2	19.4	5,946	17.7	15.9	23.7
	Upper	118	55.4	45.7	22,014	65.5	54.0	39.3
	Unknown	11	5.2	15.6	1,877	5.6	18.1	0.0
	Total		213	100.0	100.0	33,619	100.0	100.0
Home Improvement	Low	0	0.0	4.4	0	0.0	3.4	17.6
	Moderate	1	7.7	26.5	7	1.6	26.3	19.3
	Middle	4	30.8	19.1	47	11.0	14.1	23.7
	Upper	7	53.8	48.5	349	81.5	55.2	39.3
	Unknown	1	7.7	1.5	25	5.8	1.0	0.0
	Total		13	100.0	100.0	428	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	17.6
	Moderate	0	0.0	0.0	0	0.0	0.0	19.3
	Middle	0	0.0	0.0	0	0.0	0.0	23.7
	Upper	2	66.7	33.3	240	28.6	4.0	39.3
	Unknown	1	33.3	66.7	600	71.4	96.0	0.0
	Total		3	100.0	100.0	840	100.0	100.0
Other Purpose LOC	Low	0	0.0	5.9	0	0.0	1.5	17.6
	Moderate	0	0.0	17.6	0	0.0	21.7	19.3
	Middle	0	0.0	23.5	0	0.0	19.3	23.7
	Upper	0	0.0	41.2	0	0.0	52.2	39.3
	Unknown	0	0.0	11.8	0	0.0	5.3	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	9.5	0	0.0	6.9	17.6
	Moderate	0	0.0	19.0	0	0.0	16.2	19.3
	Middle	0	0.0	38.1	0	0.0	41.4	23.7
	Upper	0	0.0	33.3	0	0.0	35.4	39.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	17.6
	Moderate	0	0.0	0.0	0	0.0	0.0	19.3
	Middle	0	0.0	0.0	0	0.0	0.0	23.7
	Upper	0	0.0	0.0	0	0.0	0.0	39.3
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	17	5.3	5.7	1,250	2.6	3.0	17.6
	Moderate	55	17.3	19.7	5,375	11.2	13.9	19.3
	Middle	63	19.8	21.8	8,236	17.2	18.7	23.7
	Upper	164	51.6	36.5	29,867	62.4	44.8	39.3
	Unknown	19	6.0	16.3	3,169	6.6	19.6	0.0
	Total		318	100.0	100.0	47,897	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Assessment Area: 2020 Iowa City, IA MSA 26980								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	3.4	61	0.2	5	8.2	7,189	19.7
Moderate-income	9	31.0	7,293	20.0	995	13.6	6,505	17.8
Middle-income	13	44.8	19,102	52.3	1,206	6.3	8,785	24.1
Upper-income	6	20.7	10,071	27.6	259	2.6	14,048	38.5
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	29	100.0	36,527	100.0	2,465	6.7	36,527	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	878	20	0.1	2.3	720	82.0	138	15.7
Moderate-income	16,951	6,930	17.6	40.9	9,085	53.6	936	5.5
Middle-income	34,069	20,905	53.1	61.4	11,747	34.5	1,417	4.2
Upper-income	15,628	11,544	29.3	73.9	3,413	21.8	671	4.3
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	67,526	39,399	100.0	58.3	24,965	37.0	3,162	4.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	313	4.0	281	3.9	31	6.5	1	1.5
Moderate-income	1,910	24.7	1,752	24.3	145	30.3	13	19.4
Middle-income	3,634	46.9	3,386	47.0	209	43.7	39	58.2
Upper-income	1,885	24.3	1,778	24.7	93	19.5	14	20.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	7,742	100.0	7,197	100.0	478	100.0	67	100.0
	Percentage of Total Businesses:			93.0		6.2		0.9
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	34	5.8	34	5.9	0	0.0	0	0.0
Middle-income	488	83.7	477	83.4	9	100.0	2	100.0
Upper-income	61	10.5	61	10.7	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	583	100.0	572	100.0	9	100.0	2	100.0
	Percentage of Total Farms:			98.1		1.5		0.3

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

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

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2020 Iowa City, IA MSA 26980								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2020		2020				
		Count Bank	Agg %	Dollar Bank	Agg \$ %	Agg \$ %		
		#	%	\$ (000s)	%	\$ %		
Home Purchase	Low	0	0.0	0.1	0	0.0	0.3	0.1
	Moderate	8	14.3	15.6	1,140	9.0	11.0	17.6
	Middle	29	51.8	53.7	6,869	54.1	54.5	53.1
	Upper	19	33.9	30.7	4,681	36.9	34.1	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		56	100.0	100.0	12,690	100.0	100.0
Refinance	Low	0	0.0	0.1	0	0.0	0.1	0.1
	Moderate	26	14.9	11.4	3,010	7.2	7.4	17.6
	Middle	75	43.1	53.1	17,481	42.0	52.1	53.1
	Upper	73	42.0	35.4	21,128	50.8	40.4	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		174	100.0	100.0	41,619	100.0	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.1
	Moderate	1	33.3	9.5	10	2.7	6.5	17.6
	Middle	1	33.3	52.2	104	28.1	51.4	53.1
	Upper	1	33.3	38.3	256	69.2	42.1	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		3	100.0	100.0	370	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 4.5
	Moderate	1	100.0	37.0	619	100.0	36.8	33.6
	Middle	0	0.0	43.2	0	0.0	31.1	49.4
	Upper	0	0.0	19.8	0	0.0	32.1	12.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		1	100.0	100.0	619	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.1
	Moderate	0	0.0	9.8	0	0.0	6.9	17.6
	Middle	0	0.0	57.0	0	0.0	50.3	53.1
	Upper	0	0.0	33.2	0	0.0	42.8	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	0.1
	Moderate	0	0.0	16.3	0	0.0	19.4	17.6
	Middle	0	0.0	59.3	0	0.0	52.5	53.1
	Upper	0	0.0	24.4	0	0.0	28.0	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	0.1
	Moderate	0	0.0	26.2	0	0.0	22.9	17.6
	Middle	0	0.0	54.8	0	0.0	55.1	53.1
	Upper	0	0.0	19.0	0	0.0	22.0	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	0.1	0	0.0	0.2	0.1
	Moderate	36	15.4	13.2	4,779	8.6	10.9	17.6
	Middle	105	44.9	53.3	24,454	44.2	51.5	53.1
	Upper	93	39.7	33.4	26,065	47.1	37.5	29.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		234	100.0	100.0	55,298	100.0	100.0

Originations & Purchases
2016 FFIEC Census Data

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

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2020 Iowa City, IA MSA 26980								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		2020			2020			
		Count Bank		Agg %	Dollar Bank		Agg %	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	10	17.9	13.5	1,468	11.6	7.9	19.7
	Moderate	12	21.4	21.1	2,472	19.5	16.4	17.8
	Middle	13	23.2	18.9	3,211	25.3	18.7	24.1
	Upper	15	26.8	22.8	4,533	35.7	30.3	38.5
	Unknown	6	10.7	23.7	1,006	7.9	26.7	0.0
	Total		56	100.0	100.0	12,690	100.0	100.0
Refinance	Low	13	7.5	7.0	1,668	4.0	3.5	19.7
	Moderate	28	16.1	16.3	4,658	11.2	11.4	17.8
	Middle	35	20.1	18.9	6,908	16.6	16.6	24.1
	Upper	90	51.7	33.4	26,356	63.3	42.5	38.5
	Unknown	8	4.6	24.4	2,029	4.9	26.0	0.0
	Total		174	100.0	100.0	41,619	100.0	100.0
Home Improvement	Low	1	33.3	10.8	104	28.1	6.5	19.7
	Moderate	0	0.0	16.3	0	0.0	12.5	17.8
	Middle	2	66.7	23.2	266	71.9	19.5	24.1
	Upper	0	0.0	45.3	0	0.0	55.1	38.5
	Unknown	0	0.0	4.5	0	0.0	6.5	0.0
	Total		3	100.0	100.0	370	100.0	100.0
Multi-Family	Low	0	0.0	1.2	0	0.0	0.1	19.7
	Moderate	0	0.0	0.0	0	0.0	0.0	17.8
	Middle	0	0.0	2.5	0	0.0	0.4	24.1
	Upper	0	0.0	0.0	0	0.0	0.0	38.5
	Unknown	1	100.0	96.3	619	100.0	99.4	0.0
	Total		1	100.0	100.0	619	100.0	100.0
Other Purpose LOC	Low	0	0.0	8.1	0	0.0	4.4	19.7
	Moderate	0	0.0	23.4	0	0.0	16.6	17.8
	Middle	0	0.0	17.4	0	0.0	14.0	24.1
	Upper	0	0.0	42.1	0	0.0	55.5	38.5
	Unknown	0	0.0	8.9	0	0.0	9.4	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	11.6	0	0.0	6.9	19.7
	Moderate	0	0.0	19.8	0	0.0	12.4	17.8
	Middle	0	0.0	27.9	0	0.0	19.5	24.1
	Upper	0	0.0	36.0	0	0.0	56.5	38.5
	Unknown	0	0.0	4.7	0	0.0	4.7	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	19.7
	Moderate	0	0.0	0.0	0	0.0	0.0	17.8
	Middle	0	0.0	0.0	0	0.0	0.0	24.1
	Upper	0	0.0	0.0	0	0.0	0.0	38.5
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	24	10.3	9.7	3,240	5.9	4.9	19.7
	Moderate	40	17.1	18.2	7,130	12.9	12.4	17.8
	Middle	50	21.4	19.0	10,385	18.8	16.2	24.1
	Upper	105	44.9	29.7	30,889	55.9	35.3	38.5
	Unknown	15	6.4	23.5	3,654	6.6	31.2	0.0
	Total		234	100.0	100.0	55,298	100.0	100.0

Originations & Purchases

2016 FFIEC Census Data

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

APPENDIX D – Glossary

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

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

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

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

Area Median Income (AMI): AMI means –

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

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

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

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

¹ Source: FFIEC press release dated October 19, 2011.

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

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

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

Combined Statistical Area (CSAs): Adjacent metropolitan statistical areas/metropolitan divisions (MSA/MDs) and micropolitan statistical areas may be combined into larger Combined Statistical Areas based on social and economic ties as well as commuting patterns. The ties used as the basis for CSAs are not as strong as the ties used to support MSA/MD and micropolitan statistical area designations; however, they do bind the larger area together and may be particularly useful for regional planning authorities and the private sector. Under Regulation BB, assessment areas may be presented under a Combined Statistical Area heading; however, all analysis is conducted on the basis of median income figures for MSA/MDs and the applicable state-wide 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 (LPO): This term refers to a staffed facility, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

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

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

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

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

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

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

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

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

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

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

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

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

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

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